



# CITY OF DEL REY OAKS

650 CANYON DEL REY BLVD, DEL REY OAKS, CALIFORNIA 93940  
PHONE (831) 394-8511 FAX (831) 394-6421

## **REGULAR CITY COUNCIL MEETING AGENDA OF THE CITY OF DEL REY OAKS CITY COUNCIL TUESDAY, JANUARY 27, 2026 AT 6:00 AM**

Del Rey Oaks City Hall is inviting you to an **IN-PERSON MEETING AT CITY HALL**

PLEASE NOTE THIS WILL BE LIVE STREAMED FOR VIEWING ONLY  
YOU WILL NOT BE ABLE TO MAKE PUBLIC COMMENTS ON ZOOM

### **Join Live Stream Meeting**

<http://bit.ly/4q8aLjm>

- 1. ROLL CALL - Council**
- 2. PLEDGE OF ALLEGIANCE**
- 3. PUBLIC COMMENTS: General Public Comment must deal with matters subject to the jurisdiction of the City and the Council that are not on the Agenda. Anyone wishing to address the City Council on matters not appearing on the Agenda may do so now. The public may comment on any other matter listed on the Agenda at the time the matter is being considered. There will be a time limit of not more than three minutes for each speaker. No action will be taken on matters brought up under this item and all comments will be referred to staff.**
- 4. PRESENTATION:**
  - A. Chief Bourquin to give Annual Update on 2025 Police Statistics**
- 5. CONSENT AGENDA:**
  - A. MINUTES: (CEQA: as to all, not a project per Guidelines Article 20, Section 15378)**
    - [1.](#) Consider Approval of the December 16, 2025 City Council Minutes
  - B. MONTHLY REPORTS: (CEQA: as to all, not a project per Guidelines Article 20, Section 15378)**
    - [1.](#) Financial Reports for December 2025
    - [2.](#) Police Department Response Report December 2025

**3.** Fire Department Response Report December 2025

**C. MISCELLANEOUS: (CEQA: as to all, not a project per Guidelines Article 20, Section 15378)**

**1.** Consider Adoption of the Revision of the 2025-26 Salary Schedule

**2.** Consider approval of the appointment of Councilmember Mike Burger as Vice Mayor starting on February 1, 2026 for the rest of 2026 calendar year.

**6. OLD BUSINESS: None**

**7. NEW BUSINESS:**

**G.** Consider Approval of the FY 2024-25 Annual City Audit

**8. STAFF REPORTS: Council Reports**

**H.** Council Reports

**9. CORRESPONDENCE:**

**I.** Correspondence

**10. Closed Session: As permitted by Government Code Section 54956 et. seq. the Council may adjourn to a Closed Session to consider specific matters dealing with certain litigation, personnel, or labor/real property negotiations.**

**A. Public Comment on Closed Session Items: Anyone wishing to address the City Council on an item to be discussed in closed session may do so now. There will be a time limit of not more than three minutes for each speaker. No action will be taken on matters brought up under this public comment period.**

**B. Closed Session Items:**

- 1.** Conference with Legal Counsel – Existing Litigation (Gov't Code § 54956.9)  
Brian Perez v. City of Del Rey Oaks  
United States District Court  
Northern District of California  
Case No: 5:25-cv-07592

**11. NEXT MEETING DATE:**

**Tuesday, February 24, 2026 at 6:00pm**

**12. ADJOURNMENT**

***Information distributed to the Council at the meeting becomes part of the public record. A copy of written material, pictures, etc. must be provided to the secretary for this purpose. All enclosures and materials regarding these agenda items are available for public review at the Del Rey Oaks City Hall, 650 Canyon Del Rey Road, Del Rey Oaks.***

# **City of Del Rey Oaks**

**City Hall  
650 Canyon Del Rey Blvd  
Del Rey Oaks, CA 93940**



## **Action Minutes**

**Tuesday, December 16, 2025**

**6:00 PM**

**City Council – Regular Meeting**

**Del Rey Oaks City Council**

**Scott Donaldson – Mayor  
Jeremy Hallock – Vice Mayor  
John Uy – Councilmember  
Kim Shirley – Councilmember  
Mike Burger – Councilmember**

**6:00 PM – Called to Order:**

The meeting was called to order by Mayor Donaldson

**Roll Call:** Present: Vice Mayor Hallock, Councilmember Shirley, Councilmember Burger, Councilmember Uy and Mayor Donaldson.

Absent: None

Also Present: City Manager Guertin, City Attorney Lorca, City Clerk Minami, Deputy City Clerk/Permit Clerk Batra, and Administrative Services Technician Matthews

**Pledge of Allegiance:**

Led by Mayor Donaldson

**Public Comment:**

None

**PRESENTATION:**

**Swearing in of new Reserve Officer Isaac Garcia**

Complementary comments were made about Officer Garcia by the Mayor and Chief of Police.

The meeting recessed for 15 minutes to allow for refreshments and taking of pictures.

**CONSENT AGENDA:**

**A. MINUTES: (CEQA: as to all, not a project per Guidelines Article 20, Section 15378)**

1. November 18, 2025 City Council Meeting Minutes

**B. MONTHLY REPORTS: (CEQA: as to all, not a project per Guidelines Article 20, Section 15378)**

1. Fire Department Response Report, November 2025
2. Police Activity Report, November 2025
3. Financial Reports, November 2025

**C. MISCELLANEOUS: (CEQA: as to all, not a project per Guidelines Article 20, Section 15378)**

1. Consider Approval of 2026 City Council and Planning Commission Meeting Calendar
2. Authorize City Manager to Execute Contract with James DeChalk Cleaning Services
3. Authorize City Manager to Execute Contract with Coronado Vehicle Services
4. Consider Approval of the 2026 Mayor's Select Committee Appointments
5. Consider Approval of a 2nd Contract Amendment for City Manager John Guertin

**PUBLIC COMMENT:**

None

A motion was made by **Councilmember Shirley**, seconded by **Councilmember Uy**, to Approve the Consent Agenda as presented.

**Motion passed unanimously 5-0**

**OLD BUSINESS:**

None

**NEW BUSINESS:**

**A. Approval of the Memorandum of Understanding (MOU) between the Del Rey Oaks Police Department and Community Human Services Street Outreach Program for Homeless Youth**

Chief Bourquin and Flora Stoutenmeier from Community Human Services presented the program, which provides services including food, clothing, hygiene supplies, case management, and housing navigation. The council members expressed strong support for the collaboration, with Vice Mayor Hallock highlighting his involvement with the program through the Community Human Services board. The Chief notified Council that a group meeting with police officers would be held to discuss the MOU and outreach process.

A motion was made by **Councilmember Hallock**, seconded by **Councilmember Burger**, to approve an MOU between Del Rey Oaks PD and Community Human Services for a street outreach program to assist homeless youth up to age 24.

**PUBLIC COMMENT:**

None

**B. Approval of a Consulting Services Agreement with Economic & Planning Systems, Inc. (EPS) for Technical and Advisory Support Related to Fort Ord Reuse and Public Asset Management**

The City Council heard the review from City Manager Guertin to consider a consulting services agreement with EPS for technical advisory support related to Fort Ord reuse and public asset management, with a budget not to exceed \$75,000. David Zender will assist the City Manager in reaching out to developers familiar with Fort Ord projects, gathering insights to develop a defensible and equitable process for selecting a master developer. The agreement also includes support for exploring opportunities at other city properties, such as the Work Memorial site, Rosita land, and Public Works Site. An item will be heard in February, with a process of what it will look like going forward. Comments from the Council emphasized the importance of transparent communication throughout this process and expressed support for bringing in expert assistance by David Zender, given the City's limited in-house expertise.

**PUBLIC COMMENT:**

**None**

A motion was made by **Councilmember Uy** and seconded by **Councilmember Shirley** to approve a consulting services agreement with EPS for technical advisory support related to Fort Ord reuse and public asset management.

**Motion passed unanimously 5-0**

**C. Information Item: Conclusion of Lease Renewal Discussions with Hana Gardens and Findings from City Due Diligence**

City Manager Guertin reviewed the concerns and findings from the due diligence. The City Council discussed the termination of the lease agreement with Hana Gardens due to breaches of the conditional use permit and safety concerns, including the unauthorized use of untreated well water for restrooms and irrigation. The council emphasized transparency and public safety as reasons for the decision, noting that the business was planning to move to a new site in Monterey anyway. City Manager Guertin assured that the city would not be significantly impacted financially, as the business only paid \$3,000 monthly and received free water valued at tens of thousands of dollars. Future plans include assessing the building's condition and engaging the public through Planning Commission and City Council meetings to determine new uses for the property. All City Councilmembers agreed that this is the best course of action because of the circumstances leading up to it.

**PUBLIC COMMENT:**

**George Jaksha:** Appreciates the description of what is really happening.

**STAFF REPORTS:**

**In the packet with the correspondence**

**NEXT MEETING DATE:** Tuesday, January 27, 2026 at 6:00 pm

**ADJOURNMENT:** 7:05 pm

**Attest:** \_\_\_\_\_

**Date:**-----



# CITY OF DEL REY OAKS

650 CANYON DEL REY BLVD., DEL REY OAKS, CALIFORNIA 93940  
PHONE (831) 394-8511 FAX (831) 394-6421

## Staff Report

**DATE:** January 27, 2026

**TO:** Honorable Mayor and Council Members

**FROM:** John Guertin, City Manager

**SUBJECT:** Approval of December 2025 Financial Reports

**CEQA:** This action does not constitute a “project” as defined by the California Environmental Quality Act (CEQA) guidelines section 15378 as it is an administrative activity of the City that will not result in direct or indirect physical changes in the environment.

### Consideration

Approval of December 2025 Financial Reports.

### Summary & Discussion

Attached are the December 2025 financial reports.

- December 2025 Cash and Investments – The report shows where the City’s funds are invested. The City continues to have a healthy cash balance of \$12,976,142, much of which is restricted for specific purposes.
- December 2025 Check Register – This is a listing of all the payments issued during the month. The total checks issued are \$180,456.
- December 2025 General Fund Summary – This is a one-page summary of the General Fund summarized as follows:

	FY 2026 Budget	December 2025 Actual	FY 2026 YTD Actual	% Collected/ Spent
Revenue	\$ 5,091,200	\$ 847,610	\$ 2,790,107	55%
Expenditures	5,178,300	248,239	2,470,471	48%
Net Revenue over Expend	(87,100)	599,371	319,636	
Transfers Out to CIP	(375,446)		-	0%
Net Operating Surplus	\$ (462,546)	\$ 599,371	\$ 319,636	

At 50% of the year (6 months) the revenues are at 55%, property taxes in the amount of \$493,563 were received this month. Expenditures are at 47% of the budget. For the month of December 2025, the General Fund shows a surplus net revenue over expenditure of \$599,371 due to the receipt of property taxes.

- December 2025 Statement of Revenues and Expenditures – shows fiscal year-to-date actuals in comparison with FY 2026 Budget.
- Encumbrance Summary Report represents the purchase orders with a total outstanding balance of \$919,373 as of December 31, 2025.

**Fiscal Impacts**

None. This is informational only.

**Recommendation**

Staff recommends approving the reports.

**ATTACHMENTS:**

- Cash and Investments 2025-12
- Check/Voucher Register 2025-12
- General Fund Summary 2025-12
- Statement of Revenues & Expenditures 2025-12
- Encumbrance Summary 2025-12

Respectfully Submitted,

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John Guertin, City Manager

**City of Del Rey Oaks  
Summary of Cash & Investments  
As of December 31, 2025**

Accounts			
Unrestricted			
General Checking	\$	1,032,950	
Cash with TDS-Parking		192	
Local Agency Investment Fund			
Reserve for Economic Uncertainties		1,652,182	4.096%
Unappropriated Funds		1,561,592	4.096%
Total Unrestricted	\$	<u>4,246,916</u>	
Restricted			
PARS-115 Trust Fund	\$	394,182	
Dev - Monterey Peninsula Partner		9,063	
Fidelity Title Escrow Acct - GJM/SBR Intersection		1,056,168	
Fidelity Title Escrow Acct - SBR Construction		7,269,813	
Total Restricted	\$	<u>8,729,226</u>	
<b>Total Cash and Investments</b>	<b>\$</b>	<b><u>12,976,142</u></b>	

**City of Del Rey Oaks  
Check/Voucher Register  
From 12/01/2025 Through 12/31/2025**

Check Number	Payee	Transaction Description	Check Amount	
23223	A.F. Electric, Inc.	City Hall Entry Light	790.00	12/10/2025
23224	AMERICAN LOCK & KEY	Hardware Knob - City Hall	177.78	12/10/2025
23225	AT&T	Airport Internet Service Period 11/25/25 to 12/24/25	84.89	12/10/2025
23226	AT&T CAL NET 2	Outside PD Phone Service Periods 10-19-25 to 11-18-25	32.61	12/10/2025
23227	Christopher L. Bourquin	Travel Reimbursement- Bourquin	227.42	12/10/2025
23228	CORELOGIC SOLUTIONS, LLC.	Software 2025-11	169.91	12/10/2025
23229	CRITICAL REACH INC	2026 APBnet Annual Support Fee	375.00	12/10/2025
23230	DOCTORS ON DUTY	PD Immunization - New Hire	155.97	12/10/2025
23231	FENTON & KELLER	City Attorney General Services	6,676.49	12/10/2025
23232	GALL'S INC.	Pepper Spray	339.09	12/10/2025
23233	G.P.S. SOLUTIONS	Plan Checking & Building Inspection Services 2025-11	6,791.05	12/10/2025
23234	Granite Rock Company	Supplies	123.80	12/10/2025
23235	HOME DEPOT CRC	Supplies	663.32	12/10/2025
23236	JEFF ANDOY	Travel Reimbursement - Andoy, Jeff 11-17-2025 to 11-18-2025	412.63	12/10/2025
23237	MBS BUSINESS SYSTEMS, INC.	Konika Minolta Copier - Billing Period 11/24/25 to 02/23/26	804.97	12/10/2025
23238	Monterey One Water	Service Period 11/01/2025 - 12/31/2025	93.72	12/10/2025
23239	County of Monterey	FY 2025326 QTR3	19,333.00	12/10/2025
23240	MONTEREY COUNTY WEEKLY CLASSIFIEDS	Notice of Publication Chapter Ordinance No 322	819.00	12/10/2025
23241	MONTEREY SIGNS	Custom Printed Vehicle Wrap - Small Enclosed PD Trailer	1,154.29	12/10/2025
23242	MONTEREY TIRE SERVICE	14 Dodge Charger Police Tire Repair	34.92	12/10/2025
23243	Motorola Solutions, INC. Motorola Solutions, INC.	Motorola Lease Service Period 12/11/2025 to 12/10/2026	21,319.32	12/10/2025
		Supplies	432.63	12/10/2025
23244	PG&E	Service Period 10/21/2025 to 11/19/2025	2,575.59	12/10/2025
23245	Pitney Bowes Global Financial Servies LLC	SendPro C Series - Version 4 Lease Service Period 09/30/25 - 12/29/25	205.46	12/10/2025
23246	PORAC HEADQUARTERS	Legal Defense Fund - Reserve Officers 2025-12	72.00	12/10/2025
23247	PRECISION ALARMS AND AUTOMATION, INC.	Alarm Inspections & Monitoring 2025-12	170.00	12/10/2025
23248	PORAC LEGAL DEFENSE FUND	Reserve Legal Defense Fund 2025-12	990.90	12/10/2025
23249	Peace Officers Research Association of California Peace Officers Research Association of California	ASSN ID #3163 2025-12	60.00	12/10/2025
		ASSN ID#3162 PORAC 2025-12	283.00	12/10/2025
23250	PURE WATER	Supplies 2025-12	51.00	12/10/2025
23251	RingCentral, Inc. RingCentral, Inc.	Service Period 10/29/2025 to 11/28/2025	331.39	12/10/2025
		Service Period 11/29/2025 to 12/28/2025	331.39	12/10/2025
		Officer Wellness and Mental Health Grant 1/1/2023 - 12/1/2025		
23252	State of CA Board of State and Community Corrections	Reimbursement	8,836.00	12/10/2025
23253	TERMINIX, INC.	Pest Control 2025-11	115.24	12/10/2025
23254	THOMAS DOWSON	Office Supplies Reimbursement - Dowson 12/2/2025	240.34	12/10/2025
23255	Transunion Risk & Alternative Data Solutions, Inc.	Online Investigative Services 10/1/2025 to 09/30/2026	1,200.00	12/10/2025
23256	US Bank Equipment Finance	Konika Minolta Copier Lease 2025-11	428.84	12/10/2025
23257	Verizon	Service Period 10/24/25-11/23/25	118.03	12/10/2025
23258	YSS BUILDERS, INC. YSS BUILDERS, INC.	Del Rey Gardens - Nursery Bldg Pipe Install	2,386.00	12/10/2025
		Plumbing Repairs Park Restroom	315.00	12/10/2025
23259	Access Monterey Penninsula, Inc.	Field Production - DRO Planning Commision 9/10/2025	300.00	12/18/2025
23260	AFLAC	Premium 2025-11	1,216.16	12/18/2025
23261	AT&T MOBILITY	Telephone Service Period 12-03-25 to 01-02-26	308.74	12/18/2025
23262	CivicPlus, LLC	Municode Electronic Update Pages & Blank Supplement Pages	370.50	12/18/2025
23263	CoPower	Dental Premiums 2026-01	2,367.50	12/18/2025
23264	Dog Waste Depot	Dog Waste Bags -DRO Dog Park	433.29	12/18/2025
23265	FENTON & KELLER	City Attorney General Services	5,329.20	12/18/2025
23266	MONTEREY BAY TECHNOLOGIES, INC.	FY25/26 IT Services Retainer 2025-12	1,800.00	12/18/2025
23267	PG&E	Service Period 11/11/2025 -12/11/2025	83.48	12/18/2025
23268	ROGER GUZMAN	Travel Reimbursement 12/10-12/11/2025	320.00	12/18/2025
23269	SMITH & ENRIGHT LANDSCAPING, INC.	FY25-26 Weekly Landscape Maintenance	1,540.00	12/18/2025
23270	Stericycle, Inc.	Shred Service 2025-11	193.38	12/18/2025
23271	US Bank Equipment Finance	Konika Minolta Copier Lease 2025-11	135.64	12/18/2025
ACH 2025-12- PERS		CalPERS 1900 457 (11/21) Contribution 11/30/2025	3,450.00	12/1/2025
	PERS	PERS 3100 Contribution Retirement 11/01-11/14/25 -Plan 26934	2,436.96	12/1/2025
	PERS	PERS 3100 Contribution Retirement 11/1-11/14/25 -Plan 1364	654.74	12/1/2025
	PERS	PERS 3100 Contribution Retirement 11/1-11/14/25 -Plan 25623	5,336.74	12/1/2025
	PERS	PERS 3100 Contribution Retirement 11/1-11/14/25 -Plan 1365	3,682.50	12/1/2025
ACH 2025-12- 7-Eleven Mastercard		PD & PW Fuel Charges 2025-11	2,562.11	12/8/2025
ACH 2025-12- P.E.R.S.-HEALTH		CalPERS 1800 Health 2025-12	37,090.46	12/8/2025
ACH 2025-12- PERS		CalPERS 1900 457 (12/23) Contribution 12/15/2025	3,050.00	12/23/2025
	PERS	PERS 3100 Contribution Retirement 11/29-12/12/25 -Plan 1364	654.74	12/23/2025
	PERS	PERS 3100 Contribution Retirement 11/29-12/12/25 -Plan 25623	5,672.56	12/23/2025
	PERS	PERS 3100 Contribution Retirement 11/29-12/12/25 -Plan 26934	2,448.62	12/23/2025
	PERS	PERS 3100 Contribution Retirement 11/29-12/12/25 -Plan 1365	3,673.97	12/23/2025
ACH2025-12- PERS		CalPERS 1900 457 (12/09) Contribution 12/15/2025	3,250.00	12/9/2025
	PERS	PERS 3100 Contribution Retirement 11/14-11/25/22 -Plan 25623	5,457.54	12/9/2025
	PERS	PERS 3100 Contribution Retirement 11/14-11/25/25 -Plan 1364	654.74	12/9/2025
	PERS	PERS 3100 Contribution Retirement 11/14-11/25/25 -Plan 26934	2,392.60	12/9/2025
	PERS	PERS 3100 Contribution Retirement 11/14-11/25/25 -Plan 1365	3,867.96	12/9/2025

**Report Total** **\$ 180,456.12**

**City of Del Rey Oaks**  
**Statement of Revenues and Expenditures**  
**100 - General Fund**  
**From 12/01/2025 Through 12/31/2025**

		<b>FY 2026</b>	<b>December</b>	<b>FY 2026</b>	<b>Percent</b>
		<b>Budget</b>	<b>2025</b>	<b>YTD Actual</b>	<b>Collected</b>
		<b><u>Budget</u></b>	<b><u>Actual</u></b>	<b><u>YTD Actual</u></b>	<b><u>/Spent</u></b>
<b>Revenue</b>					
Property Taxes	000	867,500.00	493,237.22	493,237.22	57%
Sales Tax	000	1,189,000.00	88,908.30	626,732.76	53%
Other Taxes	000	551,400.00	6,730.44	273,752.22	50%
Licenses and Permits	000	322,700.00	14,511.38	289,409.57	90%
Fines and Forfeitures	000	25,100.00	556.16	7,930.46	32%
Other Revenue	000	205,700.00	408.51	96,972.06	47%
Grants	000	247,500.00	114,134.66	177,245.17	72%
Airport Police Services	210	1,489,000.00	124,083.00	732,257.50	49%
Current Services	000	193,300.00	5,040.78	92,570.32	48%
<b>Total Revenues</b>		<b><u>\$ 5,091,200.00</u></b>	<b><u>\$ 847,610.45</u></b>	<b><u>\$ 2,790,107.28</u></b>	<b><u>55%</u></b>
<b>Expenditures</b>					
Council	110	30,400.00	1,206.32	7,990.57	26%
City Clerk	111	648,200.00	37,883.32	346,538.02	53%
City Manager	120	338,400.00	21,721.51	166,235.19	49%
Finance	130	236,000.00	748.80	128,962.63	55%
Legal	150	89,300.00	6,148.20	21,341.57	24%
Planning & Building Regulation	160	150,400.00	-	58,402.04	39%
Government Buildings	180	20,200.00	369.17	4,026.92	20%
Non-Departmental	190	56,800.00	177.78	23,310.65	41%
Police	210	2,998,900.00	164,307.16	1,510,704.21	50%
Fire/Animal Control	220	243,300.00	-	60,928.25	25%
Public Works/Streets	311	256,800.00	12,833.89	122,543.05	48%
Parks/Recreation	411	109,600.00	2,843.28	19,488.11	18%
<b>Total Expenditures</b>		<b><u>\$ 5,178,300.00</u></b>	<b><u>\$ 248,239.43</u></b>	<b><u>\$ 2,470,471.21</u></b>	<b><u>48%</u></b>
Excess(Deficit) of Revenue Over Expenditures		<b><u>\$ (87,100.00)</u></b>	<b><u>\$ 599,371.02</u></b>	<b><u>\$ 319,636.07</u></b>	

**City of Del Rey Oaks  
Statement of Revenues and Expenditures**

Item 1.

**100 - General Fund**

From 12/1/2025 Through 12/31/2025

		FY 2026 Budget	December 2025 Actual	FY 2026 YTD Actual	Percent Collected/Spent
Revenue					
Property Taxes					
Non Department Specific	000				
P/T-Secured	41110	599,800.00	338,949.67	338,949.67	56.51%
P/T-Unsecured	41120	31,200.00	30,865.67	30,865.67	98.92%
P/T-Prior Secured	41130	6,200.00	3,454.44	3,454.44	55.71%
Prior Unsecured	41140	100.00	0.00	0.00	0.00%
P/T-Unitary Tax	41150	12,500.00	7,454.70	7,454.70	59.63%
P/T-Supplemental Roll (SB813)	41160	12,400.00	7,078.58	7,078.58	57.08%
Property Tax - VLF	41170	204,500.00	103,918.50	103,918.50	50.81%
Prop Tax-Interest/Penalty	41180	800.00	1,515.66	1,515.66	189.45%
Total Non Department Specific		<u>867,500.00</u>	<u>493,237.22</u>	<u>493,237.22</u>	
Total Property Taxes		867,500.00	493,237.22	493,237.22	56.86%
Sales Tax					
Non Department Specific	000				
Sales Tax	42210	409,000.00	28,698.42	206,214.62	50.41%
Sales Tax - 145 (Measure S-1%)	42220	520,000.00	40,101.60	280,700.57	53.98%
Sales Tax -409 (Measure R 1/2%)	42221	260,000.00	20,108.28	139,817.57	53.77%
Total Non Department Specific		<u>1,189,000.00</u>	<u>88,908.30</u>	<u>626,732.76</u>	52.71%
Total Sales Tax		1,189,000.00	88,908.30	626,732.76	52.71%
Other Taxes					
Non Department Specific	000				
Cannabis Tax	42222	100,000.00	6,730.44	40,453.52	40.45%
Transient Occupancy Tax	42230	229,500.00	0.00	164,481.99	71.66%
Property Transfer Tax	42250	8,700.00	0.00	3,107.23	35.71%
Sewer Impact	42290	22,000.00	0.00	0.00	0.00%
Gas Franchises	42761	8,200.00	0.00	0.00	0.00%
Electric Franchises	42762	22,000.00	0.00	0.00	0.00%
Garbage Franchises	42763	110,000.00	0.00	55,169.59	50.15%
Cable Tv Franchises	42764	26,000.00	0.00	10,539.89	40.53%
Water Franchises	42765	25,000.00	0.00	0.00	0.00%
Total Non Department Specific		<u>551,400.00</u>	<u>6,730.44</u>	<u>273,752.22</u>	49.65%
Total Other Taxes		551,400.00	6,730.44	273,752.22	49.65%
Licenses and Permits					
Non Department Specific	000				
STR Annual Licenses Fee	42231	0.00	1,750.00	6,368.24	0.00%
Business Licenses	42310	225,000.00	736.00	230,909.23	102.62%
HOUP (Home Occupational User Permit)	42311	0.00	0.00	1,920.00	0.00%
SB1473 Environmental Assessment Fee	43312	100.00	26.75	76.35	76.35%
Building Permits	43320	59,000.00	9,918.88	34,590.38	58.62%
Strong-Motion Instrumental Program (SMIP) Fees	43322	200.00	53.75	209.03	104.51%
Cannabis Business Permit	43325	5,000.00	0.00	0.00	0.00%
Plan Check Fees	43330	18,000.00	1,071.00	10,055.46	55.86%
Encroachment/Street Opening Permits Fees	43340	8,000.00	0.00	600.00	7.50%
Plumbing Permits	43350	3,400.00	170.00	638.00	18.76%
Electrical Permits	43360	3,000.00	255.00	1,912.88	63.76%

**City of Del Rey Oaks  
Statement of Revenues and Expenditures**

Item 1.

