



AGENDA

EL SEGUNDO CITY COUNCIL
SPECIAL MEETING
WEDNESDAY, MAY 13, 2026

1:00 PM OPEN SESSION

CITY COUNCIL CHAMBER
350 MAIN STREET, EL SEGUNDO, CA 90245

Chris Pimentel, Mayor
Ryan W. Baldino, Mayor Pro Tem
Drew Boyles, Council Member
Lance Giroux, Council Member
Michelle Keldorf, Council Member

Susan Truax, City Clerk

Executive Team

Darrell George, City Manager
Barbara Voss, Deputy City Manager
Saul Rodriguez, Police Chief
Michael Allen, Community Development Dir.
Todd Selby, Interim IT Director
Aly Mancini, Recreation, Parks & Library Dir.

Mark Hensley, City Attorney
Paul Chung, CFO/City Treasurer
Ryan Allee, Fire Chief
Rebecca Redyk, HR Director
Elias Sassoon, Public Works Dir.

MISSION STATEMENT:

“Provide a great place to live, work, and visit.”

VISION STATEMENT:

“Be a global innovation leader where big ideas take off while maintaining our unique small-town character.”

The City Council, with certain statutory exceptions, can only act upon properly posted and listed agenda items. Any writings or documents given to a majority of City Council regarding any matter on this agenda that the City received after issuing the agenda packet are available for public inspection in the City Clerk's Office during normal business hours. Such documents may also be posted on the City's website at www.elsegundo.org and additional copies will be available at the City Council meeting.

Unless otherwise noted in the agenda, the public can only comment on City-related business that is within the jurisdiction of the City Council and/or items listed on the agenda during the Public Communications portions of the Meeting. Additionally, members of the public can comment on any Public Hearing item on the agenda during the Public Hearing portion of such item. The time limit for comments is three (3) minutes per person.

Those wishing to address the City Council are requested to complete and submit to the City Clerk a "Speaker Card" located at the Council Chamber entrance. You are not required to provide personal information in order to speak, except to the extent necessary for the City Clerk to call upon you, properly record your name in meeting minutes and to provide contact information for later staff follow-up, if appropriate.

REASONABLE ACCOMMODATIONS: In compliance with the Americans with Disabilities Act and Government Code Section 54953(g), the City Council has adopted a reasonable accommodation policy to swiftly resolve accommodation requests. The policy can also be found on the City's website at <https://www.elsegundo.org/government/departments/city-clerk>. Please contact the City Clerk's Office at (310) 524-2308 to make an accommodation request or to obtain a copy of the policy.

1:00 PM – CONVENE OPEN SESSION – CALL TO ORDER / ROLL CALL

PLEDGE OF ALLEGIANCE

PUBLIC COMMUNICATIONS – (RELATED TO CITY BUSINESS ONLY – UP TO 3 MINUTE LIMIT PER PERSON, 30 MINUTE LIMIT TOTAL) *Individuals who have received value of \$50 or more to communicate to the City Council on behalf of another, and employees speaking on behalf of their employer, must so identify themselves prior to addressing the City Council. Failure to do so shall be a misdemeanor and punishable by a fine of \$250. While all comments are welcome, the Brown Act does not allow Council to take action on any item not on the agenda. The Council will respond to comments after Public Communications is closed.*

CITY MANAGER FOLLOW-UP COMMENTS – (Related to Public Communications)

A. PROCEDURAL MOTIONS

Read All Ordinances and Resolutions on the Agenda by Title Only

Recommendation -

Approval

B. STAFF PRESENTATIONS

1. FY 2026-27 Budget Study Session

Recommendation -

1. City Council to conduct a Budget Study Session and provide direction as necessary.
2. Alternatively, discuss and take other action related to this item.

ADJOURNMENT

POSTED:

DATE: May 8, 2026

TIME: 11:30 AM

BY: Susan Truax, City Clerk



City Council Agenda Statement

Meeting Date: May 13, 2026

Agenda Heading: Staff Presentations

Item Number: B.1

TITLE:

FY 2026-27 Budget Study Session

RECOMMENDATION:

1. City Council to conduct a Budget Study Session and provide direction as necessary.
2. Alternatively, discuss and take other action related to this item.

FISCAL IMPACT:

Total proposed FY 2026-27 budget appropriations (for all funds) equal \$210,532,893 with off-setting estimated revenues and use of reserves. Of these amounts, proposed general fund appropriations equal \$108,232,200 with off-setting estimated revenues and use of reserves. All applicable City financial policies are being fully adhered to.

BACKGROUND:

DISCUSSION:

- I. Study Session Overview
- II. Background Items
- III. Proposed FY 2026-27 Budget
 - A. Overview of Revenues, Expenditures, Fund Balances, 5/10 Year Forecast
 - B. Departmental Budgets
 - C. Capital Improvement Program (CIP)

CITY STRATEGIC PLAN COMPLIANCE:

FY 2026-27 Budget Study Session

May 13, 2026

Page 2 of 2

Goal 5: Champion Economic Development and Fiscal Sustainability

Objective 5B: El Segundo approaches its work in a financially strategic and responsible way.

PREPARED BY:

Liz Lydic, Management Analyst

REVIEWED BY:

Paul Chung, Chief Financial Officer

APPROVED BY:

Barbara Voss, Deputy City Manager

ATTACHED SUPPORTING DOCUMENTS:

1. Budget Study Session_May 13, 2026_Council Budget Study Session_PPT_Budget Study Session
2. Final - FY 26-27 Proposed 5 Year CIP Program_2026-5-6

Presentation Agenda

1. Overview of Revenues, Expenditures, Fund Balances, 5/10 Yr. Forecast
2. Departmental Budgets
3. Capital Improvement Program (CIP)

Budget Highlights

“FY 2026-27 Proposed Budget is balanced”

“Departments held the line”

“Expenditures rising faster than revenues”

Budget Highlights

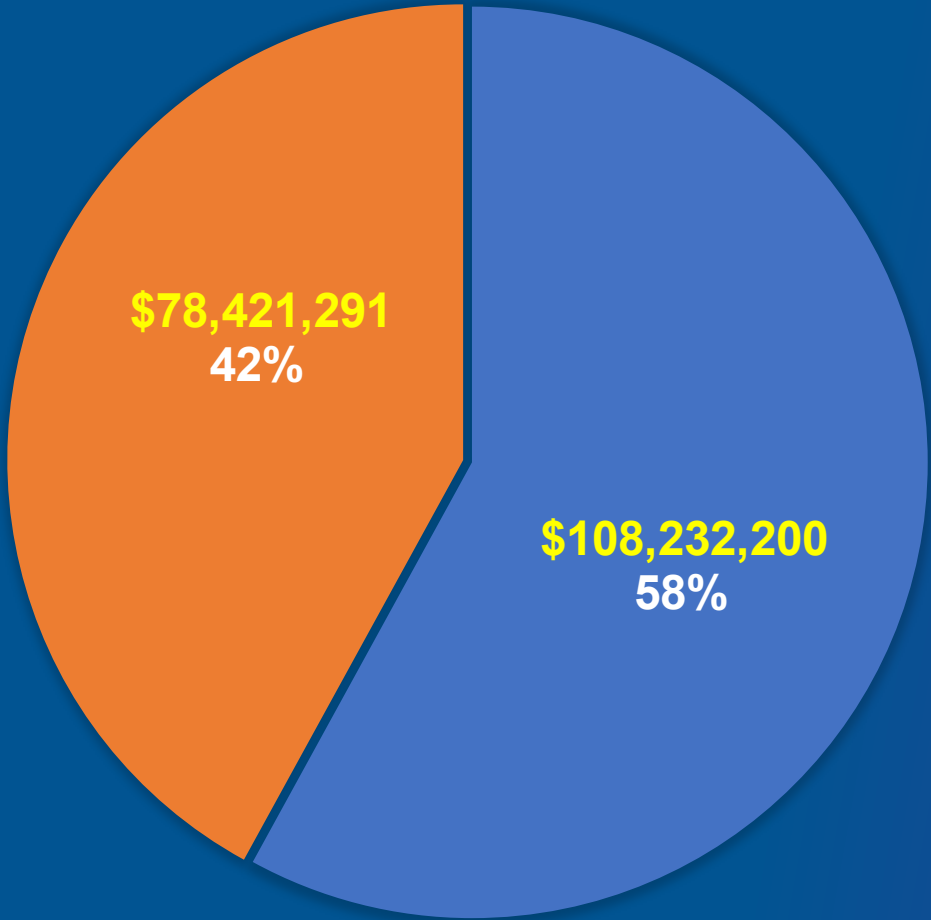
- ✓ Diverse revenue stream
- ✓ Business destination
- ✓ Location, location, location
- ✓ AAA Rating
- ✓ Low debt
- ✓ POB @ 2.7%
- ✓ General Fund Reserves @ 25%
- ✓ Strong reserves



