

FY26 2nd Quarter Budget Update

Background

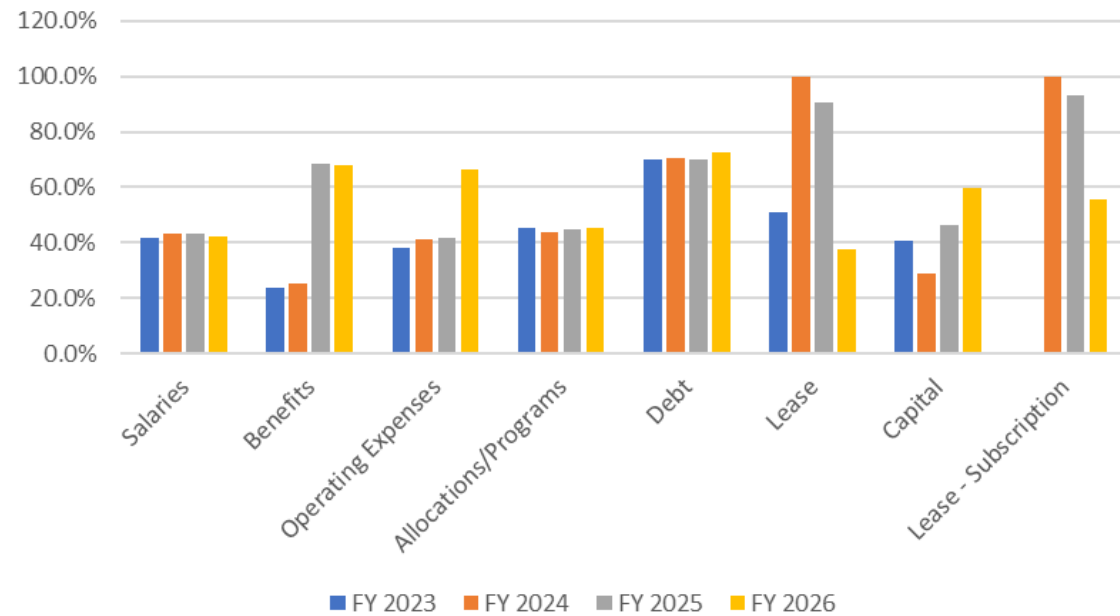
- Includes revenues and expenditures for the first 6 months of the fiscal year (July – December)
- Is a high-level overview – not a line-item level review
- Does not include:
 - Interest Revenue
 - Transfers In or Out
 - Appropriated Fund Balance
- Only 4 months of sales tax data due to lag between collection by the State and disbursement to counties
- Compares Revenue/Expenses by category and budget function
- Compares 2nd quarter current year to 2nd quarter for each of last 3 fiscal years and an average of those years.

Expenditures by Category

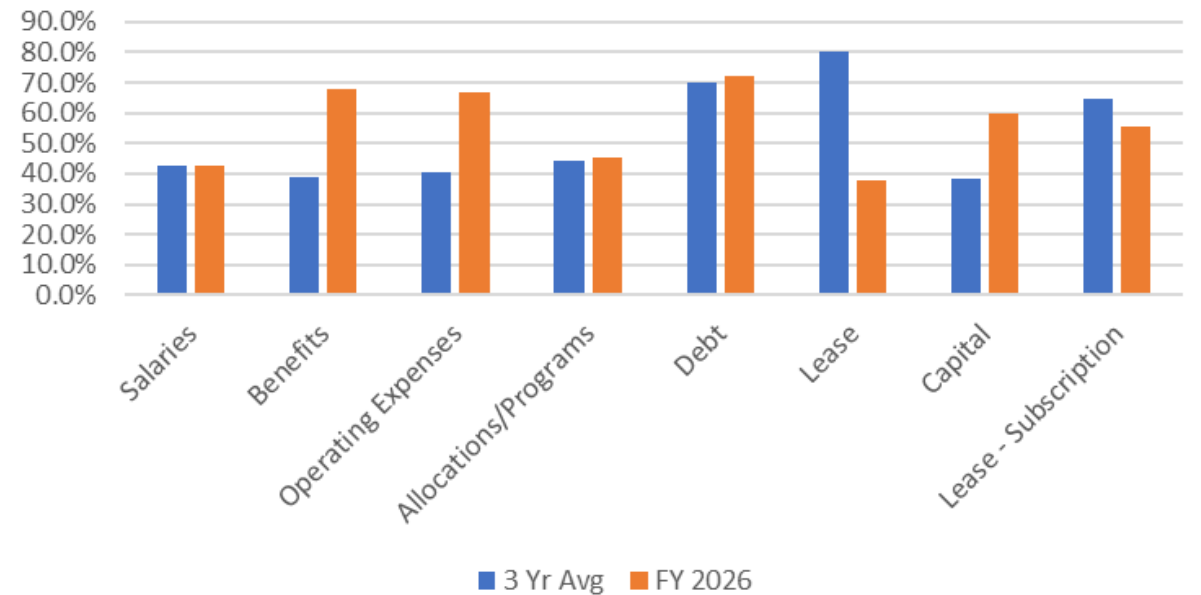
Expense	FY26 Revised Budget	Actual	YTD %
Salaries	46,604,152	19,767,330	42.4%
Benefits	22,058,314	15,000,030	68.0%
Operating Expenses	47,941,368	31,914,586	66.6%
Allocations/Programs	72,261,269	32,726,165	45.3%
Debt	23,988,100	17,345,719	72.3%
Lease	416,422	156,465	37.6%
Capital	1,843,447	1,100,035	59.7%
Lease - Subscription	1,273,354	709,579	55.7%
Transfers Out	28,153,285	6,669	0.0%
Refunding	28,007,848	28,007,848	100.0%
TOTAL	272,547,559	146,734,425	53.8%

