

March 4th Budget Work Session

- FY 2019-20 Budget Development
- Framework for Future Budgets
- Draft Financial Policies



Town Mission and Council's Goals

Our Mission. *Learning, serving, and working together to build a community where people thrive.*

Council's Strategic Goals

- I. Connected Community
- II. Economic & Financial Sustainability
- III. Safe Community
- IV. Affordable Housing
- V. Vibrant & Inclusive Community
- VI. Environmental Stewardship
- VII. Collaborative & Innovative Organization

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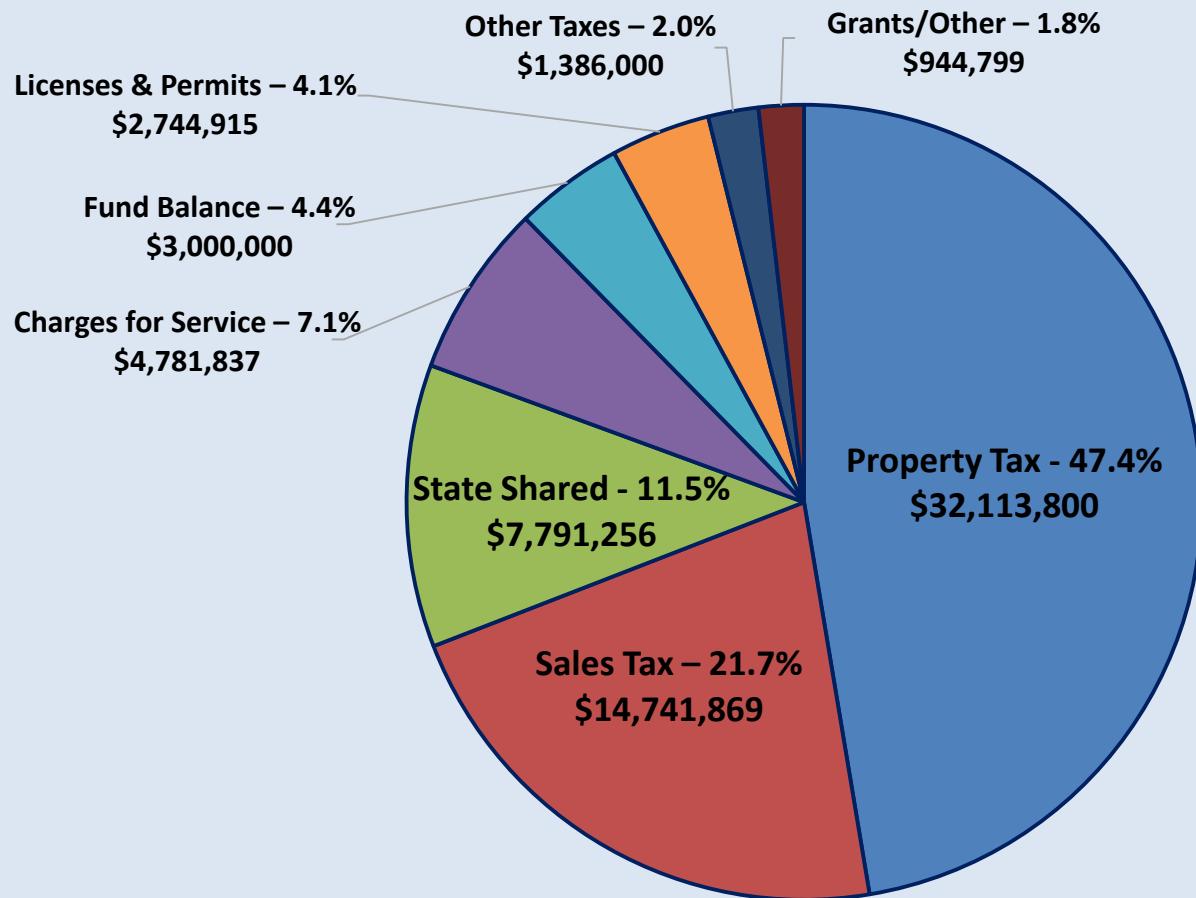
Budget Foundations

Responsible, Resilient, Smart and Strategic

- Supporting Council's strategic priorities
- Supporting our most valuable resources
- Protecting fund balance to promote resiliency
- Smart investments in maintenance

