

# FY 2025 Budget: Preliminary Presentation

---

May 9, 2024



# Contextual Notes



Sales tax receipts are stabilizing but at a higher rate than pre-pandemic levels; this is partially due to increases in inflation. Property tax receipts continue to increase and the trend of replacing old houses with new ones two to three times the value is continuing. The City is also seeing significant investment in home additions and alterations, which are increasing the value of those properties.



Uncertainties about future land use in Westwood remain; although the Governing Body continues to take incremental steps through the pre-approved, iterative process to pursue ultimate disposition of City-owned property and facilities. This uncertainty makes it difficult to determine impact on the City's CIP and Debt Service Fund, and adjustments to inter-fund transfers will likely be recommended during this period of transition.



It appears the City is entering a time of stabilization with regard to our workforce. All vacancies are expected to be filled within the next month, and additional turnover is not expected. There continues to be an emphasis paid to continually-improving workplace culture, compensation and benefits, adequate staffing levels, opportunities for advancement, and succession planning.

# Additional Contextual Notes

---



The community-wide statistically-valid survey being conducted this spring will be used to create benchmarking and performance metrics aligned with Governing Body guidance, community input, and staff's operational knowledge and experience.



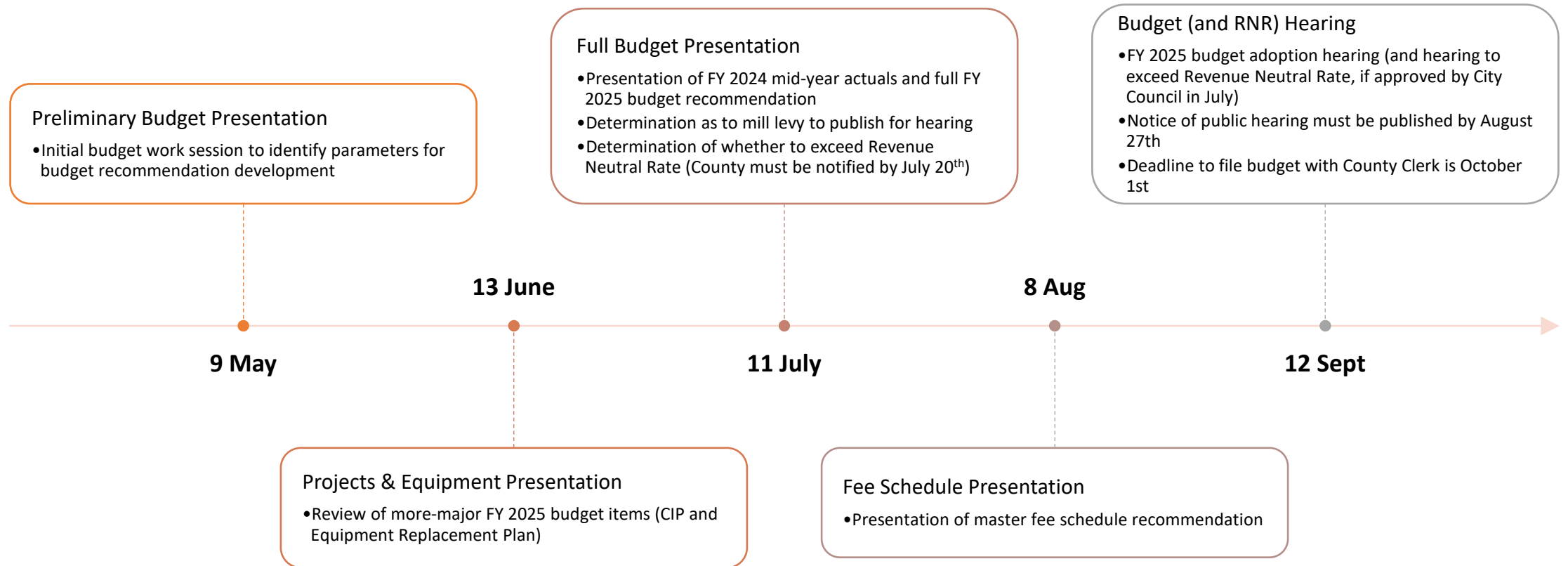
Staff is in the process of creating a Master Fee Schedule for consideration and adoption by the City Council. As part of this process, staff will be recommending increases in multiple areas, as fees have not been adjusted in quite some time and should be regularly revisited. It is intended that this will become a regular part of the annual budget process.

