

# **FY 2024 Proposed Budget**

# **Nov 2023**



Presented to Republic City Council – November 2, 2023  
Bob Ford, Finance Director

# **Budget Process Changes | FY 2024**

- **Split into two budgets:**
  - ✓ **Operating - Revenues minus Expenses.**
  - ✓ **Capital - Expenditures (uses) offset by Funding (sources).**
  
- **Separated Police and Fire from the General Fund to form stand-alone Funds:**
  - ✓ **Police Fund**
  - ✓ **Fire Fund**



# Budget FY24 Consolidated

- Operating Budget
  - Operating Surplus of \$2.8 M
- Capital Budget
  - CapEx of \$64.6 M
    - ✓ Wastewater Project = \$51.9 M
    - ✓ Schuyler Creek Trail = \$2.0 M
    - ✓ Pool Expansion = \$4.5 M
    - ✓ JR Martin Park = \$1.7 M
    - ✓ Other = \$4.5 M
  - Funded By
    - ✓ Cash = \$33.7 M
    - ✓ Grants = \$30.1 M
    - ✓ CIST & Fire Sales Tax = \$.8 M
- ✓ Cash drops from \$57.5 M to \$26.8 M

<b>Operating Budget</b>		
<u>Revenues</u>		
Revenues   External		\$31,824,170
Revenues   Internal		\$5,633,530
	Revenues   Total	\$37,457,699
<u>Expenses</u>		
Expenses   External		(\$28,977,566)
Expenses   Internal		(\$5,633,527)
	Expenses   Total	(\$34,611,092)
	Operating Surplus	\$2,846,607
<b>Capital Budget</b>		
<u>Uses</u>		
Capital Expenditures   Maintenance		\$1,913,500
Capital Expenditures   Projects		\$62,645,249
	CapEx Uses	\$64,558,749
<u>Sources</u>		
Cash From Balance Sheet		\$33,701,273
Special Tax Funds (CIST & Fire Sales)		\$817,000
Grants & Reimbursements		\$30,131,300
	CapEx Sources	\$64,649,573
	Net Surplus (Deficit)   Consolidated	\$2,937,432

# Operating Budget | Revenue

Revenues   External		
<u>Taxes</u>	<u>\$\$</u>	<u>%</u>
City Sales Taxes	\$13,246,719	42%
Property & Greene County Taxes	<u>\$4,831,178</u>	15%
Taxes   sub-total	\$18,077,896	57%
<u>Other Revenue</u>		
Utility Billing	\$7,621,287	24%
Fees, Licenses, Rental & Program Revenue	\$4,828,408	15%
Interest Income	<u>\$1,296,578</u>	<u>4%</u>
Other Revenue   sub-total	\$13,746,273	43%
<b>REVENUE   EXTERNAL</b>	<b>\$31,824,170</b>	

# City Sales Taxes

14,000,000.00

12,000,000.00

10,000,000.00

8,000,000.00

6,000,000.00

4,000,000.00

2,000,000.00

0.00

	2022	2023	2024
	Actuals	Budget	Proposed
1-Cent General Fund	4,162,367.87	4,200,321.66	4,242,324.88
3/4-Cent Public Safety	3,066,901.90	3,139,749.16	3,171,146.65
1/4-Cent Recreation	1,040,591.29	1,050,080.09	1,060,580.89
1/4-Cent Aquatic Center Sales Tax	1,040,591.33	1,050,080.17	1,060,580.97
1/2-Cent Transportation Sales	2,081,184.35	2,100,257.58	2,121,260.16
1/4-Cent Capital Improvement Sales	1,040,592.71	1,050,080.15	1,060,580.95
1/8-Cent Fires Sales	<u>520,408.49</u>	<u>524,994.24</u>	<u>530,244.18</u>
<b>Total</b>	<b>12,952,637.94</b>	<b>13,115,563.05</b>	<b>13,246,718.68</b>

