

The background of the slide is a photograph of a desk. In the upper left, a portion of a calendar is visible, showing dates 16, 23, 29, 30, and 31. To the right of the calendar is a white computer keyboard. Below the keyboard and calendar are several books or folders, some with purple and teal tabs. The entire image is overlaid with a semi-transparent dark grey filter.

FY26 Strategic Budget Planning

City Council

May 6, 2025

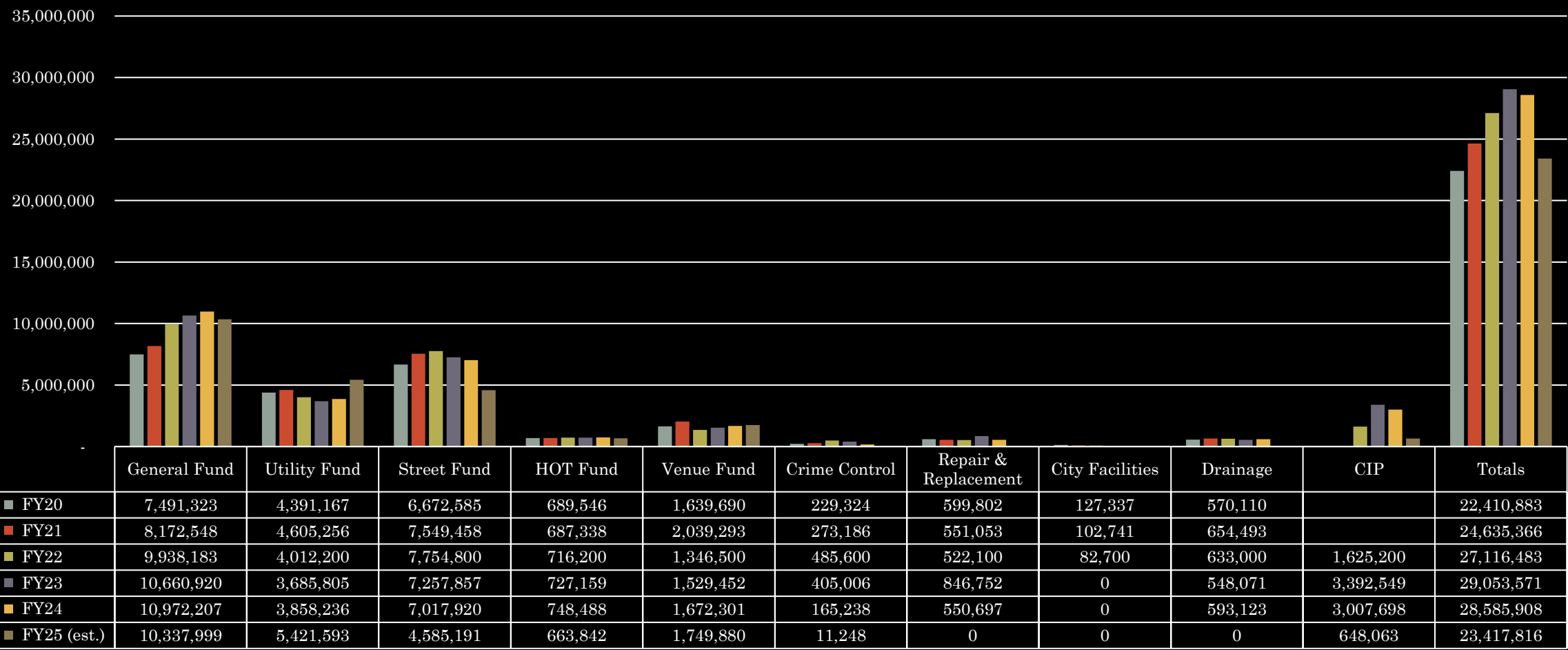
FY25 Projected Ending Fund Balances

Ending Fund Balances (Estimated)					
Fund	Reserve	Committed	Non-Committed	Restricted	Total Balance
01 - General Fund	\$9,732,483	\$972,235	(\$423,799)	\$57,080	\$10,337,999
02 - Utility Fund	\$363,686	\$5,057,908			\$5,421,593
14 - Street Fund				\$4,585,191	\$4,585,191
16 - Hotel Occupancy Tax Fund				\$663,842	\$663,842
18 - Venue Tax Fund				\$1,749,880	\$1,749,880
19 - Crime Control & Prevention District Tax Fund				\$11,248	\$11,248
30 - CIP Fund		\$648,063			\$648,063
Total	\$10,096,169	\$6,678,206	(\$423,799)	\$7,067,242	\$23,417,817