**100 - General Fund**

From 12/1/2025 Through 12/31/2025

		FY 2026 Budget	December 2025 Actual	FY 2026 YTD Actual	Percent Collected/Spent
Tree Removal Permits	43361	0.00	100.00	700.00	0.00%
AVAILABLE	43362	0.00	0.00	300.00	0.00%
Other Licenses/Permits	43390	1,000.00	0.00	0.00	0.00%
Day Use Permits (Park only)	48911	0.00	120.00	540.00	0.00%
Old Town Hall Rental Fee	48912	0.00	310.00	590.00	0.00%
Total Non Department Specific		<u>322,700.00</u>	<u>14,511.38</u>	<u>289,409.57</u>	<u>89.68%</u>
Total Licenses and Permits		322,700.00	14,511.38	289,409.57	89.68%
<b>Fines and Forfeitures</b>					
Non Department Specific	000				
Fines & Forfeitures	45000	2,600.00	182.16	1,508.46	58.01%
Vehicle Code Fines	45510	5,500.00	250.00	1,170.00	21.27%
Parking and Admin Fines	45512	17,000.00	124.00	5,252.00	30.89%
Total Non Department Specific		<u>25,100.00</u>	<u>556.16</u>	<u>7,930.46</u>	<u>31.60%</u>
Total Fines and Forfeitures		25,100.00	556.16	7,930.46	31.60%
<b>Other Revenue</b>					
Non Department Specific	000				
SB1186 Disability Access Fund	43311	1,000.00	84.00	549.00	54.90%
Interest Earned	46100	185,000.00	0.00	69,168.35	37.38%
Interest Earned-PARS	46101	15,000.00	0.00	16,403.32	109.35%
HOPTR	47130	1,200.00	324.51	324.51	27.04%
Vehicle License Collection	47140	2,500.00	0.00	2,414.14	96.56%
Miscellaneous Refunds	48930	1,000.00	0.00	8,112.74	811.27%
Total Non Department Specific		<u>205,700.00</u>	<u>408.51</u>	<u>96,972.06</u>	<u>47.14%</u>
Total Other Revenue		205,700.00	408.51	96,972.06	47.14%
<b>Grants</b>					
Non Department Specific	000				
COPS	47240	194,000.00	109,869.94	151,536.63	78.11%
SB1383 Organics Recycling	47243	14,000.00	0.00	2,500.00	17.85%
Prop 172	47750	20,000.00	1,764.72	9,407.77	47.03%
Wellness Program	47760	7,500.00	0.00	10,772.04	143.62%
Police Grants & Other Reimbursements	47780	5,000.00	2,500.00	2,503.23	50.06%
POST Reimbursements	47781	7,000.00	0.00	525.50	7.50%
Total Non Department Specific		<u>247,500.00</u>	<u>114,134.66</u>	<u>177,245.17</u>	<u>71.61%</u>
Total Grants		247,500.00	114,134.66	177,245.17	71.61%
<b>Airport Police Services</b>					
Police	210				
Airport Police Services	48220	1,489,000.00	124,083.00	732,257.50	49.17%
Total Police		<u>1,489,000.00</u>	<u>124,083.00</u>	<u>732,257.50</u>	<u>49.18%</u>
Total Airport Police Services		1,489,000.00	124,083.00	732,257.50	49.18%
<b>Current Services</b>					
Non Department Specific	000				
Rental Income - Garden Center	46815	18,000.00	0.00	15,000.00	83.33%
Rental Income - Airport RV	46816	39,600.00	3,966.50	23,676.24	59.78%
Rental Income - PW Bldg (CHC Enterprise)	46817	24,000.00	0.00	6,000.00	25.00%
Police Service Fees	48210	1,000.00	145.00	520.00	52.00%
Police Services-Special Events	48211	35,000.00	0.00	34,920.00	99.77%
Public Events	48212	5,000.00	0.00	0.00	0.00%
Use Permits	48805	52,000.00	200.00	2,540.00	4.88%

**City of Del Rey Oaks  
Statement of Revenues and Expenditures**

Item 1.

**100 - General Fund**

From 12/1/2025 Through 12/31/2025

		FY 2026 Budget	December 2025 Actual	FY 2026 YTD Actual	Percent Collected/Spent
Maps/Publications	48810	100.00	0.00	0.00	0.00%
Property Inspections	48825	4,500.00	255.00	1,525.00	33.88%
Miscellaneous Revenue	48840	10,000.00	275.52	3,863.52	38.63%
Credit Card Processing Fee	48841	0.00	78.76	1,845.56	0.00%
LAFCO Refund & Interest for FORA	48842	400.00	0.00	0.00	0.00%
Rental - Park	48910	3,700.00	120.00	2,680.00	72.43%
Total Non Department Specific		<u>193,300.00</u>	<u>5,040.78</u>	<u>92,570.32</u>	<u>47.89%</u>
Total Current Services		<u>193,300.00</u>	<u>5,040.78</u>	<u>92,570.32</u>	<u>47.89%</u>
Total Revenue		<u>5,091,200.00</u>	<u>847,610.45</u>	<u>2,790,107.28</u>	<u>54.80%</u>
<b>Expenditures</b>					
Council	110				
Council Member Stipend	61115	7,500.00	525.00	3,150.00	42.00%
Medicare-ER	61130	200.00	7.61	45.66	22.83%
Social Security-ER	61131	500.00	32.55	195.30	39.06%
Unemployment Ins-Fed & State	61132	100.00	3.15	18.90	18.90%
Dental Expense	61135	8,900.00	638.01	4,466.07	50.18%
Materials/Supply	62410	200.00	0.00	0.00	0.00%
Membership	64550	2,500.00	0.00	0.00	0.00%
Dues-Professional Org					
Strategic Planning	64570	5,000.00	0.00	0.00	0.00%
Misc Expenses	64580	2,500.00	0.00	114.64	4.58%
Travel Expenses	64610	<u>3,000.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00%</u>
Total Council		30,400.00	1,206.32	7,990.57	26.28%
City Clerk	111				
Payroll	61105	252,300.00	20,788.93	129,249.10	51.22%
Overtime	61110	5,000.00	0.00	1,859.49	37.18%
PERS UAL - After 06/30/18	61123	11,100.00	0.00	890.00	8.01%
PERS UAL-Before 06/30/2018	61124	41,000.00	0.00	51,139.00	124.72%
PERS Retirement	61125	26,700.00	1,613.51	10,461.40	39.18%
Medicare-ER	61130	3,800.00	300.28	1,894.09	49.84%
Unemployment Ins-Fed & State	61132	1,200.00	0.00	0.00	0.00%
Dental Expense	61135	5,700.00	447.25	3,130.75	54.92%
Health Insurance	61140	122,800.00	9,772.22	57,067.04	46.47%
Vision Ins	61145	800.00	0.00	357.60	44.70%
Workers Comp and EAP	61150	4,000.00	0.00	3,062.00	76.55%
Wellness Program	61155	1,500.00	0.00	919.72	61.31%
Educational Incentive Pay	61157	6,000.00	461.54	2,952.01	49.20%
Longevity Pay	61158	3,700.00	328.70	2,079.15	56.19%
Materials/Supply	62410	4,000.00	25.50	241.90	6.04%
Office Supplies	62430	7,000.00	0.00	2,864.87	40.92%
Repair/Maintenance	63505	1,000.00	395.00	801.66	80.16%
Other Outside Services	63508	6,000.00	1,881.89	5,378.73	89.64%
Shredding Services	63509	1,000.00	96.69	548.15	54.81%
Short Term Rental Services	63511	17,500.00	0.00	17,500.00	100.00%
Telephone	63530	3,000.00	331.40	1,290.91	43.03%
Internet	63531	1,500.00	0.00	557.60	37.17%
Website Design & Maintenance	63535	1,000.00	0.00	0.00	0.00%
Postage / Shipping	63540	2,000.00	0.00	1,101.67	55.08%

**City of Del Rey Oaks  
Statement of Revenues and Expenditures**

Item 1.

**100 - General Fund**

From 12/1/2025 Through 12/31/2025

		FY 2026 Budget	December 2025 Actual	FY 2026 YTD Actual	Percent Collected/Spent
Training	63605	11,000.00	0.00	2,000.00	18.18%
Insurance-Liability	63620	62,400.00	0.00	31,841.70	51.02%
Contract Services - IT	63635	10,000.00	900.00	4,500.00	45.00%
Software/Server Subscription	64310	15,500.00	540.41	5,436.21	35.07%
Agenda Management System	64315	7,000.00	0.00	4,920.00	70.28%
Municipal Code Service	64320	5,000.00	0.00	881.17	17.62%
Membership	64550	1,000.00	0.00	337.78	33.77%
Dues-Professional Org					
Membership	64552	700.00	0.00	15.00	2.14%
Dues-Government Agency					
Printing / Publications	64575	2,000.00	0.00	0.00	0.00%
Misc Expenses	64580	500.00	0.00	824.62	164.92%
Election Cost	64588	500.00	0.00	0.00	0.00%
Travel Expenses	64610	3,000.00	0.00	434.70	14.49%
<b>Total City Clerk</b>		<b>648,200.00</b>	<b>37,883.32</b>	<b>346,538.02</b>	<b>53.46%</b>
<b>City Manager</b>	<b>120</b>				
Payroll	61105	202,100.00	15,548.80	94,194.68	46.60%
PERS UAL - After 06/30/18	61123	500.00	0.00	445.00	89.00%
PERS Retirement	61125	16,100.00	1,158.08	7,025.91	43.63%
Medicare-ER	61130	2,900.00	225.46	1,441.49	49.70%
Unemployment Ins-Fed & State	61132	100.00	0.00	0.00	0.00%
Dental Expense	61135	2,400.00	193.29	1,353.03	56.37%
Health Insurance	61140	48,400.00	3,837.86	23,166.16	47.86%
Health Insurance -Retiree	61141	1,900.00	158.00	948.00	49.89%
Vision Ins	61145	400.00	0.00	94.26	23.56%
Workers Comp and EAP	61150	3,000.00	0.00	2,042.00	68.06%
Wellness Program	61155	500.00	0.00	0.00	0.00%
Educational Incentive Pay	61157	0.00	184.62	461.55	0.00%
Admin Leave	61175	0.00	0.00	5,239.52	0.00%
Auto Allowance	61180	5,400.00	415.40	2,655.10	49.16%
Office Supplies	62430	300.00	0.00	30.94	10.31%
Insurance-Liability	63620	51,000.00	0.00	25,473.36	49.94%
Membership	64550	1,700.00	0.00	1,660.00	97.64%
Dues-Professional Org					
Membership	64552	700.00	0.00	0.00	0.00%
Dues-Government Agency					
Travel Expenses	64610	1,000.00	0.00	4.19	0.41%
<b>Total City Manager</b>		<b>338,400.00</b>	<b>21,721.51</b>	<b>166,235.19</b>	<b>49.12%</b>
<b>Finance</b>	<b>130</b>				
ADP Payroll Fees	62310	8,500.00	748.80	4,258.85	50.10%
Bank Service Charges	62320	4,000.00	0.00	3,021.43	75.53%
Credit Card Fees	62321	5,000.00	0.00	2,543.11	50.86%
Accounting Software	62431	5,000.00	0.00	281.25	5.62%
Budget Software	62433	14,000.00	0.00	14,000.00	100.00%
Audit-General	63625	40,000.00	0.00	25,660.00	64.15%
Audit -Sales Tax	63626	5,000.00	0.00	0.00	0.00%
Actuarial Services	63627	4,500.00	0.00	1,550.00	34.44%
Accounting Services-RGS	63645	150,000.00	0.00	77,647.99	51.76%
<b>Total Finance</b>		<b>236,000.00</b>	<b>748.80</b>	<b>128,962.63</b>	<b>54.65%</b>
<b>Legal</b>	<b>150</b>				
Legal Services	63650	86,000.00	5,329.20	19,637.83	22.83%
Legal Advert	64560	2,300.00	819.00	1,703.74	74.07%

**City of Del Rey Oaks  
Statement of Revenues and Expenditures**

Item 1.

**100 - General Fund**

From 12/1/2025 Through 12/31/2025

		FY 2026 Budget	December 2025 Actual	FY 2026 YTD Actual	Percent Collected/Spent
Misc Expenses	64580	<u>1,000.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00%</u>
Total Legal		89,300.00	6,148.20	21,341.57	23.90%
Planning & Building Regulation	160				
Economic Development Services	63639	20,000.00	0.00	0.00	0.00%
Planning Services	63640	40,000.00	0.00	12,207.00	30.51%
Contract Services - Housing Element	63642	50,000.00	0.00	11,697.25	23.39%
Building Inspections Services	63648	32,400.00	0.00	34,197.79	105.54%
Engineering Services	63649	5,000.00	0.00	300.00	6.00%
Code Enforcement Services	63656	2,000.00	0.00	0.00	0.00%
Travel Expenses	64610	<u>1,000.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00%</u>
Total Planning & Building Regulation		150,400.00	0.00	58,402.04	38.83%
Government Buildings	180				
Materials/Supply	62410	2,000.00	0.00	0.00	0.00%
Repair/Maintenance	63505	5,000.00	0.00	424.35	8.48%
Other Outside Services	63508	1,000.00	0.00	0.00	0.00%
Utilities - PG&E	63520	8,000.00	369.17	1,852.57	23.15%
Janitorial Services	63660	<u>4,200.00</u>	<u>0.00</u>	<u>1,750.00</u>	<u>41.66%</u>
Total Government Buildings		20,200.00	369.17	4,026.92	19.94%
Non-Departmental	190				
Materials/Supply	62410	500.00	177.78	(391.02)	(78.20)%
Insurance-Liability	63620	25,000.00	0.00	(4,091.10)	(16.36)%
Insurance-Property	63621	9,000.00	0.00	7,812.76	86.80%
Membership Dues-Professional Org	64550	500.00	0.00	500.00	100.00%
Membership Dues-Non Profit Agency Contrib	64551	15,000.00	0.00	13,575.00	90.50%
Membership Dues-Government Agency	64552	5,500.00	0.00	5,161.71	93.84%
Misc Expenses	64580	1,000.00	0.00	577.44	57.74%
S.M.I.P.	64930	200.00	0.00	129.86	64.93%
SB 1473	64940	<u>100.00</u>	<u>0.00</u>	<u>36.00</u>	<u>36.00%</u>
Total Non-Departmental		56,800.00	177.78	23,310.65	41.04%
Police	210				
Payroll	61105	1,167,800.00	75,084.57	467,835.78	40.06%
Overtime	61110	150,000.00	19,430.80	152,772.30	101.84%
Overtime-DEA	61111	0.00	0.08	2,192.43	0.00%
Reserves Payroll	61120	95,000.00	17,521.36	60,744.98	63.94%
PERS UAL - After 06/30/18	61123	30,400.00	0.00	25,476.01	83.80%
PERS UAL-Before 06/30/2018	61124	111,000.00	0.00	115,906.99	104.42%
PERS Retirement	61125	163,000.00	10,926.59	63,103.89	38.71%
PERS 457 Expense	61126	32,400.00	2,100.00	13,650.00	42.12%
Medicare-ER	61130	17,400.00	1,703.08	10,249.56	58.90%
Social Security-ER	61131	1,000.00	45.15	234.61	23.46%
Unemployment Ins-Fed & State	61132	13,000.00	17.97	75.97	0.58%
Dental Expense	61135	16,200.00	961.97	6,733.79	41.56%
Health Insurance	61140	342,300.00	20,370.18	127,669.99	37.29%
Vision Ins	61145	2,500.00	0.00	861.66	34.46%
Workers Comp and EAP	61150	141,500.00	0.00	95,957.00	67.81%
Wellness Program	61155	5,000.00	0.00	3,272.04	65.44%

**City of Del Rey Oaks  
Statement of Revenues and Expenditures**

Item 1.

**100 - General Fund**

From 12/1/2025 Through 12/31/2025

		FY 2026 Budget	December 2025 Actual	FY 2026 YTD Actual	Percent Collected/Spent
Educational Incentive Pay	61157	16,800.00	1,015.40	7,214.58	42.94%
Longevity Pay	61158	9,300.00	871.72	5,562.87	59.81%
Uniform Allowance	61160	10,000.00	2,000.00	6,000.00	60.00%
Admin Leave	61175	0.00	780.12	780.12	0.00%
Materials/Supply	62410	15,000.00	1,951.51	4,007.79	26.71%
Ammunition	62420	5,000.00	0.00	0.00	0.00%
Body Armor Vests	62422	1,500.00	0.00	0.00	0.00%
Office Supplies	62430	5,000.00	240.34	2,900.39	58.00%
Special Supply Police	62440	0.00	0.00	(143.50)	0.00%
Auto Operations - Supplies / Equip	62710	1,000.00	0.00	0.00	0.00%
Auto Operations - Fuel	62720	30,000.00	2,253.74	10,982.55	36.60%
Bank Service Charges	63300	0.00	0.00	(22.70)	0.00%
Repair/Maintenance	63505	2,000.00	395.00	2,092.65	104.63%
Other Outside Services	63508	5,000.00	278.26	2,448.30	48.96%
Shredding Services	63509	1,000.00	96.69	548.18	54.81%
Utilities - PG&E	63520	8,000.00	355.14	1,913.51	23.91%
Telephone	63530	8,000.00	672.73	2,923.56	36.54%
Internet	63531	6,000.00	202.92	1,716.89	28.61%
Annual Maintenance-Records Mgmt Software	63537	5,000.00	0.00	0.00	0.00%
Record Management-Historical	63538	3,400.00	0.00	3,512.38	103.30%
Postage / Shipping	63540	500.00	0.00	234.10	46.82%
Training	63605	5,000.00	412.63	6,113.61	122.27%
Insurance-Liability	63620	290,200.00	0.00	142,414.64	49.07%
Insurance-Property	63621	9,000.00	0.00	7,812.75	86.80%
Insurance-Vehicles	63622	2,550.00	0.00	0.00	0.00%
Insurance-ADWRP	63624	0.00	0.00	829.00	0.00%
Audit-General	63625	5,000.00	0.00	0.00	0.00%
Actuarial Services	63627	2,500.00	0.00	1,550.00	62.00%
Professional Services	63628	12,000.00	0.00	0.00	0.00%
Contract Services - IT	63635	12,900.00	900.00	4,500.00	34.88%
Contract Services-Others	63637	4,200.00	0.00	2,625.33	62.50%
Legal Services	63650	3,800.00	0.00	1,462.50	38.48%
Janitorial Services	63660	4,200.00	0.00	1,750.00	41.66%
911-NGEN Phase II Upgrade	63664	7,000.00	0.00	0.00	0.00%
911-Radio Dispatch	63665	61,800.00	0.00	46,320.00	74.95%
911-Inform MDT Terminal Service	63666	1,000.00	0.00	0.00	0.00%
911-Notification System	63667	400.00	0.00	0.00	0.00%
911-NGEN O&M	63668	14,400.00	0.00	10,734.00	74.54%
911-NGEN Debt (Capital Fee)	63669	8,000.00	0.00	8,045.00	100.56%
Auto Repair/Maintenance	63730	23,000.00	34.92	11,273.36	49.01%
Parking & Admin Citations Services	63812	9,000.00	0.00	2,358.36	26.20%
Animal Regulation Fire	63820	500.00	0.00	0.00	0.00%
Fund Jail & Prisoner	63830	200.00	0.00	708.00	354.00%
ACJIS System	63840	9,000.00	0.00	0.00	0.00%
Software/Server Subscription	64310	22,700.00	1,575.00	18,837.61	82.98%
Computer Server	64318	0.00	0.00	5,276.34	0.00%
Personnel Recruit & Pre-Employment	64545	3,000.00	0.00	1,499.00	49.96%

**City of Del Rey Oaks  
Statement of Revenues and Expenditures**

Item 1.

**100 - General Fund**

From 12/1/2025 Through 12/31/2025

		FY 2026 Budget	December 2025 Actual	FY 2026 YTD Actual	Percent Collected/Spent
Membership	64550	9,000.00	1,405.90	4,244.58	47.16%
Dues-Professional Org					
Membership Dues-Non Profit	64551	500.00	0.00	500.00	100.00%
Agency Contrib					
Membership	64552	5,000.00	0.00	5,170.00	103.40%
Dues-Government Agency					
Books and Periodicals	64565	900.00	0.00	208.85	23.20%
Printing / Publications	64575	2,000.00	0.00	0.00	0.00%
Misc Expenses	64580	1,000.00	155.97	2,085.33	208.53%
Travel Expenses	64610	13,000.00	547.42	3,657.96	28.13%
Principal-Motorola	65104	21,350.00	0.00	21,319.32	99.85%
Lease-Cameras					
Principal-Dell	65105	5,000.00	0.00	0.00	0.00%
Principal-Sunridge Records	65106	8,500.00	0.00	0.00	0.00%
Mgmt					
Interest-Sunridge Records	65107	300.00	0.00	0.00	0.00%
Mgmt					
<b>Total Police</b>		<b>2,998,900.00</b>	<b>164,307.16</b>	<b>1,510,704.21</b>	<b>50.38%</b>
Fire/Animal Control	220				
Fire Seaside	63810	243,300.00	0.00	60,928.25	25.04%
<b>Total Fire/Animal Control</b>		<b>243,300.00</b>	<b>0.00</b>	<b>60,928.25</b>	<b>25.04%</b>
Public Works/Streets	311				
Payroll	61105	87,800.00	6,748.80	42,999.20	48.97%
PERS UAL - After 06/30/18	61123	500.00	0.00	445.00	89.00%
PERS Retirement	61125	7,100.00	457.60	2,907.07	40.94%
Medicare-ER	61130	1,300.00	97.86	623.77	47.98%
Unemployment Ins-Fed & State	61132	100.00	0.00	0.00	0.00%
Dental Expense	61135	1,600.00	126.98	888.86	55.55%
Health Insurance	61140	37,200.00	2,952.20	18,574.38	49.93%
Vision Ins	61145	300.00	0.00	94.26	31.42%
Workers Comp and EAP	61150	1,500.00	0.00	1,223.00	81.53%
Wellness Program	61155	500.00	0.00	0.00	0.00%
Educational Incentive Pay	61157	1,200.00	92.30	589.95	49.16%
Materials/Supply	62410	10,000.00	325.85	5,210.04	52.10%
Office Supplies	62430	1,500.00	0.00	203.94	13.59%
Auto Operations - Supplies / Equip	62710	2,500.00	0.00	8.18	0.32%
Auto Operations - Fuel	62720	5,000.00	308.37	1,204.61	24.09%
Repair/Maintenance	63505	17,900.00	0.00	10,274.00	57.39%
Other Outside Services	63508	1,000.00	0.00	100.00	10.00%
Gabilan Crew	63515	3,000.00	0.00	0.00	0.00%
Utilities - PG&E	63520	5,000.00	93.34	3,088.55	61.77%
Utilities - Water	63525	5,000.00	0.00	1,671.92	33.43%
Telephone	63530	200.00	0.00	89.80	44.90%
Internet	63531	600.00	0.00	160.96	26.82%
Training	63605	2,000.00	0.00	19.95	0.99%
Insurance-Liability	63620	21,200.00	0.00	10,613.90	50.06%
Insurance-Vehicles	63622	5,000.00	0.00	4,766.00	95.32%
SB1383 Organics Waste	63654	14,000.00	0.00	4,500.00	32.14%
Regs Services					
Hazardous Waste Disposal	63655	500.00	0.00	0.00	0.00%
Auto Repair/Maintenance	63730	5,000.00	0.00	1,762.58	35.25%

**City of Del Rey Oaks  
Statement of Revenues and Expenditures**

Item 1.

**100 - General Fund**

From 12/1/2025 Through 12/31/2025

		FY 2026 Budget	December 2025 Actual	FY 2026 YTD Actual	Percent Collected/Spent
Street Lighting	63910	0.00	1,630.59	1,630.59	0.00%
Printing / Publications	64575	1,300.00	0.00	0.00	0.00%
Storm Water Project - Phase 4	64920	15,000.00	0.00	8,892.54	59.28%
Equipment	66302	2,000.00	0.00	0.00	0.00%
Total Public Works/Streets		256,800.00	12,833.89	122,543.05	47.72%
Parks/Recreation	411				
Materials/Supply	62410	10,000.00	894.56	5,296.32	52.96%
Office Supplies	62430	1,000.00	0.00	106.23	10.62%
Repair/Maintenance	63505	20,000.00	1,855.00	9,757.18	48.78%
Utilities - Water	63525	3,500.00	93.72	4,328.38	123.66%
Contract Services - Consultant	63612	75,000.00	0.00	0.00	0.00%
Travel Expenses	64610	100.00	0.00	0.00	0.00%
Total Parks/Recreation		109,600.00	2,843.28	19,488.11	17.78%
Total Expenditures		5,178,300.00	248,239.43	2,470,471.21	47.71%
Net Revenues		(87,100.00)	599,371.02	319,636.07	
Other Financing Sources and Uses					
Uses					
Non Department Specific	000				
Transfers Out to CIP	81003	(375,446.00)	0.00	0.00	0.00%
Total Non Department Specific		(375,446.00)	0.00	0.00	0.00%
Total Uses		(375,446.00)	0.00	0.00	0.00%
Total Other Financing Sources and Uses		(375,446.00)	0.00	0.00	0.00%
Net Revenues Over Exp and Other Fin Sources		(462,546.00)	599,371.02	319,636.07	

**City of Del Rey Oaks  
Statement of Revenues and Expenditures**

Item 1.

**210 - Gas Tax Fund**

From 12/1/2025 Through 12/31/2025

		FY 2026 Budget	December 2025 Actual	FY 2026 YTD Actual	Percent Collected/Spent
Revenue					
Other Revenue					
Non Department Specific	000				
Gas Tax 2103	47010	15,000.00	1,417.99	8,207.96	54.71%
Gas Tax 2105	47020	10,100.00	810.86	4,954.19	49.05%
Gas Tax 2106	47030	9,200.00	759.50	4,576.50	49.74%
Gas Tax 2107	47040	13,700.00	1,157.23	6,650.03	48.54%
Gas Tax 2107.5	47050	1,000.00	0.00	1,000.00	100.00%
Total Non Department Specific		<u>49,000.00</u>	<u>4,145.58</u>	<u>25,388.68</u>	<u>51.81%</u>
Total Other Revenue		<u>49,000.00</u>	<u>4,145.58</u>	<u>25,388.68</u>	<u>51.81%</u>
Total Revenue		<u>49,000.00</u>	<u>4,145.58</u>	<u>25,388.68</u>	<u>51.81%</u>
Expenditures					
Public Works/Streets	311				
Street Sweeping	63510	12,070.00	0.00	0.00	0.00%
Street Lighting	63910	20,400.00	0.00	6,427.15	31.50%
Principal-PG&E	65751	<u>2,550.00</u>	<u>210.83</u>	<u>1,054.15</u>	<u>41.33%</u>
Total Public Works/Streets		<u>35,020.00</u>	<u>210.83</u>	<u>7,481.30</u>	<u>21.36%</u>
Total Expenditures		<u>35,020.00</u>	<u>210.83</u>	<u>7,481.30</u>	<u>21.36%</u>
Net Revenues		13,980.00	3,934.75	17,907.38	

**City of Del Rey Oaks  
Statement of Revenues and Expenditures**

Item 1.

**211 - SB1 Fund-RMRA**

From 12/1/2025 Through 12/31/2025

		FY 2026 Budget	December 2025 Actual	FY 2026 YTD Actual	Percent Collected/Spent
<b>Revenue</b>					
Other Revenue					
Non Department Specific	000				
SB 1 Funds	47777	41,300.00	3,033.81	22,103.31	53.51%
Total Non Department Specific		41,300.00	3,033.81	22,103.31	53.52%
Total Other Revenue		41,300.00	3,033.81	22,103.31	53.52%
Total Revenue		41,300.00	3,033.81	22,103.31	53.52%
<b>Expenditures</b>					
Saucito Rd & Work Ave Improvement Project					
Curb and Gutter Repair	66327	24,046.50	0.00	0.00	0.00%
Total Saucito Rd & Work Ave Improvement Project		24,046.50	0.00	0.00	0.00%
Rosita Emergency Repairs					
Curb and Gutter Repair	66327	65,000.00	0.00	0.00	0.00%
Total Rosita Emergency Repairs		65,000.00	0.00	0.00	0.00%
Total Expenditures		89,046.50	0.00	0.00	0.00%
Net Revenues		(47,746.50)	3,033.81	22,103.31	(46.29)%
Other Financing Sources and Uses					
Uses					
Non Department Specific	000				
Transfers Out to CIP	81003	(13,550.00)	0.00	0.00	0.00%
Total Non Department Specific		(13,550.00)	0.00	0.00	0.00%
Total Uses		(13,550.00)	0.00	0.00	0.00%
Total Other Financing Sources and Uses		(13,550.00)	0.00	0.00	0.00%
Net Revenues Over Expend & Other Fin Sources		(61,296.50)	3,033.81	22,103.31	

**City of Del Rey Oaks  
Statement of Revenues and Expenditures**

Item 1.

**212 - Measure X Fund**

From 12/1/2025 Through 12/31/2025

		FY 2026 Budget	December 2025 Actual	FY 2026 YTD Actual	Percent Collected/Spent
Revenue					
Other Revenue					
Non Department Specific	000				
Measure X	47775	95,900.00	0.00	0.00	0.00%
Total Non Department Specific		95,900.00	0.00	0.00	0.00%
Total Other Revenue		95,900.00	0.00	0.00	0.00%
Total Revenue		95,900.00	0.00	0.00	0.00%
Expenditures					
Debt Service - Measure X	610				
Principal - Measure X Loan	65103	83,900.00	0.00	0.00	0.00%
Interest - Measure X	65203	12,000.00	0.00	0.00	0.00%
Total Debt Service - Measure X		95,900.00	0.00	0.00	0.00%
Total Expenditures		95,900.00	0.00	0.00	0.00%
Net Revenues		0.00	0.00	0.00	0.00%
New Section		0.00	0.00	0.00	0.00%

**City of Del Rey Oaks  
Statement of Revenues and Expenditures**

Item 1.

