



# City Manager's Proposed Budget

**Fiscal Year 2022**

Presented on June 21, 2021

1



## FY2021 Refresher

### General Fund

- Budget modeled for economic recovery
- No property tax increases
  - No Inflationary Factory - (\$176,947)
  - No Permissive Medical Levy - (\$313,319)
    - Total tax increases not utilized - \$490,266
- Used Fund Balance to offset tax relief - (\$872,105)
  - Maintained policy level fund balance of 22%
- Budget Message: Level funded budgets may be needed into the future as the local economy recovers

2



# City Manager's Approach for FY2022 Budget

## Budget Drivers

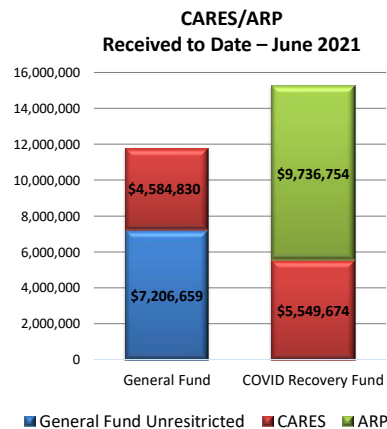
- Budget modeled for economic recovery
  - Level fund operations budget
  - Keep CARES/ARP discussions separate
- No General Fund property tax increases
  - Inflationary Factor - (\$157,843)
  - Permissive Medical Levy - (\$71,281)
    - Total tax increases not utilized - \$229,124
  - Use of fund balance in FY2022 - (\$736,648)
    - General Fund unrestricted balance below policy level at 20.3%
- No special assessment or utility rate increases
- New collective bargaining agreements for all unions
  - Move to 85%/15% cost sharing for insurance (\$576,284 City-wide)
  - Decreased workers compensation rates (\$405,112 City-wide)

3



## CARES/ARP Allocations

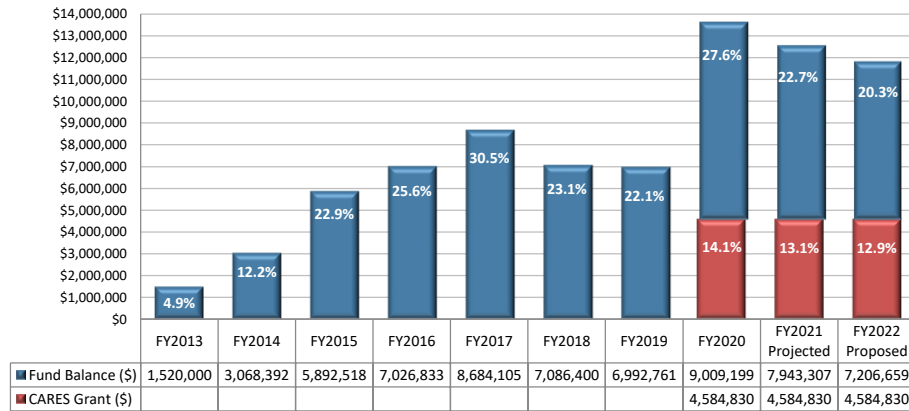
- CARES and ARP spending will be adopted separately through mid-year budget amendments
- CARES Grant - \$4,584,830 restricted in General Fund (amount received in FY2020)
- Remaining \$5,549,674 of CARES moved to Special Revenue Fund with American Rescue Plan allocation of \$9,736,754
  - Another \$9.7 million will be received May 2022
- Total received to date is \$19,871,258



4



# General Fund Fund Balance



22% Minimum Policy

5



# General Fund Tax & Entitlement Revenue

Revenue Segment	FY2021 <i>Actual</i> Increases	FY2022 <i>Available</i> Increases	FY2022 <i>Proposed</i> Increases
Newly Taxable Property	\$119,488	\$400,000	\$400,000 Amount not known until August
Inflationary Factor	\$0	\$334,790	\$0
Permissive Medical Levy	\$0	\$71,281	\$0
Entitlement Share	\$284,198	\$130,271	\$130,271
Total Revenue Increase	\$403,686	\$936,342	\$530,271

