

· Special Report · The City Budget

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Your power bill is a tax bill.

Burbank Republican Party · September 10, 2026 ·

Two 7% charges. \$34,178,000 a year.

Both land in general city operations, and both rise when your rate does.

Every Burbank electric bill carries two separate seven percent charges that end up funding general city operations. Together they are worth \$34,178,000 a year. In May 2025 the city adopted a 9.9 percent electric rate increase — and its own budget says that increase is why both of those revenue lines are going up.

That is the shape of the whole document. This report reads the City of Burbank's proposed budget for fiscal year 2026-27 line by line, and what it finds is a city collecting more money than it ever has, from more directions than most residents realize, and still coming up short in every year of its own five-year forecast.

California cities are required to adopt a balanced budget, and Burbank's is balanced. The question is how. Page 20 of the proposed budget for fiscal year 2026-27 carries a five-year financial forecast — the city's own work, not an outside critic's — and in every year through 2031, the money coming in does not cover the cost of running the place.

The books close anyway, because the difference comes out of savings. The budget projects a year-end general fund balance of \$28 million against formal reserves of about \$65.7 million. That is what “balanced” means here.

The city does not dispute this. Page 3, in the letter that opens the document, says it plainly:

“The General Fund financial forecast does reflect a recurring budget deficit for the fiscal years 2026-27 through 2030-31. Staff is committed to mitigating this structural imbalance...”

Structural imbalance. That is the city's phrase, not ours. This report takes staff at their word that they want it fixed, and sets out the cheapest way we know to do it.

\$2.6M

Short every year — recurring gap, fiscal 2026-27

947

Employees paid over \$100,000, of 1,858 on payroll

+233%

Citywide software and hardware, in two years

\$777

More per resident, per year, than five years ago

Part one: a city that does not pay for itself

Recurring general fund forecast, as published by the city — page 20			
Fiscal year	Revenue	Spending	Short by
2026-27	\$272,195,000	\$274,842,000	\$2,647,000
2027-28	\$283,378,000	\$286,290,000	\$2,912,000
2028-29	\$295,261,000	\$298,384,000	\$3,123,000
2029-30	\$305,243,000	\$307,411,000	\$2,168,000
2030-31	\$315,719,000	\$317,081,000	\$1,362,000

Five straight years. Twelve million two hundred twelve thousand dollars in the hole, planned in advance.

And this is not a forecast of hard times. Revenue climbs every year in it — sixteen percent over the period, to a record \$315.7 million. The city expects to collect more money each year than it ever has, and to come up short every year anyway. Spending rises 15.4 percent. Revenue rises 16 percent. The two lines never cross.

That is a structural deficit rather than a bad year. A bad year ends. This does not, because the cost of running the city grows about as fast as the money coming in. **Burbank does not have a revenue problem. It has never had more revenue.**

And it has been asking for more of it

That is not a rhetorical claim. Page 17 of this budget sets out the revenue side line by line, and in the coming year **every single category rises except one** — interest income, which the city does not control. Total general fund revenue goes up **\$11,535,613 in one year**, to \$272,194,764.

General fund revenue, one year of growth — page 17			
Category	Revised FY 2025-26	Proposed FY 2026-27	Growth
Property taxes	\$82,557,013	\$85,859,293	+\$3,302,280
Services charges, between city departments	\$17,590,495	\$19,331,887	+\$1,741,392
Utility users tax	\$20,802,308	\$22,425,000	+\$1,622,692
In lieu of tax	\$10,694,333	\$11,753,000	+\$1,058,667
Services charges	\$29,029,794	\$30,009,375	+\$979,581
Sales tax	\$59,981,000	\$60,926,301	+\$945,301
Transient occupancy tax	\$14,207,120	\$14,633,334	+\$426,214
Building permits and license fees	\$7,072,531	\$7,488,785	+\$416,254
Transient parking tax	\$4,889,040	\$5,270,000	+\$380,960
Parking, traffic and other fines	\$3,164,000	\$3,417,000	+\$253,000
Business taxes	\$2,538,000	\$2,614,000	+\$76,000
Total general fund revenue	\$260,659,151	\$272,194,764	+\$11,535,613

None of that is an accident, and residents have been asked for it directly.

