

City of Piedmont
COUNCIL AGENDA REPORT

DATE: November 3, 2025

TO: Mayor and Council

FROM: Rosanna Bayon Moore, City Administrator

SUBJECT: Review of FY 2024-25 Unaudited Financial Results

RECOMMENDATION

No action required. This report is provided for information only.

FINANCIAL REPORT

In FY 2024–25, favorable revenue trends, coupled with lower-than-budgeted expenses and capital transfers, resulted in General Fund Net Revenue approximately \$3.1 million higher than budgeted. The year ended with an estimated unassigned fund balance of \$9.9 million. Staff is recommending, via a separate report, that after meeting a reserve target of 19%, \$2.6 million of this balance be transferred to capital project funds for facilities, infrastructure, and equipment needs.

GENERAL FUND	Budget	Actual	Variance
Beginning Balance	\$ 8,443	\$ 8,526	\$ 83
Revenues	37,697	39,413	1,716
Operating Transfers In	1,200	1,211	11
Total Revenue	38,897	40,624	1,727
Expenditures: Operating	34,920	33,571	1,349
Expenditures: Non-Departmental	4,450	4,626	(175)
Operating Transfers Out	400	200	200
Total Expenditures	39,771	38,397	1,374
Operating Net Revenue	(874)	2,228	3,101
Capital Transfers Out	811	887	(76)
Net Revenue	(1,685)	1,341	3,026
Ending Balance	\$ 6,758	\$ 9,867	\$ 3,109
Available for Transfer	-	2,600	2,600
Ending Balance - Adjusted	\$ 6,758	\$ 7,267	\$ 509
% of Operating Exp	17.2%	19.0%	

Revenue Overview

General Fund revenue (excluding grants) exceeded the budget by \$1.716 million. A total of \$2.5 million in grant revenue (ARPA and ACTC) was budgeted, of which \$1.573 million was expended as of June 30, 2025.

Of the \$1.83 million in ARPA funds budgeted, \$1.5 million was used for the Police Dispatch Renovation Project, with the remaining \$327,000 to be spent in FY 2025–26 on the same project.

(In thousands)				
Revenue Type	Budget	Actual	Variance	% Var
Transfer Tax	\$ 3,800	\$ 4,515	\$ 715	19%
Permits & Planning Fees	1,875	2,276	401	21%
Mutual Aid - Wildfire Assist.	-	302	302	
Investment Income	350	467	117	34%
Ambulance Charges	300	409	109	36%
Recreation	3,974	4,050	76	2%
Miscellaneous	534	590	56	10%
Property Tax	18,994	18,921	(73)	-0.4%
Business & Sales Taxes	985	938	(47)	-5%
All Others	6,885	6,945	60	1%
Sub-Total	37,697	39,413	1,716	5%
Grant Funds - ARPA, ACTC	2,554	1,573	(981)	-38%
Total Revenue	\$ 40,251	\$ 40,986	\$ 735	2%

Highlights of General Fund revenue performance:

- Transfer Tax: \$4.5 million
 - \$715,000 above budget, and \$429,000 higher than prior year
 - Homes sold: 124 (8% more than prior year's 115)
 - Average Sales Price: \$2.8 million (+2%)
 - Median Sales Price: \$2.45 million (-2%, second consecutive annual decline)
- Building Permit & Planning fee revenue totaled \$2.3 million
 - \$401,000 HIGHER than budget, and 455,000 MORE than last year, due to higher construction costs and fee changes effective July 2024
- Mutual Aid Reimbursements: \$302,000 for two wildfire deployments
- Investment Income: \$117,000 above budget, though \$147,000 below prior year
- Ambulance charges: \$109,000, or 36% above budget

- Recreation: \$76,000 due to steady recreation classes and camp receipts
- Miscellaneous income: \$56,000 above budget mainly from Republic Services, and vehicle damage insurance recoveries

These gains were partially offset by:

- Property Taxes: \$73,000 below budget due to a drop in supplemental assessments
- Business & Sales Taxes: \$47,000 below budget

Expenditure Overview

General Fund departmental expenditures were \$1.349 million below budget, while non-departmental expenses exceeded budget by \$175,000, resulting in overall underspending of \$1.174 million.