Budget Highlights for FY 2026-27 Proposed Budget

1. Revenues remain flat
2. \$3.9M Unfunded Accrued Liability (UAL)
3. Three (3) labor groups (PMA, PSSEA, SPEA) in negotiations
4. The Plunge operational
5. \$2.98M (General Fund) Capital projects
6. 5% vacancy rate used for Personnel Budget
7. Looming structural deficit in FY 2027-28

FY 2026-27 Proposed Revenues



**TOTAL ALL FUNDS REVENUE:
\$186,653,491**

- General Fund
- Non-General Funds

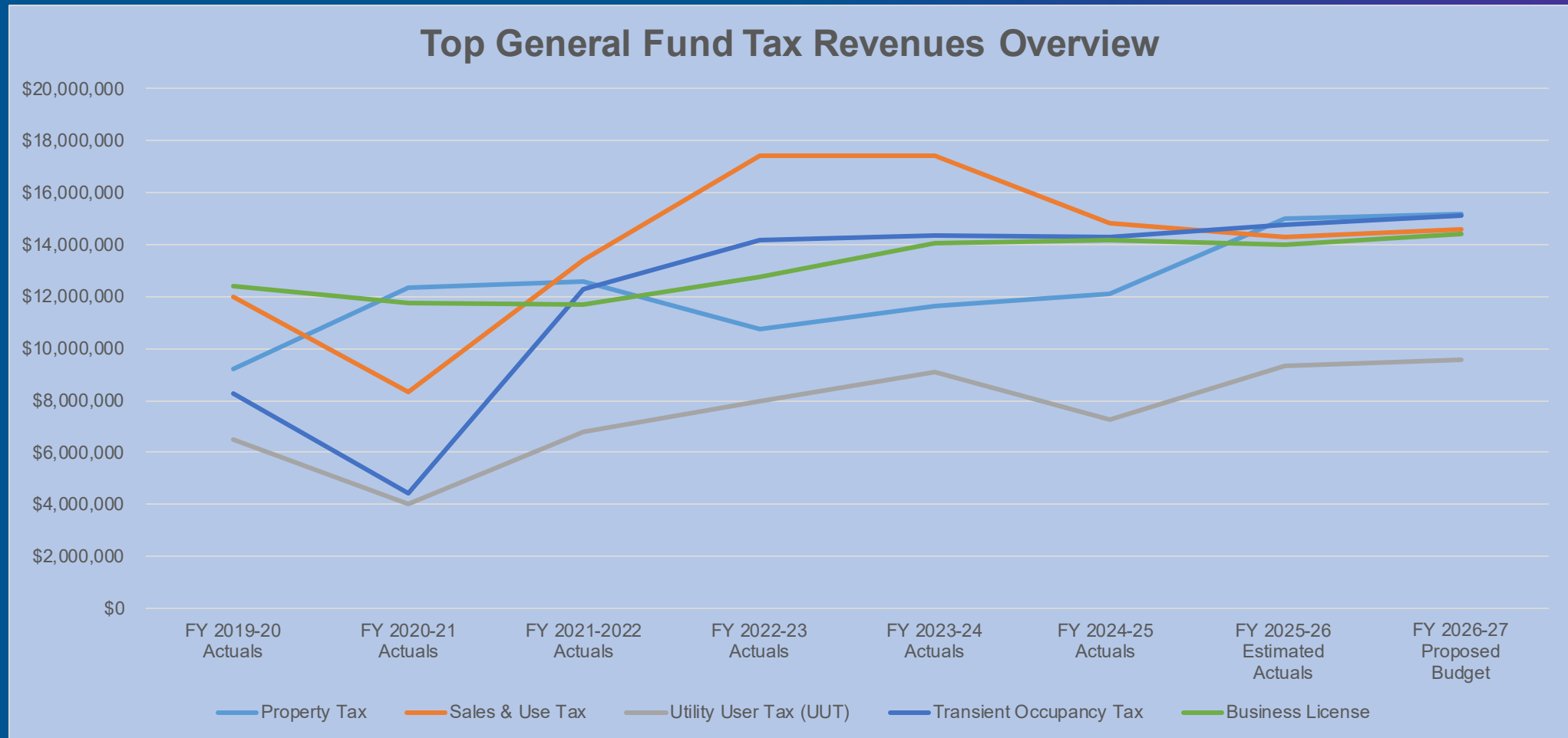
FY 2026-27 Proposed Revenues (All Funds)

No.	Fund Name	FY 2025-26 Estimated Actuals	FY 2025-26 Estimated Actuals % of Budget	FY 2026-27 Proposed Revenues	FY 2026-27 Proposed % of Budget
1	General Fund	\$105,588,412	56.7%	\$108,232,200	58.0%
2	Water Fund	37,223,245	20.0%	37,955,546	20.3%
3	Transportation Funds	2,646,436	1.4%	2,583,224	1.4%
4	Debt Service POBs	9,505,304	5.1%	9,500,200	5.1%
5	Wastewater Fund	6,214,470	3.3%	6,482,336	3.5%
6	General Fund CIP	5,302,000	2.8%	3,122,000	1.7%
7	Equipment Replacement Fund	2,027,142	1.1%	1,839,480	1.0%
8	Workers Compensation Fund	3,597,350	1.9%	3,628,967	1.9%
9	General Liability Fund	3,687,030	2.0%	3,588,119	1.9%
10	Dev. Services Trust	250,000	0.1%	250,000	0.1%
11	Public Safety Special Rev.	3,084,987	1.7%	2,675,020	1.4%
12	Other Special Rev.	1,124,263	0.6%	955,000	0.5%
13	Rec & Econ Dev Trust Funds	5,144,400	2.8%	5,136,400	2.8%
14	Cultural Dev. Trust Fund	257,500	0.1%	250,000	0.1%
15	Debt Service Fund	36,050	0.0%	0	0.0%
16	Solid Waste Fund	211,000	0.1%	175,000	0.1%
17	Senior Housing Fund	287,414	0.2%	280,000	0.2%
Total		\$186,187,003	100.0%	\$186,653,491	100.0%

