

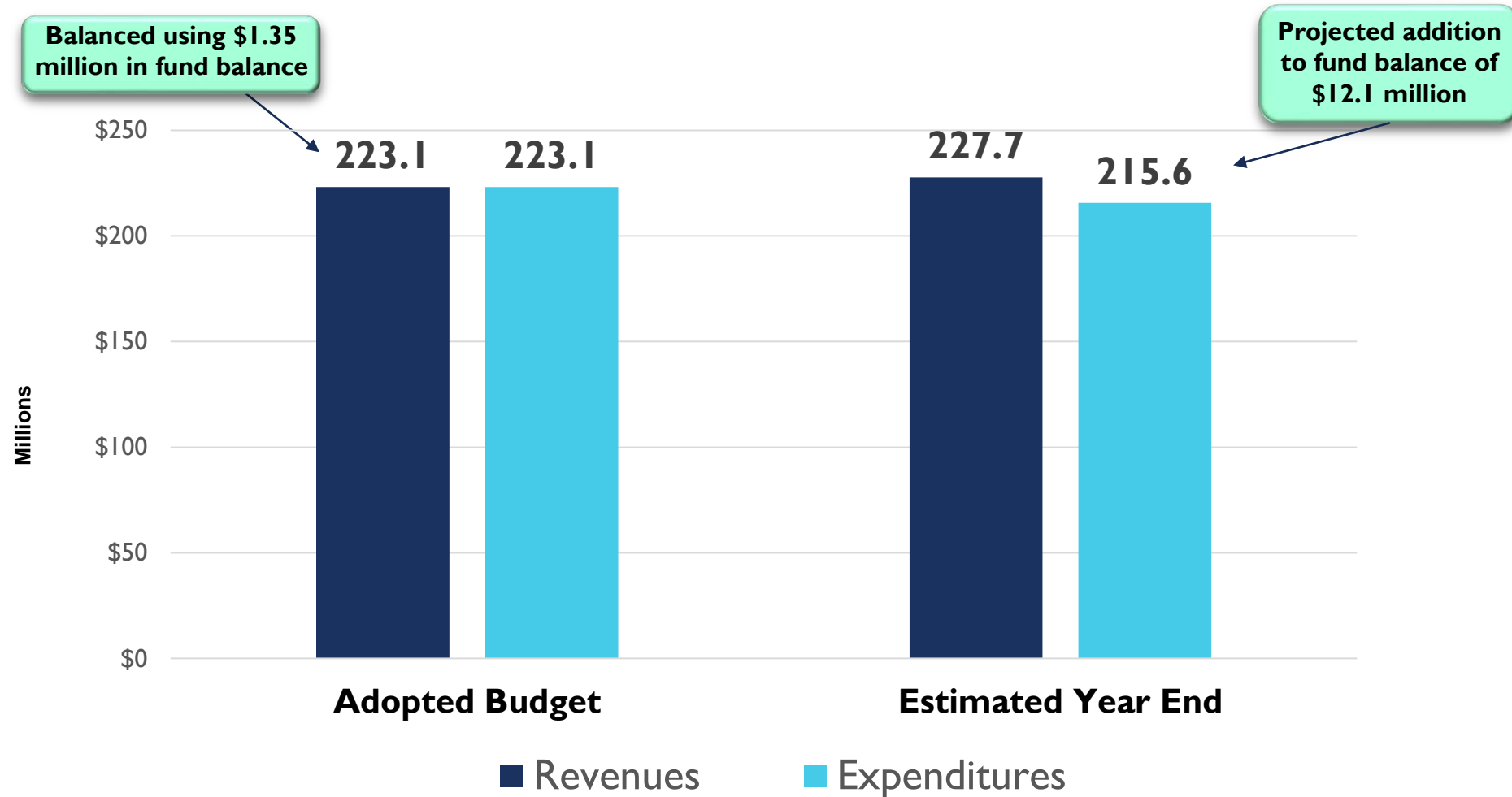
EARLY BUDGET FORECAST

FINANCE COMMITTEE

BUDGET AND PERFORMANCE MANAGEMENT DEPARTMENT
FEBRUARY 2022



FY 2021-22 YEAR-END ESTIMATED YEAR-END (GENERAL FUND)



