

Fiscal Year 2022 – 2023 Proposed Budget Presentation

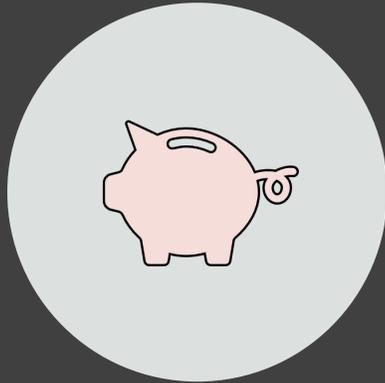
MICHELLE SPEER, ASSISTANT CITY MANAGER/ADMINISTRATIVE SERVICES DIRECTOR

JUNE 9, 2022



GENERAL FUND (001)

How FY 2022 Began...



THE GENERAL FUND BEGAN
THE YEAR WITH A FUND
BALANCE OF \$7,904,718.



THE FUND BALANCE WAS
HIGHER THAN ANTICIPATED
DUE TO FY 2021 INCREASED
REVENUES AND DECREASED
EXPENDITURES.



FY 2021 FINANCIALS WERE
AUDITED AND PRESENTED TO
CITY COUNCIL ON APRIL 5,
2022.

How FY 2022 is projected to end...



Revenues are expected to be approximately \$14,981,778

Revenues are approximately \$1,090,561 more than budgeted due to increases in:

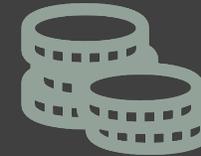
- Sales Tax
- Property Tax
- TOT Tax
- Building and Planning Fees



Expenditures are expected to be approximately \$14,477,055

Expenditures are approximately \$648,114 less than budgeted due to decreases in:

- Vacant positions
- Professional Services
- Overtime and Part Time Salaries



The NET change to the General Fund budgeted fund balance is \$1,738,675



Proposed FY 2023 Budget



The summary of general fund transactions for FY 2023:

Beginning fund balance of \$8,409,441
Revenues of \$14,470,421
Expenditures of \$17,314,739



Resulting in a deficit of \$2,574,318



The ending fund balance would be \$5,835,123

FY 2023 Revenue Highlights



The following revenues are expected to increase (all figures are estimates):

- Tax revenues by \$31,000
- Fees for services by \$45,000
- Intergovernmental revenues by \$196,000

The following revenues are anticipated to decrease (all figures are estimates):

- Licenses and permits by approximately \$291,000
- Miscellaneous revenues (cannabis, cost allocations, and fines/fees) by \$42,000
- Operating Transfers in by \$177,000

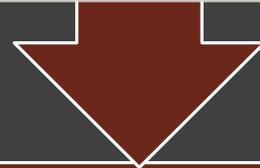
Compared to FY 2022 projections, revenues are expected to be down by an estimated \$241,000

FY 2023 Expenditure Highlights



The following expenses are proposed for
FY 2023

Personnel: \$10,460,500	Operating: \$6,227,239	Asset replacement: \$135,000	Capital Improvement Projects: \$467,000	Debt Service: \$25,000
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Total proposed FY 2023 expenditures are \$17,314,739

Explanation of Personnel Expenditures



Budgeted positions resulted in an increase of \$513,750

- New positions: \$416,750
- Amended positions: \$97,000

Inclusion of Premium Pay in the FY 2023

- Increase of \$576,400

Anticipation of health insurance premium increases

- Increase of \$69,000

Pension Contributions Increased by \$213,000

- Standard PERS contributions: \$86,500
- Unfunded liability contributions: \$126,500

Personnel expenditures are up \$1,459,500 over the FY 2022 budget

Summary of Personnel Requests & Changes



REQUESTED NEW POSITIONS

- Management Analyst
 - Increase of \$108,000 split between Public Works Administration and Human Resources
- Police Officer
 - Increase of \$108,000
- Community Services Officer
 - Increase of \$75,750
- Building Inspector
 - Increase of \$95,000-125,000

REQUESTED AMENDED POSITIONS

- IT Manager – Reclassification of one IT Analyst
 - Net Increase of \$25,000 over FY 22 budget for previous position
- Junior Accountant – Offset by an Account Clerk I/II transfer to Utility Billing
 - Net Increase of \$8,000
- Building & Recreation Manager– Reclassification of the Building Official position
 - Net increase of \$64,000