# Fund Balance Analysis

|                            | General Fund    |                  | Capital Improvement Fund | Equipment Reserve Fund | Special Highway Fund | Stormwater Utility Fund | Debt Service Fund | Woodside TIF/CID Fund | Total (All Funds) |
|----------------------------|-----------------|------------------|--------------------------|------------------------|----------------------|-------------------------|-------------------|-----------------------|-------------------|
|                            |                 | As % of revenues |                          |                        |                      |                         |                   |                       |                   |
| 2020                       | \$ 873,232.00   | 32%              | \$ 850,050.00            | \$ 138,646.00          | \$ 56,119.00         | \$ 179,217.00           | \$ 125,985.00     | \$ 275,698.00         | \$ 2,498,947.00   |
| 2021                       | \$ 1,147,486.00 | 38%              | \$ 889,193.00            | \$ 245,440.00          | \$ 118,219.00        | \$ 167,572.00           | \$ 145,755.00     | \$ 381,142.00         | \$ 3,094,807.00   |
| 2022                       | \$ 1,380,347.45 | 45%              | \$ (313,412.09)          | \$ 151,488.00          | \$ 105,656.58        | \$ 182,022.82           | \$ 170,342.00     | \$ 457,313.22         | \$ 2,133,757.98   |
| 2023 (Audited)             | \$ 1,505,391.00 | 48%              | \$ 306,230.00            | \$ 346,488.00          | \$ 169,094.00        | \$ 189,217.00           | \$ 144,555.00     | \$ 602,664.00         | \$ 3,263,639.00   |
| 2024 (Forecasted Year End) | \$ 1,172,079.00 | 36%              | \$ 483,254.00            | \$ 398,456.00          | \$ 168,314.00        | \$ 234,701.00           | \$ 170,023.00     | \$ 697,012.00         | \$ 3,283,839.00   |



# Budget Calendar



# Governing Body Budget Priorities

Based on guidance building the FY 2024 budget, the following are the budget priorities identified by the Governing Body, which are currently being pursued by staff in building the FY 2025 budget:

- Increasing the City's competitiveness in the labor market with employee wages and benefits by:
  - Conducting a market comparison of classification and compensation for staff; and
  - Reviewing the City's 457 match to develop a recommendation to ensure this benefit is market-competitive
  - Enjoying a 0% increase in health insurance premiums for staff for two years in a row by switching insurance providers
  - Recommending the creation of a pilot to set aside wellness dollars from the savings realized by the City from making multiple adjustments to benefits providers and structure; these wellness dollars will be [front-line] staff-directed and expended in a way that enhances and celebrates healthy behaviors, which positively impact the health of the City's risk pool and, in turn, our rates/contributions.
- Develop and secure a long-term plan for City facilities, including:
  - Replace the 50+ year-old Joe Dennis Park with a larger, interior park that is inclusive, modern, and paid-for by private investment on the land where Joe Dennis Park currently sits
  - Replace the 30+ year-old City Hall building with a right-sized facility that is inclusive, modern, and financially sustainable by inviting private investment in redeveloping the land with City Hall currently sits
  - Renovate and expand the Public Works facility where it sits with off-setting revenue created by converting public property – which generates \$0 in property tax – to privately-owned redevelopments on those sites (i.e. Rainbow frontage at 47<sup>th</sup> St. and 50<sup>th</sup> St.)



# Governing Body Budget Priorities, Cntd.

Based on guidance building the FY 2024 budget, the following are the budget priorities identified by the Governing Body, which are currently being pursued by staff in building the FY 2025 budget:

- Accelerate implementation of the streets, sidewalk, stormwater, and streetlights program by:
  - Working with private developers (Tanner & White (Woodside Village) and Karbank to leverage the productivity of their Westwood developments to offset the cost of public infrastructure improvements serving their development
  - City staff is working with a financial investment strategy advisor to:
    - Increase interest income from the City's cash carry; and
    - Create a strategy right-sized for Westwood to batch and fund capital projects in a way that maximizes the City's limited revenues
- Providing direct programs or services or access to certain programs or services that the City is not currently by
  - Conducting a community-wide survey to understand whether and how the community would like the Governing Body to approach this

