



# **City Manager's Proposed Fiscal Year 2024 Budget**

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**July 5, 2023 Work Session**



# Upcoming Budget Process

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- **June 20<sup>th</sup> Work Session**
  - Presentation of General Fund
  
- **TODAY: July 5<sup>th</sup> – *Commission Action***
  - Work Session: full budget presentation
  - Commission Meeting: set public hearing for July 18<sup>th</sup>
  
- **Additional budget work sessions?**
  
- **July 18<sup>th</sup> – *Commission Action***
  - Public Hearing and Adopt or Continue Budget
  
- **August 15<sup>th</sup> – *Commission Action***
  - Adopt Annual Tax Levy



# General Fund Recap

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	<b>FY2024 Budget</b>	
Total Revenues	\$ 37,973,437	3.6% Increase
Total Expenditures	\$ 38,971,501	2.9% Increase
Revenue Over (Under) Expenditures **	\$ (998,064)	
Unreserved Fund Balance	\$ 6,845,473	17.6%
Reserved Balance (CARES) - Beginning	\$ 3,379,830	
Balance FY2024 Budget	\$ (998,064)	
Reserved Balance (CARES) – Ending	\$ 2,381,766	6.1%
<u>Total Fund Balance</u>	<u>\$ 9,227,239</u>	<u>23.7%</u>

