

First Quarter FY 2026 Financial Report

GENERAL FUND	Category	Current Year (in thousands)				Prior Yr. (in thousands)		
		FY26	FY26	Actual	%	Actual	Actual	%
		Adp.	Amd.	9/30/25	Amd.	6/30/25	9/30/24	Act.
	Revenue							
	Property Taxes	51,610	51,610	4,651	9%	48,671	4,324	9%
	From Other Gov't.	37,755	38,001	9,995	26%	39,461	9,797	25%
	Fines/Forfeitures	2,234	2,234	745	33%	3,528	678	19%
	Use of Money/Property	2,131	2,131	482	23%	3,744	1,037	28%
	Charges for Services	8,967	8,967	4,239	47%	9,421	3,759	40%
	Licenses/Permits	5,069	5,069	441	9%	4,011	834	21%
Other Revenue	9,322	9,322	1,610	17%	15,095	1,479	10%	
Total Revenue (\$)		117,088	117,333	22,163	19%	123,931	21,907	18%
Expenditures								
Personnel	70,298	70,298	15,750	22%	65,572	17,313	26%	
Operating	18,405	18,810	3,270	17%	21,442	4,097	19%	
Capital Outlay	4,546	4,951	1,021	21%	12,021	878	7%	
Other	7,827	8,213	2,270	28%	5,533	1,252	23%	
CIP Transfer	9,800	10,600	2,450	23%	12,974	2,325	18%	
Transfers Out	5,063	5,913	1,266	21%	6,461	1,388	21%	
Total Expenditures (\$)		115,940	118,786	26,026	22%	124,002	27,253	22%

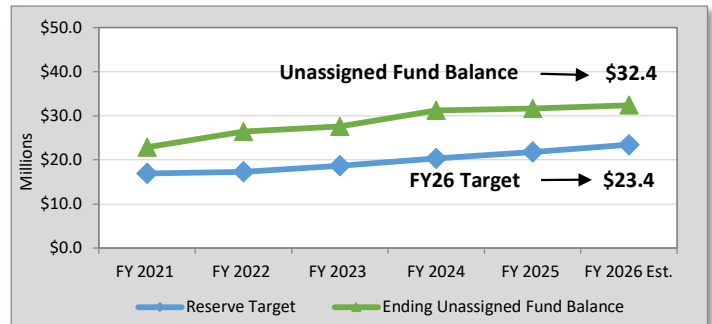
General Fund Summary

The FY26 amended budget in this report reflects adjustments included on the August budget amendment, including the appropriation of reserves committed on the FY26 budget ordinance. November budget amendment adjustments, including the re-appropriation of purchase orders that carried over from FY25, will be shown on the 2Q report.

Personnel spending appears low across all funds compared to FY25 mainly due to a difference in the timing of the city's contribution to the pension plan. This contribution will be reflected in the 2Q report.

General Fund Unassigned Fund Balance

The FY26 estimated ending unassigned fund balance equals \$32.4 million, which is \$9 million above the FY26 target. Staff may recommend use of unassigned reserves in excess of the reserve target for one-time projects and capital needs on a future budget amendment or as part of the FY27 budget process. In accordance with the city's Financial Management Policies, the Mayor and Council may appropriate unassigned reserves in excess of the reserve target for one-time projects and capital needs.



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 1Q	Amount
Adopted FY26 General Fund Contingency	350,000
Badging system at Fleet Services Building	(31,800)
Additional funds for Housing Needs Assessment	(15,000)
FY26 Contingency Remaining (\$)*	303,200

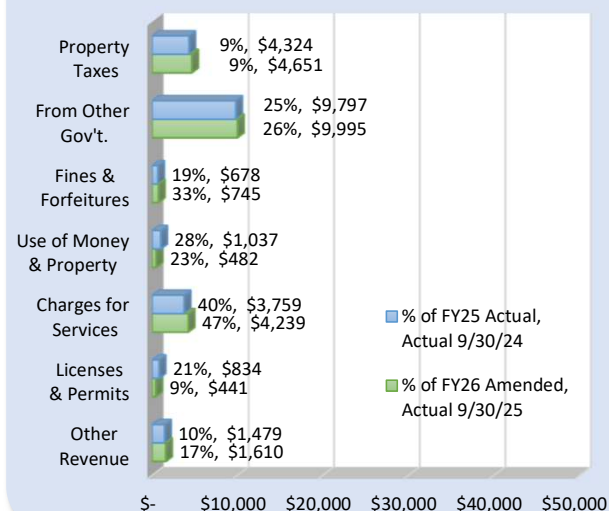
In addition to the uses above, \$80,000 has been utilized as of 12/15/25 for an economic development strategic plan.

