

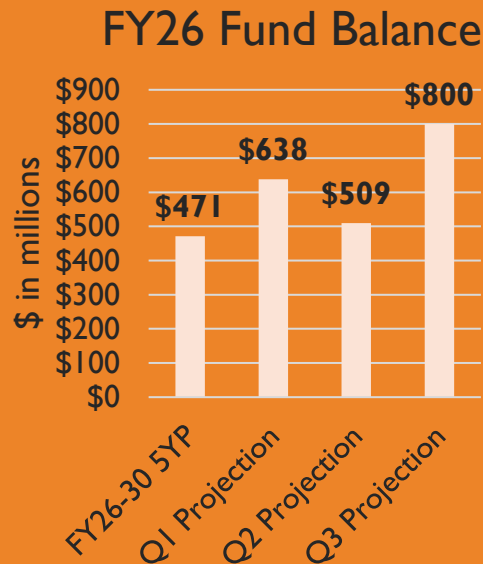
PICA FACT SHEET: FY26 Q3 QCMR

The Takeaway:

The City's projected FY26 General Fund balance is now anticipated to reach \$799.8M (12.6% of revenues), growing by \$290.6M from Q2 to Q3. This increase is encouraging but was made possible in large part by non-recurring factors, like an additional \$144.3M in liquidated prior-year encumbrances, reduced obligations due to later-than-anticipated bond issuance, Labor Reserve realignment, and the sale of City owned property. Even with the adjusted projections driving the FY26 General Fund balance higher, the City anticipates that FY26 expenditures will outpace revenues, resulting in a projected \$559.1M operating deficit. This QCMR shows small adjustments to FY25 General Fund Revenue from Other Funds, obligations, and fund balance from unaudited Q2 figures to audited Q3 figures, an unusual occurrence. The FY26 fund balance remains positive and there is not a variance from the PICA-approved FY26-30 Five-Year Plan, but adjustments that increased the projected FY26 General Fund balance cannot be consistently relied upon.

General Fund

- Revenues: \$6.36B
- Obligations: \$6.92B
- Fund Balance: \$799.8M
 - 12.6% of revenues
 - Below GFOA-recommended level but exceeding the City's target of at least 6-8% for all reserves.
- Staffing: 86.1% positions filled
- Performance Measures: 66 out of 98 (67.3%) on track to meet target



Housing Trust Fund

- Revenues: \$49.8M
- Obligations: \$69.4M
- Fund Balance: \$6.0M
 - 12.0% of revenues

Transportation Fund

- Revenues: \$189.1M
- Obligations: \$200.1M
- Fund Balance: \$14.2M
 - 7.5% of revenues
- Staffing: 87.3% filled

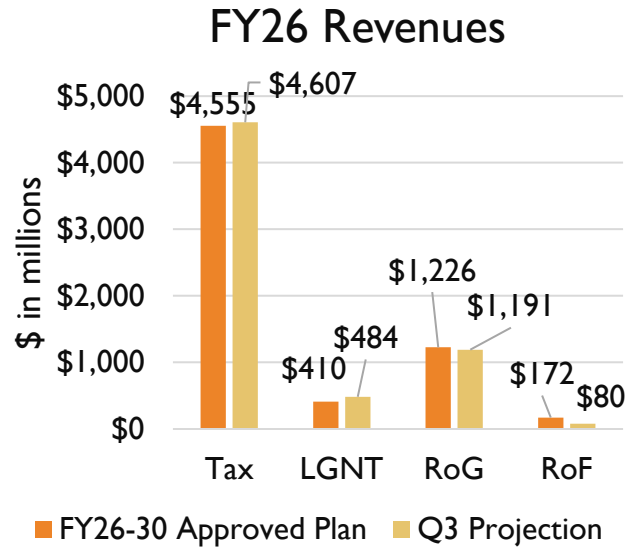
Capital Fund

- FY26 Adopted + Carryforward + Amended: \$3.16B
- FY26 YTD Encumbrances: \$244.1M
- FY26 YTD Expenditures: \$283.1M
- FY26 Adopted + Carryforward + Amended expended or encumbered YTD: 16.7%

GENERAL FUND REVENUE

- Revenues in line with Plan:** FY26 revenue is projected to be just \$1.3M shy of the Approved FY26-30 Plan projections. From Q2 to Q3, revenue projections increased by \$90.2M driven by Realty Transfer Tax and Locally Generated Non-Tax revenue.

- RTT Rollercoaster:** Projected FY26 RTT revenues went down by \$20.9M in Q1, further down by \$17.7M in Q2, then up by \$22.3M in Q3, defending its title as the City's most volatile tax.



