

# 2023 Budget

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# Budget Timeline

- Mayor Copenhaver approved Budget Calendar in July
- Late July/Early August - - Assessment of Auto & Equipment needs
- Mid August - - Assessment of Fixed Asset needs
- Late August - - Assessment of Planned Cap Imp Projects
- Early September - - Analysis of Operations & Salary Expense
- Mid September - - Conduct Meetings with Directors
- Early October - - Review with Admin budget info submitted by Directors
- Late October/Early November - - Admin conducts prelim & follow-up meetings with Directors
- Mid November - - Finalize Personnel, Cap Imp Projects and remaining Fixed Assets
- Late November - - Preparation of Budget Draft
- November 23 - - Mayor Copenhaver submitted the 2023 Budget
- Late November/Early December - - Coordination of Review & Approval



# Key Information

- \$83 million in total appropriation
- \$72 million in O&M
- O&M Revenue Increase \$8.8 million
  - 7.4% increase from 2022 projection
  - Experiencing a 9% increase in current actual/Budget results
- Additional Employee Placement for Expanded Customer Service
  - 76 various personnel consideration requests received (new positions, addnl personnel, regrade, etc.)
  - 43 granted resulting in 15 additional headcount to serve our Community
  - 9 position regrades including 28 personnel from evaluation of various levels of skillset
  - Deferred 12 additional headcount for further evaluation, COLA will resolve majority of remaining
- Pay Adjustments Since 2021 Budget Cycle
  - Uniformed personnel Minimum Salary has increased 25% (\$34,500 to \$43,250)
  - Upper Rank Uniformed personnel Salary has increased up to 12%
  - Non-Uniformed employee salaries have increased 20% for the lowest grade and 11% for the highest grade
  - Evaluated open positions/relating hiring difficulties and adjusted certain front-line salaries 3% to 10%



# Significant Budget over Budget Changes

- **Depreciation Fund – 2<sup>nd</sup> Budget Cycle**
  - \$5.3 million Total
  - 100 Autos & Motorized Equipment replaced
  - \$3.7 million appropriation for 2022
  - Realizing significant reduction in many Dept budgets through reduction in Fixed Asset Purchases
- **Cap Improvement Fund – 2<sup>nd</sup> Budget Cycle**
  - \$10.4 million Total
  - \$4.8 million appropriation for 2022
  - Represents previously appropriated funding for 12 projects
- **Infrastructure Improvement**
  - \$2.55 million Misc. Street & Sidewalk Imp (nearly 50% increase)
  - \$1 million for Pavement Management Program
  - \$500,000 for continuation of Drainage Improvement Projects



