



CITY AUDITOR'S  
OFFICE




CITY OF ATLANTA

# PERFORMANCE AUDIT:

## Fiscal Year 2025 Budget Review

February 5, 2026  
Project No. 26.01

 [www.atlaudit.org](http://www.atlaudit.org)



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February 5, 2026

Honorable Mayor and Members of the City Council:

This audit assesses whether the city overspent on its fiscal year 2025 general fund expenses, the reasons for any overspending, and whether new budget controls are effectively designed and operating to prevent future overruns. We found that the city overspent fiscal year 2025 general fund revenues by \$16 million (based on unaudited figures as of October 2025), mainly due to increased personnel obligations. The city's strategies to offset the overrun reduced amounts available for some special funds and general fund reserves. Finance implemented several budgetary controls in January 2025 that could help reduce the potential for overruns but do not eliminate overspending risks. Our recommendations are geared toward abolishing unneeded positions, clarifying personnel funding, providing more information to City Council, and documenting rationale for Vacancy Review Board decisions.

The Audit Committee has reviewed this report and is releasing it in accordance with Article 2, Chapter 6 of the City Charter. We sent a draft report to management on December 19, 2025, and received their responses on February 3, 2026. We appreciate the courtesy and cooperation of city staff throughout the audit. The team for this project was Linden Kuhn and Duane Braithwaite.

Amanda Noble  
City Auditor

Donald T. Penovi, CPA  
Chair, Audit Committee

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## Audit Objectives

In December 2024, the Department of Finance projected that the city's fiscal year 2025 budget would end with a deficit. Although projections anticipated that both revenues and expenses would outpace the budget, expenses were projected to be higher than revenues. This audit evaluates the reasons for the projected overspend and the effectiveness of controls that Finance put into place to help mitigate the risk of future overruns.

This report addresses the following objectives:

1. Did the city overspend on its fiscal year 2025 general fund expenses?
2. What were the reasons for the city overspending its fiscal year 2025 general fund expenses?
3. Are the budget controls implemented by the Finance Department during fiscal year 2025 effectively designed and operating to mitigate future budget overruns?

# Executive Summary

## *What We Found*

Although the city's revenues were greater than the initial adopted budget in fiscal year 2025, expenses outpaced revenues. This led to a \$16 million year-end deficit (based on unaudited figures as of October 2025), primarily due to overspending on personnel and associated benefits. The city partially closed the gap by moving revenues to the general fund from reserves and other sources, and reclassifying personnel expenses to other funds. Personnel expenses were \$103 million higher than budgeted, partly because at the end of the previous year (fiscal year 2024), the city increased headcount by 417 positions that it may not have budgeted for in 2025. Also, Finance did not budget funds for vacant positions, many of which the city later filled. The city also overspent on contracted and purchased services by \$32 million and on supplies by \$18 million.

Finance began introducing new budgetary controls in January 2025, including reinstating the Vacancy Review Board to review and approve all potential hires. In fiscal year 2026, Finance generally prohibited departments from spending more than 50% of their budgets before mid-year. Finance recommends whether to hire or promote employees as part of the Vacancy Review Board process, but the board makes the final decision and can choose to approve personnel actions that Finance does not recommend. Also, City Council passed legislation requesting Finance and Human Resources to provide monthly financial and personnel updates, but the July through September reports did not provide all the requested information that would be critical for transparency and decision-making. The November quarterly report provided backdated information, but information delays can negatively impact decision-making. The new controls could help reduce potential overruns but would be unlikely to decrease current personnel obligations. The city was projecting a nearly \$5 million general fund deficit at the end of the first quarter of the fiscal year; personnel expenses are projected to be two percent higher than the initial adopted budget.

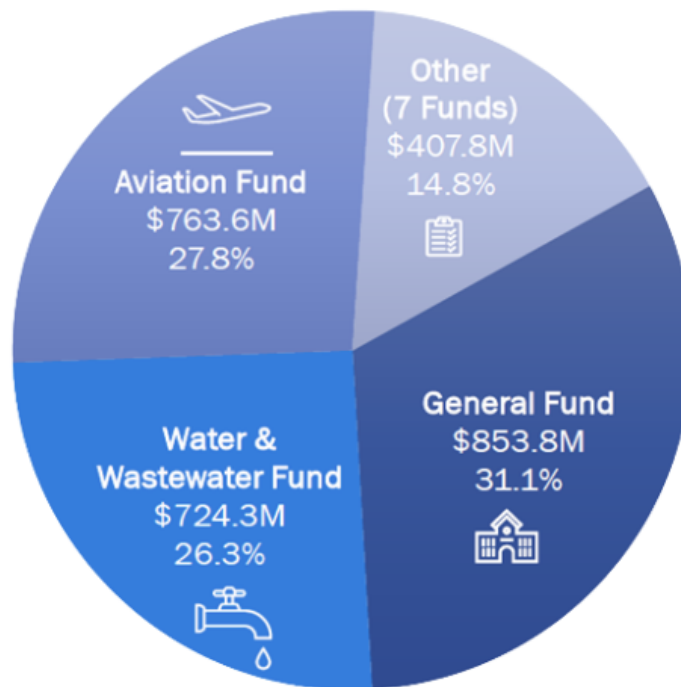
## *What We Recommended*

In this report, we make six recommendations to Finance, Human Resources, and the Chief Operating Officer to improve transparency and budgetary controls. These focus on adding information to Finance's monthly reports for decision-making, improving Vacancy Review Board documentation, and identifying which positions are funded in position reports.

# Background

The initial adopted fiscal year 2025 budget was \$2.75 billion, the largest in the city's history. The general fund was the most significant portion, at \$853.8 million, while the Aviation and Watershed enterprise funds accounted for most of the remaining portion of the initial adopted operating budget, as shown in Exhibit 1. The general fund is the city's primary operating account. It pays for most day-to-day services that aren't assigned to an enterprise fund, including Police, Fire, and Parks.

**Exhibit 1: General Fund Was 31% of Total Budgeted Expenses for FY25**

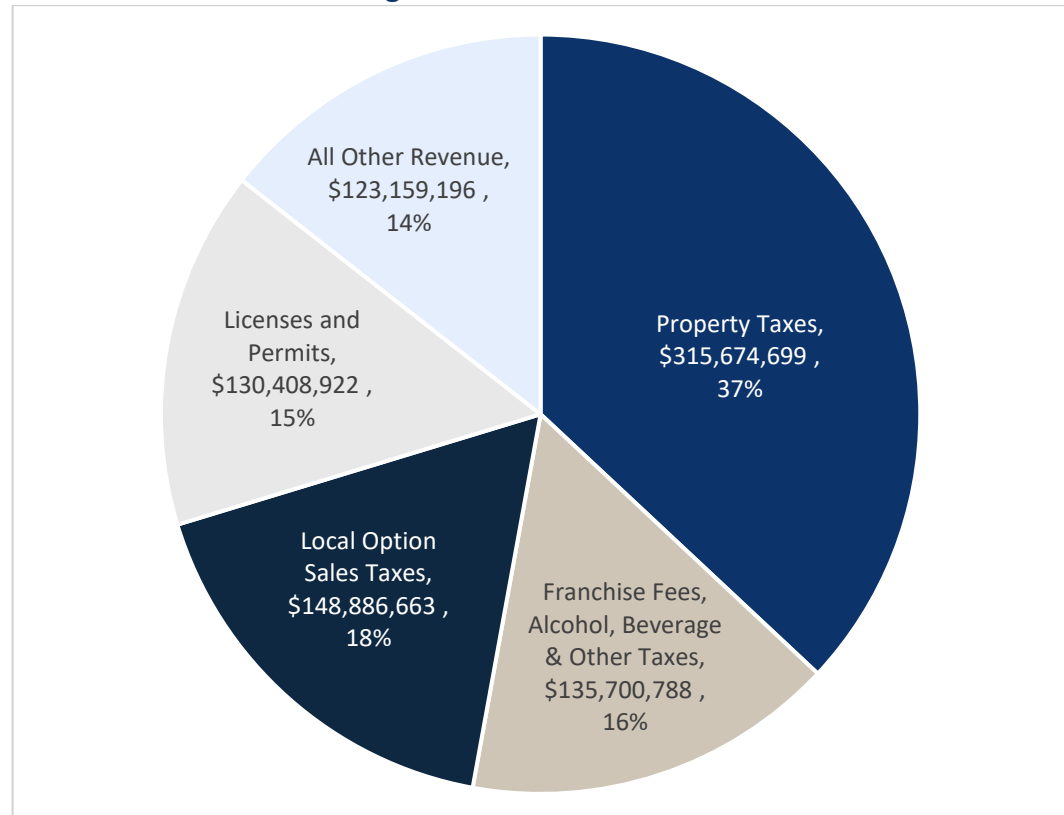


Other Funds include Group Insurance, E911, Solid Waste, Fleet Service, Hotel/Motel, Rental/ Motor Vehicle & City Plaza

**Source:** Finance's "2025 Fiscal Condition of the City" presented to Finance and Executive Committee on May 1, 2024, p. 30

The general fund is the city's largest fund and is supported mainly by property taxes, as shown in Exhibit 2. Our scope focuses on the general fund, as it supports the city's core operations.

## Exhibit 2: Property Taxes Were Largest Revenue Category for City's FY25 General Fund Budget



**Source:** Developed by auditors based on Oracle's Budgetary Control of general fund for the initial adopted budget

### The City's Budget Must be Approved by June 30th Each Year

The Department of Finance's Budget Office (Office of Budget & Fiscal Policy) has a key role in the budget process. It provides centralized budgeting, monitoring, and strategic financial analysis for general, capital, and enterprise-funded departments within the city. The Budget Office also evaluates personnel, resource allocation, and operational issues, as well as producing financial and operational data for both internal and external stakeholders. The office's key deliverables include monthly and quarterly financial status and variance reporting, annual budget, fund balance forecasting, and proposed, adopted, and other budget planning publications. The Budget Office also trains city staff on two budgetary systems:

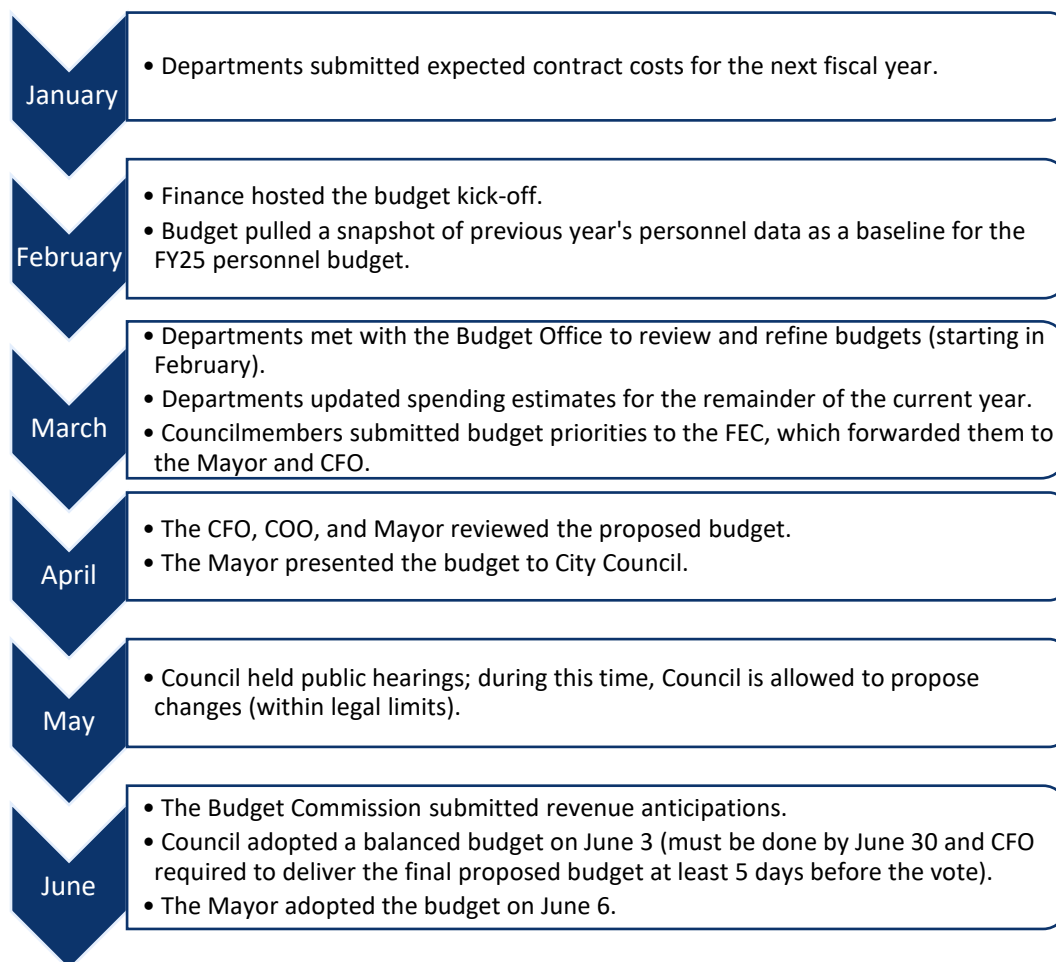
- **ePBCS (Planning and Budgeting Cloud Services)**, which is an Oracle cloud-based system that centralizes budgeting, automates forecasting, and provides financial reporting
- **ATLCloud Budgetary Control module**, which is the city's financial system tool that tracks spending and is intended to prevent departments from

exceeding their approved budgets by checking available funds before a purchase, payment, or transfer

The city's budget process spans from January through June, as shown in Exhibit 3. The process includes participation from all city departments, the mayor, the chief financial officer, City Council and its Finance & Executive Committee, the Budget Commission, and the Finance Department. One key milestone in the budget process is when the Budget Office creates its baseline personnel budget. Historically, Budget Office staff creates the personnel baseline budget based on human resource data collected between December and February. In fiscal years 2025 and 2026, this process was completed in February. The Budget Office then incorporates information from departments on planned hiring for the fiscal year, but this information is not reflected in the baseline.

In March, Finance holds individual budget briefings with departments. Also, by March, City Council members submit their budget priorities for the coming year; these are referred to the Finance and Executive Committee and submitted as a resolution to the mayor and chief financial Officer for consideration. The chief financial officer, chief operating officer, and mayor review the proposed budget document in April. The mayor proposes the annual budget ordinance to City Council by May, and City Council holds public hearings on the budget. By June, the Budget Commission prepares and files the annual revenue anticipations—expected revenue for the upcoming fiscal year—with City Council for submission to the mayor. The chief financial officer provides City Council with a copy of the proposed annual budget before it meets to decide whether to approve it, which must be done by the end of June. As with all ordinances and resolutions, the mayor may approve or veto the adopted budget ordinances within eight calendar days of adoption.

### Exhibit 3: The City's FY25 Budget Process Took About Six Months



**Source:** Developed by auditors based on the city's budget schedule

State law requires the city to prepare a balanced budget. The city charter outlines guidance and restrictions for creating revenue anticipations and budget amendments. The city operates on a fiscal year cycle that begins on July 1 and ends on June 30 of the following year. Departments request additional budget adjustments as needed for transfers between major account groups through the city's budgeting software, ePBCS.

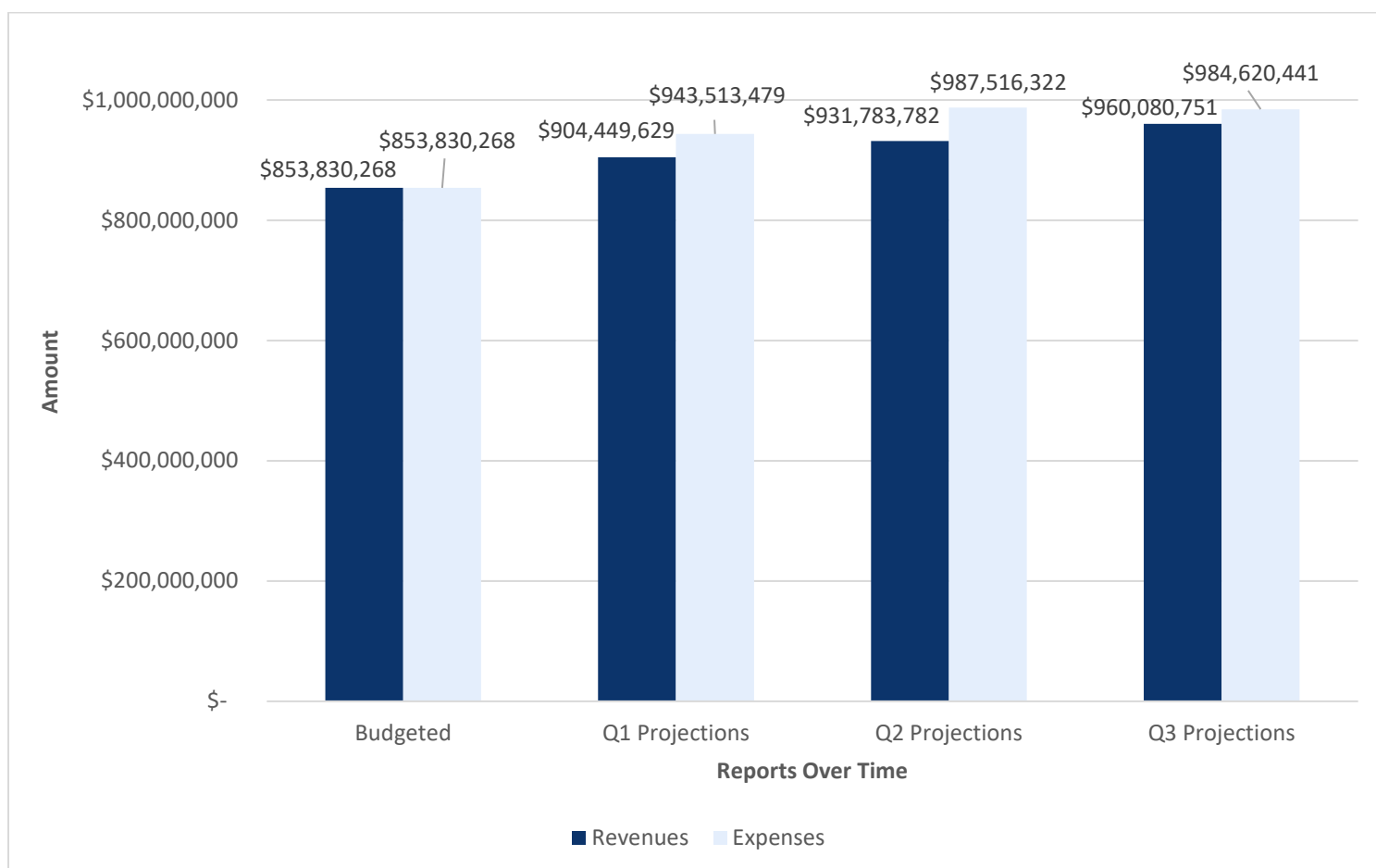
### The City Began Projecting Potential Deficit After First Quarter

During fiscal year 2025, Finance provided projection updates to City Council's Finance and Executive Committee in December 2024, February 2025, and June 2025. As shown in Exhibit 4, both projected revenues and expenses exceeded the general fund budget throughout the fiscal year. The city began with a

balanced budget; however, the city's projected deficit fluctuated from \$39 million to \$56 million to \$25 million in the first, second, and third quarters,

respectively. In December, Finance began reporting the city's impending budget deficit. Although revenues increased during this period, expenses rose even faster. Finance reported several unexpected costs, primarily personnel and public safety overtime. Finance also attributed the growth in expenses to other cost increases, including higher group health insurance expenses, rising contract costs, lower staff turnover, and more fleet repairs and maintenance. Finance also noted several special events such as the presidential funeral, added security at the Public Safety Training Center, a special City Council election, and weather-related incidents. Together, these expenses grew faster than the additional revenue the city received.

**Exhibit 4: Quarterly Projections Consistently Showed Deficit**



**Source:** Auditor analysis of Finance Department’s quarterly projection updates to City Council’s Finance and Executive Committee for general fund revenues and expenses and the initial adopted FY25 general fund budget

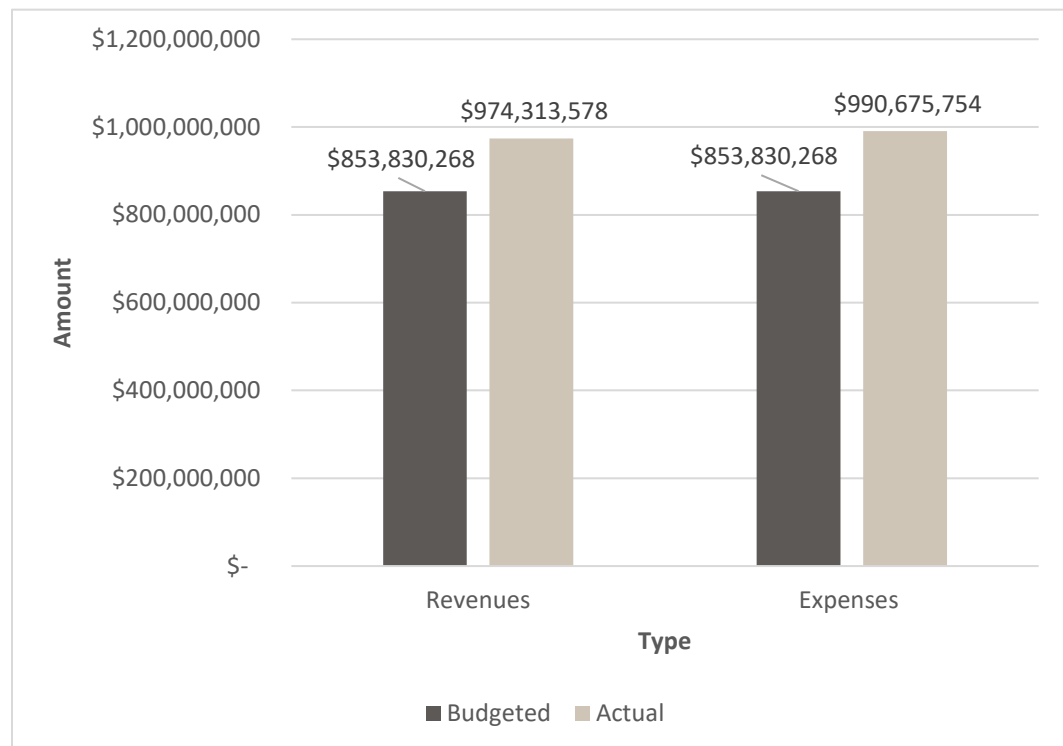
# Findings and Analyses

## Objective 1: Did the city overspend on its fiscal year 2025 general fund expenses?

### FY25 Expenses Outpaced Revenues by \$16 Million

Based on the city's unaudited figures as of October 2025, the fiscal year 2025 general fund ended with a \$16 million deficit. While revenues exceeded the budgeted amount by 14%, expenses were 16% higher than budgeted, as shown in Exhibit 5. The city ended the year with over \$974 million in revenues and nearly \$991 million in expenses.

