

Second Quarter FY 2025 Financial Report

Category	Current Year (in thousands)				Prior Yr. (in thousands)		
	FY25 Adp.	FY25 Amd.	Actual 12/31/24	% Amd.	Actual 6/30/24	Actual 12/31/23	% Act.
Revenue							
Property Taxes	49,060	49,060	35,226	72%	46,786	32,595	70%
From Other Gov't.	35,415	36,937	17,798	48%	34,764	16,212	47%
Fines/Forfeitures	2,010	2,010	1,367	68%	3,505	1,684	48%
Use of Money/Property	1,679	1,679	1,441	86%	3,414	1,668	49%
Charges for Services	7,988	8,055	5,254	65%	9,122	4,901	54%
Licenses/Permits	4,790	4,790	1,499	31%	4,021	1,215	30%
Other Revenue	8,140	8,140	3,195	39%	9,755	3,767	39%
Total Revenue (\$)	109,082	110,671	65,778	59%	111,367	62,042	56%
Expenditures							
Personnel	65,008	66,032	34,303	52%	60,483	31,052	51%
Operating	20,387	23,374	9,219	39%	17,099	7,489	44%
Capital Outlay	3,536	6,285	1,385	22%	4,829	991	21%
Other	5,228	5,228	1,882	36%	4,684	1,426	30%
CIP Transfer	9,300	9,660	4,830	50%	12,790	5,495	43%
Transfers Out	5,553	5,553	2,777	50%	5,680	2,840	50%
Total Expenditures (\$)	109,012	116,131	54,395	47%	105,563	49,292	47%

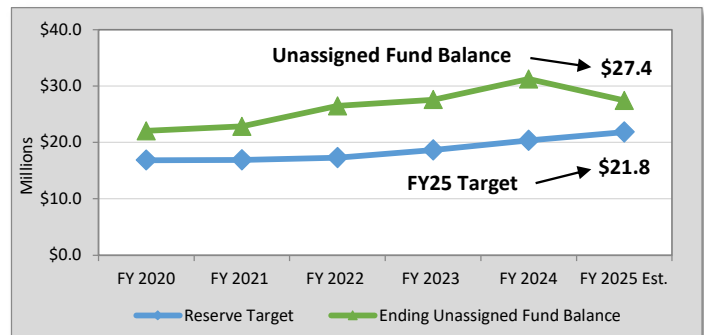
General Fund Summary

The FY25 amended budget in this report reflects adjustments included on the August and October budget amendments. February budget amendment adjustments will be shown on the 3Q report but are factored into the discussion of unassigned fund balance below.

Several items are recommended for budget adjustments on the February budget amendment, including redlight camera citation revenue (**Fines/Forfeitures**) and investment earnings (**Use of Money/Property**), as well as several expenditure adjustments, as noted on page 2.

General Fund Unassigned Fund Balance

The FY25 estimated ending unassigned fund balance equals \$27.4 million, which is \$5.6 million above the FY25 target. This amount factors in the funds recommended for appropriation on the February budget amendment, including an increased CIP transfer to support updated federal requirements within the city's Concrete Repair & Replacement (TC21) CIP project and to replace current Speed Camera Fund support in the CIP due to the decline in Speed Camera Fund revenue. The February amendment items are not included in the amended totals shown above, but will be shown in the 3Q report.



General Fund Contingency Status

Per the city's Financial Management Policies, contingency funds are available for unanticipated, unbudgeted expenditures of a non-recurring nature and/or unexpected cost increases.

