



CITY COUNCIL REPORT

9.D.

DATE: JUNE 3, 2025
TO: MAYOR AND COUNCIL MEMBERS
FROM: Markisha Guillory, Finance Director, 510-724-9823, MGuillory@pinole.gov
SUBJECT: FY 2024/25 THIRD QUARTER FINANCIAL REPORT

RECOMMENDATION

Staff recommend that the City Council receive the Fiscal Year (FY) 2024/25 Third Quarter Financial Report.

BACKGROUND

The quarterly financial report is intended to provide the City Council, City staff and management, and the community a general update on the financial activities and condition of the City.

The City operates on an annual budget cycle. Through the budget, the City Council approves revenue estimates and authorizes City staff to expend the City's limited financial resources. As one of the many activities that the City undertakes to help ensure its financial soundness, staff provides quarterly financial reports on the City's budget condition.

The Third Quarter Financial Report (Attachments A and B) covers financial activity through the third quarter of the FY 2024/25, ending March 31, 2025. It provides preliminary year-end results.

REVIEW AND ANALYSIS

At its meeting on June 25, 2024, the City Council adopted the FY 2024/25 Operating and Capital Budget. The FY 2024/25 budget is a status quo budget, meaning that the revenue sources and service and staffing levels included in the budget are similar to those included in the prior year's budget. The City remains in a stable financial position and is able to fund its operating and capital expenditures through annual, recurring funding sources. The budget does include the use of unassigned fund balance (residual, unrestricted funds) primarily for several one-time, Council-directed initiatives, which is an acceptable use of unrestricted funds.

It is the City's practice to hold a mid-year budget review each fiscal year. It was held on March 4, 2025. The mid-year budget review involves a detailed analysis of budget-to-actuals from July 1 to December 31 and helps us determine if adjustments to anticipated revenue and planned expenditures are necessary.

At the end of third quarter of the fiscal year most revenues and expenditures are expected to be at 75% of the budget, although this may vary based on the timing of certain receipts and

spending trends. Overall, General Fund revenues and expenditures are on target with budgeted amounts as expected at this point in the fiscal year. Therefore, staff is not recommending any changes to the budget at this time.

The FY 2024/25 budget and actual revenue, expenditures, and estimated beginning and ending fund balance for each City fund is listed in the Financial Summary (Attachment B). The "FY 2024/25 Amended Budget" column in the financial tables reflects the amendments made at mid-year.

Next Steps

The FY 2024/25 Fourth Quarter Financial Report, which will include proposed year-end adjustments, will be presented to the City Council in September 2025.

FISCAL IMPACT

There is no fiscal impact as a result of receiving this report. Staff is not recommending any budget adjustments at this time.

ATTACHMENTS

- A. FY 2024-25 Q3 Financial Report
- B. FY 2024-25 Q3 Financial Summary by Fund