

# Proposed Operating and Capital Budgets

## April 25, 2022



# PROPOSED FY 2022/23 OPERATING BUDGET



## **Key budget principles include:**

- No significant new programming
- Maintains existing service levels with one-time temporary hours and modest staffing additions
- Provides for limited necessary infrastructure improvements
- Addresses many of Council's Strategic Priorities

# PROPOSED FY 2022/23 OPERATING BUDGET



	Revenues & Reserve Transfers	Expenditures & Allocations
Total General Fund	\$50.4 Million	\$50.4 Million

The FY 2022/23 Budget endeavored to maintain essential public services while controlling operational costs in light of the Five-Year Financial Forecast, which predicts operating shortfalls in subsequent fiscal years.

# EVOLUTION OF PRIOR YEAR BUDGETS



<b>Fiscal Year</b>	<b>Original Forecasted Surplus/(Deficit)</b>	<b>Ending Surplus/(Deficit)</b>
<b>FY 2020/21</b>	<b>(\$1,362,910)</b>	<b>\$0.0</b>
<b>FY 2021/22</b>	<b>(\$1,912,536)</b>	<b>\$600,000</b>
<b>FY 2022/23</b>	<b>(\$2,100,000)</b>	<b>(\$1,000,000)</b>

To date, no ARPA funding has ultimately been expensed for revenue loss replacement.

# BUDGET BALANCING STRATEGIES



Departments programmed existing resources by either maintaining current structures or realigning operations to remain effective while staying within prior year budgets. In addition, Departments were provided guidance to enhance capacity where necessary through limited, non-benefited personnel options when possible.

Use of \$1.0 million of the Town's \$7.2 million allocation from the American Rescue Plan Act to replace lost revenue. This is consistent with Council direction in FY 2020/21 (\$1.4 million) and FY 2021/22 (\$1.9 million).

# ARPA ALLOCATIONS



	Allocations/Commitments
Estimated ARPA Funds	\$7,229,744
Replace Lost Revenue (FY 2022/23)	\$1,000,000
Economic Development	
• Parklets	\$930,000
• CUP Fee waiver	\$50,000
• ADA Fee Waiver	\$25,000
• Destination Marketing	\$55,000
• K-Rail	\$25,000
• Promenades	\$200,000
Totals	\$1,285,000
Nonprofit/Community Assistance	
• Rent Waiver	\$625,208
• Direct Grants	\$110,000
• Enhanced Senior Services	\$500,000
Totals	\$1,235,208
Total Allocations	\$3,520,208
Total ARPA Funds Unallocated	\$3,709,536

# EVOLUTION OF FORECASTED BUDGETS



Forecast	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
June 1, 2021 (Final Adopted)	(\$2.1)	(\$2.2)	(\$2.7)	(\$2.5)	(\$2.8)	
Feb 15, 2022 (Mid-Year)	(\$1.6)	(\$2.0)	(\$2.4)	(\$2.1)	(\$2.3)	
April 18, 2022 (Proposed)	(\$1.0)	(\$2.2)	(\$2.9)	(\$2.3)	(\$2.5)	(\$2.6)

- Current FY continues to improve
- Outyear FY deficits persist
- Forecast includes 2% COLA assumption per Commission and Council
- Forecast assumes 100% staffing
- FY 2023/24 thru 2026/27 only programs \$400K ERAF