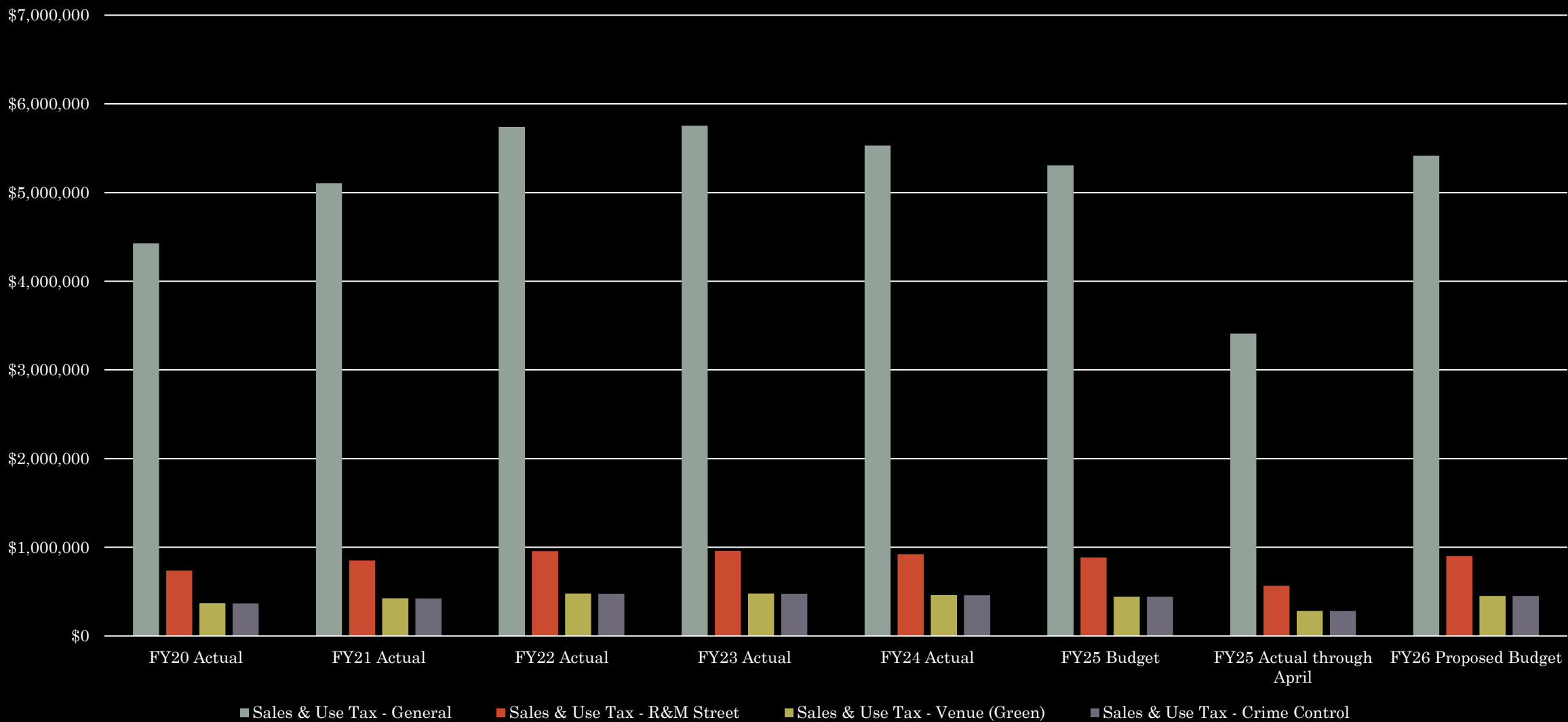
General Fund Detail

- Reserve General Funds \$9,732,483
 - 18-month reserve, policy change in FY25
 - Five-year average actual GN revenues
 - Interest revenue change in FY24
- Committed General Funds \$975,029
 - Water Conservation Rebate Program = \$972,235
 - PGA Donation for Burger Center Trail = \$2,794
 - Needs to be reduced by \$410,483
- Restricted General Funds \$40,970
 - Law Enforcement Officer Standards and Education (LEOSE) funds = \$6,231
 - Opioid funds = \$3,534
 - American Rescue Plan = \$31,205