The sales tax went up in 2018. The budget describes it on page 97: “On November 6, 2018, the City of Burbank voters approved Measure P, also known as the Burbank Infrastructure and Community Services Protection Measure. Measure P is a general-purpose three-quarter cent local Transaction and Use Tax, with 50% of the revenue dedicated to infrastructure repairs, maintenance, and improvements and 50% going toward General Fund operations.” Eight years on, half of it funds the Municipal Infrastructure Fund and half funds operations — and the operations half has not closed the gap.

The fees go up too, every year, on almost everything. The citywide fee schedule beginning at page 413 of this same budget raises charges across impound fees, vehicle registration fees, paramedic ambulance services, hazardous materials, fire permits and life safety plan checks, police services and parking violations. Most are indexed, rising 2.7 percent by the Consumer Price Index as of November 2025. The annual affordable housing monitoring fee rises **63.3 percent**.

And two of the new fees are worth reading closely, because of what the city says it is charging for:

- A new **\$45 fee for over-the-counter plan checks**, justified as the “cost for labor” of “dedicated staff time and immediate processing.”
- A new **\$9,021.52 Affordable Housing Agreement fee** charged to developers, described in the budget as a fee “to recover the City’s cost associated with drafting and finalizing the agreement.”

Nine thousand dollars to draft an agreement. That charge does not land on a developer. It lands in the price of the housing.

Hold onto both of those. They are cost-recovery fees, which means they are legally tied to what the work costs the city — and the work in both cases is producing a document. That becomes the point of this report.

Your utility bill is taxed twice, and the city gets both

This is the part most residents do not know, and it is set out plainly in the budget’s own revenue descriptions.

Every Burbank electric bill carries **two separate seven percent charges that end up in the General Fund**.

- The **utility users tax** is applied to telephone, natural gas and electric usage “at the rate of seven percent” (page 97). It brings in **\$22,425,000** next year.

- The **in-lieu of tax** is “a charge of 7% on retail electric sales collected by the Burbank Water and Power Department instead of the other taxes and fees that a private utility would pay to the City” (page 98). The General Fund takes 5.5 points of it and street lighting takes 1.5. It brings in **\$11,753,000**.

That is **\$34,178,000 a year** moving off residents' utility bills and into general city operations. And the second one exists because voters allowed it: the budget notes that “On June 5, 2018, Measure T was approved by Burbank residents, allowing the City to continue transferring revenue from BWP to the General Fund.” Two tax measures in a single year, June and November of 2018.

Now read what the budget says is driving next year's growth in both lines. The utility users tax is forecast up 7.8 percent and the in-lieu transfer up 9.9 percent, and page 97 gives the reason: “The growth is attributable to a 9.9% electric rate increase,” with rates “adopted in May 2025 as part of a two-year phased increase.”

When Burbank raises your electric rate, it also raises its own tax revenue. A rate increase is a tax increase here, and the city collects on it twice.

It also means the tidy line between ratepayer and taxpayer does not really hold. Costs at the utility raise rates; rates raise the two seven percent charges; and those charges fund general city operations. **What happens at Burbank Water and Power does not stay at Burbank Water and Power.**

What it now costs

General fund total and cost per resident — pages 78 and 79		
Fiscal year	General fund	Per resident
2021-22 actual	\$198,594,996	\$1,850
2022-23 actual	\$219,048,917	\$2,041
2023-24 actual	\$257,403,157	\$2,398
2024-25 actual	\$258,662,485	\$2,410
2025-26 adopted	\$275,367,901	\$2,565
2026-27 proposed	\$282,012,444	\$2,627

Forty-two percent in five years. **That is \$777 more per resident, per year.** Measured actual spending against actual spending, which is the stricter test, the general fund rose thirty percent in the three years to fiscal 2024-25.

Before anyone repeats the billion-dollar number

The budget totals \$1,014,224,144 across all funds, but more than half of that is not city hall. It is Burbank Water and Power at \$358.8 million for electric and \$97.9 million for water, the Magnolia Power Plant at \$32.4 million, plus refuse collection and sewer. Those are ratepayer operations, not tax-supported ones.