\*\* Anticipating another deficit in FY2025

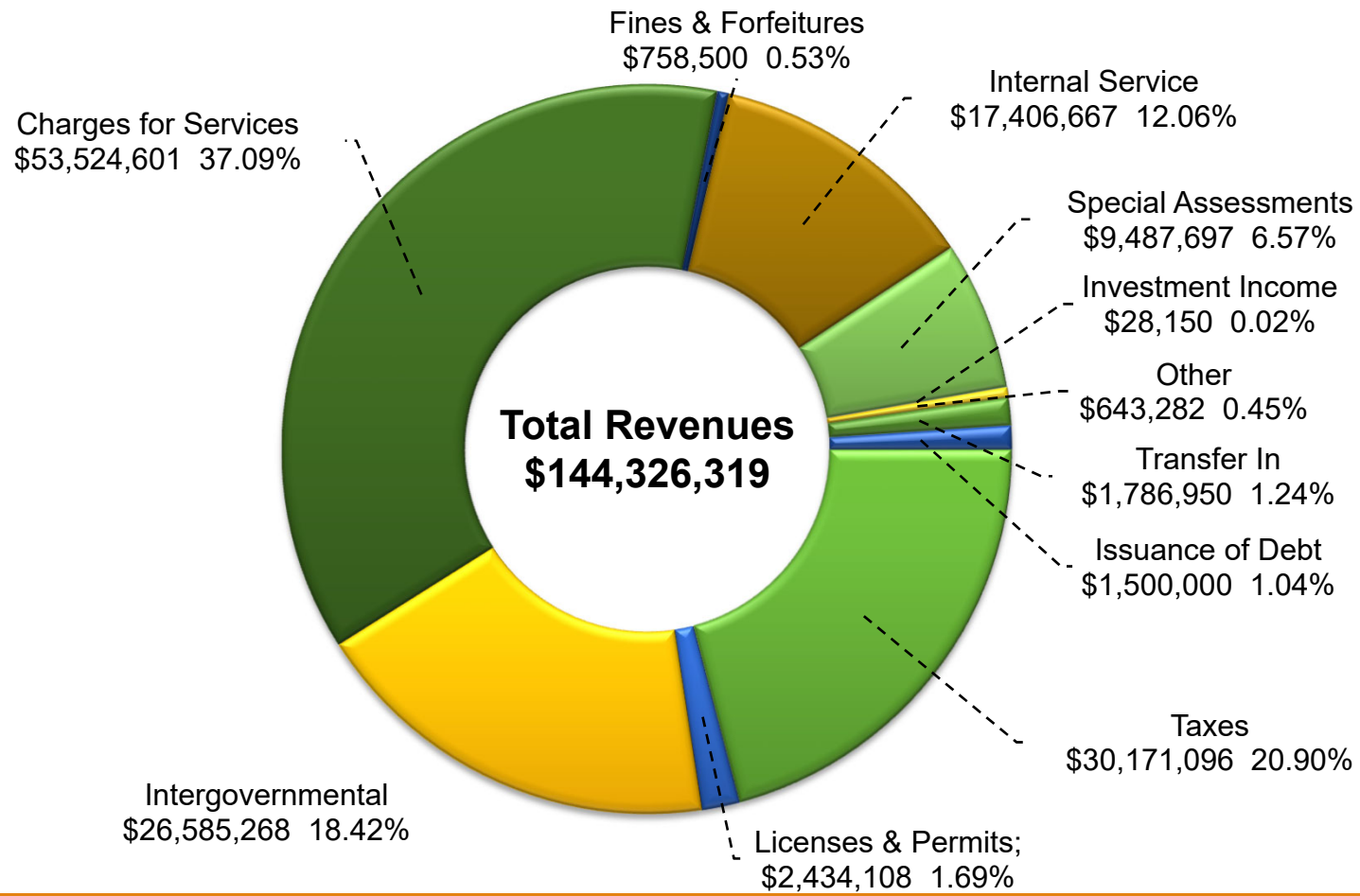


# City-Wide Revenues

	FY2024 Budget	% of Total	Change from Prior Year
Taxes	\$30,171,096	20.90%	10.60%
Licenses & Permits	\$2,434,108	1.69%	- 0.69%
Intergovernmental	\$26,585,268	18.42%	70.69%
Charges for Services	\$53,524,601	37.09%	2.58%
Fines & Forfeitures	\$758,500	0.53%	- 8.78%
Internal Service	\$17,406,667	12.06%	6.40%
Special Assessments	\$9,487,697	6.57%	10.52%
Investment Income	\$28,150	0.02%	36.32%
Other	\$643,282	0.45%	6.23%
Transfer In	\$1,786,950	1.24%	- 28.48%
Issuance of Debt	\$1,500,000	1.04%	
<b>Total Revenues</b>	<b>\$144,326,319</b>	<b>100.00%</b>	<b>14.20%</b>



# City-Wide Revenues





# Projected General Fund Revenue Increases

General Fund Revenue	FY2021 Actual Increases	FY2022 Actual Increases	FY2023 Actual Increases	FY2024 Proposed Increases	Annual Household Impact
Newly Taxable Property	\$ 119,488	\$ 366,758	\$ 352,303	\$ 400,000 Amount not known until August	
Inflationary Factor	\$ 0	\$ 0	\$ 641,691 Used carry-over mills from prior 2 years	\$ 451,129	\$100,000: \$5.90 \$200,000: \$11.79 \$300,000: \$17.69
Permissive Medical Levy	\$ 0	\$ 0	\$ 247,551	\$ 353,042	\$100,000: \$4.61 \$200,000: \$9.23 \$300,000: \$13.84
Entitlement Share	\$ 284,198	\$ 130,271	\$ 294,004	\$ 311,446	
Total Revenue Increase	\$ 403,686	\$ 497,029	\$ 1,535,549	\$1,515,617	



# Proposed Rate, Assessment and Fee Adjustments

	Department	Division	FY2024 Adjustment	Previous Adjustment
Fee	Admin	Animal Shelter	various	2015: various
Fee	Admin	Civic Center Events	various	2021: various
Fee	Planning & CD	Planning Fees	various	2014: various
Fee	Planning & CD	Permit Fees	8%	2018: - 2.6%
Fee	Park & Rec	Parks, Rec Center, Multi-Sports	various	2019: various
Assessment	Park & Rec	Natural Resources – Boulevard	6%	2023: 12%
Assessment	Park & Rec	Portage Meadows	5%	2023: 5%
Assessment	Park & Rec	Park Maintenance District	0%	NA
Assessment	Public Works	Street Maintenance	10%	2016: 10%
Assessment	Special Districts	Street Lighting Districts	14%	2023: 4.5%



# Proposed Rate, Assessment and Fee Adjustments

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	Division	FY2024 Adjustment	Previous Adjustment
Utility	Water	10% (Spring 2024)	Spring 2023: 10%
Utility	Sewer	10% (Spring 2024)	Spring 2023: 10%
Utility	Storm Drain	10% (Spring 2024)	Spring 2023: 10%
Utility	Sanitation	10% (Spring 2024)	Spring 2023: 10%

Utility increases are affected by regulatory compliance, cost of chemicals and other supplies, and capital investments into the systems