Expenditures by Category

Q2 Expenses by Category



Q2 Expenses - 3 Year Average

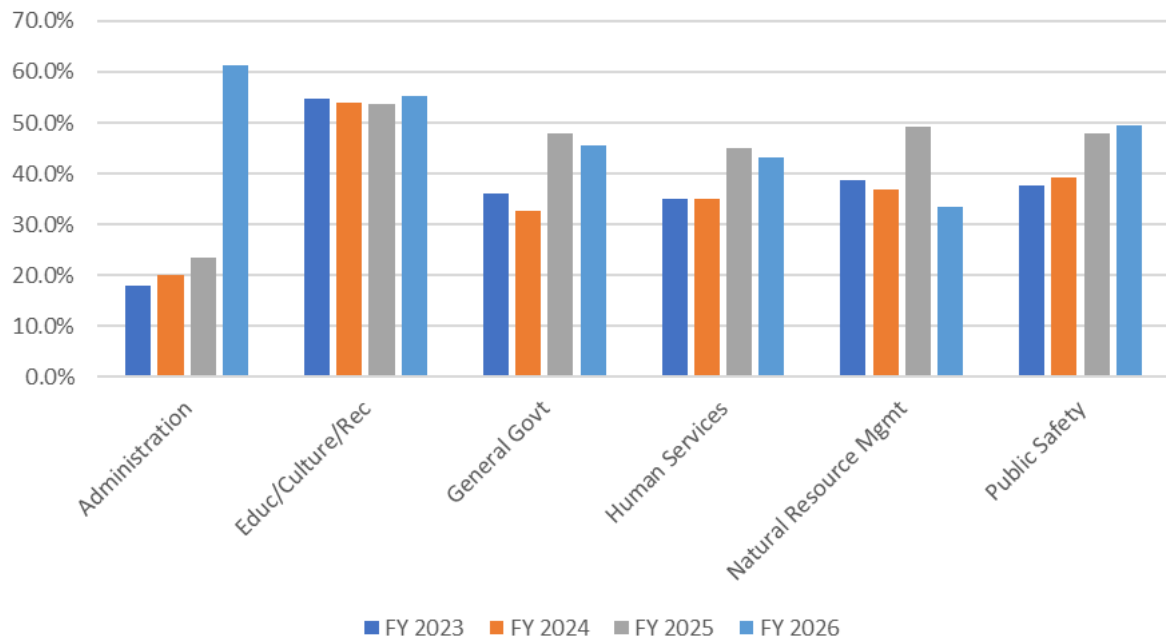


Expenditures by Function

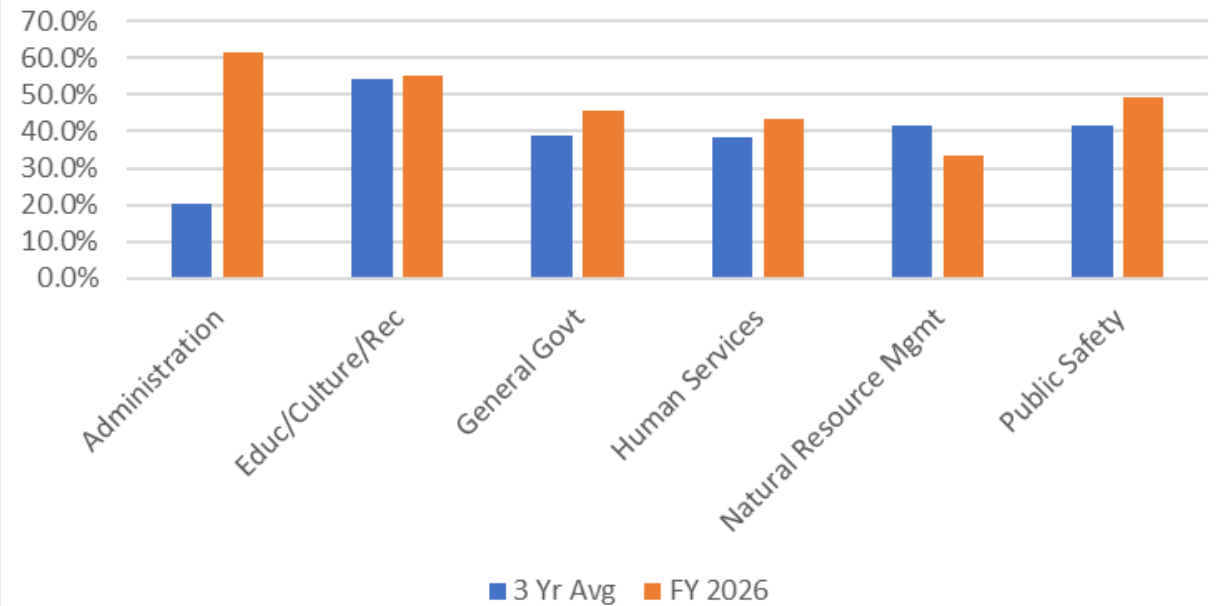
Expense	FY26 Revised Budget	Actual	YTD %
Administration	96,167,004	58,956,372	61.3%
Educ/Culture/Rec	80,297,713	44,432,606	55.3%
General Govt	5,912,317	2,693,745	45.6%
Human Services	32,536,595	14,076,889	43.3%
Natural Resource Mgmt	12,176,440	4,078,734	33.5%
Public Safety	45,457,490	22,496,078	49.5%
TOTAL	272,547,559	146,734,425	53.8%