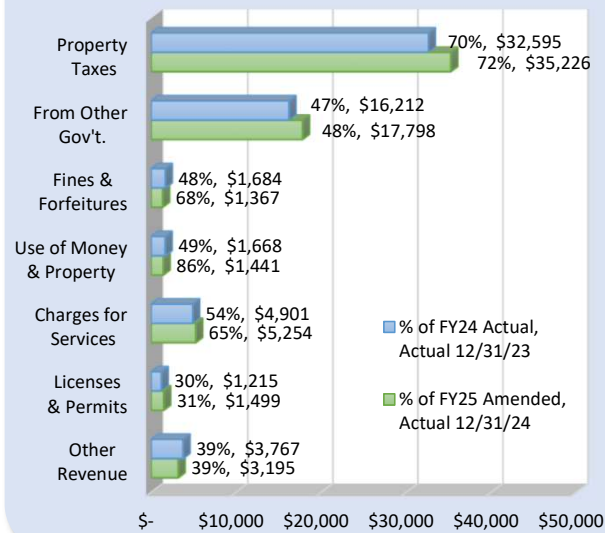
General Fund Contingency Usage through 2Q	Amount
Adopted FY25 General Fund Contingency	350,000
Replacement of postage meter	(25,700)
Supplemental funding for gun buyback	(2,000)
Lobbying contract increase	(8,000)
Furniture for City Manager's Office	(22,210)
Outside legal services	(179,217)
Time to Care Act MML Collaborative	(10,000)
Executive recruitment	(40,000)
FY25 Contingency Remaining (\$)	62,873

Unspent Personnel Funds

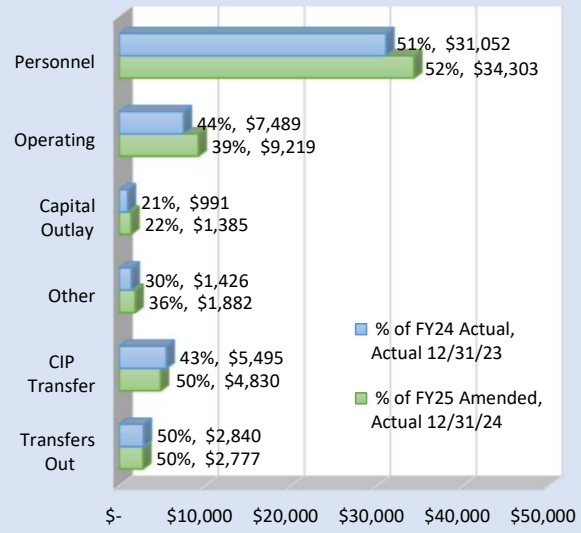
Unspent funds related to vacant General Fund positions are tracked and reported quarterly, along with any uses of these funds outside of routine personnel adjustments. Historically, in addition to vacancy-related costs, these funds have been used for weather-related needs such as snow removal.

Unspent Personnel Funds	2Q Only	YTD FY25
Gross unspent funds from vacancies	729,566	1,408,619
Vacancy-related (costs)/savings	(430,568)	(892,874)
Net Unspent Funds	298,998	515,745
<i>Uses of Net Unspent Funds</i>		
Sworn police pay increase	-	(231,035)
Holiday employee gift cards	(56,673)	(56,673)
Net Unspent Funds Remaining (\$)	242,325	228,037

General Fund Revenues (in thousands)



General Fund Expenditures (in thousands)



General Fund Revenues by Category

Property Taxes totaled \$35.2 million, or 72% of the amended budget. The majority of property tax revenue is received in 2Q.

Revenue **From Other Governments** totaled \$17.8 million, or 48% of the amended budget. Income tax revenue is included in this category and totaled \$7.6 million through 2Q, similar to FY24. The State Aid for Police Protection (SAPP) grant is also included in this category and will be increased on the February budget amendment based on revised projections.

Revenue from **Fines & Forfeitures** totaled \$1.4 million for 2Q, or 68% of the amended budget. The main revenue source in this category is redlight camera citations. While this revenue source is down from FY24 levels, it is still higher than budgeted and will be increased on the February budget amendment.

Use of Money & Property revenue totaled \$1.4 million, or 86% of the amended budget. While the total received to date is lower than in FY24, investment earnings are higher than budgeted and will be increased on the February budget amendment.

Charges for Services revenue totaled \$5.3 million, or 65% of the amended budget. Recreation revenues make up the majority of this category.

Licenses & Permits revenue totaled \$1.5 million, or 31% of the adopted budget. The majority of revenue in this category comes from rental licenses, which tend to be received later in the fiscal year, and building permits, the timing of which varies based on project timing.

