



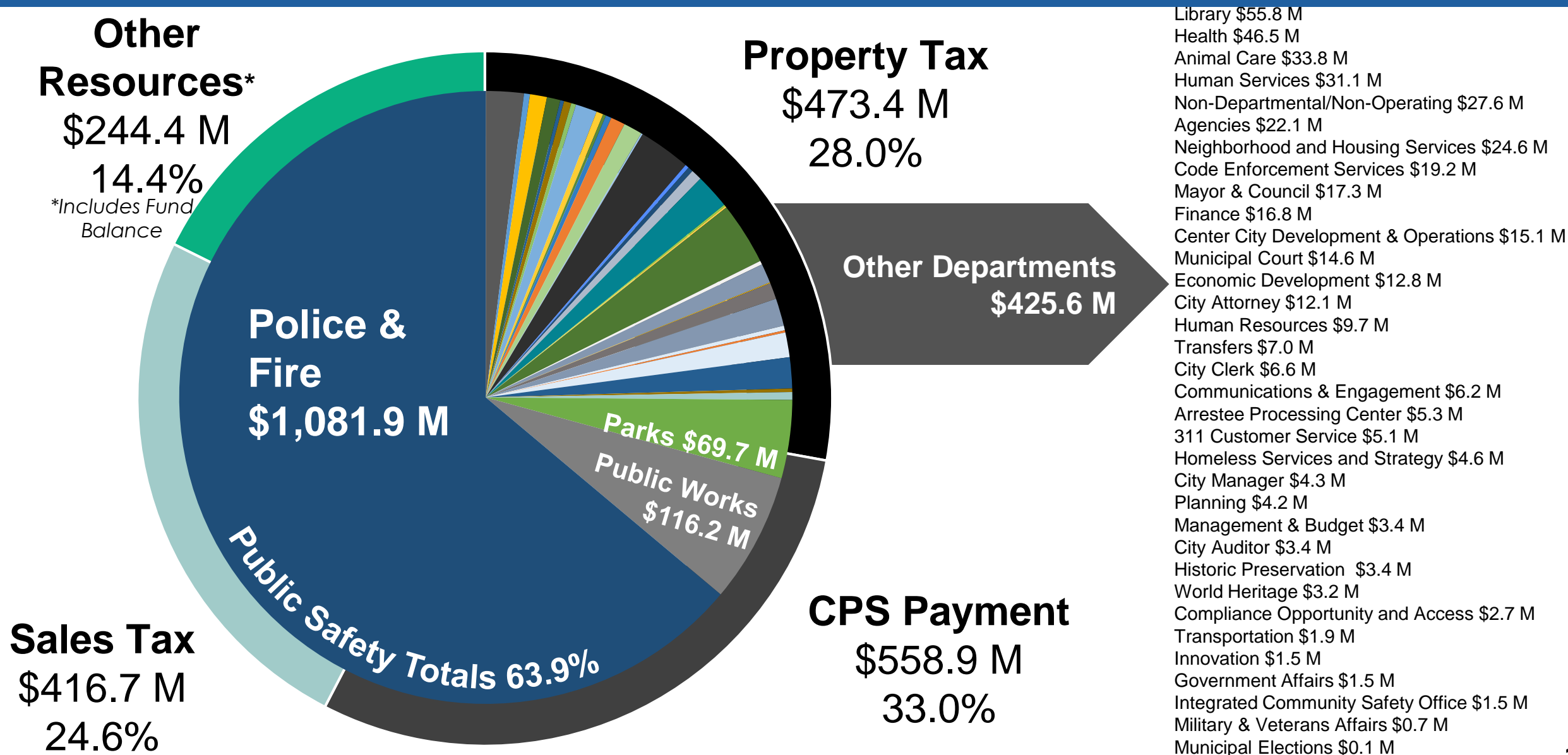
**FY 2027 Goal  
Setting**

**General Fund Five  
Year Forecast Recap**

Presented by: Alfredo Martinez, Interim Budget Director

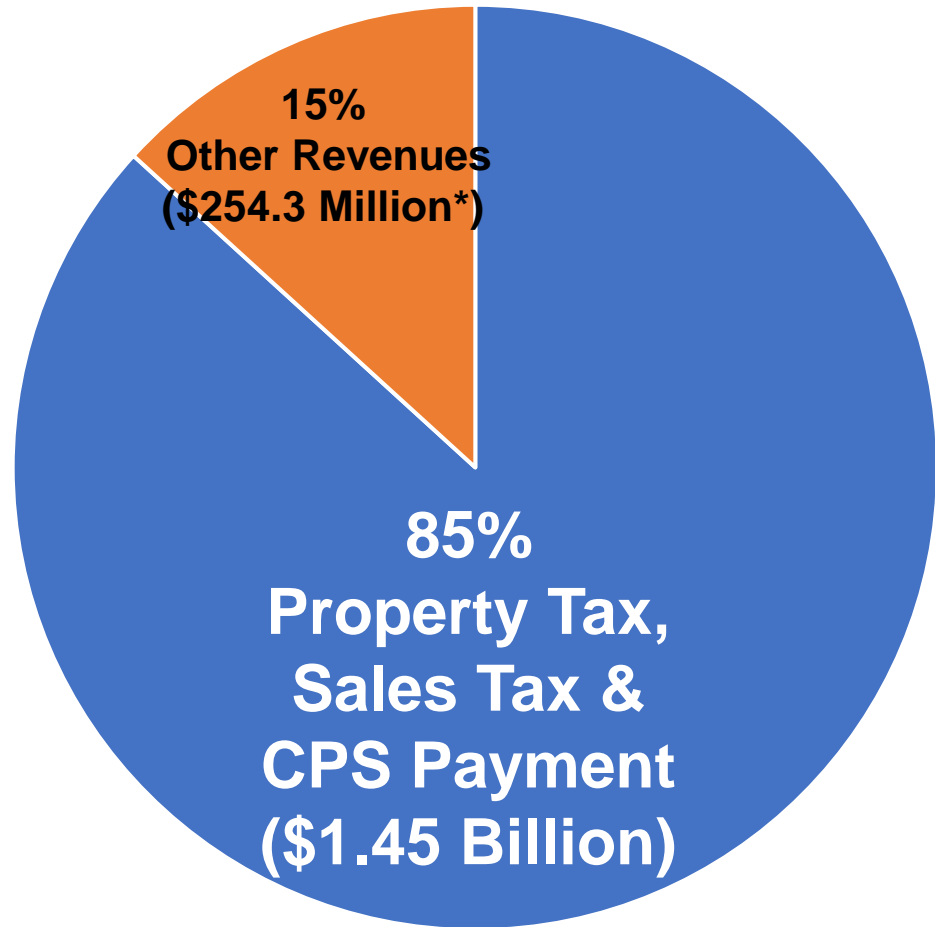
May 22, 2026

# FY26 General Fund Revised Budget: \$1.69 Billion



# FY26 General Fund Revised Revenues

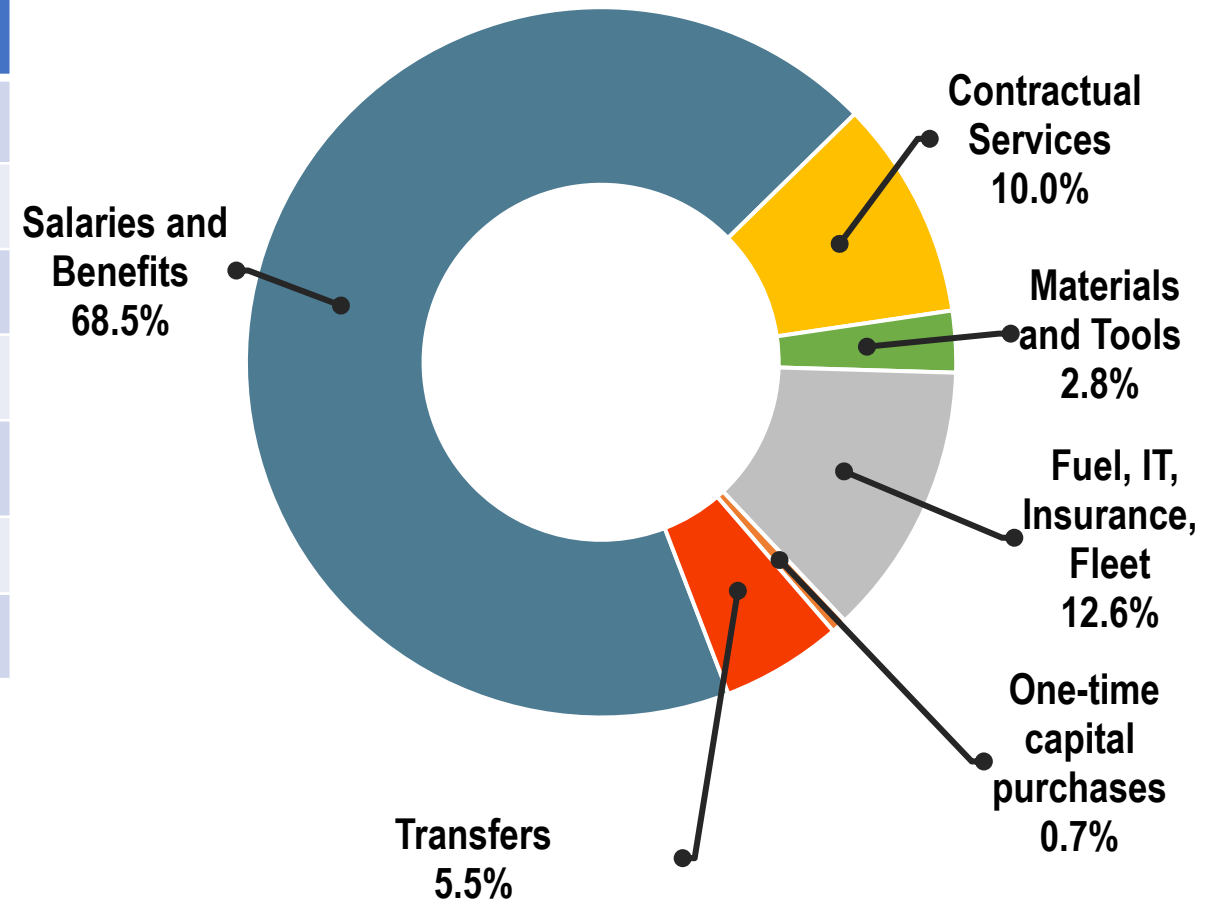
## Budget: \$1.7 Billion



Other General Fund Revenues FY26 Revised Budget	Amount (\$ in Millions)
EMS Transport Fees/Hazmat Fire Prevention	\$45.2
Payment from SAWS	37.4
General Fund Overhead Charged to Restricted Funds & Grants	31.2
Interest Income	18.3
Parks, Libraries, Health Charges, Birth Certificates, Passports & Other	13.1
Liquor by the Drink Tax	12.9
Municipal Court Fines	12.9
Telecom and Cable Tax	12.8
Transfer from HOT – History and Preservation	12.2
Alarm Fees/Towing/Impound	11.6
River Barge/Tower of Americas	11.6
Licenses and Permits	9.8
Other (Leases of City Facilities, Recovery of Expenses)	8.5
Transfer from Other Funds	5.7
Property Tax – Delinquent/Penalty/Interest	5.5
Other Agencies	5.5
Sale of Property	<u>0.2</u>
<b>Total</b>	<b>\$254.3</b>