(In thousands)				
Department	Budget	Actual	Variance	% Var
Planning & Building	\$ 2,933	\$ 2,483	\$ (450)	-18%
Police	8,822	8,389	(433)	-5%
Administration	5,338	4,919	(419)	-9%
Public Works	4,964	4,671	(293)	-6%
Recreation	4,137	4,193	56	1%
Fire	8,727	8,916	189	2%
Sub-Total	34,920	33,571	(1,349)	-4%
Non-Departmental	4,450	4,626	175	4%
Total Expenditures	\$ 39,371	\$ 38,197	\$ (1,174)	-3%

- Recreation Department: \$56,500 over budget, offset by higher recreation revenue (\$76,000)
- Non-Departmental: \$175,500 over budget due to:
 - Higher Workers Compensation claims (\$255,000)
 - Unfavorable actuarial adjustment for future claim reserves (\$98,000)
 - Offset by lower general liability claims (\$53,000) and lower retiree medical premiums (\$125,000)
- Fire Department: \$189,500 over budget, due to higher overtime for workers' compensation absences and wildfire mutual aid coverage.
- Administration: \$419,000 under budget
 - Underspending in contractual costs (\$108,000).
 - Records management project is not yet finished (\$130,000)
 - Salary and benefits savings (\$122,000)

- Communications projects moved to FY2026 (60,000)
- Public Works: \$293,000 under budget
 - Lower park maintenance due to fewer large storms (\$82,000)
 - Salary and benefits savings (\$105,000)
 - Street tree pruning and planting (\$121,000)
 - Solid waste and other consulting (\$57,000)
 - Lower other repairs and maintenance costs (\$118,000)
 - Offset by increased City Engineer Service fees (\$190,000)
- Police Department: \$228,000 under budget, mainly from salary and benefit savings from vacancies and reduced part-time staffing.
- Planning and Building: \$433,000 under budget due to:
 - Salary & benefits savings from vacancies (\$296,000)
 - Less part-time staffing (\$96,000)
 - Lower auto repairs and maintenance costs (~\$35,000)

General Fund Reserve

The unassigned General Fund balance at June 30, 2025 is estimated at \$9.9 million (25.7% of expenditures).

This exceeds both the 18% target reserve and the 25% policy limit. Accordingly, staff recommends allocating \$2.6 million from the unassigned balance to capital project funds to address long-term infrastructure and equipment needs (presented in a separate staff report).

By: Kiran Bawa, Finance Director

Attachment: FY2024-25 Financial Report Presentation



FY2024-25 Year-end Financial Report

November 3, 2025

November 3, 2025

piedmont.ca.gov

Agenda



FY2025 Report Summary
FY2025 Revenues and Expenditures
Uses of Year-End funds
ARPA Update
Capital Funds
Trust Funds