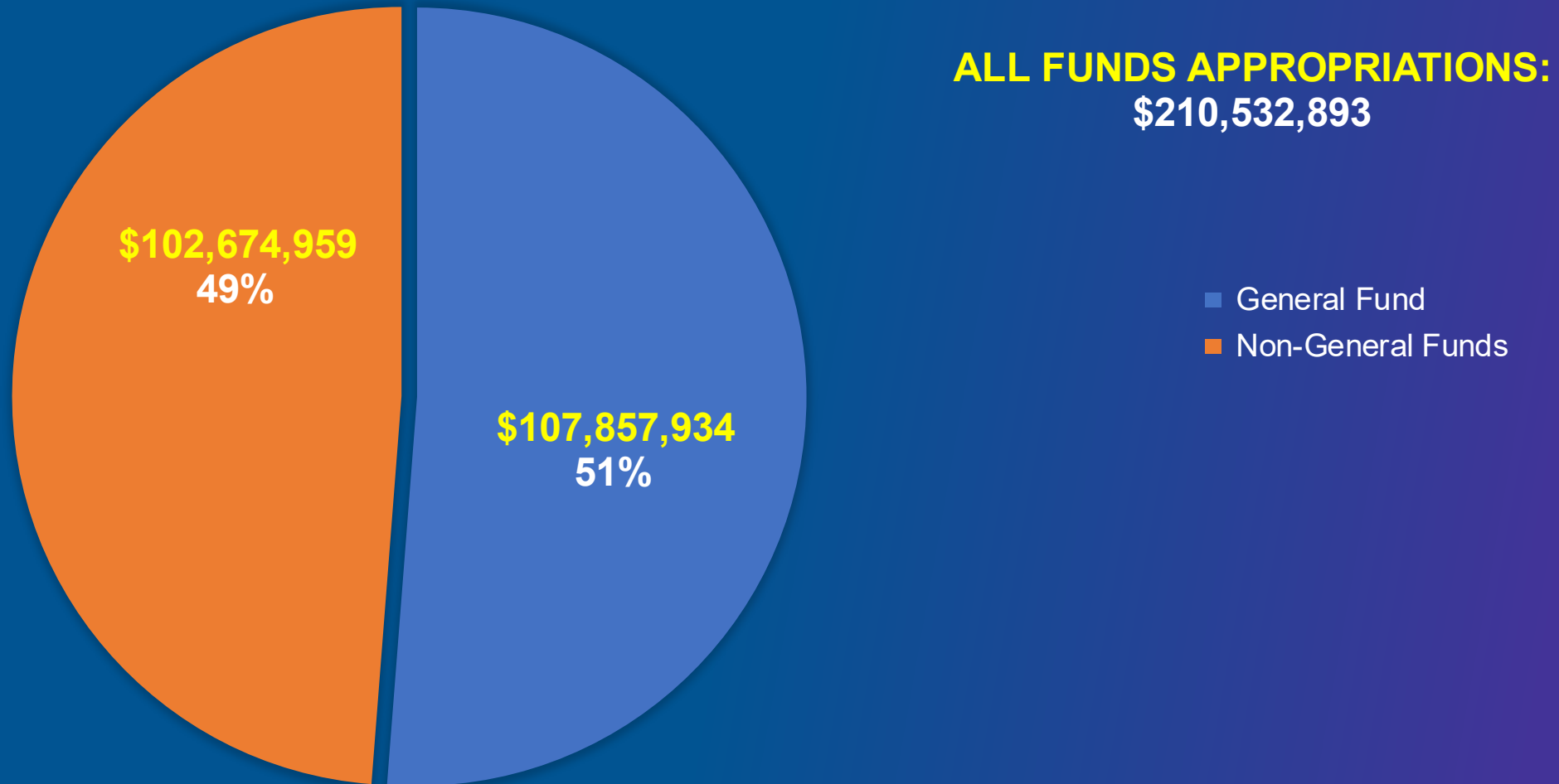
FY 2026-27 Proposed Revenue (General Fund)

No.	General Fund Revenue	FY 2025-26 Estimated Actuals	FY 2026-27 Proposed Budget	\$ Change	% Change
1	Sales & Use Tax	\$14,300,000	\$14,600,000	\$300,000	2.1%
2	Business License	14,000,000	14,380,000	380,000	2.7%
3	Transient Occupancy Tax	14,772,043	15,100,000	327,957	2.2%
4	Property Tax	14,985,683	15,169,459	183,776	1.2%
5	Chevron Tax Reso Agreement	8,339,142	8,500,000	160,858	1.9%
6	Utility User Tax (UUT)	9,323,442	9,550,000	226,558	2.4%
7	Charges for Services	7,854,873	8,046,861	191,988	2.4%
8	Transfers In	0	27,000	27,000	100.0%
9	Franchise Tax	4,460,470	4,500,000	39,530	0.9%
10	Other Revenues	3,381,344	3,699,864	318,520	9.4%
11	Intergovernmental	150,000	225,000	75,000	50.0%
12	License & Permits	2,965,127	2,860,219	(104,908)	-3.5%
13	Interest & Rental Income	10,598,088	10,899,097	301,009	2.8%
14	Fines & Forfeitures	458,200	674,700	216,500	47.3%
Total		\$105,588,412	\$108,232,200	\$2,643,788	2.5%

FY 2026-27 Top General Fund Tax Revenue Overview



FY 2026-27 Proposed Appropriations



FY 2026-27 Appropriations (All Funds)

No.	Fund Name	FY 2025-26 Adopted Budget	% of FY 2025-26 Adopted Budget	FY 2026-27 Proposed Budget	% of FY 2026-27 Proposed Budget
1	General Fund	\$104,678,219	47.8%	\$107,857,934	51.2%
2	Water Fund	39,449,617	18.0%	39,665,630	18.8%
3	Transportation Funds	2,020,037	0.9%	1,516,667	0.7%
4	Debt Service POBs	9,497,648	4.3%	9,493,200	4.5%
5	Wastewater Fund	7,962,952	3.6%	9,742,707	4.6%
6	General Fund CIP	28,830,349	13.2%	19,634,934	9.3%
7	Equip. Replacement Fund	7,539,900	3.4%	10,043,409	4.8%
8	Workers Comp. Fund	3,498,108	1.6%	3,899,215	1.9%
9	General Liability Fund	3,777,967	1.7%	3,655,747	1.7%
10	Dev. Services Trust	975,000	0.4%	-	0.0%
11	Public Safety Special Rev.	3,135,849	1.4%	2,834,558	1.3%
12	Other Special Rev.	1,381,277	0.6%	1,111,818	0.5%
13	Rec & Econ Dev Trust Fund	4,948,394	2.3%	183,500	0.1%
14	Cultural Dev. Trust Fund	251,617	0.1%	90,497	0.0%
15	Debt Service Fund	541,606	0.2%	522,120	0.2%
16	Solid Waste Fund	346,000	0.2%	265,000	0.1%
17	Senior Housing Fund	15,621	0.0%	15,957	0.0%
Total		\$218,850,160	100%	\$210,532,893	100.0%

FY 2026-27 Appropriations (General Fund)

No.	Department	FY 2025-26 Adopted Budget	FY 2026-27 Proposed Budget	\$ Change	% Change
1	Police	\$24,867,038	\$27,312,638	\$2,445,600	9.8%
2	Fire	18,231,095	18,889,939	658,844	3.6%
3	Transfers Out	15,138,648	12,848,200	(2,290,448)	(15.1%)
4	Public Works	9,916,735	10,184,410	267,675	2.7%
5	Non-Departmental	7,508,339	7,873,159	364,820	4.9%
6	Recreation, Park and Library	11,294,648	12,316,528	1,021,880	9.0%
7	Community Development Department	3,957,955	3,974,294	16,339	0.4%
8	Information Technology	4,107,350	4,700,938	593,588	14.5%
9	City Manager	3,140,747	3,211,936	71,189	2.3%
10	Finance	2,807,702	2,823,892	16,190	0.6%
11	Human Resources	2,059,083	2,006,029	(53,054)	(2.6%)
12	City Attorney	825,000	849,650	24,650	3.0%
13	City Clerk	596,780	635,211	38,431	6.4%
14	City Council	227,098	231,110	4,012	1.8%
Total		\$104,678,219	\$107,857,934	\$3,179,716	3.0%

FY 2026-27 Appropriations (General Fund)

Summary of General Fund Appropriations (Excluding Capital Outlay & Transfers Out)				
Category	FY 2025-26 Adopted	FY 2026-27 Proposed	\$ Increase	% Increase
Salaries	\$41,862,657	44,257,053	2,394,396	5.7%
Retirements* & Benefits	21,227,046	23,815,112	\$2,588,067	12.2%
Maintenance & Operations (M&O)	26,449,868	26,937,570	\$487,702	1.8%
Grand Total	\$89,539,570	95,009,735	5,470,165	6.1%

FY 2026-27 Appropriations (General Fund) – Transfers Out

- Transfers Out = **\$12,848,200**
 - Debt Service Fund (POB Payments): **\$9,493,200**
 - GF CIP Fund: **\$2,980,000**
 - Solid Waste Fund: **\$175,000** (City's subsidy decreasing)
 - Senior Housing Fund: **\$200,000**

FY 2026-27 Full-Time Equivalent (FTE)