# FY26 General Fund Revised Expenditures Overview \$1.69 Billion

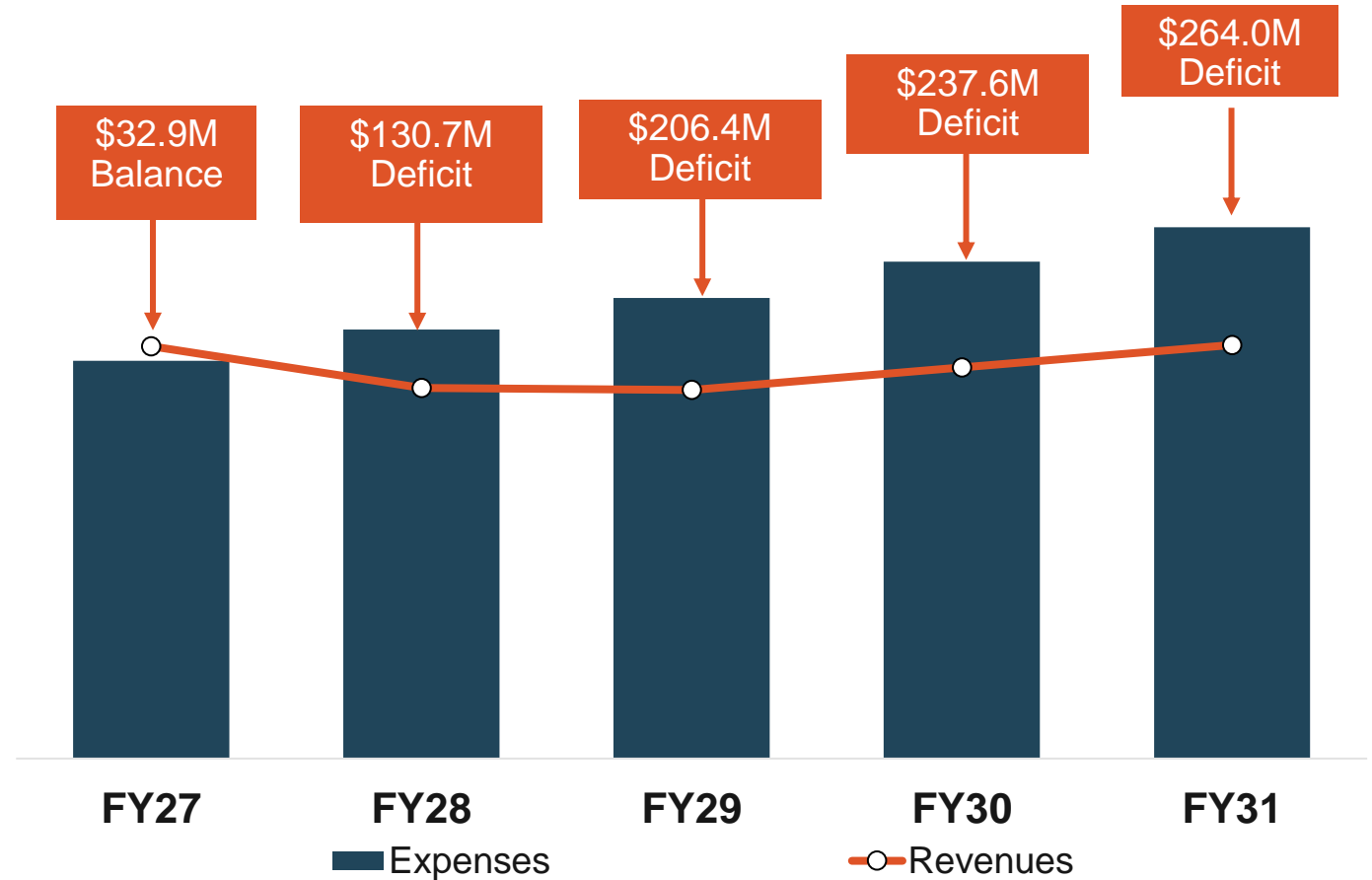
Expense Category	Amount (\$ in Millions)	%
Salaries and Benefits	\$1,159.9	68.5%
Contractual Services	169.9	10.0%
Materials and Tools	47.9	2.8%
Fuel, IT, Insurance	211.2	12.5%
One-Time Capital Purchases	12.1	0.7%
Transfers	92.4	5.5%
Total	\$1,693.4	100.0%



# FY26 to FY31 Forecast Forecast

## General Fund Five-Year Forecast

- Revenues projected to decline by 0.6% in 2027 and grow on average 2.1% for outer years
- Expenses are projected to grow 6.3% in 2027 and 3.8% in outer years
- FY 2027 budget should narrow gap in growth between revenue and expense



# FY27 to FY31 Forecast Scenarios to Balance Two Year Plan

\$ in Millions			Recommended	
	Maintains Property Tax Rate		Use of Unused Increment & State Allowed Growth	
	FY27	FY28	FY27	FY28
Projected Balance/(Deficit)	\$32.9	(\$130.7)	\$32.9	(\$130.7)
Use of Net Two Year Reserve		65.3		53.6
Department Reductions	65.3	65.4	7.8	7.8
Increase to Property Tax Revenue Unused Increment			29.1	30.1
Increase to Property Tax Revenue State Allowed Growth			24.7	41.9
Increase in Reserves			(8.0)	(2.7)
<b>Additional Ending Balance</b>	<b>\$65.3</b>	<b>\$0</b>	<b>\$53.6</b>	<b>\$0</b>

