

January 2022: Financial Management Plan & Capital Improvement Plan Update

COMMITTEE OF THE WHOLE PRESENTATION

JANUARY 18, 2022



Reminders

10-year Capital Improvement Plan

- Used to determine how the City can best allocate its limited resources to fund capital projects that will meet residents' needs and organizational standards

5-year Financial Management Plan

- Assist with projecting the costs of maintaining current service levels and prioritizing future expansion of services all while balancing the need to accomplish the Council's overall vision and goals.
- Intended to be a conservative high-level look at where the City is financially, it includes:
 - Revenue and expenditure trends
 - Debt forecast and credit assessment
 - Levy Limit forecasts
 - Expenditure restraint forecasts

Determining the feasibility of a request includes balancing capital expenditures and operating expenses.

Library Expansion Request



Background

2022 – 2031 City Capital Improvement Plan

- Includes \$13 million for expansion (design and construction)
 - Design in 2023
 - Construction in 2024

2022-2026 Financial Management Plan

- Staffing: 1 FTE in 2025 – Facility Manager
- Operations: \$30K for increase collection expenses in 2025

Library Request

PROJECT

\$19.9 Million Expansion

- Design (2023): \$1.2 Million
- Construction (2024): \$18.7 million

Staffing Increase

- 2023: 3 FTE
 - Community Engagement Coordinator
 - Marketing & Communications Specialist
 - Facilities Manager
- 2025: 1 FTE
 - Makerspace Coordinator

Increase in operations in 2025 of \$346,548

FUNDING

Fundraising target: \$3.5 million

- Fundraising feasibility study kicking off in January with expected results presented in March

Remaining \$16.4 million of capital expenses is being asked to be funded by the City

All proposed operating expense increases are being asked to be covered by the general fund operating levy.



What is the impact of this request on the approved CIP?

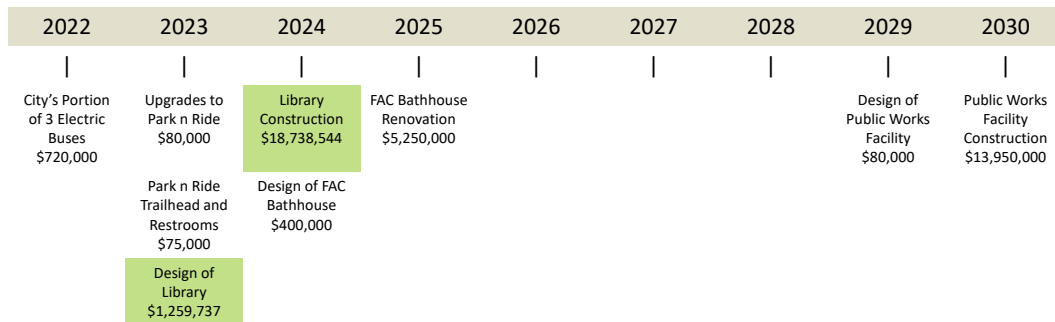


Summary of CIP Request

	2022	2023	2024	2025	Total
Approved					
Design		\$925,159			\$925,159
Construction			\$12,002,095		\$12,002,095
Total		\$925,159	\$12,002,095		\$13,927,254
Proposed					
Design		\$1,259,737			\$1,259,737
Construction			\$18,728,544		\$18,728,544
Total		\$1,259,737	\$18,728,544		\$19,988,281
<i>Difference</i>		<i>\$334,578</i>	<i>\$6,726,449</i>		<i>\$7,061,027</i>



CIP Timeline



Key Debt Metrics

Direct Debt Burden

- Policy: Total direct debt principal outstanding at the end of each budget year will not exceed 1.75% of the City's total equalized value for that year.

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Current CIP	1.66	1.69	1.77	1.74	1.82	1.86	1.81	1.78	1.74	1.66
Library Request	1.66	1.71	1.75	1.79	1.84	1.84	1.84	1.88	1.91	1.92

Percentage of Total Tax Levy Allocated for Debt Service

- Policy: The portion of the City's total tax levy that will be used for payment of GO debt will not exceed 27.5% of the total levy amount.

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Current CIP	24.3%	23.3%	23.6%	22.8%	23.0%	23.6%	23.3%	22.7%	21.6%	20.9%
Library Request	24.3%	23.5%	23.6%	23.5%	23.3%	23.7%	23.8%	24.6%	23.8%	23.7%

What is the impact of this request on the FMP?