FY 2021-22 YEAR-END ESTIMATED YEAR-END (GENERAL FUND)

Revenue Drivers/Assumptions

- Sales Tax Growth – \$5.9 million above budget
- Construction Permits - \$1.0 million above budget
- Recycling Revenue - \$600k above budget
- Gas Tax - \$1 million below budget

Expenditure Drivers/Assumptions

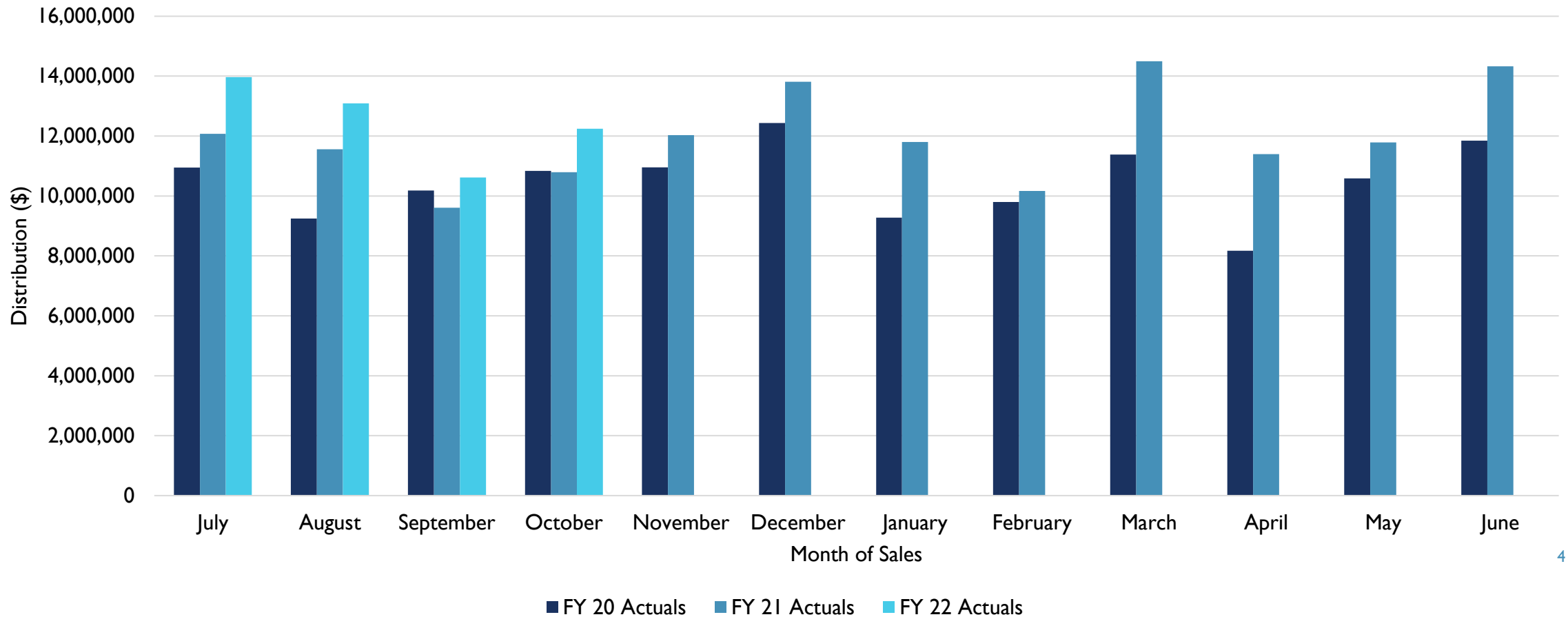
- Personnel - \$4.7 million below budget
- Supplies/Services - \$2.5 million below budget
 - Net of intradepartmental charges
- Vehicle Acquisition - \$600k below budget



These are early projections. The main revenue driver is sales tax collections; there are 8 more months of collections in FY 2021-22.