**Exhibit 5: FY25 Revenues and Expenses Both Exceeded Budget, But Expenses Exceeded the Budget More Than Revenues**



**Source:** Auditor analysis of the city's unaudited figures as of October 2025 from Oracle Trial Balance report of general fund for "14-Jun\_2025" period compared to Oracle's Budgetary Control of general fund for the initial adopted budget

Finance staff noted deficit projections after the first quarter of fiscal year 2025 but said this is common due to the timing of certain revenues and expenses. The department knew after the first quarter that the city was projecting a deficit but began enacting spending controls after second-quarter projections also forecasted a deficit. These controls helped the city slow the overspending, but it was still not able to eliminate the overrun. The fiscal year 2025 deficit could negatively impact future budgets and increase the risk of a 2026 shortfall.

**Objective 2: What were the reasons for the city overspending its fiscal year 2025 general fund expenses?**

***Personnel and Related Costs Were \$103 Million Over Budget***

**Personnel and Related Costs Drove Overspending**

The city overspent more on personnel and related costs than any other expense type. Personnel and related costs made up 63% of the initial adopted fiscal year 2025 budget for the general fund. Based on the city's unaudited fiscal year 2025 general fund data as of October 2025 and the initial adopted budget, the city spent \$637 million but only budgeted \$534 million for personnel and associated costs. In February 2025, City Council passed a mid-year budget amendment ([Ordinance No. 25-O-1014](#)) that Finance recommended to adjust for some of these unforeseen costs. Exhibit 6 shows budget variance for each expense type against the initial adopted and mid-year amended budgets. Other areas of overspending were purchased/ contracted services and supplies. As shown in the exhibit, personnel and associated costs exceeded the initial budget by just under \$103 million.

**Exhibit 6: Personnel and Related Costs Exceeded Initial Budget by \$103 Million**

Major Account Category	Budgeted Expenses		Unaudited Actual Expenses	Budget Variance (Initial Adopted)		Budget Variance (Mid-Year Amended)	
	Initial Adopted (Jun-24)	Mid-Year Amended (Feb-25)		Variance (\$)	Variance (%)	Variance (\$)	Variance (%)
51: Personnel services and employee benefits	\$533,886,863	\$548,786,863	\$636,692,394	\$(102,805,531)	-19%	\$(87,905,531)	-16%
52: Purchased/contracted services	\$114,321,692	\$119,633,717	\$146,250,548	\$(31,928,856)	-28%	\$(26,616,831)	-22%
53: Supplies	\$40,588,153	\$40,610,600	\$58,379,018	\$(17,790,865)	-44%	\$(17,768,418)	-44%
61: Operational transfers	\$59,457,804	\$66,686,354	\$72,514,972	\$(13,057,168)	-22%	\$(5,828,618)	-9%
55: Interfund/interdepartmental charges	\$19,409,419	\$19,408,964	\$25,880,270	\$(6,470,851)	-33%	\$(6,471,306)	-33%
57: Other costs	\$39,142,548	\$46,365,473	\$39,615,014	\$(472,466)	-1%	\$6,750,459	15%
56: Depreciation and amortization	\$0	\$0	\$0	\$0	0	\$0	0
59: Conversion summary	\$4,000,000	\$1,869,071	\$(1,372)	\$4,001,372	100%	\$1,870,443	100%
54: Capital outlays	\$10,711,335	\$13,951,557	\$4,713,882	\$5,997,453	56%	\$9,237,675	66%
58: Debt service	\$32,312,454	\$32,312,454	\$6,631,028	\$25,681,426	79%	\$25,681,426	79%
<b>Total</b>	<b>\$853,830,268</b>	<b>\$889,625,053</b>	<b>\$990,675,754</b>	<b>\$(136,845,486)</b>	<b>-16%</b>	<b>\$(101,050,701)</b>	<b>-11%</b>

**Source:** Auditor analysis of the city's unaudited figures as of October 2025 from Oracle Trial Balance report of general fund for "14-Jun\_2025" period, Budgetary Control report of general fund for initial adopted budget, and Finance's Q2 FY25 presentation to FEC for mid-year budget adjustments

The departments that overspent the most on personnel and related costs compared to the fiscal year 2025 general fund budget were Police (\$50 million over budget), Fire (\$21 million over), Corrections (\$6 million over), and Executive Offices (\$5 million over). We spoke with budget representatives from each department about the overspend. Staff from Police and Fire stated that they had some unbudgeted hires related to mayoral initiatives—according to city executives, the city reached an all-time high for hiring sworn personnel. Corrections and Executive Offices stated most of these positions were budgeted and that spending over the initial adopted budget was to either right-size or maintain operations. Budgeted expenses compared to actuals by department are shown in Appendix C.

The largest contributors to the unaudited \$103 million overspend were salaries and insurance, as shown in Exhibit 7. We reviewed whether attrition and the city's recent classification and compensation study changes were potential factors. Finance staff cited lower attrition—turnover—as one cause for the

overspend during its quarterly updates to City Council. However, attrition across all funds for fiscal year 2025 was 14%, the same as it was for the previous year and only one percentage point lower than the seven-year average rate. The classification and compensation study also did not appear to be a cause; the city budgeted \$9.5 million and spent \$9.2 million.

### Exhibit 7: Regular Employee Salaries Costs Were Nearly \$43 Million More Than Initial Adopted Budget

Personnel & Benefits Category Detail	Initial Adopted FY25 Budget	FY25 Unaudited Actuals	Variance (\$)	Variance (%)
Regular employee salaries	\$356,011,022	\$398,927,721	\$(42,916,699)	-12%
Group insurance	\$53,262,262	\$76,328,851	\$(23,066,589)	-43%
Temporary Employees	\$7,913,107	\$22,475,185	\$(14,562,078)	-184%
Overtime	\$15,854,374	\$28,015,311	\$(12,160,937)	-77%
Retirement Contributions	\$89,529,936	\$98,968,151	\$(9,438,215)	-11%
Medicare	\$5,088,588	\$6,245,309	\$(1,156,721)	-23%
Unemployment Insurance	\$519,368	\$1,125,074	\$(605,706)	-117%
Workers' Compensation	\$5,708,206	\$4,606,792	\$1,101,414	19%
<b>Total</b>	<b>\$533,886,863</b>	<b>\$636,692,394</b>	<b>\$(102,805,531)</b>	<b>-19%</b>

**Source:** Auditor analysis of the city's unaudited figures as of October 2025 from Oracle Trial Balance report of general fund for "14-Jun\_2025" period and Budgetary Control report of general fund for initial adopted budget

### Headcount Increases Led to Overspend

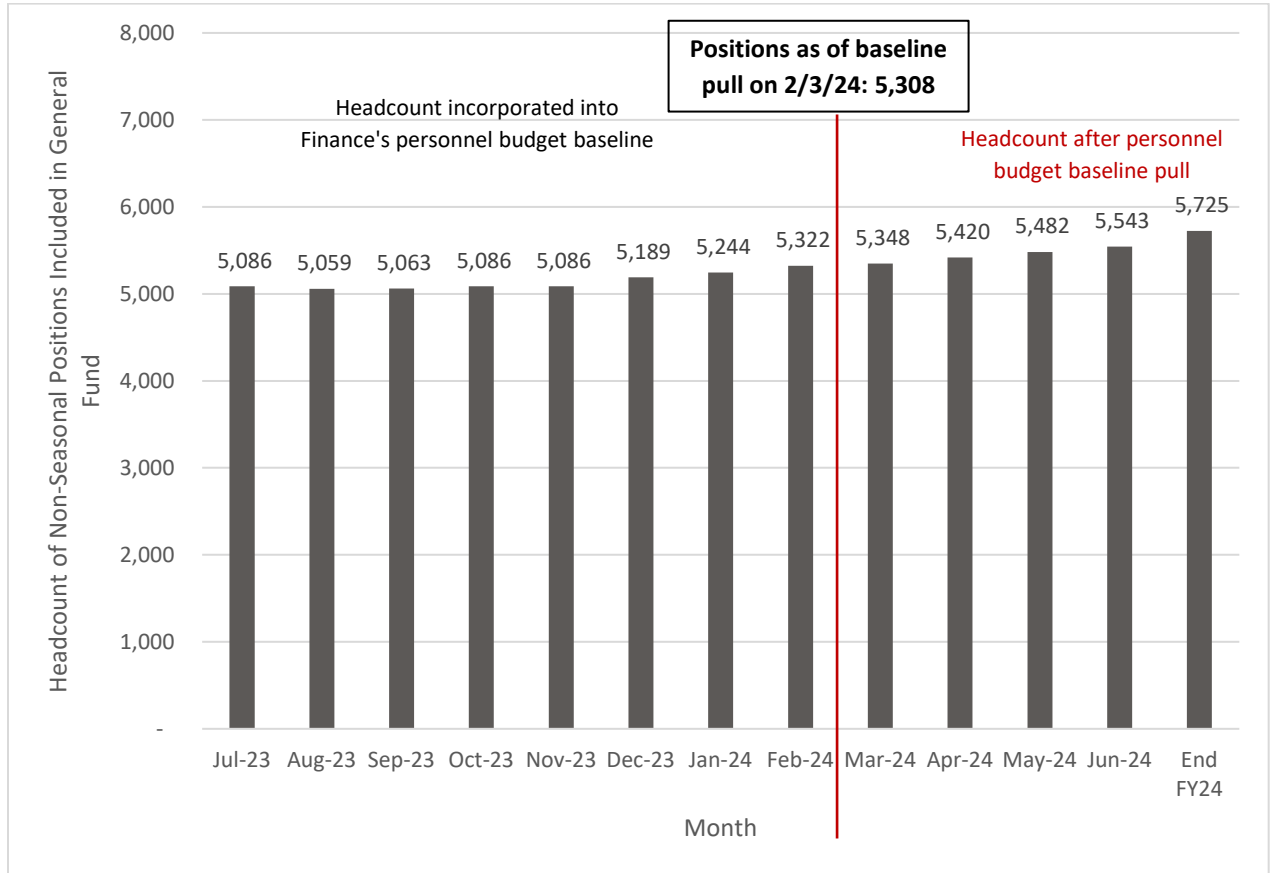
Between December and February each year, the Finance Department creates a baseline for the personnel budget using the current city headcount. To compile accurate information, the Budget Office relies upon data from Human Resources and departments to communicate any planned personnel changes. While the budget is being prepared, Human Resources creates a separate personnel paper that provides an inventory of city positions and salary ranges for City Council to approve. There can be differences between the positions funded in the budget and those approved in the personnel paper, leading to confusion and overspending, especially if these changes are not communicated to Finance.