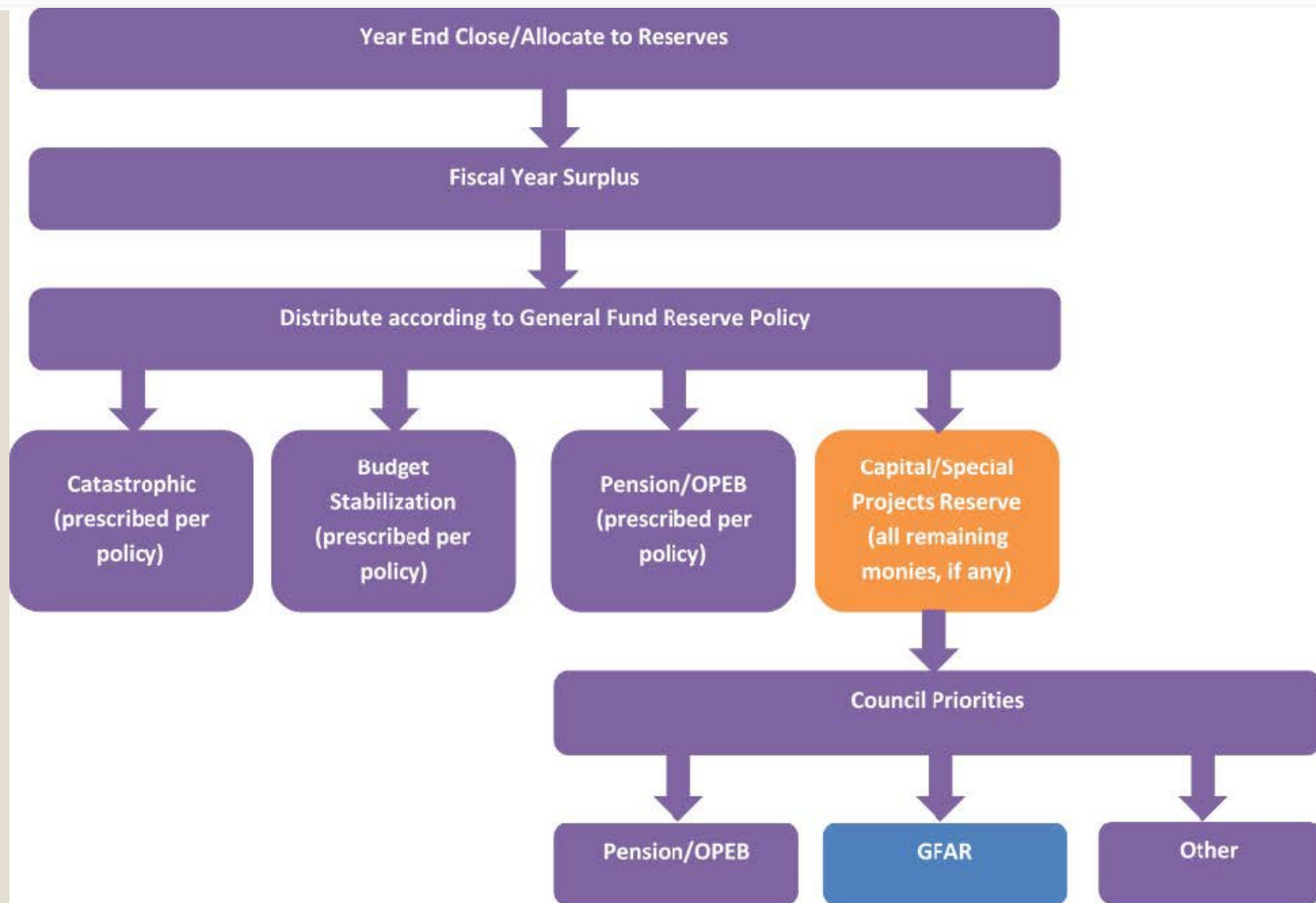
# PROPOSED FY 2022/23 CIP



- Limited opportunity for new projects
- Concentrates on key ongoing maintenance commitments (e.g., street paving)
- Projects with grant funding and FY 2022/23 schedule obligation
- Unfunded future capital needs:
  - Facilities maintenance
  - Stormwater infrastructure
  - Pavement maintenance
  - ADA transition plan