1-Cent General Fund

3/4-Cent Public Safety

1/4-Cent Recreation

1/4-Cent Aquatic Center Sales Tax

1/2-Cent Transportation Sales

1/4-Cent Capital Improvement Sales

1/8-Cent Fires Sales

Total

■ 2022 Actuals

■ 2023 Budget Amend 1

■ 2024 Proposed Budget

# Operating Budget | Expense

## Personnel Costs Include:

- **Base Salaries**
  - Salary Treatment (COLA & Merit) standardized to the beginning of January.
    - ✓ Cost of Living Allowance Increase = 4%
    - ✓ Merit Increase = 0%
  - Base Salaries = 69% total comp.
- **Healthcare**
  - City funds 100% of employee’s cost.
  - **New** – City to fund 50% of dependent healthcare cost.
  - Healthcare = 7% of total cost.
  - Plan increase = 2.5% vs 7% nationwide.
- **Retirement Benefits:**
  - 13% of total personnel cost.
- **Other Benefits & Payroll Taxes**
  - 11% of total personnel cost.

<u>Expenses   External</u>	<u>\$\$</u>	<u>%</u>
Personnel Costs	\$16,439,194	57%
Operating Expenses	\$6,661,072	23%
Debt Service	\$5,060,299	18%
Transfers to Operating Funds from CIST & Fire Sales Tax	<u>\$817,000</u>	<u>3%</u>
Expenses   External	<u>\$28,977,566</u>	

# Growth in compensation & benefits...

- ❖ Increase in the number of staff.
- ❖ Market adjustments to base salaries to bring to a competitive level.
- ❖ Increase in selective benefit components, such as City sharing in dependent healthcare cost.
- ❖ Increase salary driven components such as payroll taxes and retirement benefits.

# Compensation & Benefits Summary

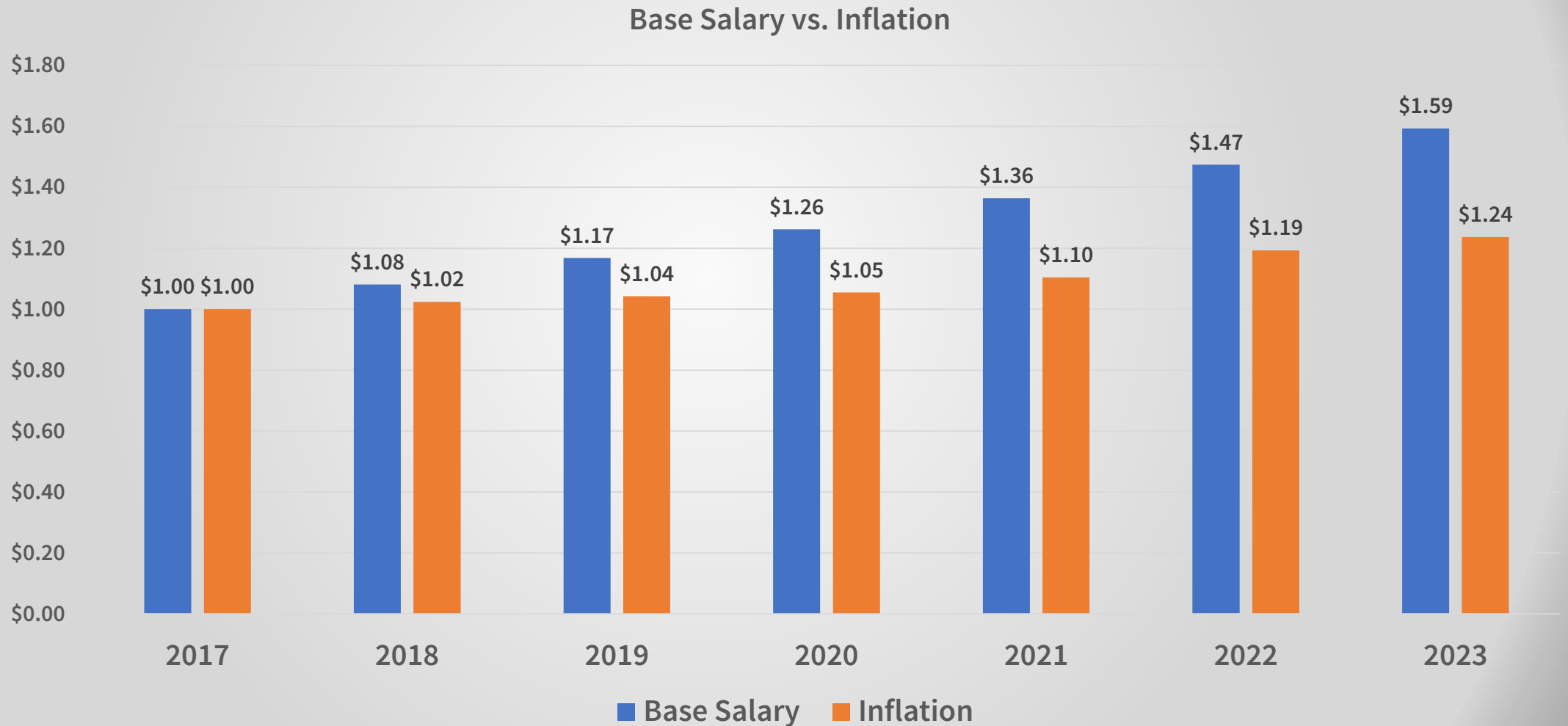
	<u>2022</u>	<u>2023</u>	<u>2024</u>
Salaries	\$8,751,760	\$10,131,868	\$11,377,212
Healthcare	\$825,216	\$916,077	\$1,189,722
Retirement Benefits	\$1,961,326	\$2,087,016	\$2,148,260
Payroll Taxes & Misc. Benefits	<u>\$1,197,915</u>	<u>\$1,481,021</u>	<u>\$1,724,000</u>
Total	<u>\$12,736,217</u>	<u>\$14,615,982</u>	<u>\$16,439,194</u>