And the city has never actually spent a billion dollars. It has appropriated one. Actual spending across all funds peaked at \$724,653,051 in fiscal 2024-25. We would rather say that plainly than win an argument with a number that does not hold up.

Part two: where the money goes

In fiscal year 2025, **1,858 people** were paid by the City of Burbank. Total payroll was **\$226.2 million in gross pay** and **\$267.7 million** once the city's share of pensions and health coverage is counted — including **\$22.0 million in overtime**. Of those 1,858 people, **947 were paid more than \$100,000** and **612 more than \$150,000**.

Set that against what the country pays the people who run it.

Burbank employees paid more than federal and state officeholders, fiscal year 2025			
Paid more than	That salary	By gross pay	By total cost
The President of the United States	\$400,000	34	61
The Governor of California	\$242,295	266	414
A United States Senator	\$174,000	510	636

More than a quarter of the city's workforce is paid more than a United States Senator. By title, the top of the payroll:

- A **Deputy Fire Chief** — \$577,344
- A **Line Mechanic Supervisor** at Burbank Water and Power — \$536,819, of which **\$172,006 was overtime**

- A **Fire Captain** — \$469,704, of which **\$176,035 was overtime**
- A second **Line Mechanic Supervisor** — \$452,862, of which **\$149,576 was overtime**
- A **Line Mechanic** — \$447,925, of which **\$193,451 was overtime**

Several line mechanics were paid more in overtime alone than a United States Senator is paid in total.

Two things we will say in fairness

Burbank Water and Power is ratepayer-funded, so its payroll is not paid out of the tax roll. But as set out above, it is not walled off from the General Fund either: seven percent of your electric usage comes back as utility users tax and another seven percent of retail electric sales comes back as the in-lieu transfer. Costs at the utility raise rates, and rates raise both. The water fund went from \$32,465,296 to \$97,875,360 over the same five years.

And a line mechanic restoring power in a storm, or a fire captain on a fourth straight shift, worked those hours. We are not questioning that. **Our question is why the city needs \$22.0 million of overtime at all**, and whether anyone has asked.

The back office

Citywide spending by account, all funds			
Account	2024-25 actual	2026-27 budget	Change
Salaries and wages	\$117,413,509	\$135,209,119	+15.2%
Overtime, other than police and fire	\$12,827,103	\$14,233,182	+11.0%
Outside consultants	\$15,723,952	\$26,938,349	+71.3%
Insurance	\$24,036,088	\$31,567,642	+31.3%
Software and hardware	\$4,639,831	\$15,442,308	+232.8%
Office supplies, postage, printing	\$826,985	\$1,460,933	+76.6%

Overtime for employees who are not police or fire is \$14.2 million a year and rising, while police and fire overtime fell by nearly half over the same period. That is clerical, administrative, public works and utility overtime. Outside consultants are up \$11.2 million in two years. And the software line more than tripled.

The city tripled what it spends on software during the exact years when the capability of software per dollar rose faster than at any point in the history of computing.

It bought more license and got no more thinking. And the ground has moved underneath that purchase. A subscription used to be the only realistic way for an agency to get a piece of software, because the alternative was hiring developers and that cost more than the rent. Machine-assisted coding has changed what that alternative costs. An agency can increasingly have a tool built for the specific job it actually has — a permit tracker, an intake form, a report that used to require a consultant — rather than renting a general-purpose product forever and paying per seat for features it does not use.

How that happens: one contract, on consent

On **April 23, 2024**, the City Council approved a three-year enterprise licensing agreement for Microsoft licenses through Dell, Inc., purchased against the County of Riverside's master agreement. The obligation to taxpayers was **\$2,094,774.15**, covering roughly **1,400 individual user licenses**.

It went through on the **consent calendar** — the block of items approved together, without discussion, in a single vote reserved for routine business.

We objected that same day, in writing, to the Chief Information Officer and to the full City Council. We wrote that the agreement carried a support rate of **\$425 an hour**, that in our view this was above the market rate for the work, and that the city should have issued its own request for proposals rather than buying on another county's pricing. We also wrote that a city does not need a full license for every employee, because many roles need to receive information rather than author documents.

Council Member **Zizette Mullins** responded that evening. She forwarded us a reply from staff. The item was approved on consent the same night.