**214 - RSTP**

From 12/1/2025 Through 12/31/2025

		FY 2026 Budget	December 2025 Actual	FY 2026 YTD Actual	Percent Collected/Spent
Revenue					
Other Revenue					
Non Department Specific	000				
RSTP Funds	47776	67,602.00	0.00	0.00	0.00%
Total Non Department Specific		67,602.00	0.00	0.00	0.00%
Total Other Revenue		67,602.00	0.00	0.00	0.00%
Total Revenue		67,602.00	0.00	0.00	0.00%
Net Revenues		67,602.00	0.00	0.00	0.00%
Other Financing Sources and Uses					
Uses					
Non Department Specific	000				
Transfers Out to CIP	81003	(67,602.00)	0.00	0.00	0.00%
Total Non Department Specific		(67,602.00)	0.00	0.00	0.00%
Total Uses		(67,602.00)	0.00	0.00	0.00%
Total Other Financing Sources and Uses		(67,602.00)	0.00	0.00	0.00%
Net Revenues & Expend and other Fin Sources		0.00	0.00	0.00	0.00%

**City of Del Rey Oaks  
Statement of Revenues and Expenditures**

Item 1.

**221 - FORA Habitat Management Fund**

From 12/1/2025 Through 12/31/2025

		FY 2026 Budget	December 2025 Actual	FY 2026 YTD Actual	Percent Collected/Spent
Expenditures					
Planning & Building Regulation	160				
Contract Services - Habitat Management Plan	63646	14,448.00	0.00	0.00	0.00%
Total Planning & Building Regulation		14,448.00	0.00	0.00	0.00%
Total Expenditures		14,448.00	0.00	0.00	0.00%
Net Revenues		(14,448.00)	0.00	0.00	0.00%
Net Revenues & Expend and other Fin Sources		(14,448.00)	0.00	0.00	0.00%

**City of Del Rey Oaks  
Statement of Revenues and Expenditures**

Item 1.

**222 - FORA Land Development**  
From 12/1/2025 Through 12/31/2025

		FY 2026 Budget	December 2025 Actual	FY 2026 YTD Actual	Percent Collected/Spent
Expenditures					
Planning & Building Regulation	160				
Economic Development Services	63639	(2,031.00)	0.00	0.00	0.00%
Legal Services	63650	2,031.00	0.00	0.00	0.00%
Misc Expenses	64580	0.00	0.00	8,120.23	0.00%
Total Planning & Building Regulation		0.00	0.00	8,120.23	0.00%
Total Expenditures		0.00	0.00	8,120.23	0.00%
Net Revenues		0.00	0.00	(8,120.23)	0.00%
Net Revenues & Expend and other Fin Sources		0.00	0.00	(8,120.23)	0.00%

**City of Del Rey Oaks  
Statement of Revenues and Expenditures**

Item 1.

**231 - BSCC-Officer Wellness & Mental Health Grant**

From 12/1/2025 Through 12/31/2025

		<u>FY 2026 Budget</u>	<u>December 2025 Actual</u>	<u>FY 2026 YTD Actual</u>	<u>Percent Collected/Spent</u>
Expenditures					
Police	210				
Law Enforcement Wellness App	64314	2,000.00	8,836.00	10,835.00	541.75%
Total Police		<u>2,000.00</u>	<u>8,836.00</u>	<u>10,835.00</u>	<u>541.75%</u>
Total Expenditures		<u>2,000.00</u>	<u>8,836.00</u>	<u>10,835.00</u>	<u>541.75%</u>
Net Revenues		(2,000.00)	(8,836.00)	(10,835.00)	541.75%

**City of Del Rey Oaks  
Statement of Revenues and Expenditures**

Item 1.

**235 - Asset Forfeitures**

From 12/1/2025 Through 12/31/2025

		FY 2026 Budget	December 2025 Actual	FY 2026 YTD Actual	Percent Collected/Spent
Revenue					
Grants					
Police	210				
Police Grants & Other Reimbursements	47780	0.00	0.00	1,846.26	0.00%
Total Police		<u>0.00</u>	<u>0.00</u>	<u>1,846.26</u>	<u>0.00%</u>
Total Grants		<u>0.00</u>	<u>0.00</u>	<u>1,846.26</u>	<u>0.00%</u>
Total Revenue		<u><u>0.00</u></u>	<u><u>0.00</u></u>	<u><u>1,846.26</u></u>	<u><u>0.00%</u></u>
Net Revenues		0.00	0.00	1,846.26	0.00%

**City of Del Rey Oaks  
Statement of Revenues and Expenditures**

Item 1.

**236 - Drug Enforcement Administration (DEA)**

From 12/1/2025 Through 12/31/2025

		FY 2026 Budget	December 2025 Actual	FY 2026 YTD Actual	Percent Collected/Spent
Revenue					
Grants					
Police	210				
DEA Reimbursements	47782	46,128.26	0.00	2,128.26	4.61%
Total Police		46,128.26	0.00	2,128.26	4.61%
Total Grants		46,128.26	0.00	2,128.26	4.61%
Total Revenue		46,128.26	0.00	2,128.26	4.61%
Expenditures					
Police	210				
Overtime-DEA	61111	46,128.26	3,458.69	23,261.93	50.42%
Total Police		46,128.26	3,458.69	23,261.93	50.43%
Total Expenditures		46,128.26	3,458.69	23,261.93	50.43%
Net Revenues		0.00	(3,458.69)	(21,133.67)	0.00%

**City of Del Rey Oaks  
Statement of Revenues and Expenditures**

Item 1.

**260 - CDBG Fund**

From 12/1/2025 Through 12/31/2025

		FY 2026 Budget	December 2025 Actual	FY 2026 YTD Actual	Percent Collected/Spent
Revenue					
Grants					
Parks/Recreation	411				
CDBG Grant	47765	90,000.00	0.00	0.00	0.00%
Total Parks/Recreation		90,000.00	0.00	0.00	0.00%
Total Grants		90,000.00	0.00	0.00	0.00%
Total Revenue		90,000.00	0.00	0.00	0.00%
Expenditures					
Parks/Recreation	411				
Park Improvements	66420	90,000.00	0.00	0.00	0.00%
Total Parks/Recreation		90,000.00	0.00	0.00	0.00%
Total Expenditures		90,000.00	0.00	0.00	0.00%
Net Revenues		0.00	0.00	0.00	0.00%

**City of Del Rey Oaks  
Statement of Revenues and Expenditures**

Item 1.

**301 - Capital Projects**

From 12/1/2025 Through 12/31/2025

		FY 2026 Budget	December 2025 Actual	FY 2026 YTD Actual	Percent Collected/Spent
Expenditures					
Vehicle Replacement	533				
Vehicle Replacement	66735	90,000.00	0.00	0.00	0.00%
Total Vehicle Replacement		90,000.00	0.00	0.00	0.00%
Saucito Rd & Work Ave Improvement Project	537				
Repairs and Improvements	66322	81,150.00	0.00	81,150.00	100.00%
Total Saucito Rd & Work Ave Improvement Project		81,150.00	0.00	81,150.00	100.00%
City Hall Facility Repairs & Upgrades	541				
Repairs and Improvements	66322	20,000.00	0.00	7,373.64	36.86%
Total City Hall Facility Repairs & Upgrades		20,000.00	0.00	7,373.64	36.87%
Council Chamber Technology Project	542				
Technology Upgrades	66323	5,000.00	0.00	0.00	0.00%
Total Council Chamber Technology Project		5,000.00	0.00	0.00	0.00%
PD Radio Replacement	543				
PD Radio Replacement	66736	20,000.00	0.00	0.00	0.00%
Total PD Radio Replacement		20,000.00	0.00	0.00	0.00%
Technology Replacement	544				
Technology Replacement	66324	3,000.00	0.00	0.00	0.00%
Total Technology Replacement		3,000.00	0.00	0.00	0.00%
City Hall Sewer Upgrades	545				
City Hall Sewer Upgrades	66426	40,000.00	0.00	0.00	0.00%
Total City Hall Sewer Upgrades		40,000.00	0.00	0.00	0.00%
City Hall Chamber Renovations	546				
City Hall Chamber Renovations	66427	50,000.00	0.00	0.00	0.00%
Total City Hall Chamber Renovations		50,000.00	0.00	0.00	0.00%
City Hall Fence Replacement	547				
City Hall Fence Replacement	66428	20,000.00	0.00	0.00	0.00%
Total City Hall Fence Replacement		20,000.00	0.00	0.00	0.00%
City Hall Parking Lot Improvements	548				
City Hall Parking Lot Impvts	66429	167,446.00	0.00	0.00	0.00%
Total City Hall Parking Lot Improvements		167,446.00	0.00	0.00	0.00%
Adair Stairs Repairs	549				
Adair Stairs Repairs	66430	15,000.00	0.00	0.00	0.00%
Total Adair Stairs Repairs		15,000.00	0.00	0.00	0.00%
Del Rey Oaks Garden Center	550				
Repair/Maintenance	63505	0.00	2,386.00	2,386.00	0.00%
Total Del Rey Oaks Garden Center		0.00	2,386.00	2,386.00	0.00%
<b>Total Expenditures</b>		<b>511,596.00</b>	<b>2,386.00</b>	<b>90,909.64</b>	<b>17.77%</b>
<b>Net Revenues</b>		<b>(511,596.00)</b>	<b>(2,386.00)</b>	<b>(90,909.64)</b>	<b>17.76%</b>
<b>Other Financing Sources and Uses</b>					

**City of Del Rey Oaks  
Statement of Revenues and Expenditures**

Item 1.

**301 - Capital Projects**

From 12/1/2025 Through 12/31/2025

		FY 2026 Budget	December 2025 Actual	FY 2026 YTD Actual	Percent Collected/Spent
Sources					
Vehicle Replacement	533				
Transfers In from GF	82003	90,000.00	0.00	0.00	0.00%
Total Vehicle Replacement		90,000.00	0.00	0.00	0.00%
Saucito Rd & Work Ave Improvement Project	537				
Transfers In from RSTP	82006	67,602.00	0.00	0.00	0.00%
Transfers In from SB1-RMRA	82007	13,550.00	0.00	0.00	0.00%
Total Saucito Rd & Work Ave Improvement Project		81,152.00	0.00	0.00	0.00%
City Hall Facility Repairs & Upgrades	541				
Transfers In from GF	82003	20,000.00	0.00	0.00	0.00%
Total City Hall Facility Repairs & Upgrades		20,000.00	0.00	0.00	0.00%
Council Chamber Technology Project	542				
Transfers In from GF	82003	5,000.00	0.00	0.00	0.00%
Total Council Chamber Technology Project		5,000.00	0.00	0.00	0.00%
PD Radio Replacement	543				
Transfers In from GF	82003	20,000.00	0.00	0.00	0.00%
Total PD Radio Replacement		20,000.00	0.00	0.00	0.00%
Technology Replacement	544				
Transfers In from GF	82003	3,000.00	0.00	0.00	0.00%
Total Technology Replacement		3,000.00	0.00	0.00	0.00%
City Hall Sewer Upgrades	545				
Transfers In from GF	82003	40,000.00	0.00	0.00	0.00%
Total City Hall Sewer Upgrades		40,000.00	0.00	0.00	0.00%
City Hall Chamber Renovations	546				
Transfers In from GF	82003	50,000.00	0.00	0.00	0.00%
Total City Hall Chamber Renovations		50,000.00	0.00	0.00	0.00%
City Hall Fence Replacement	547				
Transfers In from GF	82003	20,000.00	0.00	0.00	0.00%
Total City Hall Fence Replacement		20,000.00	0.00	0.00	0.00%
City Hall Parking Lot Improvements	548				
Transfers In from GF	82003	167,446.00	0.00	0.00	0.00%
Total City Hall Parking Lot Improvements		167,446.00	0.00	0.00	0.00%
Adair Stairs Repairs	549				
Transfers In from GF	82003	15,000.00	0.00	0.00	0.00%
Total Adair Stairs Repairs		15,000.00	0.00	0.00	0.00%
Total Sources		511,598.00	0.00	0.00	0.00%
Total Other Financing Sources and Uses		511,598.00	0.00	0.00	0.00%
Net Revenues & Expend and other Fin Sources		2.00	(2,386.00)	(90,909.64)	

**City of Del Rey Oaks  
Statement of Revenues and Expenditures**

Item 1.

**321 - SBR Engineering Fund**  
From 12/1/2025 Through 12/31/2025

		FY 2026 Budget	December 2025 Actual	FY 2026 YTD Actual	Percent Collected/Spent
Expenditures					
SBR Contract-Engineering & Others	518				
Contract Services - Engineering	63611	423,075.00	0.00	12,322.70	2.91%
Total SBR Contract-Engineering & Others		423,075.00	0.00	12,322.70	2.91%
Total Expenditures		423,075.00	0.00	12,322.70	2.91%
Net Revenues		(423,075.00)	0.00	(12,322.70)	

**City of Del Rey Oaks  
Statement of Revenues and Expenditures**

Item 1.

**331 - FHA Grant Fund**

From 12/1/2025 Through 12/31/2025

		FY 2026 Budget	December 2025 Actual	FY 2026 YTD Actual	Percent Collected/Spent
Revenue					
Grants					
Non Department Specific	000				
FHWA Grant	47523	543,400.00	0.00	0.00	0.00%
Total Non Department Specific		543,400.00	0.00	0.00	0.00%
Total Grants		543,400.00	0.00	0.00	0.00%
Total Revenue		543,400.00	0.00	0.00	0.00%
Expenditures					
Rosita Emergency Repairs	539				
Contract Services - Engineering	63611	4,019.19	0.00	1,421.00	35.35%
Road Construction	66411	48,806.78	0.00	0.00	0.00%
Total Rosita Emergency Repairs		52,825.97	0.00	1,421.00	2.69%
Total Expenditures		52,825.97	0.00	1,421.00	2.69%
Net Revenues		490,574.03	0.00	(1,421.00)	(0.28)%

**City of Del Rey Oaks  
Statement of Revenues and Expenditures**

Item 1.

**332 - FEMA & OES**

From 12/1/2025 Through 12/31/2025

		FY 2026 Budget	December 2025 Actual	FY 2026 YTD Actual	Percent Collected/Spent
Expenditures					
City Hall Facility Repairs & Upgrades	541				
Repairs and Improvements	66322	4,853.09	0.00	0.00	0.00%
Total City Hall Facility Repairs & Upgrades		4,853.09	0.00	0.00	0.00%
Total Expenditures		4,853.09	0.00	0.00	0.00%
Net Revenues		(4,853.09)	0.00	0.00	0.00%

**City of Del Rey Oaks  
Encumbrance Summary  
Balance as of 12/31/2025**

Vendor Name	PO Number	Encumbrance Description	Enc Date	Encumbrance Amount	Current Balance	Fund Code	Dept-Project Code	GL Code
Access Monterey Peninsula, Inc.	PO2526-36	Video operators to produce, broadcast, record and live stream DRO meetings	7/1/2025	7,200.00	6,900.00	100	111	63508
CHAVAN AND ASSOCIATES, LLP	PO2526-37	City Audit Services FY 2026	7/1/2025	34,125.00	8,465.00	100	130	63625
Dell Financial Services LLC	PO2526-38	Power Edge R660xs Server	8/26/2025	5,276.35	0.01	100	210	64318
G.P.S. SOLUTIONS	PO2526-39	FY25/26 Plan Checking & Building Inspection Services	7/1/2025	23,051.49	1,797.79	100	160	63648
MONTEREY BAY TECHNOLOGIES, INC.	PO2526-41	FY25/26 IT Services Retainer	7/1/2025	9,000.00	6,300.00	100	111	63635
MONTEREY BAY TECHNOLOGIES, INC.	PO2526-41	FY25/26 IT Services Retainer	7/1/2025	9,000.00	6,300.00	100	210	63635
	Total PO2526-41	FY25/26 IT Services Retainer	7/1/2025	<u>18,000.00</u>	<u>12,600.00</u>			
SMITH & ENRIGHT LANDSCAPING, INC	PO2526-42	FY25-26 Weekly Landscape Maintenance	8/26/2025	16,680.00	10,520.00	100	411	63505
FENTON & KELLER	PO2526-44	FY25/26 Legal Services	7/1/2025	80,000.00	60,847.17	100	150	63650
FENTON & KELLER	PO2526-44	FY25/26 Legal Services	7/1/2025	3,000.00	1,537.50	100	210	63650
	Total PO2526-44	FY25/26 Legal Services	7/1/2025	<u>83,000.00</u>	<u>62,384.67</u>			
REGIONAL GOVERNMENT SERVICES	PO2526-45	FY25/26 Accounting Services	9/11/2025	150,000.00	72,352.01	100	130	63645
CITY OF SEASIDE	PO2526-46	FY 25/26 Fire Protection	7/1/2025	243,713.00	182,784.75	100	220	63810
County of Monterey	PO2526-47	FY25/26 9-1-1 Dispatch & Related Services	7/1/2025	46,360.00	15,480.00	100	210	63665
County of Monterey	PO2526-47	FY25/26 9-1-1 Dispatch & Related Services	7/1/2025	10,822.00	3,666.00	100	210	63668
County of Monterey	PO2526-47	FY25/26 9-1-1 Dispatch & Related Services	7/1/2025	270.00	0.00	100	210	63669
	Total PO2526-47	FY25/26 9-1-1 Dispatch & Related Services	7/1/2025	<u>57,452.00</u>	<u>19,146.00</u>			
MONTEREY PENINSULA ENGINEERING,	PO2526-48	Slurry & restriping of the road and intersection	7/1/2025	35,000.00	35,000.00	211	539	66327
Avenue Insights & Analytics, LLC	PO2526-49	Short Term Rental Management	7/1/2025	17,500.00	15,000.00	100	111	63511
DENISE DUFFY & ASSOCIATES	PO2526-52	Task 772 Former Fort Ord Planning	7/1/2025	5,000.00	2,675.00	100	160	63640
DENISE DUFFY & ASSOCIATES	PO2526-53	Task 776 Planning & Consulting	7/1/2025	30,000.00	23,268.00	100	160	63640
DENISE DUFFY & ASSOCIATES	PO2526-54	Task 779-D Adoption & Finalization HCD	7/1/2025	7,000.00	4.50	100	160	63642
DENISE DUFFY & ASSOCIATES	PO2526-55	Task 779-E Housing Element Implementation	7/1/2025	43,000.00	38,298.25	100	160	63642
DENISE DUFFY & ASSOCIATES	PO2526-56	Task 782 Habitat Management Plan	7/1/2025	30,000.00	30,000.00	221	160	63646
DENISE DUFFY & ASSOCIATES	PO2526-57	Task 4 - Project 2024-40 South Boundary Road Realignment	7/1/2025	90,500.00	88,110.30	321	518	63611
Whitson Engineers	PO2526-59	SBR Engineering - Contract Services	7/1/2025	320,000.00	310,067.00	321	518	63611
<b>Report Balance</b>				<b>\$ 1,216,497.84</b>	<b>\$ 919,373.28</b>			



# POLICE

## DEL REY OAKS

# City Council Report

## Dec 2025

### Chris Bourquin - Chief

Case #	Date	Offense Code 1	Offense Code Description	DRO	MPAD	OJ	Residential	Commercial
25-302	12/01/2025	243.4(E)(1) PC	Touch Person against will		X			X
25-303	12/01/2025	Elder Abuse	Elder Abuse	X			X	
25-304	12/02/2025	484(A) PC	Theft shoplifting	X				X
25-305	12/02/2025	476 PC	Make fictitious check	X				X
25-306	12/03/2025	5150 W&I	72 hour hold	X			X	
25-307	12/05/2025	Lost Property	Lost Property	X			X	
25-308	12/06/2025	Fire Call	Fire call	X				X
25-309	12/06/2025	ACN	Accident Non injury		X			X
25-310	12/06/2025	20002(A)(1) VC	Hit and Run	X				X
25-311	12/07/2025	Information Only	Informational	X			X	
25-312	12/09/2025	Medical Emergency	Medical Emergency	X				X
25-313	12/09/2025	1203.2(A) PC	Probation violation	X				X
25-314	12/09/2025	374.3(H)(1) PC	Dump waste in commercial quantities	X			X	
25-315	12/09/2025	5150 W&I	72 hour hold	X			X	
25-316	12/09/2025	Information Only	Informational	X			X	
25-317	12/10/2025	Animal Bite Report	Animal bite	X				X
25-318	12/10/2025	ACN	Accident Non injury	X			X	
25-319	12/11/2025	459 PC	Burglary	X			X	
25-320	12/15/2025	Information Only	Informational		X			X
25-321	12/15/2025	Information Only	Informational	X			X	
25-322	12/17/2025	459.5(A) PC	Shoplifting	X				X
25-323	12/17/2025	20002(A)(1) VC	Hit and Run	X				X
25-324	12/17/2025	5150 W&I	72 Hour Hold	X			X	
25-325	12/17/2025	487(A) PC	Grand Theft Arrest	X				X
25-326	12/19/2025	Information Only	Informational	X			X	
25-327	12/22/2025	Elder Abuse	Elder Abuse	X			X	
25-328	12/22/2025	166(A)(4) PC	Contempt of Court Arrest	X			X	
25-329	12/23/2025	5150 W&I	72 Hour Hold	X				X
25-330	12/23/2025	12500(A) VC	Unlicensed Driver			X		X
25-331	12/24/2025	Information Only	Informational	X			X	
25-332	12/25/2025	459.5(A) PC	Shoplifting	X				X
25-333	12/25/2025	Medical Emergency	Medical Emergency	X			X	
25-334	12/28/2025	ACN	Accident Non injury	X			X	
25-335	12/28/2025	Information Only	Informational	X			X	
25-336	12/28/2025	Information Only	Informational	X			X	
25-337	12/29/2025	Death Investigation	Death Investigation	X			X	
25-338	12/29/2025	602(O) PC	Trespass Cite	X				X

25-339	12/30/2025	Susp Circ	Suspicious Circumstances		X			X
25-340	12/31/2025	653M(B) PC	Annoying phone call	X			X	
39 Cases								

Calls for Service	
Month	YTD
242	3,457

Case Reports	
Month	YTD
39	340

Alarms					
Residential		Commercial		MPAD	
Mo.	YTD	Mo.	YTD	Mo.	YTD
0	10	2	28	4	68

Citations					
Moving		Parking		Warning	
Mo.	YTD	Mo.	YTD	Mo.	YTD
10	200	28	290	5	133



# Group A Offense Report

Printed On: 01/04/2026

Page 1 of 1

Item 2.

Beginning Date: 12/01/2025

Ending Date: 12/31/2025

Agency: All

Offense	Reported in 2025	Reported in 2024	Percent Change	Offenses Cleared	Percent Cleared	Percent Of Category	Rate Per 100,000*
Murder	0	0	NA	0	0.00%	0.00%	NA
Negligent Manslaughter	0	0	NA	0	0.00%	0.00%	NA
Justifiable Homicide	0	0	NA	0	0.00%	0.00%	NA
Non-consensual Sex Offenses:							
Rape	0	0	NA	0	0.00%	0.00%	NA
Sodomy	0	0	NA	0	0.00%	0.00%	NA
Sexual Assault with Object	0	0	NA	0	0.00%	0.00%	NA
Fondling	1	0	NA	0	0.00%	100.00%	NA
Aggravated Assault	0	0	NA	0	0.00%	0.00%	NA
Simple Assault	0	2	-100.00%	0	0.00%	0.00%	NA
Intimidation	0	1	-100.00%	0	0.00%	0.00%	NA
Kidnapping/Abduction	0	0	NA	0	0.00%	0.00%	NA
Consensual Sex Offenses:							
Incest	0	0	NA	0	0.00%	0.00%	NA
Statutory Rape	0	0	NA	0	0.00%	0.00%	NA
Human Trafficking, Commercial Sex Acts	0	0	NA	0	0.00%	0.00%	NA
Human Trafficking, Involuntary Servitude	0	0	NA	0	0.00%	0.00%	NA
<b>Crimes Against Persons Total</b>	<b>1</b>	<b>3</b>	<b>-66.67%</b>	<b>0</b>	<b>0.00%</b>	<b>10%</b>	<b>NA</b>
Robbery	0	0	NA	0	0.00%	0.00%	NA
Burglary/Breaking & Entering	0	0	NA	0	0.00%	0.00%	NA
Larceny/Theft Offenses	5	4	25.00%	2	40.00%	62.50%	NA
Motor Vehicle Theft	0	0	NA	0	0.00%	0.00%	NA
Arson	0	0	NA	0	0.00%	0.00%	NA
Destruction Of Property	1	1	0.00%	0	0.00%	12.50%	NA
Counterfeiting/Forgery	1	0	NA	0	0.00%	12.50%	NA
Fraud Offense	0	2	-100.00%	0	0.00%	0.00%	NA
Embezzlement	0	0	NA	0	0.00%	0.00%	NA
Extortion/Blackmail	0	0	NA	0	0.00%	0.00%	NA
Bribery	0	0	NA	0	0.00%	0.00%	NA
Stolen Property Offenses	1	0	NA	1	100.00%	12.50%	NA
<b>Crimes Against Property Total</b>	<b>8</b>	<b>7</b>	<b>14.29%</b>	<b>3</b>	<b>37.5%</b>	<b>80%</b>	<b>NA</b>
Drug/Narcotic Violations	0	2	-100.00%	0	0.00%	0.00%	NA
Drug Equipment Violations	1	1	0.00%	1	100.00%	100.00%	NA
Gambling Offenses	0	0	NA	0	0.00%	0.00%	NA
Pornography/Obscene Material	0	0	NA	0	0.00%	0.00%	NA
Prostitution	0	0	NA	0	0.00%	0.00%	NA
Weapons Law Violation	0	1	-100.00%	0	0.00%	0.00%	NA
Animal Cruelty	0	0	NA	0	0.00%	0.00%	NA
<b>Crimes Against Society Total</b>	<b>1</b>	<b>4</b>	<b>-75%</b>	<b>1</b>	<b>100%</b>	<b>10%</b>	<b>NA</b>
<b>Total Group "A" Offenses</b>	<b>10</b>	<b>14</b>	<b>-28.57%</b>	<b>4</b>	<b>40%</b>	<b>100%</b>	<b>NA</b>

Note: The Rate per 100,000 will be 'NA' when the Adjusted Population Base is Zero.



# Group A Offense Report

Printed On: 01/04/2026

Page 1 of 1

Item 2.

