

City of Flagstaff FY 2025-26 Budget

June 3, 2025





Timeline



- June 3rd – Tentative Budget Adoption
 - Sets maximum appropriation
 - Sets in motion legal requirements for final adoption
- June 17th
 - Public hearing for budget and tax levy
 - Final budget adoption
 - First reading of property tax ordinance
- July 1st – second reading and adoption of property tax ordinance



Legal Schedule A

**Total
FY 2025-26
Budget:
\$522,729,426**

**\$56.7M (10%) decrease
over FY 2024-25**

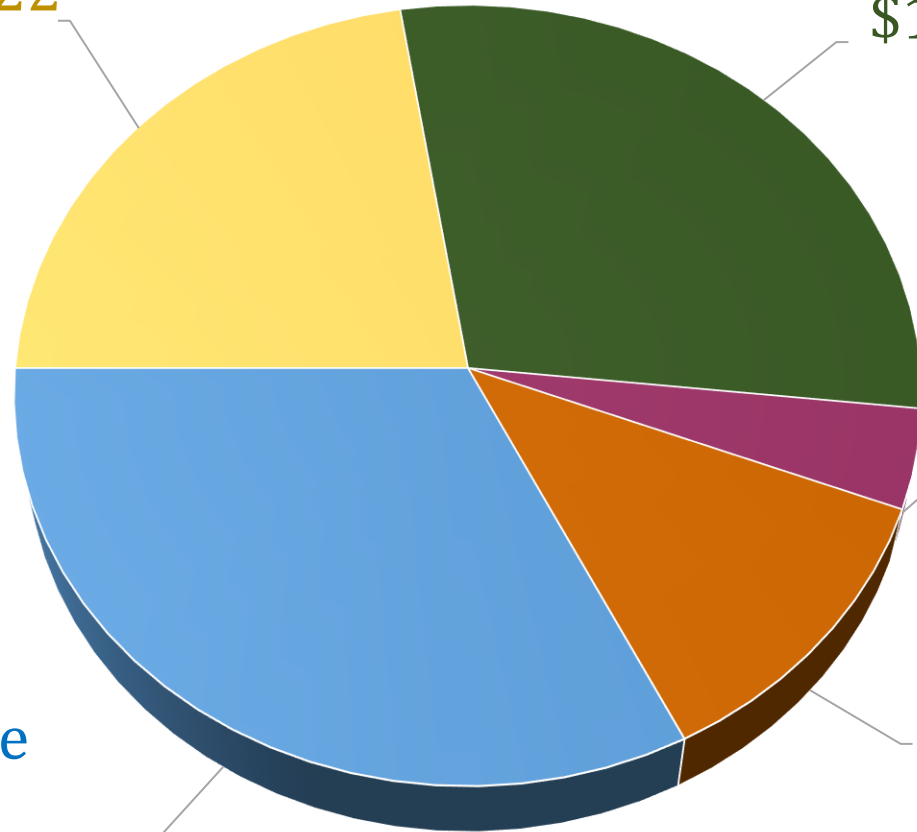
**General Fund
\$117,287,822
23%**

**Special
Revenue Funds
\$152,712,850
29%**

**Debt Service
Funds
\$21,540,609
4%**

**Capital Project
Funds
\$61,847,455
12%**

**Enterprise
Funds
\$169,340,690
32%**





Highlights



- Compensation and benefits
- Priority Based Budgeting – Key Community Priorities and Objectives
- Basic services and operational needs
- Infrastructure needs
- Climate Neutrality Plan
- Housing 10 Year Plan
- Property tax – flat levy plus new construction



Total Employee Investment

- ✓ Ongoing pay for performance and step increases
- ✓ Market adjustments to specific classifications in the Regular and Step Pay plans
- ✓ Maintain cost share for all medical plans
- Total recommended compensation and benefits commitment: \$4.3 Million (includes employee related expenses)



Changes Since April Retreat

- Capital Improvement Program (CIP) Carryovers - \$46.4M
 - Facility projects, Transportation projects, and Water Services projects
- Operating Capital Carryovers - \$11.6M
 - Fleet purchases, facilities maintenance projects
- Operational Carryovers - \$18.2M
 - Various studies, software and contracts
- Operating Grant Carryovers - \$6.4M
 - Community Development Block Grants (CDBG), American Rescue Plan Act (ARPA), Wildfire Grants and Sustainability Grants



Additional Information

- The Tentative Budget Book will be available 6/4/2025 at the following locations:
 - City Website
 - City Clerk's Office
 - Available Upon Request
 - Heidi Derryberry (hderryberry@flagstaffaz.gov)
- Published in Arizona Daily Sun 6/5 and 6/12
- Questions Regarding Budget
 - Heidi Derryberry, Budget Director, hderryberry@flagstaffaz.gov, (928)-213-2215

Questions