Summary of Operational Expenditures by Budget Unit

The following Departments had an increase in operational expenses:

- City Manager (4213): \$99,474
- City Clerk (4214): \$13,326
- Community Development (4216): \$38,544
- Facilities Maintenance (4220): \$70,754
- Police (4221): \$303,706
- Public Works Admin. (4230): \$141,147
- Streets (4231): \$124,076
- Recreation (4242): \$32,623
- Information Technology (4296): \$87,651
- Human Resources: \$47,267

The following departments had a decrease in operational expenses:

- City Council (4211): -\$22,870
- Finance (4215): -\$39,739
- Fire (4222): -\$34,337
- Building Inspection (4224): -\$25,089
- Parks (4241): -\$98,864

Total operational expenditure increase of \$737,669 over FY 2022 budget

Synopsis of Operational Increases

City Manager:

- Addition of economic development consultant
- Addition of budget development software

City Clerk:

- Election services for Districts A & C

Community Development:

- Increase in legal expense

Facilities Maintenance:

- Parks expenditures moved to Facilities Maintenance

Police:

- Lease payment and upfitting of police vehicles (5)
- Purchase of various equipment for all PD divisions

Public Works Administration:

- Increase in engineering for public works projects

Streets:

- Increase in engineering for streets projects

Recreation:

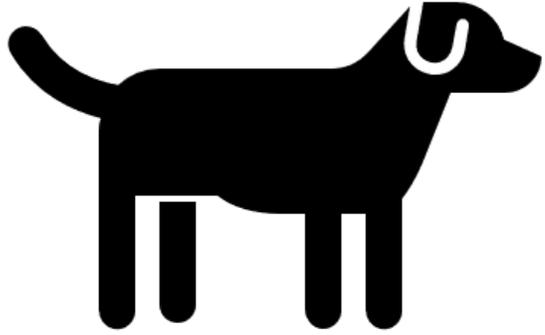
- Fireworks for 2022 (will be removed)
- Additional programming

Information Technology:

- Growth related devices and equipment
- Replacement computers/servers (devices reaching end of useful life)

Human Resources:

- Increase in services related to recruitment/hiring
- Return of employee homebuyer program



K-9:
\$15,000

ASSET REPLACEMENT
REQUESTS: GENERAL
FUND

TOTAL ASSET REPLACEMENT REQUEST

\$135,000

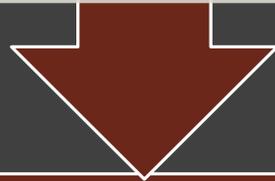
Bucket
Truck:
\$120,000



Capital Improvement Projects

The following are CIP Requests for
FY 2023

Sidewalk Repair Program: \$50,000	Parking Lot Repair: \$100,000	Citywide ADA: \$100,000	SHSG Project (Fire): \$67,000	RHNA: \$150,000
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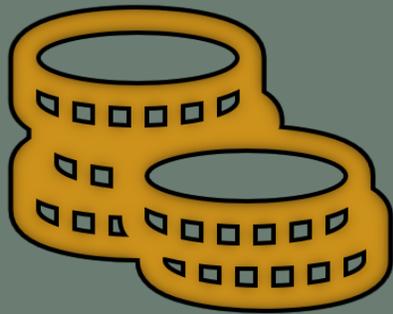


Total CIP Requests for FY 2023: \$467,000

Special Funds

(Water, Wastewater, Refuse, Fleet)

How FY 2022 is projected to end...



Fund	Beginning Fund Balance	Projected Revenues	Projected Expenses	NET Change to Fund Balance	Ending Fund Balance
Water	\$5,007,047	\$9,795,233	\$7,584,077	\$2,211,156	\$7,218,203
Refuse	\$1,390,925	\$4,322,499	\$3,868,232	\$454,267	\$1,845,192
Wastewater	\$10,311,024	\$3,616,357	\$4,149,902	\$(533,545)	\$9,777,479
Fleet	\$(765,559)	\$1,159,418	\$1,159,418	\$0	\$(765,559)

