



Fiscal Year 2024 Budget: General Fund

June 20, 2023 Work Session



Upcoming Budget Process

- **Today**
 - Presentation of General Fund

- **July 5th – *Commission Action***
 - Work Session: full budget presentation
 - Commission Meeting: set public hearing for July 18th

- **Additional budget work sessions?**

- **July 18th – *Commission Action***
 - Public Hearing and Adopt or Continue Budget

- **August 15th – *Commission Action***
 - Adopt Annual Tax Levy



FY2024 Budget Drivers

- Fund Balance level
- Covid Recovery - revenues
- Union Negotiations – not yet settled
- Health Insurance 8% increase
- Electricity Costs 200% increase
- Additional support staff in Legal Department
- Legislative Session – lost revenue
- 2nd judge – part-time to full-time
- Cops Grant – 2nd year



Covid Recovery

- **No tax increases for FY2021 and FY2022**
 - Used fund balance
 - \$552,502 in FY2021
 - \$1,300,446 in FY2022

General Fund	FY2021 Actual	FY2022 Actual
Total Revenues	\$ 33,973,714	\$ 33,934,611
Total Expenses	\$ 34,526,216	\$ 35,235,057
Revenues Over (Under) Expenses	\$ (552,502)	\$ (1,300,446)

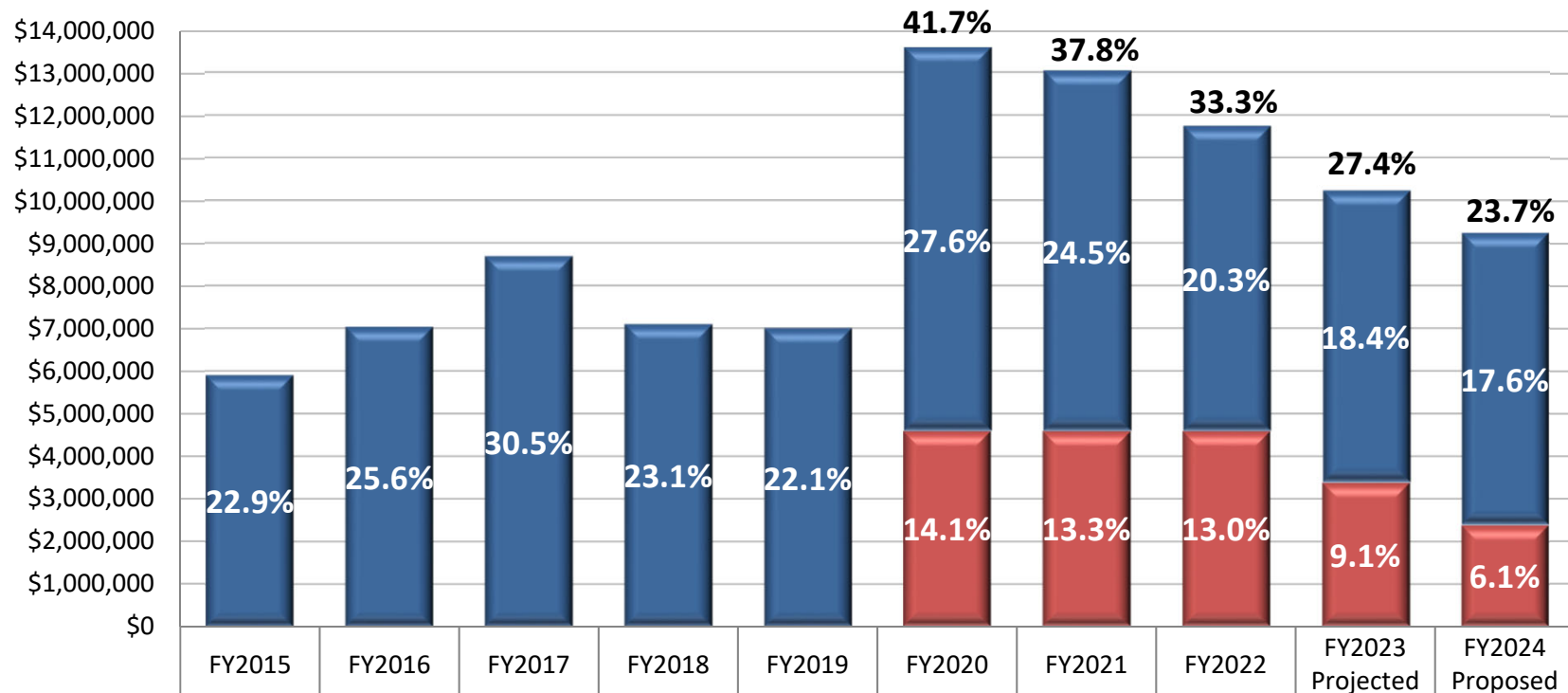
- **Utilized tax increases in FY2023**
 - Compounding effect of prior two years, not all was recouped
 - Used CARES to offset remaining shortfall
 - Revenue collection uncertainty