Other Revenue totaled \$3.2 million, or 39% of the amended budget. The majority of the revenue in this category comes from administrative charges to other funds for overhead costs. These charges are recorded quarterly. Revenue in this category was higher in FY24 due to a one-time return of workers compensation collateral.

General Fund Expenditures by Category

Personnel spending totaled \$34.3 million, or 52% of the total amended personnel budget. Spending to date includes the city's pension contribution payments, which are made in full for the year in 1Q. Overtime spending increased by 18% compared to FY24, with the majority of the increase coming from the Police Department.

Operating expenditures totaled \$9.2 million, or 39% of the amended operating budget. This category includes services and commodities, including utilities. Spending varies throughout the year based on payment timing and need. Several adjustments are included in this category for the February budget amendment to account for redlight camera program costs as well as several one-time needs.

Capital Outlay expenditures totaled \$1.4 million, or 22% of the amended budget. This funding covers one-time equipment purchases including vehicle replacements, and varies from year to year based on needs and replacement schedules. Funding is included on the February budget amendment in this category to replace the Police mobile command vehicle with a towable trailer.

Other expenditures totaled \$1.9 million, or 36% of the amended budget. This category includes the city's outside agency grants and contribution to REDI, as well as lease agreements.

The **CIP Transfer** totaled \$4.8 million for 2Q. The transfer to the CIP is expended quarterly based on the amended budget. An increase in the CIP transfer utilizing available reserves is included on the February budget amendment.

The **Transfers Out** category totaled \$2.8 million for 2Q. This category includes transfers to the Parking, Debt Service, Refuse (for RHE refuse bills), and Special Activities funds. These transfers are expended quarterly based on the amended budget. A transfer to the Speed Camera fund is included on the February budget amendment to offset the decline in projected citation revenue in FY25 and FY26.

WATER FUND	Current Year (in thousands)				Prior Year (in thousands)		
	FY25	FY25	Actual	%	Actual	Actual	%
	Adp.	Amd.	12/31/24	Amd.	6/30/24	12/31/23	Act.
Total Revenue (\$)	14,453	14,453	5,862	41%	13,841	5,295	38%
<i>Expenses</i>							
Personnel	4,622	4,689	2,422	52%	4,487	2,334	52%
Operating ¹	3,729	3,890	1,413	36%	3,340	1,382	41%
Capital Outlay ¹	752	1,020	363	36%	416	92	22%
Admin/Other/Interest	6,724	6,724	1,303	19%	6,225	1,197	19%
Total Expenses (\$)	15,828	16,324	5,501	34%	14,468	5,006	35%

Water Fund revenue through 2Q is in line with estimates. The largest differences to date compared to FY24 are an increase in development-related connection charges as well as an increase in usage fees.

A large portion of Water Fund spending occurs in the multi-year CIP.

SEWER FUND	Current Year (in thousands)				Prior Year (in thousands)		
	FY25	FY25	Actual	%	Actual	Actual	%
	Adp.	Amd.	12/31/24	Amd.	6/30/24	12/31/23	Act.
Total Revenue (\$)	15,547	15,573	5,867	38%	15,830	5,624	36%
<i>Expenses</i>							
Personnel	2,327	2,363	1,158	49%	2,154	1,130	52%
Operating ¹	4,736	5,027	2,543	51%	4,654	2,302	49%
Capital Outlay ¹	414	725	213	29%	558	30	5%
Admin/Other/Interest	7,698	7,698	936	12%	7,614	943	12%
Total Expenses (\$)	15,175	15,813	4,850	31%	14,979	4,405	29%

Sewer Fund revenue through 2Q is in line with estimates. The largest difference to date compared to FY24 is an increase in development-related sewer connection charges.

A large portion of Sewer Fund spending occurs in the CIP and goes toward the city's capital contribution to the Blue Plains Wastewater Treatment Facility.