FY 2023 Budget WATER FUND



Beginning Fund Balance: \$7,218,203



Proposed Revenues:
\$10,605,970

Fees for Service
Interest
Operating Transfers In



Proposed Expenditures:
\$12,116,899

Personnel: \$1,680,400
Operating: \$7,182,624
CIP: \$3,253,875



Ending Fund Balance: \$5,707,274



FY 2023 deficit of -\$1,510,929

Water Fund Personnel Expenditure Detail



Addition of Water Conservation Officer

- \$74,700

Addition of Account Clerk I/II in Utility Billing

- \$87,200

Elimination of the Water CPO to a contract service

- -\$165,700

Addition of Premium Pay

- \$87,000

Increased costs for health premiums

- \$18,012

Increase in PERS

- \$605

Increase in unfunded liability

- \$10,141

Total increase in personnel for the water fund of \$125,000 compared to FY 2022 adopted budget

Water Fund Operating Expenditure Detail



The Water Fund has an increase in operational expenditures of \$607,816 over the FY 2022 adopted budget.

The increase is due to cost increases for:

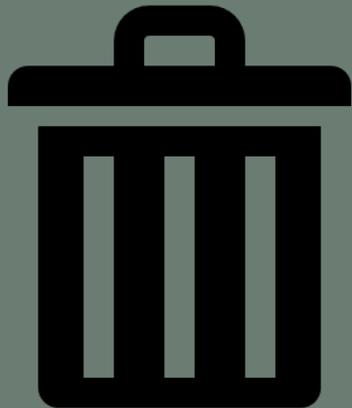
- Brine Hauling Services
- Chemical costs for treatment plants
- Contracted CPO services



Capital Improvement Projects: WATER FUND

- TTHM Project
 - \$1,648,875
- Southeast Well equipment
 - \$375,000
- Remodel of 40 G street
 - \$100,000
- Repaint water tanks
 - \$30,000
- Replace service lines
 - \$150,000
- Well Rehabilitation
 - \$450,000
- SCADA Upgrades
 - \$500,000

FY 2023 Budget REFUSE FUND



Beginning Fund Balance: \$1,845,192



Proposed Revenues:
\$4,424,215

Fees for Service
Interest
Operating Transfers In



Proposed Expenditures:
\$4,988,854

Personnel: \$1,281,900
Operating: \$3,319,954
AR: \$387,000

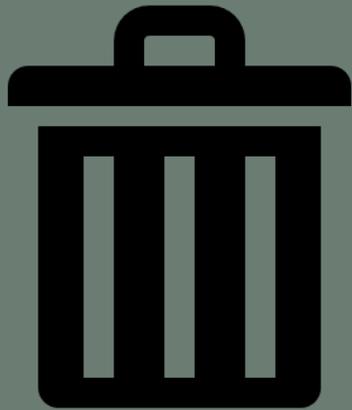


Ending Fund Balance: \$1,280,553



FY 2023 deficit of -\$564,639

Refuse Fund Personnel Expenditure Detail



Personnel costs are budgeted for \$1,281,900



Personnel costs increased in the following areas:

Premium Pay: \$76,125

Health: \$11,500

PERS: \$6,300

Unfunded liability: \$20,700



Year over year, the increase is approximately \$116,000

Refuse Fund Operating Expenditure Detail

The Refuse Fund has a decrease in operational expenditures of \$69,300 over the FY 2022 adopted budget.

The decrease is due to:

- Fleet allocations reduced due to newer vehicles





Asset Replacement:
REFUSE FUND

STREET SWEEPER
REPLACEMENT:
\$387,000

FY 2023 Budget WASTEWATER FUND



Beginning Fund Balance: \$9,777,479



Proposed Revenues:
\$3,543,188

Fees for Service
Interest
Operating Transfers In



Proposed Expenditures:
\$11,107,203

Personnel: \$1,187,600
Operating: \$2,466,948
CIP: \$7,452,655



Ending Fund Balance: \$2,213,464



FY 2023 deficit of -\$7,564,015

Wastewater Fund Personnel Expenditure Detail



**Personnel costs are
budgeted for \$1,187,600**



**Personnel costs increased
in the following areas:**

Salary: \$55,000

Premium Pay: \$65,250

Health: \$13,700

PERS: \$6,000

Unfunded liability: \$13,000



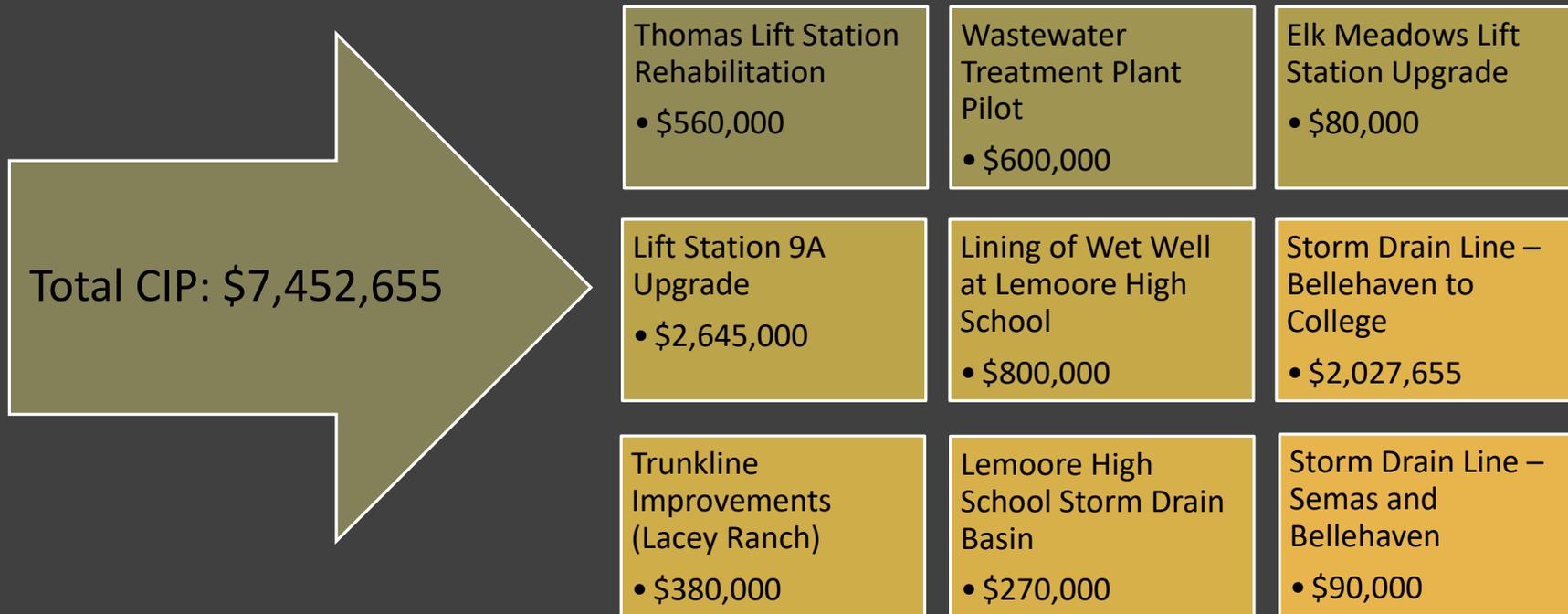
**Year over year, the
increase is
approximately
\$153,000**

The salary increase is due to the addition of one (1) Wastewater Utility Worker I/II

Wastewater Fund Operating Expenditure Detail



Capital Improvement Projects: WASTEWATER FUND



FY 2023 Budget Fleet Fund



Beginning Fund Balance: \$(765,559)



Proposed Revenues:
\$1,153,483

Internal Service Fees



Proposed Expenditures:
\$1,153,483

Personnel: \$192,100
Operating: \$961,383



Ending Fund Balance: \$(765,559)



FY 2023 is balanced

Fleet Fund Personnel Expenditure Detail



Personnel costs are budgeted for \$192,100



Personnel costs increased in the following areas:

Salary: \$7,000

Premium Pay: \$10,875

Health: \$2,465

PERS: \$1,100



Year over year, the increase is approximately \$24,200

The salary increase is due to the reclassification of a Coordinator to a Superintendent

Fleet Fund Operating Expenditure Detail



The Fleet Fund has an increase in operational expenditures of \$6,000 compared to the FY 2022 adopted budget

The net increase is a result of a rise in operating and maintenance supplies but a reduction of administrative costs.



QUESTIONS AND RECOMMENDATIONS