# FY27 to FY31 Forecast

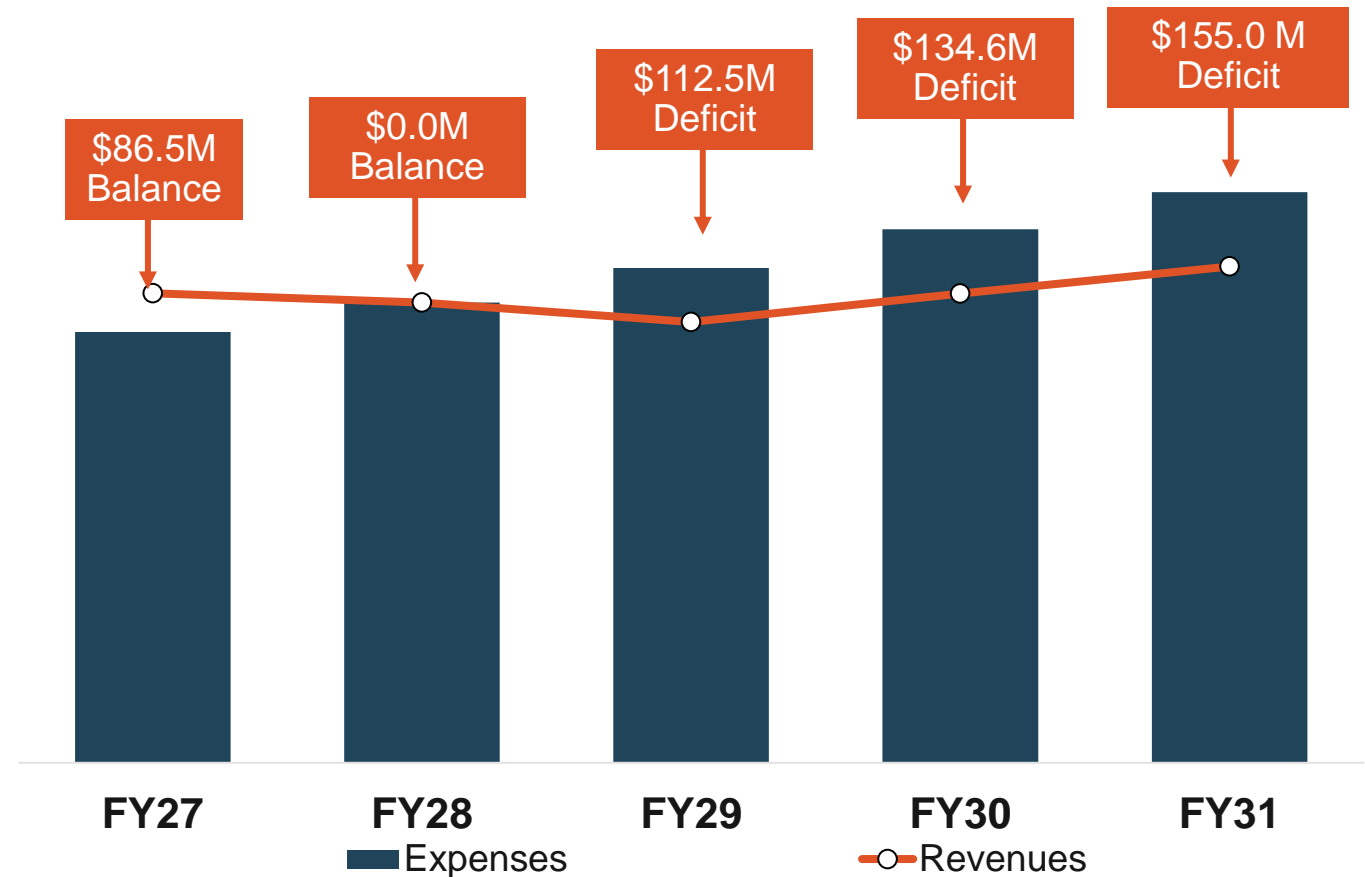
## Use of Additional Property Tax Revenue

- \$53.8 Million increase from property taxes will be used to fund Collective Bargaining expenses, Healthcare expenses, and other support services

\$ in Millions	Use of Unused Increment & State Allowed Growth
	FY27
Police and Fire CBA and Benefits	(\$55.0)
Police & Fire Support Services, Technology, Equipment, & Fuel	(17.4)
Mandates and Contractual Increases (COPS Grant Match, D3 Substation, Body Cameras)	(4.8)
<b>Total</b>	<b>(\$77.2)</b>
Increase in Property Tax Revenue	\$53.8

# FY26 to FY31 General Fund Forecast

- Revenues include recommended property tax rate
- Revenues projected to increase by 2.6% in 2027 and grow on average 2.6% for outer years
- Expenses are projected to grow 5.8% in 2027 and 3.8% in outer years
- FY31 Deficit reduced to \$155.0M



# Strategies to Balance the Budget

- Adjust Property Tax Rate to utilize unused increment and/or state allowed revenue growth to maintain operations
- Adjust Fees and Charges
  - EMS Transports, Fire Prevention, Parks Environmental Fee
  - Adjust other fees without impacting vulnerable populations
- Targeted reductions to non-mandated services
- Trial Budget presentation on June 18 will outline these strategies to obtain a balanced budget

# **FY 2027 Goal Setting General Fund Overview**

Presented by: Alfredo Martinez, Interim Budget Director

May 22, 2026