

## II. GENERAL FUND BUDGET PERFORMANCE

### GENERAL FUND YEAR-END PERFORMANCE

The General Fund ended the year with an available 2023-2024 Ending Fund Balance (unaudited) of \$600.9 million, as reflected in the following table:

#### GENERAL FUND BUDGET TO ACTUAL COMPARISON FOR THE YEAR ENDED JUNE 30, 2024

<u>Sources</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Beginning Fund Balance	639,359,298	639,359,298	-
Carry-over Encumbrances	80,902,454	80,902,454	-
Liquidation of Carry-over Encumbrances		3,571,982	3,571,982
<i>Subtotal</i>	<i>720,261,752</i>	<i>723,833,734</i>	<i>3,571,982</i>
Revenues	1,484,404,074	1,450,459,396	(33,944,678)
<b>Total Sources</b>	<b><u>2,204,665,826</u></b>	<b><u>2,174,293,130</u></b>	<b><u>(30,372,696)</u></b>
<u>Uses</u>			
Personal Services	1,048,817,071	1,043,470,668	(5,346,403)
Non-Personal/Equipment/Other	248,655,378	217,303,653	(31,351,725)
City-Wide Expenses	421,899,571	234,322,362	(187,577,209)
Capital Contributions	114,803,144	47,791,717	(67,011,427)
Transfers	30,472,131	30,472,131	-
Reserves	340,018,531	-	(340,018,531)
<b>Total Uses</b>	<b><u>2,204,665,826</u></b>	<b><u>1,573,360,531</u></b>	<b><u>(631,305,295)</u></b>
<b>Available Ending Fund Balance</b>		<b><u>600,932,599</u></b>	<b><u>600,932,599</u></b>

**Note:** In the chart above, the General Fund excludes the Emergency Reserve Fund and Cash Reserve Fund, which are budgeted as separate funds and reflected separately in this document. In the 2023-2024 Annual Comprehensive Financial Report (ACFR), the Emergency Reserve Fund and Cash Reserve Fund will be displayed as part of the General Fund to comply with GASB 54 reporting requirements.

## II. GENERAL FUND BUDGET PERFORMANCE

### GENERAL FUND YEAR-END PERFORMANCE

The actual ending fund balance of \$600.9 million exceeded the estimated Ending Fund Balance level used in the development of the 2024-2025 Adopted Budget by \$24.5 million (0.6% of the 2023-2024 Modified Budget for revenues and expenditures). However, once adjusted for rebudget and technical clean-up adjustments recommended in this report associated with the close-out of 2023-2024, a true ending fund balance of \$2.4 million (0.05% of the 2023-2024 Modified Budget for revenues and expenditures) remains in 2023-2024 and is available for allocation in 2024-2025. The elements of the Ending Fund Balance variance are illustrated in the following estimate to actual comparison chart.

#### GENERAL FUND ESTIMATE TO ACTUAL COMPARISON FOR THE YEAR ENDED JUNE 30, 2024

<b>Sources</b>	<b>2023-2024 Estimate</b>	<b>2023-2024 Budgetary Basis Actual</b>	<b>Variance</b>
Beginning Fund Balance	639,359,298	639,359,298	-
Carry-over Encumbrances	80,902,454	80,902,454	-
Liquidation of Carry-over Encumbrances	1,825,368	3,571,982	1,746,614
<i>Subtotal</i>	<i>722,087,120</i>	<i>723,833,734</i>	<i>1,746,614</i>
Revenues	1,474,053,831	1,450,459,396	(23,594,435) <sup>1</sup>
<b>Total Sources</b>	<b><u>2,196,140,951</u></b>	<b><u>2,174,293,130</u></b>	<b><u>(21,847,821)</u></b>
<b>Uses</b>			
Expenditures	1,619,660,411	1,573,360,531	(46,299,880) <sup>1</sup>
<b>Total Uses</b>	<b><u>1,619,660,411</u></b>	<b><u>1,573,360,531</u></b>	<b><u>(46,299,880)</u></b>
<b>Ending Fund Balance</b>	<b><u>576,480,540</u></b>	<b><u>600,932,599</u></b>	<b><u>24,452,059</u></b>

<sup>1</sup> The 2023-2024 Adopted Budget included \$14.7 million in grant and reimbursement-related revenues and expenditures not expected to be received in 2023-2024 and were rebudgeted to 2024-2025. This resulted in lower actual revenues and expenditures in 2023-2024, with no net impact to the General Fund. After factoring out the lower revenues and expenditures associated with these grants and reimbursements, the revenues variance actually resulted in a deficit of \$8.9 million, rather than a deficit of \$23.6 million, and the expenditures variance actually resulted in savings of \$31.6 million, rather than savings of \$46.3 million.

**Note:** In the chart above, the General Fund excludes the Emergency Reserve Funds and Cash Reserve Fund, which are budgeted as separate funds and reflected separately in this document. In the 2023-2024 Annual Comprehensive Financial Report, the Emergency Reserve Fund and Cash Reserve Fund will be displayed as part of the General Fund to comply with GASB 54 reporting requirements.

## II. GENERAL FUND BUDGET PERFORMANCE

### GENERAL FUND YEAR-END PERFORMANCE

A detailed analysis of the variances between the 2023-2024 Modified Budget and Budgetary Basis Actuals for revenues, expenditures, transfers, and reserves is provided in the following section. However, the variances for the Beginning Fund Balance and Liquidation of Carry-over Encumbrances category are discussed below.

The actual 2023-2024 Beginning Fund Balance of \$639.4 million was consistent with the estimate. The actual 2023-2024 Liquidation of Carry-over Encumbrances was \$3.6 million and reflects encumbered appropriations liquidated by the Finance Department during the period between the release of the audited 2022-2023 financial statements and the end of 2023-2024. Liquidation of prior year encumbrances results in a reduction in the obligations against the fund balance. These funds then become available for reappropriation. The actual liquidations in 2023-2024 were \$1.7 million above the estimate of \$1.8 million that was used in the development of the 2024-2025 Adopted Budget.

As noted on the chart on the previous page, after adjusting for \$14.7 million in grants and reimbursements that were not received or expended in 2023-2024, the final General Fund Ending Fund Balance represents a positive variance of \$24.5 million (0.6% of the 2023-2024 Modified Budget for revenues and expenditures), which includes higher than estimated expenditures savings (\$31.6 million), higher than estimated liquidation of prior year encumbrances (\$1.7 million), and lower revenues (\$-8.9 million). After accounting for revenue and expenditure rebudget and technical clean-up adjustments recommended in the Annual Report to close-out 2023-2024, \$2.4 million (0.05% of the 2023-2024 Modified Budget for revenues and expenditures) in additional Ending Fund Balance is available. The \$2.4 million positive fund balance variance is comprised of net expenditure savings (\$6.6 million), higher than estimated liquidation of prior year encumbrances (\$1.7 million), and lower than estimated revenues (-\$6.0 million).

Recommendations for the allocation of the additional 2023-2024 Ending Fund Balance are provided elsewhere in this document.