5-year Fund Balances Historical



Sales Tax Revenue (through April 2025)



the draft FY26 Budget includes a 2% increase in budgeted sales tax revenue

Sales Tax Revenue FY25

Date	Sales for the month of	PROJECTED Monthly Collections (Budget) FY25	ACTUAL Monthly Collections FY25	Monthly Overage/ (Shortfall)	% Above or (Below) Monthly Budget	ACTUAL Monthly Collections FY24	Increase/ (Decrease) from previous year	% Above or (Below) from previous year
Oct	Aug	\$556,167	\$554,479	-\$1,688	-0.3%	\$579,558	-\$25,079	-4.3%
Nov	Sep	\$574,892	\$608,235	\$33,343	5.8%	\$599,070	\$9,165	1.5%
Dec	Oct	\$577,003	\$617,886	\$40,883	7.1%	\$601,270	\$16,616	2.8%
Jan	Nov	\$596,103	\$637,495	\$41,391	6.9%	\$621,173	\$16,321	2.6%
Feb	Dec	\$760,924	\$1,050,270	\$289,346	38.0%	\$792,926	\$257,345	32.5%
Mar	Jan	\$506,846	\$561,818	\$54,972	10.8%	\$528,162	\$33,656	6.4%
Apr	Feb	\$496,999	\$516,361	\$19,362	3.9%	\$517,901	-\$1,540	-0.3%
May	Mar	\$633,458.39	\$0.00		0.0%	\$660,099		0.0%
Jun	Apr	\$602,430.09	\$0.00		0.0%	\$627,766		0.0%
Jul	May	\$586,611.09	\$0.00		0.0%	\$611,282		0.0%
Aug	Jun	\$617,125.13	\$0.00		0.0%	\$643,079		0.0%
Sep	Jul	\$567,039.84	\$0.00		0.0%	\$590,888		0.0%
	TOTAL	\$7,075,600	\$4,546,545	\$477,609	11.7%	\$7,373,175	\$306,484	7.2%

FY26 Proposed Budget - draft

Overall		Key Information
Revenue	\$10,283,555	<ul style="list-style-type: none">• 2% increase in budgeted sales tax• Decrease in interest revenue
Expenses	\$8,446,279	<ul style="list-style-type: none">• See next slide for more details
Surplus/(Deficit)	\$1,837,276	