Department	FY 2023-24 Adopted Personnel	FY 2024-25 Adopted Personnel	FY 2025-26 Adopted Personnel	FY 2026-27 Proposed Personnel	Change
Total Full-Time FTE	290	294	298	299	+1
Total Part-Time FTE	129.07	80.47	80.31	93.24	+12.93
Total	419.07	374.47	378.71	392.24	+13.93

FY 2026-27 Proposed Personnel

No.	Department	FY 2023-24 Adopted Personnel	FY 2024-25 Adopted Personnel	FY 2025-26 Adopted Personnel	FY 2026-27 Proposed Personnel (Budget Study Session)	Change
1	Recreation, Parks & Library	148.34	101.74	103.08	114.90	11.82
2	Police	87.90	88.90	93.40	95.00	1.60
3	Fire	53.25	53.50	53.50	53.50	0.00
4	Public Works	51.50	53.50	53.50	53.50	0.00
5	Community Development Department	18.50	19.00	18.00	18.00	0.00
6	Finance	18.50	18.50	17.50	17.50	0.00
7	City Manager	14.58	13.83	13.83	14.34	0.51
8	Information Technology	9.50	9.50	9.50	9.50	0.00
9	Human Resources	7.00	7.00	7.00	7.00	0.00
10	City Council	5.00	5.00	5.00	5.00	0.00
11	City Clerk	5.00	4.00	4.00	4.00	0.00
12	City Attorney	0.00	0.00	0.00	0.00	0.00
	Total	419.07	374.47	378.31	392.24	13.93

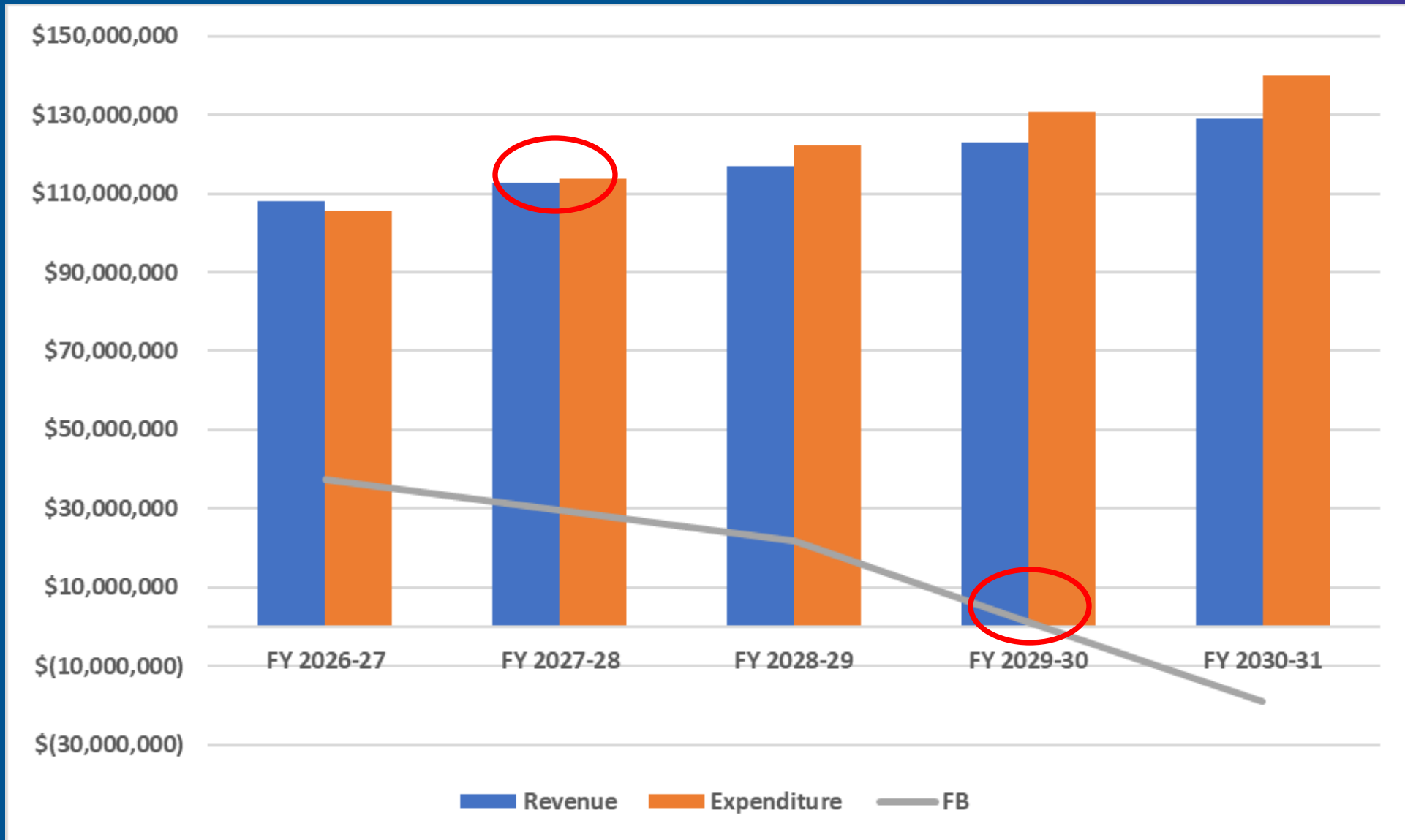
FY 2026-27 Reserves

- General Fund Reserve: 25% (\$26.9M)
- Economic Uncertainty Reserve: \$2M
- OPEB Reserve: \$38.1M
- Pension Trust Reserve: \$6.6M
- General Fund CIP Reserve: \$400k

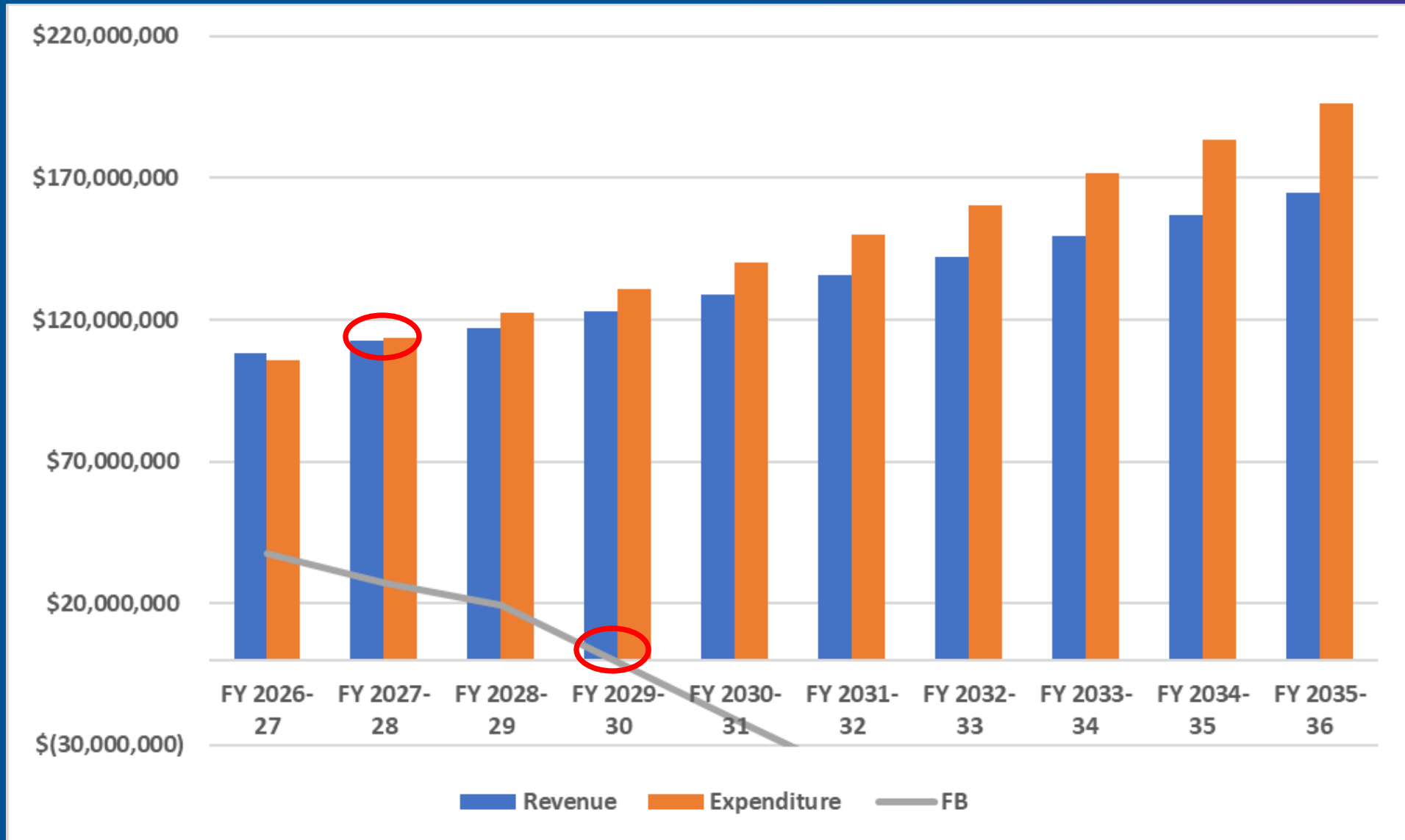
PROPOSED GENERAL FUND UNASSIGNED BALANCE FOR FY 2026-27

