

FY 2025-26

3rd Quarter Budget Update



Chief Executive Officer Darcie Antle



3rd Quarter General Fund Net Position Summary

Updated Non-Departmental (ND) operating revenue projections reflect an increase of approximately \$2.03M from Mid-Year projections

Departments expecting to meet 6% attrition savings

FY25-26 projecting on budget with use of **\$708,094** in one-time American Rescue Plan Act (ARPA) funds to offset Public Safety salaries



Health Plan

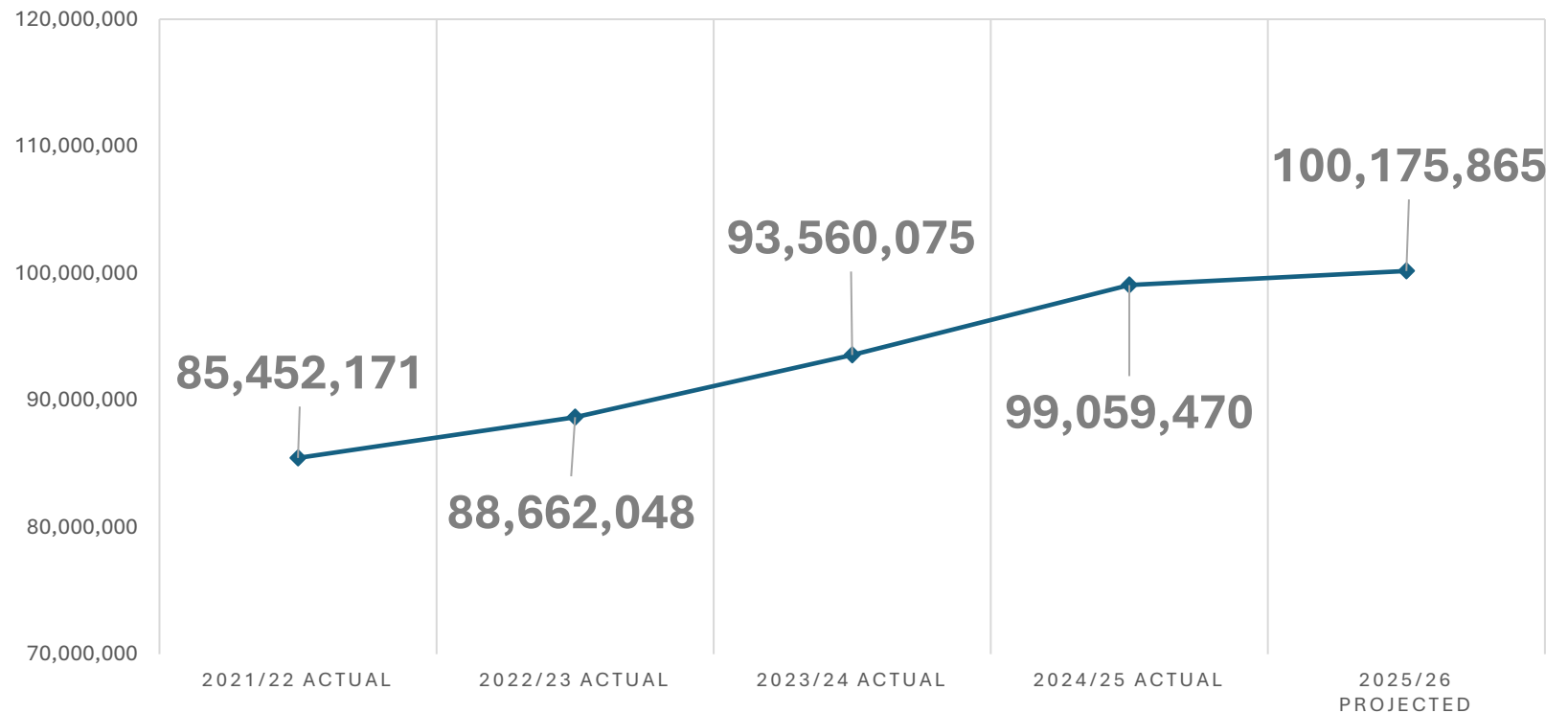
- **\$2,847,429** transfer to Health Insurance Fund 7150 recommended for Health Plan costs and cash flow
- **\$500,000** from Non-Departmental (ND)
 - For fund balance to manage monthly cash flow
- **\$2,347,429** in American Rescue Plan Act (ARPA) funds
 - To offset Health Plan expenses up to December 31st, 2025, in current fiscal year.



Revenue Projections

- FY 2025-26 Projected Revenue **\$100M**
- Increase of **\$5.4M** over adopted budget
- Increase of **\$2.03M** over Mid-Year
- Additional Details available in Exhibit A

NON-DEPARTMENTAL REVENUE PROJECTION
NO OPERATING TRANSFER IN/OUT
EXCLUDES MEASURE P





Revenue Projections Q3 Adjustments

Recommended changes to third quarter (Q3) Non-Departmental (ND) Operating Revenue projections include:

- Secured Property Tax: ↑ \$1,400,000
- Sales & Use Tax: ↑ \$119,714
- Measure P Sales Tax: ↑ \$987,822
- TOT Room: ↑ \$400,000
- Franchise: ↑ \$102,000
- Interest: ↑ \$500,000
- Cost Plan: ↑ \$440,905
- Revenue Reductions: ↓ \$418,825*
- Transfers Out (OTO): ↓ \$1,500,077
- **Total:** ↑ **\$2,031,539**

*Reductions include Williamson Act Tax, Tobacco Settlement Tax, Opioid Settlement Tax, and Other reductions



Budget Schedule

- June 2, 2026 – Budget Hearings and Adoption



CEO Recommendations

- Accept the Fiscal Year 2025-26 3rd Quarter Report as presented
- Approve 3rd Quarter Budget Adjustments and Administrative Clean Up (Attachment A)
- Approve Fixed Assets and Structural Improvement Requests (Attachment B)



CEO Recommendations cont.

- Approve creation of new Org ITERP for Budget Unit 0717 in Fund 7170
- Approve transfer of \$500,000 from Infrastructure & Systems Reserve to Org ITERP and appropriate to Object 86-2189 Professional Services for Finance System project costs



CEO Recommendations cont.

- Approve transfer any unused one-time funding for FY25-26 to Reserves per Reserve and Fund Balance Policy #32, with 50% of potential funds transferred to the Rainy Day Reserve and 50% to the Infrastructure and Systems Reserve

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Questions

Discussion