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General Fund Revenues FY2019-20



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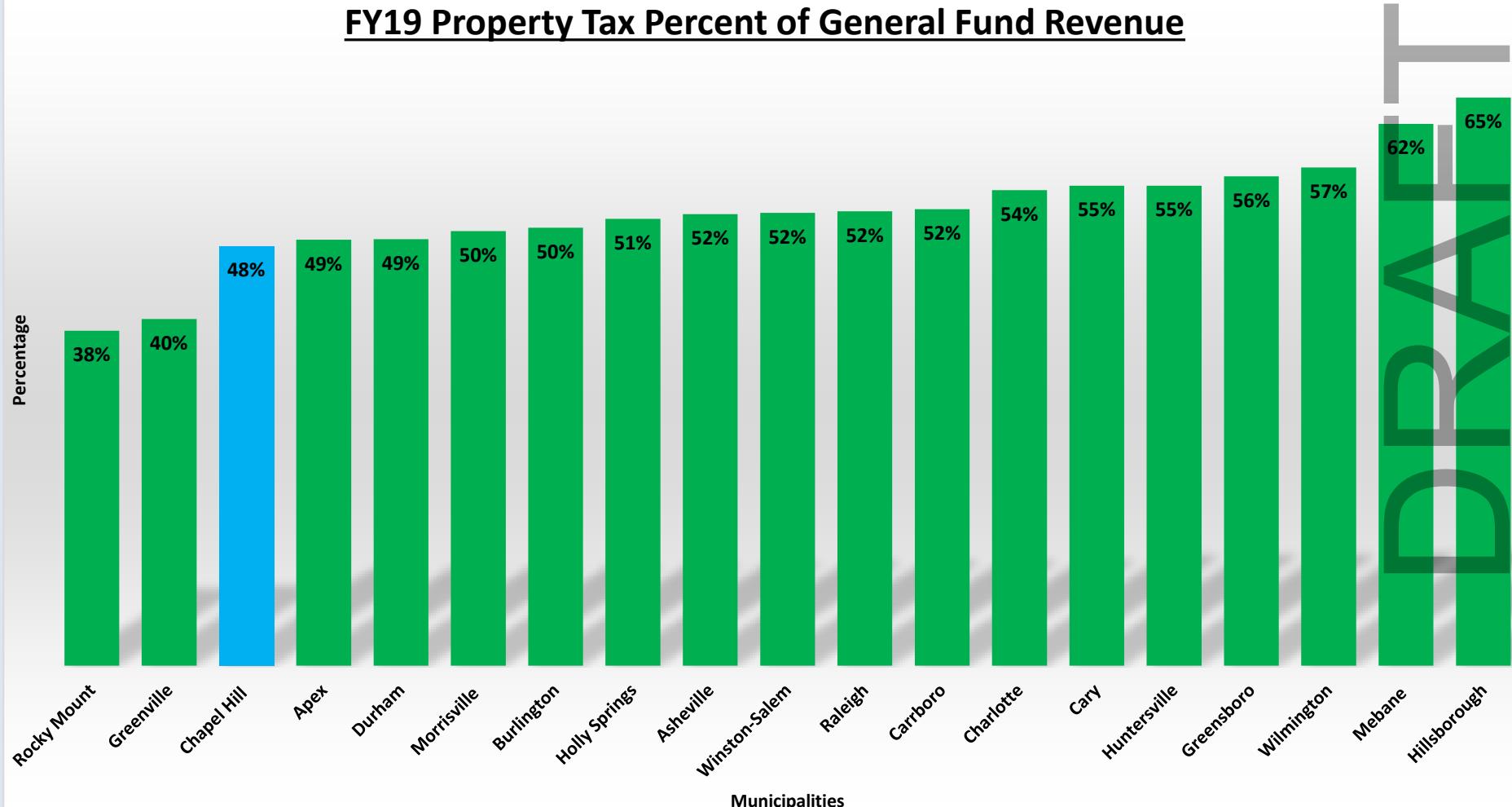
As of March 4, 2019

