



FINANCE
DEPARTMENT
Midyear Report
February 18, 2026

Fiscal Year 2026 Financial Update

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FY2026 Budget Recap



ALL FUNDS

Adopted Revenue	\$ 121,468,478
Less:	
Adopted Appropriations	<u>(129,206,912)</u>
Revenue over(under) expenses:	<u>\$ (7,738,434)</u>

GENERAL FUND

Adopted Revenue	\$ 28,432,796
Less:	
Adopted Appropriations	<u>31,198,498</u>
Use of Excess Reserves:	<u>\$ (2,755,431)</u>

SPECIAL REVENUE FUNDS

Adopted Revenue	\$ 20,955,010
Less:	
Adopted Appropriations	<u>(22,784,123)</u>
Revenue over(under) expenses:	<u>\$ (1,829,113)</u>

ENTERPRISE FUNDS

Adopted Revenue	\$ 36,435,406
Less:	
Adopted Appropriations	<u>(42,060,064)</u>
Revenue over(under) expenses:	<u>\$ (5,624,658)</u>

City Fund Overview:

Governmental Funds: Account for activities supported by taxes, assessments, grants, etc.

- General Fund: Main operating fund used to report activities not reported in any other fund
- Special Revenue Funds: Accounts for proceeds of specific revenue sources that are restricted to committed to be expended for a specific purpose
- Debt Service Funds: Used to account for and report financial resources that are restricted or committed or assigned to principal and interest
- General Capital Funds: Separate governmental fund to account for capital outlay. Separated to distinguish from operating costs. Frequently required by debt service covenants

Proprietary Funds: Account for activities that received support from fees and charges

- Enterprise Funds: Reports activities that are supported by fees and charges for goods and services sold. Used to highlight to the extent that charges are sufficient to cover operating expenditures, debt service and capital outlay.
- Internal Service Funds: Used to promote efficiency and effectiveness of a shared activity. These funds are designed to break-even over time and the primary government must be the predominant participant.

Fiduciary Funds: Account for resources that the government holds as a trustee

- City has only one fiduciary fund reported – specific to municipal court bonds and restitution



City Fund Overview:

Each Fund is a self-balancing set of accounts.

The Government must properly account for all transactions for each fund separately.

Different funds have different foundations of resources that may be specific to the use defined in the assessment, charge, etc.

Interfund Activity:

Two types:

Interfund services: (Rent, Fleet maintenance, Liability Insurance allocations, overhead allocations, etc.) – One or more funds are receiving a service from another fund.

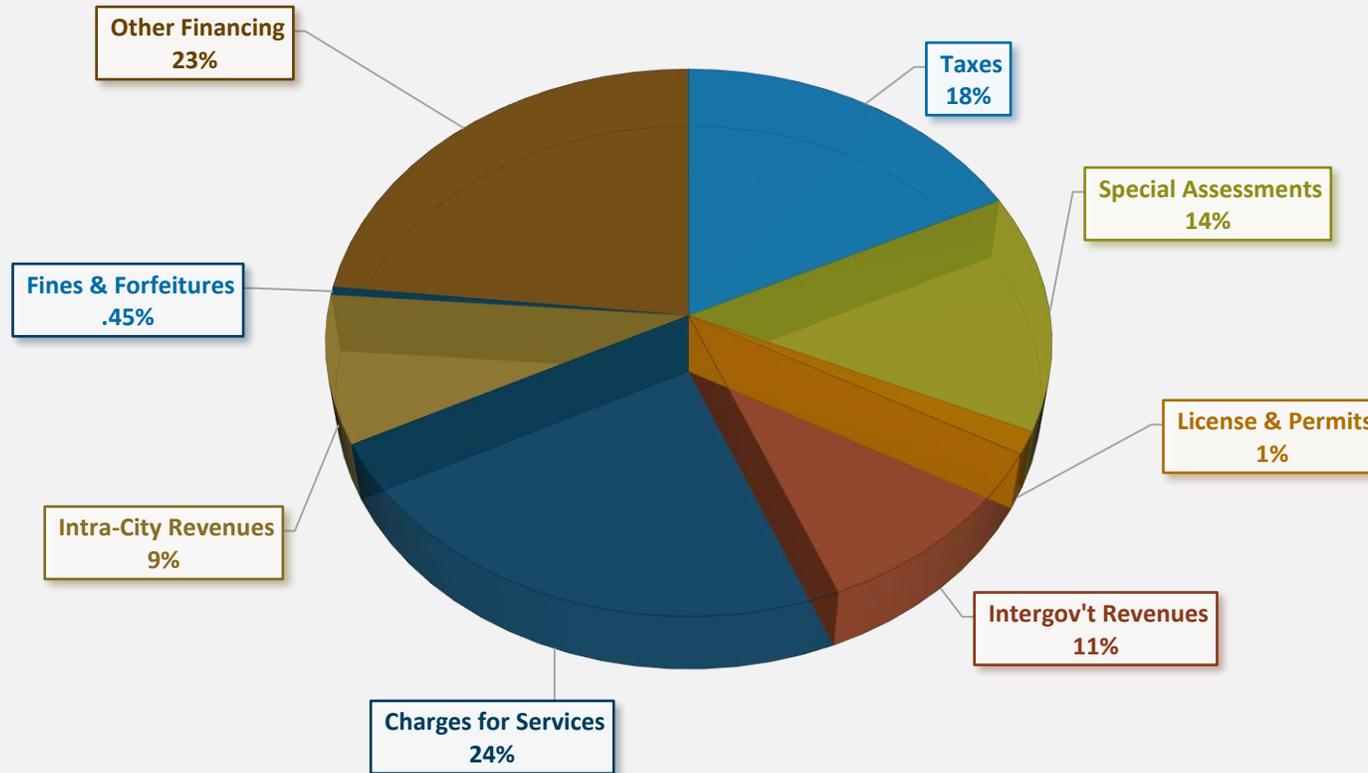
Short Term Loans/advances: The borrowing fund must be held accountable to be able to repay the loan with interest, usually at the rate of borrowing or the rate that the issuing fund could invest its funds.





Revenue Overview

Total City Adopted Revenues by Source



Amendments to Revenue:

Revenue - FY26 Adopted Budget \$ 121,468,477

Capital Carryover Adjustments

Fund 235: Open Lands	376,275
Fund 531: Wastewater	1,574,317
Fund: 5210 Water	11,224,431
Fund: 5415 Recycling	62,417

Total Carryovers 13,237,440

Budget Adjustments

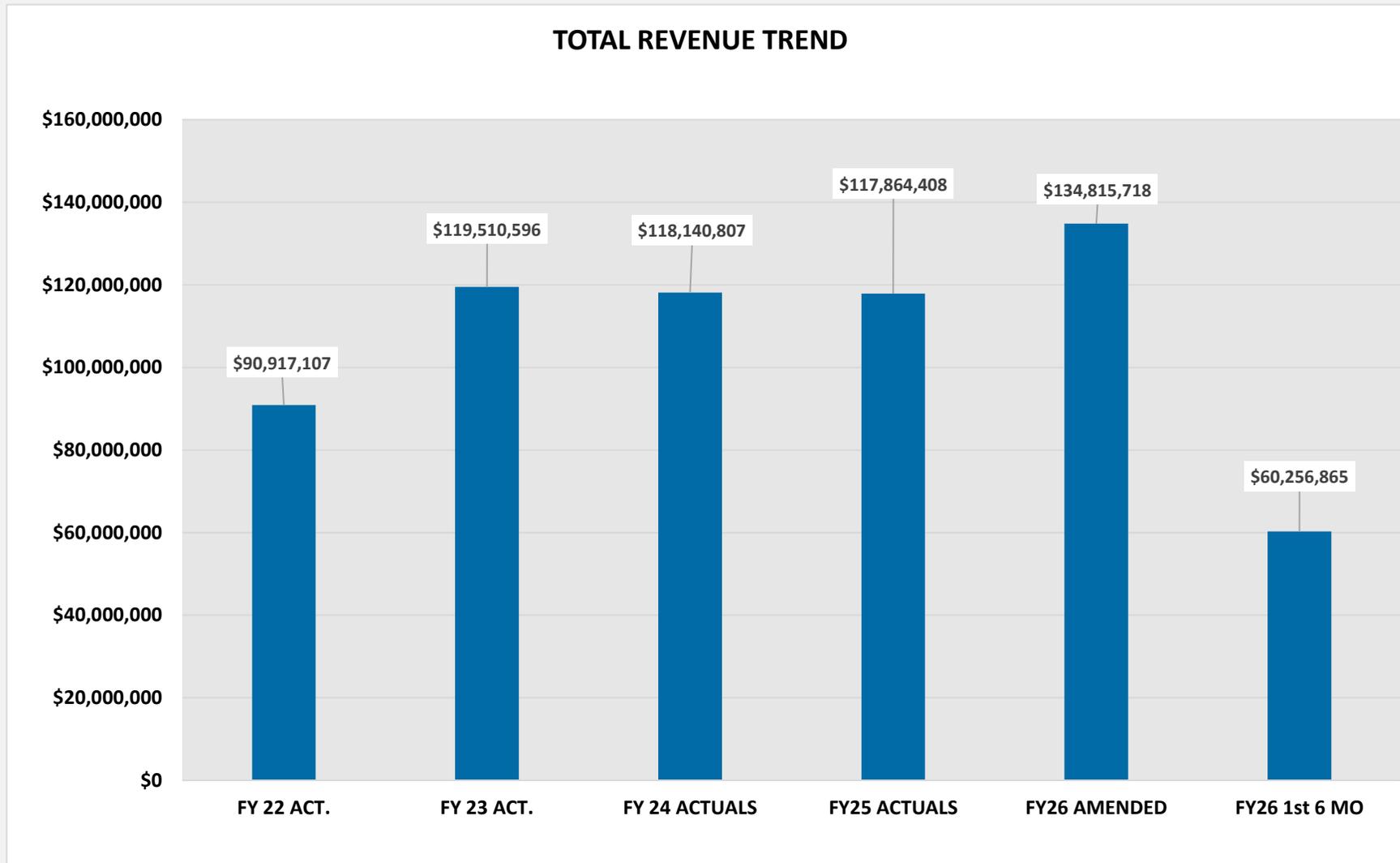
Fund 5800: Transit	49,800
Fund: 5714 Law and Justice	60,000