Expenditures by Function

Q2 Expenses by Function



Q2 Expenses - 3 Year Average

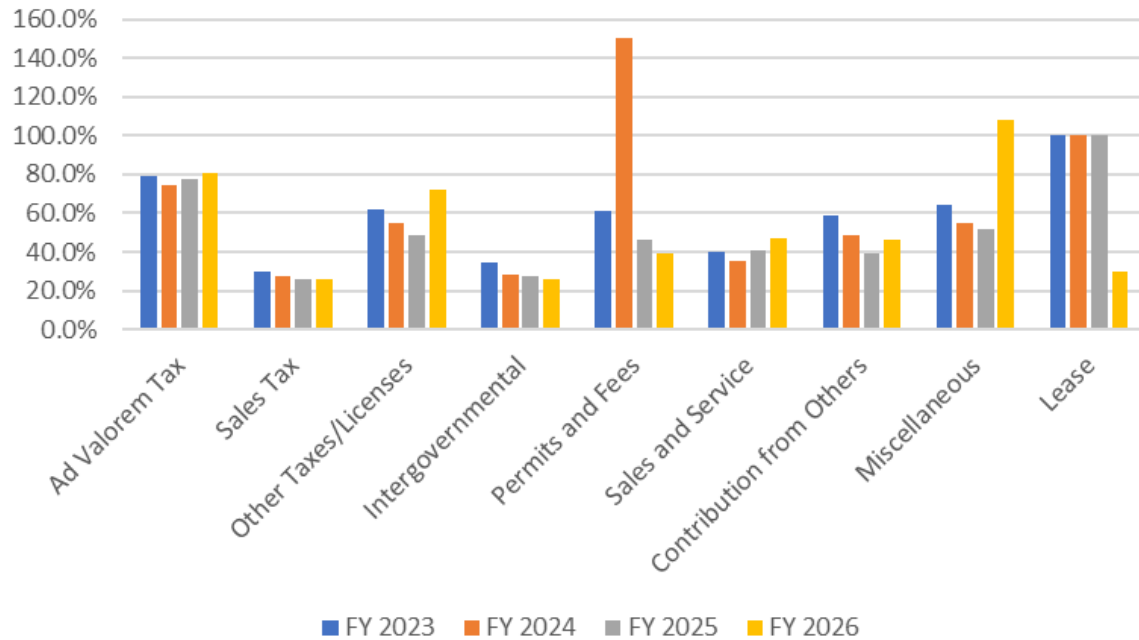


Revenues by Category

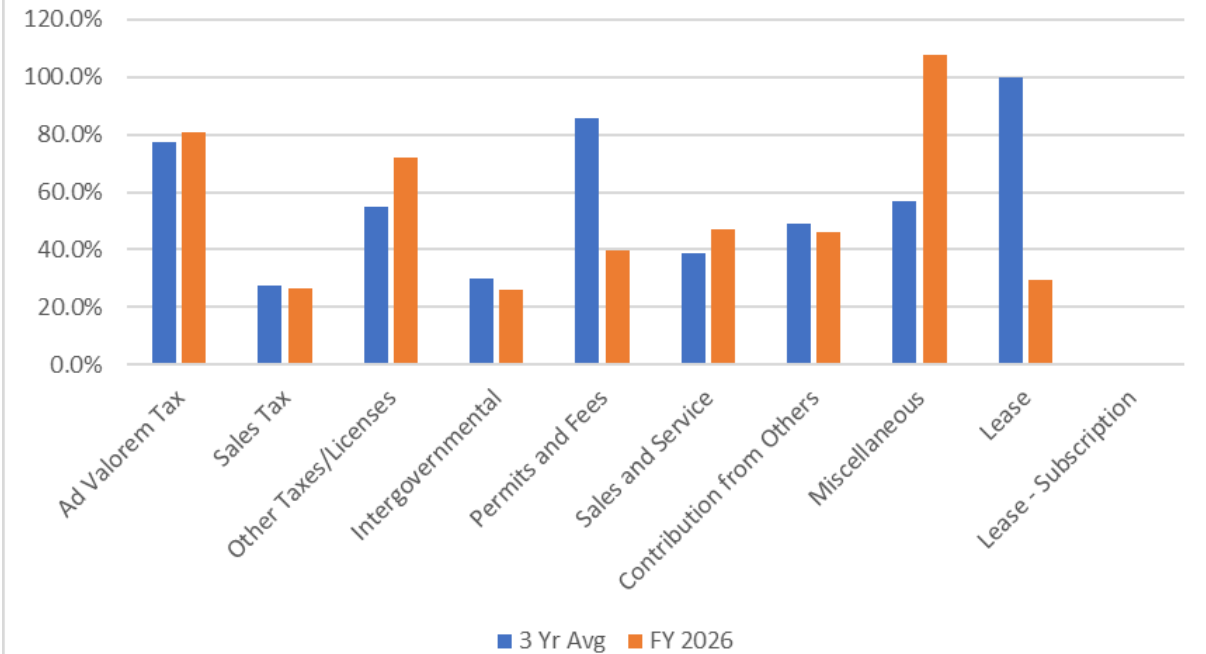
Revenue	FY26 Revised Budget	Actual	YTD %
Ad Valorem Tax	135,893,720	109,227,067	80.4%
Sales Tax	30,455,000	8,012,566	26.3%
Other Taxes/Licenses	1,291,071	928,925	71.9%
Intergovernmental	14,384,887	3,743,039	26.0%
Permits and Fees	3,606,186	1,425,330	39.5%
Sales and Service	2,861,147	1,344,775	47.0%
Contribution from Others	809,487	372,798	46.1%
Miscellaneous	1,164,458	327,035	28.1%
Lease	65,126	19,267	29.6%
Transfers In	18,619,239	-	0.0%
Debt Proceeds	2,672,848	2,758,516	103.2%
Refunding	25,335,000	25,335,000	100.0%
Appropriated Fund Balance	35,389,390	-	0.0%
TOTAL	272,547,559	153,494,317	56.3%