<u>Description</u>	<u>Proposed</u>
Estimated Beginning <u>Unassigned Fund Balance</u> (July 1, 2026)	\$37,827,180
Proposed FY 2026-27 Revenues	\$108,232,200
Proposed FY 2026-27 Appropriations (Net of GF CIP)	\$(104,877,934)
Estimated Ending Fund Balance (June 30, 2027)	\$41,181,446
25% Reserve Requirement (based on proposed recurring appropriations)	\$26,219,484
Estimated Ending <u>Unassigned Fund Balance</u> (Net of 25% reserve)	\$14,961,963

5-Year General Fund Financial Forecast



10-Year General Fund Financial Forecast



Revenue Options

- Sales Tax Measure C, currently at 9.5%
 - ✓ 0.75% increase: **additional \$9M annually**
- Transient Occupancy Tax rate (TOT), currently at 12%
 - ✓ 1% increase: **additional \$1M annually**
- Utility Users Tax, currently at 3%
 - ✓ 1% increase: **additional \$500k-\$1M annually**
- Chevron TRA (agreement expires Sept 27')

Revenue Options (cont.)

Cities	Sales Tax	TOT	UUT
El Segundo	9.75%	12%	3.00%
Torrance	10.25%	11%	6.50%
Redondo Beach	9.75%	12%	4.75%
Manhattan Beach	10.25%	14%	NA
Hawthorne	10.50%	14%	5.00%
Inglewood	10.25%	14%	10.00%
Hermosa Beach	9.75%	14%	6.00%
Los Angeles	9.75%	14%	4.50%
Anaheim	7.75%	15%	NA
Garden Grove	8.75%	15%	NA

Proposed FY 2026-27 Enterprise Funds

- **Water Fund ***

- **\$47,237,924** estimated beginning fund balance on 7/1/2026
- Estimated Revenues = \$37,955,546
- Proposed Operating Budget = \$39,665,630
- Proposed Capital Budget = \$2,600,000

- **Wastewater Fund ***

- **\$7,557,231** estimated beginning fund balance on 7/1/2026
- Estimated Revenues = \$6,482,336
- Proposed Operating Budget = \$9,742,707 (Hyperion Cost: **\$3.3M**)
- Proposed Capital Budget = \$2,600,000

* Water / Wastewater
Rate Study in
FY 2026-27

Proposed FY 2026-27 Special Revenue Funds

- Transportation Funds: **\$1,516,667**
- Public Safety Special Revenue Funds: **\$2,834,558**
- Other Special Revenue Funds: **\$1,111,818**
- Senior Housing Funds: **\$15,957**

Total of all Special Revenue Funds = **\$5,479,001**

Proposed FY 2026-27 Debt Service Funds

- **Douglas Street Gap Closure**

- Funded with Traffic Mitigation Fees
- **\$4,270,801** estimated beginning fund balance on 7/1/2026
- Annual debt service payment of ~\$507,000
- Final payment: August 1, 2035

- **Pension Obligations Bonds (POBs)**

- Funded primarily by the General Fund & minimal amount from Enterprise Funds
- **\$110,926,238** estimated beginning fund balance on 7/1/2026
- Annual payment of \$9.7M
- FY 2026-27 will be the fifth year of principal payment towards the POB
- Final payment is due in June 2040

Proposed FY 2026-27 Internal Service Funds

- **Equipment Replacement Fund**

- **\$13,209,276** estimated beginning fund balance on 7/1/2026
- Estimated Revenues = \$1,839,480
- Proposed Budget = \$10,043,409

- **General Liability**

- **(\$7,467,238)** estimated beginning fund balance on 7/1/2026
- Estimated Revenues = \$3,588,119
- Proposed Budget = \$3,655,747

- **Workers' Compensation**

- **(\$3,838,477)** estimated beginning fund balance on 7/1/2026
- Estimated Revenues = \$3,628,967
- Proposed Budget = \$3,899,215

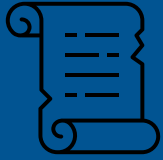
Proposed FY 2026-27 Departmental Budgets

Citywide Expenditure Increases

- COLA adjustments per MOU
- Group Insurance (Medical/Health Premiums)
- Unfunded Accrued Liability (UAL)
- Standby pay adjustments per MOU changes
- Contract Services (CPI)
- Electricity
- Telephone (Landlines, Internet, Cellphones)

FY 2026-27 Appropriations (General Fund)

No.	Department	FY 2025-26 Adopted Budget	FY 2026-27 Proposed Budget	\$ Change	% Change
1	Police	\$24,867,038	\$27,312,638	\$2,445,600	9.8%
2	Fire	18,231,095	18,889,939	658,844	3.6%
3	Transfers Out	15,138,648	12,848,200	(2,290,448)	(15.1%)
4	Public Works	9,916,735	10,184,410	267,675	2.7%
5	Non-Departmental	7,508,339	7,873,159	364,820	4.9%
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8	Information Technology	4,107,350	4,700,938	593,588	14.5%
9	City Manager	3,140,747	3,211,936	71,189	2.3%
10	Finance	2,807,702	2,823,892	16,190	0.6%
11	Human Resources	2,059,083	2,006,029	(53,054)	(2.6%)
12	City Attorney	825,000	849,650	24,650	3.0%
13	City Clerk	596,780	635,211	38,431	6.4%
14	City Council	227,098	231,110	4,012	1.8%
Total		\$104,678,219	\$107,857,934	\$3,179,716	3.0%



City Council

Budget Year	Total Expenditures	Personnel	M&O	Positions FT/PT
FY 2026-27 (Proposed)	\$231,110	\$183,811	\$ 47,299	5.0 / 0.0
FY 2025-26 (Adopted)	\$227,098	\$177,872	\$49,226	5.0 / 0.0
Change +/-	+\$4,012 +2%	+\$5,939 +3%	-\$1,927 -4%	0.0 / 0.0

Proposed Budget Changes

M&O:

- Decrease in dues and subscriptions based on FY26 actuals trends (-\$2k)



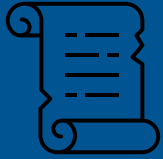
City Attorney

Budget Year	Total Expenditures	Personnel	M&O	Positions
FY 2026-27 (Proposed)	\$849,650	\$0	\$849,650	0.0 / 0.0
FY 2025-26 (Adopted)	\$825,000	\$0	\$825,000	0.0 / 0.0
Change +/-	+\$24,650 +3%	\$0.00 0.0%	+\$24,650 +3%	0.0 / 0.0

Proposed Budget Changes

M&O:

- Increase in Legal Counsel (+\$19k) and Labor Negotiation (+\$15k)
- Decrease in Code Enforcement – Legal Counsel (-\$10k)