Total Adjustments 109,800

Revenue- FY 26 Revised/Amended Budget \$ 134,815,717



FY2026 Revenue Status: TOTAL City-Wide Revenue



Note: Totals include "Transfers In"

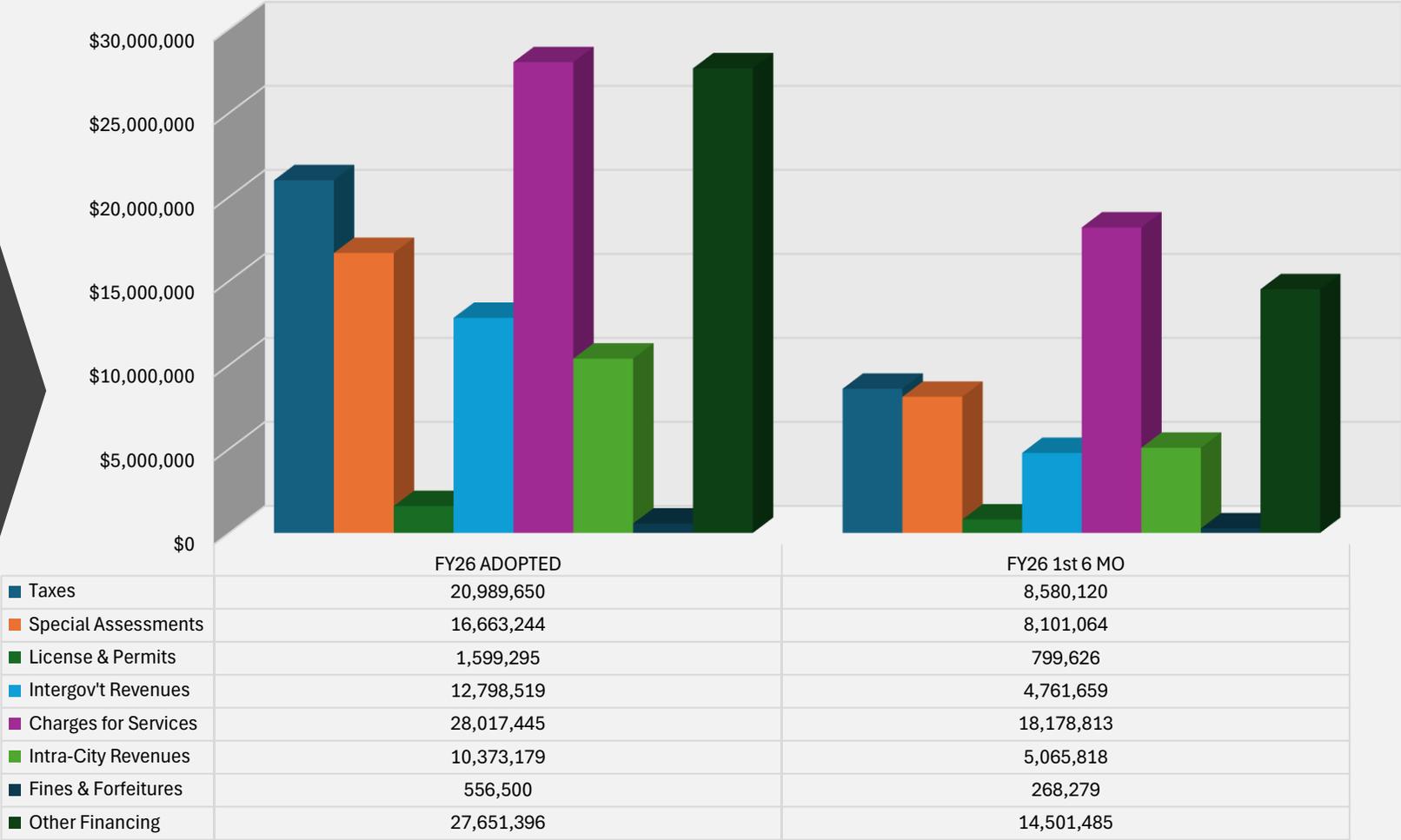
CITY WIDE	FY 22 ACT.	FY 23 ACT.	FY 24 ACTUALS	FY25 ACTUALS	FY26 ADOPTED	FY26 AMENDED	FY26 1st 6 MO	% RECIVED
Taxes	14,605,785	15,462,568	19,306,426	19,362,699	20,989,650	20,989,650	8,580,120	41%
Special Assessments	11,890,817	11,640,310	13,723,222	17,937,468	16,663,244	16,723,244	8,101,064	48%
License & Permits	1,868,341	2,132,388	1,872,763	1,794,446	1,599,295	1,599,295	799,626	50%
Intergov't Revenues	14,934,338	11,852,264	13,856,873	16,001,640	12,798,519	20,905,442	4,761,659	23%
Charges for Services	28,823,113	28,136,814	26,215,790	26,766,647	28,017,445	28,017,445	18,178,813	65%
Intra-City Revenues	7,061,589	8,552,270	8,250,158	9,076,593	10,373,179	10,373,179	5,065,818	49%
Fines & Forfeitures	469,175	559,846	597,270	556,920	556,500	556,500	268,279	48%
Other Financing	10,961,887	10,944,257	11,343,640	21,643,030	27,651,396	32,831,713	14,501,485	44%
TOTAL	\$ 90,615,045	\$ 89,280,717	\$ 95,166,142	\$ 113,139,442	\$ 118,649,228	\$ 131,996,468	\$ 60,256,865	46%

FY2026 Revenue Status: Total City-Wide Revenue

- Taxes:** City received an additional \$4.5 million in taxes in January for collections in December. This is 63.2% of budgeted taxes collected through January. After reviewing the tax collections for the first one-half of the year, the tax budget for the General Fund is estimated to be forecasted too high. This is a result of recent tax legislation that took effect with Tax Year 2025. Finance expects to estimate a relatively flat property tax increase from FY26 budget to FY27 budget for general taxes.
- Assessments:** City received an additional \$3.1 million in assessments in January for December collections. This represents 67% of FY26 budgeted assessments collected through January.
- Licenses and Permits:** This revenue source is on schedule. Most business licenses typically get receipted in January and are budgeted at around \$118,000. The remaining split of this revenue is primarily in the building division.
- Intergovernmental Revenue:** Grants, Gas Apportionment, State Entitlement, County & Other Public Entity Contributions, payments in lieu of taxes, etc. – timing related. ARPA grants budgeted at \$7.4 million in the Water Fund have not yet been drawn down but are expected in the second half of the fiscal year as the Cross-Town Connector project progresses.
- Charges for Services:** Primarily Water/Wastewater and Solid Waste revenues that are more than expected but also represents Golf operations and Parking. Golf operations through December are about 38.3% of budget and parking is 61% of budget.
- Other Financing:** Includes debt service, health contributions, rents collected, settlements, & contributions – timing related; anticipated to come in near budget by end of fiscal year.
- Interest revenue:** Not shown in the above chart - \$2.3 million in earnings through December which is more than budget but trending down as treasury rates fall. Investment earnings are consciously budgeted very conservatively and not to be counted on for general operations.