Summary of FMP Request

	2023	2024	2025	Total
Approved in current FMP				
Staffing (wages + benefits)				
Facilities Manager			\$99,145	\$99,145
Operations				
Collection Increase			\$30,000	\$30,000
Total			\$129,145	\$129,145
Proposed for FMP				
Staffing (wages + benefits)				
Facilities Manager	\$96,209	\$99,095	\$102,098	\$297,402
Community Engagement Coordinator	\$88,640	\$91,299	\$94,038	\$273,977
Marketing & Communications Specialist	\$88,640	\$91,299	\$94,038	\$273,977
Makerspace Coordinator			\$95,521	\$95,521
Operations				
Collection Increase			\$30,000	\$30,000
Operating Supplies			\$171,358	\$171,358
Professional Services			\$101,690	\$101,690
Insurance/Utilities			\$43,500	\$43,500
Total	\$273,489	\$281,693	\$732,243	\$1,287,425
Difference	\$273,489	\$281,693	\$603,098	\$1,158,280

FMP Staffing Plan

Year	Division / Department	Job Title	Estimated Salary	FICA	WRS	Health	HRA	Dental	Life	WC	Total	GF %	GF Cost	Extras	Vehicle	Total
2023	Police	Police Officer	\$ 62,161	\$ 4,755	\$ 6,558	\$ 20,416	\$ 1,500	\$ 1,326	\$ 100	\$ 1,423	\$ 98,239	100%	\$ 98,239.13	\$ 9,485	\$ -	\$ 107,724
	EMS	Paramedic	\$ 67,825	\$ 5,189	\$ 7,156	\$ 20,416	\$ 1,500	\$ 1,326	\$ 100	\$ 2,060	\$ 105,571	100%	\$ 105,570.98	\$ 1,500	\$ -	\$ 107,071
	PW	Maintenance Worker	\$ 45,000	\$ 3,443	\$ 3,038	\$ 20,416	\$ 1,500	\$ 1,326	\$ 100	\$ 1,367	\$ 76,189	60%	\$ 45,713.30	\$ -	\$ -	\$ 45,713
	Fire	Community Risk Reduction Officer	\$ 52,000	\$ 3,978	\$ 11,440	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 67,418	100%	\$ 67,418.00	\$ -	\$ 30,000	\$ 97,418
	Library	Facilities Coordinator	\$ 62,500	\$ 4,781	\$ 4,219	\$ 20,416	\$ 1,500	\$ 1,326	\$ 100	\$ 1,367	\$ 96,209	100%	\$ 96,208.83	\$ -	\$ -	\$ 96,209
	Library	Community Engagement Coordinator	\$ 57,000	\$ 4,361	\$ 3,848	\$ 20,416	\$ 1,500	\$ 1,326	\$ 100	\$ 90	\$ 88,640	100%	\$ 88,639.83	\$ -	\$ -	\$ 88,640
	Library	Marketing & Communications Specialist	\$ 57,000	\$ 4,361	\$ 3,848	\$ 20,416	\$ 1,500	\$ 1,326	\$ 100	\$ 90	\$ 88,640	100%	\$ 88,639.83	\$ -	\$ -	\$ 88,640
2024	Police	Police Officer	\$ 63,404	\$ 4,850	\$ 6,689	\$ 22,049	\$ 1,500	\$ 1,346	\$ 100	\$ 1,452	\$ 101,391	100%	\$ 101,390.70	\$ 9,485	\$ 90,000	\$ 200,876
	EMS	Paramedic	\$ 67,825	\$ 5,189	\$ 7,156	\$ 22,049	\$ 1,500	\$ 1,346	\$ 100	\$ 2,060	\$ 107,224	100%	\$ 107,224.32	\$ 1,500	\$ -	\$ 108,724
	PW	Utility Marking Technician	\$ 45,675	\$ 3,494	\$ 3,083	\$ 22,049	\$ 1,500	\$ 1,346	\$ 100	\$ 1,387	\$ 78,634	20%	\$ 15,726.87	\$ -	\$ -	\$ 15,727
2025	Police	Police Officer	\$ 64,672	\$ 4,947	\$ 6,823	\$ 23,813	\$ 1,500	\$ 1,366	\$ 100	\$ 1,481	\$ 104,702	100%	\$ 104,702.41	\$ 9,485	\$ -	\$ 114,187
	Police	Police Officer	\$ 64,672	\$ 4,947	\$ 6,823	\$ 23,813	\$ 1,500	\$ 1,366	\$ 100	\$ 1,481	\$ 104,702	100%	\$ 104,702.41	\$ 2,985	\$ -	\$ 107,687
	EMS	Paramedic	\$ 69,859	\$ 5,344	\$ 7,370	\$ 23,813	\$ 1,500	\$ 1,366	\$ 100	\$ 2,121	\$ 111,473	100%	\$ 111,473.45	\$ 1,500	\$ -	\$ 112,973
	PW	Maintenance Worker	\$ 46,360	\$ 3,547	\$ 3,129	\$ 23,813	\$ 1,500	\$ 1,366	\$ 100	\$ 1,408	\$ 81,223	60%	\$ 48,733.77	\$ -	\$ -	\$ 48,734
	Community Develop.	Planner	\$ 67,000	\$ 5,126	\$ 4,523	\$ 23,813	\$ 1,500	\$ 1,366	\$ 100	\$ 102	\$ 103,529	100%	\$ 103,529.11	\$ -	\$ -	\$ 103,529
	Library	Makerspace Coordinator	\$ 60,000	\$ 4,590	\$ 4,050	\$ 23,813	\$ 1,500	\$ 1,366	\$ 100	\$ 102	\$ 95,521	100%	\$ 95,521.11	\$ -	\$ -	\$ 95,521
2026	Police	Police Officer	\$ 65,966	\$ 5,046	\$ 6,959	\$ 25,718	\$ 1,500	\$ 1,386	\$ 100	\$ 1,510	\$ 108,186	100%	\$ 108,186.34	\$ 9,485	\$ 90,000	\$ 207,671
	EMS	Paramedic	\$ 71,995	\$ 5,508	\$ 7,595	\$ 25,718	\$ 1,500	\$ 1,386	\$ 100	\$ 2,185	\$ 115,988	100%	\$ 115,987.62	\$ 1,500	\$ -	\$ 117,488
	EMS	Paramedic	\$ 71,995	\$ 5,508	\$ 7,595	\$ 25,718	\$ 1,500	\$ 1,386	\$ 100	\$ 2,185	\$ 115,988	100%	\$ 115,987.62	\$ 1,500	\$ -	\$ 117,488
2027																

