



General Capital: Adopted vs. Updated Budgets from FY17 – FY25

<u>Year</u>	<u>Adopted</u>	<u>Updated</u>	<u>Change (\$)</u>	<u>Change (%)</u>
FY2017	\$75,478,700	\$90,606,730	\$15,128,030	20.0%
FY2019	\$64,136,800	\$85,378,500	\$21,241,700	33.1%
FY2021	\$63,271,500	\$57,335,000	-\$5,936,500	-9.4%
FY2023	\$53,870,000	\$127,062,000	\$73,192,000	135.9%
FY2025	\$63,860,000	\$105,058,000	\$41,198,000	64.5%

The City adopts a two-year “biennial budget” in every even-numbered year, with separate appropriations for the operating and capital budgets. The first year of the biennial budget also includes planned amounts for the second year. In the following odd-numbered year, City Council adopts a “budget update,” based on changing conditions and spending policy decisions.

This table shows that, since at least 2017, the General Capital budget, except in 2021, has increased after adoption—sometimes substantially. These increases reflect decisions made during the budget update process rather than at the time the original budget is approved.

A portion of this expanded capital spending has been directed toward projects described as “economic development.” In some cases, these expenditures do not involve the construction or improvement of City-owned capital assets. Instead, they are justified based on the expectation that the City will receive broader economic benefits from the capital projects of the recipients. For example, this appears to be the case with the proposed \$8 million allotment for the Farmer Music Center. Whether and to what extent those benefits are actually realized may vary by project.

Some of the proposed recipients in the budget priority memos of the city council members have traditionally been funded through General Fund programs. We will have to wait and see how the funding streams for some of the projects are reclassified from General Fund to the General Capital Fund. There are important financial reporting implications involved in the classification of these programs which we will be discussing during this years’ budget process.

April 12, 2026