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	1Q Only	YTD FY26
Gross unspent funds from vacancies	441,738	441,738
Vacancy-related (costs)/savings	(367,175)	(367,175)
Net Unspent Funds	74,563	74,563
<i>Uses of Net Unspent Funds</i>		
No 1Q uses.	-	-
Net Unspent Funds Remaining (\$)	74,563	74,563

General Fund Revenues (in thousands)



General Fund Revenues by Category

Property Taxes totaled \$4.7 million, or 9% of budget, similar to FY25. The majority of property tax revenue is received in 2Q.

Revenue **From Other Governments** totaled \$10 million, an increase over FY25 mainly due to the increase in tax duplication revenue. Income tax revenue is included in this category and totaled \$0.7 million for 1Q, a slight increase from FY25's 1Q total of \$0.6 million.

Revenue from **Fines & Forfeitures** totaled \$0.7 million, slightly higher than 1Q FY25. The main revenue source in this category is redlight camera citations.

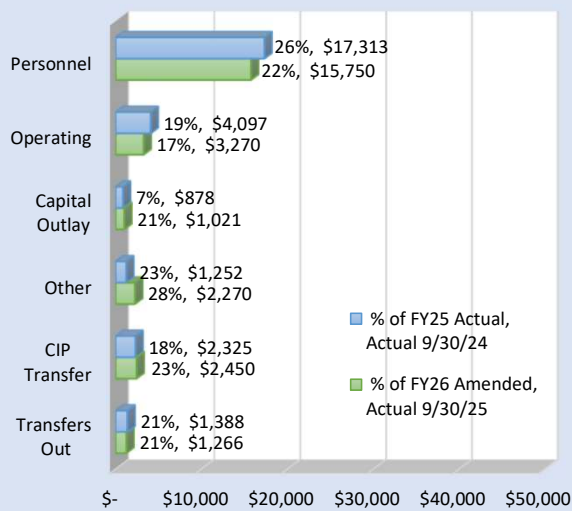
Use of Money & Property revenue totaled \$0.5 million, lower than 1Q FY25 due to a decrease in investment earnings.

Charges for Services revenue totaled \$4.2 million, ahead of 1Q FY25 due to recreation revenues and fees tied to development outpacing last year's totals.

Licenses & Permits revenue totaled \$0.4 million. 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 \$1.6 million. The majority of revenue in this category comes from administrative transfers from other funds.

General Fund Expenditures (in thousands)



General Fund Expenditures by Category

Personnel spending totaled \$15.8 million, or 22% of the total personnel budget. Personnel spending appears low compared to FY25 mainly due to a difference in the timing of the city's pension plan contribution.

Operating expenditures totaled \$3.3 million, or 17% of budget. Software subscriptions, which were included in this category in FY25, were moved to the Other category for FY26, resulting in a decrease in this category and an increase in the Other category for 1Q. The operating category includes services and commodities, including utilities. Spending varies throughout the year based on payment timing and need.

Capital Outlay expenditures totaled \$1 million, or 21% of budget. This funding covers one-time equipment purchases including vehicle replacements, and varies from year to year based on needs and replacement schedules.

Other expenditures totaled \$2.3 million, or 28% of budget. This category includes the city's outside agency grants and contribution to REDI, lease agreements, and, in FY26, software subscriptions. Software subscriptions moved to this category from the Operating category for FY26, resulting in an increase in Other and decrease in Operating.

The **CIP Transfer** totaled \$2.5 million for 1Q. The transfer to the CIP is expended quarterly based on the amended budget.

The **Transfers Out** category totaled \$1.3 million for 1Q. 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.

WATER FUND	Current Year (in thousands)				Prior Year (in thousands)			
	FY26	FY26	Actual	%	Actual	Actual	%	
	Adp.	Amd.	9/30/25	Amd.	6/30/25	9/30/24	Act.	
Total Revenue (\$)	15,711	15,711	1,931	12%	14,906	2,154	14%	The majority of Water Fund revenue comes from user charges collected throughout the year. User charges and connection revenue both decreased compared to 1Q FY25.
<i>Expenses</i>								
Personnel	4,874	4,982	1,070	21%	4,601	1,190	26%	Personnel spending appears low compared to FY25 mainly due to a difference in the timing of the city's pension plan contribution.
Operating ¹	3,635	3,635	658	18%	3,390	657	19%	
Capital Outlay ¹	854	854	150	18%	479	326	68%	
Admin/Other/Interest	6,952	6,952	484	7%	6,904	367	5%	
Total Expenses (\$)	16,315	16,423	2,362	14%	15,375	2,540	17%	Capital outlay spending is lower than in

1Q FY25 due to the timing of the delivery of goods and services, which varies in this category from year to year.