Revenues by Category

Q2 Revenue by Category



Q2 Revenues - 3 Year Average

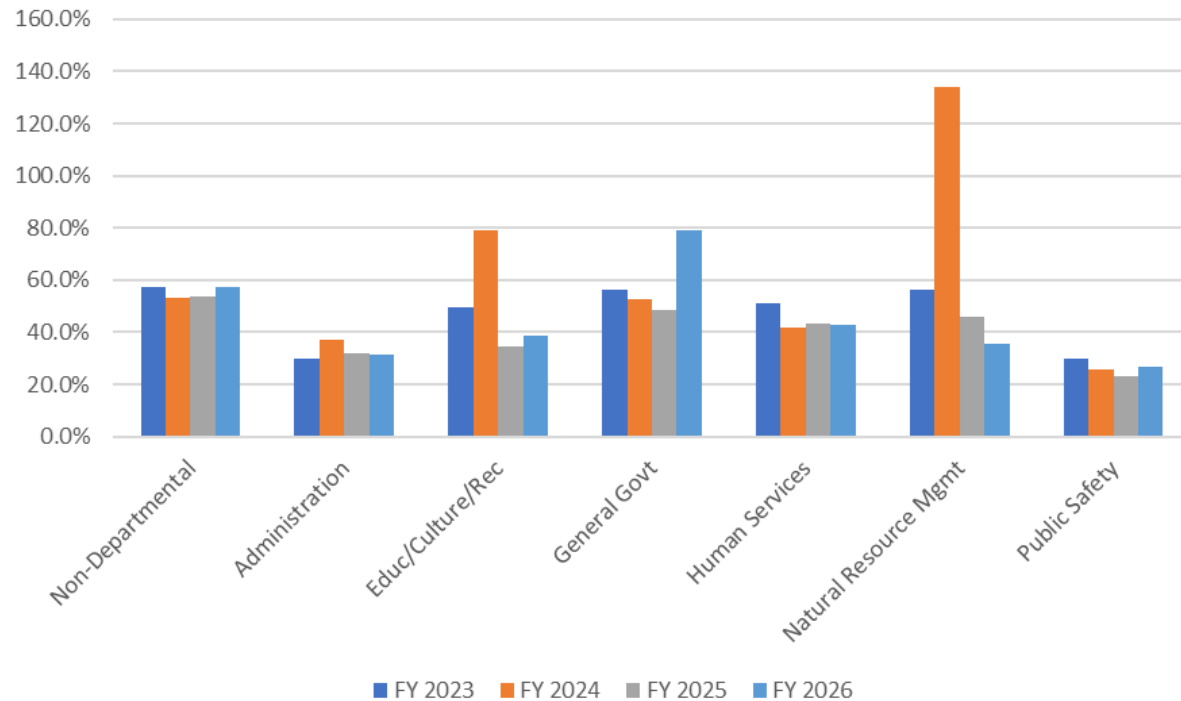


Revenues by Function

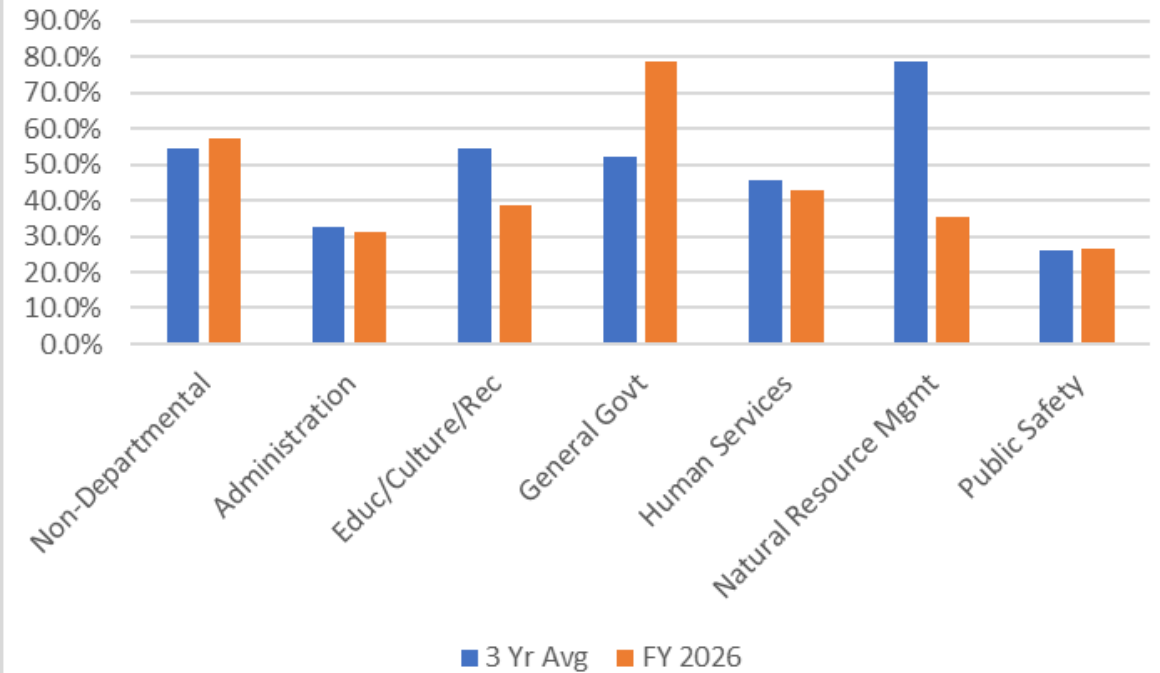
Revenue	FY26 Revised Budget	Actual	YTD %
Non-Departmental	253,711,443	145,540,446	57.4%
Administration	911,713	285,842	31.4%
Educ/Culture/Rec	651,238	251,940	38.7%
General Govt	1,683,338	1,328,178	78.9%
Human Services	9,340,633	3,999,192	42.8%
Natural Resource Mgmt	4,836,522	1,711,699	35.4%
Public Safety	1,412,672	377,019	26.7%
TOTAL	272,547,559	153,494,317	56.3%

Revenues by Function

Q2 Revenues by Function



Q2 Revenues - 3 Year Average



FY26 Revenue So Far (6 months)

Source	FY24	FY25	FY26	Growth
Register of Deeds Excise	\$663,385	\$707,627	\$771,994	+9.1%
Building Inspections	\$5,239,540	\$1,266,214	\$1,038,777	-18.0%
Watershed Protection	\$212,200	\$375,525	\$429,055	+14.3%
Environmental Health	\$182,894	\$176,297	\$191,880	+8.8%

FY26 Revenue So Far (6 months)

Source	FY24	FY25	FY26	Growth
Locally collected Sales tax	\$9.2M	\$9.1M	\$9.4M	+3.5%
Property Tax	\$72.2M	\$82.5M	\$105.1M	+27.4%
Motor Vehicles	\$3.6M	\$4.3M	\$4.2M	-1.0%

A Note on Revenues

- Development Services revenue faces another year-over-year decline– driven largely by Inspections fees
- Register of Deeds excise tax revenues up from last year – helped out by a large transaction
- Watershed Protection and Environmental Health revenues slightly ahead of the same time last year
- The Ad Valorem revenue, which is our largest single source of revenue, is ahead of last year in both collection percentage and total collections
