



Q3 2025 Budget and Financial Update

CITY COUNCIL – November 18, 2025

City Staff Representative:

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Department:

City Manager's Office
Finance Department

Financial Results and Trends



Report Contents and Caveats

- Q3 2025 financial data was prepared as of October 30, 2025 and is unaudited.
- Governmental Funds = Primarily Funded by Taxes and Fees
 - General Fund
 - Capital Improvement Funds
 - Restricted Revenue Funds (e.g. Lottery, Lodging Tax, Impact Fees, Etc.)
- Enterprise Funds = Funded by User Fees that must sustain operations
 - Water Fund
 - Wastewater Fund
 - Storm Drainage Fund
- Information is provided in detail and with more explanation in the full Q3 2025 Financial Report available online.

Governmental Fund Highlights - Revenues

Q3 2025 Revenues (excluding transfers) totaled \$63.5M

- Overall decrease of \$5.8M, or 8.3%

Revenue Stream	\$ Change	% Change	Trend
Sales Taxes	+\$878M	+3.2%	★
Property Taxes	-\$1.2M	-16.5%	↓
Use Taxes	- \$792K	-12.4%	↓
Investment Earnings	- \$862K	-16.7%	↓
Charges for Services	+\$66K	+0.8%	↓
Oil & Gas Royalties	- \$2.7M	-54.1%	★

- ★ Oil & Gas and Sales Tax are highly timing dependent. Sales Taxes are discussed later in this presentation.

Q3 2025 Themes

*Development has slowed.
Sales taxes are more stable.*

Residential Development



Downtown Shopping



Governmental Fund Highlights - Spending

Q3 2025 Spending (excluding transfers) totaled \$74.5M

- Overall increase of \$3.5M, or 5.1%

Spending Category	\$ Change	% Change	Trend
Personnel	+\$3.0M	+10.7%	↑
Operating Expenses	+\$3.0M	+25.4%	↑
Capital Outlay	-\$3.0M	-10.6%	★

- ★ Capital Outlay spending is highly project dependent. The City saw high levels of project spending in 2024 on the MSC and Bridge Street. Spending levels continue to be high as progress is made on other projects, including Bridge Street and the Recreation Center Expansion.

Q3 2025 Themes

*Staffing levels are strong.
Projects are progressing.*

Bridge Street Widening



Recreation Center Expansion



Governmental Fund Summary

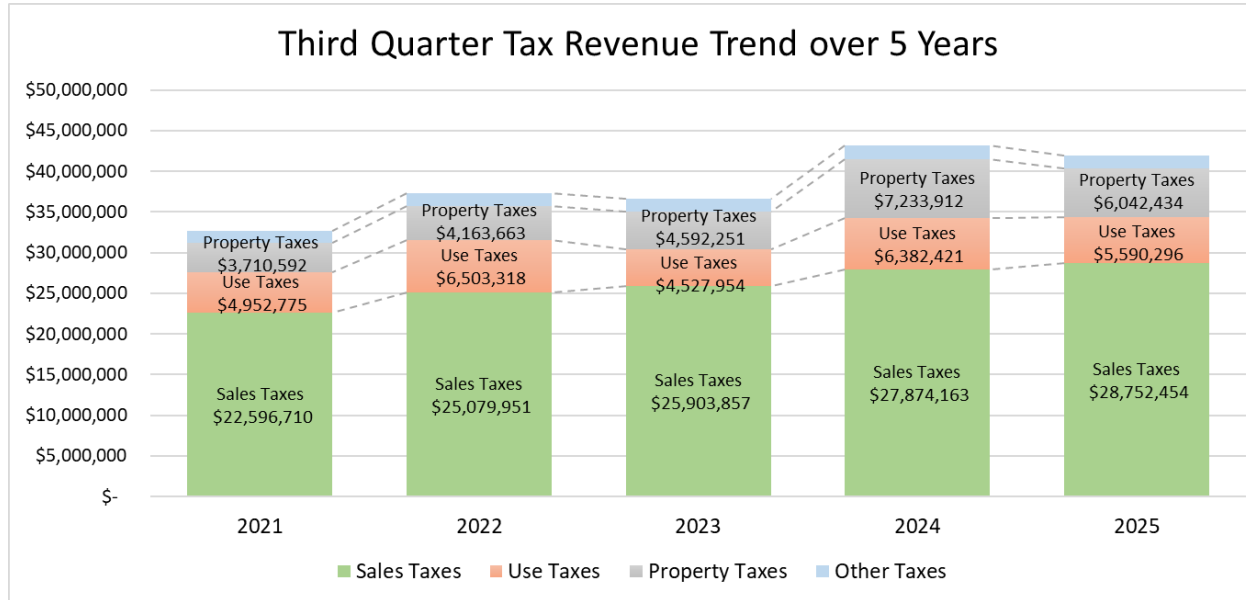
Q3 2025 (presented in 000's, including transfers)