Six months later, on October 28, 2024, we wrote to Council Member Mullins again, to put a conversation on the record:

“There are feasible, less costly alternatives for information dissemination among employees who may not need individual email inboxes; it is therefore possible such a contract could have cost less, while still accomplishing the mission.”

That letter also asked the Council to set **dollar limits on what may be placed on a consent calendar at all**. Council Member Mullins replied twenty minutes later: “Received, thank you.” No item followed. No limit was set.

We then filed a public records request asking one question: was a formal needs assessment conducted, to determine how many employees actually required these licenses? The Information Technology Department's written response, dated November 7, 2024, does not say that one was. It says licenses are assigned “at the request of the department,” that “only actively used accounts are renewed,” and that the city “may reduce the number of licenses annually as needed based on usage.”

May reduce. In the two years since, the citywide software and hardware account went from \$4,639,831 to \$15,442,308.

Our position, stated as a position

We believe the per-seat subscription model is a poor buy for a city right now, because software that once required a development team can increasingly be specified and built for a single purpose at a fraction of what a multi-year enterprise agreement costs. We told the Council in 2024 that this contract could have cost less while still doing the job. **Our recommendation has been, and remains, that the city's technology budget should be coming down rather than going up.**

We do not offer that as theory. **This party builds its own software rather than renting it**, using exactly the tools this report is describing. The site you are reading is ours. So is the system that delivers our documents and signed forms, the workbench we use to analyze the county voter file, the application our volunteers use to make calls, the scanner that processes our returned mail, and the database that produced the compensation figures in this report. Every one of them replaced something we would otherwise be paying a monthly per-seat fee to use.

We are not asking the City of Burbank to try something we have not already done ourselves.

We are a volunteer county committee with no technology department. If we can build and run those systems, a city with a \$20.4 million technology fund and thirty-four people in its Information Technology Department can evaluate whether it still needs 1,400 rented licenses.

We cannot prove what the next agreement should cost. Neither can the city, until it does the thing it has not yet done: a published needs assessment and a competitive request for proposals. **That is the entire ask.** Put the renewal on the regular agenda, show the work, and take bids.

What is actually driving it

The deficit is not caused by services. It is the bill for retirements already promised, and the budget prints the schedule on page 12. These are the unfunded liability payments — the catch-up on what was promised but not funded.

City of Burbank unfunded pension liability payments — page 12				
Group	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29
Police	\$8,314,615	\$8,871,926	\$9,706,000	\$10,824,000
Fire	\$5,818,144	\$7,081,964	\$7,667,000	\$8,547,000
Miscellaneous	\$21,711,502	\$24,614,685	\$26,298,000	\$29,636,000
Total	\$35,844,261	\$40,568,575	\$43,671,000	\$49,007,000

Up \$13,162,739 in four years — a 36.7 percent increase. Set that against the recurring deficit it produces, which runs between \$2.6 and \$3.1 million a year. **The growth in the pension bill alone is more than four times the shortfall it creates.**

And the budget says it gets worse before it gets better. Costs “are expected to increase for all groups beginning in FY 2027-28 due to the increased salary scale and inflation” — every raise raises the pension bill behind it. The whole schedule also assumes the California Public Employees' Retirement System earns 6.8 percent a year. Miss that, and these numbers move again.

What the city is doing about it, fairly stated

Staff is not ignoring this. Page 13 proposes putting **an additional \$24 million into pensions over four years**, which is expected to generate about \$1 million a year in recurring savings, roughly \$750,000 of it to the General Fund. This budget carries a \$6 million one-time contribution, \$4.4 million from the General Fund. Prepaying liability is the right instinct, and the city has already booked \$1,331,066 in citywide savings by doing it.

But read the arithmetic. It is \$24 million spent to save about \$1 million a year, and because of the deficit staff proposes drawing on the Section 115 trust — \$35 million as of March 2026 — to cover the General Fund's share “thus preserving the General Fund's cash balance.” Meanwhile the underlying obligation climbs \$13.2 million.

Burbank's deficit is the bill for retirements already promised, and it grows faster than any efficiency the city has put on the table.

That is precisely why the back office matters. A pension payment cannot be negotiated down by a council, and nobody is proposing to cut a police officer or a firefighter. The cost of producing documents is one of the few levers left that touches neither.