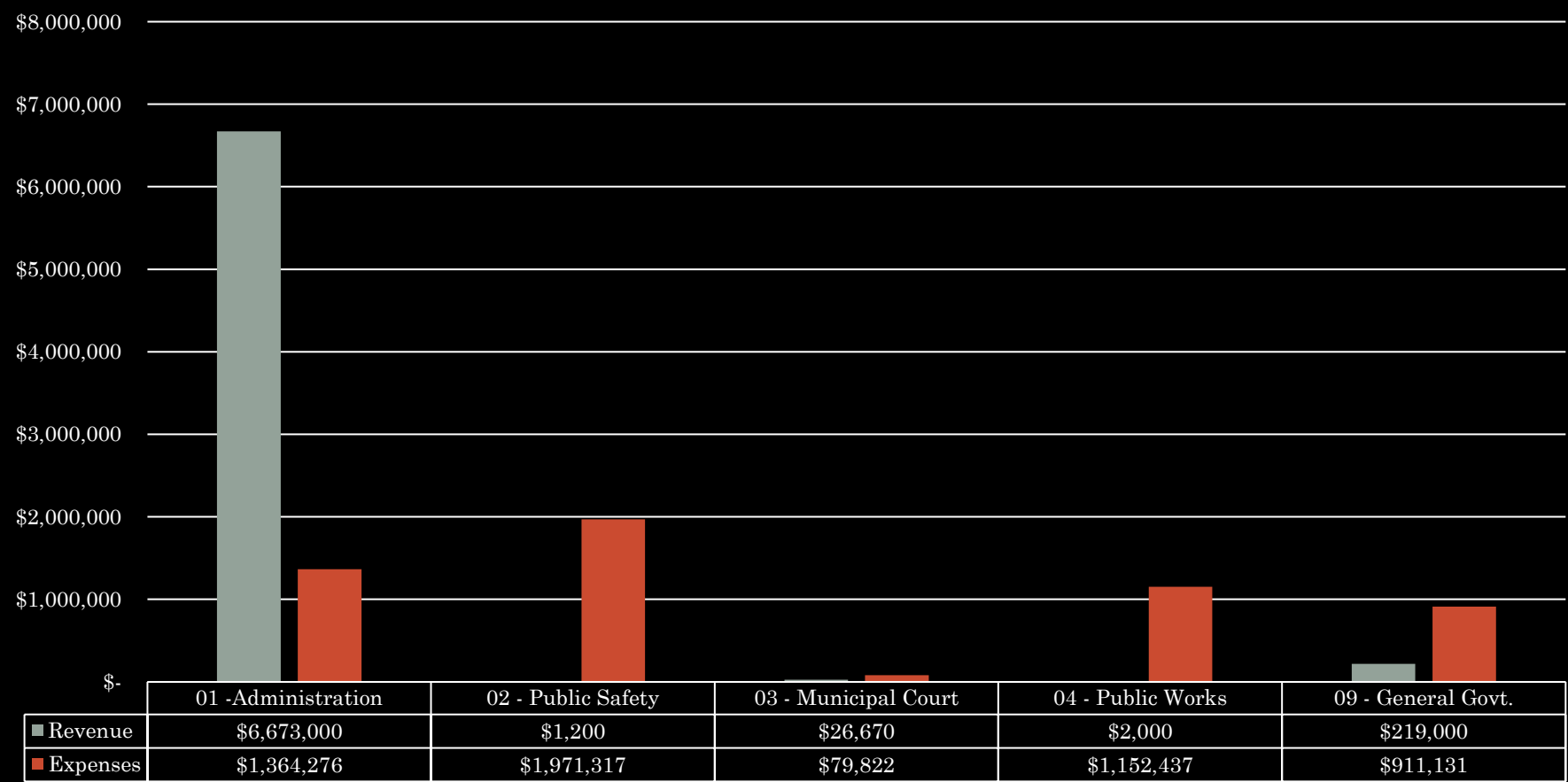
Expenses NOT included in draft budget

- Utility Fund Transfers
 - Operational subsidy
 - Infrastructure
- Capital Expenses
 - CIP projects
 - Repair/Replacement
- Salary adjustment pool
 - COLA
 - Performance based increases
- Increases in employee benefits
 - Medical 10%
 - Dental 5%
- Landscaping Maintenance
 - Contractual vs. in-house
- HR Consultant
 - Policy manual revision
- Impact of tariffs or other potential price increases