	Q3 2025	2025 Budget
Revenues		
Taxes	\$ 41,986	\$ 62,000
Charges for Services	8,182	10,254
Intergovernmental	5,781	10,987
Oil and Gas Royalties	2,285	3,000
Investment Earnings	4,290	534
Miscellaneous	984	1,048
Transfers In	<u>918</u>	<u>831</u>
Total Revenues	\$ 64,426	\$ 88,654
Expenditures		
Personnel	\$ 30,323	\$ 42,094
Operating & Purchased Services	14,836	26,003
Capital Outlay	24,921	68,034
Debt Service	1,461	2,111
Transfers Out	3,130	6,018
Budget Reserves	<u>0</u>	<u>672</u>
Total Expenditures	\$ 74,671	\$ 144,932
Use of Reserves	<u>\$(10,245)</u>	<u>\$(56,278)</u>



Tax Revenue Trends

Tax Revenues through Q3 for each year presented



★ This chart reflects tax revenues collected as of 9/30/2025. Timing of receipt and recording greatly influences these trends. Sales tax should be reviewed based on filings rather than collections.

Highlights

General Fund Taxes include:
2% General Sales Tax
3.75% Construction Use Tax
Property and Franchise Taxes

Other Governmental Fund Taxes include:
1.00% Capital Projects
0.75% Parks Projects

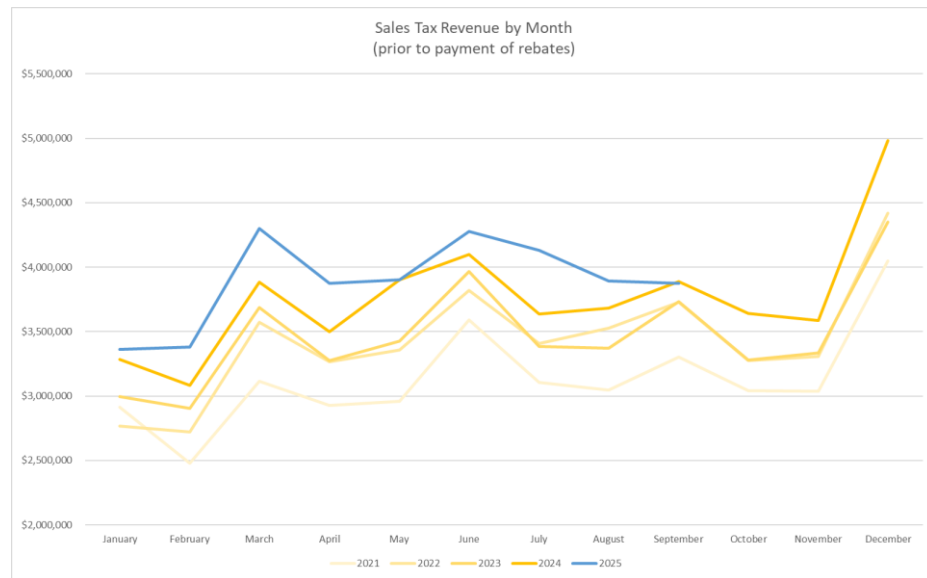
Sales Tax Results

Sales Tax Reported is up 6.2%

Business Category	% Change	Trend
Retail Online	+21.3%	↓
Construction	+10.5%	↓
Food Service & Accommodations	+7.2%	↑
Retail Grocery	+0.6%	↑
Utilities	-4.6%	↑

