

In the target budget year 2025, the Fiduciary Funds show a slight increase in budgeted expenses to \$95.8 million, which is a 0.03% rise from the previous year's \$95.7 million. Budgeted revenues for 2025 increased more substantially to \$129.8 million, marking a 16.92% growth compared to the \$111 million budgeted in 2024.

Comparing these figures to the previous year's actuals, 2024 revenues were \$118.2 million, which was 106.46% of the budgeted amount but represented a 57.7% decrease from the prior period. Expenses in 2024 matched the budget exactly at \$95.7 million, which was a 59.34% decrease from the prior period.

Overall, the 2025 budget anticipates a notable increase in revenues relative to both the previous year's budget and actual revenues, while expenses remain essentially flat with a minimal increase from the prior year's budgeted amount.

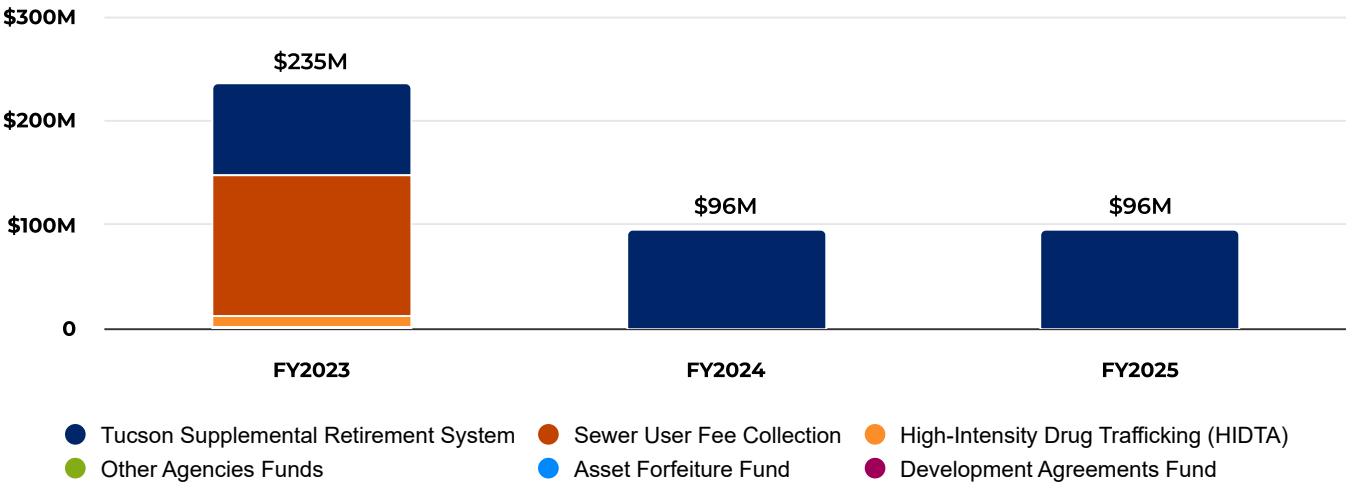
Fiduciary Expenditures by Fund

Fiduciary Funds are used by the City to manage assets held in trust or on behalf of others, such as employee retirement systems or funds collected for outside agencies.

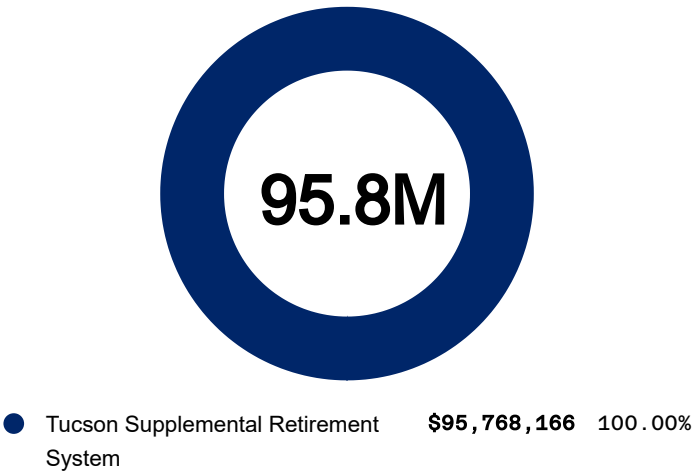
- In Fiscal Year 2023, total expenditures were approximately \$235 million, with the majority supporting the Tucson Supplemental Retirement System and Sewer User Fee Collection services.
- For both Fiscal Year 2024 and Fiscal Year 2025, projected expenditures are significantly lower at \$96 million, reflecting the reduced need for Sewer-related fiduciary payments and the stabilization of benefit distributions.
- These funds also support specific programs like High-Intensity Drug Trafficking (HIDTA) and Asset Forfeiture, ensuring accountability and compliance with designated uses.

