

## PICA FACT SHEET: FY25 Q3 QCMR

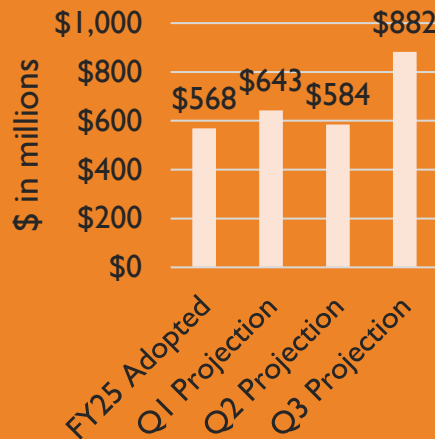
### The Takeaway

The FY25Q3 report shows more revenues and less spending, resulting in a \$298M higher fund balance, compared to estimates from last quarter. Compared to the adopted FY25-29 Five-Year Plan, projections at the end of Q3 of FY25 reflect higher revenues by \$221M, higher spending by \$248M, and a higher fund balance, by \$314M. A higher-than-originally expected FY24 fund balance played a role in enabling expanded spending, expected to reach \$6.62B, despite a structural deficit in FY25. Spending increases incorporated this quarter were concentrated in funding for 2026 events and were offset by new, lower estimates for debt service, Police personnel costs, and the release of the balance of the Labor Reserve. Revenue increases for BIRT and Wage Tax mirrored estimates in the proposed FY26-30 Plan, while Realty Transfer Tax was held flat despite earlier expectations of growth.

### General Fund

- Revenues: \$6.49B
- Obligations: \$6.62B
- Fund Balance: \$882.1M
  - 13.6% of revenues
  - Below GFOA recommended level but above the City's target of at least 6-8%
- Staffing: 83% positions filled
- Performance Measures: 76 out of 100 (76%) on track to meet target

### Fund Balance



### Housing Trust Fund

- Revenues: \$48.5M
- Obligations: \$56.5M
- Fund Balance: \$22M
  - 45.5% of revenues
- Staffing: 72% filled

### Transportation Fund

- Revenues: \$131.7M
- Obligations: \$140M
- Fund Balance: \$13.2M
  - 10% of revenues
- Staffing: 83% filled

### Capital Fund

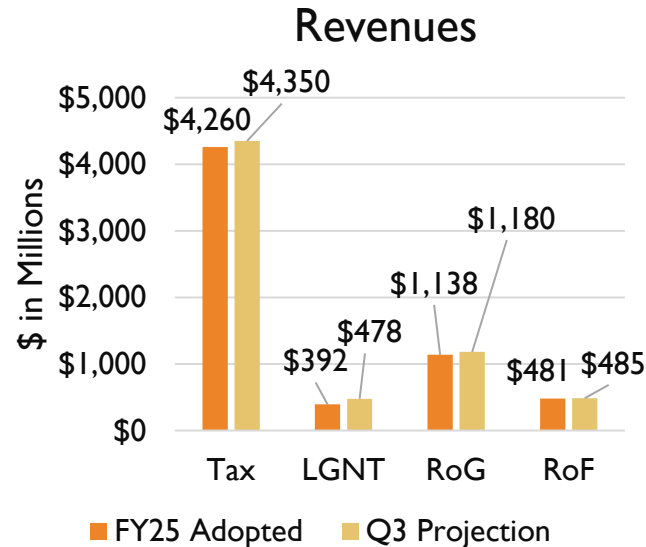
- FY25 Adopted + Carryforward: \$2.763B
- FY25 YTD Encumbrances: \$395.9M
- FY25 YTD Expenditures: \$304.9M

# GENERAL FUND REVENUE

Changes in projections from Q2 to Q3:

- **Revenue Stabilizing:** FY25 General Fund revenue is projected to be \$6.49B, up \$225.6M from the Q2 projection, driven by projected increases in Wage Tax, Business Income and Receipts Tax, and Locally Generated Non-Tax revenue, as well as Revenue from Other Governments

- Tax revenue projections have increased since the second quarter and are higher than the Adopted Plan.
- The **Locally Generated Non-Tax (LGNT)** revenue projection was increased by \$93M from FY25Q2 after the City saw increased interest earnings, Law Enforcement Health Benefit reimbursements, and additional EMS revenues.
- Projections for **Revenue from Other Governments (ROG)** have increased slightly since Q2 due to FEMA reimbursements for prior-year COVID-19 costs and higher than anticipated PICA Tax collections.