In fiscal year 2025, Finance pulled the headcount baseline on February 3, 2024. We reviewed growth for city positions in the general fund by month.<sup>1</sup> In the

<sup>1</sup> For this analysis, we looked at positions who were: 1) designated as being charged to the general fund or had a blank fund; 2) not designated as seasonal; and 3) if a Department of Parks and Recreation employee, not marked as temporary extra help. The data does include other temporary and permanent extra help positions. While the intent of extra help positions is for short-term use, a previous audit by our office found that some extra help positions lasted for longer than one year.

months after the Budget Office pulled this baseline, the city’s headcount for positions increased by 417 employees, as shown in Exhibit 8. Some of these planned hires may have been communicated to the Budget Office, but others may not have been, which would have led to underbudgeting for personnel and associated costs. Headcount increases incur expenses for salaries and also for insurance, pension benefits, and other associated costs; furthermore, these expenses carry forward to future years.

**Exhibit 8: General Fund Headcount Increased by 417 Positions After Budget Office Pulled Personnel Baseline in February 2024**



**Source:** Auditor analysis of Oracle Filled and Vacant Employee reports pulled for the first day of each month of FY24, excluding seasonal positions, temporary extra help positions in the Department of Parks and Recreation, and positions not funded by General Fund

Simultaneous development of the personnel paper and the budget increases the risk of misalignment between the two documents. Departments may consider positions authorized in the personnel paper to be budgeted despite these being separate processes. In fiscal year 2025, the city abolished 128 positions citywide, which helps with clarity, but it also created 448 new positions. While Human Resources provides regular reports of positions to departments, the reports do

not currently indicate whether the position is funded in the current fiscal year budget.

Departments also have an incentive to carry vacancies that are no longer needed because the process to create a new position or to abolish an existing one requires legislation. Our office found this was particularly true for extra help positions in our [2022 audit](#) on the topic. Extra help employees are intended to be short-term positions for specific needs, but we found in our previous audit that 17% of extra help employees had been in their position for over a year. Human Resources staff told us the department is working on a new extra help policy to address this and to abolish other unfunded vacancies. The department told us it plans to abolish more vacant positions in fiscal year 2026. Carrying unneeded vacancies and lack of clarity for authorized versus budgeted positions increase the risks of overspending on personnel and related costs.

To prevent personnel budget shortfalls, we continue to recommend from our 2022 Extra Help audit that the human resources commissioner create and implement processes to monitor the length of extra help positions and alert departments and human resources business partners to expire extra help positions per the policy or to reclassify extra help positions in personnel papers per the request to fill process.

To increase clarity and collaboration, **we recommend that the human resources commissioner work with the chief financial officer to abolish unneeded positions, reduce creation of unfunded positions, and designate which positions are unfunded. We also recommend that human resources provide departments with position reports that include whether each position is funded to reduce confusion.**

### **City Underbudgeted Personnel Expenses for the Past Three Fiscal Years**

The city underbudgeted personnel and related costs by at least \$31 million in each of fiscal years 2023, 2024, and 2025. The Budget Office also did not budget for vacant positions in fiscal year 2025, unlike usual practice to budget at least a percentage. Despite not budgeting for the unfilled positions, departments still filled some of these vacancies.

**Exhibit 9: City Underbudgeted Personnel and Related Costs by Over \$30 Million  
Per Year Between FY23-FY25**

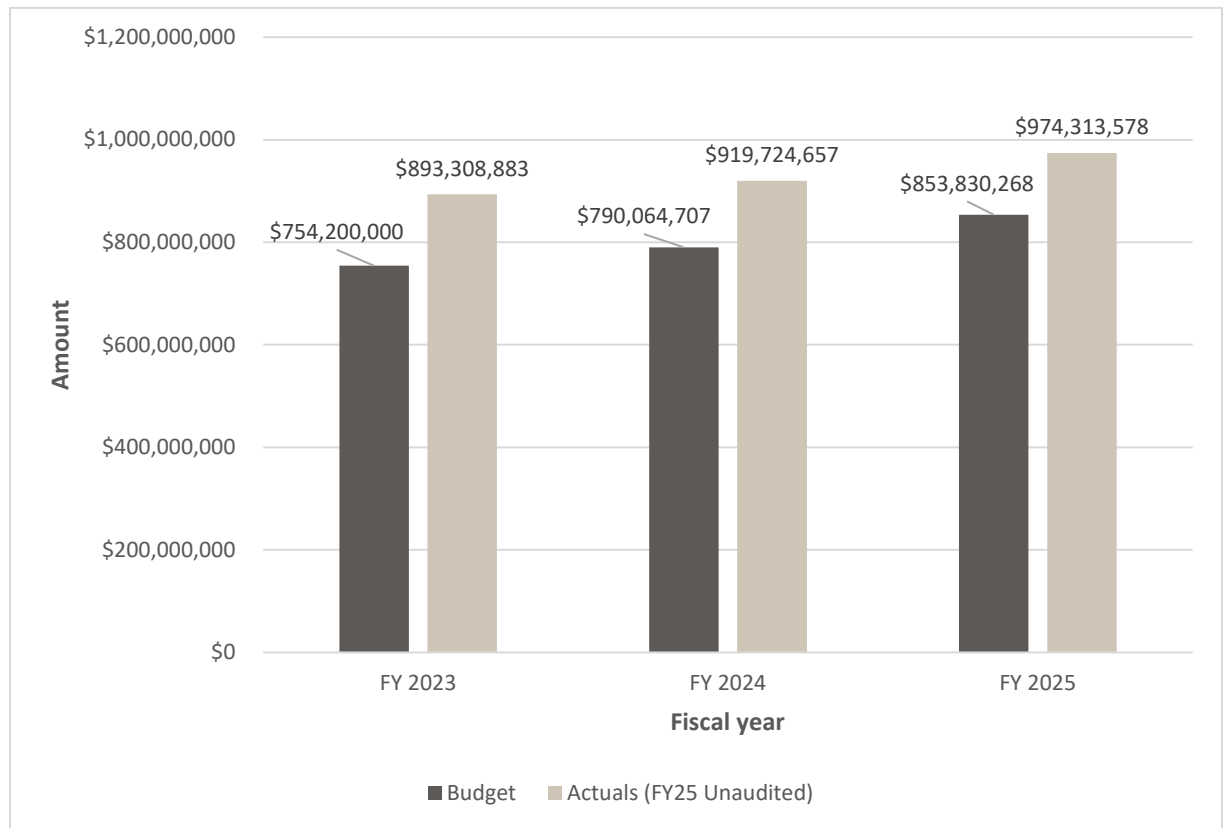
Fiscal Year Personnel & Associated Costs	Initial Adopted Budget	Actuals (FY25 Unaudited)	Difference
2023	\$483,447,222	\$514,336,393	(\$30,889,171)
2024	\$505,283,613	\$588,974,739	(\$83,691,126)
2025	\$533,886,863	\$636,692,394	(\$102,805,531)

**Source:** Auditor analysis of city adopted budget books for FY23-FY25 for general fund personnel and associated costs, and for FY25 unaudited actuals, of the city's unaudited figures as of October 2025 from Oracle Trial Balance report of general fund for "14-Jun\_2025" period

### *Artificial Spending Caps Undermine a Realistic Budget*

State law requires a balanced budget, which means revenues and expenses are equal. [City charter Section 6-301](#) previously limited revenue for the initially adopted budget to 99% of the previous year's normal revenue (with a few exceptions), so Finance typically starts the budget process with a revenue number and balances expenses to meet this. Our office's [audit of the Fiscal Year 2008 General Fund Budget](#) found that this cap keeps revenue projections artificially low, and that routine underestimation of revenues discourages departments and decision-makers from taking the budget seriously as a constraint. Finance staff noted that departments will often assume that new initiatives can be funded with the difference between the conservative projections and actuals without accounting for overspending. In fiscal years 2023 to 2025, actual revenues exceeded those initially adopted by over \$100 million each year, as shown in Exhibit 10.

**Exhibit 10: General Fund Revenue Actuals Exceeded Budget by Over \$100 Million in FY23 to FY25**



**Source:** Auditor analysis of city adopted budget books for FY23-FY25 for general fund revenues, and, for FY25 unaudited actuals, of the city's unaudited figures as of October 2025 from Oracle Trial Balance report of general fund for "14-Jun\_2025" period

Finance provides mid-year budget adjustments for City Council's approval, which can help to account for revenue differences, but is often still conservative. Best practices by the Government Financial Officer's Association and International City/County Management Association recommend basing revenue estimates on reasonable expectations.

In November 2025, City Council adopted [Ordinance No. 25-O-1504](#) to raise the cap on revenue estimates from 99% to 100% of previous year's normal revenue plus adding any anticipated taxes, fees, or other expected revenue increases. Anticipated increases from taxes, fees, or other revenue sources to be included in projections must be validated by a qualified third party. Changes from this legislation should help the city to create and enforce more realistic budgets.

### ***The City Attempted to Compensate for Deficit with Other Funds, One-Time Offsets, and Reserves***

Finance staff implemented several strategies and processes starting in January 2025 to manage the projected deficit. These included using other funds to absorb the general fund overages, selling physical assets, and encouraging departments to limit spending. It also transferred a net \$4 million to the general fund from other funds such as the hotel/motel tax fund, the capital finance fund, and some of the city's trust funds. The city is relying on general fund reserves to cover the remaining \$16 million gap.

### **Special Funds Likely Absorbed \$11 Million in Personnel and Related Costs**

Finance staff also managed the deficit for fiscal year 2025 by reclassifying personnel and related costs to other eligible funds, such as the Affordable Housing Trust Fund and Park Improvement Fund. The Affordable Housing Trust Fund is funded by transfers from the general fund and the Park Improvement Fund is financed by a millage rate, which was increased in 2023. Reclassifying expenses adjusts the account to which the expense was charged and can be used to correct errors or to free up funds. Based on the city's unaudited figures as of October 2025, the city spent nearly \$13 million on personnel and related costs in these two funds despite only budgeting \$1.5 million, as shown in Exhibit 11. Finance likely reclassified most of the \$11 million difference in personnel and associated costs from the general fund to these funds, which had enough cushion in other areas to absorb the additional costs.