UNKNOWN AT THIS TIME

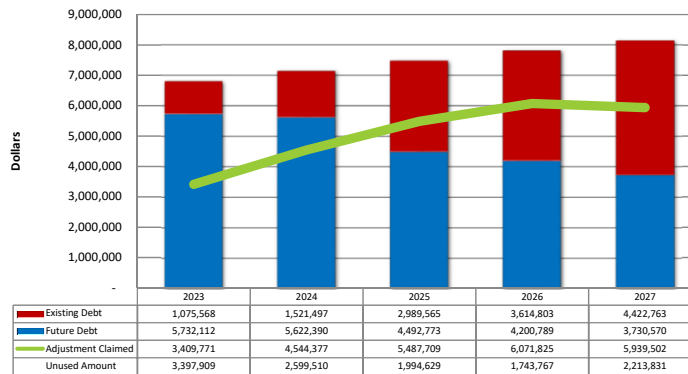


Forecast net Change to Property Tax Levy

	Tax/Budget 2021/2022 (actual)	Tax/Budget 2022/2023	Tax/Budget 2023/2024	Tax/Budget 2024/2025	Tax/Budget 2025/2026	Tax/Budget 2026/2027
Current Council Policy						
% Increase on the Average Single Family Home	3.37%	3.0%	3.0%	3.0%	3.0%	3.0%
\$ Increase on the Average Single Family Home	\$72	\$66	\$68	\$70	\$72	\$74
Library Proposal						
% Increase on the Average Single Family Home	3.37%	4.32%	3.36%	3.89%	3.04%	3.06%
\$ Increase on the Average Single Family Home	\$72	\$95	\$77	\$93	\$75	\$78
Difference						
% Increase		1.32%	0.36%	0.89%	0.04%	0.06%
\$ Increase		\$29	\$9	\$23	\$3	\$4

Levy Limits

Base Scenario Projected Debt Service Payment (Non - Abated)
& Levy Limit Adjustment to be Claimed



Expenditure Restraint

Budget Year	2023	2024	2025	2026	2027
Payment Year	2024	2025	2026	2027	2028
Forecasted Net New Construction (60%)*	1.42%	1.41%	1.40%	1.39%	1.38%
Forecasted CPI-U Increase	<u>1.50%</u>	<u>1.50%</u>	<u>1.75%</u>	<u>1.75%</u>	<u>1.75%</u>
Maximum Increase to Qualify	<u>2.92%</u>	<u>2.91%</u>	<u>3.09%</u>	<u>3.09%</u>	<u>3.08%</u>
Projected Increase	2.28%	2.28%	2.28%	2.27%	2.26%
Qualify	Yes	Yes	Yes	Yes	Yes



Discussion