Total Revenue vs. 6 Months: By Category

FY2026 Revenue
Status: Total
City-Wide
Revenue – By
Category



City Wide Revenue (including transfers)	FY 22 ACT.	FY 23 ACT.	FY24 ACTUAL	FY25 ACTUAL	FY26 ADOPTED	FY26 AMENDED	FY 26 1st 6 MONTHS	% RECEIVED
General Fund	31,965,726	26,345,062	28,007,237	28,480,463	28,432,796	28,432,796	10,541,809	37%
Special Revenue	24,687,678	21,620,480	22,759,250	22,065,825	20,955,010	21,331,285	8,948,033	42%
Debt Service	562,364	566,621	707,438	1,854,205	8,601,377	8,601,377	7,871,835	92%
Capital Outlay	3,508,756	3,194,169	5,048,620	5,323,137	12,827,613	12,827,613	3,712,085	29%
Enterprise	37,176,749	38,563,072	37,796,226	38,445,306	36,435,406	49,406,371	21,884,041	44%
Internal Service	8,349,736	9,688,347	10,396,713	10,430,714	14,216,276	14,216,276	6,885,458	48%
TOTAL	\$ 106,251,009	\$ 99,977,751	\$ 104,715,484	\$ 106,599,651	\$ 121,468,478	\$ 134,815,718	\$ 59,843,262	49%

FY2026 Revenue Status: Total Revenue by Fund Type

- **General Fund**: Primarily reliant on taxes and state shared revenue.
- **Special Revenue**: Revenue is generated by charges for services and assessments to be used for a specific purpose.
- **Debt Service**: Represents General Obligation debt funds.
- **Capital Outlay**: Includes General Capital Fund, Parks Capital and Tax Increment Financing (TIF) Districts . The TIF districts generate tax income, the General Capital Fund is primarily funded by General Fund contributions, and the Parks Capital Fund is supported by donations and Park use fees.
- **Enterprise Funds**: Revenue is generated by charges for services and includes Water, Wastewater, Solid Waste, Transit, Golf, etc. Revenues can be cyclical especially in the Golf fund.
- **Internal Service**: Generates most of its revenues from internal fund allocations. Medical Funds also collect retiree and agency premiums.

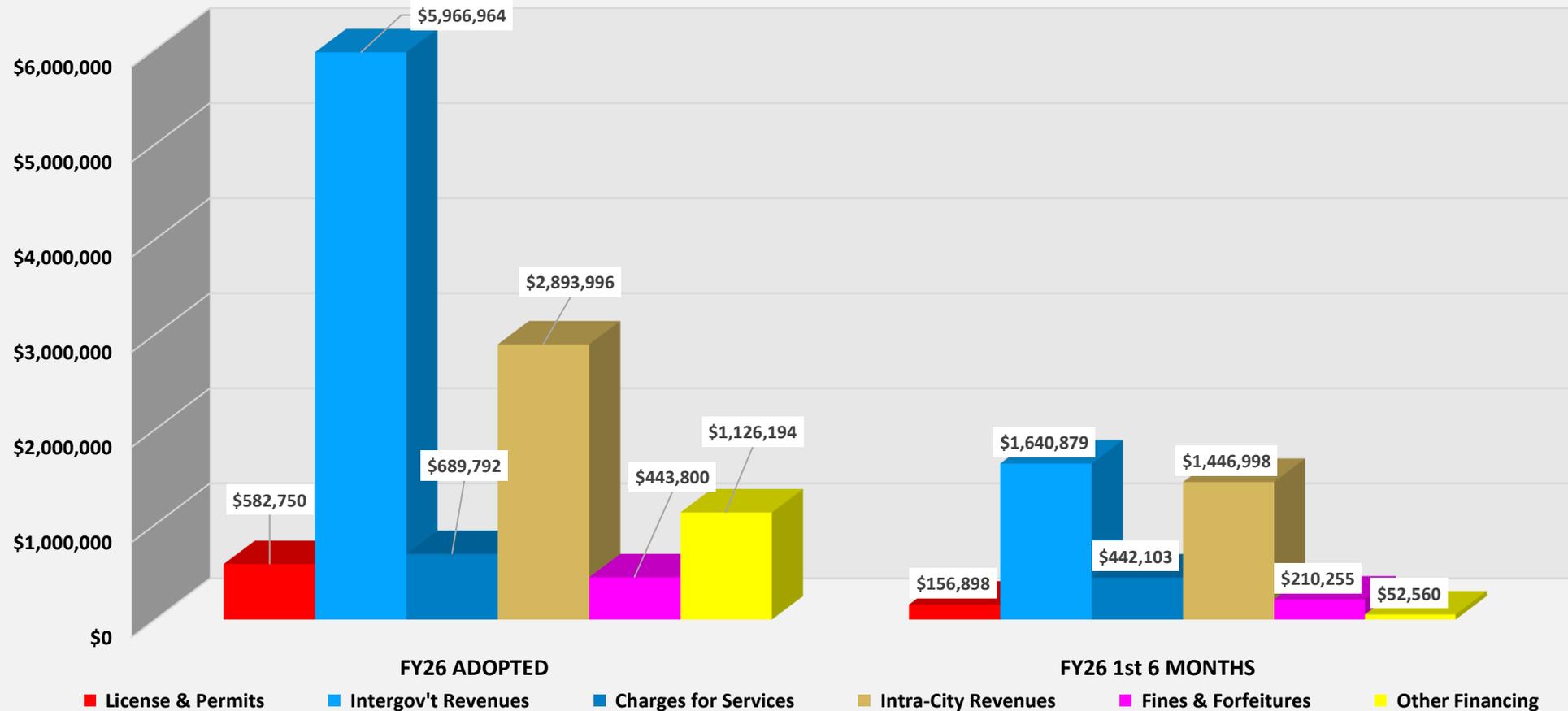
General Fund	FY 22 ACT.	FY23 ACTUAL	FY 24 ACTUALS	FY25 ACTUALS	FY26 ADOPTED	FY 26 AMENDED	FY26 1st 6 MONTHS	% RECEIVED
Taxes	12,334,497	13,140,821	15,207,988.00	15,072,101	16,228,000	16,228,000	6,467,692	40%
License & Permits	572,460	548,793	563,094	582,954	582,750	582,750	156,898	27%
Intergov't Revenues	5,213,154	5,285,923	5,530,736	5,696,483	5,966,964	5,966,964	1,640,879	27%
Charges for Services	597,631	853,686	752,881	728,440	689,792	689,792	442,103	64%
Intra-City Revenues	3,642,574	4,437,983	3,959,151	4,551,923	2,893,996	2,893,996	1,446,998	50%
Fines & Forfeitures	397,311	445,380	474,016	469,719	443,800	443,800	210,255	47%
Other Financing	9,190,493	1,190,222	940,192	770,155	1,126,194	1,126,194	52,560	5%
TOTAL	\$ 31,948,120	\$ 25,902,808	\$ 27,428,058	\$ 27,871,774	\$ 27,931,496	\$ 27,931,496	\$ 10,417,385	37%

FY2026 Revenue Status: General Fund

- **Taxes:** General Property Tax, Personal Property Tax, Medical Levy, Marijuana and liquor taxes.
- **Licenses & Permits:** Franchise fees, Business, Liquor, alarm and animal licenses; special event permits.
- **Intergov't Revenues:** Grants, State Shared Revenue, County Contributions, Gaming revenue and Local Payments in lieu of taxes (HHA).
- **Charges:** Fire and Police service fee reimbursements; Parks and Recreation fees, planning fees.
- **Intra-City Charges:** Internal cost allocations. Will equal budget by end of fiscal year.
- **Fines:** Primarily Court fines / fees
- **Other Financing:** Represents miscellaneous revenue such as donations, reimbursements, Kay's Kids contribution and sales of fixed assets.

