



**TOWN OF PALMER LAKE
BOARD OF TRUSTEES - AGENDA MEMO**

DATE: December 8, 2022	ITEM NO.	SUBJECT: Resolution Summarizing Revenue and Expenditures, Adopting the 2023 Budget, and Appropriating Sums of Money to the Funds and Certifying Mill Levies for the Town
Presented by: Town Administrator /Clerk		

First and foremost, the year ending 2022 is very good. All town expenditures are covered without dipping into the budgeted contingency funds (building improvement and grant contributions).

The final version of the proposed 2023 budget does increase personnel wages and/or staffing for departments, as proposed since the start of the Board revenue discussions earlier this year and refined with Board involvement (note each department DrX). All departments spoke about staffing needs at the 9/29 workshop. In addition to incremental increases to competitive wages and possible staff additions as revenue allows departments to consider, staffing is also planned in anticipation of retirement or reduced work hours (ie., Admin, Water and Public Works).

Due to this first year forecasting potential increased sales revenue, we anticipate that wage increases could take place in two phases – a partial increase in January with an additional bump to consider in July, depending on the revenue realized in 2023. Also, no additional hires will be advertised until a review of the revenue takes place in Q2 2023. As stated at the 11/17 special meeting, staff members are committed to keeping departments under budget to conservatively save/plan for capital needs – equipment, facilities, improvements, etc.

Financially, the *proposed* budget can absorb the prior request to modify the hours for employee eligibility of benefits due to anticipated adjustment of staff hours/status in 2023. Eligibility is defined by total scheduled work hours. Currently, employees are eligible for benefits with regularly scheduled 40 hours. The proposed change is to modify eligibility to regularly scheduled 35 hours. With current schedules, this will impact one administrative employee. If supported, the EE handbook will require amendment to support this change.

This final version of the budget includes the final valuation report for property tax revenue. It also adjusts the water fund to balance the expenditures of ARP funds in 2023, including necessary technology improvement to the treatment facility and improvement of the distribution system.

Included with this item is the letter to the Board and several highlights from 2022. As a governing body, this Board has conducted numerous discussions and taken steps to address important matters that have lacked attention for some time.

Thank you to the current Board for conducting and supporting the discussions for additional revenue for the Town. All department staff applaud you for overseeing these efforts. Thank you for beginning to address long-term issues in the town, including water billing, water supply and drainage issues. We now have two completed studies to assist in planning for future improvement in these areas and, in the first quarter of 2023, we anticipate an analysis of the water department assets vs. current billing for future forecasting. We look forward to the new Board continuing these discussions and determining direction for these issues. Thank you for supporting the completion of the town hall renovation, for determining direction of the deeded 28-acre property, for supporting a conclusive Community Master Plan and, although it is not perfect, for adopting a codified town code that all of staff and public members can view and work from.

All departments look forward to a progressive 2023 planning for the future of Palmer Lake.