- Tax revenue is projected to be \$51.8M (1.1%) higher than the Approved Plan.
- LGNT revenue is now projected to come in \$73.6M (17.9%) higher than the Approved Plan, largely driven by proceeds from the sale of the former Medical Examiner's Office building and interest earnings.
- Revenue from Other Governments is projected to be \$34.4M (2.8%) lower than Approved Plan projections, with \$10.3M in reductions from Q2 to Q3 due to lower PPA revenues, and reduced state reimbursements for court costs and police training.
- Projected Revenue from Other Funds remains level from Q2 to Q3, at \$92.3M (53.6%) less than Approved Plan projections due to the deferred transfer of interest earnings generated by ARPA funds.

FY26 Taxes

Class	FY26-30 Approved Plan	Current Projection	Change
Wage*	\$2,072.0M	\$2,086.9M	↑ 0.7%
Real Estate	\$940.4M	\$936.1M	↓ -0.5%
BIRT	\$725.9M	\$779.3M	↑ 7.4%
Realty Transfer	\$372.7M	\$356.4M	↓ -4.4%
Sales	\$324.0M	\$323.2M	↓ -0.3%
Beverage	\$64.4M	\$71.0M	↑ 10.1%
Other	\$55.7M	\$54.1M	↓ -2.9%

*Wage includes Earning and Net Profits

From Q2 to Q3:

- RTT projections saw the only change, rising by \$22.3M from \$334.1M in Q2 to \$356.4M in Q3.

FY26 GENERAL FUND BALANCE: \$799.8M

FY26 GENERAL FUND STAFFING: 86.1% OF FULL-TIME POSITIONS FILLED

GENERAL FUND OBLIGATIONS

- FY26 obligations are projected to be \$78.7M (1.1%) higher than the FY26-30 Approved Plan, primarily due to additional snowstorm response costs, and mid-year increases in contributions.
- From Q2 to Q3, projected FY26 spending decreased by \$64.7M (-0.9%) due to reduced debt service related to the timing of the H.O.M.E. bond issuance, realignment of Labor Reserve amounts, and lower than anticipated Police payroll expenses.

FY26 Obligations

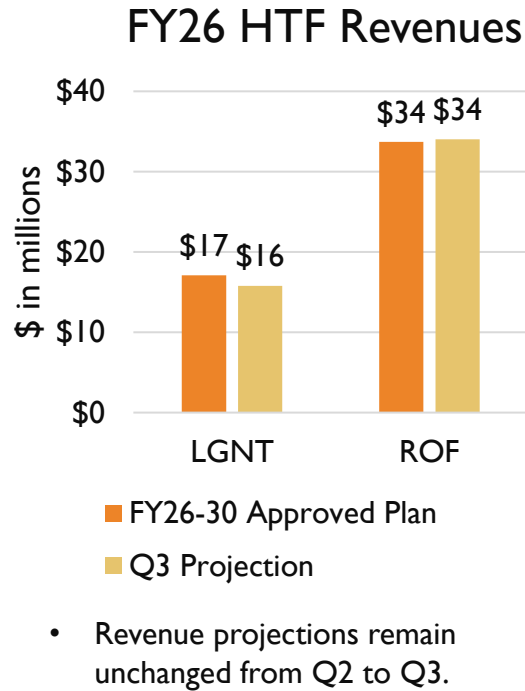
Class	FY26-30 Approved Plan	Current Projection	Change
100: Wages & Benefits	\$4,091.8M	\$4,135.6M	↑ 1.1%
200: Contracts	\$1,608.2M	\$1,578.7M	↓ -1.8%
300/400: Materials & Equipment	\$177.4M	\$171.2M	↓ -3.5%
500: Contributions, Indemnities, etc.	\$477.0M	\$494.3M	↑ 3.6%
700: Debt Service	\$231.5M	\$222.5M	↓ -3.9%
800: Transfers to Other Funds	\$155.1M	\$212.4M	↑ 37.0%
900: Advances & Misc.	\$101.6M	\$106.5M	↑ 4.9%

Critical Performance Measures

Department	Measure	On track?	Explanation
Police	Number of shooting victims	✓	Down 45.4% from FY25 Q3
Police	Number of homicides	✓	Down 54.0% from FY25 Q3
Fire	Number of civilian fire-related deaths	✗	Up 36.4% from FY25 Q3
Fire	Percent of EMS calls responded to under 9 mins	N/A	Continued data concerns
Licenses + Inspections	Median timeframe from "imminently dangerous" designation to demolition	✓	Down 57.1% from FY 25 Q3
Behavioral Health	Number of admissions to residential treatment facilities	✓	40 YTD, well below <105 target
Public Health	Number of months between food establishment inspections	✗	Winter storms interrupted Q3 operations
Public Health	Children 19-35 months with complete immunizations	✗	68.0% YTD, short of 70% target