Beginning Date: 01/01/2025

Ending Date: 12/31/2025

Agency: All

Offense	Reported in 2025	Reported in 2024	Percent Change	Offenses Cleared	Percent Cleared	Percent Of Category	Rate Per 100,000*
Murder	0	0	NA	0	0.00%	0.00%	NA
Negligent Manslaughter	0	0	NA	0	0.00%	0.00%	NA
Justifiable Homicide	0	0	NA	0	0.00%	0.00%	NA
Non-consensual Sex Offenses:							
Rape	0	0	NA	0	0.00%	0.00%	NA
Sodomy	0	0	NA	0	0.00%	0.00%	NA
Sexual Assault with Object	0	0	NA	0	0.00%	0.00%	NA
Fondling	1	0	NA	0	0.00%	7.14%	NA
Aggravated Assault	3	3	0.00%	1	33.33%	21.43%	NA
Simple Assault	7	11	-36.36%	3	42.86%	50.00%	NA
Intimidation	3	4	-25.00%	1	33.33%	21.43%	NA
Kidnapping/Abduction	0	0	NA	0	0.00%	0.00%	NA
Consensual Sex Offenses:							
Incest	0	0	NA	0	0.00%	0.00%	NA
Statutory Rape	0	0	NA	0	0.00%	0.00%	NA
Human Trafficking, Commercial Sex Acts	0	0	NA	0	0.00%	0.00%	NA
Human Trafficking, Involuntary Servitude	0	0	NA	0	0.00%	0.00%	NA
<b>Crimes Against Persons Total</b>	<b>14</b>	<b>18</b>	<b>-22.22%</b>	<b>5</b>	<b>35.71%</b>	<b>22.22%</b>	<b>NA</b>
Robbery	1	0	NA	1	100.00%	2.33%	NA
Burglary/Breaking & Entering	1	2	-50.00%	1	100.00%	2.33%	NA
Larceny/Theft Offenses	18	36	-50.00%	12	66.67%	41.86%	NA
Motor Vehicle Theft	2	1	100.00%	1	50.00%	4.65%	NA
Arson	0	1	-100.00%	0	0.00%	0.00%	NA
Destruction Of Property	8	14	-42.86%	3	37.50%	18.60%	NA
Counterfeiting/Forgery	2	1	100.00%	0	0.00%	4.65%	NA
Fraud Offense	8	12	-33.33%	1	12.50%	18.60%	NA
Embezzlement	0	0	NA	0	0.00%	0.00%	NA
Extortion/Blackmail	0	0	NA	0	0.00%	0.00%	NA
Bribery	0	0	NA	0	0.00%	0.00%	NA
Stolen Property Offenses	3	3	0.00%	3	100.00%	6.98%	NA
<b>Crimes Against Property Total</b>	<b>43</b>	<b>70</b>	<b>-38.57%</b>	<b>22</b>	<b>51.16%</b>	<b>68.25%</b>	<b>NA</b>
Drug/Narcotic Violations	1	14	-92.86%	1	100.00%	16.67%	NA
Drug Equipment Violations	2	9	-77.78%	2	100.00%	33.33%	NA
Gambling Offenses	0	0	NA	0	0.00%	0.00%	NA
Pornography/Obscene Material	1	1	0.00%	1	100.00%	16.67%	NA
Prostitution	0	0	NA	0	0.00%	0.00%	NA
Weapons Law Violation	2	7	-71.43%	1	50.00%	33.33%	NA
Animal Cruelty	0	0	NA	0	0.00%	0.00%	NA
<b>Crimes Against Society Total</b>	<b>6</b>	<b>31</b>	<b>-80.65%</b>	<b>5</b>	<b>83.33%</b>	<b>9.52%</b>	<b>NA</b>
<b>Total Group "A" Offenses</b>	<b>63</b>	<b>119</b>	<b>-47.06%</b>	<b>32</b>	<b>50.79%</b>	<b>100%</b>	<b>NA</b>

Note: The Rate per 100,000 will be 'NA' when the Adjusted Population Base is Zero.



**FIRE DEPARTMENT**

1635 Broadway Avenue  
Seaside, CA 93955

Telephone (831) 899-6790  
FAX (831) 899-6261

January 12, 2026

John Guertin, City Manager  
Del Rey Oaks City Hall  
650 Canyon Del Rey  
Del Rey Oaks, CA 93940

Dear Mr. Guertin:

Enclosed is a copy of the response reports for the Seaside Fire Department response to Del Rey Oaks for the period of December 1, 2025, through December 31, 2025.

The Seaside Fire Department responded to the following incidents in December:

Incident #

251202-SEA03138	251213-SEA03251	251222-SEA03314	251225-SEA03358
251205-SEA03160	251215-SEA03258	251222-SEA03317	251225-SEA03359
251206-SEA03172	251217-SEA03277	251224-SEA03331	251225-SEA03361
251208-SEA03208	251218-SEA03284	251224-SEA03336	251225-SEA03363
251212-SEA03243	251218-SEA03287	251224-SEA03346	251228-SEA03386

251228-SEA03388  
 251229-SEA03395  
 251229-SEA03398  
 251230-SEA03405  
 251231-SEA03418

There are twenty-five (25) fire calls for December. If you have any questions, please contact me.

Sincerely,

Paul Blaha  
Fire Chief  
CC: File

**SEASIDE FIRE DEPARTMENT**  
**City of Del Rey Oaks - Response Report**

Incident Date	Incident Number	Alarm Time	Arrival Time	Response Time (Minutes)	Incident Type Code	District	Street Or Highway Name	Priority
12/2/2025	251202-SEA03138	6:41:00 PM	6:48:00 PM	7.00	300 - Rescue & EMS	29	Paloma	Emergent
12/5/2025	251205-SEA03160	8:37:00 AM	8:44:00 AM	7.00	300 - Rescue & EMS	29	Rosita	Emergent
12/6/2025	251206-SEA03172	4:38:00 AM	4:44:00 AM	6.00	100 - Fire	29	Calle Del Oaks	Emergent
12/8/2025	251208-SEA03208	8:25:00 PM	8:31:00 PM	6.00	300 - Rescue & EMS	29	Canyon Del Rey	Emergent
12/12/2025	251212-SEA03243	9:46:00 PM	N/A	N/A	600 - Good Intent Call	29	Canyon Del Rey	Non-Emergent
12/13/2025	251213-SEA03251	4:47:00 PM	4:47:00 PM	0.00	500 - Service Call	29	WORK	Emergent
12/15/2025	251215-SEA03258	3:48:00 AM	3:56:00 AM	8.00	500 - Service Call	29	Paloma	Non-Emergent
12/17/2025	251217-SEA03277	5:12:00 PM	5:18:00 PM	6.00	300 - Rescue & EMS	29	Portola	Emergent
12/18/2025	251218-SEA03284	10:49:00 AM	10:54:00 AM	5.00	700 - False Alarm	29	Canyon Del Rey	Emergent
12/18/2025	251218-SEA03287	1:36:00 PM	1:43:00 PM	7.00	300 - Rescue & EMS	29	Angelus	Emergent
12/22/2025	251222-SEA03314	1:02:00 PM	1:08:00 PM	6.00	600 - Good Intent Call	29	Canyon Del Rey	Non-Emergent
12/22/2025	251222-SEA03317	6:09:00 PM	6:21:00 PM	12.00	300 - Rescue & EMS	29	Canyon Del Rey	Non-Emergent
12/24/2025	251224-SEA03331	1:23:00 AM	1:32:00 AM	9.00	500 - Service Call	29	VIA VERDE	Non-Emergent
12/24/2025	251224-SEA03336	9:04:00 AM	9:11:00 AM	7.00	500 - Service Call	29	Canyon Del Rey	Non-Emergent
12/24/2025	251224-SEA03346	7:17:00 PM	7:26:00 PM	9.00	400 - Hazardous Condition	29	Carlton	Emergent
12/25/2025	251225-SEA03358	2:16:00 PM	2:22:00 PM	6.00	300 - Rescue & EMS	29	Pheasant Ridge	Emergent
12/25/2025	251225-SEA03359	2:28:00 PM	2:31:00 PM	3.00	400 - Hazardous Condition	29	Quendale	Emergent
12/25/2025	251225-SEA03361	3:51:00 PM	3:55:00 PM	4.00	400 - Hazardous Condition	29	Quendale	Non-Emergent
12/25/2025	251225-SEA03363	4:17:00 PM	4:26:00 PM	9.00	400 - Hazardous Condition	29	PALOMA	Emergent
12/28/2025	251228-SEA03386	4:44:00 AM	4:51:00 AM	7.00	600 - Good Intent Call	29	PORTOLA	Non-Emergent
12/28/2025	251228-SEA03388	1:32:00 PM	1:39:00 PM	7.00	400 - Hazardous Condition	29	CANYON DEL REY	Non-Emergent
12/29/2025	251229-SEA03395	11:10:00 AM	N/A	N/A	600 - Good Intent Call	29	Mty Sns	Non-Emergent
12/29/2025	251229-SEA03398	2:44:00 PM	2:51:00 PM	7.00	300 - Rescue & EMS	29	Los Encinos	Emergent
12/30/2025	251230-SEA03405	10:33:00 AM	10:38:00 AM	7.00	600 - Good Intent Call	29	Fremont	Non-Emergent
12/31/2025	251231-SEA03418	11:26:00 AM	11:33:00 AM	7.00	100 - Fire	29	Quail Run	Emergent

Total Calls 25

LEGEND CODE:	INCIDENT TYPE:
100-173	FIRE
200-251	OVERPRESSURE
300-381	MEDICAL RESPONSE
400-482	HAZARDOUS CONDITION
500-571	SERVICE CALL
600-672	GOOD INTENT CALL
700-751	FALSE ALARM/FALSE CALL
800-810	SEVERE WEATHER
900-911	SPECIAL/CITIZEN COMPLAINT



# CITY OF DEL REY OAKS

650 CANYON DEL REY BLVD, DEL REY OAKS, CALIFORNIA 93940  
PHONE (831) 394-8511 FAX (831) 394-6421

**DATE:** January 27, 2026

**TO:** Honorable Mayor and City Council

**FROM:** John Guertin, City Manager

**SUBJECT:** Revised Salary Schedule for City Manager Adjustment per Contract Amendment

**CEQA:** Not applicable.

### Recommendation

Approval of revised salary schedule per the approved employment contract for the City Manager.

### Background

The salary schedule is approved annually as part of the budget approvals. On December 16, 2025, the Council approved Amendment #2 to the City Manager’s employment agreement. The amendment included a salary adjustment.

California Code of Regulations Section 570.5 requires that reportable compensation for CalPERS retirement purposes be limited to the amount listed on a Publicly Available Pay Schedule that is approved by the governing body at a public meeting.

### Discussion

The revised salary schedule includes the City Manager’s recently approved salary increase. That is the only change to the previously approved salary schedule. The attached salary schedule meets the requirements of Section 570.5.

### Fiscal Impacts

The total annual increase is \$6,064 effective August 9, 2025.

### ATTACHMENTS:

- FY 2025-26 Salary Schedule

Respectfully Submitted,

---

John Guertin ,City Manager

**CITY OF DEL REY OAKS**  
**SALARY SCHEDULE FOR FISCAL YEAR 2025-2026**  
**Effective 08/09/2025**

<b>Title</b>	<b>Step 1</b>	<b>Step 2</b>	<b>Step 3</b>	<b>Step 4</b>	<b>Step 5</b>	<b>Contract</b>
<b>City Manager</b>	Per Contract					
Monthly						17,349.83
Bi-weekly						8,008.00
Hourly Rate						100.10
Annual						208,198.00
<b>Assistant City Manager &amp; Chief of Police</b>	Per Contract					
Monthly						14,666.67
Bi-weekly						6,769.23
Hourly Rate						84.62
Annual	-	-	-	-	-	176,000.00
<b>City Clerk</b>						
Monthly	7,323.33	7,689.08	8,073.83	8,477.75	8,902.42	
Bi-weekly	3,380.00	3,548.80	3,726.40	3,912.80	4,108.80	
Hourly Rate	42.25	44.36	46.58	48.91	51.36	
Annual	87,880.00	92,269.00	96,886.00	101,733.00	106,829.00	
<b>Deputy City Clerk/Permit Clerk</b>						
Monthly	5,550.17	5,827.50	6,118.67	6,425.50	6,746.17	
Bi-weekly	2,561.60	2,689.60	2,824.00	2,965.60	3,113.60	
Hourly Rate	32.02	33.62	35.30	37.07	38.92	
Annual	66,602.00	69,930.00	73,424.00	77,106.00	80,954.00	
<b>Administrative Services Technician</b>						
Monthly	5,550.17	5,827.50	6,118.67	6,425.50	6,746.17	
Bi-weekly	2,561.60	2,689.60	2,824.00	2,965.60	3,113.60	
Hourly Rate	32.02	33.62	35.30	37.07	38.92	
Annual	66,602.00	69,930.00	73,424.00	77,106.00	80,954.00	
<b>Police Commander</b>						
Monthly	8,952.58	9,400.33	9,869.83	10,363.08	10,881.75	
Bi-weekly	4,131.96	4,338.60	4,555.32	4,782.96	5,022.36	
Hourly Rate	49.19	51.65	54.23	56.94	59.79	
Annual	107,431.00	112,804.00	118,438.00	124,357.00	130,581.00	
<b>Police Sergeant</b>						
Monthly	7,900.58	8,295.58	8,710.50	9,145.50	9,602.33	
Bi-weekly	3,646.44	3,828.72	4,020.24	4,221.00	4,431.84	
Hourly Rate	43.41	45.58	47.86	50.25	52.76	
Annual	94,807.00	99,547.00	104,526.00	109,746.00	115,228.00	
<b>Police Officer</b>						
Monthly	6,814.08	7,154.42	7,513.00	7,887.92	8,282.83	
Bi-weekly	3,144.96	3,302.04	3,467.52	3,640.56	3,822.84	
Hourly Rate	37.44	39.31	41.28	43.34	45.51	
Annual	81,769.00	85,853.00	90,156.00	94,655.00	99,394.00	
<b>Police Officer - Reserve</b>						
Hourly Rate						45.51
<b>Public Works Supervisor</b>						
Monthly	5,938.42	6,234.83	6,546.83	6,874.42	7,311.17	
Bi-weekly	2,740.80	2,877.60	3,021.60	3,172.80	3,374.40	
Hourly Rate	34.26	35.97	37.77	39.66	42.18	
Annual	71,261.00	74,818.00	78,562.00	82,493.00	87,734.00	
<b>Temporary/Part Time EE</b>						
Hourly Rate	At the discretion of the City Manager					50.00

**CITY OF DEL REY OAKS**  
**SALARY SCHEDULE FOR FISCAL YEAR 2025-2026**

1. Mayor and City Council Members shall be paid the sum of \$100.00 per month for attendance at all regular and special council meetings unless previously granted a leave of absence with pay, or unless excused by the Mayor.

2. The Mayor is paid an additional \$125 per month for promoting and advertising the City.
3. All employees of the City pay the full employee paid percent contribution to each employee's PERS account.
4. The Police Chief and the City manager's salaries are per individual contract.
5. Police Reserve officers are paid at a rate of \$45.51 per hour worked (5th Step Police Officer).
- 6 Police Officers Uniform Allowance \$1,000 annually
- 7 City Manager: Auto Allowance \$450/month (\$5,400 annual)
- 8 PD works 84 hours/ pay period
- 9 Educational Incentive:
  - \$100 per month for Associate's degree
  - \$200 per month for Bachelor's degree
- 10 Longevity Pay:
  - 2% longevity pay for individual's working over 10 years
  - 4% longevity pay for individual's working over 20 years
- 11 Wellness: \$500.00 per year



# CITY OF DEL REY OAKS

650 CANYON DEL REY BLVD, DEL REY OAKS, CALIFORNIA 93940  
PHONE (831) 394-8511 FAX (831) 394-6421

**DATE:** January 27, 2026  
**TO:** Honorable Mayor and City Council  
**FROM:** John Guertin, City Manager  
**SUBJECT:** Appointment of Vice Mayor for 2026

**CEQA:** Enactment of this resolution is not subject to the California Environmental Quality Act (CEQA) as it is not a project pursuant to Guidelines Section 15378 (b)(5) because it is an organizational or administrative activity of the City that will not result in direct or indirect physical changes in the environment.

## Recommended Action

That the Council approve the appointment of Councilmember Mike Burger as Vice Mayor for 2026 beginning on February 1<sup>st</sup>.

## Discussion

California Government Code Section 36801 requires the appointment of a mayor pro tempore or Vice Mayor. At the beginning of 2025, the Council selected Councilmember Hallock to be Vice Mayor for 2025 and that Councilmember Burger would be next in the rotation.

## Fiscal Impacts

None.

Respectfully Submitted,

---

John Guertin  
City Manager



## Staff Report

**DATE:** January 27, 2026

**TO:** Honorable Mayor and City Council

**FROM:** John Guertin, City Manager

**SUBJECT:** Audited Financial Statements for fiscal year ended June 30, 2025

**CEQA:** This action does not constitute a “project” as defined by the California Environmental Quality Act (CEQA) guidelines section 15378 as it is an organizational activity of the City that will not result in direct or indirect physical changes in the environment.

### Recommendation

Staff recommends that the Council receive and approve the audited financial statements for the fiscal year ended June 30, 2025.

### Background

The City’s financial statements were audited by Chavan & Associates, LLP. The audit of the financial statements is an annual requirement.

### Summary & Discussion

#### Auditor’s Opinion

The auditors, Chavan & Associates, state on page 1 of the Annual Financial Report (“Report”) (Attachment 1), that the financial statements in the Report “present fairly, in all material respects” the City’s financial position and results of operations for the fiscal year ended June 30, 2025. This is an unqualified opinion, meaning that the financial statements can be relied upon.

A summary of the City’s finances can be found in the section titled “Management Discussion and Analysis” beginning at page 5 of the Report. Staff will highlight some of the most important numbers in the financial statements in this Staff Report.

#### Statement of Net Position of \$21,084,250, page 11

The Statement of Net Position shows a total Net Position of \$21,084,250. Readers of the financial statements should keep in mind that the Statement of Net Position treats the City as if it was a business using full accrual accounting. This statement therefore takes into account all assets, including those that cannot be sold or used by anyone else, and all the liabilities, including those that will be paid in the distant future. It then divides the Net Position (assets and deferred outflows, minus liabilities and deferred inflows) into seven major categories. “Net invested in capital assets” is the total of all fixed assets less any debt on those assets. Restricted for land held for resale represents funds that cannot be used for budget purposes. The Net Position of \$21,084,250 shows that the City’s finances are in a positive position.

Positive Change in Net Position of \$99,681 page 12

The Statement of Activities, like the Statement of Net Position, is prepared on a full accrual basis, like a business. It includes depreciation, interest expense accruals, and net gains on sale of property which are not typically reported in Government Funds Statements.

Balance Sheet – Unassigned unappropriated fund balance of \$2,039,478 in the General Fund, page 13

The Balance Sheet is prepared on a modified accrual basis, which is how the City budgets. It considers only current assets (assets that can be readily converted to cash) and current liabilities (liabilities that will be paid within the next year). It shows the General Fund with an “Unassigned Unappropriated” fund balance of \$2,039,478. This represents funds available to spend at June 30, 2025 that have not been appropriated for a specific purpose. In addition to this amount the City has \$1,652,182 in monies set-aside for economic uncertainties.

All other funds reported have restrictions as to what the monies can be spent on as shown on the Balance Sheet.

Statement of Revenues, Expenditures, and Changes in General Fund Balances of \$420,329, page 15

The Statement of Revenues, Expenditures and Changes in Fund Balance is prepared on the same basis as the budget. It shows excess revenues over expenditures in the General Fund of \$420,329.

Note 6 – Long-Term Debt \$2,146,519 page 33

Page 33 shows the long-term debt of the City as of June 30, 2025, which is an important number. The Federal Group debt totals \$1,702,223 which is not due and payable until sales or development takes place on the former Fort Ord land. It is expected that any development or sales should cover this debt.

Auditor’s Report on Internal Controls, page 56

As part of the audit, the auditor issued an Independent Auditor’s Report on Internal Control over Financial Reporting, which states on page 55 of the Report that they “did not identify any deficiencies in internal controls”.

**Fiscal Impacts**

This item has no fiscal impact. It reports the results of the 2024-25 fiscal year’s operations.

**Recommended Action**

Receive and file the audited financial statements for the fiscal year ending June 30, 2025.

**ATTACHMENTS:**

1. Annual Financial Report for the fiscal year ended June 30, 2025

Respectfully Submitted,

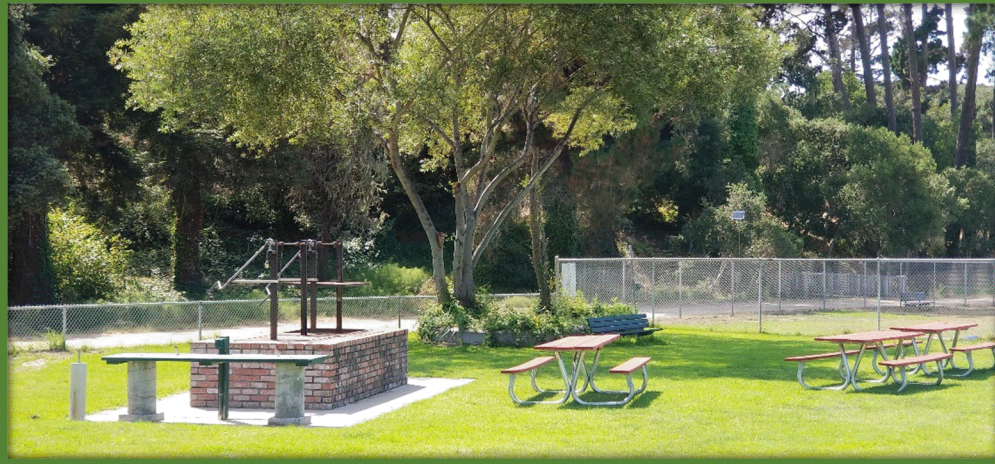
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John Guertin  
City Manager

# City of Del Rey Oaks

## Annual Financial Report

### June 30, 2025



**Chavan & Associates, LLP**  
Certified Public Accountants  
16450 Monterey Rd., Suite 5  
Morgan Hill, CA 95037

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City of Del Rey Oaks  
Annual Financial Report  
For the fiscal year ended June 30, 2025

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## FINANCIAL SECTION



**Chavan and Associates, LLP**  
Certified Public Accountants

## INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the  
City Council of the City of Del Rey Oaks  
Del Rey Oaks, California

### Report on the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Del Rey Oaks (the "City"), as of and for the fiscal year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Del Rey Oaks, as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Responsibilities of Management for the Financial Statements*

City management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.



*Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and GAGAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and GAGAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and other required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.



**Chavan and Associates, llp**  
Certified Public Accountants

*Supplementary Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements as a whole. The introductory section, combining individual non-major fund schedules, statistical data, and other information as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory, budgetary and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 12, 2026, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*C & A LLP*

Chavan & Associates, LLP  
Certified Public Accountants  
January 12, 2026  
Morgan Hill, California



## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

## INTRODUCTION

The discussion and analysis of the City of Del Rey Oaks' (the City) financial performance provides an overview and analysis of the City's financial activities for the fiscal year ended June 30, 2025. It should be read in conjunction with the accompanying basic financial statements.

## FINANCIAL HIGHLIGHTS

- On a government-wide basis the assets and deferred outflows of the City exceeded its liabilities and deferred inflows at the close of the fiscal year ended June 30, 2025 by \$21.08 million. However, \$2.35 million is a net investment in capital assets, restricted net position of \$18.97 million, leaving an unrestricted deficit net position of \$238 thousand.
- The City's total net position increased by \$100 thousand from current year operations.
- The City's governmental funds reported combined ending fund balance of \$22.20 million. The net change in fund balances was a decrease of \$397 thousand.
- The General Fund reported a fund balance of \$12.97 million. The net change was an increase of \$420 thousand.

## OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis serves as an introduction to the City's financial statements. The City's Financial statements are comprised of three components: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide Financial Statements** - The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The *Statement of Net Position* presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. The statement of net position combines and consolidates governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations. Other nonfinancial factors should also be taken into consideration, such as changes in the City's property tax base, the condition of the City's infrastructure (i.e. roads, drainage improvements, storm and sewer lines, etc.) and redevelopment projects, to assess the overall health or financial condition of the City.

The *Statement of Activities* presents information showing how the City's net position changed during the most recent fiscal year. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

The government-wide financial statements include all the governmental activities of the City. The governmental activities of the City include public safety, streets, parks, planning, community development and general administration. The City does not operate any business-type activities.

**Fund Financial Statements** - A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The fund financial statements provide detailed information about the most significant funds, not the City as a whole. The City, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal

requirements. All of the City's funds are governmental fund types. Fund financial statements report essentially the same functions as those reported in the government-wide financial statements. However, unlike the government-wide financial statements, fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year.

Because the focus of the governmental fund is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented in the government-wide financial statements. Both the governmental fund *Balance Sheet* and the governmental fund *Statement of Revenues, Expenditures and Changes in Fund Balances* provide a reconciliation to facilitate the comparison between the governmental fund and government-wide statements.

The City maintains 17 individual governmental funds. Information is presented in the Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund and the nonmajor governmental funds.

**Notes to Basic Financial Statements** - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of the City's financial position. The City's net position increased by \$100 thousand in fiscal year 2025 from fiscal year 2024. The City's net investment in assets of \$2.35 million is used to provide services to citizens; consequently, these assets are not available for future spending, leaving the City with a deficit for operating purposes.

**Summary of Net Position  
As of June 30**

	2025	2024	Increase (Decrease)
<b>Assets</b>			
Current and other assets	\$ 22,919,500	\$ 23,148,975	\$ (229,475)
Capital assets	2,798,130	2,443,448	354,682
<b>Total Assets</b>	<b>\$ 25,717,630</b>	<b>\$ 25,592,423</b>	<b>\$ 125,207</b>
<b>Deferred Outflows of Resources</b>			
	\$ 722,353	\$ 805,309	\$ (82,956)
<b>Liabilities</b>			
Current and other liabilities	\$ 284,194	\$ 502,018	\$ (217,824)
Noncurrent liabilities	4,775,718	4,472,040	303,678
<b>Total Liabilities</b>	<b>\$ 5,059,912</b>	<b>\$ 4,974,058</b>	<b>\$ 85,854</b>
<b>Deferred Inflows of Resources</b>			
	\$ 295,821	\$ 439,105	\$ (143,284)
<b>Net Position</b>			
Net investment in capital assets	\$ 2,353,834	\$ 1,888,997	\$ 464,837
Restricted	18,968,809	19,143,607	(174,798)
Unrestricted	(238,393)	(48,035)	(190,358)
<b>Total Net Position</b>	<b>\$ 21,084,250</b>	<b>\$ 20,984,569</b>	<b>\$ 99,681</b>

- Current assets and capital assets increased by \$125 thousand, while current and noncurrent liabilities increased by \$86 thousand.
- Decreases in current assets were mainly due to decreases in cash and investments.
- Capital assets increased by \$355 thousand mainly due to the current year additions to structure and improvements.
- Current and other liabilities decreased by \$218 thousand mostly due to the decreases in accounts payable and prepaid business licenses.
- Increases in noncurrent liabilities were mainly the result of GASB 68 and GASB 75 adjustments to the City's pension and OPEB plans.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS (continued)

Statement of Activities  
As of June 30

Functions/Programs	2025	2024	Increase (Decrease)
<b>Revenue:</b>			
Program Revenues:			
Charges for services	\$ 1,635,889	\$ 1,597,393	\$ 38,496
Operating grants and contributions	265,244	323,226	(57,982)
Capital grants and contributions	436,562	100,038	336,524
General Revenues:			
Property tax	862,401	824,729	37,672
Sales tax	519,200	514,815	4,385
Transaction tax	773,972	737,916	36,056
Franchise tax	176,907	184,406	(7,499)
Business license tax	227,181	213,474	13,707
Other taxes	893,221	447,404	445,817
Investment earnings	201,085	191,971	9,114
Other revenue	114,452	133,942	(19,490)
<b>Total Revenue</b>	<u>6,106,114</u>	<u>5,269,314</u>	<u>836,800</u>
<b>Expenses:</b>			
General government	1,933,951	1,696,306	237,645
Public safety	3,024,054	2,751,193	272,861
Public works	403,478	378,576	24,902
Community development	218,948	180,788	38,160
Parks	348,151	51,025	297,126
Interest on long-term debt	77,851	75,500	2,351
<b>Total Expenses</b>	<u>6,006,433</u>	<u>5,133,388</u>	<u>873,045</u>
Change in Net Position	99,681	135,926	(36,245)
<b>Net Position, Beginning of Year</b>	<u>20,984,569</u>	<u>20,848,643</u>	<u>135,926</u>
<b>Net Position, End of Year</b>	<u>\$ 21,084,250</u>	<u>\$ 20,984,569</u>	<u>\$ 99,681</u>

- The increase in capital grants and contributions is mainly due to more contributions received from federal and state assistance in 2025 than in the prior fiscal year.
- The increase in other taxes is due to an increase in revenue from cannabis taxes.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets** - The City's investment in capital assets as of June 30, 2025, amounted to \$2.8 million (net of accumulated depreciation). This amount included land, buildings, improvements, furniture, equipment, and vehicles.

**Debt Administration** - At fiscal year end, the City had \$2.1 million in debt. Additions to debt were due to compounding interest from the Federal Group International loan, while deletions were due to principal payments on the TAMC Measure X loan and lease purchase agreement.

**FINANCIAL ANALYSIS OF THE GOVERNMENTAL FUNDS**

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements.

At the end of the current fiscal year, the City's governmental funds reported a total fund balance of \$22.20 million. During the current fiscal year, the fund balance of the City's total governmental funds decreased by \$397 thousand.

**FUND BUDGETARY HIGHLIGHTS**

**General Fund** - The original budgeted general fund revenues increased by \$161 thousand. General Fund estimated budgeted revenues exceeded the actuals by \$1.2 million. The original budgeted general fund expenditures increased by \$554 thousand. Actual expenditures were \$2.2 million less than final budgeted expenditures.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

The fiscal year 2025-26 budget is a status quo budget since revenues are expected to be flat due to continued inflation and high interest rates having a negative effect on consumer spending. Services are being kept at the level that revenue can support.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the City's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Del Rey Oaks, 650 Canyon Del Rey Road, Del Rey Oaks, California 93940.