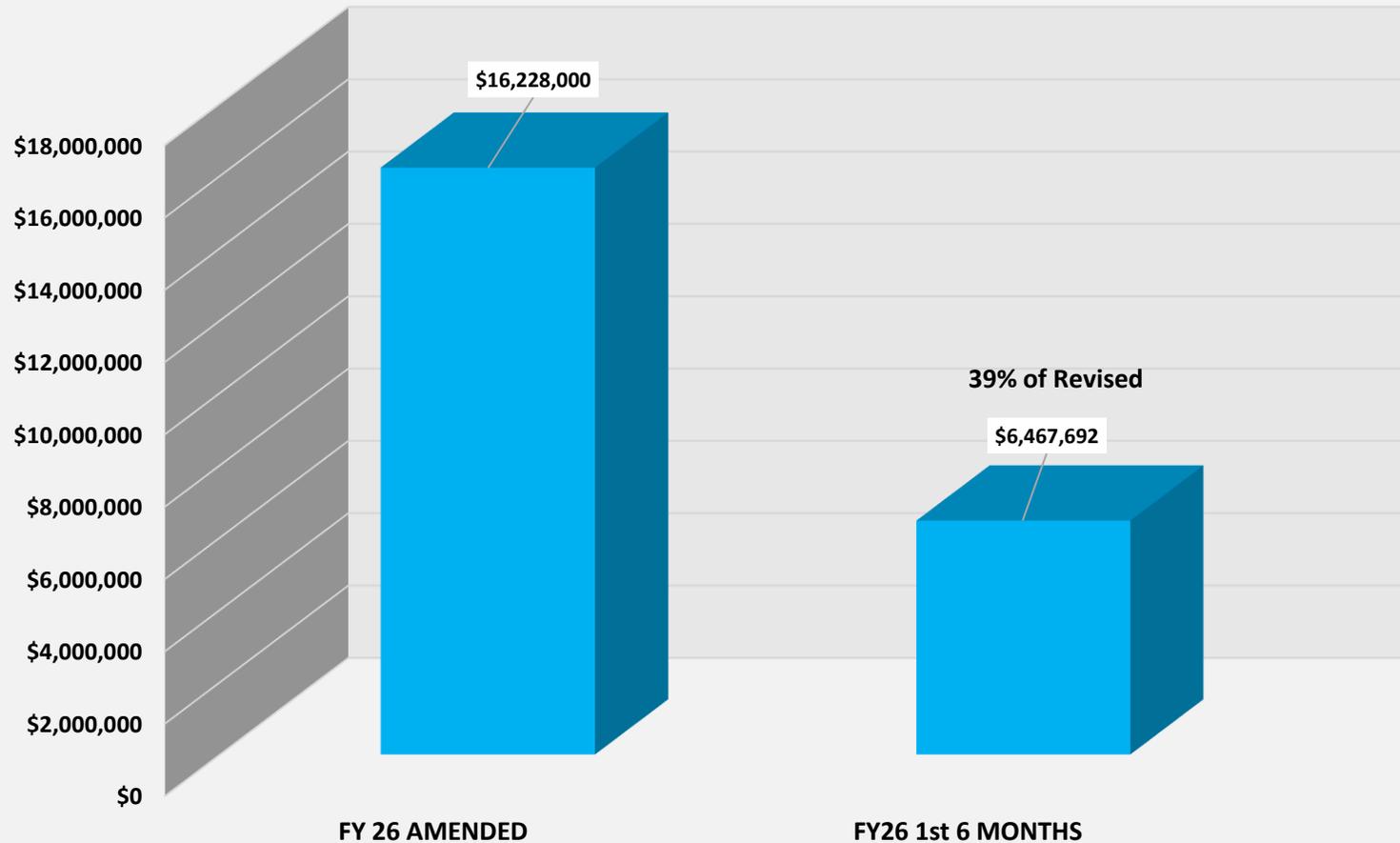
FY 2026 General Fund Revenue Status

General Fund FY 26 Amended vs. 6 Month Actuals: By Category



FY 2026 General Fund Tax Revenue Status

Taxes



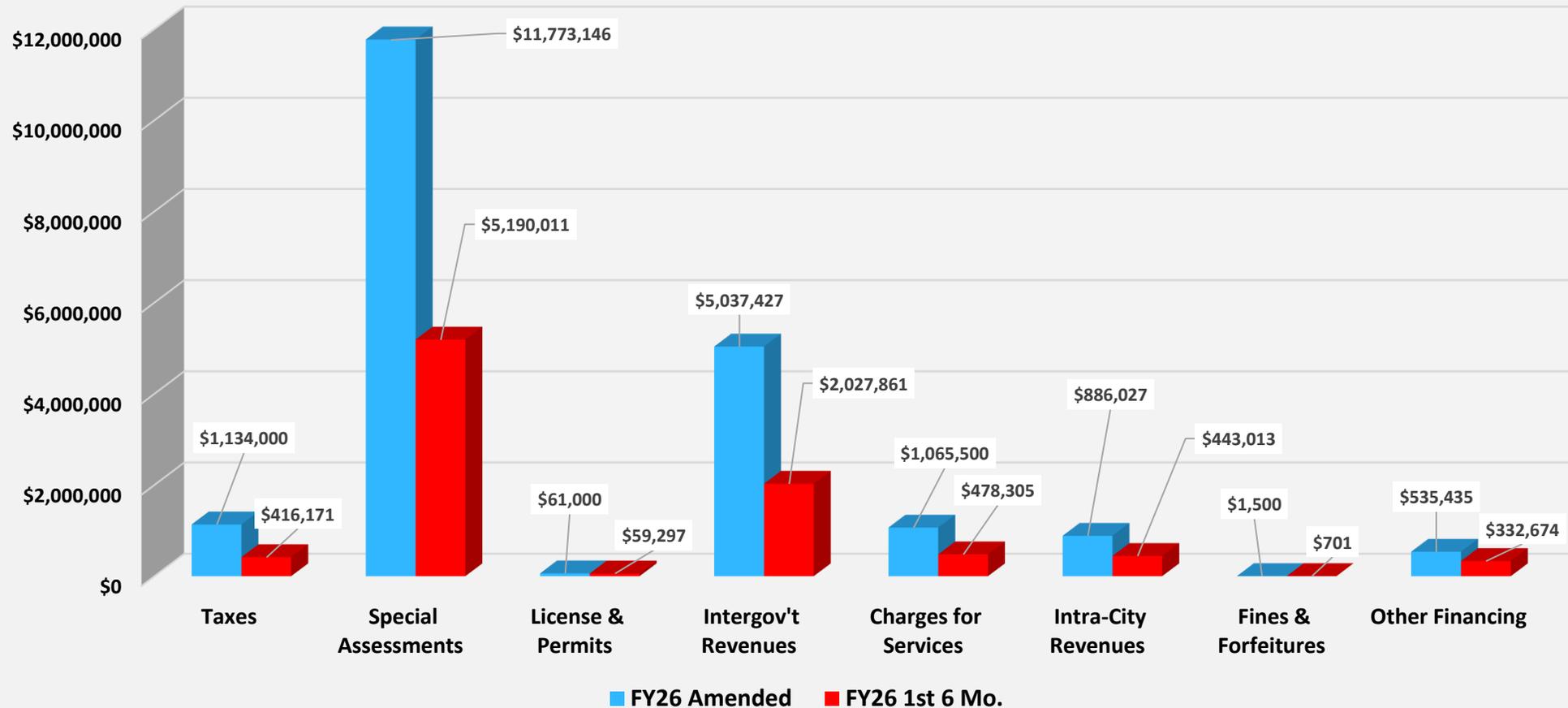
FY2026 Revenue: Special Revenue Funds

Special Revenue Funds	FY22 Actuals	FY23 Actuals	FY24 Actuals	FY25 Actuals	FY26 Adopted	FY26 Amended	FY26 1st 6 Mo.	% RECEIVED
Taxes	1,027,240	987,101	988,632	1,021,712	1,134,000	1,134,000	416,171	37%
Special Assessments	11,716,347	11,500,393	11,258,275	11,769,333	11,773,146	11,773,146	5,190,011	44%
License & Permits	67,510	55,614	48,516	98,628	61,000	61,000	59,297	97%
Intergov't Revenues	7,458,778	4,711,696	5,901,302	5,407,711	4,661,152	5,037,427	2,027,861	40%
Charges for Services	645,202	785,730	922,607	1,055,479	1,065,500	1,065,500	478,305	45%
Intra-City Revenues	633,939	782,271	842,680	776,297	886,027	886,027	443,013	50%
Fines & Forfeitures	1,668	3,928	1,910	1,795	1,500	1,500	701	47%
Other Financing	3,059,345	1,863,138	1,313,490	532,381	535,435	535,435	332,674	62%
TOTAL	\$ 24,610,029	\$ 20,689,871	\$ 21,277,412	\$ 20,663,337	\$ 20,117,760	\$ 20,494,035	\$ 8,948,033	44%

- **Taxes:** Fire Safety Levy
- **Special Assessments:** Street Maintenance, Open Lands, Urban Forestry, Lighting District and Stormwater assessments.
- **Licenses & Permits:** Street Opening Permits, alarm permits
- **Intergovernmental Revenue:** Grants (CDBG, Fire, Streets, Records/Dispatch, Urban Forestry, Open Lands) and County contributions
- **Charges for Services:** Civic Center (Primary source), Records/Dispatch fees, Park Use.
- **Intra-City:** Rental charges, intra-fund service reimbursements
- **Other Financing:** Interfund transfers (Civic Center, public art, Aff. Housing Trust Fund, etc.)