REFUSE FUND	Current Year (in thousands)				Prior Year (in thousands)		
	FY25	FY25	Actual	%	Actual	Actual	%
	Adp.	Amd.	12/31/24	Amd.	6/30/24	12/31/23	Act.
Total Revenue (\$)	7,626	7,626	4,477	59%	7,553	4,241	56%
<i>Expenses</i>							
Personnel	3,790	3,847	1,853	48%	3,375	1,776	53%
Operating ¹	2,424	2,424	911	38%	2,176	956	44%
Capital Outlay ¹	846	991	2	0%	1,118	0	0%
Admin/Other/Interest	1,843	1,843	688	37%	1,765	652	37%
Total Expenses (\$)	8,903	9,105	3,453	38%	8,434	3,384	40%

The majority of refuse revenue is received during 2Q, as it is collected through property tax bills.

Operating costs appear under budget compared to FY24 mainly due to less spending to date on equipment parts for the city's refuse fleet.

¹Capital outlay purchases and operating leases with useful lives of more than five years are capitalized and depreciated or amortized in accordance with Generally Accepted Accounting Principles (GAAP). The City's financial statements reflect this adjustment, whereas this report shows the actual expense. As a result, the prior year actuals shown on this report in enterprise funds will differ from the financial statements in the amount of the cost of any capitalized assets or leases.

SWM FUND	Current Year (in thousands)				Prior Year (in thousands)		
	FY25	FY25	Actual	%	Actual	Actual	%
	Adp.	Amd.	12/31/24	Amd.	6/30/24	12/31/23	Act.
Total Revenue (\$)	7,319	7,319	4,715	64%	6,912	4,822	70%
<i>Expenses</i>							
Personnel	3,127	3,173	1,604	51%	2,762	1,437	52%
Operating ¹	1,243	1,283	423	33%	1,233	403	33%
Capital Outlay ¹	128	128	2	2%	109	88	81%
Admin/Other/Interest	2,561	2,665	572	21%	2,437	608	25%
Total Expenses (\$)	7,058	7,249	2,601	36%	6,542	2,536	39%

The majority of the city's SWM fee revenue is received during 2Q, as it is collected through property tax bills. Total SWM Fund revenue is lower compared to FY24 due to a decrease in development-related fees, the timing of which fluctuates from year to year.

A large portion of SWM Fund spending occurs in the multi-year CIP.

PARKING FUND	Current Year (in thousands)				Prior Year (in thousands)		
	FY25	FY25	Actual	%	Actual	Actual	%
	Adp.	Amd.	12/31/24	Amd.	6/30/24	12/31/23	Act.
Total Revenue (\$)	2,792	2,792	954	34%	2,689	1,323	49%
<i>Expenses</i>							
Personnel	329	334	141	42%	302	158	52%
Operating ¹	144	144	52	36%	108	43	40%
Capital Outlay ¹	0	0	0	0%	0	0	0%
Admin/Other/Int.	1,624	1,624	321	20%	1,576	334	21%
Total Expenses (\$)	2,097	2,102	514	24%	1,987	535	27%

The General Fund transfer to the Parking Fund totaled \$590,000 for 2Q, compared to \$500,000 in FY24. Despite this increase, Parking Fund revenue in total is lower compared to 2Q due a 50% decrease in revenue from fines and violations, as well as timing of the County's payment in lieu of taxes.

Personnel spending is under budget due to 2 of 4 Parking Enforcement Officer positions being vacant in 2Q. These vacancies have also contributed to the drop in issued citations and resulting decrease in revenue. All positions have been filled as of early January.

Capital Improvements Program (CIP) Transfers, All Funds

The City's Financial Management Policies allow the City Manager to approve transfers of unspent project appropriations between capital projects within the same fund. These transfers will always net to zero, as any change in total appropriation by fund must be approved by the Mayor and Council through an appropriations ordinance. Any transfers between projects during the reporting period are shown below.

2Q CIP Transfers	Amount (\$)	Fund	Reason for Transfer
King Farm Farmstead Electric Infrastructure (RB23)	245,920	Capital Projects Fund	Additional funds needed to award construction and provide sufficient contingency
King Farm Farmstead Fire Suppression (RB21)	(245,920)		Project is substantially complete and has savings available
F. Scott Fitzgerald Theatre ADA Improvements (RA20)	642,370	Capital Projects Fund	Additional funds needed to award construction and provide sufficient contingency
Lincoln Park Community Center Improvements (RA22)	(642,370)		Savings due to construction bids coming in substantially lower than engineer's estimate

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