FY2025 General Fund Overview



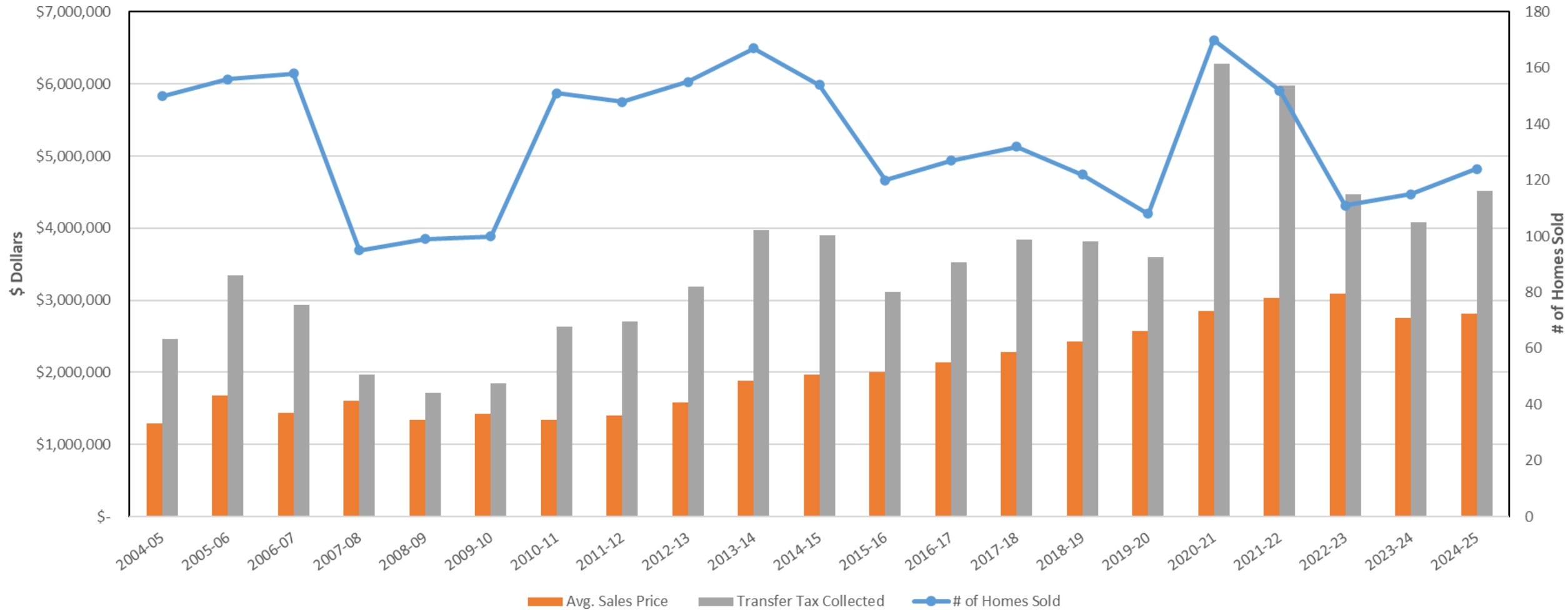
- Revenues finished 2% over budget
- Expenditures 3% below budget
- YE Fund Balance of \$9.9M, or 25.7% of expenses
- Recommended use of \$2.6M for Capital Project Funds
- Net Fund Balance of \$7.3M, or 19% of expenses
- Stable year-end results support strategic reserve rebuilding

