

General Fund Financial Forecast
FY 2025-26 Proposed Operating Budget
Budget Study Session - 5/13/25

GENERAL FUND FIVE-YEAR FINANCIAL FORECAST	FY 25-26 <i>Proposed Budget</i>	FY 26-27 Forecast	FY 27-28 Forecast	FY 28-29 Forecast	FY 29-30 Forecast
Beginning Fund Balance	\$30,816,295	\$26,870,278	\$17,957,402	\$8,440,521	\$19,692
Revenues	137,542,452	142,451,152	147,867,494	152,473,977	153,919,471
Transfers In	778,087	678,087	678,087	678,087	300,000
<i>Transfers In from Traffic Safety Fund</i>	<i>300,000</i>	<i>300,000</i>	<i>300,000</i>	<i>300,000</i>	<i>300,000</i>
<i>Transfers In from IT Fund - Server Repl. Loan</i>	<i>378,087</i>	<i>378,087</i>	<i>378,087</i>	<i>378,087</i>	<i>-</i>
<i>Transfers In from CIP - Boys/Girls Club Lease (One-Time)</i>	<i>100,000</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
Revenues & Transfers In Total	138,320,539	143,129,239	148,545,581	153,152,064	154,219,471
Expenditures	(137,781,505)	(147,316,999)	(152,944,830)	(156,271,355)	(158,805,815)
Transfers Out	(4,485,051)	(4,725,116)	(5,117,633)	(5,301,538)	(5,493,077)
<i>Transfers Out to Infrastructure Fund</i>	<i>(2,599,777)</i>	<i>(2,718,210)</i>	<i>(3,306,527)</i>	<i>(3,490,432)</i>	<i>(3,681,971)</i>
<i>Transfers Out to CIP Fund - Residential Streets</i>	<i>(500,000)</i>	<i>(1,500,000)</i>	<i>(1,500,000)</i>	<i>(1,500,000)</i>	<i>(1,500,000)</i>
<i>Transfers Out to IT Fund - IT Projects & Other</i>	<i>(1,385,274)</i>	<i>(506,906)</i>	<i>(311,106)</i>	<i>(311,106)</i>	<i>(311,106)</i>
Expenditures & Transfers Out Total	(142,266,556)	(152,042,115)	(158,062,463)	(161,572,892)	(164,298,892)
Net Operating Surplus/(Deficit)	(\$3,946,017)	(\$8,912,876)	(\$9,516,882)	(\$8,420,828)	(\$10,079,420)
Ending Fund Balance	\$26,870,278	\$17,957,402	\$8,440,521	\$19,692	(\$10,059,728)
10% Contingency Reserve (Minimum per Financial Policy)	\$13,778,151	\$14,731,700	\$15,294,483	\$15,627,135	\$15,880,581
17% Contingency Reserve (Goal)	\$23,422,856	\$25,043,890	\$26,000,621	\$26,566,130	\$26,996,989
Over/(Under) 10% Contingency Reserve	13,092,127	3,225,702	(6,853,962)	(15,607,443)	(25,940,309)
Over/(Under) 17% Contingency Reserve	3,447,422	(7,086,488)	(17,560,100)	(26,546,438)	(37,056,717)

Forecast Assumptions:

- (1) Includes quantifiable revenue growth assumptions for Property Tax, Sales Tax and few other major revenues.
- (2) Includes standard, conservative revenue growth factors for all other revenues.

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Forecast Assumptions (cont.):

- (3) Includes salaries increases per MOA labor agreements for approved term years. Factors in cost-of-living increases thereafter.
- (4) Factors in projected PERS-related UAL increases based on latest CalPERS actuarial report in forecast years.
- (5) Includes standard, conservative expenditure growth factors for Operating Expenditures.
- (6) Removes one-time revenues and expenses for forecasted years.
- (7) Factors in a mild recession every 5 years with lower, flat or negative revenue and expenditure growth rates in that year.