City Clerk

Budget Year	Total Expenditures	Personnel	M&O	Positions FT/PT
FY 2026-27 (Proposed)	\$635,211	\$465,751	\$169,460	4.0 / 0.0
FY 2025-26 (Adopted)	\$596,780	\$501,290	\$95,490	4.0 / 0.0
Change +/-	+\$38,431 +6%	-\$35,539 -7%	+\$73,970 +77%	0.0 / 0.0

Proposed Budget Changes

Personnel:

- Decrease in full-time salaries and benefits (-\$36k)

M&O:

- Increased election budget due to fiscal year being an election year (+\$83k)



City Manager

Budget Year	Total Expenditures	Personnel	M&O	Positions FT/PT
FY 2026-27 (Proposed)	\$3,211,936	\$2,121,694	\$1,090,242	11.0 / 3.34
FY 2025-26 (Adopted)	\$3,140,747	\$1,991,807	\$1,148,940	11.0 / 2.83
Change +/-	+\$71,189 +2%	+\$129,887 +7%	-\$58,698 -5%	0.0 / +0.51

Proposed Budget Changes

Personnel:

- Increase in part-time Senior Video Technician I/II (+\$35k)

M&O:

- Decrease professional and technical (Admin) from previous FY staffing assessment contract (-\$100k)
- Minor increases in Media division offset by decrease for outdated playout automation system software support (-\$7k)
- Increases in Econ Dev for new Pitchbook database (+\$30k); advertising/publishing (+\$27k)



Finance & Treasury

Budget Year	Total Expenditures	Personnel	M&O	Positions FT/PT
FY 2026-27 (Proposed)	\$2,823,892	\$2,229,709	\$594,183	17.0 / 0.50
FY 2025-26 (Adopted)	\$2,807,702	\$2,264,176	\$543,526	17.0 / 0.50
Change +/-	+\$16,190 +1%	-\$34,467 -2%	+\$50,657 +9%	0.0 / 0.0

Proposed Budget Changes

Personnel:

- Decrease in salaries and benefits (General Fund) with updated allocations residing in General Liability, Worker’s Compensation, and Water & Wastewater funds

M&O:

- Fee Study (every five years; City is due for an update in 2027) (+\$60k)
- iPads for Business License field work (+\$600)



Human Resources

Budget Year	Total Expenditures	Personnel	M&O	Positions FT/PT
FY 2026-27 (Proposed)	\$2,006,029	\$805,318	\$1,200,711	7.0 / 0.00
FY 2025-26 (Adopted)	\$2,059,083	\$856,249	\$1,202,834	7.0 / 0.00
Change +/-	-\$53,054 -3%	-\$50,931 -6%	-\$2,123 -0.2%	0.0 / 0.0

Proposed Budget Changes

Personnel:

- Decrease in salaries and benefits (General Fund) with updated allocations residing in General Liability and Worker's Compensation funds



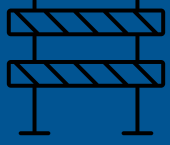
Information Systems

Budget Year	Total Expenditures	Personnel	M&O	Positions FT/PT
FY 2026-27 (Proposed)	\$4,700,938	\$1,616,446	\$3,084,492	9.0 / 0.5
FY 2025-26 (Adopted)	\$4,107,350	\$1,601,248	\$2,506,102	9.0 / 0.5
Change +/-	+\$593,588 +14%	+\$15,198 +1%	+\$578,390 +23%	0.0 / 0.0

Proposed Budget Changes

M&O:

- Increase in software maintenance (+\$535k)
 - \$356k for GASB 87 (Accounting for multi-year software as liability)
 - \$151k for transfers of software budget to IT from other departments
 - \$28k for CPI



Community Development

Budget Year	Expenditures	Personnel	M&O	Positions FT/PT
FY 2026-27 (Proposed)	\$3,974,294	\$2,970,175	\$1,004,119	18.0 / 0.0
FY 2025-26 (Adopted)	\$3,957,955	\$2,789,279	\$1,168,677	18.0 / 0.0
Change +/-	+\$16,339 +0.4%	+\$180,896 +6%	-\$164,558 -14%	0.0 / 0.0

Proposed Budget Changes

M&O:

- Decreases with True North / Willdan plan check and inspection (-\$145k)
- Decrease in equipment replacement charge (-\$10k)



Police Department

Budget Year	Total Expenditures	Personnel	M&O	Positions FT/PT
FY 2026-27 (Proposed)	\$27,312,638	\$22,609,340	\$4,703,298	89.0 / 6.0
FY 2025-26 (Adopted)	\$24,867,038	\$20,386,747	\$4,480,291	89.0 / 4.4
Change +/-	+\$2,445,600 +10%	+\$2,222,593 +16%	+\$223,007 +5%	0.0 / +1.6

Proposed Budget Changes

Personnel:

- Increase in Overtime (unforeseen events) (+\$244k), Overtime for reimbursable overtime and for City special events (+\$182k)
- Add 1.6 FTE cadets (offset by revenues) (+\$40k)
- Remove one (1) PSO and add one (1) Police Assistant (-\$12k)
- Reclassify one (1) Executive Assistant to Senior Executive Assistant (+3k)
- Reclassify one (1) Administrative Specialist to Senior Administrative Specialist I/II (+\$7k)

Positions:

- Add 1.6 FTE cadets



Proposed Budget Changes (cont.)

M&O: Admin Division

- New furniture and supplies, utilizing bail/evidence funds (+\$87k)

M&O: Communications Center Division

- SBRPCA Dispatch (split with Fire Department) increase by 6.9%, contract includes charge for new CAD system (+\$151k)



Fire Department

Budget Year	Total Expenditures	Personnel	M&O/Capital	Positions FT/PT
FY 2026-27 (Proposed)	\$18,889,939	\$16,079,700	\$2,810,239	53.0 / 0.5
FY 2025-26 (Adopted)	\$18,231,095	\$15,236,424	\$2,990,512	53.0 / 0.5
Change +/-	+\$658,844 +4%	+\$839,117 +6%	-\$180,273 -6%	0.0 / 0.0

Proposed Budget Changes

Personnel:

- Increases in overtime due to unplanned leaves, professional development & training, and anticipated retirements (**+\$139k**)



Proposed Budget Changes (Cont.)

M&O: Suppression Division

- Decrease in equipment replacement charge (-\$83k)
- Annual increase for SBRPCA Dispatch services (+\$31k)
- Two (2) mobile radios: one (1) for Engine 33, and one (1) as a backup (+\$30k)

M&O: Prevention Division

- Decrease in Contract Services for Fire Plan Check (-\$50k)
- Increase in plan check contractor services (+\$12k); Offset by revenues

M&O: Emergency Management Division

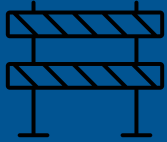
- Decrease in Professional & Technical for position specific training (-\$46k)



Proposed Budget Changes (Cont.)

AB1646 (Special Revenue Fund)

- Chevron Refinery to fund the program
- Staff will return to City Council and revise the budget once program is selected



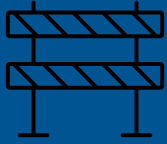
Public Works

Budget Year	Total Expenditures	Personnel	M&O	Positions FT/PT
FY 2026-27 (Proposed)	\$10,184,410	\$4,161,596	\$6,022,814	53.0 / 0.5
FY 2025-26 (Adopted)	\$9,916,735	\$4,178,611	\$5,738,124	53.0 / 0.5
Change +/-	+\$267,675 +3%	-\$17,015 -4%	+\$284,690 +5%	0.0 / 0.0

Proposed Budget Changes

Positions:

- Reclass two (2) Senior Civil Engineers: one (1) Senior Engineer Associate and one (1) Associate Engineer (-\$42k)
- Remove one (1) Office Specialist and add one (1) Administrative Specialist I/II (+\$7k)



Public Works

Proposed Budget Changes (Cont.)