## **BASIC FINANCIAL STATEMENTS**

**City of Del Rey Oaks**  
**Statement of Net Position**  
**June 30, 2025**

<b>ASSETS</b>	
Current Assets:	
Cash and investments	\$ 4,268,415
Restricted cash and investments	8,713,323
Receivables:	
Taxes	359,063
Accounts	150,702
Due from other governments	459,573
Leases receivable	24,000
Other receivables	34,441
Land held for resale	8,904,673
<b>Total Current Assets</b>	<u>22,914,190</u>
Noncurrent Assets:	
Leases receivable	5,310
Capital Assets:	
Nondepreciable	549,500
Depreciable, net of accumulated depreciation	2,248,630
<b>Total Capital Assets - Net</b>	<u>2,798,130</u>
<b>Total Noncurrent Assets</b>	<u>2,803,440</u>
<b>Total Assets</b>	<u>\$ 25,717,630</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
OPEB Adjustments	\$ 49,379
Pension Adjustments	672,974
<b>Total Deferred Outflows of Resources</b>	<u>\$ 722,353</u>
<b>LIABILITIES</b>	
Current Liabilities:	
Accounts payable	\$ 172,657
Payroll related liabilities	18,253
Prepaid business licenses	61,939
Prepaid developer deposits	9,063
Long-term debt - due within one year	22,282
<b>Total Current Liabilities</b>	<u>284,194</u>
Noncurrent Liabilities:	
Long-term debt - due in more than one year	2,124,237
Compensated absences	211,676
Net pension liability	2,024,575
Total OPEB liability	415,230
<b>Total Noncurrent Liabilities</b>	<u>4,775,718</u>
<b>Total Liabilities</b>	<u>\$ 5,059,912</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Leases	\$ 1,848
OPEB Adjustments	76,478
Pension Adjustments	217,495
<b>Total Deferred Inflows of Resources</b>	<u>\$ 295,821</u>
<b>NET POSITION</b>	
Net investment in capital assets	\$ 2,353,834
Restricted for land held for resale	8,904,673
Restricted for pension	351,751
Restricted for streets and roads	7,511,572
Restricted for habitat management	724,901
Restricted for capital projects	1,475,912
Unrestricted	(238,393)
<b>Total Net Position</b>	<u>\$ 21,084,250</u>

The accompanying notes are an integral part of these financial statements.

**City of Del Rey Oaks**  
**Statement of Activities**  
**For the Fiscal Year Ended June 30, 2025**

Functions/Programs	Expenses	Program Revenues			Total	Net (Expense) Revenue and Change in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		
General government	\$ 1,934,083	\$ 533,665	\$ -	\$ 434,434	\$ 968,099	\$ (965,984)
Public safety	3,024,054	834,416	217,244	-	1,051,660	(1,972,394)
Public works	403,478	111,330	48,000	-	159,330	(244,148)
Community development	218,948	60,414	-	2,128	62,542	(156,406)
Parks	348,151	96,064	-	-	96,064	(252,087)
Interest and fiscal charges	77,719	-	-	-	-	(77,719)
<b>Total</b>	<b>\$ 6,006,433</b>	<b>\$ 1,635,889</b>	<b>\$ 265,244</b>	<b>\$ 436,562</b>	<b>\$ 2,337,695</b>	<b>\$ (3,668,738)</b>

**General Revenues and Special Item:**

Taxes:

Property taxes	862,401
Sales tax	519,200
Transaction tax	773,972
Franchise tax	176,907
Business license tax	227,181
Other taxes	893,221
Investment earnings	201,085
Other revenues	114,452
<b>Total General Revenues and Special Items</b>	<b>3,768,419</b>

Change in Net Position 99,681

Net Position - Beginning of Year 20,984,569

Net Position - End of Year \$ 21,084,250

The accompanying notes are an integral part of these financial statements.

**City of Del Rey Oaks  
Balance Sheet  
Governmental Funds  
June 30, 2025**

	General Fund	SBR Construction Fund	FHA Grant Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and investments	\$ 2,710,657	\$ -	\$ -	\$ 2,613,926	\$ 5,324,583
Restricted cash and investments	387,342	7,269,813	-	-	7,657,155
Receivables:					
Taxes	335,856	-	-	23,207	359,063
Accounts	150,702	-	-	-	150,702
Due from other governments	-	-	457,445	2,128	459,573
Other receivables	34,441	-	-	-	34,441
Due from other funds	649,458	-	-	-	649,458
Leases receivable	29,310	-	-	-	29,310
Land held for resale	8,904,673	-	-	-	8,904,673
<b>Total assets</b>	<u>\$ 13,202,439</u>	<u>\$ 7,269,813</u>	<u>\$ 457,445</u>	<u>\$ 2,639,261</u>	<u>\$ 23,568,958</u>
<b>LIABILITIES, DEFERRED INFLOW OF RESOURCES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 139,085	\$ -	\$ 3,349	\$ 30,223	\$ 172,657
Payroll related liabilities	18,253	-	-	-	18,253
Prepaid business licenses	61,939	-	-	-	61,939
Prepaid developer deposits	9,063	-	-	-	9,063
Due to other funds	-	-	487,225	162,233	649,458
<b>Total liabilities</b>	<u>228,340</u>	<u>-</u>	<u>490,574</u>	<u>192,456</u>	<u>911,370</u>
<b>Deferred Inflows of Resources:</b>					
Leases	1,848	-	-	-	1,848
Unavailable revenue	-	-	457,445	2,128	459,573
<b>Total Deferred Inflows of Resources</b>	<u>1,848</u>	<u>-</u>	<u>457,445</u>	<u>2,128</u>	<u>461,421</u>
<b>Fund Balances:</b>					
Nonspendable					
Leases	24,167	-	-	-	24,167
Restricted:					
Land held for resale	8,904,673	-	-	-	8,904,673
Pension	351,751	-	-	-	351,751
Streets and roads	-	7,269,813	-	241,759	7,511,572
Habitat management	-	-	-	724,901	724,901
Capital projects	-	-	-	1,475,912	1,475,912
Wellness programs	-	-	-	10,835	10,835
Emergency Services	-	-	-	4,851	4,851
Drug enforcement	-	-	-	4,105	4,105
Unassigned:					
Economic uncertainties	1,652,182	-	-	-	1,652,182
Unappropriated	2,039,478	-	(490,574)	(17,686)	1,531,218
<b>Total fund balances</b>	<u>12,972,251</u>	<u>7,269,813</u>	<u>(490,574)</u>	<u>2,444,677</u>	<u>22,196,167</u>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<u>\$ 13,202,439</u>	<u>\$ 7,269,813</u>	<u>\$ 457,445</u>	<u>\$ 2,639,261</u>	<u>\$ 23,568,958</u>

**City of Del Rey Oaks**  
**Reconciliation of the Governmental Funds Balance Sheet**  
**to the Government-Wide Statement of Net Position**  
**June 30, 2025**

**Total Fund Balances - Total Governmental Funds** \$ 22,196,167

Amounts reported for governmental activities in the statement of net position were different because:

Capital assets used in governmental activities were not current financial resources.

Therefore, they were not reported in the governmental funds balance sheet. The capital assets were adjusted as follows:

Capital assets	\$ 4,511,156	
Less: accumulated depreciation	(1,713,026)	
Total Capital Assets		2,798,130

Contributions made to pension plans will not be included in the calculation of the City's net pension liability of the plan year included in this report and have been deferred and reported as deferred outflows of resources.

OPEB adjustments:

Difference between actual and expected experience		48,434
Change in assumptions		(76,478)
Contribution subsequent to measurement date		945

Pension adjustments:

Net change in assumptions		50,501
Net difference between expected and actual experience		162,257
Net difference between projected and actual investment earnings		103,239
Net differences between employer's contributions and proportionate share of contributions		(111,920)
Net change in employer's proportion		89,292
Contribution subsequent to measurement date		162,110

Amounts due from others will not be collected soon enough to pay current period expenditures and are reported as deferred inflows of resources in governmental funds.

459,573

Long-term obligations were not due and payable in the current period. Therefore, they were not reported in the governmental funds balance sheet. The long-term liabilities were adjusted as follows:

Long-term debt	\$ (2,146,519)	
Compensated absences	(211,676)	
Net pension liability	(2,024,575)	
Total OPEB liability	(415,230)	
Total Long-Term Obligations		(4,798,000)

**Net Position of Governmental Activities**

**\$ 21,084,250**

**City of Del Rey Oaks**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Governmental Funds**  
**For the Fiscal Year Ended June 30, 2025**

	General Fund	SBR Construction Fund	FHA Grant Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>					
Taxes:					
Property taxes	\$ 862,401	\$ -	\$ -	\$ -	\$ 862,401
Sales tax	418,247	-	-	100,953	519,200
Transaction tax	530,815	-	-	-	530,815
Franchise tax	176,907	-	-	-	176,907
Business license tax	227,181	-	-	-	227,181
Other taxes	637,490	-	-	39,306	676,796
Licenses and permits	74,909	-	-	-	74,909
Fines, forfeits and penalties	33,251	-	-	-	33,251
Charges for current services	1,413,882	-	-	-	1,413,882
Intergovernmental revenues	236,895	-	-	466,642	703,537
Interest, rents and concessions	314,932	-	-	32,896	347,828
Other revenues	39,452	-	-	75,000	114,452
<b>Total Revenues</b>	<u>4,966,362</u>	<u>-</u>	<u>-</u>	<u>714,797</u>	<u>5,681,159</u>
<b>EXPENDITURES</b>					
Current:					
General government	1,443,986	-	-	62,456	1,506,442
Public safety	2,749,508	-	-	37,531	2,787,039
Public works	232,523	-	-	26,942	259,465
Community development	87,151	-	-	69,342	156,493
Parks	40,345	-	-	297,300	337,645
Capital outlay	108,536	-	531,545	260,199	900,280
Debt service					
Principal	28,232	-	-	81,923	110,155
Interest and fiscal charges	-	-	-	20,470	20,470
<b>Total Expenditures</b>	<u>4,690,281</u>	<u>-</u>	<u>531,545</u>	<u>856,163</u>	<u>6,077,989</u>
Excess (Deficiency) of Revenues over Expenditures	<u>276,081</u>	<u>-</u>	<u>(531,545)</u>	<u>(141,366)</u>	<u>(396,830)</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	167,446	-	74,100	23,198	264,744
Transfers out	(23,198)	-	-	(241,546)	(264,744)
<b>Total Other Financing Sources (Uses)</b>	<u>144,248</u>	<u>-</u>	<u>74,100</u>	<u>(218,348)</u>	<u>-</u>
Net Change in Fund Balances	420,329	-	(457,445)	(359,714)	(396,830)
Fund Balances Beginning	<u>12,551,922</u>	<u>7,269,813</u>	<u>(33,129)</u>	<u>2,804,391</u>	<u>22,592,997</u>
Fund Balances Ending	<u>\$ 12,972,251</u>	<u>\$ 7,269,813</u>	<u>\$ (490,574)</u>	<u>\$ 2,444,677</u>	<u>\$ 22,196,167</u>

**City of Del Rey Oaks**  
**Reconciliation of the Governmental Funds Statement of Revenues, Expenditures**  
**and Changes in Fund Balances to the Government-Wide Statement of Activities**  
**For the Fiscal Year Ended June 30, 2025**

<b>Net Change in Fund Balances - Total Governmental Funds</b>	<b>\$ (396,830)</b>
<p>Amounts reported for governmental activities in the statement of activities and changes in net position were different because:</p>	
<p>Governmental funds report capital outlay as expenditures. However, in the government-wide statement of activities and changes in net position, the cost of those assets was allocated over their estimated useful lives as depreciation expense.</p>	
Capital outlay	626,804
Depreciation expense	(272,122)
<p>Revenues in the government-wide statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.</p>	
	459,573
<p>Revenues that were reported in the government-wide statement of activities in prior years have become current financial resources in the current year and have been reported in the governmental fund statement of revenues, expenditures and changes in fund balances.</p>	
	(34,627)
<p>Long-term compensated absences and claims payables were reported in the government-wide statement of activities, but they did not require the use of current financial resources and were not reported as expenditures in governmental funds.</p>	
	(70,152)
<p>In governmental funds, actual contributions to pension plans are reported as expenditures in the year incurred. However, in the government-wide statement of activities, only the current year pension expense as noted in the plans' valuation reports is reported as an expense, as adjusted for deferred inflows and outflows of resources.</p>	
	(219,204)
<p>In governmental funds, actual contributions to the OPEB plan is reported as expenditures in the year incurred. However, in the government-wide statement of activities, only the current year OPEB expense as noted in the plan's valuation reports is reported as an expense, as adjusted for deferred inflows and outflows of resources.</p>	
	(46,667)
<p>The governmental funds report debt proceeds as an other financing source, while repayment of debt principal is reported as an expenditure. The net effect of these differences in the treatment of long-term debt and related items is as follows:</p>	
Repayment of debt principal	110,155
<p>Interest expense on long-term debt was reported in the government-wide statement of activities and changes in net position, but it did not require the use of current financial resources. Therefore, interest expense was not reported as expenditures in governmental funds. The following amount represented the net change in compound interest from current year to prior year.</p>	
	(57,249)
<b>Change in Net Position of Governmental Activities</b>	<b>\$ 99,681</b>

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The basic financial statements of the City of Del Rey Oaks, California, (the City) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental agencies. The Governmental Accounting Standards Boards (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

***A. Financial Reporting Entity***

The City of Del Rey Oaks, California was incorporated as a general law city on September 3, 1953. The City operates under a city council-manager form of government and provides a wide range of municipal services.

As required by GAAP, these basic financial statements present the City and its component units, entities for which the City is considered to be financially accountable. The City Council acts as the governing board. In addition, the City staff performs all administrative and accounting functions for these entities and these entities provide their services entirely to the City. Blended component units, although legally separate entities are, in substance, part of the City's operations and data from these units are combined with data of the City. Discretely presented component units, on the other hand, are reported in a separate column in the government-wide financial statements to emphasize their legal separateness from the City. The City had no component units as of June 30, 2025.

The City applies all applicable GASB pronouncements for certain accounting and financial reporting guidance. In December of 2010, GASB issued *GASBS No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. This statement incorporates pronouncements issued on or before November 30, 1989 into GASB authoritative literature. This includes pronouncements by the Financial Accounting Standards Board (FASB), Accounting Principles Board Opinions (APB), and the Accounting Research Bulletins of the American Institute of Certified Public Accountants' (AICPA) Committee on Accounting Procedure, unless those pronouncements conflict with or contradict with GASB pronouncements.

***B. Basis of Accounting and Measurement Focus***

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

**Government-Wide Financial Statements**

The City's government-wide financial statements include a *Statement of Net Position* and a *Statement of Activities and Changes in Net Position*. These statements present a summary of the governmental activities for the City. Fiduciary activities of the City are not included in these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. The City did not have any business-type activities during the year. These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the City's assets, deferred outflows of resources, liabilities, deferred inflows of resources (including capital assets, as well as infrastructure assets, and long-term liabilities), are included in the accompanying *Statement of Net Position*.

**City of Del Rey Oaks**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2025**

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The *Statement of Activities* presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those clearly identifiable with a specific function or segment. In conformity with the City's indirect cost allocation plan, certain indirect costs are included in the program expense reported for individual functions and activities.

Certain types of transactions are reported as program revenues for the City in three categories:

- Charges for services
- Operating grants and contributions
- Capital grants and contributions

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated. The following interfund activities have been eliminated:

- Transfers in/Transfers out

### **Governmental Fund Financial Statements**

Governmental fund financial statements include a *Balance Sheet* and a *Statement of Revenues, Expenditures and Changes in Fund Balances* for all major governmental funds and non-major funds aggregated. An accompanying schedule is presented to reconcile and explain the differences in net position as presented in these statements to the net position presented in the government-wide financial statements. The City has presented all major funds that met the applicable criteria.

All governmental funds are accounted for on a spending or "current financial resources" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the balance sheets. The *Statement of Revenues, Expenditures and Changes in Fund Balances* present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (up to 90 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the City, are property tax, sales tax, intergovernmental revenues, other taxes, interest revenue, rental revenue and certain charges for services. Fines, forfeitures, and licenses and permits are not susceptible to accrual because they are usually not measurable until received in cash. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

Unearned revenues arise when potential revenues do not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenues also arise when the government receives resources before it has a legal claim to them, as when grant monies are received prior to incurring qualifying expenditures. In subsequent periods when both revenue recognition criteria are met or when the government has a legal claim to the resources, the unearned revenue is removed from the combined balance sheet and revenue is recognized.

**City of Del Rey Oaks**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2025**

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Major individual governmental funds are reported as separate columns in the fund financial statements.

The following funds are major funds:

*General Fund* - The General Fund is the general operating fund of the City. It accounts for the City's primary services (Public Safety, Public Works, Park, etc.) and is the primary operating unit of the City.

*SBR Construction Fund* - This capital project fund was established to account for the financial resources received as a result of the dissolution of FORA to be used for the completion of construction services for the South Boundary Roadway project that were initiated by FORA.

*FHA Grant Fund* - This capital project fund was established to account for the Federal Highway Administration grant received as a pass-through from the State of California Department of Transportation for repairs to Rosita Road due to the winter storms.

The following funds are nonmajor funds:

*Gas Tax Fund* - This special revenue fund was established to account for the financial resources required to be used on street/road projects.

*SB 1 Fund* - This special revenue fund was established to account for the financial resources received for transportation purposes.

*Measure X Fund* - This special revenue fund was established to account for the financial resources received as part of the Measure X retail transactions and use tax. The funds are to be used to fund transportation safety and mobility projects in Monterey County.

*BSCC Officer Wellness & Mental Health Fund* - This special revenue fund was established to account for the financial resources received in grants to be used for the officer wellness and mental health.

*Fora Habitat Management Fund* - This special revenue fund was established to account for the financial resources received as a result of the dissolution of FORA to be used maintenance and management of properties that were previously under the purview of FORA.

*FORA Land Development Fund* - This special revenue fund was established to account for funds provided by the Developer to develop former Ford Ord property.

*American Rescue Plan Act (ARPA) Fund* - This special revenue fund was established to account for the financial resources received in federal grants as part of the Covid-19 recovery.

*Drug Enforcement Administration (DEA) Fund* - This special revenue fund was established to account for the DEA grant reimbursements for overtime pay for police officers trained to work on the DEA Task Force.

*REAP Fund* - This special revenue fund was established to account for the financial resources received for development and implementation of the Housing Element.

*CalFire Fund* - This special revenue fund was established to account for the financial resources received for reduction of wildfire fuels along Del Rey Park and Via Verde and in Work Memorial Park.

*FEMA & OES Grant Fund* - This special revenue fund accounts for the award received from the Federal and State government federal disaster relief for the 2023 storm-related damages to City Hall.

**City of Del Rey Oaks**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2025**

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*Capital Projects Fund* – This capital project fund accounts for the resources accumulated for the acquisition of fixed assets or construction of major capital projects. Significant maintenance projects and major purchases of equipment are also accounted for in the capital projects fund.

*SBR Engineering Fund* - This capital project fund was established to account for the financial resources received as a result of the dissolution of FORA to be used for the completion of engineering services for the South Boundary Roadway that were initiated by FORA.

*SBR/GJM Intersection Fund* - This capital project fund was established to account for the financial resources received as a result of the dissolution of FORA to be used for the completion of an intersection construction project that was initiated by FORA.

**C. Cash, Cash Equivalents and Investments**

The City pools its cash and investments of all funds. Interest earned as a result of pooling is distributed to the appropriate funds utilizing a formula based on the average daily balance of cash of each fund. The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturity of three months or less from the date of acquisition. Cash and cash equivalents are combined with investments and displayed as Cash and Investments.

Deposit and Investment Risk Disclosures - In accordance with GASB Statement No. 40, *Deposit and Investment Disclosures* (Amendment of GASB Statement No. 3), certain disclosure requirements, if applicable, for Deposits and Investment Risks in the following areas:

- Interest Rate Risk
- Credit Risk
  - Overall
  - Custodial Credit Risk
  - Concentrations of Credit Risk
- Foreign Currency Risk

Other disclosures are specified including use of certain methods to present deposits and investments, highly sensitive investments, credit quality at year-end and other disclosures.

The City participates in an investment pool managed by the State of California titled Local Agency Investment Fund (LAIF). Under Federal Law, the State of California cannot declare bankruptcy; therefore, deposits in the LAIF shall not be subject to either of the following: (a) transfer or loan pursuant to Government Code Section 16310, 16312, or 16313, or (b) impoundment or seizure by any state official or state agency.

Investments are recorded at fair value in accordance with GASB Statement No. 72, Fair Value Measurement and Application. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income.

The following is a summary of the definition of fair value:

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction. In determining this amount, three valuation techniques are available:

- Market approach - This approach uses prices generated for identical or similar assets or liabilities. The most common example is an investment in a public security traded in an active exchange such as the NYSE.

**City of Del Rey Oaks**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2025**

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- Cost approach - This technique determines the amount required to replace the current asset. This approach may be ideal for valuing donations of capital assets or historical treasures.
- Income approach - This approach converts future amounts (such as cash flows) into a current discounted amount.

Each of these valuation techniques requires inputs to calculate a fair value. Observable inputs have been maximized in fair value measures, and unobservable inputs have been minimized.

***D. Interfund Receivables and Payables***

Items classified as interfund receivables/payables are referred to as “advances to/advances from other funds” or as “due to/from other funds”. Due to/from other funds include short-term lending/borrowing transactions between funds. This classification also includes the current portion of an advance to or from another fund. Advances to/advances from other funds represents non-current portions of any long-term lending/borrowing transactions between funds. This amount will be equally offset by a reserve of fund balance which indicates that it does not represent available financial resources and therefore, is not available for appropriation.

***E. Receivables***

Billed, but unpaid, services provided to individuals or non-governmental entities are recorded as accounts receivable. Revenues earned but not collected by year-end are accrued. No allowance for uncollectible accounts receivable has been provided as management has determined that uncollectible accounts have historically been immaterial and the direct write-off method does not result in a material difference from the allowance method.

***F. Assets Held for Sale***

Property that has been classified as held for sale have met the following criteria:

- Management has committed to a plan to sell the asset;
- An active program to locate a buyer and other actions required to complete the plan of sale have been initiated;
- The sale of the property or asset within one year is probable and will qualify for accounting purposes as a sale;
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value; and
- Actions required to complete the plan of sale indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

***G. Leases Receivable***

The City’s lease receivable is measured at the present value of lease payments expected to be received during the lease term. A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable plus incentive payments received. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease. If there is no stated rate in the lease contract (or if the stated rate is not the rate the City charges the lessee) and the implicit rate cannot be determined, the City uses its own estimated incremental borrowing rate as the discount rate to measure lease receivables. The City’s estimated incremental borrowing rate is based on its actual incremental borrowing rate for the most recent debt issuance.

**City of Del Rey Oaks**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2025**

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***H. Capital Assets***

Capital outlays are recorded as expenditures of the General, Special Revenue, and Capital Projects Funds and as assets in the Government-Wide Financial Statements to the extent the City's capitalization threshold is met.

Capital assets, which include property, facilities, equipment, and infrastructure purchased or acquired are carried at historical cost or estimated historical cost. Contributed fixed assets are recorded at estimated fair market value at the time received. Infrastructure fixed assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems have been capitalized on a prospective basis, from July 1, 2003. Prior to July 1, 2003, infrastructure assets were not capitalized. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 for equipment, \$25,000 for facilities and improvements, \$150,000 for infrastructure, all land, and an estimated useful life in excess of one year.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Interest is capitalized on the construction or acquisition of major assets using debt proceeds. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of the borrowing until completion of the project with interest earned on invested proceeds over the same period. No interest was capitalized during the fiscal year ended June 30, 2025.

Property, facilities, equipment, and infrastructure are depreciated using the straight-line method over the following estimated useful lives:

Buildings	40 Years
Improvements	5-20 Years
Equipment	5-10 Years
Vehicles	8 Years
Furniture and Fixtures	10 Years
Infrastructure	20-50 Years

***I. Deferred Outflows/Deferred Inflows***

In addition to assets, the Statement of Net Position includes a separate section for deferred outflow of resources. This separate financial statement element, deferred outflow of resources, represents a consumption of net position that applies to a future period(s), and as such will not be recognized as an outflow of resources (expenses/expenditure) until then. The City has recognized deferred outflows of resources related to the recognition of the net pension liability and OPEB liability reported in the Statement of Net Position.

In addition to liabilities, the Statement of Net Position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and as such, will not be recognized as an inflow of resources (revenue) until that time. The City has recognized deferred inflows of resources related to the recognition of the lease revenue, pension liability and OPEB liability reported in the Statement of Net Position.

**City of Del Rey Oaks**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2025**

**J. Interest Payable**

In the government-wide financial statements, interest payable of long-term debt is recognized as an incurred liability for governmental fund types. The City has not allocated the interest on long-term debt to departments.

In the fund financial statements, governmental fund types do not recognize the interest payable when the liability is incurred. Interest on long-term debt is recorded in the fund statements when payment is made.

**K. Deferred Compensation Plan**

City employees may defer a portion of their compensation under a City sponsored deferred compensation plan created in accordance with Internal Revenue Code Section 457. Under this plan, participants are not taxed on the deferred portion of their compensation until distributed to them; distributions may be made only at termination, retirement, and death or in an emergency as defined by the Plan. Member contributions for the fiscal year ended June 30, 2025 totaled \$27,450.

The laws governing deferred compensation plan assets require plan assets to be held by a Trust for the exclusive benefit of plan participants and their beneficiaries. Since the assets held under these plans are not the City's property and are not subject to City control, they have been excluded from these financial statements.

**L. Compensated Absences**

The City recognizes a liability for compensated absences for leave time that (1) has been earned for services previously rendered by employees, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled during or upon separation from employment. Based on the criteria listed, two types of leave qualify for liability recognition for compensated absences – vacation and sick leave. The liability for compensated absences includes salary-related taxes and benefits, where applicable. The liability for compensated absences is reported as incurred in the government-wide and proprietary fund financial statements.

The following is a summary of the changes in compensated absences for the fiscal year ended June 30, 2025:

Description	June 30, 2024	Earned	Taken	June 30, 2025	Due Within One Year
Government Activities	\$ 141,524	\$ 140,304	\$ 70,152	\$ 211,676	\$ 52,949

*Vacation*

Unused vacation may be accumulated up to 160 hours and is paid at the time of termination from City employment. Accumulated sick leave benefits are not recognized as liabilities of the City.

*Sick leave*

Under the City's policy, sick leave accumulates but is not paid out upon separation. Because the leave is not more likely than not to be used for paid time off or otherwise settled, sick leave does not meet the liability recognition criteria. Employees typically use the most recently earned leave (LIFO), and based on the City's historical usage patterns and the recalculation of expected future usage, the estimated liability associated with this portion is immaterial to the financial statements, and a liability for sick leave has not been included.

**City of Del Rey Oaks**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2025**

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***M. Long-Term Liabilities***

In the government-wide financial statements, long-term liabilities are reported as liabilities in the applicable governmental activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Debt issuance costs are expensed in year incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financial sources. Premiums received on debt issuance are reported as other financing sources while discounts on debt issuance reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

***N. Fund Balances***

In accordance with Government Accounting Standards Board 54, Fund Balance Reporting and Governmental Fund Type Definitions, the City classifies governmental fund balances as follows:

**Nonspendable**

Nonspendable fund balance are amounts that cannot be spent because they are either (a) not in spendable form, such as long term receivables or (b) legally or contractually required to be maintained intact, such as a trust that must be retained in perpetuity.

**Restricted**

Restricted fund balance are restricted when constrains placed on the use of resources are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

**Committed**

Committed fund balance are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision-making authority and does not lapse at year-end. Committed fund balances are imposed by the City Council.

**Assigned**

Assigned fund balance are intended to be used for specific purposes that are neither considered restricted or committed. Fund balance may be assigned by the City Manager.

**Unassigned**

The Unassigned Fund Balance category represents fund balance which may be held for specific types of uses or stabilization purposes, but is not yet directed to be used for a specific purpose.

The detail of amounts reported for each of the above defined fund balance categories is reported in the governmental funds balance sheet.

