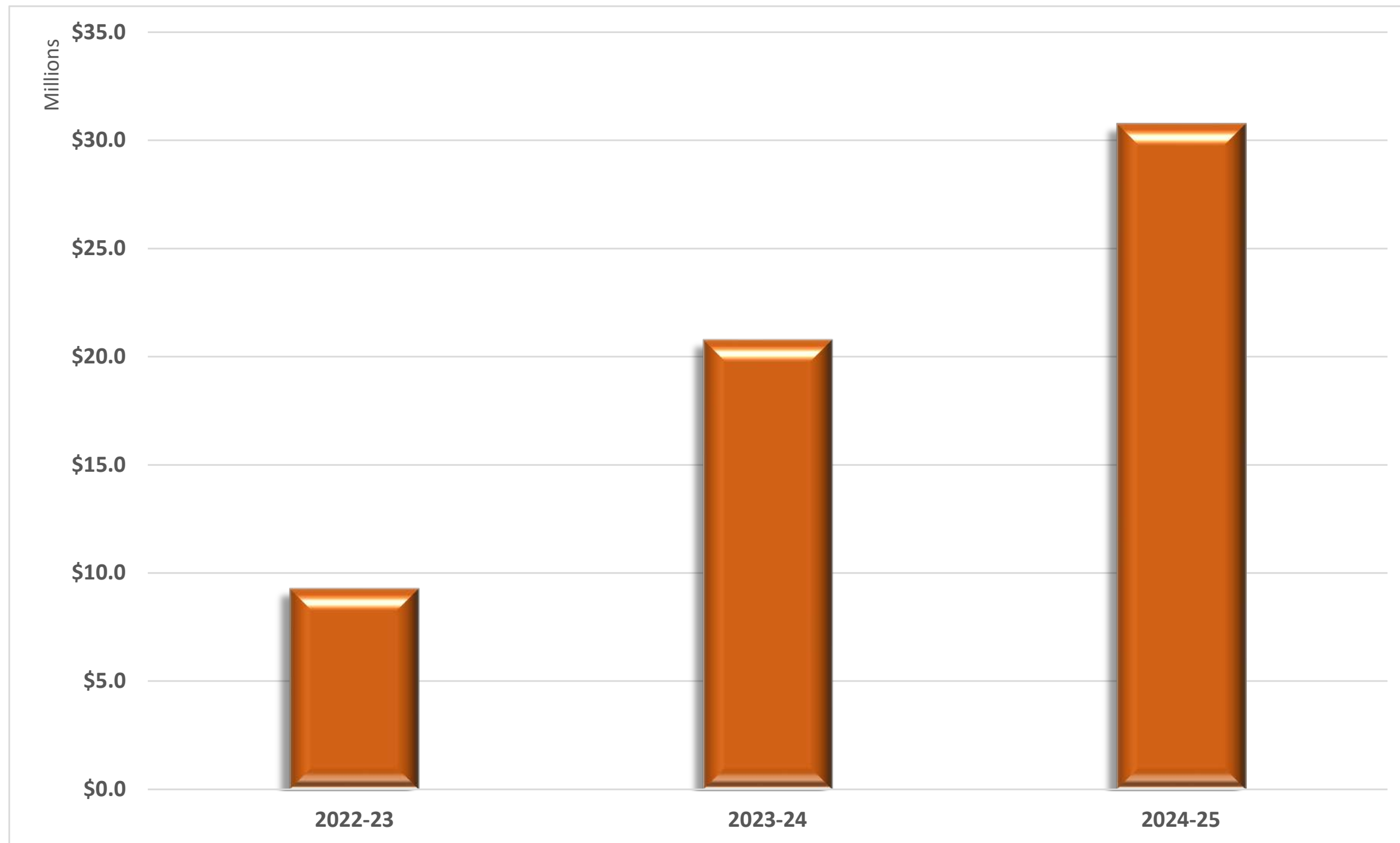


# 2025-26 Budget Outlook & Five-Year Forecast