# FLOW OF FUNDS

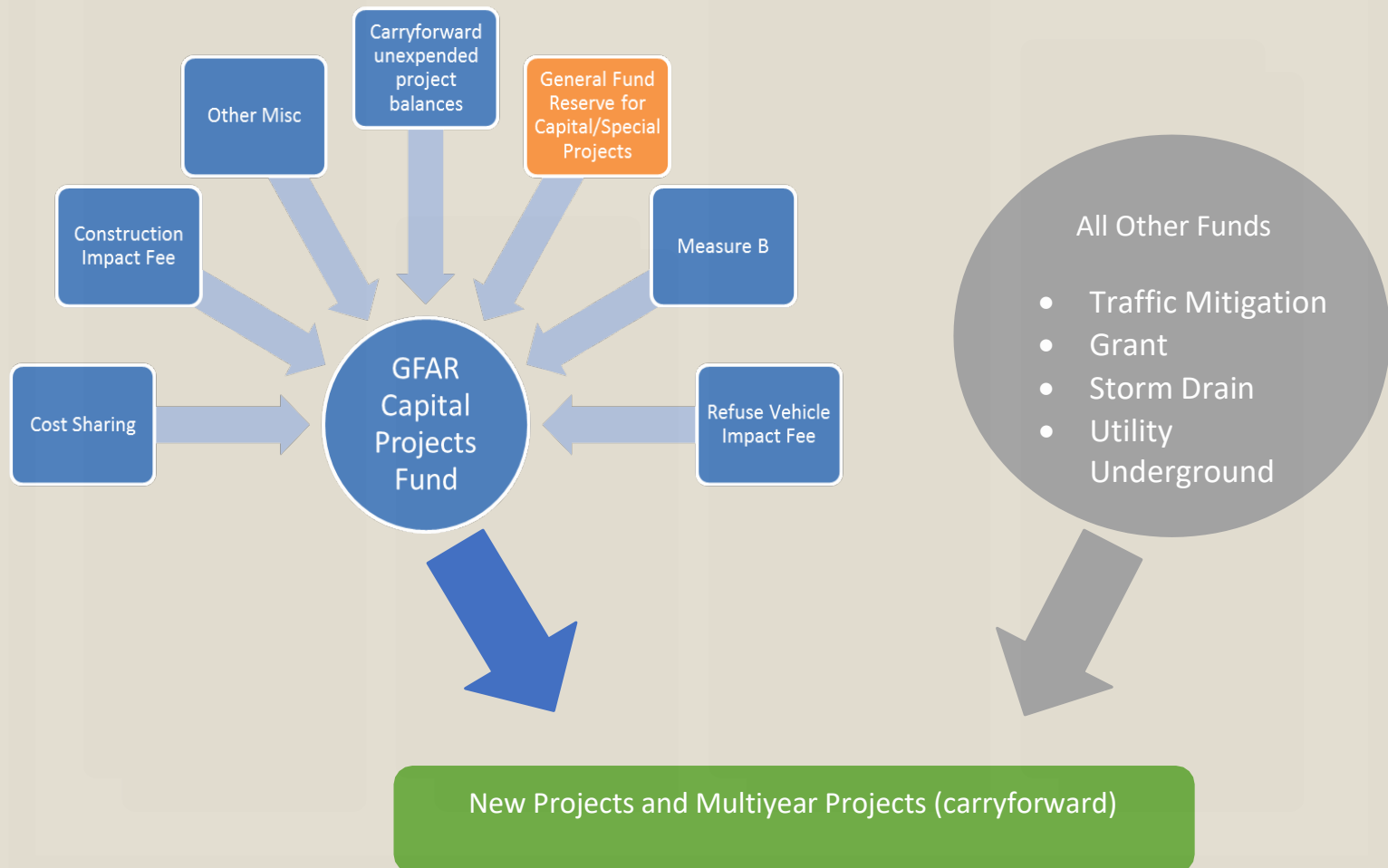


# COUNCIL PRIORITIES - CIP RELATED



- Continued Vegetation Management
- Development of Measure B Transportation Projects
- Continued Bicycle and Pedestrian Improvements
- Phased Implementation of Comprehensive Parking Study
- Affirmed exploration of New Revenue Opportunities

# CIP FUNDING SOURCES



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Funding Sources for the FY 2022/23 - 2026/27 CIP				
		Carryforward	New Funding	Total
Ongoing	Gas Tax	\$ 1,676,425	\$ 7,488,443	\$ 9,164,868
One-Time	GFAR	13,511,686	14,657,673	28,169,359
	Utility Underground Funds	347,576	-	347,576
	Traffic Mitigation Funds	889,932	-	889,932
	Grant Funds	2,997,418	7,394,851	10,392,269
	Storm Drain Funds	556,900	65,000	621,900
Total Funding Available		\$ 19,979,937	\$ 29,605,967	\$ 49,585,904

# FY 2022/23 CIP PROJECTS

## Carry-forward & New FY 2022/23 CIP Projects

	GFAR	Grant and Awards	Gas Tax	Other *	Total Estimated
Street Projects	\$ 13,340,641	\$ 2,410,750	\$ 3,174,114	\$ 1,794,408	\$ 20,719,913
Park Projects	2,018,139	4,996,730	-	-	7,014,869
Public Facilities Projects	4,235,847	556,979	-	-	4,792,826
<b>TOTAL OF CARRY-FORWARD &amp; NEW PROJECTS</b>	<b>\$ 19,594,627</b>	<b>\$ 7,964,459</b>	<b>\$ 3,174,114</b>	<b>\$ 1,794,408</b>	<b>\$ 32,527,608</b>

\* Other Funds include Storm Drain Fund, Traffic Mitigation Funds, Utility Underground Funds