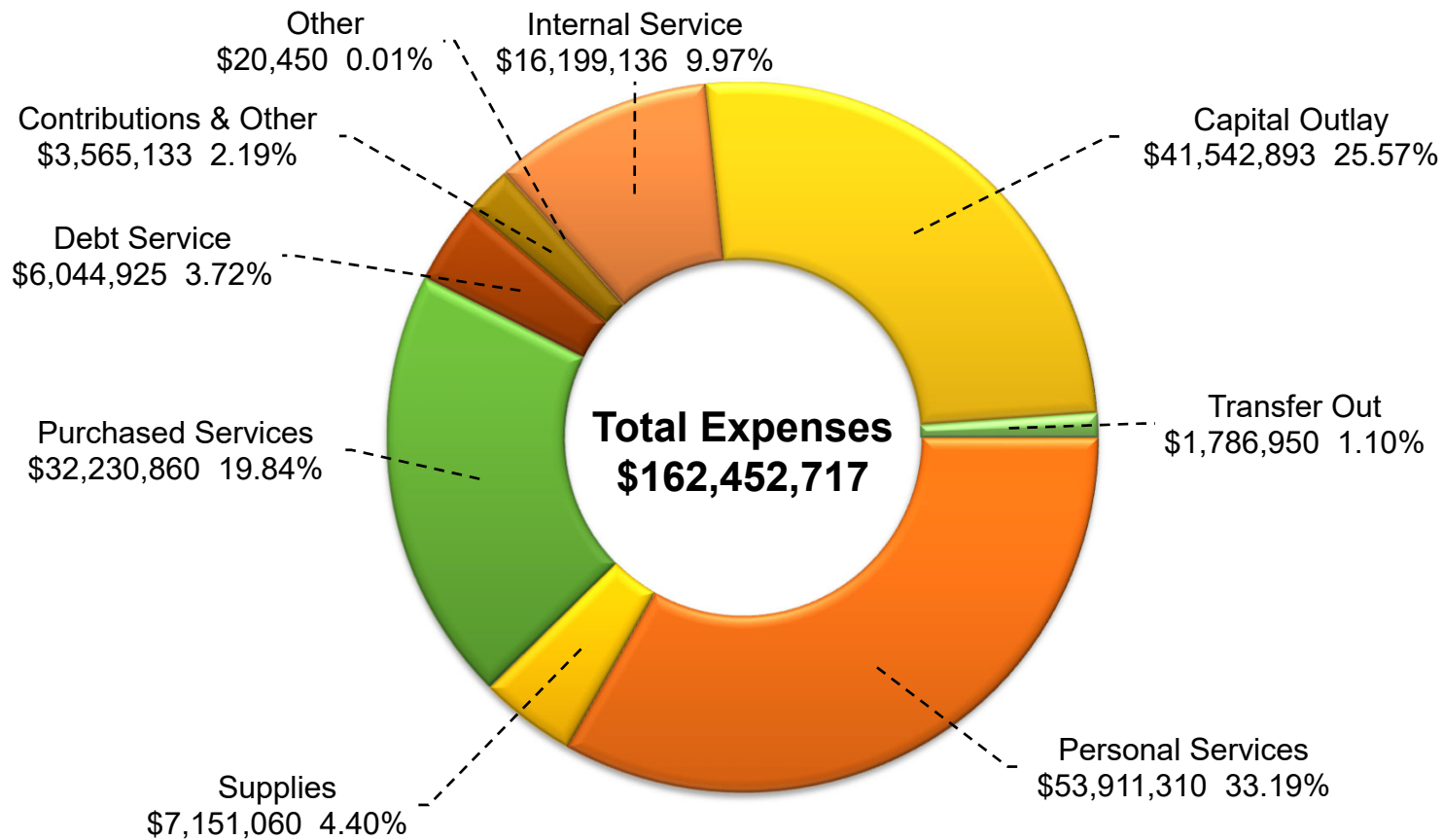
# City-Wide Expenses

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	FY2024 Budget	% of Total	Change from Prior Year
Personal Services	\$53,911,310	33.19%	3.38%
Supplies	\$7,151,060	4.40%	2.69%
Purchased Services	\$32,230,860	19.84%	11.68%
Debt Service	\$6,044,925	3.72%	- 7.91%
Contributions & Other	\$3,565,133	2.19%	58.91%
Other	\$20,450	0.01%	0.00%
Internal Service	\$16,199,136	9.97%	5.61%
Capital Outlay	\$41,542,893	25.57%	21.53%
Transfer Out	\$1,786,950	1.10%	- 28.48%
<b>Total Expenses</b>	<b>\$162,452,717</b>	<b>100.00%</b>	<b>9.16%</b>