General Fund	FY2023 Projected
Total Revenues	\$ 35,750,589
Total Expenses	\$ 37,266,367
Revenues Over (Under) Expenses	\$ (1,515,778)



General Fund Fund Balance

22% Recommended Minimum Policy



■ Fund Balance (\$)	5,892,518	7,026,833	8,684,105	7,086,400	6,992,761	9,009,199	8,456,698	7,156,251	6,845,473	6,845,473
■ CARES Act (\$)						4,584,830	4,584,830	4,584,830	3,379,830	2,381,766



Projected Revenue Increases

General Fund Revenue Segment	FY2021 Actual Increases	FY2022 Actual Increases	FY2023 Actual Increases	FY2024 Proposed Increases
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
Permissive Medical Levy	\$ 0	\$ 0	\$ 247,551	\$ 353,042
Entitlement Share	\$ 284,198	\$ 130,271	\$ 294,004	\$ 311,446
Total Revenue Increase	\$ 403,686	\$ 497,029	\$ 1,535,549	\$1,515,617



FY2024 General Fund Impacts

Public Safety

- Electricity costs – \$64,794 increase
- COPS Grant – \$74,000 less for Year 2
- Legal support staff +2 FTE – \$143,000
- Part-time to Full-time 2nd judge starting January 1st – \$78,026
- Police Department increase – \$284,511
- Fire Department increase – \$394,866
- Decreased work comp rates – \$20,789
- Decreased fuel costs – \$147,655
- Dispatch charges held flat for 2nd year

Other

- Legislative impact – Loss of \$79,000 beer & wine, liquor licenses
- Loss of Housing Authority management fee – \$40,000
- Elections – \$100,000
- Additional electricity increases – \$87,500
- Public Safety Levy Education – \$100,000
- Collective Bargaining Agreements not settled



FY2024 General Fund Strategy

- Use full Inflationary Factor - \$451,129
- Use full Permissive Medical Levy - \$353,042
- Use subsidy returned from the Library - \$350,000
- Cut subsidy for Civic Center Events and Engineering - \$329,056

Remaining deficit of \$998,064

- Use CARES to offset remaining deficit - \$998,064

General Fund	FY2024 Proposed
Total Revenues	\$ 37,973,437
Total Expenses	\$ 38,971,501
Revenues Over (Under) Expenses	\$ (998,064)

Unreserved Fund Balance	\$ 6,845,473	17.6%
CARES Balance	\$ 2,381,766	6.1%
Total Fund Balance	\$ 9,227,239	23.7%



Long-Term General Fund Strategy

Future Options

- Release TIF funds – City would receive approximately 26%
- Cut remaining subsidies
 - Natural Resources - \$256,277
 - Swimming Pools - \$267,861
 - Recreation Center - \$39,206
 - Planning - \$376,932
- Departments are asked every year to review fees
 - Increases for cost recovery



Assessment and Fee Increases

- Assessments
 - Street – 10%
 - Boulevard – 6%
 - Portage Meadows – 5%
 - Street Lights – 14%
- Fees
 - Animal Shelter – various
 - Civic Center Events – various
 - Planning – various
 - Building Permits – 8%
 - Parks, Rec Center, Multi-Sports - various
 - Water, Sewer, Storm Drain, Sanitation – 10%



Detail General Fund Revenue

	FY2024 Budget
Taxes	\$ 24,182,096
Licenses & Permits	\$ 916,500
Intergovernmental	\$ 9,730,562
Charges for Services	\$ 1,149,262
Fines & Forfeitures	\$ 680,000
Internal Service	\$ 1,102,343
Investment Income	\$ 20,000
Other	\$ 192,674
Total Revenue Budget	\$ 37,973,437



Detail General Fund Expenditures

	FY2024 Budget
Administration Group	\$ 3,931,924
Municipal Court	\$ 1,155,948
Legal Department	\$ 1,489,101
Police Department	\$ 17,012,509
Fire Department	\$ 11,113,035
Park & Rec Department	\$ 3,328,708
General Fund Subsidies	\$ 940,276
Total Expenditures Budget	\$ 38,971,501



Public Safety Shortfall without Entitlement Share Revenue

	Total Budget
Police Department	\$ 17,012,509
Fire Department	\$ 11,113,035
Total Police & Fire Budgets	\$ 28,125,544
Tax Revenue	(\$ 24,182,096)
Public Safety Shortfall	\$3,943,448



General Fund Summary

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



Next Work Session – July 5th

- All funds combined
 - Funds that meet requirements and funds that don't
- Above & Beyond Requests
- Capital Projects
- Employee Summary
- ARPA/CARES Update

Questions?

Requests for more information?