# Staffing needs continue to grow...

	<u>Full Time Staff Only</u>		
	<u>2022</u>	<u>2023</u>	<u>2024</u>
Beginning Employees	139	149	159
Ending Employees	149	159	171
Net Addition	10	10	12
Year over Year Growth Rate	7%	7%	8%

# Salary growth rate exceeds inflation...



# Capital Expenditures

<u>Capital Expenditure Purpose</u>	<u>Funded By</u>	<u>Amount</u>
<b>GENERAL FUND</b>		
IT - Capital, Vehicles	Cash - General Fund	\$35,000
IT - Hardware & Upgrades	Cash - General Fund	<u>\$145,000</u>
		\$180,000
<b>PARKS</b>		
Parks Grounds - Capital, Projects	Cash - Parks	\$110,000
Senior Center - Capital, Projects	Cash - Parks	\$9,000
RAC Expansion	Cash - Parks - Bond Proceeds	\$4,505,180
J.R. Martin Project	Cash - Parks - Bond Proceeds	\$1,690,958
Sports Complex	Cash - Parks - Bond Proceeds	\$129,261
ADA Improvements	Cash - Parks	\$50,000
Parks Grounds - Capital Equipment & Furniture	Cash - Parks	\$14,500
Facility Maintenance - Capital Equipment & Furniture	Cash - Parks	\$43,000
Aquatics - Capital Equipment & Furniture	Cash - Parks	\$15,000
Recreation - Capital Equipment & Furniture	Cash - Parks	<u>\$800,000</u>
		\$7,366,899
<b>FIRE</b>		
Fire - Capital, Projects	Fire Sales Tax	\$70,000
Fire Sales Tax - Capital, Assets	Fire Sales Tax	\$20,000
FST - Equipment & Furniture	Fire Sales Tax	<u>\$52,000</u>
		\$142,000