# Reserve Analysis

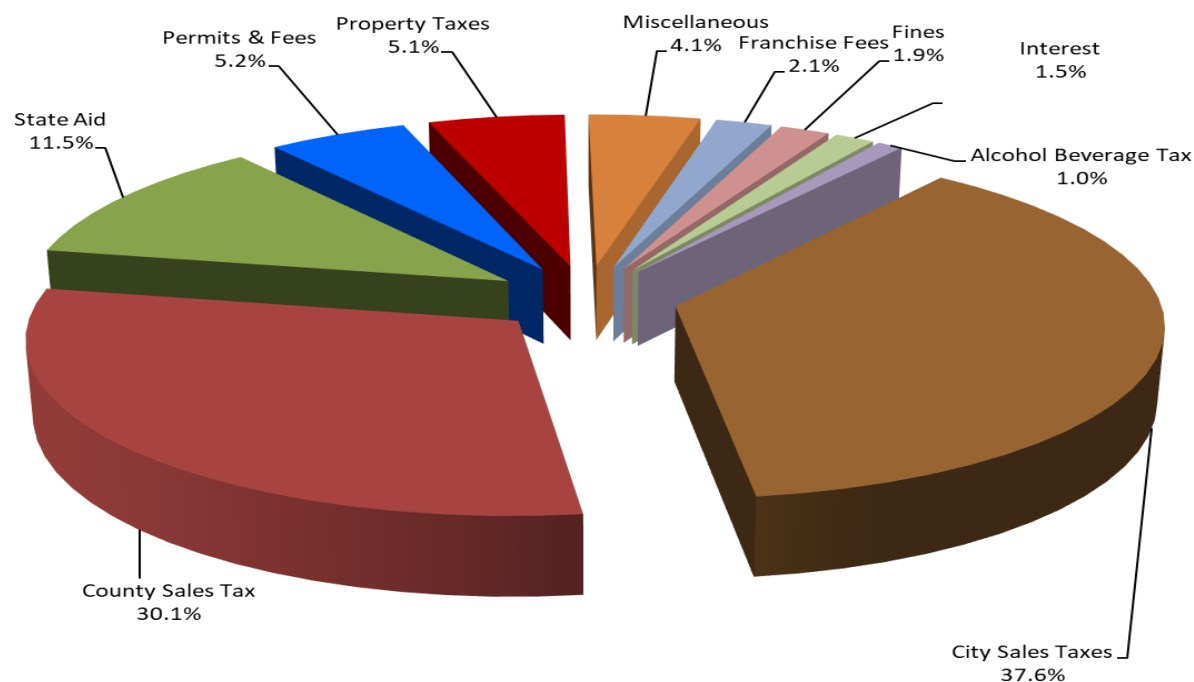
	Amount	Amount
Beginning O&M Fund Balance 1/1/2023		\$28,495,290
Budget O&M Revenues	\$71,965,588	
Budget O&M Expenditures	<u>\$71,948,641</u>	
Budget O&M Surplus		<u>\$16,947</u>
Ending O&M Fund Balance 12/31/2023		\$28,512,237
LESS: Required Reserves		<u>(\$9,312,668)</u>
Ending O&M Unappropriated Fund Balance		\$19,199,569
Unappropriated Fund Balance Coverage (\$5.0M Avg monthly O&M exp)		3.84 months

Note: AML recommends 1 month of coverage and GFOA recommends 2 months of coverage



# O&M Revenues

**Projected Operation & Maintenance Revenues by Source**



O&M Revenues	2022 Budget	2023 Budget	Difference
City Sales Taxes	\$23,338,642	\$26,995,140	\$3,656,498
County Sales Tax	\$18,473,077	\$21,602,263	\$3,129,186
State Aid	\$6,986,317	\$8,282,122	\$1,295,805
Permits and Fees	\$3,671,147	\$3,718,954	\$47,807
Property Taxes	\$3,445,399	\$3,625,254	\$179,855
Miscellaneous	\$3,451,544	\$2,967,626	\$(483,918)
Franchise Fees	\$1,500,000	\$1,500,000	\$-0-
Fines	\$1,490,735	\$1,329,454	\$(161,281)
Interest	\$120,000	\$1,070,718	\$950,718
Alcohol Bev Tax	\$544,852	\$695,095	\$150,243
<b>TOTAL O&amp;M REVENUES</b>	<b>\$63,021,713</b>	<b>\$71,786,626</b>	<b>\$8,764,913</b>



# O&M Category Revenues

## • Sales Tax:

- 2023 Budget \$48,597,403 (Inc over 22 Proj = 7.4%)
- 2022 Budget \$41,811,719
- Percent Increase 16.2%
- 2022 Projection \$45,254,000 (Inc over 22 Bud = 8.2%)

## • State Turnback:

- 2023 Budget \$5,870,201 (Inc over 22 Proj = 3.2%)
- 2022 Budget \$5,081,432
- Percent Increase 15.5%
- 2022 Projection \$5,690,656 (Inc over 22 Bud = 12.0%)

## • State Highway ½ Cent Sales Tax:

- 2023 Budget \$2,411,921 (Inc over 22 Proj = 7.9%)
- 2022 Budget \$1,904,185
- Percent Increase 26.7%
- 2022 Projection \$2,265,550 (Inc over 22 Bud = 19.0%)