FY2025 Revenues

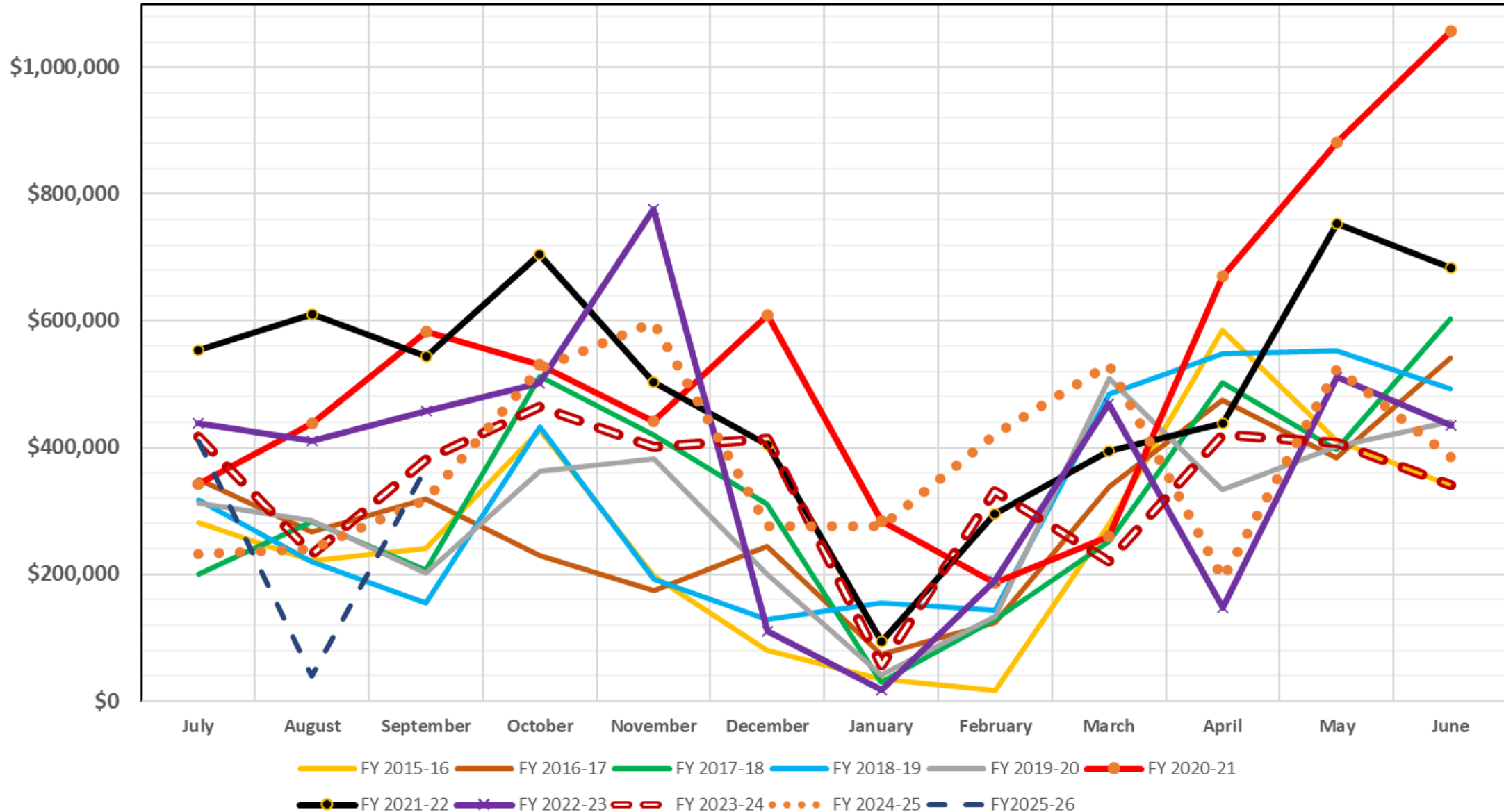


(In thousands)				
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Total Revenue	\$ 40,251	\$ 40,986	\$ 735	2%

