

**City of Willows**

**Fiscal Year 2022-23**

**General Fund Preliminary Budget / Forecast Update**



**Presentation to City Council**

**May 27, 2022**

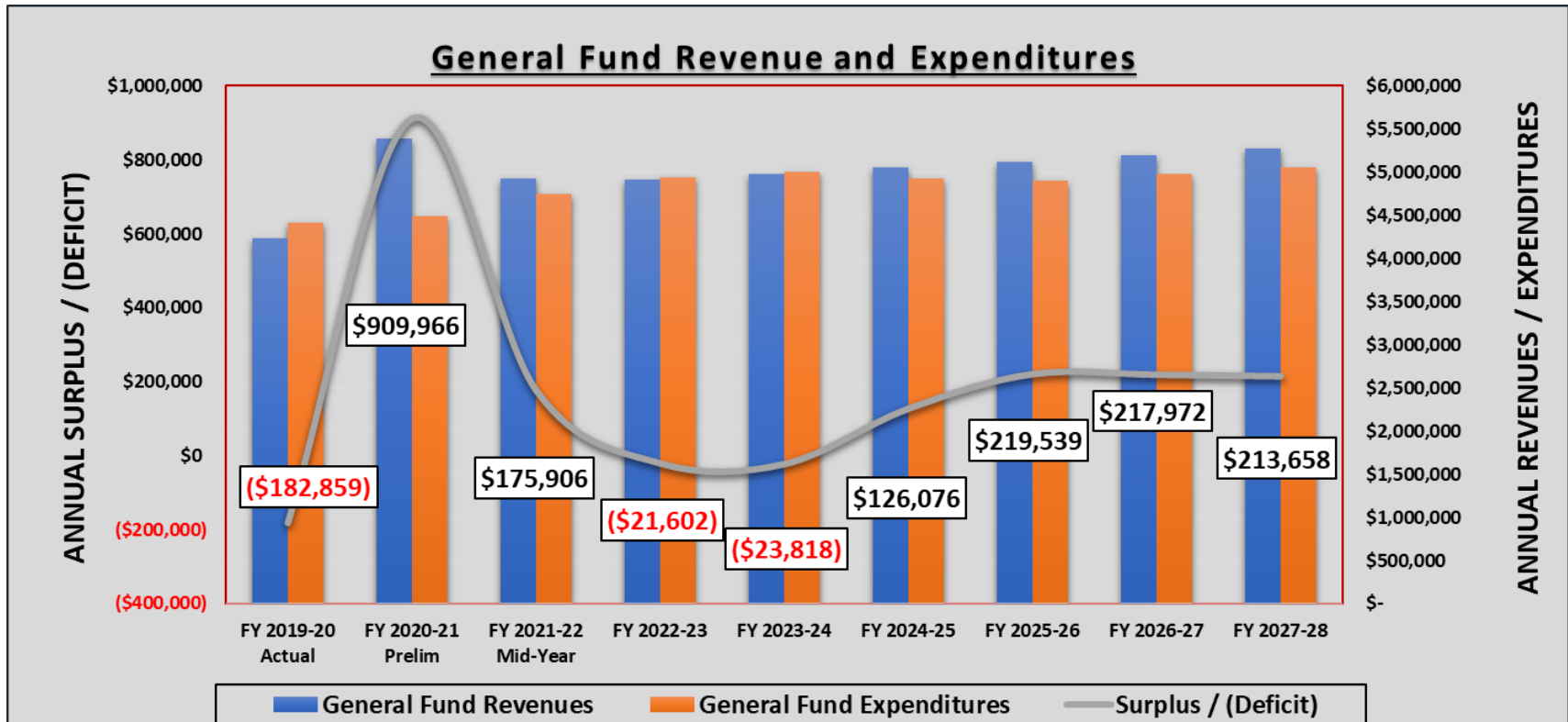


# FY 2022-23 General Fund Preliminary Budget / Forecast Update - Discussion Outline -

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1. Review of FY 2021-22 Mid-Year General Fund Forecast
  - FY 2020-21 Estimated Actuals
  - FY 2021-22 Anticipated Actuals
2. FY 2022-23 Base Budget Recommendations Overview
3. Other Budget Development Considerations
4. Discussion / Receive Further Direction from City Council