## • Franchise Fees:

- 2023 Budget \$1,500,000
- 2022 Budget \$1,500,000
- Percent Change 0.0%

## • Other O&M Revenue:

- 2023 Budget \$13,407,101
- 2022 Budget \$12,723,677
- Percent Increase 5.4%

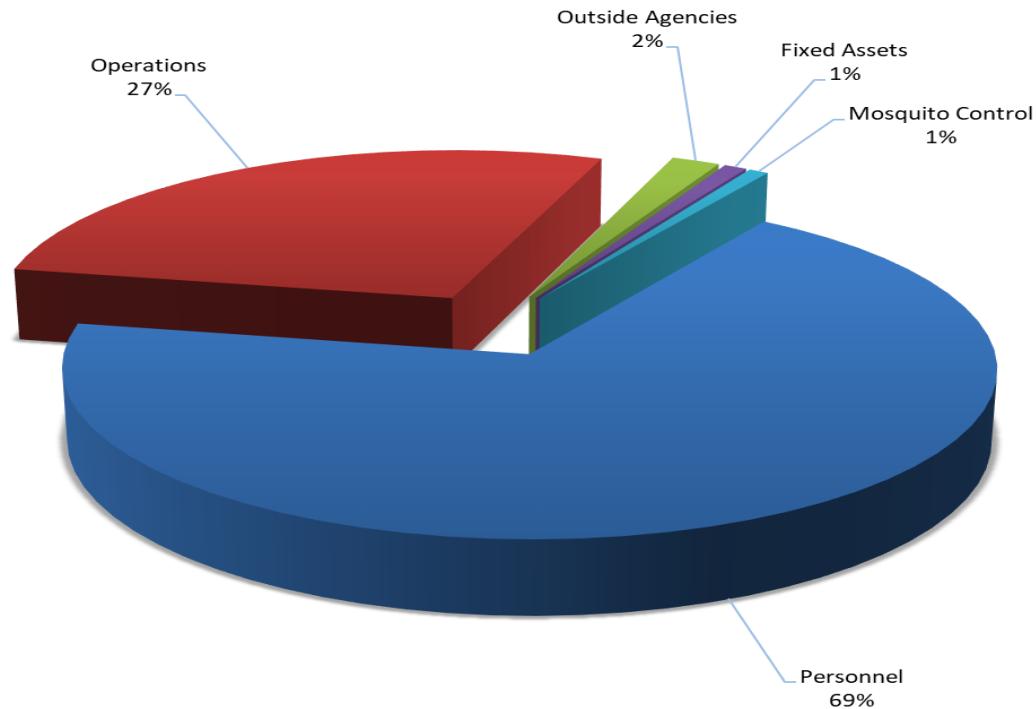
## • Total O&M Revenue:

- 2023 Budget \$71,786,626
- 2022 Budget \$63,021,713
- Percent Increase 13.9%

# O&M Account Type Expenditures



**Projected Operation & Maintenance Expenditures by Type**



O&M Expenditure by Account Type	2022 Budget	2023 Budget	Difference
Personnel	\$38,720,716	\$41,434,654	\$2,713,938
Operations	\$14,864,744	\$16,677,892	\$1,813,148
Fixed Assets	\$3,155,117	\$506,353	\$(2,648,764)
Outside Agencies	\$979,775	\$1,120,895	\$141,120
Mosquito Control	\$454,000	\$460,000	\$6,000
<b>TOTAL</b>	<b>\$58,174,352</b>	<b>\$60,199,794</b>	<b>\$2,025,442</b>