#### **Exhibit 11: Actual General Fund Personnel and Related Costs May Be \$11 Million Higher**

Fund	Initial Personnel & Related Budget	Actual Personnel & Related Expenses	Variance
Affordable Housing Trust Fund	\$0	\$3,110,312	<b>\$(3,110,312)</b>
Park Improvement Fund	\$1,500,000	\$9,769,156	<b>\$(8,269,156)</b>
Total	\$1,500,000	\$12,879,468	<b>\$(11,379,468)</b>

**Source:** Auditor analysis of Oracle's COA Budgetary Controls Funds Available Report by Budget Year for Affordable Housing (fund 7701, project 600465) and Park Improvement (fund 3501) for FY25 budget and unaudited actuals as of October 2025 in the personnel and employee services category

Creating realistic budgets for all funds during the initial budget development is important for allocating resources. Several City Council members noted concerns about reduced funds available in the Affordable Housing Trust Fund and Park Improvement Fund. While these special funds had cushion to absorb the costs for fiscal year 2025, using reclassifications to address a structural imbalance is unsustainable.

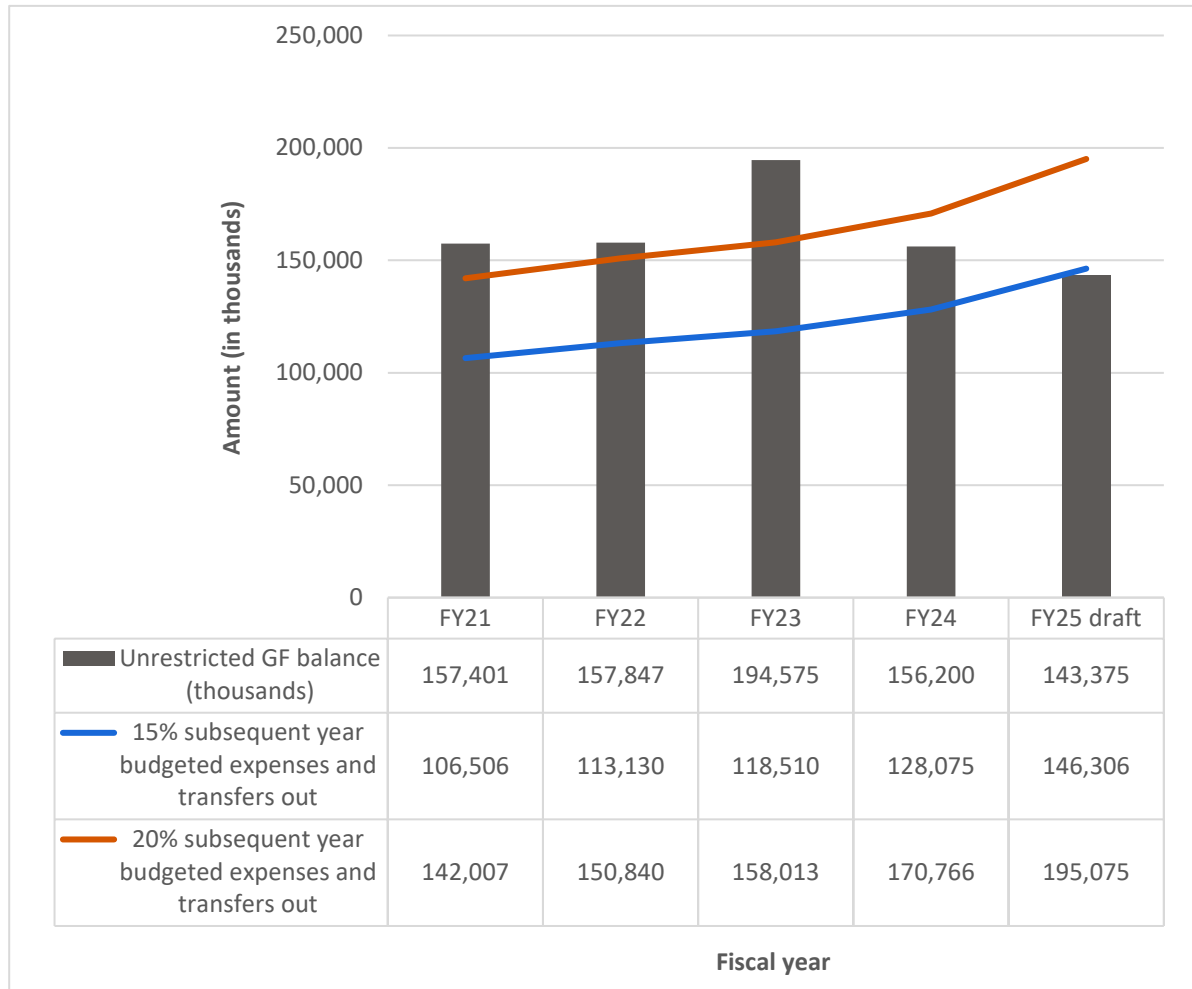
City Council adopted a mid-year budget amendment for fiscal year 2025 ([25-0-1014](#)) that included authorizing the chief financial officer to reclass and reallocate funds. Reclassifying expenses is an important accounting function to correct errors, but it can also mask the amount of underbudgeting and reduce resources.

### **Using Fund Balance to Cover Deficit Poses Risks for Future Budgets**

To cover the remaining \$16 million deficit (unaudited), the city is using unassigned general fund balance. These reserves are the difference between the city's assets and liabilities; they function like a savings account. Some parts of the fund balance are restricted legally or contractually only to be spent for certain purposes, while others are unrestricted. Unrestricted funds include funds formally committed, funds assigned but not formally committed, and unassigned funds that are neither committed nor assigned.

The city's policy is to have an unrestricted general fund balance between 15%-20% of the subsequent year's budgeted expenditures and outgoing transfers. Exhibit 12 shows that the city is at 14.7% for fiscal year 2025, just under the benchmark, and that the reserves decreased over the past two fiscal years. Lower fund balances decrease the city's ability to respond to an economic downturn or other unexpected expenses.

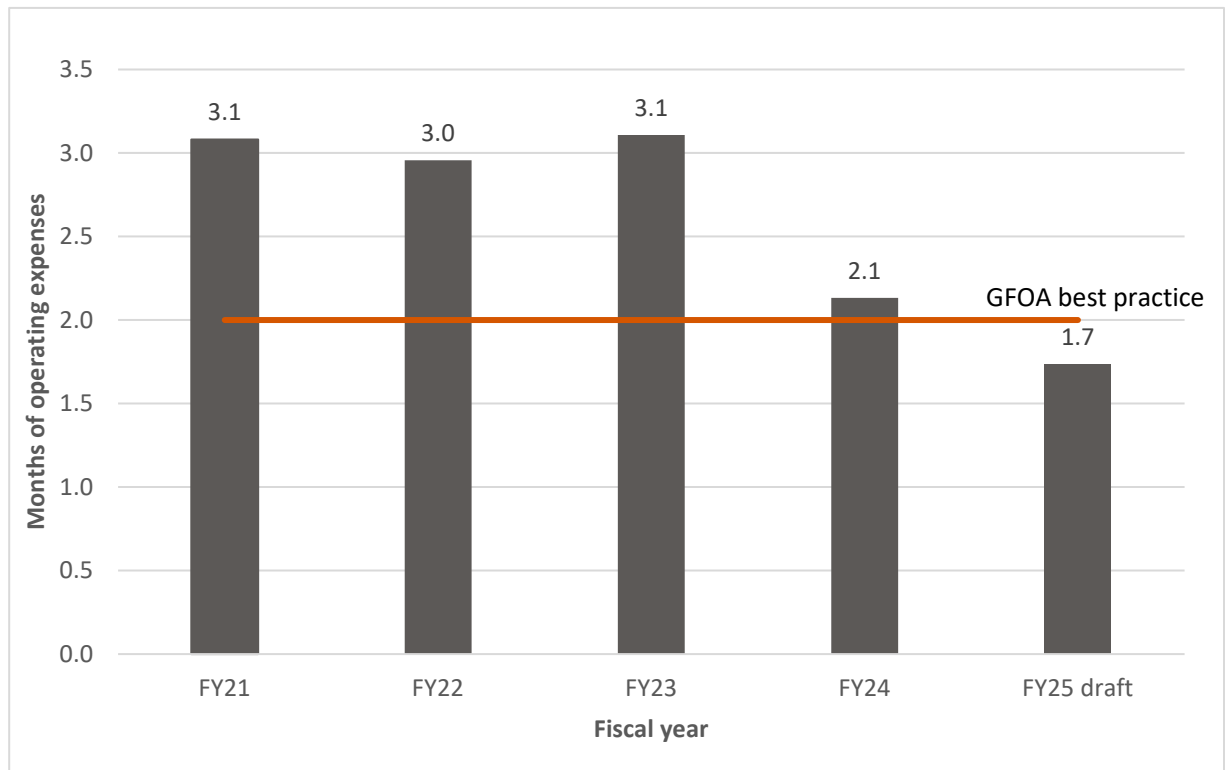
**Exhibit 12: City General Fund Balance Decreased Over the Past Two Years**



**Source:** Auditor analysis of city's annual comprehensive financial reports, adopted budget books, and draft FY25 balance sheet for FY23-FY25 unrestricted general fund balance

The Government Financial Officer's Association recommends that cities maintain an unrestricted general fund balance equivalent to two months of regular operating expenses or revenues. The city is slightly under this best practice for fiscal year 2025 as well, with an unrestricted general fund balance equal to 1.7 months of regular operating expenses, as shown in Exhibit 13.

### Exhibit 13: FY25 Unrestricted General Fund Balance Slightly Under Best Practices



**Source:** Auditor analysis of city's annual comprehensive financial reports, adopted budget books, and draft FY25 balance sheet for FY23-FY25 unrestricted general fund balance

Finance began providing a monthly report to City Council's Finance and Executive Committee in fiscal year 2026 that includes budgeted and current projected revenues and expenses. Although this includes any projected deficits, it does not estimate the impact of projected deficits on fund balance, which is important information for City Council. Besides being able to cover future unanticipated costs, unrestricted general fund balance also impacts the city's debt ratings, which affects how expensive it is for the city to borrow money through bonds. To improve transparency and decision-making, **we recommend that the chief financial officer include in quarterly reports to City Council the projected deficit or surplus and the most recent general fund balance as a percentage of the current year's budgeted expenditures and outgoing transfers.**

**Objective 3: Are the budget controls implemented by the Finance Department during fiscal year 2025 effectively designed and operating to mitigate future budget overruns?**

The city introduced several new budgetary controls in addition to its existing ones, which help better identify and prevent overspending. These controls are useful but could be strengthened. None of these controls immediately address the key driver of existing personnel and associated costs carried forward from previous fiscal years. The city should strengthen its personnel spending controls to better mitigate potential future overruns.

***More Accurate Personnel Budgeting Would Better Reduce Deficit Risks***

**City Introduced Four New Budgetary Controls**

Since January 2025, the city has added several new spending controls. The city's new and pre-existing controls are a mix of controls that are preventive and detective, which should help reduce risk of overages, as shown in Exhibit 14. Preventive controls help reduce the chance of overspending before it occurs, while detective controls are designed to find areas of overspending after it happens. The city's new controls are monthly financial reports, stricter enforcement of purchase orders, only releasing half the budget at the beginning of the fiscal year, and weekly Finance meetings.