- We are on track to meet, or slightly exceed, budget in the Ad Valorem revenue category.
- Motor Vehicle tax, another ad valorem revenue, is performing slightly behind last year in actual collections (-44k), but is slightly ahead in total collection percent (+1.9%)

Sales Tax update

- Through 4 months, sales tax collection is at 34.6% of budget, slightly ahead of the same time period last year (33.3%)
 - Actual sales tax collections are approximately \$318,500 ahead of last year
- Locally collected sales tax is trending at a 3% year-over-year growth
 - Statewide articles trending at 6.5% year-over-year growth
- 3 of the 4 collection months have higher sales tax revenue collection than the same month in FY25
- We are on pace to meet budget but if current collections trends do not continue, we could fail to meet budgeted revenue numbers

Article 46 Sales Tax

- Reminder – we budgeted \$3,200,000 in Article 46 sales tax funds in FY26
 - \$2 million was budgeted towards schools
 - Following the guidance that the Board gave staff in late FY21 (and amended during the FY24 budget process), the remaining \$1,200,000 was allocated evenly across the other 3 areas authorized for use
 - Affordable Housing
 - Agricultural Preservation & Enhancement
 - Parks & Recreation
- FY26 YTD (through 4 months) Collections: \$1,263,917
 - Approximately \$27,600 ahead of last year in total collections
- On pace to slightly exceed budget
 - If current collection trends hold
 - If budget exceeded, we will bring budget amendment back to BOC for approval

Questions?