FY2026 Revenue Status: Special Revenue Funds

Special Revenue Funds FY26 Amended vs. 6 Month Actuals: By Category



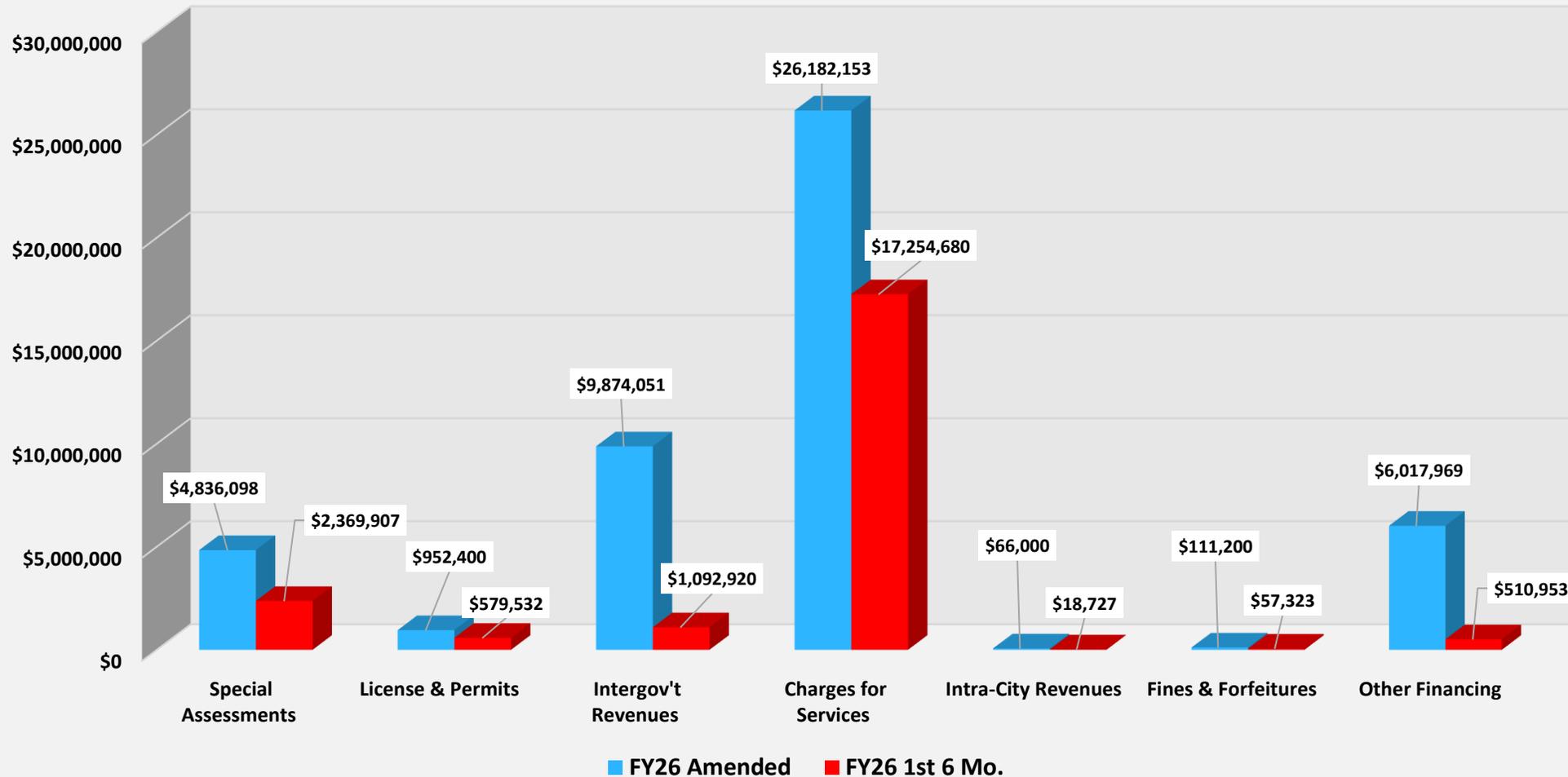
FY2026 Revenue: Enterprise Funds

ENTERPRISE FUNDS	FY22 Actuals	FY23 Actuals	FY24 Actuals	FY25 Actuals	FY26 Adopted	FY26 Amended	FY26 1st 6 Mo.	% RECEIVED
Special Assessments	143,291	139,767	2,464,740	4,882,416	4,776,098	4,836,098	2,369,907	49%
License & Permits	1,220,108	1,520,192	1,254,211	1,106,707	952,400	952,400	579,532	61%
Intergov't Revenues	1,923,350	2,280,652	2,418,140	2,307,063	2,143,403	9,874,051	1,092,920	11%
Charges for Services	27,574,011	26,355,277	24,493,827	24,911,881	26,182,153	26,182,153	17,254,680	66%
Intra-City Revenues	-	-	-	38,938	66,000	66,000	18,727	28%
Fines & Forfeitures	71,864	114,466	121,344	85,406	111,200	111,200	57,323	52%
Other Financing	6,107,923	6,694,208	4,644,775	2,776,014	837,652	6,017,969	510,953	8%
TOTAL	\$ 37,040,547	\$ 37,104,562	\$ 35,397,037	\$ 36,108,426	\$ 35,068,906	\$ 48,039,871	\$ 21,884,041	46%

- **Special Assessments:** Residential Solid Waste.
- **Licenses & Permits:** Street Opening Permits, alarm permits
- **Intergovernmental Revenue:** ARPA Grant for water, Transit grants, Payment in lieu of property taxes (HHA), County Contributions
- **Charges for Services:** Primarily Water/Wastewater and solid waste revenues that are more than expected but also represents Golf operations and parking.
- **Intra-City:** CCAB Mail Service Reimbursements
- **Fines:** Parking Fines and violations
- **Other Financing:** Includes debt service proceeds (water fund), rents collected (CCAB, LJC), settlements, & contributions

FY2026 Revenue Status: Enterprise Funds

Enterprise funds FY26 Amended vs. 6 Month Actuals: By Category





Expenditure Overview

Budget Amendments to Appropriations Year-to-Date



Expense- FY 26 Adopted Budget

129,206,914

Budget Adjustments

Fund 100: General Fund	73,170.00
Fund:5715 Law and Justice	60,000.00
Fund 5412: SW Commercial	86,285.00
Fund 5311: Waste Water	5,075.00
Fund 5215: Water	5,632,551.00