Region	% Change	Trend
Within the City	+2.0%	↑
Out of City/Remote	+17.2%	↓

Sales Tax Revenues by Month 2021 through 2025 before payment of rebates

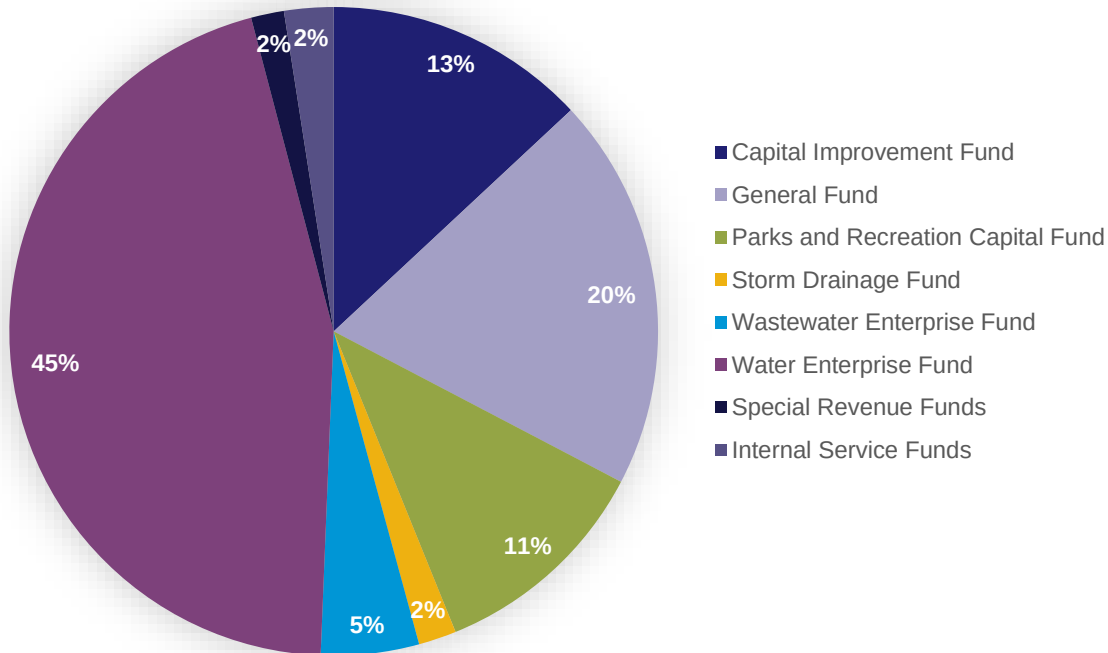


Budget Utilization and Spending Trends



Budget by Fund

2025 Revised Budget by Fund



- Largest 2025 budgets by fund:
 - Water Enterprise Fund (45%)
 - General Fund (20%)
 - Capital Improvement Fund (13%)
 - Parks Capital Improvement Fund (11%)

Spending by Fund

Fund	2025 Budget	Year to Date Spending	Percent Spent
Capital Improvement Fund	\$41,577,711	\$14,306,665	34%
General Fund	\$62,484,278	\$45,804,965	73%
Parks and Recreation Capital Fund	\$35,641,234	\$13,226,689	37%
Storm Drainage Fund	\$6,011,367	\$3,631,691	60%
Wastewater Enterprise Fund	\$15,556,444	\$8,911,194	57%
Water Enterprise Fund	\$144,131,977	\$82,392,535	57%
Special Revenue Funds	\$5,228,885	\$1,537,461	29%
Internal Service Funds	\$7,826,902	\$5,386,000	69%
Grand Total	\$318,458,798	\$175,197,200	55%

Spending by Type

Account Class	2025 Budget	Year to Date Spending	Percent Spent
Capital Outlay	\$207,285,896	\$100,074,061	48%
Budget Contingency	\$1,271,720	\$0	0%
Debt Service	\$13,457,706	\$9,848,001	73%
Operating Supplies	\$17,850,796	\$12,904,425	72%
Personnel	\$48,539,401	\$35,322,223	73%
Purchased Services	\$23,435,725	\$13,917,869	59%
Transfers	\$6,617,554	\$3,130,621	47%
Grand Total	\$318,458,798	\$175,197,200	55%

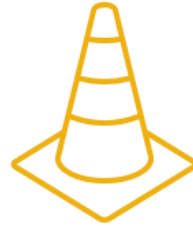
Spending Highlights



Staff training and
development



TPIP program



Bridge Street Widening



4th Avenue
Reconstruction



Water Treatment Plant
Construction



Water Line Replacement



Streets maintenance
supplies such as asphalt,
mastic, and crack seal



Temporary summer
position wrapped up

Questions?