Real Estate Transfer Tax - History



Real Estate Transfer Tax – Monthly Trend



Property Tax



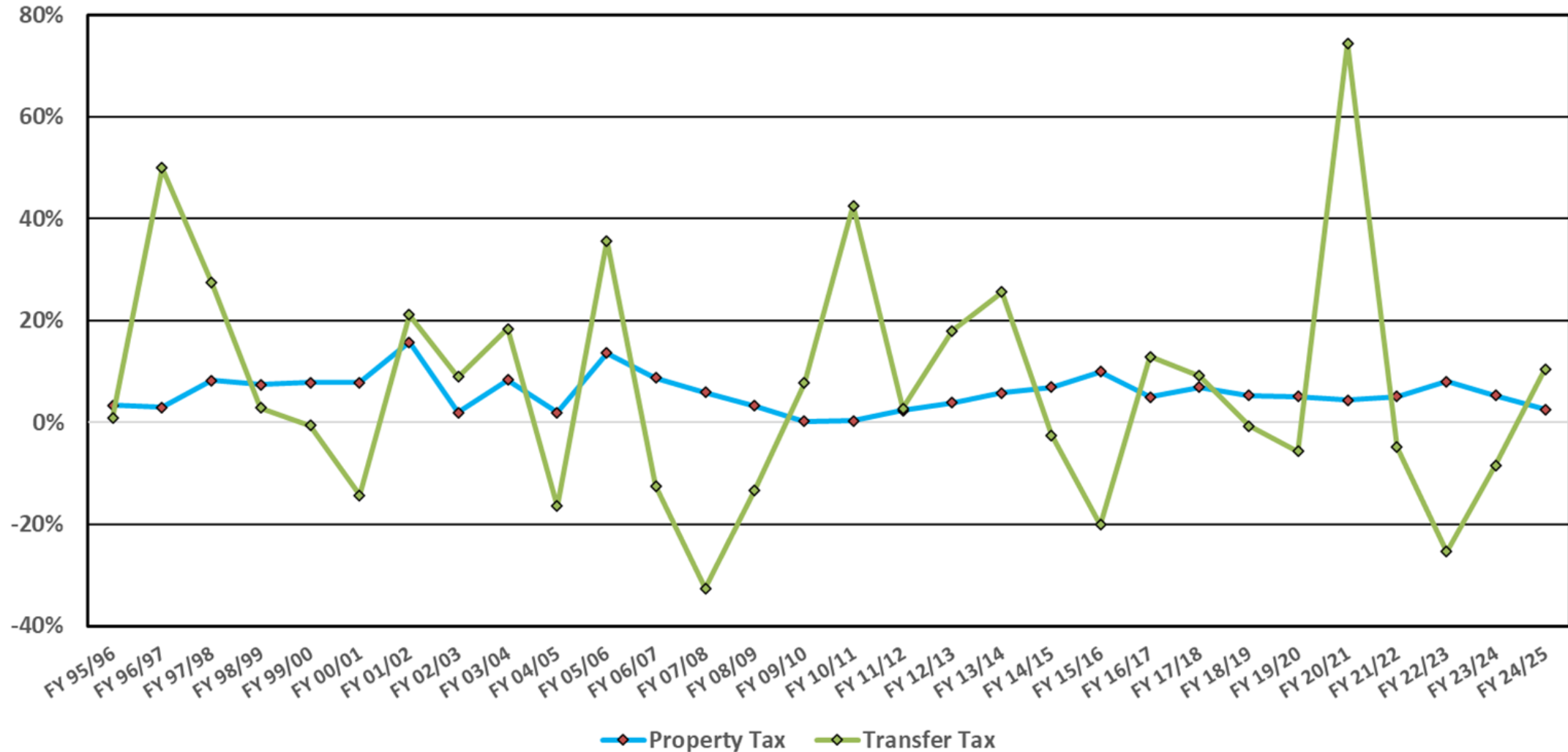
Fiscal Year	ACTUAL										FY2024-25			
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	ACTUAL	BUDGET	CHANGE	% CHANGE
Property Tax - Secured	\$9,948	\$11,003	\$11,521	\$12,292	\$12,961	\$13,611	\$14,271	\$14,974	\$16,027	\$17,011	\$17,585	\$17,654	(\$69)	(0.4%)
Property Tax - Unsecured	575	585	564	581	612	676	724	726	761	881	930	885	45	5.0%
Supplemental Assessment	316	331	423	494	498	498	438	515	733	547	395	450	(55)	(12.3%)
Delinquent Taxes & Penalties	7	3	4	7	8	6	9	9	8	11	12	5	7	136.8%
TOTAL Property Taxes	\$10,846	\$11,923	\$12,512	\$13,375	\$14,079	\$14,790	\$15,442	\$16,224	\$17,529	\$18,449	\$18,921	\$18,994	(\$73)	(0.4%)

YOY Growth Rates

Property Tax - Secured	6.1%	10.6%	4.7%	6.7%	5.4%	5.0%	4.9%	4.9%	7.0%	6.1%	3.4%
Property Tax - Unsecured	9.4%	1.8%	-3.6%	3.0%	5.4%	10.4%	7.1%	0.3%	4.8%	15.8%	5.5%
Supplemental Assessment	32.5%	5.0%	27.6%	17.0%	0.7%	-0.1%	-12.0%	17.5%	42.4%	-25.5%	-27.8%
TOTAL YOY Growth	6.9%	9.9%	4.9%	6.9%	5.3%	5.1%	4.4%	5.1%	8.0%	5.3%	2.6%

