



2024 Budget – Preliminary Session #3

Presentation 23-459

August 21, 2023

Agenda

- Legislative Budget
- Preliminary Session #1 Follow-up
 - Revised Capital Project Status List
- Preliminary Session #2 Follow-up
- Plans for September 11th Council Budget Retreat
- Next Steps
- Questions?





Legislative Budget

Legislative Budget

Expenditure Category	Draft 2024 Budget
Salaries and Benefits	165,136
Services and Charges	677,824
Materials and Supplies	9,850
Total	\$852,810



Legislative Budget

Proposed Changes for 2024

- No longer have pre-approved sponsored events
 - All events will come before council on an established form
- Staff will no longer send a link to event coordinators
 - Information will be captured on the form to request sponsorships
- Timelines will be established for expedient processing of sponsorship requests to ensure timely payment processing and invites
- Allows room to sponsor sports events in addition to golf outings
- Promotes full transparency on all council sponsorships



Preliminary Session #1 Follow-up

Preliminary Session #1 Follow-up

Revised Capital Project Status List

- As promised, a revised Capital Project Status List has been included in the agenda item packet for tonight's presentation.
- This revised List includes project descriptions and ward numbers for geographic reference.
- Staff is happy to follow up on any additional questions council may have.





Preliminary Session #2 Follow-up

Preliminary Session #2 Follow-up

Economic Development Budget

Question raised regarding why Economic Development Budget is decreasing from 2023 to 2024:

Division	2023 Adopted Budget	2024 Base Budget	Variance
Economic Development	\$ 1,040,532	\$ 1,026,227	\$ (14,305)

- This decrease is due to a decrease of \$56,982 in the computer allocation line item, which is partially off-set by increases in other operating accounts.
- The computer allocation decrease is a result of a decreased number of network connections allocated to Economic Development for 2024 vs. 2023.
- This is being reviewed by IT staff to determine if this needs to remain the same or be adjusted for 2024.



Preliminary Session #2 Follow-up

Bike Lanes and Crosswalks

Budget for painting bike lanes and crosswalks is included in the Long Lane Striping CIP project, which is a 1(a) – Capital Maintenance project, which is budgeted annually:

Project	2023 Balance @ 7/31/23	2024 Budget
Long Lane Striping	\$192,791	\$300,000

- The data below represents what was completed in 2022 and what is planned for 2023 and 2024 regarding long lane striping and crosswalks.
- Bike lanes are not tracked separately, as they are a part of edge lining.

Sub-project (numbers in linear feet)	2022 Actual	2023 Planned	2024 Planned
Long Lane Striping (center/edge/lane lines, channelizing, etc.)	109,176	110,000	110,000
Crosswalks	2,740	2,224	2,800

Preliminary Session #2 Follow-up

Crosswalks and Bike Lanes

- The crosswalk at east 64th Avenue and Olive Street was installed previously but the mill and asphalt project removed portions of it, which will be replaced by the contractor. This crosswalk will be restriped before the end of the week of 8/14/23.
- Staff has evaluated installing bike lanes along roadways, however, bike lane and on street parking needs sometimes conflict and must be balanced.



Preliminary Session #2 Follow-up

Sales & Use Tax – Remote Sellers

Question raised regarding amount of sales tax collected from remote sellers/internet retailers:

- 2022 Collections (January – December) - \$2,496,986
- 2023 Collections (January – June) - \$1,435,372

Notes:

- These figures are based upon data from MuniRevs, the City's Sales & Use tax software
- Many retailers simply describe themselves as “Retailers” and not specifically “Internet Retailers”
- Tax Division staff are going through this retailer classification to clean up descriptions, which will improve future reporting





Plans for September 11th Council Budget Retreat

Plans for Council Budget Retreat

CIP Staff Recommendations

Staff proposed the following recommendations related to the 2024-2028 Capital Investment Program, year one of which will be included in the Proposed 2024 Budget:

1. Prioritizing 1(a) – Preventative Maintenance Projects as Tier 1 projects and funding above all others
2. Funding recommendations for remaining Tier 2 projects, which include 1(b) – Periodic Maintenance and 2 – Capital Improvement Projects as detailed in Draft Five-Year CIP
3. Funding Buffalo Run Golf Course Concrete Repairs, Elm Street – 69th to 72nd Ave., and Holly St. Improvements projects by reallocating project balances from closed projects
4. Transferring \$10 million from the Chambers Road Improvements – 105th Ave. to 117th Ave. Project to 96th Ave. Improvement – Chambers to Tower Project

Plans for Council Budget Retreat

Items Subject to Change

- Incorporate additions/changes per council direction
- Include revised revenue estimates if applicable
- Refresh position budgeting data (final personnel budget calculations)
- Revise benefits and insurance data based upon feedback from HR
- Revise Internal Service Fund allocations (final refresh based on incorporation of approved budget requests)
- Revise 2K O&M model (impacted by position budgeting refresh)



Plans for Council Budget Retreat

Potential Council Directed Adjustments

Is there consensus direction to do the following:

- Restore the Senior liaison/support position at the Senior Center?
- Convert the Planning (Landscape) Architect position from a “Maybe” to a “Yes”?
- Other items?

Staff need clear consensus direction to incorporate changes in time for opening of Public Hearing on the Budget scheduled for 10/16/23.



Plans for Council Budget Retreat

ARPA Funding Follow-up Discussion

On 8/11/23, the U.S. Treasury Department released a revised Interim Final Rule on “ARPA Flex”, a provision passed by Congress in December 2022. The revised Rule created three new expenditure categories for ARPA funding:

1. Emergency relief from natural disasters
2. Community development
3. Surface transportation projects

The ARPA funds survey closes on 8/18/23 and community feedback will be reviewed and considered after that date.

Further ARPA funding decisions can be incorporated into the 2023 or 2024 budget via separate budget amendment ordinances as additional decisions are made.



Next Steps



Next Steps

Key Budget Calendar Dates

Date	Activity
09/11/23	Council Budget Retreat
10/16/23	Open Public Hearing on Budget
11/06/23	Final Budget Hearing/Adoption





Questions?

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Opportunity for questions and further discussion.