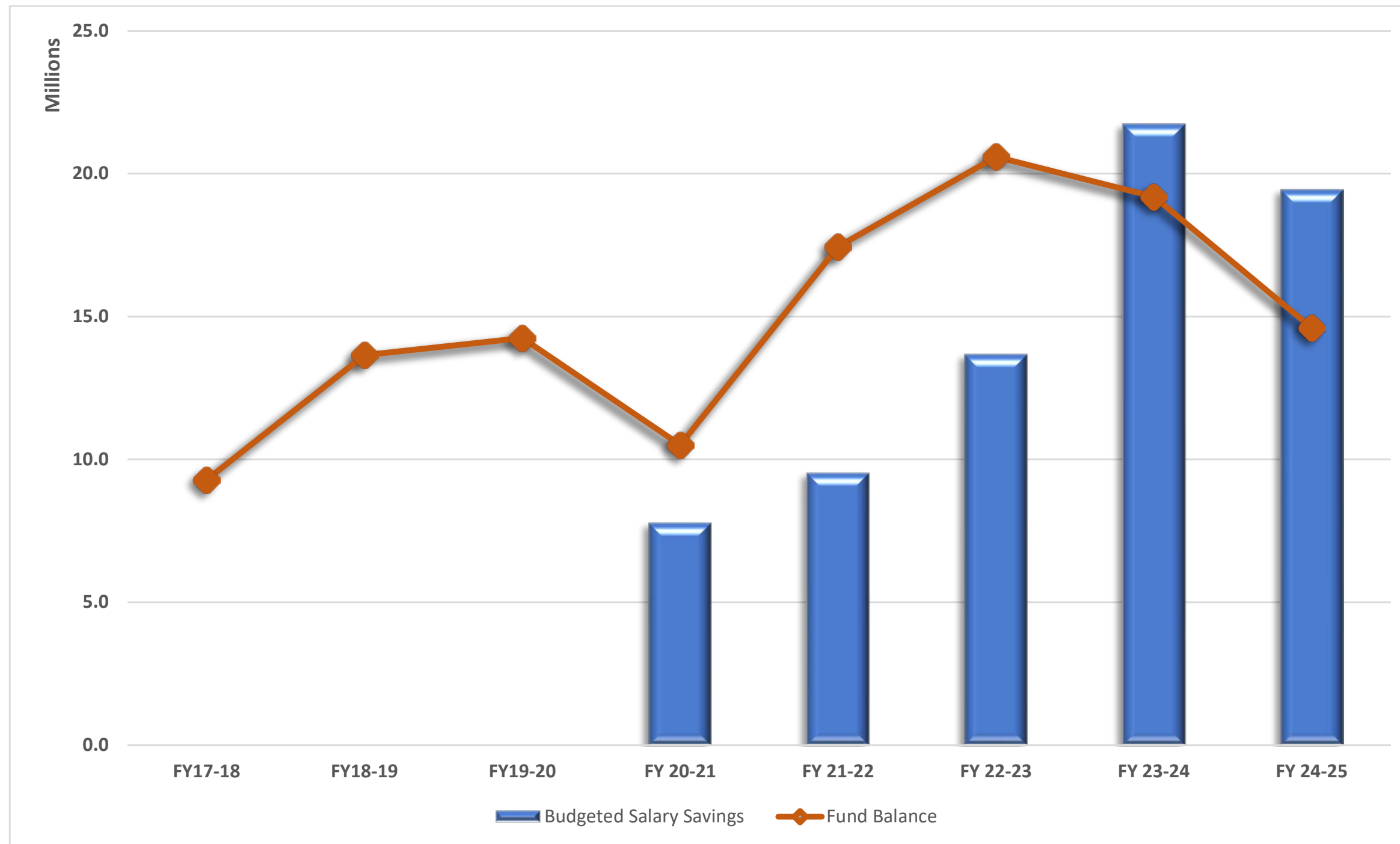
Tom Haynes, Chief Financial Officer  
Laura Liddicoet, Chief Budget Official