# Depreciation Fund/Equipment

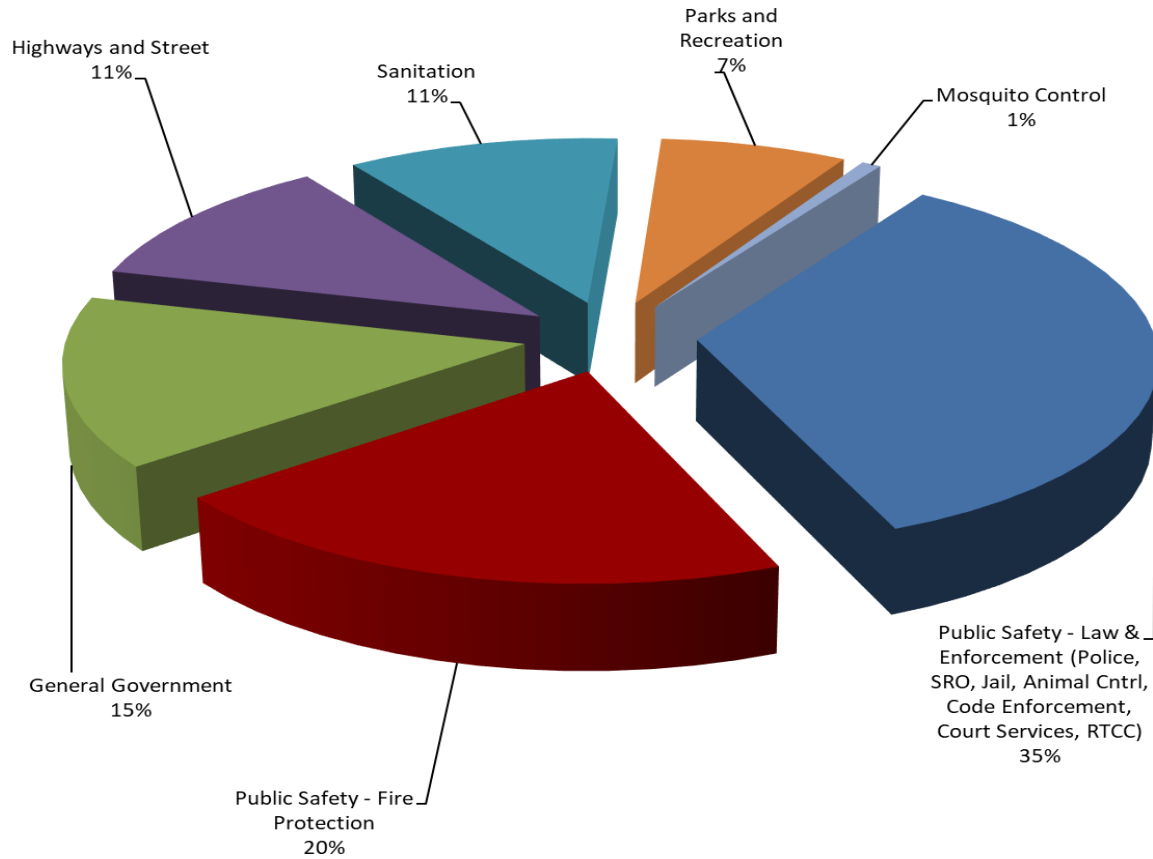


- **\$3.7 million**
  - \$1.9 million Fleet Auto
  - \$1.8 million Equipment – Motorized
- **Auto Replacement – 37 Fleet Autos**
  - 23 Emergency Fleet \$1.3 million (PD \$1.2 million, FD \$111,000)
  - 10 Non-Emergency Fleet \$403,000
  - 4 Street Maintenance Fleet \$179,000
- **Equipment Replacement – 17 Equipment - Motorized**
  - 5 Emergency \$865,000 (\$800,000 Fire Engine)
  - 8 Non-Emergency \$236,000
  - 4 Street Maintenance \$668,000
- **Heavy Equipment Leases - Sanitation**
  - \$545,000 Contract Payments
  - 14 Units under Active Contract

# O&M Account Classification Expenditures



Projected Operation & Maintenance Expenditures by Classification



O&M Expenditure by Classification	2022 Budget	2023 Budget	Difference
Law Enforcement	\$19,962,814	\$20,833,739	\$925,925
Fire Protection	\$12,128,944	\$12,381,207	\$252,263
Gen Government	\$7,814,267	\$8,813,675	\$999,408
Highways and Street	\$7,411,091	\$6,861,190	\$(549,901)
Sanitation	\$5,853,560	\$6,392,356	\$538,796
Parks & Recreation	\$4,549,676	\$4,402,627	\$(147,049)
Mosquito Control	\$454,000	\$460,000	\$6,000
<b>TOTAL</b>	<b>\$58,174,352</b>	<b>\$60,199,794</b>	<b>\$2,025,442</b>