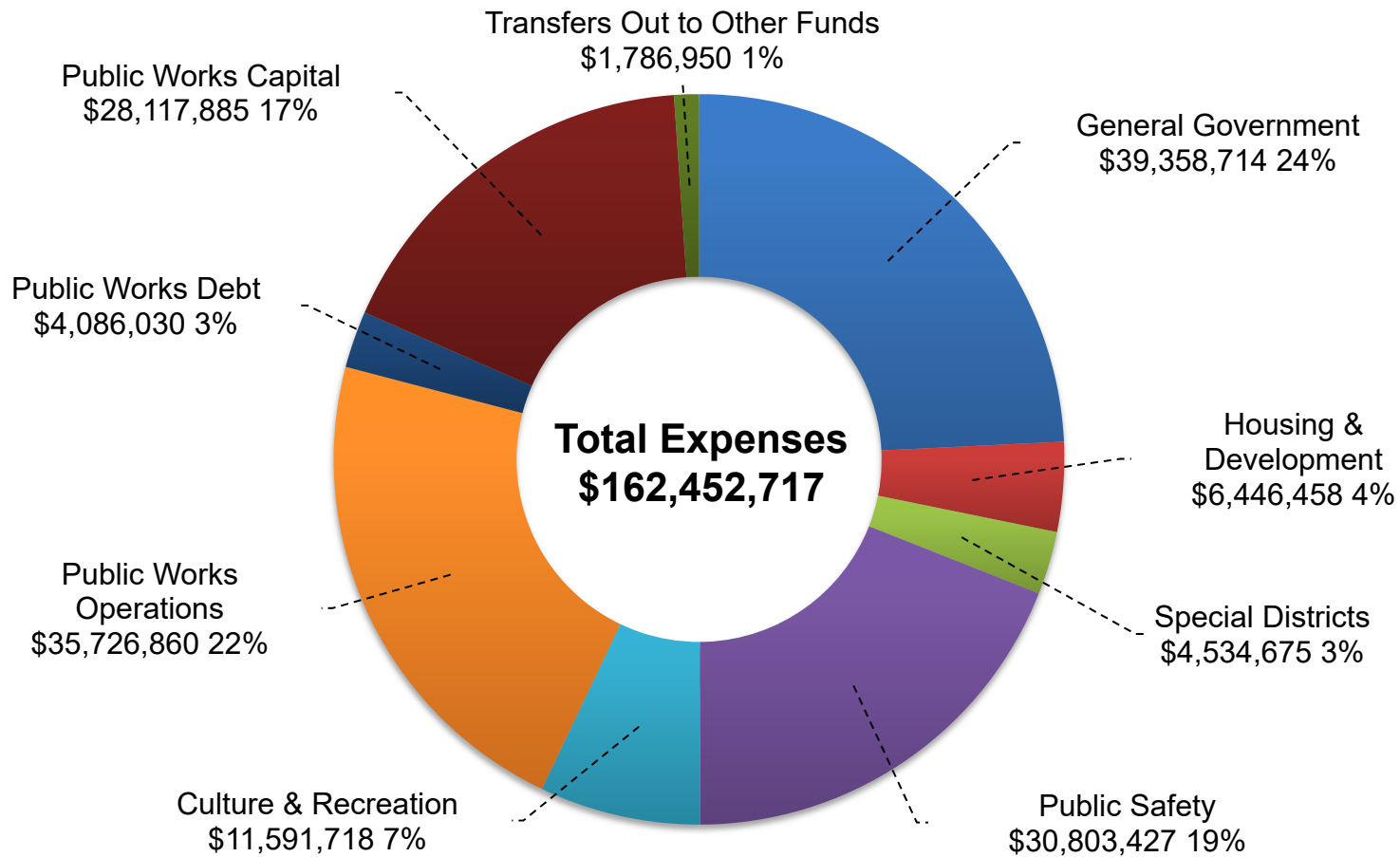


# City-Wide Expenses





# City-Wide Expenses





# Capital Outlay Major Projects

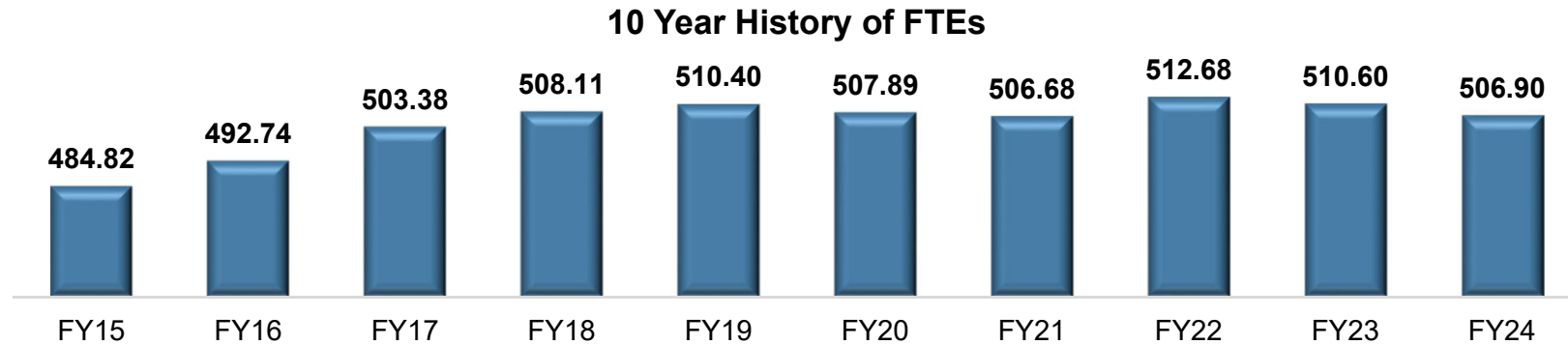
Reference: Budget Book Pages 131-135

Major Project	Project Budget
BaRSAA Projects (Park Drive, Giant Springs Road)	\$1,341,539
33 <sup>rd</sup> St Water Storage Tank Repair	\$1,500,000
Water Main Replacements	\$2,900,000
Lead Service Line Pilot Project	\$370,000
Riverview Sewer Replacement and other miscellaneous sewer rehab	\$2,200,000
Lift Station No. 1	\$7,800,000
Central Ave & 3 <sup>rd</sup> St Storm Drain Phase 2	\$2,000,000
Year 6 Park District Projects	\$433,220
ARPA Projects (Court Remodel, Evidence Building, Fire Station Infrastructure, Civic Center Boiler)	\$12,794,967
Vehicles & Equipment	\$2,484,516
<b>Total Capital Outlay Budget in FY2024</b>	<b>\$41,542,893</b>



# Employee Summary

Reference: Budget Book Pages 125-130



General Fund – Court	Full-time judge starting 1/1/2024 (previously part-time)	0.10
General Fund – Legal	1 Prosecutor → 2 support staff, staff attorney hours	1.10
IT Fund	Added desktop support specialist	1.00
Library Fund	Mill levy pass	13.43
Housing Authority	Separation from City	(18.94)
Civic Center Events Fund	Reduced full-time laborer to part-time	(0.28)
Recreation Fund	Reduced hours	(0.11)
Planning & CD Fund	Development engineer transferred to Public Works	(1.00)
Water Fund	Removed SCADA tech position	(1.00)
Engineering Fund	Added development engineer from PCD	1.00
Sanitation Fund	Added maintenance worker	1.00
<b>Total (Decrease) in FY2024</b>		<b>(3.70)</b>