Part three: do the same work for less

When a city cannot balance its budget it has four choices: raise taxes, cut services, borrow, or do the same work for less. **The first three have been tried in Burbank repeatedly. The fourth has not.**

The test worth applying to any public task is narrow. *Is this work the reading, writing, summarizing, checking or transcribing of language and documents?* Where the answer is yes, commercial products exist today and are sold to public agencies. Where the answer is no — a firefighter entering a structure, an officer making a judgment call on a street, a crew repairing a water main — they do not.

Nothing in this report puts a machine in either of those roles. This is about the desk.

We will not put a number on how good the technology is, because we cannot prove one. What we can do is name the tasks, name what the city currently pays for each, and ask the city to measure the rest.

Public records requests

On page 19 of the budget, in the schedule of one-time general fund requests, the City Attorney asks for **\$100,000** for “Public Records Act Request Compliance.” The City Clerk's records management division runs \$361,986 a year on top of that.

We want to be careful here, because we are among the heaviest users of that service. This party files public records requests constantly and intends to keep doing it. **We are not asking the city to spend less on answering the public.** A city that answers slowly is worse than one that answers expensively.

The point is what the money buys. A hundred thousand dollars of staff hours spent searching, reviewing and redacting is a hundred thousand dollars spent on the one task these systems handle most reliably, and requests still take weeks. Buy the capability rather than the hours and the city gets a lower cost and a faster answer. Everyone filing a request, ourselves included, comes out ahead.

One precondition, stated honestly: the records have to be on a server. Where Burbank still holds paper, this saves nothing until the paper is scanned. That is a one-time cost with a permanent return, and it should be the first thing funded.

Minutes, agendas and translation

The city already records its meetings. Commercial transcription services turn recorded speech into text and into draft summaries, and they are sold to public agencies today. The clerk still reviews and certifies the minutes; what changes is who does the typing. The same applies to translating routine notices, forms and meeting materials. Certified translation of legal instruments should stay with people.

Permits, at the low end

Not every permit is a judgment call. A water heater replacement, a re-roof in kind, a conforming fence, an electrical panel swap — these are checks against a code table, and software runs those without a line and without an appointment. Approve the routine

automatically, at any hour, and let the planners spend their time on the applications that actually require judgment.

The city already concedes the principle. This same budget introduces a **\$45 fee for over-the-counter plan checks**, justified on page 413 as the “cost for labor” of “dedicated staff time and immediate processing.” That is a fee charged to a resident to cover a person doing something a computer should do for nothing.

Stop paying to mail things

Office supplies, postage and printing run \$1,460,933 a year across seventy-three separate line items. On top of that the city contracts the mailing out: \$380,000 to one vendor for bill, print and mail services, \$135,000 to another for printing and mailing rate-change notices, and a billing service account of \$1,390,205. The city also operates its own print shop at \$569,860. Parking citations, inspection notices and utility bills do not need to be printed, stuffed, stamped and trucked. They need to arrive.

Legal, procurement and police reports

The City Attorney's office is \$7,518,817, of which the litigation division is \$2,159,635. First drafts of pleadings and briefs, reading and summarizing discovery, checking citations, proofreading, comparing a contract against its prior version — that is the daily work of a municipal law office, and it is work these tools do with an attorney reviewing. The attorney still signs and still appears.

Procurement is \$1,972,572 a year, against \$46 million of contract services and \$26.9 million of other professional services. Drafting solicitations, scoring proposals against stated criteria, checking contracts against the city's standard terms — reading and writing at volume, where software does not get tired on the fortieth contract.

And an officer should not spend a shift at a keyboard. Body camera audio and video, a spoken account at the scene, photographs of a collision — these can become a structured draft report in the department's own format before the officer returns to the station. The officer reads it, corrects it, and attests to it.

Where this one needs care

A police report is evidence. It becomes the basis of a charging decision and, later, of testimony. In our view any use here requires three things in writing: the original recording preserved, the draft marked as machine-generated, and the officer's review documented. That attestation is not a formality and must never be automated. This is the part of the proposal that should move last and slowest, and only with the District Attorney's office consulted first.