# Initial Starting Base Budget Gap



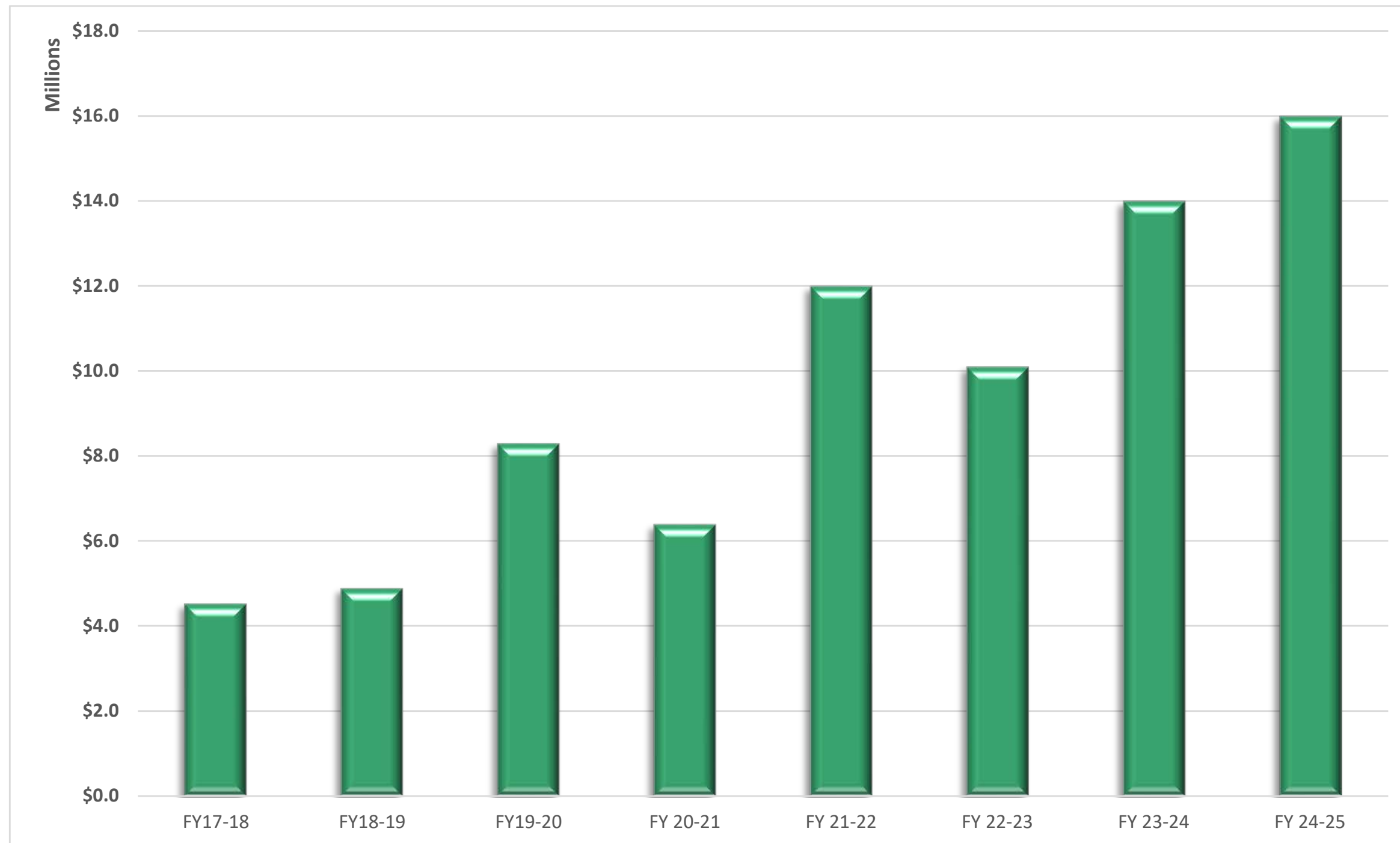
The budget gap has steadily increased each year

# Fund Balance & Budgeted Salary Savings



Increased reliance on salary savings has started to impact fund balance

# Fund Balance in Recommended Budget



More fund balance is being used to cover ongoing costs

# General Fund Five-Year Forecast

	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
	Projected	Projected	Projected	Projected	Projected	Projected
<b>Beginning Fund Balance</b>	17,956	9,000	0	0	0	0
<b>Total Revenue</b>	153,374	154,085	158,691	163,473	168,516	173,612
<b>Total Expenditures</b>	166,214	170,793	178,586	187,375	195,853	204,674
<b>Ending Fund Balance</b>	5,116	(7,708)	(19,895)	(23,902)	(27,337)	(31,062)
<b>Potential Additional Expenditures</b>	1,483	7,342	7,235	7,119	5,315	5,364
Contingencies		4,100	4,100	4,100	4,100	4,100
Contribution to Reserves	1,483	1,746	1,433	1,167	1,215	1,264
Increase GF Reserve %		1,496	1,702	1,852	0	0
<b>Adjusted Ending Fund Balance</b>	3,633	(15,050)	(27,129)	(31,021)	(32,652)	(36,426)

# Addressing Structural Budget Deficit

1. Commitment to achieving structurally balanced budget
2. Will require a multi-year process
3. Implement an immediate hiring review
4. Continue to identify one-time funding and solutions to avoid severe program and service impacts
5. Evaluate use of restricted department funding
6. Departmental reduction process
7. Evaluate options for long-term cost savings
8. Evaluate options for ongoing revenue enhancement

# Next Steps

- |            |   |
|------------|---|
| Jan. 28    | 2025-26 Budget Principles & Budget Calendar |
| Mar. 10-11 | Budget Workshop                             |
| Apr. 28    | Budget Development Update                   |
| Jun. 10    | 2025-26 Recommended Budget Hearing          |