# FY 2022-23 General Fund Preliminary Budget / Forecast Update - Review of FY 2021-22 Mid-Year General Fund Forecast -



FY 2020-21 Surplus ~ \$909,966

FY 2021-22 Surplus ~ \$175,906

*Sustainable Budgets in Future*

# FY 2022-23 General Fund Preliminary Budget / Forecast Update - Review of FY 2021-22 Mid-Year General Fund Forecast -

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## FY 2020-21 Surplus ~ \$909,966

### *One-Time Revenue Impacts (\$724,000):*

- Sales Tax Accrual (one month) - \$150,000
- Transient Occupancy Tax Accrual (one quarter) - \$120,000
- Rule 20A Funding - \$400,000
- SLESF Fund Balance - \$46,000
- Gas Tax Administration Fund Balance - \$8,000



**These one-time  
funds went into  
reserves**

### *Ongoing Revenue Impacts:*

- Property Tax Growth
- Garbage Franchise Growth
- Transient Occupancy Tax (Post-Pandemic growth)
- Recreation Fees (Post-Pandemic growth)



# FY 2022-23 General Fund Preliminary Budget / Forecast Update - Review of FY 2021-22 Mid-Year General Fund Forecast -

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## **FY 2021-22 Surplus ~ \$175,906**

*Continued growth in ongoing revenues compared to original budget:*

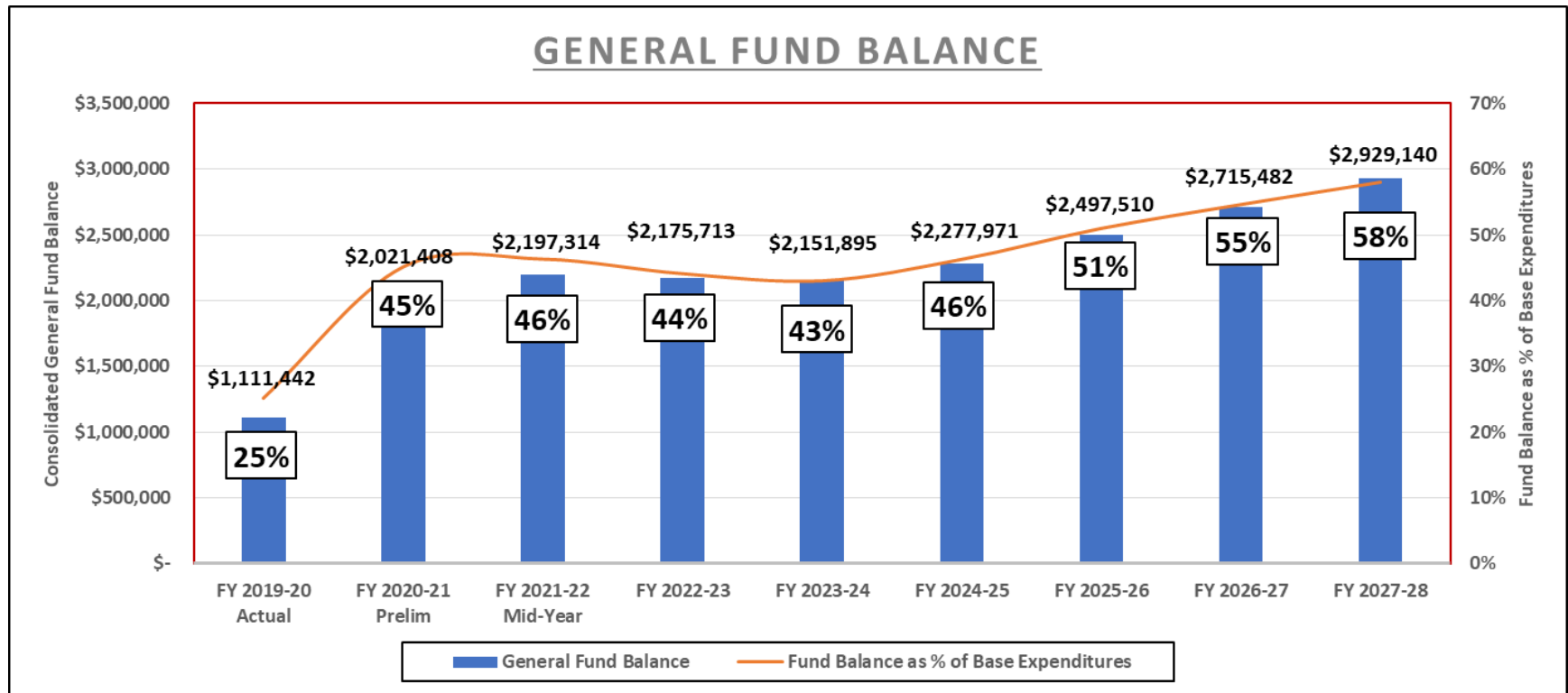
- Property Tax
- Garbage Franchise Fees
- Transient Occupancy Tax