- Growth Rate: 5-YR average is 5.1% and 10-YR average is 5.7%
- Below average growth in FY2025 at 2.6%
- Supplemental Assessment is volatile (It is a pooled county revenue source)

Property & Transfer Tax – YOY % Change



FY2025 Expenditures



(In thousands)				
Department	Budget	Actual	Variance	% Var
Planning & Building	\$ 2,933	\$ 2,483	\$ (450)	-18%
Police	8,822	8,389	(433)	-5%
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Sub-Total	34,920	33,571	(1,349)	-4%
Non-Departmental	4,450	4,626	175	4%
Total Expenditures	\$ 39,371	\$ 38,197	\$ (1,174)	-3%

Expenditure Highlights



Departments over budget:

Fire (\$189,000)

- Overtime increase due to Workers Compensation leave and mutual aid deployments (offset by \$302,000 in revenue)

Recreation (\$56,000)

- Majority of expenses are variable and depend on the level of revenues
- Revenues exceeded budget estimate (\$76,000)

Expenditure Highlights



Non-Departmental (\$175,000)

- Workers Compensation claims due to injuries in Police & Fire (\$255,000)
- Workers Compensation change in claims liability (\$98,000)
- Offset by lower General Liability insurance premium (\$53,000) and retiree medical premiums paid (\$125,000)

Expenditure Highlights



Departments under budget:

Planning & Building (\$450,000)

- Expanding Housing Opportunities Project picked up momentum towards the later part of the fiscal year (\$259,000)
- Lower environmental consulting costs (\$88,000)
- Salary & benefits savings (\$62,000)
- Delay in existing building electrification study (\$50,000)

Police (\$433,000)

- Lower personnel costs due to vacancies (\$296,000)
- Less use of part-time personnel than anticipated (\$96,000)
- Lower auto repairs and maintenance costs (~\$35,000)

Expenditure Highlights



Administration (\$419,000)

- Underspending in contractual costs (\$108,000).
- Records management project is not yet finished (\$130,000)
- Salary and benefits savings (\$122,000)
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Public Works (\$293,000)

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Available for Transfer	-	2,600	2,600
Ending Balance - Adjusted	\$ 6,758	\$ 7,267	\$ 509
% of Operating Exp	17.2%	19.0%	

Use of YE funds (\$2.6M):

Facilities Capital
(\$1,500,000)

Equipment Replacement
(\$850,000)

Facilities Maintenance
(\$250,000)

American Rescue Plan Act (ARPA)



Description	Amount (000's)
<u>Revenue</u>	
ARPA Grant Funds	2,664
<u>Expenditures:</u>	
Prevention & Administration	126
PUSD Support	100
Premium Pay	58
Police Dispatch Project	2,053
Funds Remaining	\$ 327



CAPITAL FUNDS

Facilities Capital Fund – FY2025



	(In thousands)		
	Budget	Actual	Variance
Beginning Balance - 7/1/2024	\$ 10,078	\$ 10,472	\$ 394
<u>Revenues:</u>			
General Fund Transfers	-	-	-
Schoolmates Transfers	-	-	-
Contributions \ Other Funding	219	122	(97)
Interest	300	493	193
Other-ARPA	1,897	1,498	(399)
Total Revenue	2,416	2,113	(303)
<u>Expenditures:</u>			
Capital Projects	8,432	4,236	4,196
Total Expenditures	8,432	4,236	4,196
Ending Balance - 6/30/2025	\$ 4,062	\$ 8,349	\$ 4,287

