

Attachment D

General Fund Revenue and Expenditure Projections

	FY25 Adopted Budget	FY25 Revised Budget	FY25 Projections	\$ Variance (Proj-Rev)	% Collected (Proj/Rev)
GENERAL FUND REVENUE					
Current Real Estate and Personal Property Tax	277,262,346	288,542,651	288,948,203	405,552	100.1%
Business-Driven Taxes	20,011,947	20,011,947	21,531,967	1,520,020	107.6%
Consumer-Driven Taxes	57,279,309	57,279,309	58,263,915	984,606	101.7%
Other Local Taxes	14,505,033	14,505,033	15,830,699	1,325,666	109.1%
Other Local Revenue	16,871,866	16,955,717	20,028,580	3,072,863	118.1%
Subtotal, Local	385,930,501	397,294,657	404,603,364	7,308,707	101.8%
State	30,135,511	30,137,587	28,929,681	(1,207,906)	96.0%
Federal	9,256,666	9,269,166	8,872,269	(396,897)	95.7%
Transfers	7,208,172	7,208,172	7,205,014	(3,158)	100.0%
TOTAL, GENERAL FUND REVENUE	432,530,850	443,909,582	449,610,328	5,700,746	101.3%
	FY25 Adopted Budget	FY25 Revised Budget	FY25 Projections	\$ Variance (Proj-Rev)	% Expended (Proj/Rev)
GENERAL FUND EXPENDITURE					
Administration	28,563,649	33,056,773	31,912,048	(1,144,725)	96.5%
Judicial	8,652,307	8,930,010	8,252,146	(677,864)	92.4%
Public Safety	67,530,241	70,719,364	69,208,867	(1,510,497)	97.9%
Public Works	11,997,843	12,499,438	12,103,475	(395,963)	96.8%
Health & Welfare	30,184,308	35,066,961	34,244,126	(822,835)	97.7%
Parks, Recreation & Culture	11,870,277	12,030,361	11,928,301	(102,060)	99.2%
Community Development	17,619,498	19,075,366	17,270,947	(1,804,419)	90.5%
Subtotal, Departmental Operations	176,418,123	191,378,273	184,919,910	(6,458,363)	96.6%
City/County Revenue Sharing	17,760,728	17,760,728	17,760,728	-	100.0%
Transfer to School Operations	195,048,815	201,268,809	201,268,809	-	100.0%
Transfers to Capital & Debt	40,930,847	50,015,585	50,015,585	-	100.0%
Other Transfers	2,332,963	2,543,365	2,543,365	-	100.0%
Other Non-Departmental	5,482,755	6,615,947	5,275,980	(1,339,967)	79.7%
Subtotal, Non-Departmental	261,556,108	278,204,434	276,864,467	(1,339,967)	99.5%
TOTAL, GENERAL FUND EXPENDITURES	437,974,231	469,582,707	461,784,377	(7,798,330)	98.3%
Budgeted/Projected Use of Fund Balance	5,443,381	14,045,461	12,174,049		

Discussion

General Fund Revenue Projections

The County's General Fund revenues, excluding use of fund balance, are projected to total \$449.6 million at the end of FY 25, or approximately \$5.7 million or 1.3% above budget. Primary drivers of the projection include the following:

- **Business-Driven Taxes** are projected at \$21.5 million, \$1.5 million or 7.6% above budget. This is due primarily to year-to-date and projected collections for Business, Professional, and Occupational Licenses (BPOL) and the Bank Franchise Tax, for which

substantial data is not available until March and May, respectively. BPOL revenues are primarily driven by stronger than anticipated local economic activity during CY 2024.

- **Consumer-Driven Taxes** are projected to end the year at \$58.3 million, \$0.9 million or 1.7% above budget. This is primarily due to the year-to-date trends in Sales Tax revenues, which are slightly stronger than anticipated in the FY 25 Revised Budget.
- **Other Local Taxes** are projected to end the year at \$15.8 million, \$1.3 million or 9.1% above budget. This is primarily due to the year-to-date trends in Recordation and Sellers Taxes, which are stronger than anticipated in the FY 25 Budget. This is also due to stronger than anticipated year-to-date collections in delinquencies, penalties, and interest.
- **Other Local Revenues** are projected to end the year at \$20.0 million, \$3.0 million or 18.1% above budget. This is primarily due to revenue related to the Community Development Department, Emergency Medical Services Cost Recovery revenue and interest earnings on investments, all of which exceed the FY 25 Revised Budget. As well as Speed Camera fines which were not included as part of the FY 25 Adopted budget due to timing of program start up.
- **State Revenues** are projected to end the year at \$28.9 million, \$1.2 million or 4.0% below budget. This is primarily due to reimbursement rates and corresponding projected expenditures in the Department of Social Services, which were lower than what was Adopted in the FY 25 budget.
- **Federal Revenues** are projected to be \$8.8 million, \$0.3 million or 4.3% below budget. This is primarily due to corresponding projected expenditures in the Department of Social Services, which were lower than what was Adopted in the FY 25 budget.

General Fund Expenditure Projections

General Fund expenditures are forecast to total \$461.8 million at the end of FY 25. This amount is \$10.6 million or 2.3% below appropriations through the third quarter. These projections include June 4, 2025 supplemental appropriations of \$24.3 million to provide one-time funding for the Capital Improvements Program, Housing Fund, Health Care Fund, Economic Development Fund, and Children's Services Act Fund based on discussion and direction from the Board of Supervisors during the FY 26 budget development process. The difference between appropriated and projected expenditures is due primarily to the following:

- **Departmental operational** savings of approximately \$6.5 million across all departments. The majority of these savings include: \$1.8 million in salary and related benefit savings above the budgeted salary lapse; \$1.4 million in savings Community Development related to the County's contribution to MicroCAT due to the extension of the demonstration grant, as well as other smaller operating savings across departments primarily based on year-to-date activity.
- **Other Non-Departmental** is estimated to be approximately \$1.3 million under the revised budget due to projected unspent funds primarily in the Salary Reserve and Reserve for Contingencies.

Projected Change in Fund Balance

The adopted and revised budgeted amounts for uses of the General Fund's fund balance do not represent a structurally unbalanced budget and those amounts were budgeted as part of the FY 25 Adopted and FY 26 Budget development process. Any use of fund balance shown in the table is above and beyond the County's Financial Management Policy requirements of a 10% unassigned fund balance and 2% Budget Stabilization Reserve.

Based on projected revenues of \$449.6 million and projected expenditures of \$461.7 million, the General Fund's fund balance is projected to decrease \$12.1 million (equal to projected revenues less projected expenditures), which is less than the \$14.0 million budgeted use of fund balance. Once the FY 25 audit is complete, staff will report on the General Fund's fund balance including policy and obligated uses, and any amount that may be available for Board policy decisions.