*Certain activity higher than anticipated with original budget:*

- Development activity

# FY 2022-23 General Fund Preliminary Budget / Forecast Update - Review of FY 2021-22 Mid-Year General Fund Forecast -

## Forecasted Reserve Levels – FY 2021-22 Mid-Year Update



## FY 2022-23 General Fund Preliminary Budget / Forecast Update - FY 2022-23 Base Budget Recommendations Overview -

	<u>Revenues</u>	<u>Expenditures</u>
FY 2022-23 Original Forecast	\$ 4,916,015	\$ 4,937,616
FY 2022-23 Preliminary Budget / Forecast Update	\$ 4,916,015	\$ 5,680,925

**FY 2022-23 Updated Budget anticipated use of reserves (w/ Mid-Year): (\$21,602)**

- Essentially a “balanced budget”

**FY 2022-23 *Preliminary Budget* anticipated use of reserves: (\$764,910)**

- Base Budget / Program Updates

- New Positions

- One-Time Capital Needs / One-Time Supplemental Requests

**NOTE: City is receiving ARPA Funding of \$1,452,551 (funding could be available)**

# FY 2022-23 General Fund Preliminary Budget / Forecast Update - FY 2022-23 Base Budget Recommendations Overview -

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**FY 2022-23 General Fund Preliminary Use of Reserves: \$764,910**

## *Base Budget / Program Structural and Transparency Updates:*

- Move City Clerk position into City Manager's Office
- Integration of "Citywide" Department to house Human Resources / Information Technology / Insurance / CalPERS debt / etc.
- Integrate Willows Library Budget into the General Fund – Bayliss / Elk Creek Libraries future management with City of Orland
- Integrate all Recreation Budgets into the General Fund (fees and expenditures)
- Develop Cost Allocation Methodology for Citywide administrative costs (management / information technology / human resources / etc.) to applicable other funds
- Directly charge 25% of core Parks / Public Works positions (Superintendent / 5.0 FTE Maintenance Workers) to Sewer Fund