M&O: Government Building Division

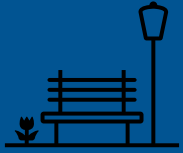
- New janitorial contract (+\$91k)
- New contract for Duct HVAC cleaning (+\$40k)
- Increase utilities (+\$10k) and operating supplies (+\$25k) to reflect full year of Plunge operations

M&O: Street Services Division

- Increase Contractual Services for Annual Street Sweeping Contract (+\$21k)

M&O: Traffic Safety

- Increases to Contractual Services (streetlights maintenance + additional traffic signals) (+\$50k)



Recreation, Parks and Library (RPL)

Budget Year	Total Expenditures	Personnel	M&O	Positions FT/PT
FY 2026-27 (Proposed)	\$12,316,528	\$8,596,103	\$3,720,425	33.0 / 81.9
FY 2025-26 (Adopted)	\$11,294,648	\$7,698,678	\$3,595,970	32.0 / 71.08
Change +/-	+\$1,021,880 +9%	+\$897,425 +12%	+\$124,455 +3%	+1.0 / +10.82

Proposed Budget Changes

Personnel:

- One (1) new FTE, Facilities Maintenance Supervisor for RPL facilities (+\$182k)
- Includes increase in Rec Leader, Sr. Rec Leader & Rec Specialist (+\$382k)
- Includes increase in Lifeguard, Sr. Lifeguard & Swim Instructors (+\$256k)

Positions:

- One (1) new FTE, Facilities Maintenance Supervisor for RPL facilities



Proposed Budget Changes (Cont.)

M&O: Recreation*

- Plunge: Swim classes (+\$25k)
- Clubhouse: Stage risers (+\$20k)
- Sports: Pickleball scheduling software (+\$18k)
- Teen Center: Ski Week (ESUSD) programming (supplies, staffing); reprogramming for months Teen Center is closed (+\$6k)
- Joslyn: New furniture for Joslyn Center (+\$8k)
- Special Events (New): Juneteenth (+\$1k); Veterans Day, Movies in the Park (+\$5k)
- Camps: Enhancing Club Cowabunga and Camp L.I.T. (+\$15k)

*Some expenditures have offsetting revenues



Proposed Budget Changes (Cont.)

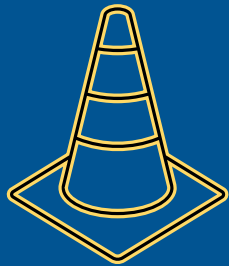
M&O: Parks Operations

- Increase in landscaping, tree trimming and misc. land care contracts (+\$44k)
- Decrease in repairs and maintenance (-\$35k)

M&O: Library

- Increase in Book/Other printed materials, eBooks & Blu-ray/DVD (+\$6k)
- Replacement of book security re-sensitizer machine (+\$4k)

Proposed FY 2026-27 Capital Improvement Program (CIP)



Goal 4: Develop Quality Infrastructure and Technology

Objective: El Segundo's physical infrastructure supports an appealing, safe, and effective community.

Highlight: CIP Projects Completed or Soon to Be Completed

- Main Street Banner Pole replacement project - **\$20,000**
- Library Elevator Repairs - **\$270,000**
- Aquatics Center Heater Replacement Project - **\$700,000**
- FY 2025-26 Pavement Project - **\$1,000,000**
- FY 2025-26 Concrete Project - **\$100,000**
- CDBG (ADA Improvements) Project - **\$129,000**
- Fire Station #2 HVAC – **\$150,000**
- EV Charging in City Hall Fleet Parking lot - **\$100,000**
- Plunge - **\$18.7M approx.** (Design + Construction + CM services)

CIP Projects: Soon to Be Completed

- Urho Saari Swim Stadium / Plunge Renovation Project
 - Construction completion in May 2026.



CIP Projects: In Progress

Recreation Parks Projects Phase 1 – Teen Center, Skatepark, and Ballfields

- City Council to award May/June 2026
- Construction anticipated to start in September 2026.



Recreation Parks Projects Phase 2 – Repair of Cracks on the Walls & Fence Posts

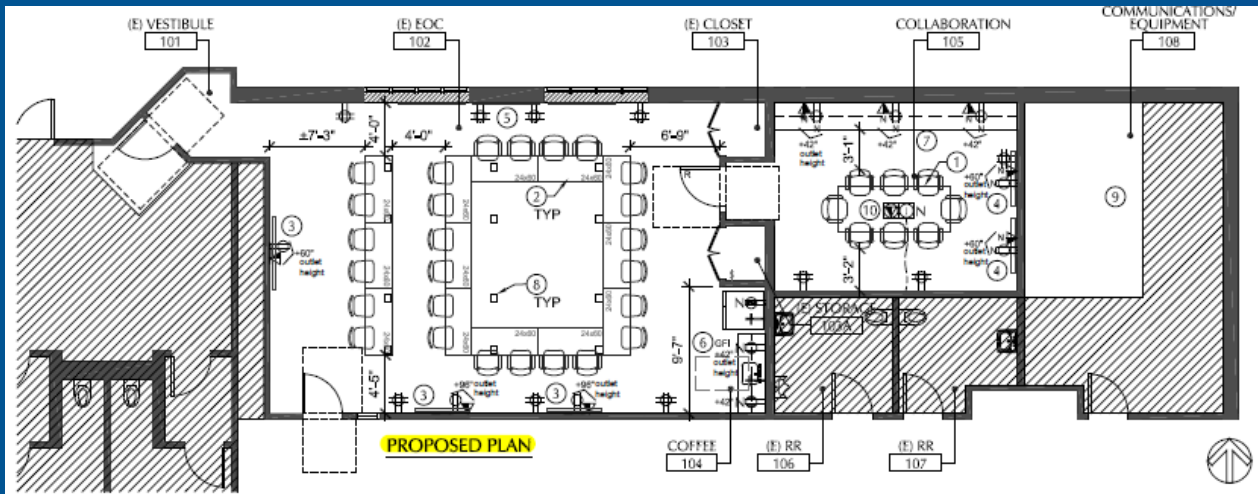
- Construction started in February 2026. To be completed in June 2026.



CIP Projects: In Progress

Emergency Operations Center (EOC) Project

- In design, ready for bid in June 2026.



Hilltop Reservoir Demolition Project

- Construction started in January 2026. To be completed in Summer 2026.



Proposed FY 2026-27 CIP Projects for All Funds

- Carryover projects in progress or about to begin = **\$15,354,934**
- New Projects = **\$10,845,000**
 - \$1,100,000 Proposed Transportation Funds Appropriations
 - \$5,200,000 Proposed Enterprise Funds Appropriations
 - \$ 965,000 Proposed Special Revenue Funds Appropriations
 - \$ 600,000 Proposed Stormwater Fund Appropriations
 - \$2,980,000 Proposed General Fund Appropriations

\$26,199,934 (Total)

Capital Improvement Program Advisory Committee (CIPAC) Project Rankings

CIPAC New Projects Score Sheet, FY26-27			
#	Capital Improvement Project	Dept.	Total Score
1	Joslyn Center Improvements	Recreation	26
2	Roadway Safety and Mobility Improvements	PW	22
3	Safe Routes to School	PW	21
4	EOC Improvements	PW	21
5	EV Charging Stations and EV Infrastructure	PW	17
6	Police Department Shooting Range HVAC Improvements	PD	17
7	Smoky Hollow Parking	PW & CDD	15
8	City Maintenance Yard Roofing Improvements	PW	15
9	Public Works Engineering Division Remodel	PW	15
10	Library Amphitheater	Recreation	14
11	Police Department Security Camera System Upgrade	PD	13
12	Police Department Emergency Generator Replacement	PD	12

- Two CIPAC meetings held to rank upcoming projects
- Projects 1-5 ranked highest due to additional grant funding
- Projects 6-12 funding is provided in the General Fund