SALES TAX REVENUE

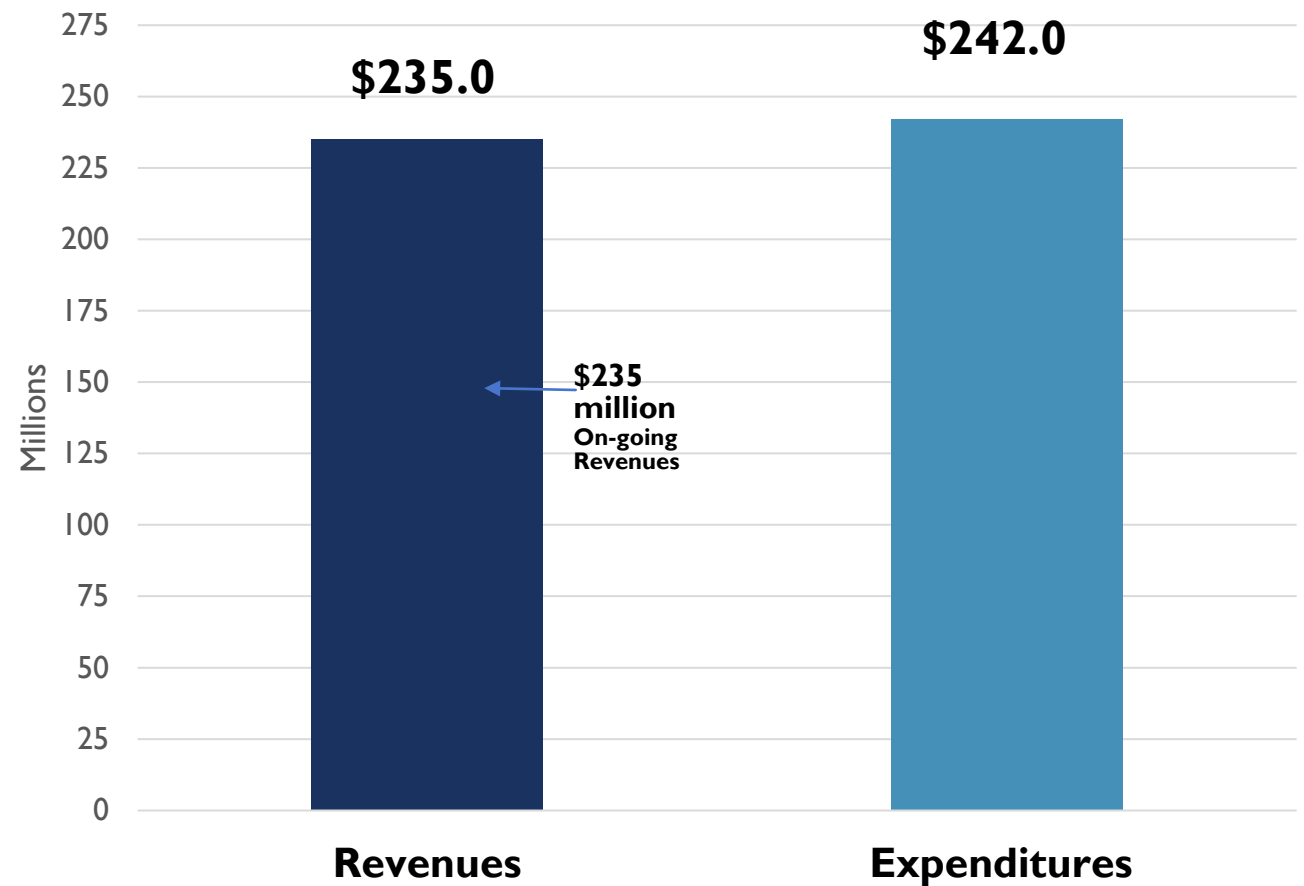
Countywide Sales Tax Distributions



FY 2022-23 GENERAL FUND PROJECTED BUDGET



- **Gap of \$7.0 million**



FY 2022-23

BUDGET-TO-BUDGET CHANGES (GENERAL FUND)



