

# Town of Los Gatos Finance Commission FY 2021/22 Budget



# REVENUE FORECAST

## 1% ADDITIONAL / OPTIMISTIC

5 Year Forecast	2021/22 Forecast (\$M)	2022/23 Forecast (\$M)	2023/24 Forecast (\$M)	2024/25 Forecast (\$M)	2025/26 Forecast (\$M)	2026/27 Forecast (\$M)
Property Tax Additional 1% Growth (4% compare to 3%)	\$0.2	\$0.3	\$0.5	\$0.7	\$0.9	\$1.1

5 Year Forecast	2021/22 Forecast (\$M)	2022/23 Forecast (\$M)	2023/24 Forecast (\$M)	2024/25 Forecast (\$M)	2025/26 Forecast (\$M)	2026/27 Forecast (\$M)
VLF Additional 1% Growth (4% compare to 3%)	\$0.0	\$0.1	\$0.1	\$0.2	\$0.2	\$0.3

5 Year Forecast	2021/22 Forecast (\$M)	2022/23 Forecast (\$M)	2023/24 Forecast (\$M)	2024/25 Forecast (\$M)	2025/26 Forecast (\$M)	2026/27 Forecast (\$M)
Sales Tax Optimistic Scenario (Optimistic compare to Most Likely)	\$0.12	\$0.13	\$0.14	\$0.15	\$0.16	\$0.14

5 Year Forecast	2021/22 Forecast (\$M)	2022/23 Forecast (\$M)	2023/24 Forecast (\$M)	2024/25 Forecast (\$M)	2025/26 Forecast (\$M)	2026/27 Forecast (\$M)
Measure G Sales Tax Optimistic Scenario (Optimistic compare to Most Likely)	\$0.015	\$0.017	\$0.019	\$0.020	\$0.022	\$0.024

# FORECAST – 1% IMPACT

## 1% SALARY INCREASE

5 Year Forecast	2021/22 Forecast (\$M)	2022/23 Forecast (\$M)	2023/24 Forecast (\$M)	2024/25 Forecast (\$M)	2025/26 Forecast (\$M)	2026/27 Forecast (\$M)
Salaries 1% Increase Impact (1% compare to 0%)	\$0.16	\$0.31	\$0.46	\$0.61	\$0.77	\$0.92

5 Year Forecast	2021/22 Forecast (\$M)	2022/23 Forecast (\$M)	2023/24 Forecast (\$M)	2024/25 Forecast (\$M)	2025/26 Forecast (\$M)	2026/27 Forecast (\$M)
Pension Benefits 1% Increase Impact (1% compare to 0%)	\$0.06	\$0.12	\$0.18	\$0.25	\$0.31	\$0.38

5 Year Forecast	2021/22 Forecast (\$M)	2022/23 Forecast (\$M)	2023/24 Forecast (\$M)	2024/25 Forecast (\$M)	2025/26 Forecast (\$M)	2026/27 Forecast (\$M)
Other Benefits 1% Increase Impact (1% compare to 0%)	\$0.01	\$0.02	\$0.03	\$0.04	\$0.05	\$0.06

5 Year Forecast	2021/22 Forecast (\$M)	2022/23 Forecast (\$M)	2023/24 Forecast (\$M)	2024/25 Forecast (\$M)	2025/26 Forecast (\$M)	2026/27 Forecast (\$M)
Total Salaries & Benefits 1% Increase Impact (1% compare to 0%)	\$0.23	\$0.45	\$0.67	\$0.9	\$1.12	\$1.36

# PRIMARY REVENUE ASSUMPTIONS

## ORIGINAL

Type of Revenue	Base Line Estimate	FY 2021/22 Budget	FY 2022/23 Forecast	FY 2023/24 Forecast	FY 2024/25 Forecast	FY 2025/26 Forecast
<b>Property Tax/VLF Backfill</b>	Current baseline set by SCC Assessor Office January 2021 report.	3%	3%	3%	3%	3%
<b>North 40 Property Sales</b>	Starting in FY 2021/22	North 40 Phase 1 Sales	North 40 Phase 1 Sales	3%	3%	3%
<b>ERAF</b>	Current baseline set by SCC Assessor Office March 2021 report	SCCA recommend 100% of FY 2020/21 anticipated proceeds	\$400K	\$400K	\$400K	\$400K
<b>Sales Tax</b>	MuniServices 3/19/2021	MuniServices 3/19/2021 Optimistic Estimates	MuniServices 3/19/2021 Most Likely Estimates	MuniServices 3/19/2021 Most Likely Estimates	MuniServices 3/19/2021 Most Likely Estimates	MuniServices 3/19/2021 Most Likely Estimates
<b>Sales Tax - Measure G</b>	MuniServices 3/19/2021	MuniServices 3/19/2021 Most Likely Estimates	MuniServices 3/19/2021 Most Likely Estimates	MuniServices 3/19/2021 Most Likely Estimates	MuniServices 3/19/2021 Most Likely Estimates	MuniServices 3/19/2021 Most Likely Estimates

# PRIMARY REVENUE ASSUMPTIONS ADDITIONAL 1% / OPTIMISTIC

Type of Revenue	Base Line Estimate	FY 2021/22 Budget	FY 2022/23 Forecast	FY 2023/24 Forecast	FY 2024/25 Forecast	FY 2025/26 Forecast
<b>Property Tax/VLF Backfill</b>	Current baseline set by SCC Assessor Office January 2021 report.	4%	4%	4%	4%	4%
<b>North 40 Property Sales</b>	Starting in FY 2021/22	North 40 Phase 1 Sales	North 40 Phase 1 Sales	4%	4%	4%
<b>ERAF</b>	Current baseline set by SCC Assessor Office March 2021 report	SCCA recommend 100% of FY 2020/21 anticipated proceeds	\$400K	\$400K	\$400K	\$400K
<b>Sales Tax</b>	MuniServices 3/19/2021	MuniServices 3/19/2021 Optimistic Estimates	MuniServices 3/19/2021 Optimistic Estimates	MuniServices 3/19/2021 Optimistic Estimates	MuniServices 3/19/2021 Optimistic Estimates	MuniServices 3/19/2021 Optimistic Estimates
<b>Sales Tax - Measure G</b>	MuniServices 3/19/2021	MuniServices 3/19/2021 Most Likely Estimates	MuniServices 3/19/2021 Optimistic Estimates	MuniServices 3/19/2021 Optimistic Estimates	MuniServices 3/19/2021 Optimistic Estimates	MuniServices MuniServices 3/19/2021 Optimistic Estimates