Facilities Capital Fund – Five Year Plan



	2023-24	2024-25	2025-26	2026-27	FY 2027
	Actual	Actual	Budget	Forecast	& Beyond
Beginning Balance	\$ 10,797,969	\$ 10,457,363	\$ 8,304,715	\$ 527,182	\$ (652,818)
General Fund Subsidy	\$ -	\$ -	\$ -	\$ 400,000	\$ 400,000
ARPA Funding	322,066	1,497,984	522,000	-	-
Contributions \ Other	-	122,223	150,000	150,000	-
Interest	572,179	493,380	140,000	10,000	-
Total Revenue	\$ 894,245	\$ 2,113,587	\$ 812,000	\$ 560,000	\$ 400,000
Expenditures:					
Facilities	\$ (322,066)	\$ (1,963,926)	\$ (2,548,961)	\$ (995,000)	\$ (54,760,000)
Parks	(421,667)	(470,574)	(1,522,481)	(465,000)	(27,030,000)
Tennis Courts	(27,741)	(224,970)	-	-	(810,000)
Sustainability	(43,184)	(19,087)	(163,000)	(130,000)	(632,000)
Storm Drains	(8,224)	(70,285)	(479,715)	(100,000)	(2,050,000)
Green Infrastructure	(200,000)	-	(250,000)	(50,000)	(900,000)
Community Pool	(207,204)	(1,487,393)	(3,625,376)	-	-
Miscellaneous	(4,765)	(30,000)	-	-	-
Total Expenditures	\$ (1,234,850)	\$ (4,266,235)	\$ (8,589,533)	\$ (1,740,000)	\$ (86,182,000)
Ending Balance	\$ 10,457,363	\$ 8,304,715	\$ 527,182	\$ (652,818)	\$ (86,434,818)

Facilities Maintenance Fund – FY2025



	(In thousands)		
	Budget	Actual	Variance
Beginning Balance - 7/1/2024	\$ 429	\$ 379	\$ (50)
<u>Revenues:</u>			
General Fund Transfers	850	850	-
Schoolmates Transfers	32	28	(4)
Contributions	-	31	31
Interest	15	18	3
Total Revenue	897	927	30
<u>Expenditures:</u>			
Repairs & Maintenance	215	495	(280)
Scheduled Maintenance	293	80	213
Sidewalk Repair \ Replacement	700	410	290
Total Expenditures	1,208	985	223
Ending Balance - 6/30/2025	\$ 119	\$ 321	\$ 203

Facilities Maintenance Fund – Five Year Plan



	2023-24	2024-25	2025-26	2026-27	FY 2027
	<i>Actual</i>	<i>Actual</i>	<i>Budget</i>	<i>Forecast</i>	<i>& Beyond</i>
Beginning Balance	\$ 571,407	\$ 377,729	\$ 421,229	\$ 23,329	\$ 44,090
General Fund Subsidy	\$ 850,000	\$ 850,000	\$ 1,100,000	\$ 1,550,000	\$ 1,250,000
Schoolmates Subsidy	29,910	32,000	95,600	64,104	81,628
Contributions \ Other	8,900	-	-	-	-
Interest	16,071	15,000	23,000	24,000	19,000
Total Revenue	\$ 904,881	\$ 897,000	\$ 1,218,600	\$ 1,638,104	\$ 1,350,628
Expenditures:					
Sidewalks	\$ (753,080)	\$ (300,000)	\$ (650,000)	\$ (650,000)	\$ (600,000)
Annual Maintenance	(232,657)	(315,000)	(225,750)	(234,780)	(244,171)
Scheduled Maintenance	(112,823)	(238,500)	(740,750)	(732,563)	(512,941)
Total Expenditures	\$ (1,098,559)	\$ (853,500)	\$ (1,616,500)	\$ (1,617,343)	\$ (1,357,112)
Ending Balance	\$ 377,729	\$ 421,229	\$ 23,329	\$ 44,090	\$ 37,607