- Proposed Merit Increases:
 - Top: 4.5%
 - Strong: 3.5%
 - Solid: 3.0%
- Position regrades include hard to fill positions:
 - Equipment operators
 - Engineering positions
 - 911 operators
- Removal of flat rate pay plan

PERSONNEL EXPENDITURES	
3.8% Average Merit (all employees; effective October 2022)*	\$6.1 million (net increase)
Public Safety Career Ladder	\$2.0 million
2% Public Safety Supplemental Pay (effective January 2023)*	\$1.7 million
Retirement Contributions (LEO, LGERS)	\$1.2 million
2% Sworn LEO Market Adjustment (effective July 2022)	\$1.1 million
Position Regrades (for market competitiveness)	\$800,000
SUBTOTAL	\$12.9 million

**Includes full year costs; decisions have different effective dates*

FY 2022-23

BUDGET-TO-BUDGET CHANGES (GENERAL FUND)

- Recycling expenses potentially offset by new user fee
- Vehicle replacement leasing expenses represent \$5,000,000 in acquisition
- City building security includes City Hall and Bryce A. Stuart Building

NON-PERSONNEL EXPENDITURES

Recycling Contract (not including in-house collection)	\$2.9 million
Contract and Unavoidable Expense Increases	\$1.2 million
Vehicle Replacement	\$1.1 million
Sanitation Tipping Fees	\$800,000
City Building Security (including metal detection services)	\$600,000
SUBTOTAL	\$6.6 million

FY 2022-23

BUDGET-TO-BUDGET CHANGES (GENERAL FUND)



- Sales Tax Growth:
 - 5% to year-end
 - 3% in FY 2022-23
- Recycling fee and commodity revenues offsets recycling program increases.
- Bi-monthly recycling fee of approximately \$5.00 (\$2.50 per month)
 - Equivalent of 8/10 of a penny on the property tax rate