**Flow Assumption/Spending Order Policy**

When expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to be spent first. When expenditures are incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to be spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the City Council has directed otherwise.

***O. Net Position***

In the government-wide financial statements, net position is classified in the following categories:

**Net Investment in Capital Assets**

This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that attributed to the acquisition, construction, or improvement of the assets. In addition, deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also are included in the net investment in capital assets component of net position.

**Restricted Net Position**

This amount is restricted by external creditors, grantors, contributors, or laws or regulations of other governments.

**Unrestricted Net Position**

This amount is all net position that does not meet the definition of "net investment in capital assets" or "restricted net position."

The detail of amounts reported for each of the above defined net position categories is reported in the government-wide Statement of Net Position.

**Use of Restricted/Unrestricted Net Position**

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the City's policy is to apply restricted net position first.

***P. Property Taxes***

County tax assessments include secured and unsecured property taxes. "Unsecured" refers to taxes on personal property. These tax assessments are secured by liens on the property being taxed.

Monterey County is responsible for the assessment, collection and apportionment of property taxes for all taxing jurisdictions. Property taxes are levied in equal installments on November 1 and February 1. They become delinquent on December 10 and April 10, respectively. The lien date is January 1 of each year.

Property taxes are accounted for in the General Fund. Property tax revenues are recognized when they become measurable and available to finance current liabilities. The City considers property taxes as available if they are collected within 90 days after year end. Property tax on the unsecured roll are due on the January 1 lien date and become delinquent if unpaid on August 31. However, unsecured property taxes are not susceptible to year end accrual.

The City is permitted by Article XIII A of the State of California Constitution (known as Proposition 13) to levy a maximum tax of \$1.00 per \$100 of full cash value.

***Q. Unearned Revenue***

Unearned revenue arises when assets (such as cash) are received before revenue recognition criteria have been satisfied. Grants and entitlements received before eligibility requirements (such as qualified expenditures) are met are recorded as liabilities from unearned revenue.

City of Del Rey Oaks  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2025

**R. Unavailable Revenue**

In the governmental fund financial statements, receivables associated with non-exchange transactions that will not be collected within the availability period have been recorded as deferred inflows as unavailable revenue.

**S. Use of Estimates**

The preparation of basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**T. Benefit Plans**

**Pensions**

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City’s California Public Employees’ Retirement System (CalPERS) plan (the Plan) and additions to/deductions from the Plan’s fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27* (GASB Statement No. 68) requires that the reported results pertain to liability and asset information within certain defined timeframes.

For this report, the following timeframes were used:

Valuation Date (VD) .....	June 30, 2023
Measurement Date (MD) .....	June 30, 2024
Measurement Period (MP) .....	July 1, 2023 to June 30, 2024

**Other Postemployment Benefits Other Than Pensions (OPEB)**

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources, and OPEB expense, information about the City’s Retiree Benefits Plan (the Plan) and additions to/deductions are based on when they are due and payable in accordance with the benefit terms for the measurement period included in the OPEB plan’s actuarial reports.

Valuation Date (VD) .....	June 30, 2023
Measurement Date (MD) .....	June 30, 2024
Measurement Period (MP) .....	June 30, 2023 to June 30, 2024

**U. Implementation of New Accounting Pronouncements**

**GASB Statement No. 101, *Compensated Absences***

This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already

**City of Del Rey Oaks**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2025**

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rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences.

This Statement requires that a liability for certain types of compensated absences - including parental leave, military leave, and jury duty leave—not be recognized until the leave commences. This Statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used. A liability for leave that has been used but not yet paid or settled should be measured at the amount of the cash payment or noncash settlement to be made. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities. This statement did not have a material impact on the financial statements in the fiscal year ended June 30, 2025.

**GASB Statement No. 102, *Certain Risk Disclosures***

This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued.

If a government determines that those criteria for disclosure have been met for a concentration or constraint, it should disclose information in notes to financial statements in sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government’s vulnerability to the risk of a substantial impact. The disclosure should include descriptions for (1) the concentration or constraint (2) each event associated with the concentration or constraint that could cause a substantial impact if the event had occurred or had begun to occur prior to the issuance of the financial statements (3) actions taken by the government prior to the issuance of the financial statements to mitigate the risk. This statement did not have a material impact on the financial statements in the fiscal year ended June 30, 2025.

***V. Upcoming New Accounting Pronouncements***

The City is currently analyzing its accounting practices to determine the potential impact on the financial statements of the following recent GASB Statements:

**GASB Statement No. 103, *Financial Reporting Model Improvements***

This Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government’s accountability. This Statement establishes new accounting and financial reporting requirements or modifies existing requirements related to (a) Management’s discussion and analysis (MD&A) (b) Unusual or infrequent items (c) Presentation of the proprietary fund statement of revenues, expenses, and changes in fund net position (d) Information about major component units in basic financial statements (e) Budgetary comparison information (f) Financial trend information in the statistical section. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter.

**City of Del Rey Oaks  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2025**

**GASB Statement No. 104, Disclosure of Certain Capital Assets**

This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. Lease assets recognized in accordance with Statement No. 87, Leases, and intangible right-to-use assets recognized in accordance with Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, should be disclosed separately by major class of underlying asset in the capital as-sets note disclosures. Subscription assets recognized in accordance with Statement No. 96, Subscription-Based Information Technology Arrangements, also should be separately disclosed. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class.

This Statement also requires additional disclosures for capital assets held for sale. A capital asset is a capital asset held for sale if (a) the government has decided to pursue the sale of the capital asset and (b) it is probable that the sale will be finalized within one year of the financial statement date. Governments should consider relevant factors to evaluate the likelihood of the capital asset being sold within the established time frame. This Statement requires that capital assets held for sale be evaluated each reporting period. Governments should disclose (1) the ending balance of capital assets held for sale, with separate disclosure for historical cost and accumulated depreciation by major class of asset, and (2) the carrying amount of debt for which the capital assets held for sale are pledged as collateral for each major class of asset. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter.

**NOTE 2 - CASH AND INVESTMENTS**

As of June 30, 2025, cash and investments were reported in the financial statements as follows:

	Statement of Net Position		Total
	Unrestricted	Restricted	Cash and Investments
Cash in bank	\$ 1,123,808	\$ -	\$ 1,123,808
Cash with fiscal agent	-	8,713,323	8,713,323
Local Agency Investment Fund	3,144,607	-	3,144,607
Total cash and investments	\$ 4,268,415	\$ 8,713,323	\$ 12,981,738

**A. Cash Deposits**

The California Government Code requires California banks and savings and loan associations to secure the City's cash deposits by pledging securities as collateral. This Code states that collateral pledged in this manner shall have the effect of perfecting a security interest, and places the City ahead of general creditors of the institution.

The market value of pledged securities must equal at least 110 percent of the City's cash deposits. California law also allows institutions to secure City deposits by pledging first trust deed mortgage notes that have a value of 150 percent of the City's total cash deposits. The City has waived the collateral requirements for cash deposits which are fully insured to \$250,000 by the Federal Deposits Insurance Corporation (FDIC).

The bank balances before reconciling items totaled \$1,131,290 at June 30, 2025 and were different from carrying amounts due to deposits in transit and outstanding checks. As of June 30, 2025, the City's cash balances exceeded insurance by \$881,290 but were collateralized as discussed above.

**City of Del Rey Oaks  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2025**

**B. Restricted Cash with Fiscal Agent**

For the fiscal year ended June 30, 2025, the City had a balance of \$377,779 in a Public Agency Retirement Services (PARS) Pension Rate Stabilization Program (PRSP) 115 irrevocable trust for pensions. Participating agencies maintain oversight of investment management and control over the risk tolerance level. Assets in the plan can be accessed to offset unexpected rate increases or be used as a rainy-day fund related to their pension plan (CalPERS). These assets are not dedicated to providing plan benefits to plan participants and are not directly used to pay benefits until such time as the City transfers the funds from the PARS trust to the pension plan (CalPERS). The trust restricts the use of the assets to be used solely for pension related expenses. Amounts held in Trust for FORA Dissolution Administration and Successor Agency obligations are also reported as restricted cash and investments.

**C. Fair Value Measurements**

GASB 72 established a hierarchy of inputs to the valuation techniques. This hierarchy has three levels.

- Level 1 inputs are quoted prices in active markets for identical assets or liabilities.
- Level 2 inputs are quoted market prices for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other than quoted prices that are not observable.
- Level 3 inputs are unobservable inputs, such as a property valuation or an appraisal.

The City has the following recurring fair value measurements as of June 30, 2025:

- California Local Agency Investment Fund (LAIF) of \$3,144,607; valued using Level 2 inputs.

**D. Investment Policies**

**City Investment Policy**

The City has an investment policy, which is in accordance with the California Government Code, the following investments are authorized:

<u>Authorized Investment Type</u>	<u>Maximum Maturity (1)</u>	<u>Maximum Total of Portfolio</u>	<u>Maximum Investment in Anyone Issuer</u>
Local Agency Bonds	5 years	None	None
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Banker's Acceptances	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	20%	None
Reverse Repurchase Agreements	92 days	20%	None
Medium-Term Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	2 years	20%	None
County Pooled Investment Funds	1 year	20%	None
Local Agency Investment Fund (LAIF)	N/A	None	None
JPA Pools (other investment pools)	N/A	None	None

***E. External Investment Pool***

The City's investments with LAIF at June 30, 2025, include a portion of the pool funds invested in Structured Notes and Asset-Backed Securities. These investments include the following:

**Structured Notes**

These are debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or that have embedded forwards or options.

**Asset-Backed Securities**

The bulk of asset-backed securities are mortgage-backed securities, entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (such as CMO's) or credit card receivables.

LAIF is overseen by the Local Agency Investment Advisory Board, which consists of five members, in accordance with State statute. The approved investments policy is listed on the LAIF website, located at <http://www.treasurer.ca.gov/pmia-laif/laif/index.asp>.

***F. Risk Disclosures***

**Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the term of an investment's maturity, the greater the sensitivity to changes in market interest rates. It is the City's practice to manage its exposure to interest rate risk is by purchasing a combination of shorter and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for City's operations.

**Credit Risk**

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of an investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. As of June 30, 2025, the City's investments were in compliance with the ratings required by the City's investment policy, indenture agreements and Government Code.

**Concentrations of Credit Risk**

The investment policy of the City contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. As of June 30, 2025, the City had no investments in any one issuer (other than U.S. Treasury securities, mutual funds and external investment pools) that represented 5% or more of the total City investments.

**Custodial Credit Risk**

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The California Government Code does not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF).

**City of Del Rey Oaks**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2025**

**NOTE 3 - INTERFUND TRANSACTIONS**

**A. Transfers In/Out**

With Council approval resources may be transferred from one fund to another. Transfers routinely reimburse funds that have made an expenditure on behalf of another fund. Transfers may also be made to pay for capital projects or capital outlays, lease or debt service payments, and operating expenses. The City had the following transfers during the fiscal year ended June 30, 2025.

Fund	Transfer in	Transfer out
General Fund	\$ 167,446	\$ 23,198
FHA Grant	74,100	-
Nonmajor Funds	23,198	241,546
Total Transfers	<u>\$ 264,744</u>	<u>\$ 264,744</u>

**B. Interfund Receivables and Payables**

The timing of when cash is received and paid can result in a negative cash balance in a fund as of fiscal year end. At year-end, a liability, “Due To Other Funds” is created to eliminate any negative cash balances along with a corresponding asset, “Due From Other Funds.” In the following fiscal year, the liabilities are settled and the assets are liquidated.

The City had the following interfund receivables and payables as of June 30, 2025.

Fund	Due To	Due From
General Fund	\$ -	\$ 649,458
FHA Grant	487,225	-
Nonmajor Funds	162,233	-
Total	<u>\$ 649,458</u>	<u>\$ 649,458</u>

**NOTE 4 - LEASES RECEIVABLE**

As of June 30, 2025, the City recognized two contracts as leases and implemented the applicable accounting and reporting requirements of a lessor under GASB 87. The following schedule summarizes the lease balances:

Description	Lease Receivable	Deferred Inflows of Resources
Initial Net Present Value	\$ 392,191	\$ 392,191
Accumulated Amortization	-	(263,149)
Principal Payments	(326,566)	(78,947)
Beginning Balances 7/1/2024	65,625	50,095
Current Amortization	-	(48,247)
Current Principal Payments	(36,315)	-
Ending Balances 6/30/2025	<u>\$ 29,310</u>	<u>\$ 1,848</u>

**City of Del Rey Oaks**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2025**

**NOTE 5 - CAPITAL ASSETS**

Capital assets consisted of the following as of June 30, 2025:

	Balance June 30, 2024	Additions	Deletions/ Adjustments	Balance June 30, 2025
<b>Non-depreciable:</b>				
Land	\$ 549,500	\$ -	\$ -	\$ 549,500
Construction in Progress	58,950	539,163	(598,113)	-
Total Non-Depreciable	608,450	539,163	(598,113)	549,500
<b>Depreciable:</b>				
Buildings and Improvements	691,438	-	-	691,438
Furniture, Equipment, and Vehicles	906,618	87,641	-	994,259
Structure and Improvements	1,557,582	598,113	-	2,155,695
Finance Purchase Assets	120,264	-	-	120,264
Total Depreciable	3,275,902	685,754	-	3,961,656
<b>Less Accumulated Depreciation for:</b>				
Buildings and Improvements	(468,250)	(15,828)	-	(484,078)
Furniture, Equipment, and Vehicles	(604,679)	(121,498)	-	(726,177)
Structure and Improvements	(318,948)	(104,034)	-	(422,982)
Finance Purchase Assets	(49,027)	(30,762)	-	(79,789)
Total Accumulated Depreciation	(1,440,904)	(272,122)	-	(1,713,026)
Total Depreciable Capital Asset - Net	1,834,998	413,632	-	2,248,630
Total Capital Assets - Net	\$ 2,443,448	\$ 952,795	\$ (598,113)	\$ 2,798,130

During the fiscal year ended June 30, 2019, the City reclassified \$8,904,673 in land to “held for resale” as the City is in the process of selling the land, which the City originally received as part of an Economic Development Conveyance through the Fort Ord Reuse Authority (FORA). The land remained classified as held for resale as of June 30, 2025.

Depreciation expense was charged to the functions of the government as follows:

General Government	\$ 27,396
Police Department	102,288
Parks	10,496
Public Works	131,942
Total depreciation expense	\$ 272,122

**City of Del Rey Oaks  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2025**

**NOTE 6 - LONG-TERM LIABILITIES**

The City’s long-term liabilities consisted of the following as of June 30, 2025:

Description	Balance June 30, 2024	Additions	Retirements	Balance June 30, 2025	Due Within One Year
Finance purchase agreements:					
Police department - body cameras	\$ 59,256	\$ -	\$ 19,752	\$ 39,504	\$ 19,752
PG&E OBF Energy Efficiency Upgrades	20,239	-	2,530	17,709	2,530
Software	8,480	-	8,480	-	-
Subtotal finance purchase agreements	87,975	-	30,762	57,213	22,282
Loans payable:					
Federal Group International, LLC	1,200,000	-	-	1,200,000	-
Federal Group International, LLC Compound Interest	444,974	57,249	-	502,223	-
TAMC Measure X Loan	466,476	-	79,393	387,083	-
Subtotal loans payable	2,111,450	57,249	79,393	2,089,306	-
<b>Total</b>	<b>\$ 2,199,425</b>	<b>\$ 57,249</b>	<b>\$ 110,155</b>	<b>\$ 2,146,519</b>	<b>\$ 22,282</b>

**Body Worn Cameras, Data Storage and Software Finance Purchase Agreement**

The City entered into a software, hardware, and services finance purchase agreement with Motorola Solutions to receive body worn cameras, data storage, and software from Motorola Solutions. The agreement qualifies as a finance purchase agreement for accounting purposes and, therefore, have been recorded at the present value of future minimum lease payments at the date of the inception of the agreement. The principal payments on the agreement are \$19,752.

As of June 30, 2025, the annual debt service requirements on the Body Worn Cameras, Data Storage and Software Finance Purchase Agreement are as follows:

Year Ending June 30	Principal	Interest	Total
2026	\$ 19,752	\$ -	\$ 19,752
2027	19,752	-	19,752
<b>Total</b>	<b>\$ 39,504</b>	<b>\$ -</b>	<b>\$ 39,504</b>

**PG&E OBF Energy Efficiency Upgrades**

The City entered into a hardware, and services finance purchase agreement with PG&E to receive interest-free financing for qualified energy efficiency projects. The agreement qualifies as a finance purchase agreement for accounting purposes and, therefore, have been recorded at the present value of future minimum lease payments at the date of the inception of the agreement. The principal payments on the agreement are \$2,530. As of June 30, 2025, the annual debt service requirements on the PG&E OBF Energy Efficiency Upgrades Finance Purchase Agreement are as follows:

Year Ending June 30	Principal	Interest	Total
2026	\$ 2,530	\$ -	\$ 2,530
2027	2,530	-	2,530
2028	2,530	-	2,530
2029	2,530	-	2,530
2030	2,530	-	2,530
2031-2035	5,059	-	5,059
<b>Total</b>	<b>\$ 17,709</b>	<b>\$ -</b>	<b>\$ 17,709</b>

**City of Del Rey Oaks  
Notes to the Basic Financial Statements  
For the Fiscal Year Ended June 30, 2025**

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**Records Management Software Lease Purchase Agreement**

The City entered into a software and service agreement with Sun Ridge System, Inc. to receive computer software and services from Sun Ridge System, Inc. The lease qualifies as a leases purchase agreement for accounting purposes and therefore have been recorded at the present value of future minimum lease payments at the date of the inception of the lease. The principal and interest payments on the lease are \$8,713 with the interest rate of 2.721%.

As of June 30, 2025, the annual debt service requirements on the Records Management Software Lease Purchase Agreement are all paid off.

**Federal Group International, LLC Loan Payable**

The City has a promissory note with Federal Group International, LLC in the amount of \$1,200,000, \$700,000 of the note is the City's obligation to pay for funds loaned by Federal/JER Associates I, LLC to the former Redevelopment Agency of the City of Del Rey Oaks, the remaining \$500,000 of the note evidences the City's obligation to pay the holder as settlement of claims between the City and Bellmont Rock Holdings, LLC. Interest is accrued at 5% per annum on the \$700,000 beginning June 1, 2014, until the entire outstanding loan amount, plus interest, is paid in full. Payments on the note, once they commence, shall be for a five-year period, however if the note is not paid in full at the end of the five-year term it shall automatically renewal, once, for an additional five-year term. No payment shall be due under this loan until commencement of construction on the Fort Ord property and are based on an increase of 50% of City revenue associated with the development of the entire property.

**TAMC Measure X Loan Payable**

In December 2018, the City entered into an agreement with the Transportation Agency for Monterey County (TAMC) for the purpose of receiving advance funding for the Del Rey Oaks Slurry Seal (the project). As of June 30, 2021, the TAMC had advanced \$817,659 to the City. The loan is payable from Measure X revenue, which can only be estimated year to year, so no amortization schedule has been established at this time. An interest rate of 2.5% is fixed until such time as the Monterey County Pool Quarterly Rate rises above 2.0%, at which point the interest rate will be variable, tied to the Monterey County Pool Quarterly Rate plus 50 basis points, only becoming fixed again at 2.5% when the Monterey County Pool Quarterly Rate drops below 2.0%. The outstanding balance on the loan at June 30, 2025, was \$387,083.

**NOTE 7 - RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts, thefts, damage to, or destruction of assets; errors and omissions; injuries to workers; and natural disasters. These risks are covered by a combination of commercial insurance purchased from independent third parties and participation in the Monterey Bay Area Self Insurance Authority (MBASIA), which is a public entity risk pool. There have not been any significant reductions in insurance coverage as compared to the previous year. Settled claims from these risks have not exceeded commercial coverage for the past three fiscal years.

MBASIA was formed under a joint powers agreement (JPA) pursuant to California Government Code Section 6500 et seq. effective July 1, 1982. MBASIA is administered by a Board of Directors consisting of thirteen members appointed by the cities participating. The Board controls the operations of the JPA, including selection of management and approval of operating budgets, independent of any influence by member cities beyond their representation on the Board. Each member city pays a premium commensurate with the amount of predicted losses and shares surpluses and deficits proportionate to their participation in the JPA.

Financial statements for the Authority may be obtained from [www.mbasia.org](http://www.mbasia.org).

**City of Del Rey Oaks**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2025**

**NOTE 8 - CALPERS PENSION PLAN**

*General Information about the Pension Plans*

**Plan Description** - All qualified permanent and probationary employees are eligible to participate in the City’s Miscellaneous and Safety Employee Pension Plans (the Plans); cost-sharing multiple-employer defined benefit pension plans administered by the California Public Employees’ Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

**Benefits Provided** - CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 55 with statutorily reduced benefits. All members are eligible for non-industrial disability benefits after 10 years of service. The death benefit is the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for the Plan are applied as specified by the Public Employees’ Retirement Law.

The Plans’ provisions and benefits in effect at June 30, 2025, are summarized as follows:

	Miscellaneous			Safety		
	Miscellaneous	Tier 1	PEPRA	Police	Police - PEPRA	Fire
Benefit formula	2% @ 60	2% @ 55	2% @ 62	2% @ 55	2.7% @ 57	2% @ 55
Benefit vesting schedule	5 Years	5 Years	5 Years	5 Years	5 Years	5 Years
Benefit payments	Monthly for Life	Monthly for Life	Monthly for Life	Monthly for Life	Monthly for Life	Monthly for Life
Retirement age	60	55	62	50	57	55
Monthly benefits as a						
% of eligible compensation	2.00%	2.00%	2.00%	2.00%	2.00%	3.00%
Required employee contribution rates	7.00%	7.000%	7.75%	7.00%	11.00%	7.000%
Required employer contribution rates	10.15%	10.150%	7.87%	15.65%	11.05%	14.382%

**Employees Covered** - At June 30, 2025 (fiscal year), June 30, 2023 (the valuation date), the following employees were covered by the benefit terms for the Plans:

	Miscellaneous	Safety
Active	3	10
Transferred	2	3
Separated	4	4
Retired	6	13
<b>Total</b>	<b>15</b>	<b>30</b>

**Contributions** - Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rates are the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

**City of Del Rey Oaks**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2025**

For the fiscal year ended June 30, 2025, the City’s contributions were as follows:

	Employer Contributions
Miscellaneous	\$ 39,550
Safety	122,560
<b>Total Employer Contributions</b>	<b>\$ 162,110</b>

***Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions***

As of June 30, 2025, the City reported net pension liabilities for its proportionate shares of the net pension liability as follows:

	<b>Proportionate Share of Net Pension Liability/(Asset)</b>
Miscellaneous	\$ 582,674
Safety	1,441,900
<b>Total</b>	<b>\$ 2,024,575</b>

The City’s net pension liability for the Plans is measured as the proportionate share of the net pension liability. The net pension liability of the Plans are measured as of June 30, 2024, and the total pension liability for the Plans used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2023 rolled forward to June 30, 2024 using standard update procedures. The City’s proportion of the net pension liability was based on a projection of the City’s long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

The City’s proportionate share of the net pension liability for the Plans as of June 30, 2024 and 2025 was as follows:

	<b>Miscellaneous</b>	<b>Safety</b>	<b>Combined Plans</b>
Proportion - June 30, 2024	0.01176%	0.01603%	0.01432%
Proportion - June 30, 2025	0.01205%	0.01978%	0.01669%
Change - Increase/(Decrease)	0.00029%	0.00375%	0.00238%

For the fiscal year ended June 30, 2025, the City recognized pension expense of \$381,311 for the plans.

At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Changes of Assumptions	\$ 50,501	\$ -
Differences between Expected and Actual Experience	168,049	5,792
Differences between Projected and Actual Investment Earnings	103,239	-
Differences between Employer's Contributions and Proportionate Share of Contributions	6,813	118,733
Change in Employer's Proportion	182,262	92,970
Pension Contributions Made Subsequent to Measurement Date	162,110	-
<b>Total</b>	<b>\$ 672,974</b>	<b>\$ 217,495</b>

**City of Del Rey Oaks**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2025**

The City reported \$162,110 as deferred outflows of resources related to contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2026.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<b>Fiscal Year Ending</b>	<b>Deferred Outflows/(Inflows) of</b>		
	<b>Resources</b>		
<b>June 30:</b>	<b>Miscellaneous</b>	<b>Safety</b>	<b>Total</b>
2026	\$ 35,313	\$ 63,392	\$ 98,705
2027	59,122	147,334	206,456
2028	(5,827)	29,378	23,550
2029	(11,495)	(23,846)	(35,342)
<b>Total</b>	<b>\$ 77,113</b>	<b>\$ 216,258</b>	<b>\$ 293,369</b>

**Actuarial Assumptions** - The total pension liabilities in the fiscal year ended June 30, 2025 actuarial valuations were determined using the following actuarial assumptions:

Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Actuarial Cost Method	Entry-Age Normal Cost Method
<b>Actuarial Assumptions:</b>	
Discount Rate	6.90%
Inflation	2.30%
Payroll Growth	2.80%
Projected Salary Increase	(1)
Investment Rate of Return	6.8% (2)
Mortality	(3)

- (1) Varies by entry age and service
- (2) Net of pension plan investment expenses, including inflation
- (3) Derived using CalPERS' membership data for all funds

**Discount Rate** - The discount rate used to measure the total pension liability was 6.90 percent for each Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 6.90 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long-term expected discount rate of 6.90 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS' website.

**City of Del Rey Oaks**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2025**

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation.

These rates of return are net of administrative expenses.

<u>Asset Class (a)</u>	<u>Assumed Asset Allocation</u>	<u>Long-Term Expected Real Return (1)(2)</u>
Global Equity Cap Weighted	30.00%	4.54%
Global Equity NonCap Weighted	12.00%	3.84%
Private Equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-backed Securities	5.00%	0.50%
Investment Grade Corporates	10.00%	1.56%
High Yield	5.00%	2.27%
Emerging Market Debt	5.00%	2.48%
Private Debt	5.00%	3.57%
Real Assets	15.00%	3.21%
Leverage	-5.00%	-0.59%
Total	<u>100.00%</u>	

(1) An expected inflation of 2.3% used for this period.  
(2) Figures are based on the 2021-22 Asset Liability Study.

**City of Del Rey Oaks**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2025**

**Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate -** The following presents the City’s proportionate share of the net pension liability for the Plans, calculated using the discount rate for the Plans, as well as what the City’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	<b>Miscellaneous</b>	<b>Safety</b>
1% Decrease	5.90%	5.90%
Net Pension Liability	\$ 897,835	2,208,819
Current	6.90%	6.90%
Net Pension Liability	\$ 582,674	1,441,900
1% Increase	7.90%	7.90%
Net Pension Liability	\$ 323,251	814,668

**Pension Plan Fiduciary Net Position -** Detailed information about each pension plan’s fiduciary net position is available in the separately issued CalPERS financial reports.

**NOTE 9 - OTHER POSTEMPLOYMENT BENEFITS PLAN**

**Plan Description -** The City of Del Rey Oaks has contracted with the Public Employees Retirement System (PERS) under the PERS Care Health Plan to provide benefits of the Meyers-Geddes State Employees' Medical and Hospital Care Act per Government Code Section 22850.

The Plan provides for continuation of medical insurance benefits for certain retirees or annuitants and their dependents. The Plan can be amended by action of the City Council on passing a resolution.

**Benefits Provided -** The City contributes toward post-retirement benefits for employees who retire after age 50 with at least 5 years of service. The City will pay the minimum CalPERS PEMHCA contribution. The monthly payment is \$154 in 2025 and is expected to increase further in future years. Payments are made for as long as the retired employee or dependent spouse is living.

**Employees Covered by Benefit Terms –** At June 30, 2024 (the measurement date), the benefit terms covered the following employees:

Active employees	18
Inactive employees	1
<b>Total employees</b>	<b>19</b>

**Contributions -** The City makes contributions based on an actuarially determined rate and are approved by the authority of the City’s Council. Total contributions to the OPEB plan during the year were \$1,848. Total benefit payments included in the measurement period were \$1,848. The actuarially determined contribution for the measurement period was \$53,651. The City’s contributions were 0.10% of covered employee payroll during the measurement period June 30, 2024 (reporting period June 30, 2025). Employees are not required to contribute to the plan. There have been no assets accumulated in a trust to provide for the benefits of this plan.