This trend illustrates the City's commitment to fulfilling fiduciary responsibilities while aligning spending with current trust obligations and programmatic requirements.

Historical Expenditures by Fund



Fiscal Year 2025 Expenditures by Fund

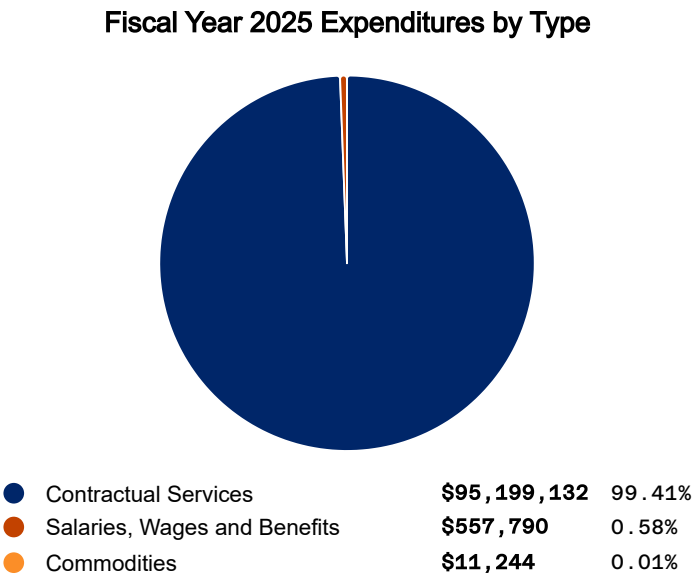
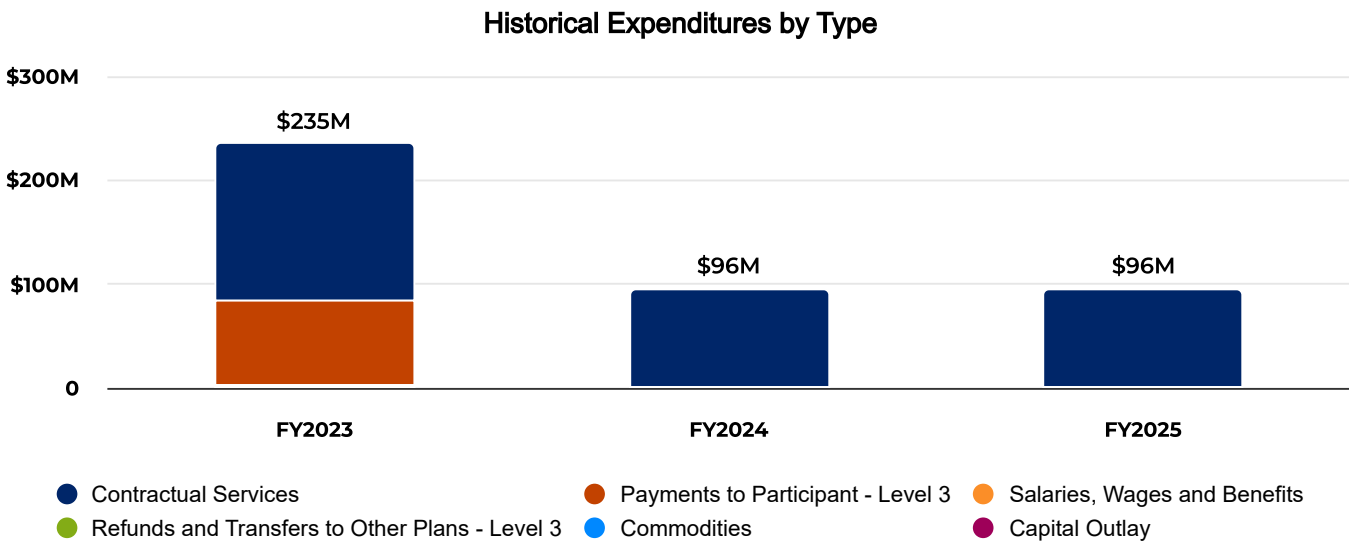