# FY 2022-23 General Fund Preliminary Budget / Forecast Update - FY 2022-23 Base Budget Recommendations Overview -

**FY 2022-23 General Fund Preliminary Use of Reserves: \$764,910**

## *Base Budget / Expenditure Updates (\$139,300):*

- Add “Elections” budget (every other year) - \$5,000
- Increase City Manager Professional Services (to \$10,000) - \$5,200
- Increase City Manager Travel & Meetings (to \$10,000) - \$7,000
- Add Finance Memberships & Dues - \$500
- Add Finance Travel & Meetings - \$2,500
- Increase Citywide Professional Services to include IT contract / RGS (HR issues) and LCW (HR issues) – note: some moved from Finance (to \$125,000) - \$26,000
- Increase Civic Center Building Maintenance (to \$6,000) - \$2,000
- Increase Building Professional Services (to \$75,000) - \$13,000
- Increase Police Contractual Services for Animal Control (to \$1,482,000) - \$40,000
- Increase Engineering Professional Services (to \$35,000) - \$15,000
- Increase Parks / Public Works Fuel, Professional Services, Tree Maintenance, Dues & Memberships (to \$26,500) - \$8,600
- Decrease Fire Overtime due to staff additions (to \$10,000) - \$10,000
- Increase Fire Fuel (to \$13,000) - \$4,500

# FY 2022-23 General Fund Preliminary Budget / Forecast Update - FY 2022-23 Base Budget Recommendations Overview -

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**FY 2022-23 General Fund Preliminary Use of Reserves: \$764,910**

## *Base Budget New Positions (\$345,984):*

- Accounting Manager
  - General Fund fully-loaded cost = \$114,291
- Community Development / Public Services Director
  - General Fund fully-loaded cost = \$134,201
  - Note: Some cost could be offset by projects with dedicated sources of funding (i.e. grants / reimbursements)
- 2.0 FTE Parks / Public Works Maintenance Worker II (partially funded by Sewer)
  - General Fund fully-loaded cost = \$97,492

# FY 2022-23 General Fund Preliminary Budget / Forecast Update - FY 2022-23 Base Budget Recommendations Overview -

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**FY 2022-23 General Fund Preliminary Use of Reserves: \$764,910**

## *One-Time Capital Needs / Supplemental Requests (\$684,000):*

- Master Fee Schedule Update - \$30,000
- ERP System (Financial / Payroll / Community Dvlpmt / Business Licenses / Parks / Etc.) - \$55,000 (note: this amount for two years)
- Fire Department Equipment - \$90,000
  - Thermal Imaging Camera - \$12,000
  - Defibrillator - \$6,500
  - Structural Firefighting Equipment - \$10,500
  - Hoses - \$40,000
  - Nozzles - \$15,000
  - Mini-Split AC Unit - \$6,000
  - Fire Dept will pursue grants for Radios and SCBA equipment