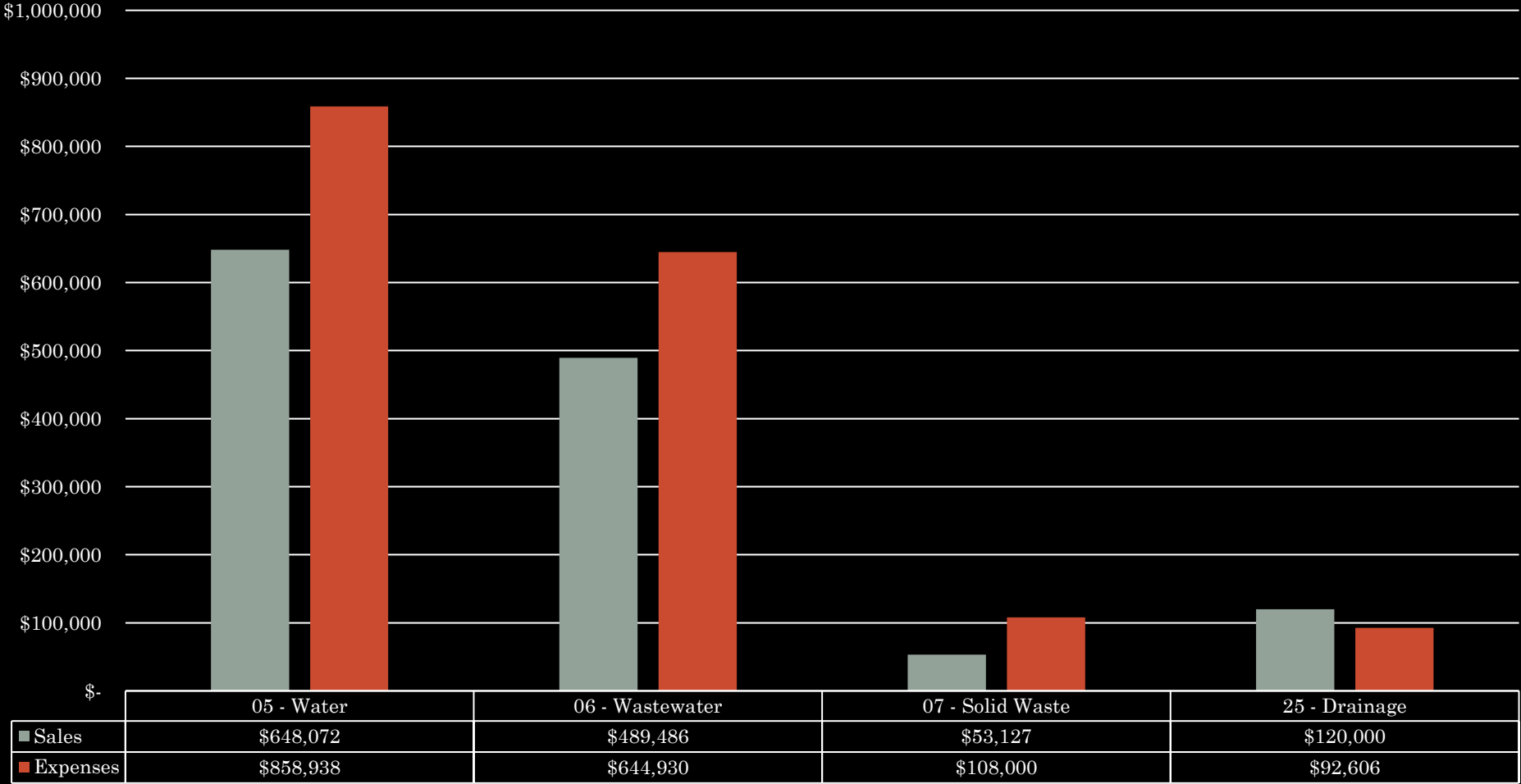
FY26 All Funds – Detail

Fund	Revenue	Expense	Surplus/ (Deficit)	Notes
01 - General Fund	\$6,921,870	\$5,478,984	\$1,442,886	Decrease in interest revenue, includes transfer in from HOT
02 - Utility Fund	\$1,310,685	\$1,704,474	(\$393,789)	Does not include transfers/subsidies, includes small increases in rates
14 - Street R&R	\$902,500	\$246,992	\$655,508	No transfers for projects
16 - Hotel	\$240,000	\$241,500	(\$1,500)	Includes transfer to GN for ARTFEST
18 - Venue (Green)	\$451,250	\$233,341	\$217,909	No transfers for projects
19 - Crime Control	\$457,250	\$540,988	(\$83,738)	EOY fund deficit
30 - Capital Improvement/ Replacement Fund	\$0	\$0	\$0	No capital expenses in draft budget
Total	\$10,283,555	\$8,446,279	\$1,837,276	

General Fund – Department Detail



Utility Fund – Department Detail



Other Funds



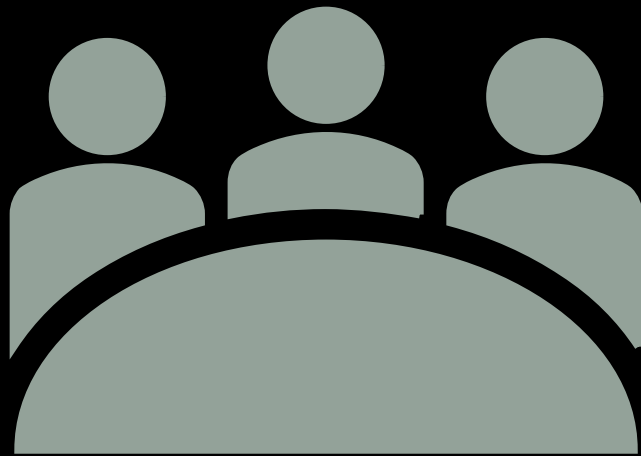
Other Items in the Budget

- Fire & EMS services with current contractual amount
- Updated software costs distributed amongst departments
- Placeholder for Attorneys and Engineers (RFQs)
- Placeholders for committee-related programs and expenses
- Placeholders for external grant requests, General & HOT
 - SFC
 - Daisy Dash
 - SV Elementary PTA
- Proposed increases in Utility Rates
 - Residential base and volumetric increases
 - Commercial industrial waste surcharge fees

Projected Ending Fund Balances FY26*

How much money does the City expect to be in the bank at the end of the fiscal year? Estimated End of Year Balances:	
01 - General Fund	\$11,780,885
02 - Utility Fund	\$5,027,804
03 - Street Fund	\$5,240,699
16 - Hotel Occupancy Tax Fund	\$662,342
18 - Venue (Green) Tax Fund	\$1,967,789
19 - Crime Control Tax Fund	\$(72,490)
30 - CIP/ Replacement Fund	\$648,063
Total	\$25,255,093

*Does NOT include Utility Fund transfers, CIP or Repair/Replacement transfers, landscaping costs, salary adjustment pool, or increases in employee benefits



Discussion