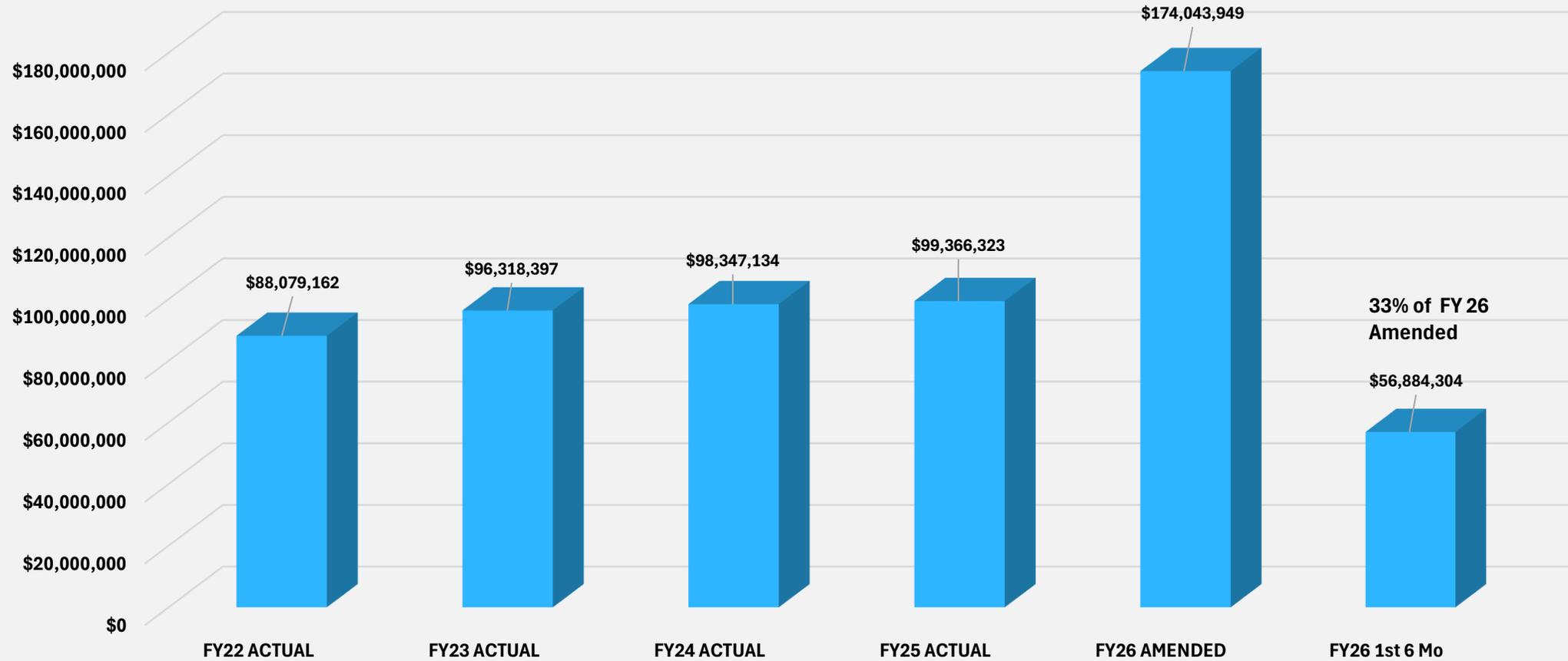
\$ 5,857,081

Total For Fund 4000 General Capital	\$	2,711,539
Total For Fund 2501 Open Space	\$	397,000
Total for Fund 4001 Parks Capital	\$	162,100
Total for Fund 2110 Streets	\$	4,412,750
Total For Fund 2820 Gas Tax	\$	2,073,053
Total For Fund 5800 Transit	\$	37,415
Total For Fund 5712 CCAB	\$	331,475
Total For Fund 5714 LJC	\$	161,499
Total For Fund 2000 Facilities	\$	594,681
Total For Fund 2323 Public Art	\$	32,000
Total For Fund 2850 Emergency 9-1-1	\$	868,980
Total for General Fund 1000	\$	869,420
Total For Fund 4501 RR TIF	\$	75,000
Total For Fund 4502 DT TIF	\$	884,837
Total For Fund 2321 Comm Dev	\$	552,232
Total For Fund 5010 Golf	\$	19,000
Total For Fund 2822 Storm Water	\$	1,598,444
Total for Fund 5210 Water	\$	16,268,804
Total for Fund 5310 - Wastewater	\$	5,667,907
Total for Fund 5410 - Solid Waste Residential	\$	495,625
Total for Fund 5412 - Solid Waste Commercial	\$	151,556
Total for Fund 5414 - Transfer Station	\$	204,672
Total for Fund 5415 - Recycling	\$	59,298
Fund Carry Overs	\$	38,629,287
Contract Roll Overs	\$	359,566
Total Carry Over Amendments	\$	38,988,853

Expense- FY26 Revised Budget

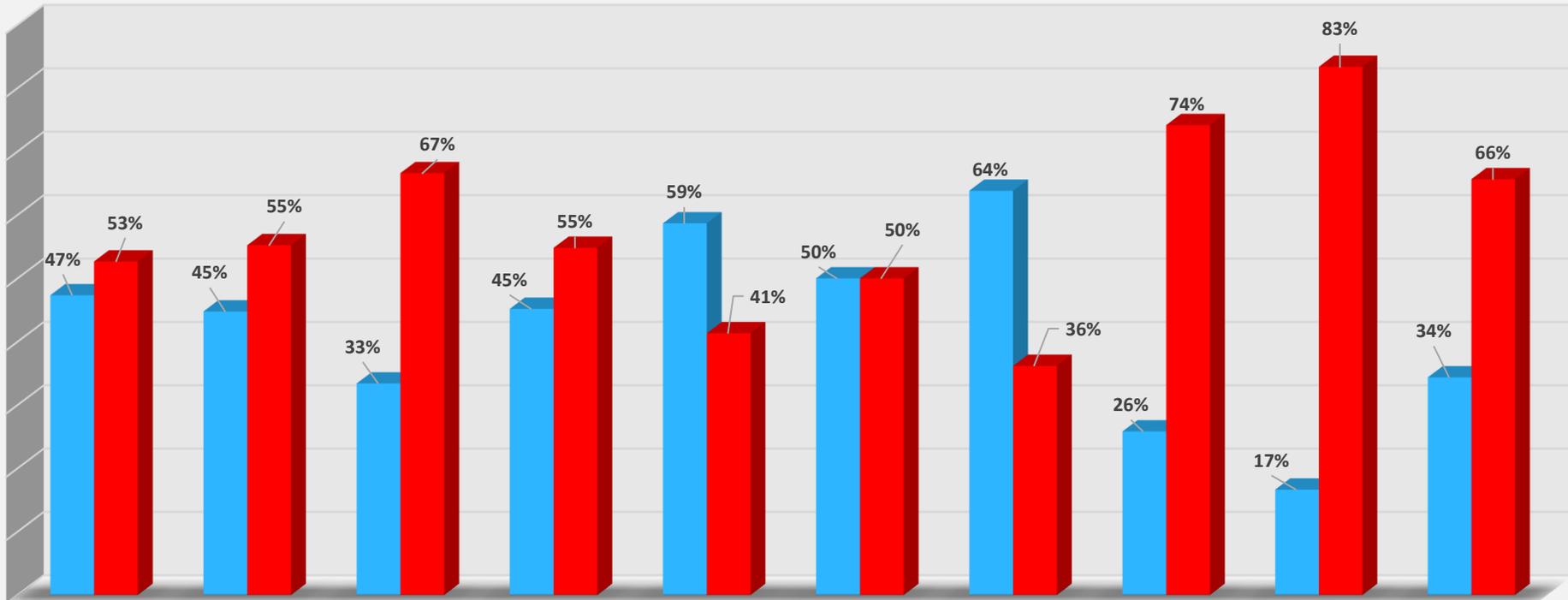
174,052,848

FY2026 Expense Status: TOTAL City-wide Expense Trend



FY2026 TOTAL City-Wide Expense Status – by Type

FY 2026 AMENDED CITY BUDGET BY EXPENSE TYPE
% Used vs. % Remaining



■ Percent Used	47.34%	44.78%	33.41%	45.19%	58.67%	50.00%	63.81%	25.83%	16.64%	34.36%
■ Percent Remaining	52.66%	55.22%	66.59%	54.81%	41.33%	50.00%	36.19%	74.17%	83.36%	65.64%

■ Percent Used ■ Percent Remaining

FY2026 TOTAL City-Wide Expense Status – by Fund Type

Expenses by Fund Type	FY22 Actuals	FY23 Actuals	FY24 Actuals	FY25 ACTUALS	FY26 ADOPTED	FY26 AMENDED	FY26 1st 6 mo.	% of Total
General Fund	23,014,778	30,286,761	29,024,594	29,188,323	31,198,498	31,956,076	16,517,078	52%
Special Revenue Funds	15,315,770	19,114,027	17,504,188	19,756,548	22,784,123	33,269,450	10,364,671	31%
Debt Service Funds	552,175	553,052	595,509	1,087,995	8,275,354	8,275,354	187,809	2%
Enterprise Funds	29,399,619	32,556,855	31,458,797	32,060,131	42,060,067	71,323,062	19,864,465	28%
Capital Project Funds	1,111,988	1,227,250	2,848,440	3,165,145	11,115,870	15,455,803	2,086,083	13%
Internal Service Funds	8,577,449	9,845,838	10,658,239	10,610,148	13,773,003	13,773,104	7,788,153	57%
Total	\$ 77,971,779	\$ 93,583,784	\$ 92,089,767	\$ 95,868,290	\$ 129,206,915	\$ 174,052,849	\$ 56,808,260	33%

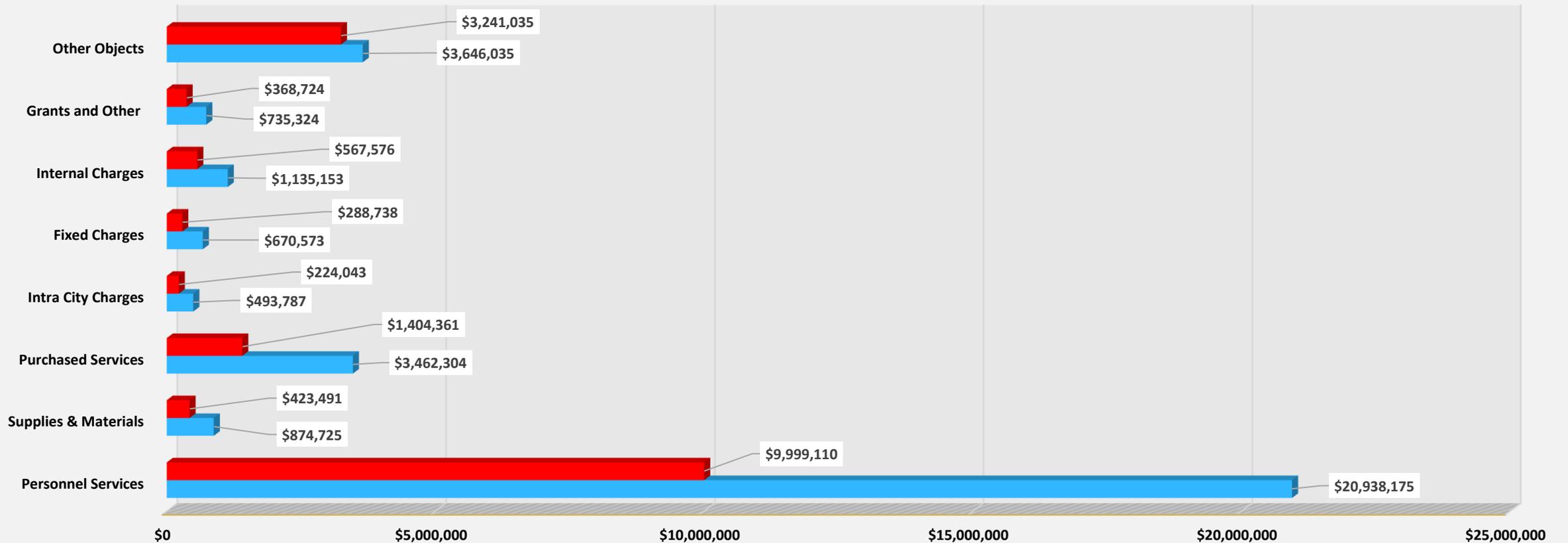
FY2026 General Fund Expense Status by Type:

General Fund	FY22 ACTUALS	FY23 ACTUALS	FY24 ACTUALS	FY25 ACTUALS	FY26 ADOPTED	FY26 AMENDED	FY26 1st 6 mo.	% of Total
Personnel Services	9,173,490	18,519,535	20,595,001	21,146,984	20,869,675	20,938,175	9,999,110	48%
Supplies & Materials	622,738	631,319	591,028	643,850	872,225	874,725	423,491	48%
Purchased Services	2,618,410	2,495,131	2,477,273	2,721,526	3,322,237	3,462,304	1,404,361	41%
Intra City Charges	375,841	395,517	474,233	517,702	493,787	493,787	224,043	45%
Fixed Charges	621,525	673,162	695,301	729,524	670,573	670,573	288,738	43%
Internal Charges	609,240	731,808	698,528	775,772	1,135,153	1,135,153	567,576	50%
Grants and Other	523,986	123,818	589,998	338,367	188,813	735,324	368,724	50%
Other Objects	4,303,674	6,110,637	2,930,842	2,265,178	3,646,035	3,646,035	3,241,035	89%
Total	\$ 18,848,903	\$ 29,680,926	\$ 29,052,204	\$ 29,138,904	\$ 31,198,498	\$ 31,956,076	\$ 16,517,078	52%

FY2026 6 Month General Fund Expense Status by Type:

Amended Budget vs. 6 Month Actuals GENERAL FUND

FY26 1st 6 mo. FY26 AMENDED

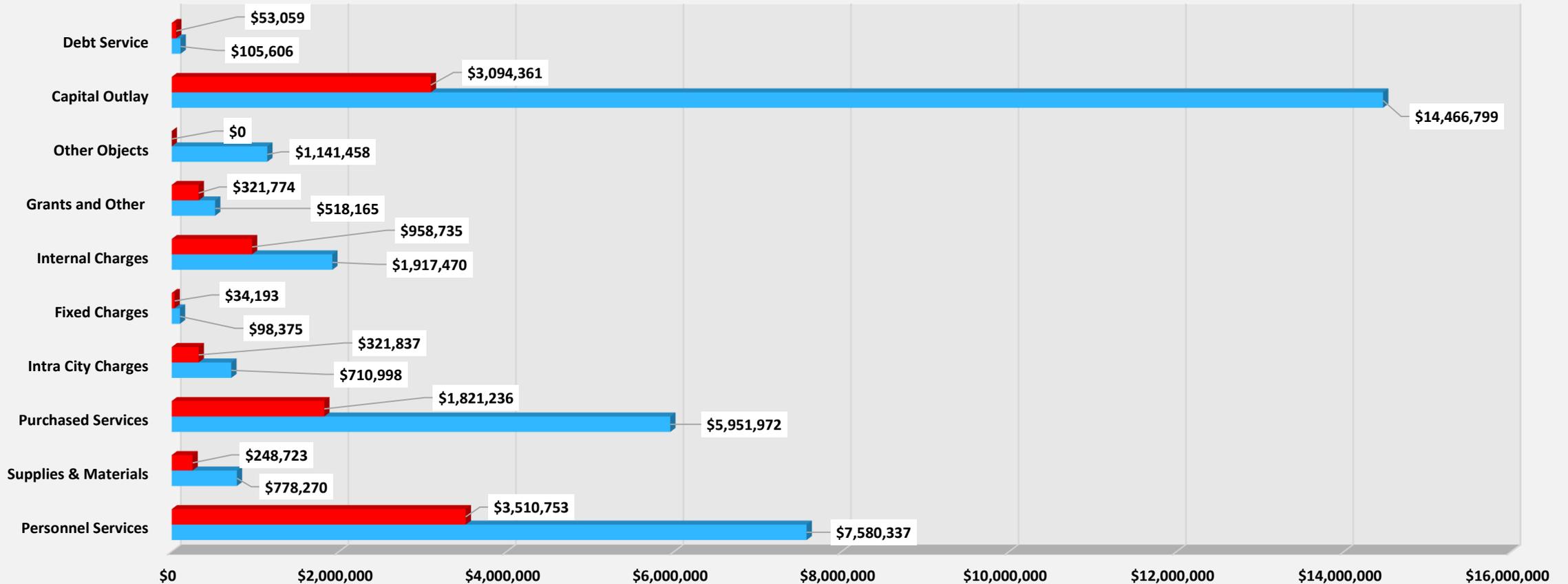


FY2026 Special Revenue Fund Expense Status by Type:

Special Revenue Funds	FY22 ACTUAL	FY23 ACTUAL	FY24 ACTUAL	FY25 ACTUALS	FY26 ADOPTED	FY26 AMENDED	FY26 1st 6 mo.	% of Total
Personnel Services	13,414,359	5,563,965	6,063,380	6,658,724	7,580,337	7,580,337	3,510,753	46%
Supplies & Materials	791,100	892,308	519,925	376,973	778,270	778,270	248,723	32%
Purchased Services	3,381,077	3,161,981	3,212,917	3,306,023	4,443,580	5,951,972	1,821,236	31%
Intra City Charges	580,181	575,404	661,593	629,676	710,998	710,998	321,837	45%
Fixed Charges	134,142	72,951	73,900	97,695	98,375	98,375	34,193	35%
Internal Charges	1,630,944	1,631,257	1,371,257	1,681,185	1,917,470	1,917,470	958,735	50%
Grants and Other	12,021	19,724	155,328	1,454,911	11,574	518,165	321,774	62%
Other Objects	3,843,907	6,755,379	5,336,345	5,410,599	1,141,458	1,141,458	-	0%
Capital Outlay	3,081,119	5,952,762	4,144,304	4,702,905	5,996,455	14,466,799	3,094,361	21%
Debt Service	65,107	92,200	116,922	112,719	105,606	105,606	53,059	50%
Total	\$ 26,933,957	\$ 24,717,929	\$ 21,655,870	\$ 24,431,409	\$ 22,784,123	\$ 33,269,450	\$ 10,364,671	31%

FY2026 6 Month Special Revenue Fund Expense Status by Type:

Amended vs. 6 Month Actuals SPECIAL REVENUE FUNDS

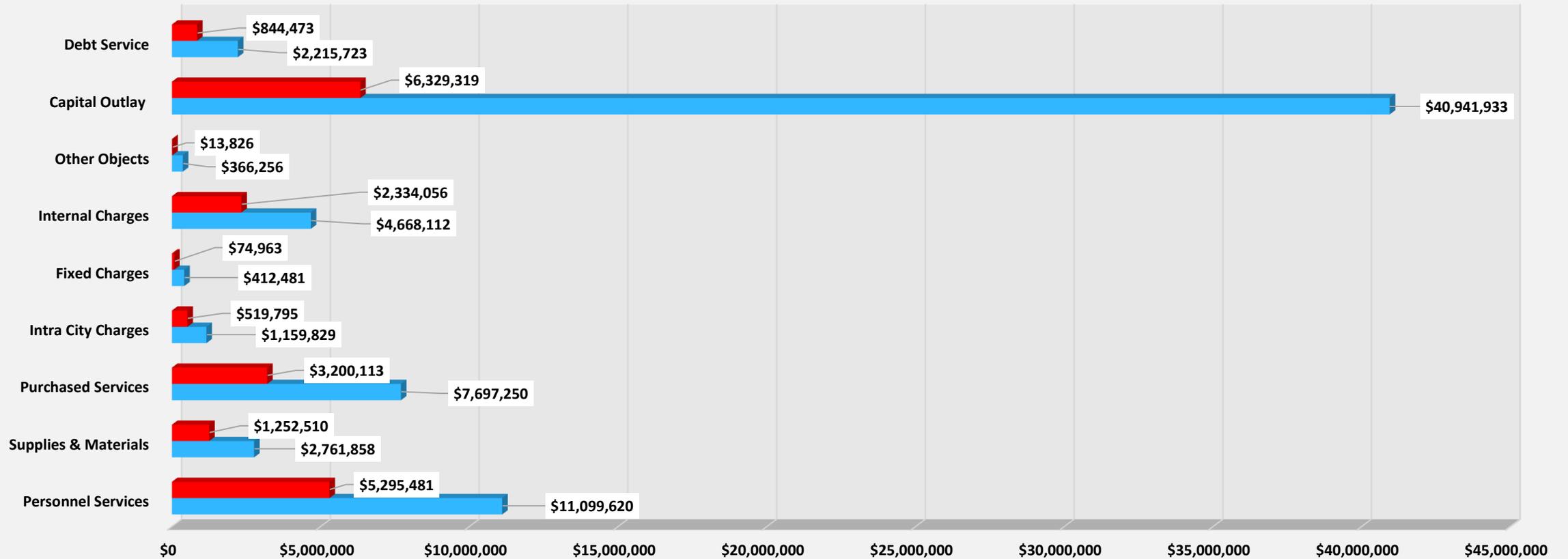


FY2026 Enterprise Fund Expense Status by Type:

Enterprise Funds	FY22 ACTUALS	FY23 ACTUALS	FY24 ACTUALS	FY25 ACTUALS	FY26 ADOPTED	FY26 AMENDED	FY26 1st 6 mo.	% of Total
Personnel Services	8,868,509	9,178,988	10,362,219	10,232,653	11,099,620	11,099,620	5,295,481	48%
Supplies & Materials	1,921,939	1,724,923	2,015,551	1,983,869	2,705,028	2,761,858	1,252,510	45%
Purchased Services	6,121,384	6,194,438	6,155,259	6,592,726	7,554,838	7,697,250	3,200,113	42%
Intra City Charges	976,184	1,021,498	1,015,015	1,108,244	1,159,829	1,159,829	519,795	45%
Fixed Charges	418,001	417,705	404,790	408,670	412,481	412,481	74,963	18%
Internal Charges	2,754,635	3,926,534	3,861,576	4,192,848	4,668,112	4,668,112	2,334,056	50%
Other Objects	5,298,442	4,919,934	5,304,658	5,397,523	366,256	366,256	13,826	4%
Capital Outlay	5,746,853	7,515,302	8,764,660	8,720,525	11,878,180	40,941,933	6,329,319	15%
Debt Service	2,388,988	2,034,193	2,116,009	2,030,305	2,215,723	2,215,723	844,473	38%
Total	\$ 34,494,934	\$ 36,933,515	\$ 39,999,737	\$ 40,667,361	\$ 42,060,067	\$ 71,323,062	\$ 19,864,537	28%

FY2026 6 Month Enterprise Fund Expense Status by Type:

Amended vs. 6 Month Actuals
ENTERPRISE



City Expense Status by Type

FY26 Revised-City Wide Expenditures by Category	FY22 Actuals	FY23 Actuals	FY24 Actuals	FY25 Actuals	FY26 Adopted	26 Amended	26 1st 6 Months	Percent Used	Percent Remaining
Personnel Services	31,579,263	34,826,169	37,721,190	38,578,705	42,275,182	42,343,682	20,043,935	47%	53%
Supplies & Materials	4,484,453	4,279,399	4,182,851	4,364,110	5,595,953	5,649,240	2,529,106	45%	55%
Purchased Services	12,854,142	11,820,473	12,611,794	13,476,242	17,246,072	20,264,380	6,772,241	33%	67%
Intra City Charges	1,097,996	1,282,428	2,154,233	2,257,692	2,391,107	2,391,107	1,080,653	45%	55%
Fixed Charges	9,026,441	9,213,172	10,085,857	9,365,993	10,216,546	10,216,546	5,994,410	59%	41%
Internal Charges	5,963,651	7,269,872	6,075,296	6,803,949	7,933,831	7,933,831	3,966,916	50%	50%
Grants and Other	7,108,407	7,560,097	4,566,591	1,793,228	200,387	1,253,489	799,874	64%	36%
Other Objects	2,952,872	2,608,437	2,790,908	4,148,426	12,793,749	12,793,749	3,304,861	26%	74%
Capital Outlay	10,012,962	14,723,519	15,366,333	15,837,704	27,488,505	68,141,242	11,341,967	17%	83%
Debt Service	2,998,977	2,734,831	2,792,081	2,740,273	3,056,683	3,056,683	1,050,342	34%	66%
Total	\$ 88,079,162	\$ 96,318,397	\$ 98,347,134	\$ 99,366,323	\$ 129,198,015	\$ 174,043,949	\$ 56,884,304	33%	67%

Personnel Services- Employee Salaries and Wages as well as Employee Benefits

Supplies and Materials- Operational Supplies and Materials

Purchased Services- Services Purchased by the City from third party vendors

Intra City Charges- Fleet Internal Service Charges

Fixed Charges- Rent of Offices and Buildings/ Equipment Rentals

Internal Charges- Internal Service Charges provided from City Department to City Department

Grants & Other- Cash Over and Short/Grant Match Expenses

Other Objects- Interfund Transfers

Capital Outlay- Capital Projects & other Capital purchase outlays

Debt Service- Debt Issuance cost/Debt Principal& interest





General Comments

Revenue

GENERAL PROPERTY TAX:

General Property taxes are trending lower than anticipated. It was difficult to project the outcome of the new legislation on the tiered tax structure and its impact. The original projection was lowered by \$200,000 and the estimated actuals for FY 2026 will be \$350,000 less than projected. FY 2027 preliminary budget will project “flat” budget over budget general tax forecast.

OTHER TAXES:

Local County Option Marijuana tax budgeted at \$350,000 only 36.9% collected out of total budget as of December. January distribution was lower than anticipated and this revenue continues to trend down. Will drop this budgeted forecast in FY27 budget.

Motor Vehicle taxes were budgeted at \$1.6 million; we’ve receipted 54.3% through December or \$868,300. Expect to come in at budget but don’t anticipate to increase this projected line item for FY27 budget.

Franchise Fees: Budgeted at \$385,700 are 38% collected. Should received full budgeted amount by end of the year.

PERMITS:

Building permits year to date actual receipts are 64.3% of budget indicating continued construction growth.

Revenue

CHARGES FOR SERVICES:

Water: Metered water sales were budgeted at \$9.75 million. Amount collected as of December was \$7.55 million – 77.4% realized. Anticipate this revenue source will exceed total budget. New rates were put into affect in November

Wastewater: Sewer service charges were budgeted at \$6.25 million and mid year we collected \$4.1 million. Expect to exceed total budget. New rates were put into affect in November.

Commercial Solid Waste: Budget is \$1.44 million with \$842,100 collected through December or 58.4% realized.

Golf operations are about 38.3% of budget. Greens fees were budgeted at \$650k and will likely not make that target unless we have an outstanding spring season. Cart storage revenue primarily collected in spring. Restaurant is on target with projections.

Parking: Budget is \$1.85 million. \$1.12 million collected through December or 61% realized. Most of permits collected in first half of year.

Civic Center: Total Charges budgeted at \$984,600. 42.8% or \$418,300 realized through December. Expect to meet budget target.

INTERGOVERNMENTAL: Police operation grants (>\$320,000) – 57% collected; Community Development Planning Grant (\$321,774)-100% realized. Open Lands grants (\$376,275)-0% collected;

Records & Dispatch is budgeted at \$2.5 million – 29.7% collected; Water ARPA grant budgeted at \$7.4 million – 7.5% realized; Transit grants budgeted at \$1.75 million – 16% realized.

Most of grants and intergovernmental are timing issues and expect to be fully realized by fiscal year end. The water grant (ARPA) may carry over to FY2027.

State Shared Revenue is budgeted at \$5,427,000. This is set by the state each year.

Expenditures: Personnel

Wages and Benefits:

Total Budgeted Personnel Wages/Benefits: \$42.3 million. Expended \$20.04 million through December or 47.3%. General Fund wages and Benefits expended are 47.9%.

Collective Bargaining Contracts:

The IAFF Fire union contract was settled. Fire fighters should see their adjusted wages on the payroll check dated February 20th. 18+ months of calculating retro-active pay will begin and the IAFF will be notified in advance as to when the personnel can expect their retro adjustment. Potential budget amendment may be necessary.

Police union contract negotiations will begin soon. Contract expires June 30th.

Records and Dispatch contracts in place. Both contracts expire June 2028.

Budget 2027:

Calculated CPI is 2.7%

Proposed new pay matrix plan recommendations from the committee is being presented to the City Manager and will subsequently be presented to the Commission for consideration

Preliminary estimate for health premium increases will be between 5% to 10%



Expenditures: Other operating

Capital Outlay:

Total revised budgeted capital outlay is \$68.1 million. As of the end of December, 16.6% has been expended or \$11.3 million. Winter months limit construction, however more progress is being made this year during the winter months due to mild weather conditions. As construction season ramps up, more capital expenditures will occur. Updates on capital improvement plans will be presented in March.

Other operating costs: Other operating costs were adjusted from the original budget by \$4.1 million. \$1.05 million for grant expenditures, \$120,000 for the Parks master Plan carryover, \$1.1 million due to TIF distributions approved via resolution and the remainder are contracted services that carried over from prior fiscal year. Potential budget amendments are monitored on a monthly basis. No concerns at this time.

Community Donations: Total budget for Community Donations was \$48,000, excluding mutual support contributions to shared service programs. \$62,000 was carried over for Tri-County Fire; \$250,000 carried over for Family Promise, \$134,600 carried over for Good Samaritan and \$100,000 carried over for homeless solutions. Balances left to be distributed are as follows:

- Tri-County Fire: \$42,900
- HACF (Non-Profit consortium) \$50,000
- Good Samaritan: \$134,600





Questions?