

# City of Upland

Administrative Services Department  
Special City Council Meeting  
April 28, 2025  
Staci Sullivan, Finance Manager



# Background



- February 24, 2025, City Council requested a list of reductions that could be repurposed towards infrastructure improvement projects.
- City Manager asked Department Heads for expenditure decreases or revenue increases.

# Department Proposed Reductions / Revenue Increases



• General Government	\$8,223
• Administrative Services	\$98,068
• Development Services	\$48,050
• Police	\$351,526
• Public Works	\$134,244
• Recreation	<u>\$36,195</u>
<b>TOTAL SAVINGS</b>	<b>\$676,306</b>

# Sales Tax Update



- April 2025 – HDL updates the Sales Tax projection for FY 2025-26 downward by \$1,687,500.
- The following major industries are projected to experience the most change:
  - Autos and Transportation
    - Decrease in auto sales
  - Fuel and Service Stations
    - Fuel prices are lower
- Uncertainty in the markets and possible tariffs are impacting several sectors, including Building and Construction and Retail.

# Next Steps



- Staff recommends that the identified savings of \$676,306 be used to offset a portion of the decreased sales tax projection.
- A comprehensive review of all revenues will be done to determine if adjustments can be made, or if additional reductions may be needed.
- Staff will return to the City Council on May 19<sup>th</sup> with the revised FY 2025-26 budget

# Not Recommended Reductions / Revenue Increases



- Departments have prepared additional reductions or revenue increases for consideration.
- These are not recommended due to the impact on operations and the community.

# Recommendation



- That the City Council approve the budget adjustments to the FY 2025-26 budget.