# Salary Enhancements



- **Salary Enhancements**

- 3% COLA for all FT positions
- Advance of 2023 Step (approx. 2% increase) at beginning of year vs being coordinated with emp seniority date
- 5% COLA for all FT positions not eligible for Step increases
- Uniformed Personnel - extend steps of current plan for retention purposes
- Continue longevity pay
  - 21 – 25 Yrs \$1,000
  - 26 – 30 Yrs \$1,500
  - 31+ Yrs \$2,000
  - 105 Employees, or 17% are eligible indicating they have been employed longer than 20 Yrs
  - 75 eligible participants are uniformed personnel, representing nearly 20% of the Depts

# Personnel Consideration

## No Increase in Headcount



- **Promotion- New Position**

- Finance- Accounting Tech II JG 112 (2 emp)
- PD- Sr. Video Analyst JG 113
- Street- CDL/Equip Trainer JG 113
- E-911 Deputy Director JG 116
- IT- Security Analyst JG 119

- **Promotion- Existing Position**

- Street- Fleet Service Worker JG 108
- Code Enforcement Specialist JG 112
- Sanitation- Fleet Tech II JG 112 (2 emp)

- **Job Regrades**

- Sanitation/Street EOI to EOII JG 109 (25 emp)
- PD- Records/Recruiting JG 110, Evid/Prop Tech JG 112, Pub Info Spec JG 113
- Parks Coordinator JG 114 (6 emp)
- IT- Comp Tech II JG 113 (4 emp), Sr. Comp Tech JG 115, Network Tech JG 116
- Finance Manager JG 120
- Director/Asst. City Attorney JG 124 (9 Emp)

# Personnel Consideration Increase in Headcount



- **New Position (4 inc in Headcount)**
  - E-911 Training Coordinator JG 115
  - PD- Radio Tech JG 116
  - PD- Wellness Supervisor JG 118
  - Eng- Landscape Architect Trail Coord JG 123
- **Existing Position (11 inc in Headcount)**
  - AC- Kennel Master JG 107 (2 emp)
  - Parks – Maint Worker JG 107, Social Media Specialist JG 109, Crew Leader JG 112, Maint Supv JG 118
  - Finance- Payroll Specialist JG 112
  - IT- Computer Tech II JG 113
  - Eng- GIS Analyst JG 114
  - Assistant City Attorney JG 124
  - SRO Officer JG U1 (school reimb sal & ben)

# Capital Improvement - Projects



## GENERAL FUND - CAPITAL IMPROVEMENT

• Facilities Projects	\$368,000
• Parks Projects	\$5,655,000
• Engineering/Flood Mgmt	\$85,000
• NEA Development	\$171,000
• Drainage	\$500,000
• Trail/Connectivity	<u>\$1,967,000</u>
• Total General Fund Cap Imp	\$8,746,000

## STREET FUND – CAPITAL IMPROVEMENT

• Misc Street Projects	\$1,000,000
• Sidewalks/Misc Concrete	\$1,550,000
• S. Caraway to Fox Meadow (ROW/Util)	\$250,000
• Other Transportation	<u>\$203,000</u>
• Total Street Fund Cap Imp	\$3,003,000
• Total Capital Improvement	\$11,749,000

Note: Details on page 12 in Budget Binder

# Goals for this Balanced Budget



- Continue investment in Infrastructure Improvements
- Continue emphasis on Public Safety Initiatives
- Continue to expand Quality of Place Projects
- Increase resources to provide greater opportunity for Customer Service in our Community
- Continue to invest in our Employees
- Continue Focus on Retention Opportunities for our Uniformed Personnel
- Continue a systematic plan to replace aging or obsolete Equipment
- Continue to Invest in our Future
- Set the expectation to fully utilize projected Revenues to accomplish each of these objectives