



2025-26 PRELIMINARY BUDGET OUTLOOK AND BUDGET PRINCIPLES

January 28, 2025

Laura Liddicoet, Chief Budget Official

PRELIMINARY BUDGET OUTLOOK



Major revenues reflect modest but slowing growth



Cost drivers, particularly labor, are growing at a higher rate



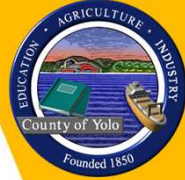
Take advantage of State Budget funding opportunities while preparing to address any funding impacts from the Federal government





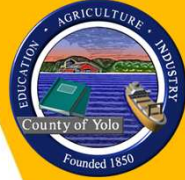
PROPERTY TAX GROWTH

2021-22 Actual	2022-23 Actual	2023-24 Actual	2024-25 Actual	2025-26 Projected
4.45%	7.06%	6.80%	5.00%	4.00%



LABOR COST INCREASES

Salary Increases	<ul style="list-style-type: none">• COLAs: 3%• Equities: 1-6%
Pension Contributions	<ul style="list-style-type: none">• Misc: 33.22%• Safety: 50.91%• Supplemental: 2.25%
OPEB	<ul style="list-style-type: none">• 6.9%• Based on 6/30/22 valuation



BUDGET PRINCIPLES

Continue to follow best practices

Work towards a structurally balanced budget

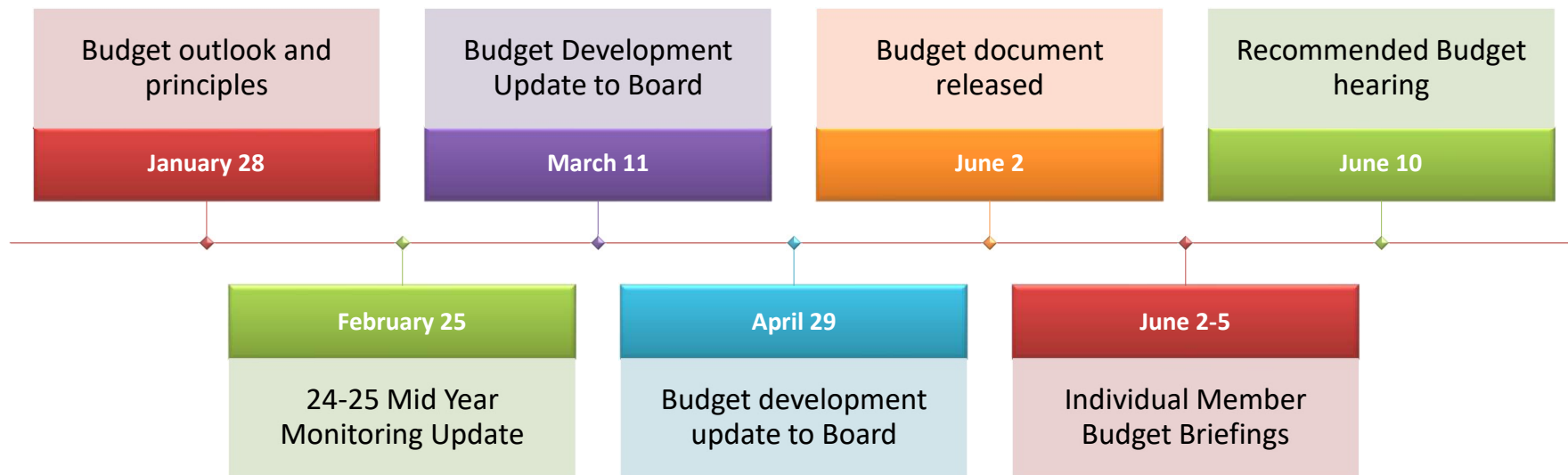
Implement short-term solutions to mitigate program reductions

Funding shall reflect Board's strategic priorities

Prepare to address Federal funding impacts



BOARD BUDGET TOUCH POINTS



QUESTIONS?