## Taxes

Tax	FY25 Adopted	Current Projection	Change from Adopted
Wage*	\$1,975.8M	\$1,998.5M	↑ 1.2%
Real Estate	\$925.0M	\$930.1M	↑ 0.6%
BIRT	\$616.7M	\$679.8M	↑ 10.2%
Realty Transfer	\$305.8M	\$315.4M	↑ 3.2%
Sales	\$316.9M	\$307.4M	↓ -3.0%
Beverage	\$71.2M	\$65.7M	↓ -7.6%
Other	\$49.2M	\$52.6M	↑ 6.9%

\*Wage includes Earning and Net Profits

- **Sales and Beverage Tax** projections remain the same from Q2 to Q3.
- **Real Estate and Realty Transfer** projections remain the same from Q2 to Q3.
- Increased **Wage Tax** projections brought the **Wage and Net Profits** projection higher than the Adopted Plan, after being roughly level with the Plan in Q2. This increase was driven by continued wage inflation through Q3.

# GENERAL FUND OBLIGATIONS

FY25 Fund Balance Projection: **\$882.1M**

(\$313.6M higher than Adopted)

Staffing: **83%** of full-time positions are filled.

Changes in projections from Q2 to Q3:

- **Class 100** projection **lowered by \$26.1M** from Q2 to Q3 due to lower than anticipated Police payroll expenses.
- **Class 200** projection **held roughly level** between Q2 and Q3.
- **Class 300/400** projection **lowered by \$29.3M** from Q2 to Q3.
- **Class 500** projection **raised by \$16.3M** from Q2 to Q3 due to spending for 2026 events and other contributions.
- **Class 800** projection **raised by \$38.2M** from Q2 to Q3 for Wellness Center.
- **Class 900** projection **lowered by \$43.3M** from Q2 to Q3, as Labor Reserve amounts were allocated in line with labor agreements and awards.

## Current Obligations Compared to Adopted Plan

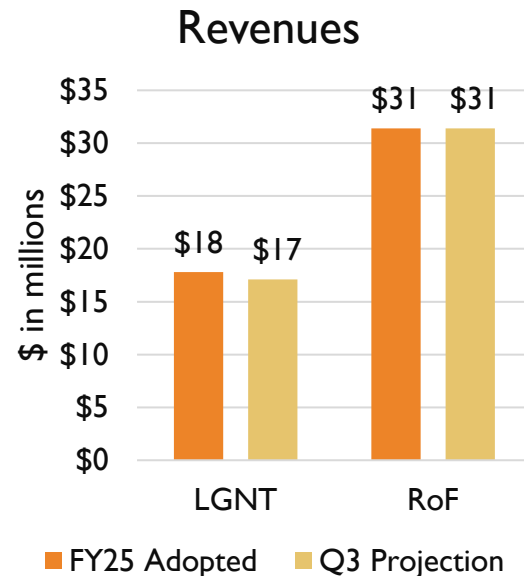
Class	FY25 Adopted	Current Projection	Difference from Adopted
100: Wages & Benefits	\$3,956.2M	\$3,958.7M	↑ 0.06%
200: Contracts	\$1,422.3M	\$1,488.1M	↑ 4.6%
300/400: Materials & Equipment	\$148.3M	\$183.0M	↑ 23.4%
500: Contributions, Indemnities, etc.	\$432.7M	\$484.1M	↑ 11.9%
700: Debt Service	\$234.7M	\$230.4M	↓ -1.8%
800: Transfers to Other Funds	\$129.8M	\$176.6M	↑ 36.1%
900: Advances & Misc.	\$43.5M	\$95M	↑ 118.4%

## Critical Performance Measures

Department	Measure	On track?	Explanation
Police	Number of shooting victims	✓	Down 14.5%
Police	Number of homicides	✓	Down 27.5%
Fire	Number of civilian fire-related deaths	✗	Up 37.5%
Fire	Percent of EMS calls responded to under 9 mins	✗	Incomplete data, PFD is still adjusting to new protocols for data pulls
Licenses and Inspections	Median timeframe from "imminently dangerous" designation to demolition	✓	Down 6.6%
Behavioral Health	Number of admissions to residential treatment facilities	✓	Down 47.6%
Public Health	Number of months between food establishment inspections	✗	New inspectors are being hired and onboarded
Public Health	Children 19-35 months with complete immunizations	✗	Down 0.4%

# HOUSING TRUST FUND

- **Revenue:** HTF revenue projections are \$640,000 lower than the Approved FY25-29 Plan due to lowered zoning permit collection expectations.
- **Obligations:** Total obligations are projected at \$56.5M, \$14.6M lower than the Approved Plan.
- **Fund Balance:** The HTF fund balance projection increased by 722.2 percent, (\$19.4M) compared to the Adopted Plan due to lower spending expectations. The Q3 projection fund balance projection is \$22.1M.