Fiduciary Expenditures by Type

Fiduciary Funds are used to manage resources the City holds on behalf of others—such as retirement benefits and specific trust obligations.

- The majority of expenditures were made up of Contractual Services, such as investment management and Payments to Participants, primarily related to retirement distributions.
- In Fiscal Year 2024 and Fiscal Year 2025, the budgeted spending is \$96 million each year, reflecting a return to typical levels after one-time larger disbursements in Fiscal Year 2023.

This pattern reflects the City’s ongoing responsibility to manage and distribute fiduciary funds transparently and in accordance with legal obligations.



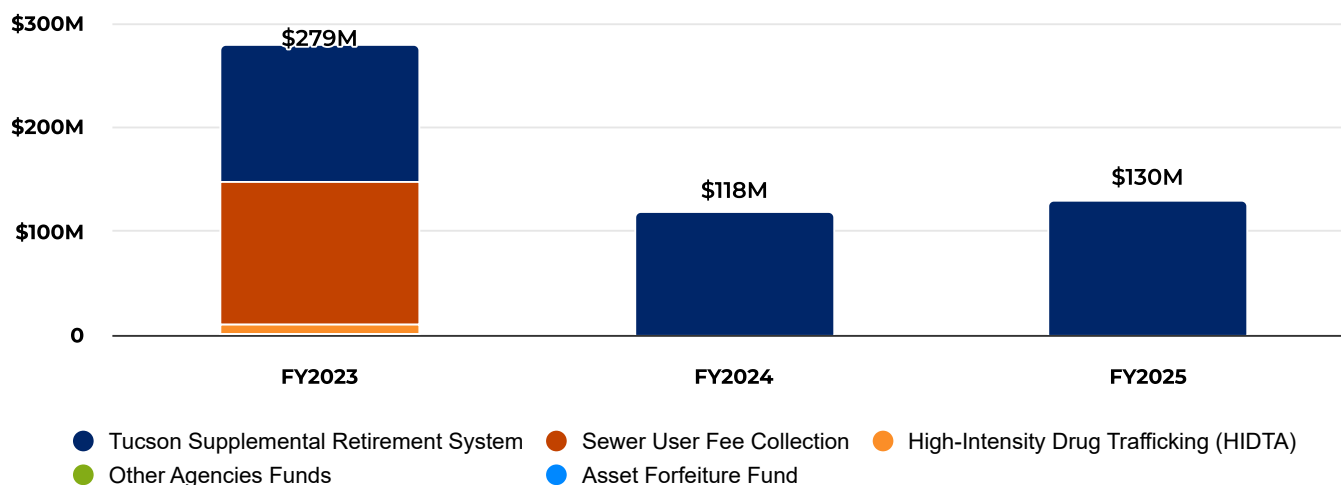
Fiduciary Revenues by Fund

Fiduciary revenues are collected and held by the City to benefit others—such as retirees or outside programs—rather than for general City operations. These revenues are deposited into specific trust or agency funds.

