

Changes to the Fiscal Forecast from the May 5, 2022, version to the July 18, 2022 version

Fiscal Forecast Component	May 5, 2022 City Council Pre-Budget Workshop	July 18, 2022 Proposed Budget Presentation to City Council
FY 2022 beginning fund balance was decreased by \$0.01 million to reflect actual fund balance	\$6.05 million - GF beginning fund balance FY 2022	\$6.04 million - GF beginning fund balance FY 2022
FY 2022 recurring revenue projections updated	\$23.14 million projected FY 2022 recurring revenue	\$23.30 million projected FY 2022 recurring revenue (increase of \$0.16 million, driven by a \$0.15 million increase in projected sales tax)
FY 2022 non-recurring revenue projections updated	\$4.82 million projected FY 2022 non-recurring revenue	\$4.90 million projected FY 2022 non-recurring revenue (increase of \$0.08 million, due to additional COVID-19 and 2021 Winter Storm disaster funds)
FY 2022 recurring expenditure projections updated	\$21.59 million projected FY 2022 recurring expenditures	\$21.73 million projected FY 2022 recurring revenue (increase of \$0.14 million, driven by a \$0.13 million increase in projected salaries & benefits)
Changes to the FY 2022 beginning fund balance, FY 2022 revenue projections, and FY 2022 expenditure projections, result in changes to the projected FY 2022 ending fund balance	\$11.64 million - GF ending fund balance FY 2022	\$11.74 million - GF ending fund balance FY 2022 (increase of \$0.10 million)
FY 2023 recurring revenue projections updated to match the proposed budget	\$23.73 million projected FY 2023 recurring revenue	\$23.93 million projected FY 2023 recurring revenue (increase of \$0.20 million, driven by (1) a \$0.08 million increase in investment income, a \$0.05 million increase in sales tax revenues, a \$0.04 million increase in the transfer from the EF, and a \$0.04 million increase in public safety revenues)
FY 2023 recurring expenditure projections updated to match the proposed budget	\$22.38 million projected FY 2023 recurring expenditures	\$23.70 million projected FY 2023 recurring revenue (increase of \$1.32 million, driven by \$1.32 million increase in salaries and benefits due to [a] including a 3.5% STEP increase implemented in June 2022, [b] including two additional full-time employees in development services, [c] increasing parks part-time pay, and [d] increasing police overtime pay)

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FY 2024 - FY 2027 recurring revenues	\$104.6 million projected FY 2024 - FY 2027 recurring revenue	<p>\$104.3 million projected FY 2024 - FY 2027 recurring revenue</p> <p>(cumulative decrease of \$0.30 million for the four year period)</p> <p>No changes to assumed annual increase factors, except for the annual overhead transfer which was assumed at 0% in the May version, but assumed at 3.5% in the July version to reflect inflation in the underlying overhead costs which are being reimbursed.</p> <p>Property taxes decreased in the July version as we assumed the issuance of \$6 million of remaining bond authority. Since we assume a constant overall tax rate throughout the forecast period, the O&M rate was decreased to afford the increase in the debt rate related to the assumed issuance.</p>
FY 2024 - FY 2027 recurring expenditures	\$99.9 million projected FY 2024 - FY 2027 recurring expenditures	<p>\$105.9 million projected FY 2024 - FY 2027 recurring revenue</p> <p>(cumulative increase of \$6.00 million for the four year period)</p> <p>No changes to assumed annual increase factors.</p> <p>The increase is driven by the FY 2023 salary increases having an ongoing continuing impact in future years. In each of the fiscal years during this period, the total increase in recurring expenditures is approximately equal to the increase in salaries and benefits. This is a result of the base FY 2023 salaries and benefits increase as previously described (June 2022 STEP increase, two new development services positions, parks & recreation part-time pay, and police overtime)</p>