

# **FY 25 AUDIT RESULTS & FY 26 FINANCIAL UPDATE**



Town Council Work Session  
February 11, 2026

**FY 2025**  
**AUDIT RESULTS**

# FINANCIAL HIGHLIGHTS

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- Unqualified Audit Opinion (clean bill of health)
- Financial Reporting & Budget Awards from GFOA
- Triple A Bond Rating

# GENERAL FUND – BOTTOM LINE

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We have about \$3 million available to appropriate  
from FY 2025 excess fund balance

# GENERAL FUND (GF) – FUND BALANCE RESULTS

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- Overall, General Fund fund balance is up \$2,650,391
- Unassigned fund balance is \$24,886,356
- Available fund balance percent is 29.0%
- Calculated excess fund balance is about \$6 million but actual amount available is **\$3 million**

# GF – FUND BALANCE RECOMMENDATION

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- Things to consider when determining amount to appropriate:
  - Each year, budget gets bigger (larger denominator)
  - FY 2025 expenditures were lower than normal
  - Amount available to appropriate continues to decrease each year
- Recommendation
  - Appropriate the available \$3 million in excess fund balance

# RECOMMENDED USE OF ONE-TIME FUNDS

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• Greene Tract MOU	\$ 100,000	} \$3,000,000
• FEMA Administrative Support Contract	140,000	
• Street Maintenance Equipment	400,000	
• Downtown Funding Needs	360,000	
• Fire Station 4 Demolition	1,000,000	
• Infusion of \$ to debt fund to ensure funding plan stays on scheduled timeline	1,000,000	

# OTHER GOVERNMENTAL FUND RESULTS

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- **Debt Fund** – addition of \$1.42 million in fund balance
- **Capital Projects Ordinance Fund** – planned use of \$352K in fund balance
- **American Rescue Plan Fund** – no change in fund balance
- **Transit Capital Grants Fund** – decrease of \$667K in fund balance

# ENTERPRISE FUND RESULTS

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- **Transit Fund** – addition of \$7.2 million in fund balance
- **Parking Fund** – addition of \$1.6 million in fund balance
- **Housing Fund** – reduction of \$13K in fund balance
- **Stormwater Fund** – planned reduction of \$194K in fund balance

**FY 2026**  
**FINANCIAL UPDATE**

# FY 26 GENERAL FUND REVENUE UPDATE

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REVENUE SOURCE	FY 2026 BUDGET	FY 2026 ACTUAL @ 12/31	FY 2025 ACTUAL @ 12/31
Property Taxes	\$ 50,530,000	\$ 38,864,057	\$ 31,728,629
Sales Taxes	21,528,427	5,763,799	5,423,061
Other Taxes	1,850,000	802,088	814,092
Intergovernmental	9,703,272	3,035,464	3,058,791
Charges for Services	6,173,959	1,166,633	1,680,780
Licenses & Permits	2,898,530	1,740,530	1,197,872
Other Revenues	1,223,662	770,661	806,288
Approp Fund Balance	3,090,239	0	0
<b>TOTAL</b>	<b>\$ 96,998,089</b>	<b>\$ 52,143,232</b>	<b>\$ 44,709,513</b>

# FY 26 GENERAL FUND EXPENDITURE UPDATE

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- At the end of the 2<sup>nd</sup> quarter, we would expect to have spent about 50% of the budget; actual is 48.6%
- Town has spent 47.1% of personnel budget
- Town has spent 58.7% of operating budget

# NEXT STEPS

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- No decision required tonight
- March 4 or 25 - Return to Council at upcoming business meeting to discuss and vote on the appropriation of \$3 million of excess fund balance.
- March 18 - Begin discussing FY 2027 budget