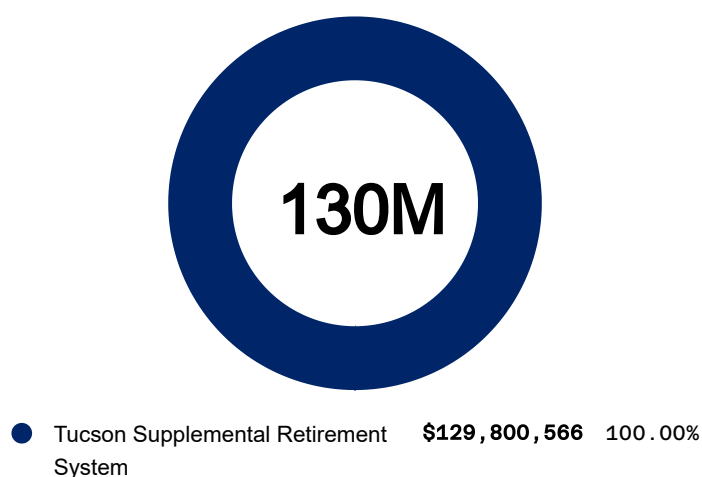
- In Fiscal Year 2023, total fiduciary revenues reached \$279 million:
 - The largest contributions came from the Tucson Supplemental Retirement System and Sewer User Fee Collection.
 - Smaller funding sources include HIDTA, Other Agency Funds, and Asset Forfeiture Fund.
- Revenues are projected to be \$118 million in Fiscal Year 2024 and \$130 million in Fiscal Year 2025, reflecting expected returns and deposits into the City's retirement and agency-held trust funds.

This revenue helps ensure long-term security for retirees and fulfills the City's fiduciary obligations with transparency and accountability.

Historical Revenue by Fund



Fiscal Year 2025 Revenues by Fund



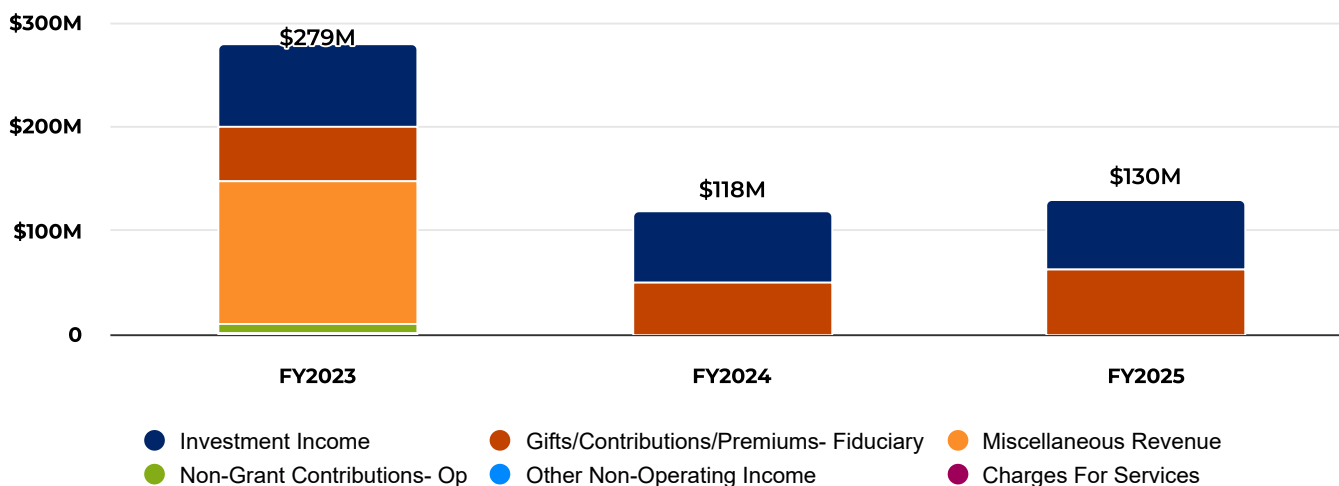
Fiduciary Revenues by Funding Source

Fiduciary revenues come from a variety of sources that support trust and agency funds, including retirement contributions and investment earnings.

- In Fiscal Year 2023, the City collected \$279 million in fiduciary revenue:
 - The largest portion came from Miscellaneous Revenue, which includes pension contributions and other deposits.
 - Investment Income and Gifts/Contributions also made up a significant share.
- Revenues are projected to be \$118 million in Fiscal Year 2024 and \$130 million in Fiscal Year 2025:
 - These years reflect more moderate expectations for investment returns and contributions compared to the high gains in Fiscal Year 2023.

Fiduciary funds are managed carefully to ensure they meet obligations like pension benefits and third-party programs, while maintaining financial trust and accountability.

Historical Revenue by Funding Source



Fiscal Year 2025 Revenues by Funding Source