- The projected amount of **LGNT** revenue has decreased by about \$1.6M in Q3 compared to Q2 due to lower than anticipated zoning permit revenue, and there is no change in the projections for **Revenue from Other Funds (ROF)**.

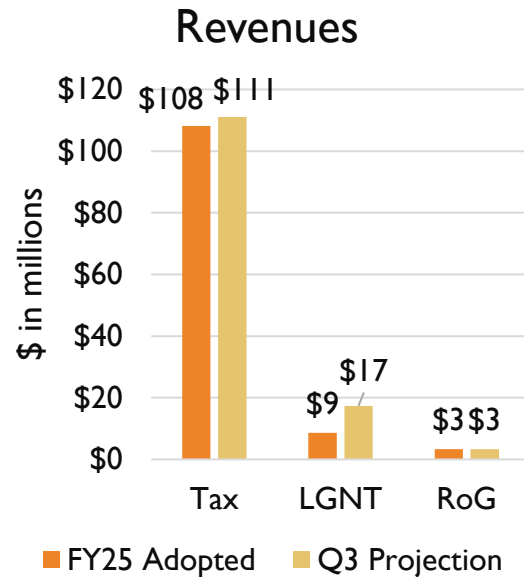
## Obligations

Class	FY25 Adopted	Current Projection	Change
100: Wages & Benefits	\$5.8M	\$5M	↓ -15%
200: Contracts	\$65.2M	\$51.4M	↓ -21.1%
300/400: Materials & Equipment	\$0.2M	\$0.2M	—

- **Class 200** spending is projected to decrease by \$8.2M from Q2 estimates due to lower than anticipated contracted services and debt service.
- Total HTF obligations are projected to be 20.6 percent lower than adopted.

# TRANSPORTATION FUND

- **Revenues:** Projection is \$11.5M higher than Adopted Budget driven by higher than anticipated Parking Tax collections, and right-of-way fee and permit revenue.
- **Obligations:** Projection increased by \$18.9M from Adopted Budget driven by indemnities.
- **Fund Balance:** From Q2 to Q3 the projection was increased by \$9.3M to \$13.2M.
- **Staffing:** 83% of full-time positions filled.



- The full-year projection for tax revenue is the same as Q2, but in Q3 the LGNT projection was increased by \$5.5M from Q2 due to higher than anticipated right-of-way fee revenue.

## Obligations

Class	FY25 Adopted	Current Projection	Change
100: Wages & Benefits	\$95.3M	\$98.6M	↑ 3.5%
200: Contracts	\$14M	\$14M	—
300/400: Materials & Equipment	\$9.6M	\$11M	↑ 13.9%
500: Contributions & Indemnities	-	\$15M	↑
800: Transfers to Other Funds	\$2.1M	\$1.4M	↓ -34.4%

- **Class 100** costs expected to be \$3.3M higher than the adopted budget because of raises for DC33 and pension costs.
- **Transfers to Other Funds (Class 800)** are projected to be \$739,000 lower than the Adopted Budget.
- **Decreased obligations in Q3** include lower than anticipated fringe benefit costs, lower than anticipated payments to other funds, and increased liquidations of prior-year encumbrances.

Note: FY25 Q1 was the first quarter that included reporting on the Housing Trust Fund, Transportation Fund, and Capital Fund. As more data becomes available with subsequent quarters, historical comparison and performance analysis will expand.

# CAPITAL FUND

At the end of FY25Q3, the largest capital investments (encumbrances + expenditures) have been in:

- Streets Department: \$287.9M, or 23.4% of department's capital appropriations
- Managing Director's Office: \$119.4M, or 55.1% of the office's capital appropriations
- Parks and Recreation: \$82M or 21.3% of the department's capital appropriations
- Commerce Department: \$52.6M, or 31.8% of the department's capital appropriations
- Fleet Services: \$31.8M, or 44.7% of the department's capital appropriations

Revenue Source	FY25 Adopted + Carryforward + Amended Appropriations	FY25 YTD Encumbrances	FY25 YTD Expenditures	% of Source Obligated
GO Bonds	\$929.4M	\$269.7M	\$215.1M	52.2%
PAYGO	\$502.7M	\$85.9M	\$29M	22.8%
Federal	\$749.5M	\$8.4M	\$35.8M	5.9%
State	\$398.5M	\$27.2M	\$22.1M	12.4%
PICA	\$.5M	\$0	\$.2M	27.2%
Private	\$151M	\$4.6M	\$2.7M	4.8%
Other Gov't	\$38.0M	-	\$.2M	0.6%
<b>Total</b>	<b>\$2,769.5M</b>	<b>\$395.9M</b>	<b>\$305.3M</b>	<b>25.4%</b>

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