What it comes to

What follows is an estimate, and we want to be plain that it is ours and not the city's. The budget does not publish costs at the level of individual tasks, so nobody outside the finance department can calculate this exactly, ourselves included. The middle column is published fact. The right column is our assumption applied to it: that a portion of the document work in each area moves, with no reduction assumed in police, fire, parks or field operations. If the city's own review says we are wrong, we will print that too.

Estimated annual saving, built from published division totals		
Area	Published cost	Estimated saving
Records requests and records management	\$461,986	\$180,000
Minutes, agendas, legal advertising	\$129,482	\$50,000
Printing, postage and outsourced mail	\$2,345,998	\$700,000
City Attorney document work	\$7,518,817	\$600,000
Procurement and contract review	\$1,972,572	\$250,000
Permit intake and routine approvals	\$1,573,282	\$300,000
Overtime, other than police and fire	\$14,233,182	\$1,000,000
Outside consultants	\$26,938,349	\$1,500,000

About \$4,580,000 a year, against a recurring shortfall of \$2,647,000. The gap closes, with money left over — and not one layoff is required to get there. The city turns over staff constantly, and a position not backfilled costs nobody a job.

The test: you should see it in your fees

A city that spends less producing documents does not automatically charge you less. The saving has to be handed back deliberately, or it gets absorbed into the base. So there is one public test of whether any of this was real, and it is your bill.

- A permit fee is set to recover the cost of processing that permit. When the cost of processing falls, the fee is supposed to fall with it. Proposition 26 and the state constitution require a fee to bear a reasonable relationship to the cost of service.
- The new \$45 over-the-counter plan check fee is justified entirely by staff labor. Automate the check and the justification goes with it.
- Records charges, business license processing and every other cost-recovery fee in the citywide fee schedule work the same way.

If the city adopts these tools and your fees do not come down, you have paid for the same savings twice.

What we are asking the City Council to do

- 1 Direct the City Manager to report within ninety days on the volume and staff cost of public records requests, meeting minutes, translation, routine permit approvals and outbound mail.
- 2 Fund the scanning of records still held on paper, once, as the precondition for everything else.
- 3 Spend the \$100,000 for records request compliance on capability rather than hours, and report back on response times. We file these requests. We want them answered faster, not funded less.
- 4 Take the next Microsoft licensing renewal off the consent calendar, put it on the regular agenda with a published needs assessment and a competitive request for proposals, and set a dollar threshold above which nothing may be approved on consent again.

- 5 Require any department that adopts these tools to restate its cost of service at the next fee schedule review, so the saving reaches residents as lower fees rather than disappearing into the base.
- 6 Put the boundary in writing: no automated decision on a discretionary permit, no unreviewed police report, no machine signature on a legal filing.

Staff wrote that they are committed to mitigating the structural imbalance. We are taking them at their word, and this is the least painful way to do it that anyone has put in front of them.

Budget figures. City of Burbank Proposed Budget, Fiscal Year 2026-27. The “structural imbalance” quotation and the recurring deficit, page 3. Projected year-end fund balance and formal reserves, page 15. One-time general fund requests and the records compliance line, page 19. Five-year forecast, page 20. Budget by fund with prior-year actuals, pages 78 and 79. Budget by department and cost center, pages 80 through 91. Citywide fee schedule and the over-the-counter plan check fee, page 413. Account-level totals are sums of the individual line items across every fund in the document. Per-resident figures use a population of 107,337.

Payroll. City of Burbank fiscal year 2025 payroll records, released to this party under a public records request and received May 27, 2026. Comparison salaries: the President of the United States and members of the United States Senate are set by federal statute at \$400,000 and \$174,000. The Governor of California's salary is set by the California Citizens Compensation Commission; the figure used here is \$242,295. “Total cost” means gross pay plus the city's contributions to pension, deferred compensation and health coverage.

The Microsoft agreement. April 23, 2024 City Council agenda and the accompanying staff report; our correspondence of the same date with the Information Technology Department and the City Council; our letter to Council Member Mullins of October 28, 2024 and her reply of the same morning; and the Information Technology Department's written response of November 7, 2024 to our public records request of October 30, 2024. Actual vendor payments may be audited through the city's own financial transparency portal.