### Exhibit 14: City Introduced Four New Spending Controls Starting in January 2025

Control	New Control Introduced After Dec. 2024 or Pre-Existing?	Control Type & Intent
50% budgetary hold for first 6 months of FY26	New	Preventive – intended to prevent departments from overspending
Purchase orders enforcing budgets at office and major account levels	New	Preventive – intended to prevent departments from overspending
Vacancy Review Board (VRB)	Pre-existing; re-instated in January 2025	Preventive – intended to ensure city does not hire positions it cannot afford
Creating five-year city budget	Pre-existing	Preventive – intended to look at city encumbrances and projections for the next five years to identify potential issues
Budget adjustment, transfer request, and interfund processes	Pre-existing	Preventive – intended to ensure departments are moving expenses appropriately and have the funds to do so
Monthly meeting with some departments	Pre-existing	Detective – intended to identify issues and communicate updates
Monthly reports to FEC (quarterly reports pre-existing)	New	Detective – intended to ensure City Council members identify if the city needs to adjust spending
Weekly meetings with the Budget Office and Finance stakeholders	New	Detective – intended to identify issues and create strategies to close budget gaps

**Source:** Auditor analysis of department memos, presentations, and relevant Finance staff interviews

The city also reinstated a previous personnel control, the Vacancy Review Board, in January 2025. The board reviews all departmental requests to fill vacant positions, promotions, and salary adjustments. The board consists of the city's chief and deputy chief operating officers, chief financial officer, and human resources commissioner. Finance began holding weekly meetings with the Budget Office, Revenue, and other key stakeholders in the department during this month to proactively identify issues and potential solutions.

In February 2025, Finance issued a notice to departments reiterating that all purchases should be made through the city's established purchase order process, and increased enforcement by stating that failure to comply could result in disciplinary actions. Then in June 2025, Finance strengthened controls by enforcing budget limits at a more detailed level for purchase orders than it had previously.

Also in June, Finance announced that it would only release half of departments' budgets in the first six months of the fiscal year to encourage additional spending caution. Departments could request waivers in certain circumstances, such as known contracted services, with the chief financial officer's approval. Finance previously presented quarterly updates to City Council's Finance and Executive Committee and began adding monthly reports in fiscal year 2026 to comply with City Council's newly adopted [Resolution No. 25-R-3548](#). The resolution requires Finance to work with Human Resources to present monthly financial performance and personnel reports to the committee, including information such as projected revenues and expenses, city headcount, and Vacancy Review Board action reports. More frequent reports should help decision-makers to spot issues and adjust spending to help reduce potential deficits.

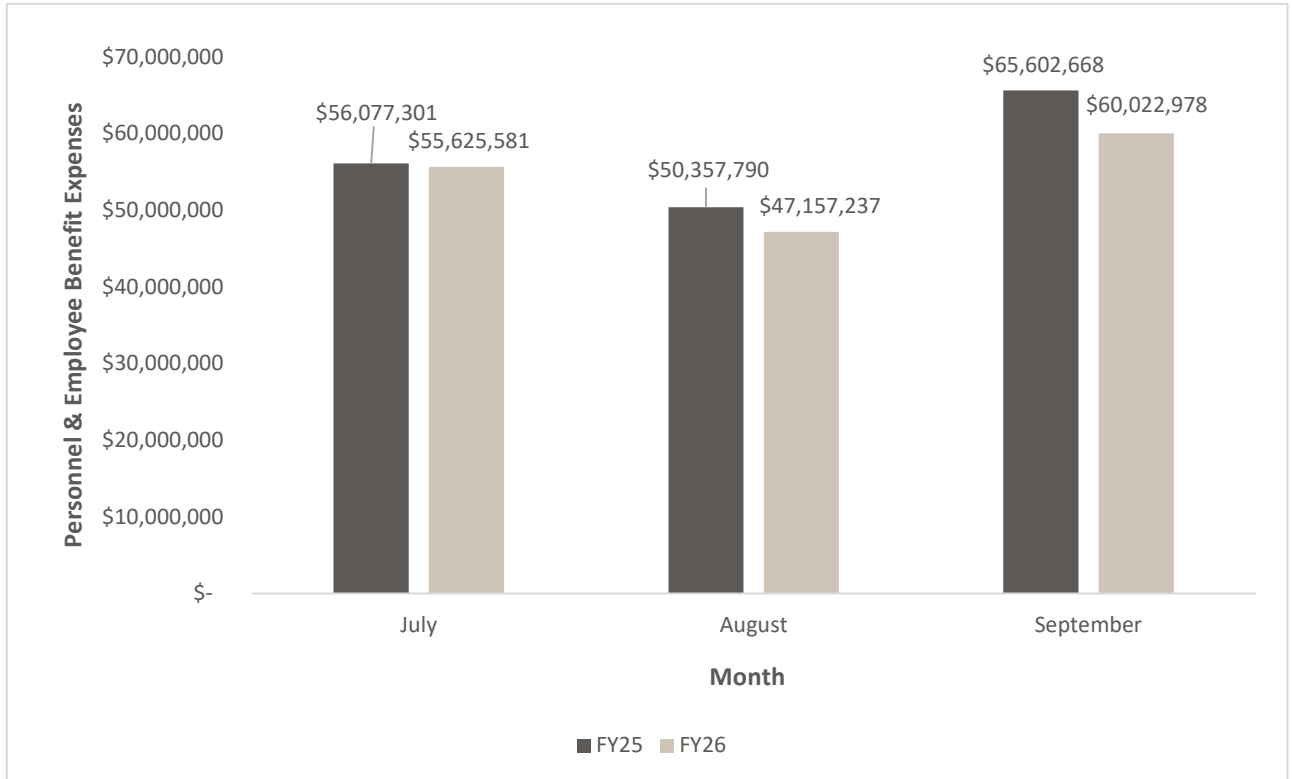
The city already had several controls in place, including:

- monthly meetings with specific departments to identify concerns and share updates
- five-year budget planning process, which looks ahead at spending commitments and helps identify future financial risks
- budget adjustment, transfer request, and interfund processes, which ensure departments move money appropriately and have sufficient funds to cover expenses

### **Existing Personnel Controls Reduce But Do Not Eliminate All Overrun Risks**

The city's new and pre-existing budget controls have helped to reduce the size of potential future deficits but not mitigate the overrun risk altogether. Reinstating the Vacancy Review Board appears to have helped reduce the number of personnel and associated costs. As Exhibit 15 shows, the city's unaudited figures show that it spent \$9 million less on first-quarter spending for personnel costs in fiscal year 2026 than in 2025.

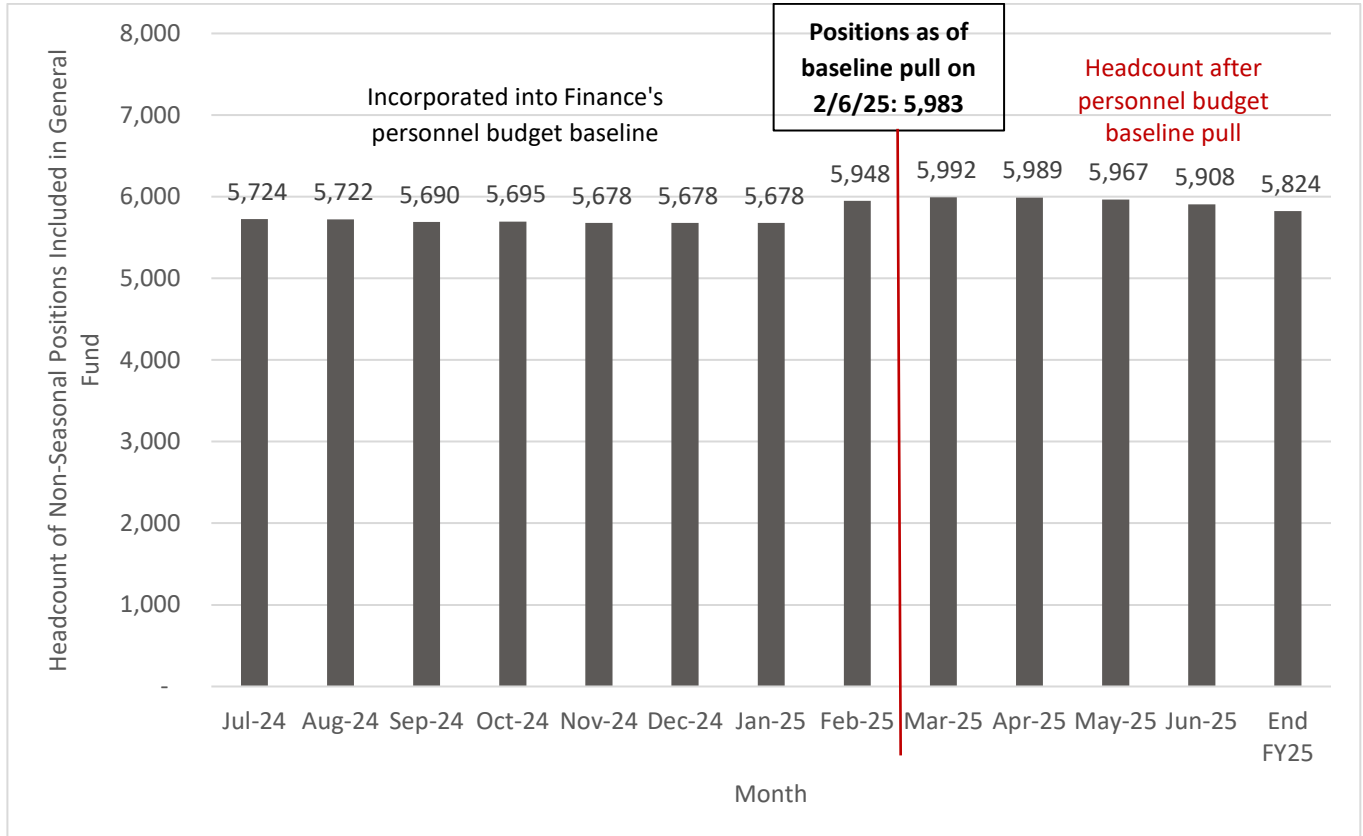
### Exhibit 15: First Quarter Personnel & Benefits Costs Were Lower in Each Month for FY26 Than FY25



**Source:** Auditor analysis of the city's unaudited figures Oracle General Ledger Expenses of general fund for Personnel & Employee Benefits expenses for the first quarter of FY25 and FY26, not including adjustments after fiscal year close or project-specific expenses

City headcount impacting the general fund decreased by 121 non-seasonal positions after the Budget Office pulled the fiscal year 2026 baseline (see Exhibit 16), as compared to an increase of 417 non-seasonal positions in the previous year (as shown in Exhibit 8).

**Exhibit 16: City Headcount Decreased by 121 Positions After the Budget Office Pulled Personnel Baseline in February 2025**



**Source:** Auditor analysis of Oracle Filled and Vacant Employee reports pulled for the first day of each month of FY24, excluding seasonal positions, temporary extra help positions in the Department of Parks and Recreation, and positions not funded by general fund

The new monthly financial and personnel reports provided to City Council in fiscal year 2026 also helped members have more timely information for decision-making. We reviewed Finance’s monthly reports for July, August, and September. Finance met most of its reporting requirements, and the expense data matched the city’s financial system. However, these reports were missing several pieces of personnel data requested in the original resolution—filled positions by funding status, vacant positions by funding status, and year-to-date actual compared to budgeted amounts for salaries, overtime, and extra-help positions. Finance and Human Resources staff corrected this by providing this data for July through September in Finance’s [first quarterly report](#) and stated they had a plan to provide this data moving forward.