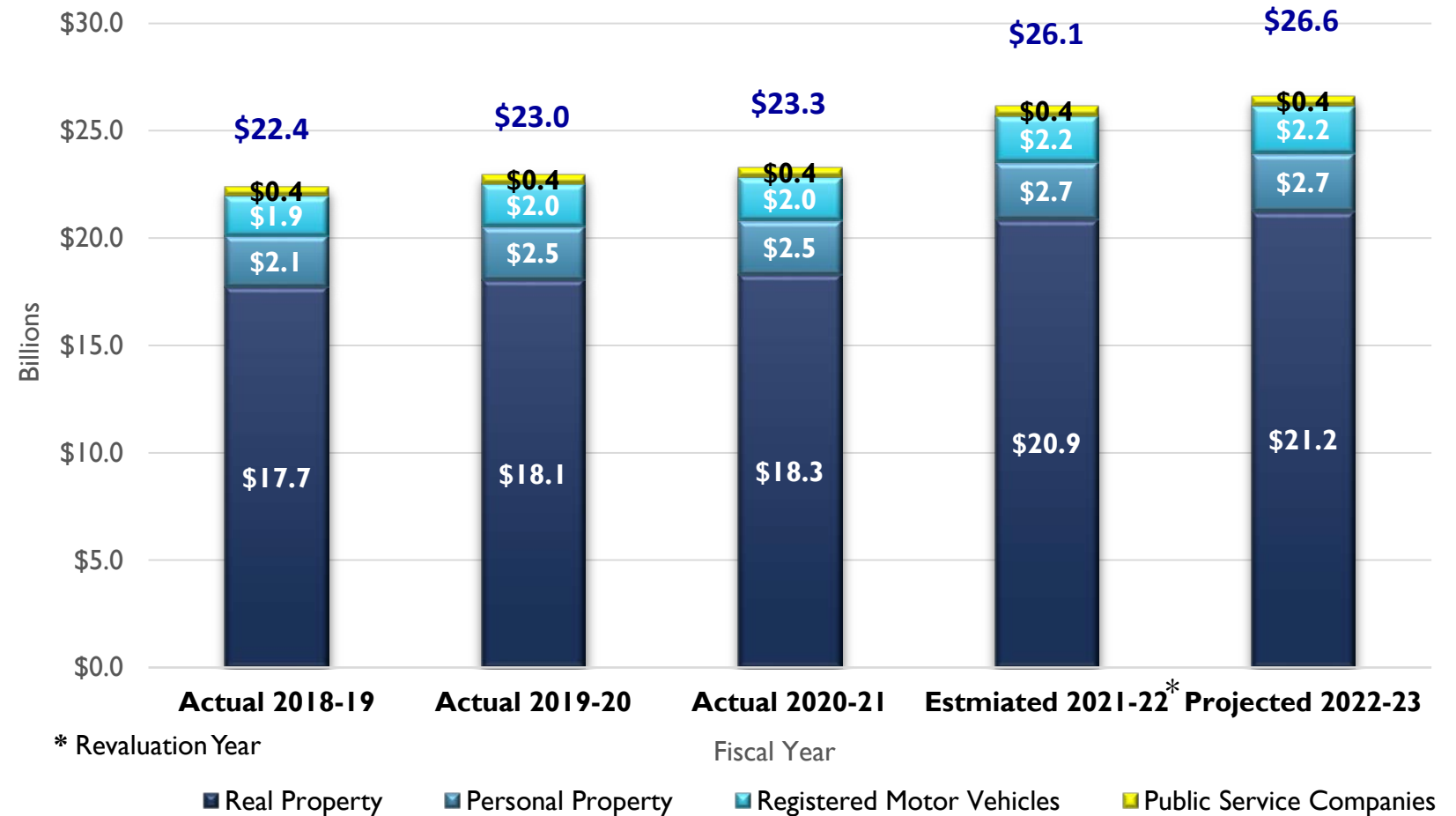
REVENUES	
Sales Taxes	\$8.5 million
Property Taxes (no rate change)	\$2.0 million
Recycling Fee (incremental increase only)	\$2.0 million
Recycling Commodities	\$900,000
Construction Permits	\$750,000
Alcoholic Beverage Control	\$430,000
TOTAL	\$14.6 million

PROPERTY TAX BASE

(GENERAL FUND, DEBT SERVICE, AND TRANSIT FUNDS)



- Tax Base Estimated at Budget for Year-end FY 2021-22
- 1.75% Projected Tax Base Growth for FY 2022-23



OTHER FUNDS – ARPA LOST REVENUES

- Use of ARPA lost revenue calculations impact on selected funds:
 - Public Assembly Facilities Management Fund
 - Parking Fund
 - Occupancy Tax Fund
- Review of pro formas for selected funds during trial balanced budget presentation

FY 2022-23

PRELIMINARY BUDGET REVIEW CALENDAR



Date/Location	Event/Topic
Monday, March 28 (4:00 p.m.) Council Committee Room	Capital Projects Workshop 2022-23 Capital Budget and Six-Year Capital Plan
Monday, April 11 (4:30 p.m.) Council Committee Room	FY 2022-23 1 Trial Balanced Budget
Tuesday, May 31 (4:00 p.m.) Council Committee Room	Presentation of Proposed Budget to the Mayor and City Council Budget Overview, Budget Document
Thursday, June 2 (5:00 p.m.) City Council Chamber	Finance Committee Budget Workshop Community Agencies Highlights
Thursday, June 2 (7:00 p.m.) City Council Chamber	Finance Committee Public Hearing
Thursday, June 9 (4:00 p.m.) Council Committee Room	Finance Committee Meeting/Workshop Consideration of a recommended budget and property tax rate
Tuesday, June 21 (7:00 p.m.) City Council Chamber	FY 2022-23 Budget Adoption 2 nd Public Hearing and Budget Adoption