6



# General Fund Revenue

Reference: Budget Book Pages 20-22

	FY 2020 Actual	FY 2021 Amended	FY 2022 Proposed	% Change
Taxes	\$ 22,146,728	\$ 21,139,142	\$ 21,539,142	1.89%
Licenses and Permits	\$ 1,036,689	\$ 1,070,600	\$ 1,070,600	0.00%
Intergovernmental	\$ 13,202,877	\$ 8,997,023	\$ 8,966,766	-0.34%
Charges for Services	\$ 1,158,263	\$ 1,193,354	\$ 1,189,958	-0.28%
Fines and Forfeitures	\$ 627,765	\$ 770,000	\$ 770,000	0.00%
Internal Service	\$ 859,079	\$ 967,525	\$ 1,004,150	3.79%
Investment Income	\$ 85,430	\$ 15,000	\$ 15,000	0.00%
Other	\$ 114,072	\$ 144,322	\$ 144,322	0.00%
Sale of Assets	\$ 2,200	\$ -	\$ -	0
<b>Total Revenue</b>	<b>\$ 39,233,103</b>	<b>\$ 34,296,966</b>	<b>\$ 34,699,938</b>	<b>1.17%</b>

7



# General Fund Expenses

Reference: Budget Book Pages 23-33

	FY 2020 Actual	FY 2021 Amended	FY 2022 Proposed	% Change
Personal Services	\$23,864,476	\$25,475,659	\$25,776,600	1.18%
Supplies	\$902,227	\$1,041,615	\$960,266	-7.81%
Purchased Services	\$1,241,592	\$1,753,664	\$1,417,138	-19.19%
Debt Services	\$86,635	\$309,773	\$309,182	-0.19%
Contributions & Other	\$250,000	\$250,000	\$250,000	0.00%
Other	\$49,386	\$25,458	\$20,000	-21.44%
Internal Service	\$4,529,357	\$4,777,596	\$5,044,222	5.58%
Capital Outlay	\$45,287	\$0	\$0	0.00%
Transfer Out	\$1,662,877	\$1,659,178	\$1,659,178	0.00%
<b>Total Expense</b>	<b>\$ 32,631,837</b>	<b>\$ 35,292,943</b>	<b>\$ 35,436,586</b>	<b>0.41%</b>

8



# Fund Review

Reference: Fund Detail Worksheet

- **Stable**
  - 48 out of 59 funds
- **Requires Monitoring**
  - Permits
  - HIDTA Special Revenue
  - Health and Benefits
  - Sanitation
- **At-Risk**
  - Planning & CD
  - Golf Courses
  - Swimming Pools
  - Recreation
  - Multi-Sports
  - Parking
  - Civic Center Events

Future Discussion:  
Rehabilitate funds  
impacted by COVID



9



# City-Wide Revenue

Reference: Budget Book Page 18

	FY 2020 Actual	FY 2021 Amended	FY 2022 Proposed	% Change
Taxes	\$ 26,143,194	\$ 24,677,547	\$ 26,001,617	5.37%
Licenses and Permits	\$ 2,076,780	\$ 2,185,276	\$ 2,185,276	0.00%
Intergovernmental	\$ 19,627,133	\$ 15,114,717	\$ 24,313,600	60.86%
Charges for Services	\$ 50,441,124	\$ 49,280,746	\$ 49,379,237	0.20%
Fines and Forfeitures	\$ 745,451	\$ 817,000	\$ 817,500	0.06%
Internal Service	\$ 13,487,123	\$ 14,207,407	\$ 15,324,240	7.86%
Special Assessments	\$ 8,868,739	\$ 8,445,618	\$ 8,472,176	0.31%
Investment Income	\$ 1,009,677	\$ 20,650	\$ 20,650	0.00%
Other	\$ 1,918,429	\$ 738,371	\$ 613,808	-16.87%
Transfer In	\$ 2,076,171	\$ 2,055,852	\$ 2,055,852	0.00%
Issuance of Debt	\$ 4,208,605	\$ 6,057,080	\$ -	-100.00%
Sale of Assets	\$ 55,063	\$ -	\$ -	0.00%
<b>Total Revenue</b>	<b>\$ 130,657,489</b>	<b>\$ 123,600,264</b>	<b>\$ 129,183,956</b>	<b>4.52%</b>