**City of Del Rey Oaks**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2025**

**Actuarial Assumptions**

<b>Valuation Date:</b>	June 30, 2023
<b>Measurement Date:</b>	June 30, 2024
<b>Actuarial Cost Method:</b>	Entry-Age Normal Cost Method
<b>Amortization Period:</b>	9.2
<b>Actuarial Assumptions:</b>	
<b>Discount Rate</b>	4.21%
<b>Inflation</b>	2.75%
<b>Salary Increases</b>	3.25%
<b>Healthcare Trend Rate</b>	4.00%
<b>Mortality</b>	2017 CalPERS OPEB Assumptions Model for miscellaneous
<b>Retirement</b>	2017 CalPERS OPEB Assumptions Model for miscellaneous public employees with 2.0% at 55 retirement.

**Discount Rate** - The discount rate was taken from the S&P Municipal Bond 20 Year High Grade Rate Index, which was 4.21% as of June 30, 2024 (the measurement date).

**Changes in the Total OPEB Liability** - The following summarizes the changes in the total OPEB liability during the fiscal year ended June 30, 2025, for the measurement date of June 30, 2024:

<b>Fiscal Year Ended June 30, 2025 (Measurement Date June 30, 2024)</b>	<b>Total OPEB Liability</b>	<b>Plan Fiduciary Net Position</b>	<b>Net OPEB Liability (Asset)</b>
<b>Balance at June 30, 2024</b>	\$ 375,651	\$ -	\$ 375,651
Service cost	32,889	-	32,889
Interest in Total OPEB Liability	15,476	-	15,476
Balance of changes in assumptions	(6,938)	-	(6,938)
Benefit payments	(1,848)	-	(1,848)
<b>Net changes</b>	<u>39,579</u>	<u>-</u>	<u>39,579</u>
<b>Balance at June 30, 2025</b>	<u>\$ 415,230</u>	<u>\$ -</u>	<u>\$ 415,230</u>
Covered Employee Payroll	\$ 1,813,675		
Total OPEB Liability as a % of Covered Employee Payroll	22.89%		
Plan Fid. Net Position as a % of Total OPEB Liability	0.00%		
Service Cost as a % of Covered Employee Payroll	1.81%		
Net OPEB Liability as a % of Covered Employee Payroll	22.89%		

The City's plan is nonfunded, meaning there have not been assets placed into an irrevocable trust; therefore the plan fiduciary net position is zero.

**City of Del Rey Oaks**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2025**

**Deferred Inflows and Outflows of Resources** - At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Difference between actual and expected experience	\$ 48,434	\$ -
Change in assumptions	-	76,478
OPEB contribution subsequent to measurement date	945	-
<b>Totals</b>	<b>\$ 49,379</b>	<b>\$ 76,478</b>

Of the total amount reported as deferred outflows of resources related to OPEB, \$945 resulting from City contributions subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the total OPEB liability in the fiscal year ending June 30, 2026.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30,	
2026	\$ (754)
2027	(411)
2028	450
2029	(3,930)
2030	(7,038)
Thereafter	(16,361)
<b>Total</b>	<b>\$ (28,044)</b>

**OPEB Expense** - The following summarizes the OPEB expense by source during the fiscal year ended June 30, 2025, for the measurement date of June 30, 2024:

Service cost	\$ 32,889
Interest in TOL	15,476
Difference between actual and expected experience	12,750
Change in assumptions	(13,503)
<b>OPEB Expense</b>	<b>\$ 47,612</b>

The following summarizes changes in the total OPEB liability as reconciled to OPEB expense during the fiscal year ended June 30, 2025, for the measurement date of June 30, 2024:

Total OPEB liability ending	\$ 415,230
Total OPEB liability beginning	(375,651)
Change in total OPEB liability	39,579
Changes in deferred outflows	14,598
Changes in deferred inflows	(6,565)
<b>OPEB Expense</b>	<b>\$ 47,612</b>

**City of Del Rey Oaks**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2025**

**Sensitivity to Changes in the Municipal Bond Rate** - The total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a municipal bond rate (used to determine the discount rate) that is one percentage point lower or one percentage point higher, is as follows:

	Municipal Bond Rate		
	(1% Decrease )	4.21%	(1% Increase )
Total OPEB Liability	\$ 514,287	\$ 415,230	\$ 340,075

**Sensitivity to Changes in the Healthcare Cost Trend Rates** - The total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than current healthcare cost trend rates, is as follows:

	Trend Rate		
	(1% Decrease )	4.00%	(1% Increase )
Total OPEB Liability	\$ 337,691	\$ 415,230	\$ 516,524

**NOTE 10 - COMMITMENTS AND CONTINGENCIES**

**A. Lawsuits**

The City is presently involved in certain matters of litigation that have arisen in the normal course of conducting City business. City management believes, based upon consultation with the City Attorney, that these cases, in the aggregate, are not expected to result in a material adverse financial impact on the City. Additionally, City management believes that the City's insurance programs are sufficient to cover any potential losses should an unfavorable outcome materialize.

**B. Federal and State Grant Programs**

The City participates in Federal and State grant programs. These programs are audited by the City's independent accountants if required by and in accordance with the provisions of the Federal Single Audit Act Amendments of 1996 and applicable State requirements. For Federal programs, the City did not reach the level of qualifying expenditures during the current fiscal year that would require a single audit. Expenditures which may be disallowed, if any, by the granting agencies, cannot be determined at this time. The City expects such amounts, if any, to be immaterial.

**NOTE 11 - INTERGOVERNMENTAL AGREEMENTS**

The City has an agreement with the City of Seaside for fire protection and related services to be provided by Seaside pursuant to Government Code Section 55632. The annual fee for these services for the fiscal year ended June 30, 2025 was \$236,616. Either party may cancel the agreement with at least 90 days written notice.

The City has an agreement, effective as of October 2018, with the Monterey Peninsula Airport District (Airport), a Special District, for the City to provide law enforcement services to the Airport pursuant to Government Code Sections 54981 and 55632. The City received \$774,306, a portion of the annual fee of \$1,097,408, from the Airport for the initial year, then each subsequent year the fee will be increased by 2.5% per year or 50% of known cost increases, subject to the annual true up of costs to account for actual costs incurred by the City. The annual fee for these services for the fiscal year ended June 30, 2025 was \$1,342,230.



## **REQUIRED SUPPLEMENTARY INFORMATION**

**City of Del Rey Oaks**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual (GAAP Basis)**  
**General Fund**  
**For the Fiscal Year Ended June 30, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes:				
Property taxes	\$ 780,800	\$ 784,400	\$ 862,401	\$ 78,001
Other taxes	2,177,400	2,089,102	1,990,640	(98,462)
Licenses and permits	73,800	73,800	74,909	1,109
Reimbursements	1,000	1,000	1,332	332
Fines, forfeits and penalties	12,200	16,200	33,251	17,051
Grants	1,298,400	1,380,173	236,895	(1,143,278)
Current services	1,431,100	1,446,500	1,439,140	(7,360)
Parks and recreation	74,500	74,500	72,300	(2,200)
Other	160,000	305,000	255,494	(49,506)
<b>Total Revenues</b>	<b>6,009,200</b>	<b>6,170,675</b>	<b>4,966,362</b>	<b>(1,204,313)</b>
<b>EXPENDITURES</b>				
Payroll and benefits	3,107,700	3,111,400	1,545,792	1,565,608
Office and supplies	81,200	82,700	49,143	33,557
Utility and services	139,200	297,595	274,813	22,782
Other services	56,900	57,900	37,426	20,474
Outside services	827,250	1,142,084	971,376	170,708
Auto ops	63,300	89,850	80,268	9,582
Police and fire	881,300	921,571	855,636	65,935
Streets and storm water	130,300	135,800	116,503	19,297
Capital improvement	929,300	928,773	628,466	300,307
Debt service				
Principal	110,550	113,100	110,388	2,712
Interest and fiscal charges	14,000	14,000	20,470	(6,470)
<b>Total Expenditures</b>	<b>6,341,000</b>	<b>6,894,773</b>	<b>4,690,281</b>	<b>2,204,492</b>
Excess (Deficiency) of Revenues over Expenditures	(331,800)	(724,098)	276,081	1,000,179
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	167,446	167,446
Transfers out	-	-	(23,198)	23,198
<b>Total Other Financing Sources (Uses)</b>	-	-	144,248	190,644
Net Change in Fund Balances	\$ (331,800)	\$ (724,098)	420,329	\$ 1,190,823
Fund Balances - Beginning of Year			12,551,922	
Fund Balances Ending			\$ 12,972,251	

The City employs budget control by object codes and by individual appropriation accounts. Budgets are prepared on the modified accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board. The budgets are revised during the year by the City Council to provide for revised priorities. Expenditures cannot legally exceed appropriations by major object code. The originally adopted and final revised budgets for the General Fund are presented as Required Supplementary Information. The basis of budgeting is the same as GAAP. The expenditures noted above in excess of appropriations were covered by fund balance, appropriations available in other categories, or revenues in excess of budget.

**City of Del Rey Oaks  
Schedule of Pension Plan Contributions  
For the Fiscal Year Ended June 30, 2025**

<b>Miscellaneous Plan</b>					
Plan Measurement Date	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Fiscal Year Ended	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Contractually Required Contributions	\$ 44,939	\$ 37,901	\$ 34,721	\$ 23,757	\$ 25,884
Contributions in Relation to					
Contractually Required Contributions	44,939	37,901	34,721	23,757	25,884
<b>Contribution Deficiency (Excess)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Covered Payroll</b>	<b>\$ 374,374</b>	<b>\$ 296,535</b>	<b>\$ 297,685</b>	<b>\$ 434,368</b>	<b>\$ 322,853</b>
<b>Contributions as a % of Covered Payroll</b>	<b>12.00%</b>	<b>12.78%</b>	<b>11.66%</b>	<b>5.47%</b>	<b>8.02%</b>

<b>Miscellaneous Plan</b>					
Plan Measurement Date	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Fiscal Year Ended	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
Contractually Required Contributions	\$ 16,607	\$ 125,005	\$ 39,951	\$ 38,112	\$ 39,550
Contributions in Relation to					
Contractually Required Contributions	16,607	125,005	39,951	38,112	39,550
<b>Contribution Deficiency (Excess)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Covered Payroll</b>	<b>\$ 385,980</b>	<b>\$ 401,325</b>	<b>\$ 397,546</b>	<b>\$ 435,583</b>	<b>\$ 530,751</b>
<b>Contributions as a % of Covered Payroll</b>	<b>4.30%</b>	<b>31.15%</b>	<b>10.05%</b>	<b>8.75%</b>	<b>7.45%</b>

**Notes to Schedule:**

Valuation Date: June 30, 2023  
 Assumptions Used: Entry Age Method used for Actuarial Cost Method  
 Level Percentage of Payroll and Direct Rate Smoothing  
 Remaining Amortization Period no more than 26 years  
 Inflation Assumed at 2.30%  
 Investment Rate of Returns set at 6.8%  
 The mortality table was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP 2020 published by the Society of Actuaries. For more details, please refer to the 2021 experience study report that can be found on the CalPERS website.

The CalPERS discount rate was increased from 7.50% to 7.65% in FY2016, to 7.15% in FY2018, and then decreased to 6.90% in FY2022. The CalPERS mortality assumptions was adjusted in fiscal year 2021.

**City of Del Rey Oaks  
Schedule of Pension Plan Contributions  
For the Fiscal Year Ended June 30, 2025**

<b>Safety Plan</b>					
Plan Measurement Date	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Fiscal Year Ended	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Contractually Required Contributions	\$ 185,949	\$ 162,246	\$ 149,453	\$ 79,875	\$ 75,687
Contributions in Relation to					
Contractually Required Contributions	185,949	162,246	149,453	79,875	75,687
<b>Contribution Deficiency (Excess)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Covered Payroll</b>	<b>\$ 374,374</b>	<b>\$ 296,535</b>	<b>\$ 297,685</b>	<b>\$ 434,368</b>	<b>\$ 464,127</b>
<b>Contributions as a % of Covered Payroll</b>	<b>49.67%</b>	<b>54.71%</b>	<b>50.21%</b>	<b>18.39%</b>	<b>16.31%</b>

<b>Safety Plan</b>					
Plan Measurement Date	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>
Fiscal Year Ended	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
Contractually Required Contributions	\$ 110,590	\$ 125,293	\$ 106,914	\$ 106,380	\$ 122,560
Contributions in Relation to					
Contractually Required Contributions	110,590	125,293	106,914	106,380	122,560
<b>Contribution Deficiency (Excess)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Covered Payroll</b>	<b>\$ 964,824</b>	<b>\$ 1,105,926</b>	<b>\$ 1,237,658</b>	<b>\$ 1,186,089</b>	<b>\$ 1,254,262</b>
<b>Contributions as a % of Covered Payroll</b>	<b>11.46%</b>	<b>11.33%</b>	<b>8.64%</b>	<b>8.97%</b>	<b>9.77%</b>

**Notes to Schedule:**

Valuation Date: June 30, 2023  
 Assumptions Used: Entry Age Method used for Actuarial Cost Method  
 Level Percentage of Payroll and Direct Rate Smoothing  
 Remaining Amortization Period no more than 26 years  
 Inflation Assumed at 2.30%  
 Investment Rate of Returns set at 6.8%  
 The mortality table was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP 2020 published by the Society of Actuaries. For more details, please refer to the 2021 experience study report that can be found on the CalPERS website.

The CalPERS discount rate was increased from 7.50% to 7.65% in FY2016, to 7.15% in FY2018, and then decreased to 6.90% in FY2022. The CalPERS mortality assumptions was adjusted in fiscal year 2021.

**City of Del Rey Oaks**  
**Schedule of Proportionate Share of Net Pension Liabilities**  
**For the Fiscal Year Ended June 30, 2025**

**Miscellaneous and Safety Plan**

Plan Measurement Date	2015	2016	2017	2018	2019
Fiscal Year Ended	2016	2017	2018	2019	2020
Proportion of Net Pension Liability (Safety and Misc)	0.01585%	0.01592%	0.01564%	0.01561%	0.01546%
Proportion of Net Pension Liability (Misc Plan Only)	0.00744%	0.00858%	0.00928%	0.00953%	0.01011%
Proportionate Share of Net Pension Liability	\$ 1,088,059	\$ 1,377,408	\$ 1,551,296	\$ 1,504,158	\$ 1,584,252
Covered Payroll	\$ 851,058	\$ 874,909	\$ 722,828	\$ 599,601	\$ 868,736
Proportionate Share of NPL as a % of Covered Payroll	127.85%	157.43%	214.61%	250.86%	182.36%
Plan's Fiduciary Net Position as a % of the TPL	76.30%	75.12%	75.25%	75.63%	75.80%

**Miscellaneous and Safety Plan**

Plan Measurement Date	2020	2021	2022	2023	2024
Fiscal Year Ended	2021	2022	2023	2024	2025
Proportion of Net Pension Liability (Safety and Misc)	0.01548%	0.01575%	0.01662%	0.01432%	0.01669%
Proportion of Net Pension Liability (Misc Plan Only)	0.01069%	0.01115%	0.01179%	0.01176%	0.01205%
Proportionate Share of Net Pension Liability	\$ 1,683,831	\$ 851,727	\$ 1,919,495	\$ 1,786,202	\$ 2,024,575
Covered Payroll	\$ 786,980	\$ 1,350,804	\$ 1,507,251	\$ 1,635,204	\$ 1,621,672
Proportionate Share of NPL as a % of Covered Payroll	213.96%	63.05%	127.35%	109.23%	124.84%
Plan's Fiduciary Net Position as a % of the TPL	75.17%	87.99%	74.02%	76.01%	74.53%

The CalPERS discount rate was increased from 7.50% to 7.65% in FY2016, to 7.15% in FY2018, and then decreased to 6.90% in FY2022. The CalPERS mortality assumptions was adjusted in fiscal year 2021.

**City of Del Rey Oaks  
Schedule of Changes in Total OPEB Liability  
For the Fiscal Year Ended June 30, 2025**

<b>Fiscal Year Ended</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
<b>Total OPEB liability</b>								
Service cost	\$ 9,840	\$ 8,537	\$ 8,242	\$ 49,908	\$ 70,745	\$ 58,684	\$ 35,599	\$ 32,889
Interest	7,961	9,288	9,987	11,770	10,865	9,219	13,132	15,476
Changes of benefit terms	-	-	-	-	(183,330)	-	-	-
Differences between expected and actual experience	-	-	63,643	-	38,296	-	9,959	-
Changes of assumptions	(33,928)	(12,049)	4,378	103,454	5,630	(171,212)	(3,207)	(6,938)
Benefit payments	(770)	(6,774)	(7,542)	(8,523)	(11,016)	(3,057)	(1,800)	(1,848)
Implicit subsidy fulfilled	-	-	-	-	-	-	-	-
Net change in Total OPEB Liability	(16,897)	(998)	78,708	156,609	(68,810)	(106,366)	53,683	39,579
Total OPEB Liability - beginning	279,722	262,825	261,827	340,535	497,144	428,334	321,968	375,651
Total OPEB Liability - ending	\$ 262,825	\$ 261,827	\$ 340,535	\$ 497,144	\$ 428,334	\$ 321,968	\$ 375,651	\$ 415,230
<b>Plan fiduciary net position</b>								
Net change in plan fiduciary net position	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Plan fiduciary net position - beginning	-	-	-	-	-	-	-	-
Plan fiduciary net position - ending	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net OPEB liability (asset)	\$ 262,825	261,827	340,535	497,144	428,334	321,968	375,651	415,230
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Covered Employee Payroll	\$ 977,093	\$ 953,262	\$ 1,080,538	\$ 1,308,070	\$ 1,313,110	\$ 1,466,891	\$ 1,672,806	\$ 1,813,675
Net OPEB liability as a percentage of covered employee payroll	26.90%	27.47%	31.52%	38.01%	32.62%	21.95%	22.46%	22.89%
Total OPEB liability as a percentage of covered employee payroll	26.90%	27.47%	31.52%	38.01%	32.62%	21.95%	22.46%	22.89%

*Other Notes*

GASB 75 requires a schedule of contributions for the last ten fiscal years, or for as many years as are available if less than ten years are available. GASB 75 was adopted as of June 30, 2018.

There were not changes in benefit terms.

The discount rate increased from 4.13% to 4.21% in fiscal year 2024.

There were no changes in trends or inflation rates.

The mortality rates were updated to the 2017 CalPERS OPEB Assumptions model.

**City of Del Rey Oaks**  
**Notes to the Required Supplementary Information**  
**For the Fiscal Year Ended June 30, 2025**

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**NOTE 1 - BUDGETARY DATA**

The City Council adopts an annual legal budget for the General Fund and the SBR Special Revenue Fund. All appropriations lapse at fiscal year end and then are rebudgeted for the coming fiscal year. Encumbrance accounting is not used. The budgets are prepared on the modified accrual basis of accounting, which is consistent with generally accepted accounting principles.

A mid-year budget review is performed and the budget is amended by passage of a resolution. Additional appropriations or interfund transfers not included in the amended budget resolution must be approved by the City Council.



## SUPPLEMENTARY INFORMATION

**City of Del Rey Oaks  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2025**

	Special Revenue Funds						
	Gas Tax Fund	SB 1 Fund	Measure X Fund	BSCC Officer Wellness & Mental Health	FORA Habitat Management Fund	FORA Land Development Fund	ARPA Fund
<b>ASSETS</b>							
Cash and investments	\$ 131,747	\$ 116,036	\$ -	\$ 10,835	\$ 775,204	\$ 8,200	\$ -
Receivables:							
Taxes	4,011	-	19,196	-	-	-	-
Due from other governments	-	-	-	-	-	-	-
<b>Total assets</b>	<u>\$ 135,758</u>	<u>\$ 116,036</u>	<u>\$ 19,196</u>	<u>\$ 10,835</u>	<u>\$ 775,204</u>	<u>\$ 8,200</u>	<u>\$ -</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>							
<b>Liabilities:</b>							
Accounts payable	\$ 8,020	\$ 2,403	\$ -	\$ -	\$ 66	\$ 105	\$ -
Due to other funds	-	-	18,808	-	50,237	-	-
Unearned revenues	-	-	-	-	-	-	-
<b>Total liabilities</b>	<u>8,020</u>	<u>2,403</u>	<u>18,808</u>	<u>-</u>	<u>50,303</u>	<u>105</u>	<u>-</u>
<b>FUND BALANCES</b>							
Restricted:							
Streets and roads	\$ 127,738	\$ 113,633	\$ 388	\$ -	\$ -	\$ -	\$ -
Habitat management	-	-	-	-	724,901	-	-
Capital projects	-	-	-	-	-	8,095	-
Wellness programs	-	-	-	10,835	-	-	-
Emergency Services	-	-	-	-	-	-	-
Drug enforcement	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-
<b>Total fund balances</b>	<u>\$ 127,738</u>	<u>\$ 113,633</u>	<u>\$ 388</u>	<u>\$ 10,835</u>	<u>\$ 724,901</u>	<u>\$ 8,095</u>	<u>\$ -</u>

**City of Del Rey Oaks  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2025**

	Special Revenue Funds				Capital Project Funds			Total Nonmajor Governmental Funds
	DEA Fund	REAP Fund	CalFire Fund	FEMA & OES Fund	Capital Projects	SBR Engineering Fund	SBR/GJM Intersection Fund	
<b>ASSETS</b>								
Cash and investments	\$ 4,105	\$ -	\$ -	\$ 4,851	\$ 950	\$ 505,830	\$ 1,056,168	\$ 2,613,926
Receivables:								
Taxes	-	-	-	-	-	-	-	23,207
Due from other governments	2,128	-	-	-	-	-	-	2,128
<b>Total assets</b>	<u>\$ 6,233</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,851</u>	<u>\$ 950</u>	<u>\$ 505,830</u>	<u>\$ 1,056,168</u>	<u>\$ 2,639,261</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>								
<b>Liabilities:</b>								
Accounts payable	\$ -	\$ 1,370	\$ -	\$ -	\$ 4,751	\$ 13,508	\$ -	\$ 30,223
Due to other funds	-	12,515	-	-	-	80,673	-	162,233
Unearned revenues	2,128	-	-	-	-	-	-	2,128
<b>Total liabilities</b>	<u>2,128</u>	<u>13,885</u>	<u>-</u>	<u>-</u>	<u>4,751</u>	<u>94,181</u>	<u>-</u>	<u>194,584</u>
<b>FUND BALANCES</b>								
Restricted:								
Streets and roads	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 241,759
Habitat management	-	-	-	-	-	-	-	724,901
Capital projects	-	-	-	-	-	411,649	1,056,168	1,475,912
Wellness programs	-	-	-	-	-	-	-	10,835
Emergency Services	-	-	-	4,851	-	-	-	4,851
Drug enforcement	4,105	-	-	-	-	-	-	4,105
Unassigned	-	(13,885)	-	-	(3,801)	-	-	(17,686)
<b>Total fund balances</b>	<u>\$ 4,105</u>	<u>\$ (13,885)</u>	<u>\$ -</u>	<u>\$ 4,851</u>	<u>\$ (3,801)</u>	<u>\$ 411,649</u>	<u>\$ 1,056,168</u>	<u>\$ 2,444,677</u>

City of Del Rey Oaks  
Combining Schedule of Revenues,  
Expenditures and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Fiscal Year Ended June 30, 2025

	Special Revenue Funds						
	Gas Tax Fund	SB 1 Fund	Measure X Fund	BSCC Officer Wellness & Mental Health	FORA Habitat Management Fund	FORA Land Development Fund	ARPA Fund
<b>REVENUES</b>							
Taxes:							
Sales tax	\$ -	\$ -	\$ 100,953	\$ -	\$ -	\$ -	\$ -
Other taxes	-	39,306	-	-	-	-	-
Intergovernmental revenues	48,000	-	-	-	-	-	-
Interest, rents and concessions	-	-	-	-	-	-	-
Other revenues	-	-	-	-	-	75,000	-
<b>Total Revenues</b>	<u>48,000</u>	<u>39,306</u>	<u>100,953</u>	<u>-</u>	<u>-</u>	<u>75,000</u>	<u>-</u>
<b>EXPENDITURES</b>							
Current:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	1,999	-	-	-
Public works	26,942	-	-	-	-	-	-
Community development	-	-	-	-	2,437	66,905	-
Parks	-	-	-	-	-	-	-
Capital outlay	-	87,404	-	-	-	-	-
Debt service							
Principal	2,530	-	79,393	-	-	-	-
Interest and fiscal charges	-	-	20,470	-	-	-	-
<b>Total Expenditures</b>	<u>29,472</u>	<u>87,404</u>	<u>99,863</u>	<u>1,999</u>	<u>2,437</u>	<u>66,905</u>	<u>-</u>
Excess (Deficiency) of Revenues over Expenditures	18,528	(48,098)	1,090	(1,999)	(2,437)	8,095	-
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	(74,100)	-	-	-	(167,446)
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>(74,100)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(167,446)</u>
Net Change in Fund Balances	18,528	(48,098)	(73,010)	(1,999)	(2,437)	8,095	(167,446)
Fund Balances Beginning	109,210	161,731	73,398	12,834	727,338	-	167,446
Fund Balances Ending	<u>\$ 127,738</u>	<u>\$ 113,633</u>	<u>\$ 388</u>	<u>\$ 10,835</u>	<u>\$ 724,901</u>	<u>\$ 8,095</u>	<u>\$ -</u>

City of Del Rey Oaks  
Combining Schedule of Revenues,  
Expenditures and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Fiscal Year Ended June 30, 2025

	Special Revenue Funds				Capital Projects Funds			Total Nonmajor Governmental Funds
	DEA Fund	REAP Fund	CalFire Fund	FEMA & OES Fund	Capital Projects	SBR Engineering Fund	SBR/GJM Intersection Fund	
<b>REVENUES</b>								
Taxes:								
Sales tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 100,953
Other taxes	-	-	-	-	-	-	-	39,306
Intergovernmental revenues	-	48,571	297,300	72,771	-	-	-	466,642
Interest, rents and concessions	32,896	-	-	-	-	-	-	32,896
Other revenues	-	-	-	-	-	-	-	75,000
<b>Total Revenues</b>	<u>32,896</u>	<u>48,571</u>	<u>297,300</u>	<u>72,771</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>714,797</u>
<b>EXPENDITURES</b>								
Current:								
General government	-	62,456	-	-	-	-	-	62,456
Public safety	35,532	-	-	-	-	-	-	37,531
Public works	-	-	-	-	-	-	-	26,942
Community development	-	-	-	-	-	-	-	69,342
Parks	-	-	297,300	-	-	-	-	297,300
Capital outlay	-	-	-	67,920	27,949	76,926	-	260,199
Debt service								
Principal	-	-	-	-	-	-	-	81,923
Interest and fiscal charges	-	-	-	-	-	-	-	20,470
<b>Total Expenditures</b>	<u>35,532</u>	<u>62,456</u>	<u>297,300</u>	<u>67,920</u>	<u>27,949</u>	<u>76,926</u>	<u>-</u>	<u>856,163</u>
Excess (Deficiency) of Revenues over Expenditures	(2,636)	(13,885)	-	4,851	(27,949)	(76,926)	-	(141,366)
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers in	-	-	-	-	23,198	-	-	23,198
Transfers out	-	-	-	-	-	-	-	(241,546)
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,198</u>	<u>-</u>	<u>-</u>	<u>(218,348)</u>
Net Change in Fund Balances	(2,636)	(13,885)	-	4,851	(4,751)	(76,926)	-	(359,714)
Fund Balances Beginning	6,741	-	-	-	950	488,575	1,056,168	2,804,391
Fund Balances Ending	<u>\$ 4,105</u>	<u>\$ (13,885)</u>	<u>\$ -</u>	<u>\$ 4,851</u>	<u>\$ (3,801)</u>	<u>\$ 411,649</u>	<u>\$ 1,056,168</u>	<u>\$ 2,444,677</u>



**OTHER INDEPENDENT  
AUDITOR'S REPORT**



**Chavan and Associates, llp**  
Certified Public Accountants

**INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Honorable Mayor and Members of the  
City Council of the City of Del Rey Oaks  
Del Rey Oaks, California

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of City of Del Rey Oaks (the “City”) as of and for the fiscal year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise City’s basic financial statements, and have issued our report thereon dated January 12, 2026.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered City’s internal control over financial reporting (internal control) as a basis for designing procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City’s internal control. Accordingly, we do not express an opinion on the effectiveness of City’s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City’s financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.