Despite these advances, Finance's presentation on fiscal year 2026 first quarter projection updates showed a \$5 million forecasted deficit, with \$988 million in projected revenues and \$993 million in projected expenses. In comparison, the fiscal year 2025 first quarter deficit projection was \$39 million. While the

projected deficit for fiscal year 2026 is lower than 2025, Finance is already forecasting a nearly \$12 million shortfall for personnel costs in 2026.

### **Vacancy Review Board's Decisions Can Differ from the Budget Office's Recommendations**

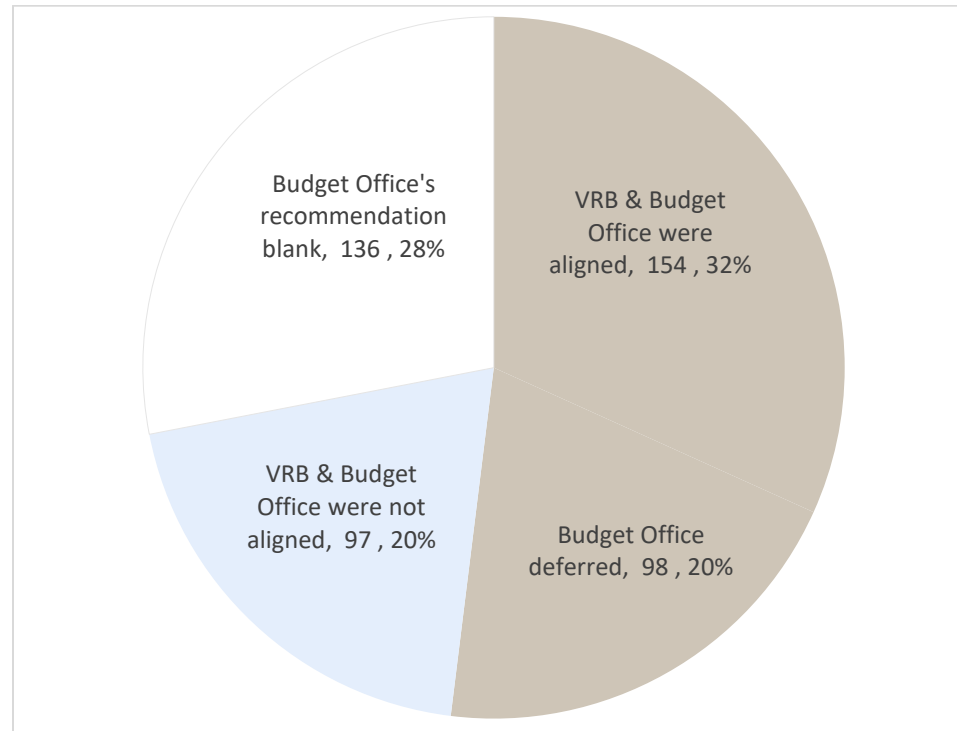
In July 2025, the Vacancy Review Board started using Monday.com, a cloud-based operating system designed to help plan, manage, and track human resources recruitment and onboarding. Before then, the city used manual documents, which made tracking difficult. The hiring process requires the hiring department to complete a request to fill form in Monday.com. The form is then routed to the Budget Office, which is responsible for documenting in the form whether the position was initially funded in the adopted budget and whether it recommends filling the request based on the city's current financial status, while also checking whether the position is still funded. If the projections show overspending, the Budget Office will recommend against the hiring. The request is then routed back to the department with the Budget Office's recommendation, at which point the department can choose to move the position forward, edit it, or cancel the request. If the position goes forward, it is reviewed by the Vacancy Review Board for final approval.

The Vacancy Review Board's decision-making criteria are unclear, and the board can approve personnel actions even if the Budget Office recommends against them. The board members explained that their review considers the Budget Office's recommendations but also operational needs. For example, the Vacancy Review Board said that it approved hiring positions for Municipal Courts that the Budget Office did not recommend because the additional staff would help clear a case backlog and increase revenue. Human Resources staff told us that while departments include justifications in the request to fill, city staff will also sometimes provide additional rationale through email or in person that is not documented.

We reviewed Vacancy Review Board decisions made between July and October 2025 to assess their alignment with Budget Office recommendations. As shown in Exhibit 17, the Budget Office and Vacancy Review Board were aligned on 154 of 485 actions and were not aligned on 97. Of these 97, the Vacancy Review Board approved 82 requests that the Budget Office did not recommend and rejected 15 requests the Budget Office recommended. Likely due to the migration of Vacancy Review Board information from manual documents to Monday.com, 28% of requests did not have a Budget Office recommendation, and the Budget Office deferred to the Vacancy Review Board's decision in the

remaining instances. Some of the issues identified by Budget Office staff included a disconnect between the city's financial status and its operating needs (as well as the budget and personnel paper), a lack of clear and accurate staffing plans for departments, and the optics of abolishing positions.

**Exhibit 17: Vacancy Review Board Decision Aligned With Budget Office's Recommendation for Majority of Requests Between July and October 2025**



**Source:** Auditor analysis of Monday.com Vacancy Review Board data, pulled 11/13/25, for requests with a VRB decision (approved, rejected, or held) at least partially charged to the General Fund

The Vacancy Review Board's current process creates a risk that its decisions could undermine the City Council's authority to allocate funding, particularly when it denies requests to fill that are within a department's appropriated budget. Although the hiring process itself is transparent, the Vacancy Review Board's decision-making criteria are not, and the board does not consistently document or share the basis for its approvals or denials. The board also does not issue guidelines, written explanations, or policies and procedures that clarify how it reaches its decisions. This lack of clear standards also raises concerns when the Vacancy Review Board makes personnel decisions for independent offices or departments that do not report to the chief operating officer. Without defined criteria, the board's actions may unintentionally exceed its intended role and reduce accountability in the hiring process.

While some flexibility is needed when making hiring decisions, general guidelines would improve transparency. GAO best practices state that management should design control activities through clear policies and procedures to reduce risks and ensure the organization meets its objectives. The Budget Office also reviews historical data when making a hiring recommendation but does not evaluate how personnel decisions will affect budgets beyond the current fiscal year.

To improve transparency and decision-making, **we recommend that the chief financial officer work with the human resources commissioner to include in monthly reports to City Council all data requested in legislation, the number of requests approved by the Vacancy Review Board that Finance recommended not to fill, and the number of Vacancy Review Board requests on hold and in the queue.**

To enhance decision-making, **we recommend that the chief operating officer require departments to submit more substantive justifications for Vacancy Review Board requests and mandate that a department that moves forward with a request that Finance does not recommend show how it will provide funding for the request.**

To ensure alignment between operational priorities and City Council's appropriation authority, **we recommend that the chief operating officer consistently document justification for the Vacancy Review Board's decisions in Monday.com.**

# Recommendations

To prevent personnel budget shortfalls, the human resources commissioner should:

1. work with the chief financial officer to:
  - abolish unneeded positions
  - reduce creation of unfunded positions, and
  - designate which positions are unfunded
2. provide departments with position reports that include whether each position is funded

To ensure future budget prudence, the chief financial officer should:

3. include in quarterly reports to City Council the projected deficit or surplus and the most recent general fund balance as a percentage of the current year's budgeted expenditures and outgoing transfers
4. work with the human resources commissioner to include in monthly reports to City Council all data requested in legislation, the number of requests approved by the Vacancy Review Board that Finance recommended not to fill, and the number of Vacancy Review Board requests on hold and in the queue
5. require departments to submit more substantive justifications in Monday.com for Vacancy Review Board requests and mandate that a department that moves forward with a request that Finance does not recommend to show how it will provide funding for the request

To preserve separation of appropriations and operational authority, the chief operating officer should:

6. consistently document justification for the Vacancy Review Board's decisions in Monday.com

# Appendix A: Management's Response

<b>Report Title:</b> FY25 Budget Review		<b>Project No.</b> 26.01	
<b>Recommendation #1:</b> We recommend that the human resources commissioner work with the chief financial officer to abolish unneeded positions, reduce creation of unfunded positions, and designate which positions are unfunded.			
<b>Risk Category:</b> Cash Management		<b>Recommendation Priority:</b> High	<b>Auditee Response:</b> Agree
<b>Related Finding(s):</b> <ul style="list-style-type: none"> <li>• Personnel and related expenses were the biggest sources of fiscal year 2025 general fund overspend compared to the initial adopted budget.</li> <li>• The city’s headcount increased by 417 positions that it may not have budgeted for, as this increase happened after the Budget Office pulled its fiscal year 2025 personnel baseline.</li> <li>• The personnel paper does not include which positions are funded in the current fiscal year.</li> </ul>			
<b>Proposed Action:</b> Personnel and related expenses accounted for the largest portion of the fiscal year 2025 General Fund variance due to evolving operational needs that occurred after the initial adopted budget was finalized. Following the Budget Office’s completion of the FY2025 personnel baseline, departments experienced increased service demands, recruitment successes, and operational adjustments that resulted in a net increase of 417 positions. These changes were reviewed through established governance processes and approved based on departmental needs and available funding capacity. Enhanced reporting is currently in place to clearly identify funded versus unfunded positions, improving transparency and supporting alignment with budget monitoring.			
<b>Name &amp; Title of Business Owner:</b> Calvin Blackburn, HR Commissioner Mohamed Balla, CFO		<b>Current Status:</b> Partly Implemented	<b>Estimated Implementation Date Month/Year):</b>  June 2026

<b>Recommendation #2:</b> We recommend that the human resources commissioner provide departments with positions reports that include whether each position is funded.		
<b>Risk Category:</b> Cash Management	<b>Recommendation Priority:</b> Medium	<b>Auditee Response:</b> Agree
<b>Related Finding(s):</b> <ul style="list-style-type: none"> <li>Human Resources' monthly reports to departments did not indicate whether each position was funded.</li> </ul>		
<b>Proposed Action:</b> Human Resources' monthly position reports were designed to provide departments with current staffing and position information. To address this, Human Resources has already enhanced reports to clearly indicate funded versus unfunded positions, improving transparency and supporting departments' budget monitoring and decision-making. This report is currently being shared, and the Human Resources Commissioner will continue providing departments with position reports that clearly identify funded positions.		
<b>Name &amp; Title of Business Owner:</b> Calvin Blackburn, HR Commissioner	<b>Current Status:</b> Started	<b>Estimated Implementation Date Month/Year):</b> March 2026