# FY 2022-23 General Fund Preliminary Budget / Forecast Update - FY 2022-23 Base Budget Recommendations Overview -

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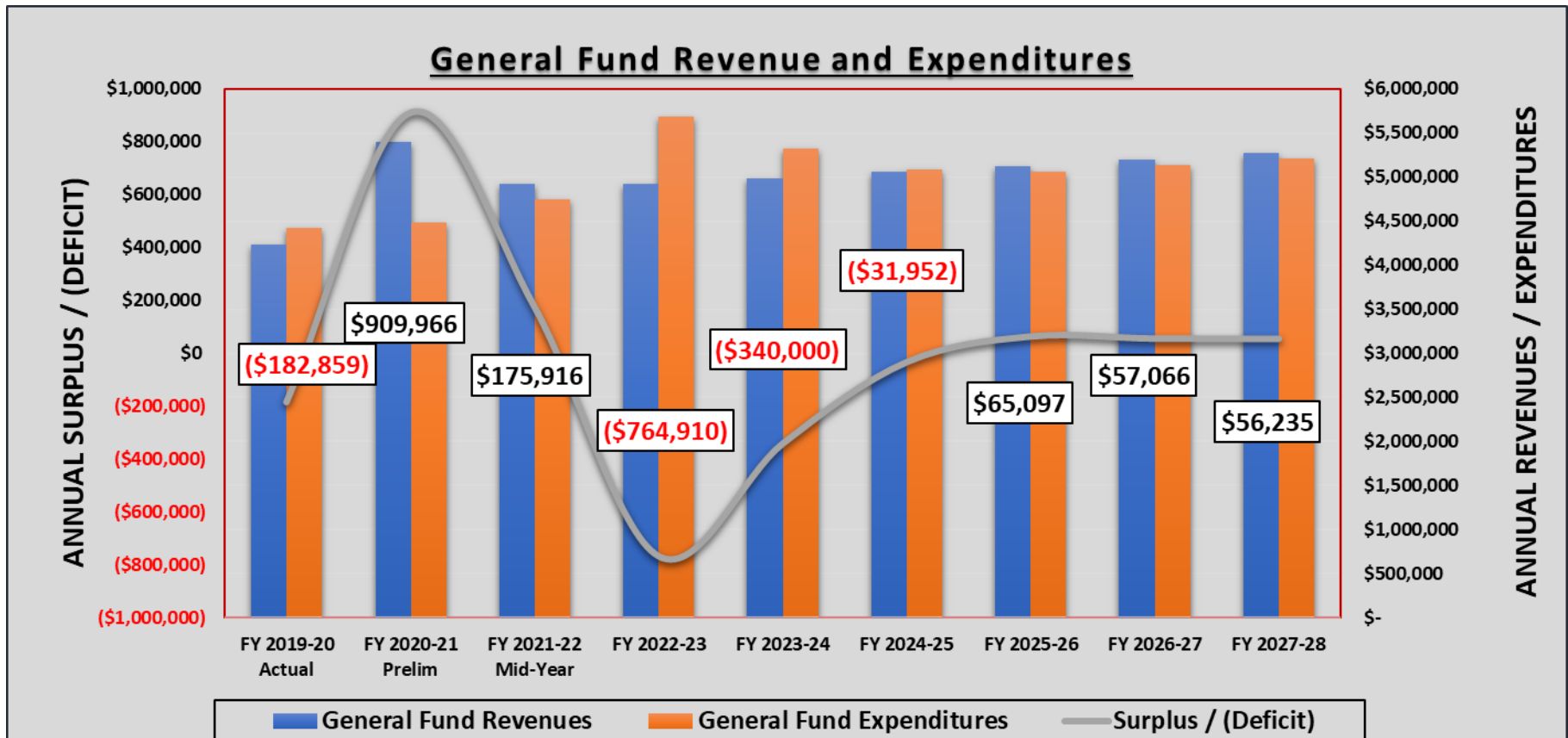
**FY 2022-23 General Fund Preliminary Use of Reserves: \$764,910**

## *One-Time Capital Needs / Supplemental Requests (\$684,000), cont.:*

- Update Municipal Code (two-year project) - \$135,000 (90% General Fund)
- Upgrade Audio / Visual in Council Chambers - \$25,000
- Public Works Department Equipment - \$349,000
  - Flat Bed Truck - \$60,000 (60% General Fund)
  - Dump Truck - \$100,000 (90% General Fund)
  - Side-by-Side (x2) – \$30,000
  - Backhoe - \$110,000 (80% General Fund)
  - Civic Center Repairs - \$100,000
  - Security Fencing @ Corporation Yard - \$10,000 (50% General Fund)