**Chavan and Associates, llp**  
Certified Public Accountants

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. The results of our tests disclosed an instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, which are described in the accompanying schedule of findings and questioned costs as finding 2025-001.

### **City's Response to Finding**

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the finding identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. The City's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*C & A LLP*

Chavan & Associates, LLP  
Certified Public Accountants  
January 12, 2026  
Morgan Hill, California

**City of Del Rey Oaks  
Schedule of Findings and Responses  
For the Fiscal Year Ended June 30, 2025**

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**Current Year Findings:**

**Finding 2025-001: Bid Compliance**

***Criteria or Specific Requirements:*** In accordance with Public Contract Code (PCC) Sections 20160–20175, local agencies are required to solicit competitive bids for public projects exceeding \$5,000. Contracts must be awarded to the lowest responsible bidder following a publicly advertised procurement process. The notice inviting bids must be published at least 10 days prior to the bid opening date. The notice shall be published twice, with publications occurring no less than five days apart, in a newspaper of general circulation printed and published within the city. If no such newspaper exists, the notice must be posted in at least three public places designated by city ordinance for posting public notices.

***Condition:*** During the fiscal year, one of the City’s public projects was not publicly advertised to solicit bids as required by PCC.

***Questioned Costs:*** The total contract amount for the project was \$74,900.

***Effect:*** The City was not in compliance with PCC to ensure that all potential contractors had an equal opportunity to bid on the project.

***Cause:*** The City overlooked the public contract advertising requirements and relied on its internal vendor solicitation process instead of conducting a formal public bidding process.

***Recommendation:*** The City should train staff on PPC procurement requirements and implement policies and procedures to ensure compliance with bid requirements for public projects. These procedures should include the required advertising to adequately solicit bids from potential contractors.

***Corrective Action Plan:*** The City agrees with the auditor’s recommendation and has implemented policies and procedures during fiscal year 2025-26 to ensure full compliance with state public contracting requirements and to prevent recurrence of this issue.

**Status of Prior Year Findings:**

None noted

## Kim Shirley's Council Report for Tuesday, January 27, 2026

**Wednesday, December 10th- Seaside Groundwater Basin Watermaster Technical Advisory Committee Meeting-** As usual, today's meeting was filled with lots of interesting technical information about our seaside basin. I'll try to sum up some of the larger points

We have a few different sentinel wells along the coast that are regularly checked for conductivity, which, when increased, can give an indication of seawater intrusion. In addition to testing our sentinel wells, we're also doing this conductivity testing (called induction logging) on a couple of other wells that are near sentinel well #4, which has continued to show increases in conductivity. Overall, we're continuing to see increases in sentinel well #4, but nothing that gives us a definite reason to believe there is seawater intrusion.

We received information that the private SNG well (Security National Guaranty), which is near our sentinel well #4 and has a steel casing that may be allowing seawater to leak downward into the deeper aquifer, will be destroyed and replaced in 2026. Given the location of this well, we may be able to directly sample the water at the required depths when they're installing the new well. This could give us important data that we're not able to gather from our sentinel well #4.

In an effort to learn more about what's happening in the ground around Sentinel Well #4, we reviewed the geophysical imaging work that was done in July of 2025. This work uses magnetic imaging to analyze how resistive the ground is in that area. Unfortunately, particular geologic structures can give similar resistivity measures to seawater, so we really need to do the study again this year to see what has changed (presumably seawater would change over time, whereas the particular rock strata would not). There were some indications that seawater may be intruding, but it was not conclusive.

We also reviewed and provided feedback on the 2025 Seawater Intrusion Analysis Report. While there were some slight changes, overall, there is nothing that would be a strong indicator that any seawater intrusion is occurring (again, increases at sentinel #4, but nothing conclusive).

We also reviewed and provided feedback on the preliminary draft of the Watermaster 2025 Annual Report.

**Tuesday, December 16th- City Council Meeting-** We started off our meeting with the swearing in of our new reserve officer, Issac Garcia. His friends and family packed the room, which always makes for such a heart-warming event. Seeing the tears of pride and

joy in his family members instantly brought tears to my eyes! I'm proud that this young man will be beginning his career in Del Rey Oaks!

Next, we passed our consent items, which included the Mayor's Select Committee Appointments and a contract amendment for City Manager Guertin. I was pleased that the Mayor did not make any changes to my committee appointment, as I find the committees that I serve on infinitely interesting and academically stimulating. It also allows me to work with some really good people, which is always enjoyable. In regards to the contract amendment for the City Manager, we extended Mr. Guertin's contract through Aug. 10, 2029, and included increases in vacation leave, sick leave, and administrative leave.

Our new business included the approval of a Memorandum of Understanding (MOU) between DRO police and the Community Human Services Street Outreach Program for homeless youth. It's good to know that our police will provide positive support for this important program, as we work collaboratively to provide needed assistance.

We also approved a consulting services agreement with Economic & Planning Systems, Inc. for an amount not to exceed \$75,000. This agreement with our contract economic development agency will support the efforts to move forward with development on our Ft. Ord property, as well as give us some consultant time to talk about other economic development opportunities within our city. I'm hoping for regular updates on this contract.

Our last item was an update on the lease renewal negotiations with Hana Gardens, whose lease will be ending on December 31, 2025. It's unfortunate we had to terminate the lease because of the breaches in the contract by Hana Gardens, but we had to put public health first. I'm hoping the transition out will be smooth, and I look forward to the discussions about potential future uses of the property.

**Thursday, December 18th- ReGen Monterey "Black Gold" Mural Celebration-** I was happy to join in the celebration of our mural on the Farmers Insurance building at 1350 Fremont Blvd. in Seaside. This mural, which celebrates sustainability, culture, and community, was painted by local artist Hanif Panni, and its hope is to help raise awareness about food scrap composting to reduce methane emissions (SB 1383, California's Short-Lived Climate Pollutants Reduction Act). This mural was created as part of our "Sort with Heart" campaign and was developed in partnership with Blue Strike Environmental and the Arts Council for Monterey County. It's a gorgeous mural, and I so appreciate the use of art to inspire people to act in ways that benefit both our health and the health of the planet. Please check it out!

**Wednesday, January 7th- Seaside Groundwater Basin Watermaster Board Meeting-** We began today's meeting by electing new officers for 2026, and I was honored to be elected as vice chair, with Mary Ann Carbone moving to chair from her vice chair position.

Director Wendy Root Askew will continue to serve as our Treasurer, and our Secretary is our new Administrative Officer, Toni Gibbs.

Next, we had a presentation from the Salinas Valley Basin Groundwater Sustainability Agency on their work towards making 6 basins within the Salinas Valley sustainable. Since they are working with several basins that are already experiencing seawater intrusion, they're evaluating projects that may be used to combat that intrusion, mostly through injecting additional water into the basin to push the seawater back, in addition to better managing the water that's currently removed from the basins. Since our basins are linked through the Monterey Subbasin, it's important to keep up the communication, as they have the potential to choose a project that may end up affecting our basin (in the long run, in a positive manner, fingers crossed).

We also had a presentation from the Monterey County Water Resources Agency about the Deep Aquifer Monitoring Program, which led into our first order of business, which was the Memorandum of Understanding for the Deep Aquifer Monitoring Plan and the sharing of data. This led to a discussion about data that we're not collecting in the Seaside basin, which is data on stable isotopes, which can determine the age of the water we're pulling out of the deep aquifers. In other words, are we actively recharging our aquifers with new water, or does it have a different isotope profile, which would tell us we're still pulling old water out? Although we approved the MOU, we will be talking in the TAC about adding this new data point, which can then be shared with the other four water agencies, who will be sharing data.

Our next item was approving the Seawater Intrusion Analysis Report for 2025. I talked about this report in my Technical Advisory Committee report for 12/10/25. After receiving a presentation on the report, I did bring up our need to focus on either continuing to get access to our sentinel well #4 (it's on State Park land and is currently being re-vegetated which would prevent access in the future) or looking at finding another site for the well, which may be necessary to access water samples at the correct depths. Given that State Parks has the trail closed to build their campground, this seems like an ideal time to review the possibility, so I didn't want to leave this agenda item without sharing that information. We should be talking more about this in future meetings (both in the TAC and at the Board level).

We also approved the Annual Water Year 2025 Watermaster Report. With this item, I brought up an idea that was shared in our Ad Hoc Replenishment Water Committee back in July 2025 for changing the ability for "Carryover Credits." This happens when alternative producers (smaller users) don't use their entire allocation of water, and their leftover water that wasn't taken is given to the standard producers (larger). On average, if we stopped this carryover, it would keep an additional 600 Acre Feet of water in the ground, which seems like a good thing! It was noted that we'd like to discuss this at a future Board meeting. And with that, we approved the report.

Our last bit of old business was an edit to our water allocations for Water Year 2026. Seaside was there to ask about some questions about their water allocations, so we did not approve anything at the time and will collectively approve any changes at a future meeting.

**Friday, January 9th- Public Meeting to Oppose California Offshore Drilling Proposal-**

This evening, Kevin and I attended the “Stand Up, Save our Coast” public forum hosted by the Monterey Bay Aquarium, Save our Shores, Oceana, and Surfrider to oppose and gather public comments for the Administration’s proposal to open new permits for offshore drilling along the entire coast of California (two of which will be along the Central Coast). It was so energizing to be in a ballroom filled with people who are absolutely committed to protecting our coast, which plays such a vital part in our lives economically, culturally, and scientifically. Beyond the fact that this would be an illegal act within the Monterey Bay Sanctuary, drilling off of our coast would greatly increase the risk of a spill, which could create devastation along our coast and to the lives that depend on the health of this ecosystem (think fishers, tourism, our joy of living near such a magnificent and beautiful space). Since the Administration is refusing to hold public meetings regarding their proposal, non-profit and political leaders within the state are creating these opportunities for public outreach. Although the time for public comment on this proposal ends on January 23rd (before our scheduled January council mtg), I would love to bring this topic to our council so that we can take a stand and join the ranks of other cities and counties who are showing their opposition to this unnecessary and backwards-thinking proposal.

**Monday, January 12th- Monterey-Salinas Transit Board Meeting-** Please see the MST board highlights in our agenda packet.

**Wednesday, January 14th- ReGen Technical Advisory Committee-** This is not one of my usual meetings, but it’s a committee that I believe does really good work, and they had some interesting topics on their agenda, so I thought I’d attend. Also, it turned out that Del Rey Oaks was the only city that wasn’t represented that day, so I was happy to be there. The first item was talking about how peninsula cities will be reviewed this year for their compliance with SB 1383, which is California’s Short-Lived Climate Pollutants Reduction Act. This is the legislation that requires cities to compost food waste, set up edible food recovery programs, and purchase compost. The city is then responsible for enforcement (residential and commercial). Luckily, CalRecycle has a representative who is willing to help us review our implementation records so they can be ready to go once we get the letter from the enforcement branch of CalRecycle. Thankfully, Karen Minami has been on top of it and is ready to go with our compliance information.

We also talked about SB 1053, which is the new bag requirements (paper with at least 50% recycled content) that went into effect Jan. 1, 2026. Since DRO doesn’t have any ordinances around bags, we don’t have to worry about changing anything. I’m very happy

to see this new legislation, as it closes the loophole of the heavier-duty plastic bags that were in use but not getting recycled.

Lastly, I'll note that we'll be having some residential surveys distributed soon that will ask you questions about our waste hauler, GreenWaste Recovery. Our franchise agreement with GreenWaste is up in 2030, but we're deciding now if we need to go out for a request for proposals from other haulers, or if we're going to negotiate an extension with GreenWaste. Part of that decision requires us to ask residents what they think about our current hauler, so please fill out the survey if you're one of the chosen lucky ones. There will also be community meetings scheduled for feedback, so we'll share more about that once they're scheduled.

**Friday, January 16th- City Finance Committee Meeting-** Happy to report that the city continues to be in good financial health! At today's meeting, we reviewed our December financials and also received a presentation on our draft audit for FY24-25. Only one procedural item was noted (needing to go out for a more extensive request for proposals for a federally funded project over \$5,000), and now there will be a process in place moving forward. Overall, the draft audit was very positive.

We did discuss two more items that will be coming to the council. The first was increasing the purchasing ability of the city manager. His current limit of \$10,000 is pretty low and has not been raised in many years. We talked about increasing it to \$25,000 and then adding \$5,000 every 5 years (this is a similar policy to what Sand City has now).

The second item was a discussion about charging a fee for being added to the Short Term Rental (unhosted) Waitlist. Since it takes staff time to accept applications and to manage the list, it seems very reasonable that we should be asking for a fee to cover our costs.

**Council Report from Councilmember John Uy  
January 27, 2026 Meeting**

**I. Council Report: New Year Message**



Happy New Year, Del Rey Oaks!

As we step into this new year together, I want to start with a simple but heartfelt message: **thank you**. Thank you for being the kind of community where neighbors look out for one another, where people show up at meetings, at events, and for each other, and where pride in our small city runs deep.

A new year always brings fresh hope. It's a chance to reflect on what we've been through, celebrate what we've accomplished, and recommit ourselves to what matters most: **safety, stability, and a strong sense of belonging for every resident**. Del Rey Oaks is special not because we're the biggest, but because we care about our streets, our parks, our local businesses, our seniors, our families, and the everyday quality of life that makes this city feel like home.

In the coming year, I remain committed to listening with an open heart, leading with integrity, and working collaboratively to make thoughtful decisions that protect and strengthen our community. Your voices, your ideas, and your concerns help guide the work we do, so please know my door is always open, and your participation is always valued.

May this year bring you and your loved ones **good health, peace of mind, meaningful moments, and renewed joy**, and may Del Rey Oaks continue to be a place where we treat one another with kindness, respect, and compassion.

Here's to a year of hope, progress, and community. **Happy New Year, Del Rey Oaks!**

## II. Council Report: Regular Meeting of the DRO City Council on December 16, 2025



Dear neighbors,

Here's my warm Council report from our **December 16, 2025 City Council meeting**.

### **Welcoming a new reserve police officer**

We began the evening by **swearing in our new Reserve Officer, Isaac Garcia**, a meaningful reminder that public safety is ultimately about people choosing to serve their community.

### **Keeping the basics strong: calendars, contracts, and clean public spaces**

A big part of good local government is making sure the fundamentals run smoothly. On the consent agenda, we considered items that keep City operations steady like approving our **2026 meeting calendar** and authorizing routine service contracts.

One item I want to highlight because residents feel it directly: we approved moving forward with an agreement for **janitorial services**, including expanded cleaning to cover **park restrooms**, a small thing on paper, but it matters a lot to families, visitors, and anyone who uses our public spaces.

### **Supporting vulnerable young people with a practical partnership**

We also considered and supported a **Memorandum of Understanding (MOU)** between our Police Department and **Community Human Services (CHS)** Street Outreach Program for homeless youth.

What this means in everyday terms: CHS outreach teams work to build trust with young people (up to age 24), connect them to resources, and help them find safer, more stable paths forward while coordinating with law enforcement in a respectful, non-judgmental way. Importantly, the staff report notes **no fiscal impact** associated with the MOU.

### **Planning smartly for Del Rey Oaks' long-term future: Fort Ord and City assets**

Council also considered a contract with **Economic & Planning Systems (EPS)** to support technical work tied to **Fort Ord reuse and public asset management**, including vetting development proposals, modeling fiscal outcomes, and helping the City be prepared for structured negotiations.

This work matters because decisions around former Fort Ord properties can shape Del Rey Oaks for decades, economically, environmentally, and in terms of services we can sustainably provide.

### **Hana Gardens lease update and due diligence findings**

We also received an information update on the City's lease renewal discussions with **Hana Gardens**, along with findings from City due diligence as the lease approaches its scheduled end date of **December 31, 2025**.

The staff report describes serious concerns identified during review, including allegations that a potable water line was cut and capped, and that **non-potable water from a City irrigation well** was plumbed to supply the building without required non-potable water notices posted, creating risk to employees and the public.

### **Stay involved**

As always, thank you for caring about our city and for staying engaged. If there's an issue on your block—public safety, traffic, neighborhood concerns, or quality-of-life ideas—please reach out. Del Rey Oaks is strongest when we keep talking, listening, and solving problems together.

### III. Council Report: Regular Meeting of the Seaside County Sanitation District (SCSD) Board of Directors – January 13, 2026




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Dear Del Rey Oaks neighbors,

Here are the key takeaways, in plain language, from the **Seaside County Sanitation District (SCSD)** meeting on **January 13, 2026**.

#### **Keeping Del Rey Oaks' sewer lines clean and reliable**

We received the **December 2025 Operations Report**, which is essentially the system's monthly "health check."

For **Del Rey Oaks**, crews **jettted 1,925 feet of main sewer line in December** as part of routine maintenance. Even better: **there were no reported stoppages or sewer overflows in Del Rey Oaks** during that period.

That matters because routine cleaning is what prevents emergencies—like messy backups, street spills, and expensive repairs. Preventive work is the kind of public service that doesn't make headlines, but it protects homes and keeps our community healthy.

#### **Planning ahead: updating the Sewer System Master Plan**

The Board considered a professional services agreement with **Wallace Group—up to \$247,125**—to update the District's **Sanitary Sewer System Master Plan**.

This plan is about looking forward and asking:

- Where are the system's weak points or capacity issues?
- What projects should be prioritized?
- How do we map out a **10-year Capital Improvement Plan (2026–2036)** so we fix problems *before* they become crises?

The work includes cost estimates, project timelines, and even developing a **hydraulic model** to understand flow patterns and capacity constraints—so we can make smarter, data-informed infrastructure decisions.

### **Protecting our pipes (and the Bay): strengthening the FOG program**

FOG = **Fats, Oils, and Grease**, and it's one of the biggest reasons sewer lines clog. That's why the Board considered adopting **updated "Standard Conditions"** for the District's FOG Control Program.

This is about clear, consistent expectations for food service establishments—grease control devices, maintenance, recordkeeping, and inspections, so we reduce blockages and **prevent sanitary sewer overflows**.

The Standard Conditions also align with updated state requirements and emphasize public education and proper disposal practices.

### **Quarterly FOG inspection results: encouraging news**

We also received the **Quarterly FOG Inspection Report**. In the second quarter of FY 2025/26, staff completed **38 inspections**, and **none** of the inspected locations had FOG/solids levels over **25%** in their interceptors. Staff did follow up with some establishments that were missing pumping records.

That's a good sign, and it reflects steady enforcement *and* cooperation from local businesses.

### **Good governance: annual election of officers**

The Board also held its annual **Election of Officers for 2026**, a routine but important step that keeps the District organized and accountable.

### **What you can do to help (it's simple, and it works)**

Even with strong maintenance and planning, everyday choices matter. The most helpful things residents can do:

- **Never pour grease or oil down the sink** (let it cool, wipe it, and toss it).
- **Avoid "flushable" wipes**—they aren't truly flushable and contribute to blockages.
- If you ever see something concerning in the street (odors, pooling water near a manhole), report it quickly—early reporting prevents bigger problems.

Del Rey Oaks is a small city with a big heart. I take seriously the trust you place in us to manage the basics well because the basics are what protect your home, your neighborhood, and our shared environment.

**IV. Council Report: AMBAG Board of Directors Meeting – January 14, 2026**

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Dear Del Rey Oaks neighbors,

On **January 14, 2026**, I represented Del Rey Oaks at the **AMBAG (Association of Monterey Bay Area Governments) Board of Directors meeting**, one of those regional meetings that may feel far away from day-to-day life, but actually affects things you *feel* every day: traffic, road safety, transit options, air quality, and how we plan for growth and housing in a way that protects quality of life.



Here’s my recap.

**Why this meeting mattered**

AMBAG is the regional transportation planning agency for Monterey, Santa Cruz, and San Benito counties. That means AMBAG helps set the long-range blueprint for transportation investments and strategies through 2050, and that influences what projects rise to the top, what funding we can compete for, and how we keep our region moving safely and sustainably.

**Key actions and updates from the meeting**

**1) Setting leadership for the year**

The Board held the **Election of 2026 AMBAG Officers**, which helps ensure stable leadership and clear direction for the year ahead.

**2) Clear goals for AMBAG’s Executive Director**

We reviewed and approved **2026 goals for AMBAG’s Executive Director**, including a major milestone: **adoption of the 2050 Metropolitan Transportation Plan/Sustainable Communities Strategy (MTP/SCS) targeted for June 2026**, plus ongoing work to strengthen partnerships and maintain financial stability.

**3) Consent agenda items that keep the agency running well**

The Board considered routine but important items such as:

- approving prior meeting minutes,
- receiving updates on sustainability programs,
- and accepting a financial update report.

One item worth highlighting: AMBAG considered an **AMBAG–Caltrans Memorandum of Understanding (MOU)** required for comprehensive federal/state transportation planning and programming. In simple terms, this is part of keeping our region eligible and coordinated for transportation funding and planning requirements.

### **The big community item: Draft 2050 MTP/SCS + Draft EIR public hearing**

The heart of the evening was the **public hearing on the Draft 2050 MTP/SCS and Draft Environmental Impact Report (EIR)**.

This plan is described as the region’s “blueprint” for a transportation system that improves quality of life, supports sustainability, and expands mobility options for people and goods.

It’s tied to SB 375 and the region’s responsibility to meet greenhouse gas reduction targets set by CARB.

### **My contribution: the comments I submitted (and why I did)**

I submitted detailed written comments because I want the final plan to be **not only ambitious, but also clear, practical, and easier to implement**. In a nutshell, my feedback focused on seven “make-it-real” improvements:

- **Clearer climate accountability:** not just meeting the statutory GHG target, but communicating results consistently and transparently so the public understands what success looks like and how we’ll track it.
- **Implementation-ready funding:** a simple, usable appendix that compares realistic funding tools and connects them to near-term actions because plans don’t move without dollars and timelines.
- **Interim safety and mode-shift checkpoints:** practical 2030/2035 milestones (and a dashboard-style approach) so we can measure progress on safety, transit access, and active transportation, not just talk about it.
- **A light-touch toolkit for emerging tech (curbs/automation):** guidance local agencies can actually use when opportunities arise.
- **Stronger goods-movement decarbonization and safety:** pairing freight performance with a realistic zero-emission freight roadmap.
- **Equity commitments people can see:** translating analysis into visible accountability, like minimum equity “floors” and a public scorecard for investment and access improvements.
- **A two-year implementation workplan:** who does what, by when, with what funding, so the plan becomes a shared, trackable community roadmap.

I also provided comments on the **Program EIR** to strengthen transparency and sponsor usability, especially around explaining the “why” behind alternatives, improving mitigation monitoring templates, and making the GHG/VMT methodology easier to understand for everyday readers.

### **What this means for Del Rey Oaks**

For Del Rey Oaks, this work matters because our residents live at the intersection of regional travel patterns—commuting, airport-area movement, safety on key corridors, and the ongoing need to keep the region moving without sacrificing health and quality of life. A good regional plan helps us compete for funding, prioritize safety, and advocate for investments that reflect **small-city realities**, not just big-city assumptions.

### **Closing thought**

I left the meeting encouraged: AMBAG is doing serious work, and I’m committed to making sure Del Rey Oaks’ voice stays present, especially on **clarity, accountability, safety, and equity**.

As always, if there’s a transportation or safety concern you want me to raise regionally—speeding corridors, dangerous crossings, transit gaps, or better walking/biking connections—please tell me. Your everyday experiences are exactly what should shape these long-range plans.

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**MST HIGHLIGHTS**  
**Board of Directors Meeting**  
**January 12, 2026**

**RECOGNIZED 2025 EMPLOYEE OF THE YEAR**

The MST Board adopted Resolution 2026-11 recognizing Fred Simkins, Coach Operator as the 2025 Employee of the Year for his outstanding contribution to MST and the entire community.

**RECOGNIZED JANUARY EMPLOYEE OF THE MONTH**

The MST Board adopted Resolution 2026-12 recognizing Maria “Mary” Mendez, Coach Operator as the January 2026 Employee of the Month for her outstanding contribution to MST and the entire community.

**RECOGNIZED 2025 MANAGER EXCELLENCE AWARD WINNER**

The MST Board recognized Ikuyo Yoneda-Lopez, Marketing and Communications Manager, as the 2025 recipient of the Manager Excellence Award for her outstanding contribution to MST and the entire community.

**AUTHORIZED PURCHASE OF 90 SPORTWORKS APEX+3 BIKE RACKS AND MOUNTING KITS**

The MST Board authorized the General Manager/CEO or their designee to purchase up to 90 Sportworks Apex +3 bike racks and mounting kits in an amount not to exceed \$211,152.

**APPROVED FINAL PER BUS PRICE INCREASE FOR 12 GILLIG BUSES**

The MST Board authorized the General Manager/CEO or their designee to approve and execute payment for the final per-bus price increase of \$27,156 each for 12 GILLIG battery electric buses previously approved by the Board, for a total price increase not to exceed \$325,872.

**RECEIVED UPDATES FROM THE EXECUTIVE TEAM**

The MST Board received updates from the executive team on projects, plans, and programs in the year ahead and emerging issues.

**RECEIVED 2025 RIDER SURVEY RESULTS**

The MST Board received a presentation on the 2025 rider survey results.

**RECEIVED UPDATE ON TARIFF RELATED COST IMPACTS**

The MST Board received an update on tariff related cost impacts for GILLIG battery electric buses and provided direction to bring this back for discussion at the next board meeting.

**NEXT MST BOARD MEETING**

The next regular MST Board meeting is scheduled for February 9, 2026.

# LAFCO of Monterey County

## LOCAL AGENCY FORMATION COMMISSION OF MONTEREY COUNTY

### 2026 Commissioners

**Chair**  
Wendy Root Askew  
*County Member*

**Vice Chair**  
Mary Ann Leffel  
*Special District Member*

Mike Bikle  
*Public Member, Alternate*

Kate Daniels  
*County Member*

Dennis Donohue  
*City Member*

Matt Gourley  
*Public Member*

David Kong  
*Special District Member, Alternate*

Chad Lindley  
*Special District Member*

Chris Lopez  
*County Member, Alternate*

Ian Oglesby  
*City Member*

Anna Velazquez  
*City Member, Alternate*

### Counsel

Reed Gallogly  
*General Counsel*

### Executive Officer

Kate McKenna, AICP

132 W. Gabilan Street, #102  
Salinas, CA 93901

P. O. Box 1369  
Salinas, CA 93902

Voice: 831-754-5838

[www.monterey.lafco.ca.gov](http://www.monterey.lafco.ca.gov)

## NOTICE OF VACANCIES

### Public Member Representation on the Local Agency Formation Commission of Monterey County Application Deadline: February 20, 2026

Notice is given that the terms of office for the two Public Member seats on the Local Agency Formation Commission of Monterey County will expire in May 2026. The Commission invites interested residents to apply for appointment to the Regular Public Member seat and the Alternate Public Member seat. Appointments to represent the general public will be made through majority vote by the Commission.

Public Member representatives must be residents within Monterey County, and have an interest in the operation and organization of local governments. No officer or employee of Monterey County, or any City or independent Special District within this County, is eligible for appointment to the Public Member seats. The terms of office for the Public Member seats begin May 2026 and expire May 2030.

To be considered for appointment, please submit a completed application to provide candidate information and reasons for your interest in serving on the Commission. Applications must be received in the LAFCO Office by Friday, February 20, 2026, at 5:00 p.m. Please submit applications to Kate McKenna, Executive Officer, LAFCO of Monterey County by regular mail (P.O. Box 1369, Salinas, CA 93902) or by email ([mckennak@monterey.lafco.ca.gov](mailto:mckennak@monterey.lafco.ca.gov))

The Local Agency Formation Commission of Monterey County is an independent countywide body created by the State Legislature in 1963. The Commission regulates the boundaries of cities and special districts, establishes Spheres of Influences, and conducts studies of municipal services. LAFCO's purposes are to encourage the orderly formation and development of local governments; preserve agricultural and open space lands; discourage urban sprawl; and ensure the efficient delivery of government services. The Commission is served by an Executive Officer and staff, and is funded by local governments. Regular meetings of the Commission are generally held on the fourth Monday of every other month at 3:00 p.m.

Please visit our website, [www.monterey.lafco.ca.gov](http://www.monterey.lafco.ca.gov), for more information and application materials. If you have any questions or comments, please contact LAFCO Principal Analyst Jonathan Brinkmann at [brinkmannj@monterey.lafco.ca.gov](mailto:brinkmannj@monterey.lafco.ca.gov) or call (831) 754-5838.



Kate McKenna, AICP, Executive Officer

Posting Date: January 14, 2026