10



# City-Wide Expenses

Reference: Budget Book Page 18

	FY 2020 Actual	FY 2021 Amended	FY 2022 Proposed	% Change
Personal Services	\$44,200,093	\$48,561,521	\$49,595,721	2.13%
Supplies	\$5,485,329	\$6,105,541	\$6,118,089	0.21%
Purchased Services	\$26,013,577	\$30,214,596	\$28,635,371	-5.23%
Debt Services	\$9,173,533	\$6,666,423	\$7,321,282	9.82%
Contributions & Other	\$1,424,946	\$1,681,607	\$2,207,301	31.26%
Other	\$77,659	\$80,908	\$30,450	-62.36%
Internal Service	\$12,224,424	\$12,896,288	\$13,902,078	7.80%
Capital Outlay	\$20,366,096	\$31,447,055	\$21,102,133	-32.90%
Transfer Out	\$2,076,171	\$2,055,852	\$2,055,852	0.00%
<b>Total Expenses</b>	<b>\$ 121,041,828</b>	<b>\$ 139,709,791</b>	<b>\$ 130,968,277</b>	<b>-6.26%</b>

11

# Proposed Rate, Assessment and Fee Adjustments



Department	Division	FY2022 Adjustment	Prior Year Adjustment
Public Works	Water	0%	0%
Public Works	Sewer	0%	0%
Public Works	Storm Drain	0%	0%
Public Works	Sanitation - Commercial	0%	0%
Public Works	Sanitation - Residential	0%	0%
Park & Recreation	Natural Resources – Boulevard	0%	0%
Park & Recreation	Portage Meadows	0%	0%
Park & Recreation	Park Maintenance District	0%	0%
Public Works	Street Maintenance	0%	0%
Special Districts	Street Lighting Districts	- 1.0%	- 4.0%

12



# Capital Outlay

Reference: Budget Book Pages 131-135

Department	Capital Outlay
Library	\$260,000
Park Maintenance	\$27,791
East Industrial TID	\$436,900
Planning - CDBG	\$190,176
Finance	\$50,000
Public Works	\$20,137,266
<b>Total Budgeted</b>	<b>\$21,102,133</b>

13

# Capital Outlay Major Projects

Reference: Budget Book Pages 131-135



Department	Project	Budget
Street	Overlays & Reconstruction	\$2,405,000
Water	WTP Sludge Processor	\$2,500,000
	Main Replacements	\$2,900,000
Sewer	Misc. Sewer Rehab	\$1,000,000
	WTP Sludge Processor	\$4,000,000
Storm Drain	Valeria Way, Phase 2	\$ 900,000
Central Garage	Vehicle & Equipment	\$1,062,516
Park District	Various Projects	\$ 535,000

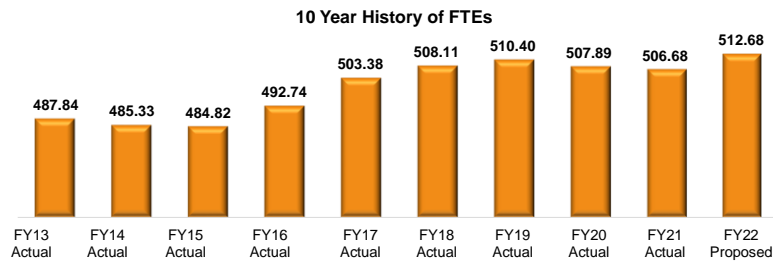
14



# FTE Counts

Reference: Budget Book Pages 125-130

Finance	Grants and Contract Administrator	1.00
Human Resources	HR Generalist	1.00
Engineering	2 Engineers, 2 Inspectors	4.00
<b>Total Proposed Changes in FY2022</b>		<b>6.00</b>



15



## Next Steps

- Tomorrow, June 22<sup>nd</sup>
  - Special Work Session if needed
- July 6<sup>th</sup>
  - Work Session if needed
  - Scheduling – Budget Hearing
- July 20<sup>th</sup>
  - Budget Hearing
  - Budget Adoption or Continue
- August 17<sup>th</sup>
  - Adopt Mill Levy
- TBD – Potential budget adjustments for CARES/ARPA

16