Equipment Replacement Fund



Fiscal Year	Begin Balance	Planned Funding	Interest	Expenditures	End Balance
17/18	\$3,937,414	\$ 517,193		\$ (651,165)	\$3,803,442
18/19	3,803,442	433,000	81,148	(1,216,799)	3,100,791
19/20	3,100,791	400,000	76,067	(513,171)	3,063,687
20/21	3,063,687	610,500	13,195	(590,280)	3,097,101
21/22	3,097,101	1,361,391	(28,188)	(338,713)	4,091,591
22/23	4,091,591	690,000	58,713	(1,260,947)	3,579,357
23/24	3,579,357	800,000	151,211	(800,594)	3,729,974
24/25	3,729,974	0	135,000	(1,052,563)	2,812,411
25/26	2,812,411	850,000	90,000	(1,692,697)	2,059,714
26/27	2,059,714	1,013,003	61,791	(1,596,186)	1,538,323
27/28	1,538,323	1,107,963	46,150	(985,962)	1,706,473
28/29	1,706,473	851,705	51,194	(838,371)	1,771,001
29/30	1,771,001	829,632	53,130	(1,882,299)	771,464
30/31	771,464	658,578	23,144	(218,245)	1,234,941
31/32	1,234,941	585,876	37,048	(571,210)	1,286,656
32/33	1,286,656	658,528	38,600	(789,194)	1,194,590

- \$800,000 transferred from GF in FY 23-24
- No Funding was budgeted in FY 24-25

Fiscal Year	Begin Balance	Planned Funding	Interest	Expenditures	End Balance
17/18	\$3,937,414	\$ 517,193		\$ (651,165)	\$3,803,442
18/19	3,803,442	433,000	81,148	(1,216,799)	3,100,791
19/20	3,100,791	400,000	76,067	(513,171)	3,063,687
20/21	3,063,687	610,500	13,195	(590,280)	3,097,101
21/22	3,097,101	1,361,391	(28,188)	(338,713)	4,091,591
22/23	4,091,591	690,000	58,713	(1,260,947)	3,579,357
23/24	3,579,357	800,000	151,211	(800,594)	3,729,974
24/25	3,729,974	850,000	135,000	(1,052,563)	3,662,411
25/26	3,662,411	850,000	90,000	(1,692,697)	2,909,714
26/27	2,909,714	1,013,003	87,291	(1,596,186)	2,413,823
27/28	2,413,823	1,107,963	72,415	(985,962)	2,608,238
28/29	2,608,238	851,705	78,247	(838,371)	2,699,819
29/30	2,699,819	829,632	80,995	(1,882,299)	1,728,147
30/31	1,728,147	658,578	51,844	(218,245)	2,220,324
31/32	2,220,324	585,876	66,610	(571,210)	2,301,601
32/33	2,301,601	658,528	69,048	(789,194)	2,239,983

- Funding is planned 3 yrs prior to purchase for items < \$200,000, and 5 yrs for items > \$200,000



TRUST FUNDS

TRUST FUNDS - PARS



Established in April 2018 to reserve funds for future pension costs

Total contributed of \$3.75 million to date

As of June 30, 2025, the balance is \$5.2 million

Annualized return of 7.3% since inception (~ 9% in FY2025)

Additional funding is not required now based on ten-year plan

Funds may be needed by FY 2026 to maintain GF reserves of approx. 18%

TRUST FUNDS - OPEB



Retiree health benefits were restructured in 2018 to realize savings in ~ 15 years

Costs continue to rise between 3% to 8%

As of June 30, 2025, the balance is \$15.4 million (~8% in FY2025)

The Plan is 70% funded as of June 30, 2025

In the long-term, City plans to use fund to make premium payments after reaching 75% funding level, ~ FY2030

TRUST FUNDS – Police & Fire Pension



Legacy pension plan for participants before July 1971

As of June 30, 2025, the balance is \$19.8 million (~8% in FY2025)

Currently there are four beneficiaries

Annual benefits paid approx. \$92,500

Over funded by approx. \$19M at close of FY2025



Q & A