Proposed FY 2026-27 General Fund CIP

- (#24) \$ 100,000 Safe Routes to School (Matching Funds)
- (#35) \$ 400,000 Library Interior & HVAC Maintenance
- (#36) \$ 50,000 Library Amphitheater Project
- (#40) \$ 750,000 Recreation Park Phase IV (Joslyn Center)
- (#45) \$ 200,000 Police Department Range Ventilation
- (#46) \$ 50,000 Police Department Generator
- (#47) \$ 200,000 Police Department Security Cameras
- (#48) \$ 150,000 Public Works Remodel
- (#50) \$ 100,000 Citywide Misc. Repair
- (#51) \$ 130,000 Roofing (Citywide)
- (#52) \$ 100,000 Plumbing (Citywide)
- (#53) \$ 130,000 Miscellaneous Electrical (Citywide)
- (#54) \$ 120,000 Miscellaneous Equipment (Citywide)
- (#58) \$ 500,000 Projects Reserve (Citywide)

\$2,980,000 (Total)

Budget Adoption Timeline



Thank You



City of El Segundo
Proposed Five-Year Capital Improvement Program

Rev. 5/05/2026

No.	By Fund and Project	Prior Years (Carryover)	FY 2026/27	FY 2027/28	FY 2028/29	FY 2029/30	FY 2030/31	Total per project
Water Fund								
1	Annual Water Main Maintenance	\$0	\$1,500,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$9,500,000
2	Water Facilities Maintenance	0	300,000	1,000,000	1,000,000	1,000,000	1,000,000	\$4,300,000
3	Water Division Office and Maintenance Yard Improvements	0	500,000	0	0	0	0	\$500,000
4	Green Space conversion of the Abandoned Reservoir	300,000	0	0	0	0	0	\$300,000
5	Water Valve Replacements	0	300,000	300,000	300,000	300,000	300,000	\$1,500,000
	Total Water Fund	300,000	2,600,000	3,300,000	3,300,000	3,300,000	3,300,000	\$16,100,000
Wastewater Fund								
6	Wastewater Infrastructure Replacement (Annual Program)	0	2,000,000	1,500,000	1,500,000	1,500,000	1,500,000	\$8,000,000
7	Pump Station Repairs	0	600,000	0	0	0	0	\$600,000
	Total Wastewater Fund	0	2,600,000	1,500,000	1,500,000	1,500,000	1,500,000	\$8,600,000
Transportation Funds (Gas Tax/Prop C/SB 1/Measure R/Measure M)								
8	Roadway Rehabilitation (Annual Program)	0	0	1,000,000	1,000,000	1,000,000	1,000,000	\$4,000,000
9	Roadway Safety and Mobility Projects	0	500,000	0	0	0	0	\$500,000
10	Sidewalk Maintenance Program (Annual Program)	0	200,000	250,000	250,000	250,000	250,000	\$1,200,000
11	Smoky Hollow Parking	0	0	0	0	0	0	\$0
12	Arena Street Improvements	0	0	100,000	0	0	0	\$100,000
13	Safe Routes to School Projects	0	400,000	0	0	0	0	\$400,000
14	Local Travel Network (LTN)	925,000	0	0	0	0	0	\$925,000
15	Downtown Mobility Improvement Project	0	0	1,000,000	0	0	0	\$1,000,000
	Total Transportation Funds	925,000	1,100,000	2,350,000	1,250,000	1,250,000	1,250,000	\$8,125,000
Storm Water Fund (Measure W)								
16	Imperial HWY Median Improvements Collaborating with LAWA & City of LA	600,000	0	0	0	0	0	\$600,000
17	Infiltration projects	0	600,000	400,000	400,000	400,000	400,000	\$2,200,000
	Total Stormwater Fund	600,000	600,000	400,000	400,000	400,000	400,000	\$2,800,000
Special Revenue Funds/Other								
18	ADA Improvements - CDBG Funds	0	65,000	50,000	50,000	50,000	50,000	\$265,000
19	EOC Upgrades (Grant)	322,500	0	0	0	0	0	\$322,500
20	Park Vista Senior Improvements (Senior Housing Fund)	0	50,000	0	50,000	50,000	50,000	\$200,000
21A	Measure A Playground	700,000	500,000	100,000	100,000	100,000	100,000	\$1,600,000
22	EV Charging station and EV infrastructure	250,000	350,000	0	0	0	0	\$600,000
23	Recreation Park Projects Phase IV (Joslyn Center) (Grant)	0	0	803,000	0	0	0	\$803,000
	Total Special Revenue Funds/Other	1,272,500	965,000	953,000	200,000	200,000	200,000	\$3,790,500
General Fund								
24	Safe Routes to School (Matching Funds)	0	100,000	0	0	0	0	\$100,000
25	Smoky Hollow Parking	0	0	900,000	0	0	0	\$900,000
26	EOC Upgrades (Matching Funds)	107,500	0	0	0	0	0	\$107,500
27	HVAC (Citywide)	0	0	0	0	250,000	250,000	\$500,000
28	City Hall Phase 2 HVAC	700,000	0	0	0	0	0	\$700,000
29	Citywide Facilities access control	0	0	400,000	400,000	0	0	\$800,000
30A	Dog Park Hillside Stabilization	300,000	0	0	0	0	0	\$300,000
30B	Dog Park Fence and Drainage Improvements	200,000	0	0	0	0	0	\$200,000
31	Pump station #16	0	0	2,500,000	0	0	0	\$2,500,000
32	Pump Station #17, pumps replacement	0	0	0	0	2,500,000	2,500,000	\$5,000,000
33	Main Facilities ADA Compliance Projects	1,019,934	0	0	0	0	0	\$1,019,934
34	Roofing (Maintenance Yard)	0	0	1,000,000	0	0	0	\$1,000,000
35	Library Interior & HVAC Maintenance	0	400,000	800,000	0	0	0	\$1,200,000
36	Library Amphitheater Project	0	50,000	200,000	0	0	0	\$250,000
37	Recreation Park Projects Phase I Reserve (Teen Center, Ball Fields, Horseshoe area)	8,900,000	0	0	0	0	0	\$8,900,000
38	Recreation Park Projects Phase II Reserve (Fence Posts, Walls, Cracks)	300,000	0	0	0	0	0	\$300,000
39	Recreation Park Projects Phase III Reserve (Clubhouse)	0	0	750,000	0	8,000,000	5,000,000	\$13,750,000
40	Recreation Park Projects Phase IV Reserve (Joslyn Center)	0	750,000	0	0	0	0	\$750,000
41	Downtown Beautification / crosswalk pedestrian lighting	0	0	0	0	0	0	\$0
42	Finance Office Remodel	150,000	0	0	0	0	0	\$150,000
43	HR Office and City Clerk Redesign	0	0	500,000	0	0	0	\$500,000
44	Police Department Elevator	300,000	0	0	0	0	0	\$300,000
45	Police Department Range Ventilation	0	200,000	0	0	0	0	\$200,000
46	Police Department Generator	0	50,000	300,000	0	0	0	\$350,000
47	Police Department Security Cameras	0	200,000	0	0	0	0	\$200,000
48	Public Works Remodel	0	150,000	0	0	0	0	\$150,000
49	Fire Alarm Panels (Citywide)	0	0	0	0	0	0	\$0
50	Citywide Misc. Repair	100,000	100,000	100,000	100,000	100,000	100,000	\$600,000
51	Roofing (Citywide)	0	130,000	0	0	0	0	\$130,000
52	Plumbing (Citywide)	100,000	100,000	100,000	100,000	100,000	100,000	\$600,000
53	Miscellaneous Electrical (Citywide)	30,000	130,000	250,000	250,000	250,000	250,000	\$1,160,000
54	Miscellaneous Equipment (Citywide)	50,000	120,000	50,000	50,000	50,000	50,000	\$370,000
55	Fire Sprinklers (Citywide)	0	0	0	700,000	0	0	\$700,000
56	Playground Equipment Replacement	0	0	300,000	300,000	300,000	300,000	\$1,200,000
57	Playground Equipment Reserve	0	0	300,000	300,000	300,000	300,000	\$1,200,000
58	Citywide Projects Reserve	0	500,000	500,000	500,000	500,000	500,000	\$2,500,000
	Total General Fund	12,257,434	2,980,000	8,950,000	2,700,000	12,350,000	9,350,000	\$48,587,434
	TOTAL CIP (58 Projects)	\$15,354,934	\$10,845,000	\$17,453,000	\$9,350,000	\$19,000,000	\$16,000,000	\$88,002,934