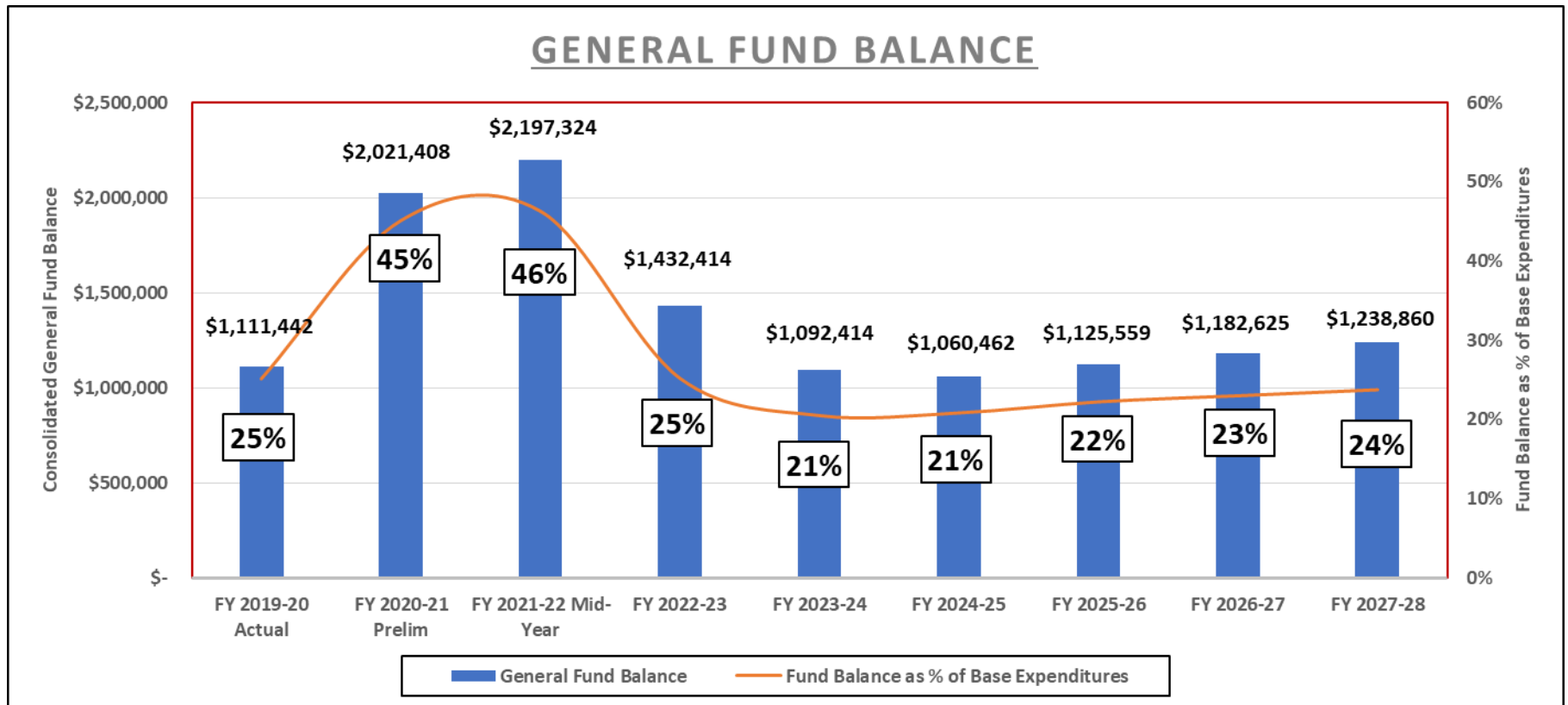
# FY 2022-23 General Fund Preliminary Budget / Forecast Update - FY 2022-23 Base Budget Recommendations Overview -

## Updated Financial Forecast – All Recommendations:



# FY 2022-23 General Fund Preliminary Budget / Forecast Update - FY 2022-23 Base Budget Recommendations Overview -

## Updated Financial Forecast - Reserves– All Recommendations:





# FY 2022-23 General Fund Preliminary Budget / Forecast Update - Other Budget Development Considerations -

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## **Other Considerations as FY 2022-23 Budget is Finalized**

### ***Review indirect staff / operations cost transfer methodology to other funds***

- Likely to result in nexus-based costs being allocated to other funds
- Results in General Fund savings

### ***Review and reconciliation of projects funded by external sources***

- Reconcile all projects to determine General Fund share (if needed)



FY 2022-23 General Fund Preliminary Budget / Forecast Update  
- Discussion / Receive Further Direction from City Council -

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Discussion / Questions