HOUSING TRUST FUND

- **Unchanged revenue:** The \$49.8M in projected HTF revenues remained unchanged from Q2 to Q3, 2.0% lower than HTF revenues included in the Approved FY26-30 Five-Year Plan.
- **Reduced obligations:** Spending is projected to come in \$2.7M (3.7%) lower than the Approved Plan due to vacancies.
- **Fund Balance:** Although reduced obligations are greater than projected reductions in revenue, the \$6.0M (12.0% of revenues) projected HTF balance is \$676,000 lower than the Approved Plan due to reductions in estimated liquidations of prior-year encumbrances.



FY26 HTF Obligations

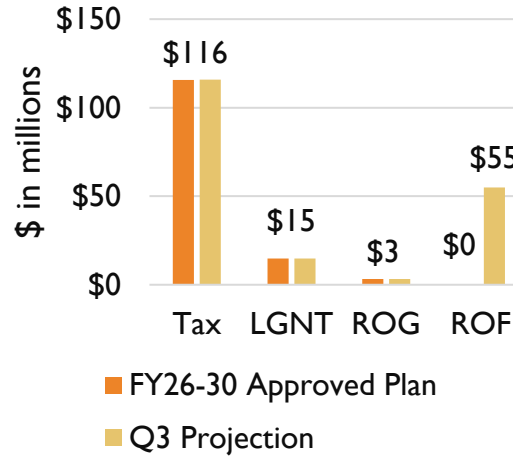
Class	FY26-30 Approved Plan	Current Projection	Change
100: Wages & Benefits	\$6.7M	\$4.0M	↓ -40.2%
200: Contracts	\$65.2M	\$65.2M	—
300/400: Materials & Equipment	\$0.2M	\$0.2M	—

- Q3 projections for FY26 spending are 3.7% lower than figures included in the Approved Plan due to lower than anticipated hiring and associated fringe benefit costs.

TRANSPORTATION FUND

- **Revenue:** Increased by \$55.1M (41.2%) from the Approved FY26-30 Plan due to a transfer from the General Fund for snow removal costs.
- **Obligations:** Up \$54.3M (37.2%) from the Approved Plan because of snow removal spending and new collective bargaining agreements.
- **Fund Balance:** Projected to reach \$14.2M (7.5% of revenues).
- **Higher staffing:** 726 out of 832 (87.3%) full time positions were filled at the end of FY26 Q3.

FY26 Transp. Fund Revenues



- Q3 revenue projections include a \$5.0M transfer from the General Fund for snow response costs in addition to the \$50.0M transfer in Q2.

FY26 Transp. Fund Obligations

Class	FY26-30 Approved Plan	Current Projection	Change
100: Wages & Benefits	\$102.7M	\$108.1M	↑ 5.2%
200: Contracts	\$14.0M	\$65.4M	↑ 367.4%
300/400: Materials & Equipment	\$11.6M	\$12.9M	↑ 11.1%
500: Contributions & Indemnities	\$15.0M	\$13.0M	↓ -13.3%
800: Transfers to Other Funds	\$2.1M	\$0.7M	↓ -65.8%
900: Labor Reserve	\$0.4M	\$0	↓ -100%

- Class 200 spending is projected to be \$51.4M higher than the Approved Plan due to snow response costs.
- Class 100 spending is projected to be \$5.4M higher than the approved Plan due to contracted increases earlier in the fiscal year, which were partially offset by the Labor Reserve, and snow removal costs in Q3.

CAPITAL FUND

At the end of FY26Q3, the largest capital expenditures have been in:

- Streets: \$110.9M
- Parks and Recreation: \$43.7M
- Office of Innovation and Technology: \$18.1M
- Fleet Services: \$16.6M
- Public Property: \$16.0M

Revenue Source	FY26 Adopted + Carryforward + Amended Appropriations per QCMR	FY26 YTD Encumbrances	FY26 YTD Expenditures
GO Bonds	\$1.15B	\$153.4M	\$173.0M
PAYGO	\$562.4M	\$17.1M	\$58.9M
Federal	\$839.7M	\$49.7M	\$26.3M
State	\$423.0M	\$14.3M	\$15.8M
Private	\$132.2M	\$1.4M	\$703,189
Other Government Sources	\$34.8M	-	\$7,690
PICA	\$10.6M	\$8.3M	\$8.3M
Total	\$3.16B	\$244.1M	\$283.1M