# Capital Expenditures - Continued

	<u>Capital Expenditure Purpose</u>	<u>Funded By</u>	<u>Amount</u>
<b>POLICE</b>			
	Police - Capital, Vehicles	Cash - Police Fund	\$15,000
	Police - Capital, Vehicles	CIST	\$225,000
	Police - Capital, Projects	Cash - Police Fund	\$56,000
	Police - Capital, Assets	Cash - Police Fund	\$20,000
	Police - Capital Equipment & Furniture	Cash - Police Fund	\$20,000
			\$336,000
<b>BUILDS</b>			
	Streets - Capital, Vehicles	Cash - Streets	\$100,000
	Streets - Capital, Projects	Cash - Streets	\$600,000
	Republic Commons	Refunds & Reimbursements	\$350,000
	Shuyler Creek Trail	Refunds & Reimbursements	\$1,600,000
	Shuyler Creek Trail	CIST	\$400,000
	HWY MM	MM Hwy 5 Lane Expansion Receipts	\$1,300,000
			\$4,350,000
	Wastewater - Capital, Vehicles	Cash - Wastewater	\$250,000
	Wastewater - Capital Equipment & Furniture	Cash - Wastewater	\$10,000
	WWTP Blending	2022 Bond Proceeds	\$5,753,115
	WWTP CIP#6	2022 Bond Proceeds	\$1,239,315
	WWTP CIP#7	2022 Bond Proceeds	\$1,500,120
	WWTP Facility Expansion	2022 Bond Proceeds	\$15,250,000
	WWTP Blending	Refunds & Reimbursements	\$6,539,285
	WWTP CIP#6	Refunds & Reimbursements	\$2,891,735
	WWTP CIP#7	Refunds & Reimbursements	\$3,500,280
	WWTP Facility Expansion	Refunds & Reimbursements	\$15,250,000
			\$52,183,850
		<b>TOTAL</b>	<b>\$64,558,749</b>

# Cash

\$70,000,000

\$60,000,000

\$50,000,000

\$40,000,000

\$30,000,000

\$20,000,000

\$10,000,000

\$0

	<u>Total - 2023</u>	<u>Unrestricted</u>	<u>Restricted</u>	<u>Total - 2024</u>	<u>Unrestricted</u>	<u>Restricted</u>
General Fund	\$8,821,850	\$8,370,989	\$450,861	\$9,674,828	\$9,223,966	\$450,861
Parks	\$8,938,291	\$932,071	\$8,006,220	\$1,936,778	\$255,957	\$1,680,821
Public Safety	\$1,038,268	\$999,694	\$38,574	\$927,863	\$889,289	\$38,574
BUILDS	\$38,006,775	\$3,368,366	\$34,638,409	\$12,781,300	\$3,185,441	\$9,595,859
Fire Sales Tax	\$616,852	\$0	\$616,852	\$936,844	\$0	\$936,844
CIST	\$77,301	\$0	\$77,301	\$477,882	\$0	\$477,882
<b>Total</b>	<b>\$57,499,336</b>	<b>\$13,671,119</b>	<b>\$43,828,217</b>	<b>\$26,735,495</b>	<b>\$13,554,653</b>	<b>\$13,180,842</b>