# Fund Review

Reference: Fund Detail Worksheet

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- 57 Budgeted Funds
- Fund balance % requirement for each fund
  - Meets requirements
  - Does not meet requirements



# ARPA Update

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<b>Beginning ARPA Balance</b>	<b>\$19,472,737</b>
<b>ARPA Projects</b>	<b>Project Amounts</b>
Committed Projects	\$5,992,228
PD Evidence Building	\$4,500,000
Court Remodel	\$3,500,000
Fire Station Infrastructure	Reduced to \$2,576,000
Civic Center Boiler/HVAC	Reduced to \$2,218,967
ARPA Project Manager	Reduced to \$100,000
Civic Center AV Upgrades	Project removed
Civic Center Elevator	Project removed
<b>Running Balance</b>	<b>\$585,543</b>



# CARES Update

<b>Beginning CARES Balance</b>	<b>\$10,159,163</b>
<b>CARES Act Use</b>	<b>Amount</b>
FY22 Replenish Funds Impacted by COVID	\$1,141,151
Balance General Fund Budget in FY2023	\$1,205,000
Replenish Planning Fund in FY2023	\$297,500
Replenish Recreation Fund in FY2023	\$140,000
Replenish Multi-Sports Fund in FY2023	\$34,500
GFDA Revolving Loan Fund Contribution	\$1,400,000
<b>Growth Policy Plan Update in FY2024</b>	<b>\$300,000</b>
<b>Balance General Fund Budget in FY2024</b>	<b>\$998,064</b>
<b>Total CARES Act Usage</b>	<b>\$5,516,215</b>
<b>Remaining CARES Act Balance</b>	<b>\$4,642,948</b>





# Next Steps

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- Set public hearing tonight for July 18, 2023
- Additional work sessions before then?

**Questions?**

**Requests for more information?**