<b>Recommendation #3:</b> We recommend that the chief financial officer include in quarterly reports to City Council the projected deficit or surplus and the most recent general fund balance as a percentage of the current year's budgeted expenditures and outgoing transfers.		
<b>Risk Category:</b> Cash Management	<b>Recommendation Priority:</b> Medium	<b>Auditee Response:</b> Agree
<b>Related Finding(s):</b> <ul style="list-style-type: none"> <li>Unaudited fiscal year 2025 figures show the general fund balance is slightly under city policy and best practice recommendations.</li> <li>Monthly and quarterly reports included projected deficits but did not estimate the impact of projected deficits on general fund balance.</li> </ul>		
<b>Proposed Action:</b> To enhance financial transparency and support decision-making, future reporting will include estimates of the projected impact of operating deficits on the General Fund balance. Projected revenues and expenses are already being shared in the quarterly report and will be presented clearly. Estimated fund balance percentages will also be included. Please note that these percentages are already provided in the Annual Comprehensive Presentation to City Council during the audit presentation.		
<b>Name &amp; Title of Business Owner:</b> Mohamed Balla, CFO	<b>Current Status:</b> Partly Implemented	<b>Estimated Implementation Date Month/Year):</b> Next Quarterly Report

<b>Recommendation #4:</b> We recommend the chief financial officer work with the Human Resources Commissioner to include in monthly reports to City Council all data requested in legislation, the number of requests approved by the Vacancy Review Board that Finance recommended not to fill, and the number of Vacancy Review Board requests on hold and in the queue.		
<b>Risk Category:</b> Cash Management	<b>Recommendation Priority:</b> Medium	<b>Auditee Response:</b> Agree
<b>Related Finding(s):</b> <ul style="list-style-type: none"> <li>• Monthly reports for July through September 2025 lacked several pieces of personnel data requested in the original resolution, though Finance and Human Resources corrected this and provided backdated data in November 2025.</li> <li>• Between July and October 2025, the Vacancy Review Board approved 82 requests that the Budget Office did not recommend.</li> </ul>		
<b>Proposed Action:</b> Finance and Human Resources have worked collaboratively to address the reporting needs. The requested personnel data is now being included in monthly reports and has already been provided to ensure completeness and transparency. This enhanced reporting will continue on an ongoing basis.		
<b>Name &amp; Title of Business Owner:</b> Mohamed Balla, CFO Calvin Blackburn, HR Commissioner	<b>Current Status:</b> Started	<b>Estimated Implementation Date Month/Year):</b> Continuous

<b>Recommendation #5:</b> We recommend the chief financial officer require departments to submit more substantive justifications in Monday.com for Vacancy Review Board requests and mandate that a department that moves forward with a request that Finance does not recommend show how it will provide funding for the request.		
<b>Risk Category:</b> Cash Management	<b>Recommendation Priority:</b> Medium	<b>Auditee Response:</b> Agree
<b>Related Finding(s):</b> <ul style="list-style-type: none"> <li>• Between July and October 2025, the Vacancy Review Board approved 82 requests that the Budget Office did not recommend.</li> <li>• For its first fiscal year 2026 quarterly report, Finance forecasted a \$12 million overspend on personnel and related expenses.</li> </ul>		
<b>Proposed Action:</b> Based on staffing and critical operational needs, the VRB determines which positions are necessary, recognizing that each department’s requirements differ. Each DCOO works closely with Commissioners to provide detailed explanations for position decisions. We collaborate with each DCOO to review position requests, and decisions are guided by each department’s unique needs and available budget.		
<b>Name &amp; Title of Business Owner:</b> Mohamed Balla, CFO	<b>Current Status:</b> Partly Implemented	<b>Estimated Implementation Date Month/Year):</b> February 2026

**Recommendation #6:**

We recommend that the chief operating officer consistently document justification for the Vacancy Review Board's decisions in Monday.com.

<b>Risk Category:</b> Change Management	<b>Recommendation Priority:</b> Medium	<b>Auditee Response:</b> Partially Agree
<b>Related Finding(s):</b> <ul style="list-style-type: none"> <li>• The Vacancy Review Board did not consistently document or share the basis for its approvals or denials. The board did not issue guidelines or policies and procedures that outlined its decision-making criteria.</li> <li>• Between July and October 2025, the board approved 82 requests that the Budget Office did not recommend, and it rejected 15 requests that the Budget Office recommended.</li> <li>• The Vacancy Review Board's current process creates a risk that its decisions could undermine the City Council's authority to allocate funding, particularly when it denies requests to fill that are within a department's appropriated budget.</li> </ul>		
<b>Proposed Action:</b> Transitioning to Monday.com enabled us to provide more detailed explanations for position denials. Prior to this change, the respective DCOOs held thorough discussions with Commissioners regarding those denials. We worked closely with each DCOO to review the requests. There is no one-size-fits-all approach to determining whether a position is needed, as decisions depend on each department's specific needs and current budget. The Board considered the Budget Office's recommendations and weighed them against the department's operational needs. For example, the VRB approved police officer positions for APD due to higher-than-anticipated recruiting efforts. The work of the Executive Branch is to manage the day to day operations of the City. There is not a process in place by the VRB that undermines the Council's fiscal responsibility.		
<b>Name &amp; Title of Business Owner:</b> LaChandra Burks, COO Calvin Blackburn, HR Commissioner	<b>Current Status:</b> Not Started	<b>Estimated Implementation Date Month/Year):</b> March 2026

## Appendix B: Scope and Methodology

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We conducted this audit in accordance with generally accepted government auditing standards. Our audit included a review of the city's fiscal years 2025 and 2026 general fund budget and actuals.

Our audit methods included:

- reviewing city charter provisions to identify legal requirements for the city's budget
- interviewing Budget Office, Office of Revenue, and other Finance staff to understand budgeting and forecasting processes, pain points, and controls
- observing a walkthrough by Budget Office staff of its software and role in making Vacancy Review Board request recommendations to identify controls and potential gaps
- reviewing documents provided by Budget Office and Finance to identify new and existing spending controls
- evaluating Finance's presentations to Finance and Executive Committee for fiscal years 2025 and 2026 to track deficit projections and assess whether the fiscal year 2026 monthly reports comply with legislation
- reviewing budgeting best practices from the Government Financial Officer's Association and International City/County Management Association to assess whether the city is following these suggestions
- evaluating unaudited fiscal year 2025 general fund actuals compared to the initial adopted budget to identify whether the city had a deficit, and reviewing reasons for the overruns
- analyzing attrition of non-seasonal employees between fiscal years 2019 and 2025 to evaluate the potential impact on budget overruns
- evaluating the change in city headcount impacting the general fund between fiscal years 2024 and 2025 to assess whether timing of the Budget Office baseline versus hires was a factor in personnel overages
- analyzing decisions impacting the general fund made by the Vacancy Review Board between July and October 2025 to assess alignment between the board and Budget Office recommendations
- analyzing general fund balance for fiscal years 2021 through 2025 to assess whether the city is meeting its policy and best practices

- evaluating general fund personnel and associated cost actuals versus initial adopted budget for fiscal years 2023-2025 to assess if adopted budgets are realistic
- comparing general fund actual and initial adopted budgeted revenues for fiscal years 2023-2025 to evaluate the difference

Generally accepted government auditing standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives

## Appendix C: Budgeted Expenses Compared to Actuals by Department

Department	Budgeted		FY25 Unaudited Actual Expenses	Budget Variance (Initial Adopted)		Budget Variance (Mid-Year Amended)	
	Initial Adopted (Jun-24)	Mid-Year Amended (Feb-25)		Variance (\$)	Variance (%)	Variance (\$)	Variance (%)
Police	\$257,773,017	\$264,725,693	\$322,110,070	\$ (64,337,053)	-25%	\$ (57,384,377)	-22%
Fire	\$118,309,056	\$119,953,905	\$142,773,679	\$ (24,464,623)	-21%	\$ (22,819,774)	-19%
Non-Departmental	\$122,876,090	\$135,734,044	\$135,508,677	\$ (12,632,587)	-10%	\$225,367	0%
Transportation	\$51,722,206	\$52,271,280	\$60,180,670	\$ (8,458,464)	-16%	\$ (7,909,390)	-15%
Corrections	\$20,273,823	\$22,339,705	\$27,121,719	\$ (6,847,896)	-34%	\$ (4,782,014)	-21%
Law	\$11,288,552	\$11,327,997	\$15,982,998	\$ (4,694,446)	-42%	\$ (4,655,001)	-41%
Executive Offices	\$26,665,360	\$26,880,514	\$31,237,894	\$ (4,572,534)	-17%	\$ (4,357,380)	-16%
Parks & Recreation	\$51,882,793	\$53,450,569	\$55,151,569	\$ (3,268,776)	-6%	\$ (1,701,000)	-3%
Solicitor	\$10,148,803	\$10,278,287	\$12,315,914	\$ (2,167,111)	-21%	\$ (2,037,627)	-20%
Enterprise Asset Management	\$19,974,756	\$20,081,432	\$22,014,759	\$ (2,040,003)	-10%	\$ (1,933,327)	-10%
Procurement	\$3,194,098	\$3,238,374	\$5,143,472	\$ (1,949,374)	-61%	\$ (1,905,098)	-59%
AIM	\$35,743,234	\$36,205,623	\$37,291,281	\$ (1,548,047)	-4%	\$ (1,085,658)	-3%
Human Resources	\$9,544,616	\$9,917,845	\$10,889,523	\$ (1,344,907)	-14%	\$ (971,678)	-10%
Judicial Agencies	\$14,701,767	\$14,870,032	\$15,478,656	\$ (776,889)	-5%	\$ (608,624)	-4%
Public Defender	\$5,484,562	\$5,540,056	\$6,197,633	\$ (713,071)	-13%	\$ (657,577)	-12%
City Planning	\$26,569,507	\$32,624,393	\$27,144,746	\$ (575,239)	-2%	\$5,479,647	17%
Grants & Community Development	\$2,252,565	\$2,275,642	\$2,576,137	\$ (323,572)	-14%	\$ (300,495)	-13%
Public Works	\$21,113,996	\$21,165,862	\$21,244,661	\$ (130,665)	-1%	\$ (78,799)	0%
Audit	\$2,035,401	\$2,046,130	\$1,980,586	\$54,815	3%	\$65,544	3%
Customer Service	\$4,342,097	\$4,409,005	\$4,133,197	\$208,900	5%	\$275,808	6%
Labor & Employee Relations	\$1,000,000	\$1,006,816	\$694,854	\$305,146	31%	\$311,962	31%
Citizen's Review Board	\$1,663,781	\$1,674,402	\$1,329,434	\$334,347	20%	\$344,968	21%
Ethics	\$1,713,735	\$1,721,752	\$1,365,331	\$348,404	20%	\$356,421	21%
Inspector General	\$1,458,136	\$1,466,955	\$1,040,106	\$418,030	29%	\$426,849	29%
Finance	\$19,031,039	\$19,175,474	\$18,432,216	\$598,823	3%	\$743,258	4%
City Council	\$13,067,278	\$15,243,267	\$11,335,971	\$1,731,307	13%	\$3,907,296	26%
<b>Total</b>	<b>\$853,830,268</b>	<b>\$889,625,054</b>	<b>\$990,675,754</b>	<b>\$ (136,845,486)</b>	<b>-16%</b>	<b>\$ (101,050,700)</b>	<b>-11%</b>

**Source:** Auditor analysis of the city's unaudited figures as of October 2025 from Oracle Trial Balance report of general fund for "14-Jun\_2025" period, Budgetary Control report of general fund for initial adopted budget, and Finance's Q2 FY25 presentation to FEC for mid-year budget adjustments.