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

SEWER FUND	Current Year (in thousands)				Prior Year (in thousands)			
	FY26	FY26	Actual	%	Actual	Actual	%	
	Adp.	Amd.	9/30/25	Amd.	6/30/25	9/30/24	Act.	
Total Revenue (\$)	15,982	15,982	1,711	11%	16,269	1,840	11%	The majority of Sewer Fund revenue comes from user charges collected throughout the year. User charges totaled roughly the same as 1Q FY25, but revenue from sewer connections, which are tied to permitting activity, were lower.
<i>Expenses</i>								
Personnel	2,352	2,352	464	20%	2,080	562	27%	Personnel spending appears low compared to FY25 mainly due to a difference in the timing of the city's pension plan contribution.
Operating ¹	5,258	5,258	134	3%	5,525	251	5%	
Capital Outlay ¹	56	56	13	23%	614	0	0%	
Admin/Other/Interest	7,871	7,871	206	3%	7,935	201	3%	
Total Expenses (\$)	15,536	15,536	817	5%	16,154	1,014	6%	

Operating category costs appear lower compared to 1Q FY25 due to payment timing.

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)			
	FY26	FY26	Actual	%	Actual	Actual	%	
	Adp.	Amd.	9/30/25	Amd.	6/30/25	9/30/24	Act.	
Total Revenue (\$)	8,131	8,131	616	8%	7,903	633	8%	The majority of refuse revenue is received during 2Q, as it is collected through property tax bills.
<i>Expenses</i>								
Personnel	3,990	3,990	760	19%	3,309	850	26%	Personnel spending appears low compared to FY25 mainly due to a difference in the timing of the city's pension plan contribution.
Operating ¹	2,275	2,275	291	13%	2,081	319	15%	
Capital Outlay ¹	460	460	0	0%	2	0	0%	
Admin/Other/Interest	2,034	2,034	374	18%	1,945	342	18%	
Total Expenses (\$)	8,759	8,759	1,424	16%	7,337	1,511	21%	

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)		
	FY26	FY26	Actual	%	Actual	Actual	%
	Adp.	Amd.	9/30/25	Amd.	6/30/25	9/30/24	Act.
Total Revenue (\$)	7,296	7,296	944	13%	7,119	803	11%
<i>Expenses</i>							
Personnel	3,383	3,383	676	20%	2,984	811	27%
Operating ¹	1,269	1,269	117	9%	1,068	176	16%
Capital Outlay ¹	309	309	8	3%	16	0	0%
Admin/Other/Interest	2,664	2,664	256	10%	2,567	247	10%
Total Expenses (\$)	7,626	7,626	1,058	14%	6,635	1,234	19%

The majority of the city's SWM fee revenue is received during 2Q, as it is collected through property tax bills. Revenue from permitting activity increased compared to 1Q FY25 based on the timing and size of development projects.

Personnel spending appears low compared to FY25 mainly due to a difference in the timing of the city's pension plan contribution.

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

PARKING FUND	Current Year (in thousands)				Prior Year (in thousands)		
	FY26	FY26	Actual	%	Actual	Actual	%
	Adp.	Amd.	9/30/25	Amd.	6/30/25	9/30/24	Act.
Total Revenue (\$)	2,927	2,927	582	20%	2,928	432	15%
<i>Expenses</i>							
Personnel	350	350	81	23%	303	84	28%
Operating ¹	98	98	29	29%	124	29	24%
Capital Outlay ¹	0	0	0	0%	0	0	0%
Admin/Other/Int.	1,646	1,646	38	2%	1,671	29	2%
Total Expenses (\$)	2,094	2,094	148	7%	2,098	143	7%

The General Fund transfer to the Parking Fund totaled \$318,750 for 1Q, compared to \$295,000 in FY25.

Revenue from parking meter violations and other fines increased by \$124,497 compared to 1Q FY25 due to low Parking Enforcement staffing levels in early FY25.

Personnel spending appears low compared to FY25 mainly due to a difference in the timing of the city's pension plan contribution.

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.

1Q CIP Transfers	Amount (\$)	Fund	Reason for Transfer
Maintenance and Emergency Operations Facility Improvements (GD19)	(98,540)	Capital Projects Fund	Project near completion with leftover contingency funds
Core Financial, HR, & Procurement ERP (GA21)	98,540		Additional funding needed to support asset management award

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.