\$57,499,336

\$38,006,775

\$26,735,495

\$9,674,828

\$1,936,778

\$12,781,300

\$477,882

\$8,821,850

\$8,938,291

\$1,038,268

\$616,852

\$77,301

General Fund

Parks

Public Safety

BUILDS

Fire Sales Tax

CIST

Total

■ 2023 ■ 2024



# Debt Summary

## FY 2024

	Debt Outstanding				Debt Service		
	12/31/2023	Advance	Principal Payment	12/31/2024	Principal Payment	Interest Payment	Total
Series 2017 - Water Projects	\$7,772	\$0	(\$3,132)	\$4,640	\$3,132	\$186	\$3,318
Series 2017 - Walmart/Miller	\$81,037	\$0	(\$32,657)	\$48,380	\$32,657	\$1,941	\$34,598
Series 2017 - Park Projects	\$32,160	\$0	(\$12,960)	\$19,200	\$12,960	\$770	\$13,730
Series 2017 - Community Center	\$214,032	\$0	(\$86,252)	\$127,780	\$86,252	\$5,127	\$91,379
Excavator/Dozer	\$69,165	\$0	(\$51,750)	\$17,414	\$51,750	\$648	\$52,398
Firetruck	\$213,139	\$0	(\$83,774)	\$129,365	\$83,774	\$4,477	\$88,252
Brookline Utilities - MAMU 1	\$3,552,000	\$0	(\$376,000)	\$3,176,000	\$376,000	\$167,231	\$543,231
Fire Station #1	\$458,000	\$0	(\$48,000)	\$410,000	\$48,000	\$22,626	\$70,626
Fire Station #2	\$821,127	\$0	(\$82,777)	\$738,350	\$82,777	\$18,065	\$100,842
MM 5 Lane	\$2,255,330	\$1,506,775	(\$446,258)	\$3,315,847	\$446,258	\$29,793	\$476,052
Series 2022 Bonds - WWTP & Bldg.	\$44,230,000	\$0	(\$1,265,000)	\$42,965,000	\$1,265,000	\$1,610,100	\$2,875,100
Series 2023 Bonds - Parks 2023	\$9,920,000	\$0	(\$280,000)	\$9,640,000	\$280,000	\$430,775	\$710,775
<b>Total</b>	<b>\$61,853,761</b>	<b>\$1,506,775</b>	<b>(\$2,768,559)</b>	<b>\$60,591,977</b>	<b>\$2,768,559</b>	<b>\$2,291,740</b>	<b>\$5,060,299</b>



# Debt Service

# FY 2024

PROJECT		Water Projects	Walmart Miller	Park Projects	Comm Center	Excavator Dozer	Firetruck	Brookline	Fire St #1	Fire St #2	MM 5 Lane	Parks 2023	WWTP/Bldg
FUND	TOTAL DS	Water	Street	Parks	Parks	WW/W/S	Fire Tax	WW/W	Fire	Fire	Street	Parks	Sewer
2023	\$4,583,591	\$3,294	\$34,350	\$13,632	\$90,724	\$52,398	\$88,252	\$541,180	\$72,864	\$100,842	\$446,258	\$265,097	\$2,874,700
2024	\$5,060,299	\$3,318	\$34,598	\$13,730	\$91,379	\$52,398	\$88,252	\$543,231	\$70,626	\$100,842	\$476,052	\$710,775	\$2,875,100
2025	\$4,896,316	\$4,710	\$49,106	\$19,488	\$129,697	\$52,398	\$88,252	\$541,469	\$68,429	\$100,842	\$476,052	\$487,475	\$2,878,400
2026	\$4,628,780						\$44,126	\$542,869	\$66,217	\$100,842	\$476,052	\$519,175	\$2,879,500
2027	\$4,602,357							\$541,410	\$65,979	\$100,842	\$476,052	\$539,675	\$2,878,400
2028	\$4,635,365							\$541,068	\$73,329	\$100,842	\$476,052	\$568,975	\$2,875,100
2029	\$4,670,372							\$541,748	\$70,556	\$100,842	\$476,052	\$601,775	\$2,879,400
2030	\$4,690,380							\$541,424	\$67,788	\$100,842	\$476,052	\$628,075	\$2,876,200
2031	\$4,721,221							\$541,034	\$65,018	\$100,842	\$476,052	\$657,875	\$2,880,400
2032	\$4,189,493								\$49,625	\$100,842	\$476,052	\$686,075	\$2,876,900
2033	\$3,598,175											\$717,575	\$2,880,600
2034	\$3,628,575											\$752,175	\$2,876,400
2035	\$3,663,975											\$784,775	\$2,879,200
2036	\$3,699,075											\$820,275	\$2,878,800
2037	\$3,730,800											\$855,600	\$2,875,200
2038	\$3,327,425											\$890,225	\$2,437,200
2039	\$3,358,363											\$923,363	\$2,435,000
2040	\$3,399,863											\$960,063	\$2,439,800
2041	\$3,439,900											\$998,500	\$2,441,400
2042	\$3,473,875											\$1,038,450	\$2,435,425
2043	\$3,517,188											\$1,079,688	\$2,437,500
2044	\$3,388,550											\$950,925	\$2,437,625
2045	\$2,435,800												\$2,435,800
2046	\$2,436,950												\$2,436,950
2047	\$2,436,000												\$2,436,000

11/2/2023

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