General Fund – Revenue Summary

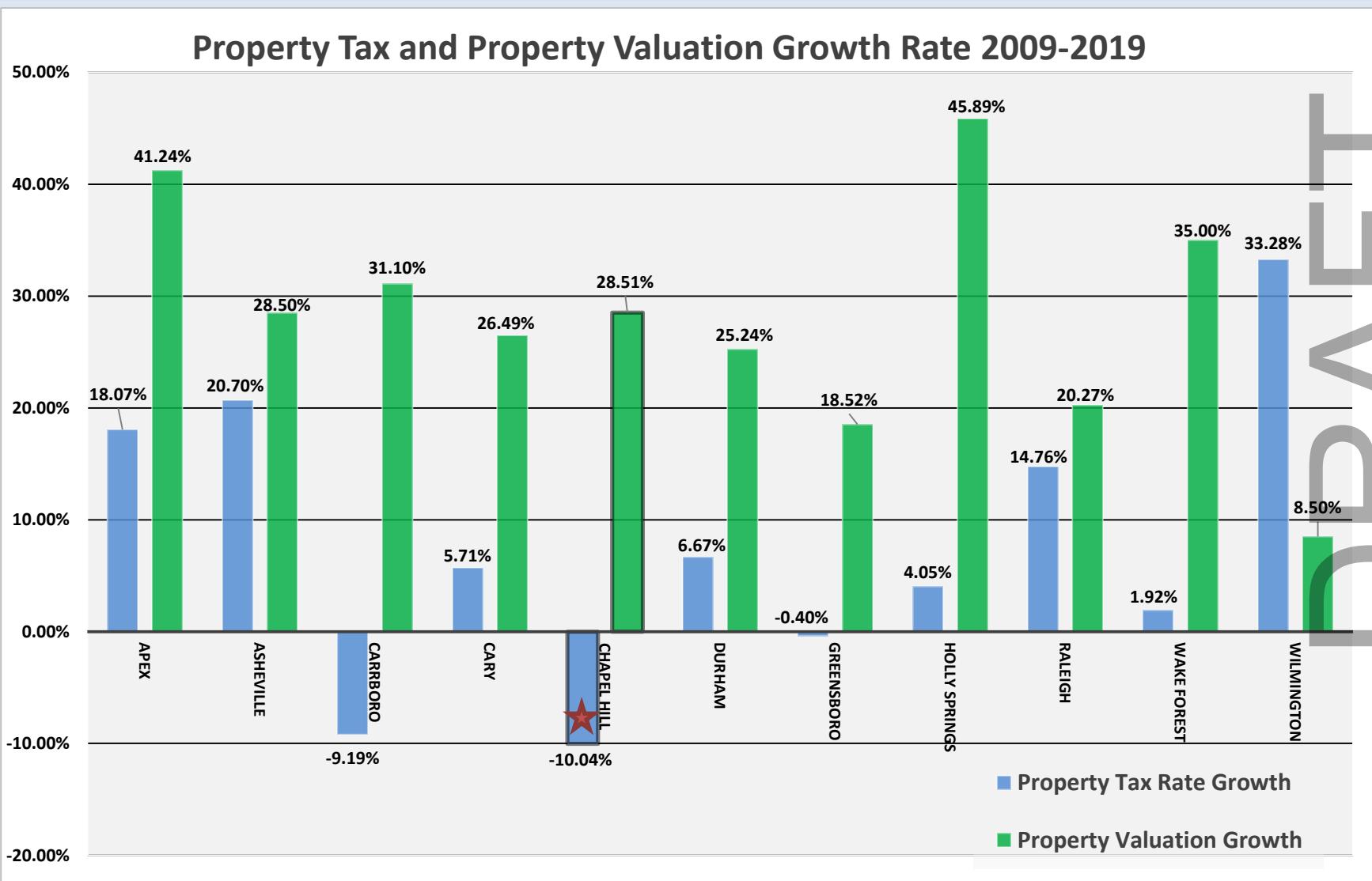
Source	Adopted FY2018-19	Current Est. FY2019-20	Difference
Property Taxes	\$ 31,771,000	\$ 32,113,800	1.1%
Sales Taxes	13,853,827	14,741,869	6.4%
Other Taxes	1,357,500	1,386,000	2.1%
State Shared Revenues	7,820,590	7,791,256	-0.4%
Charges for Service	4,820,808	4,781,837	-0.8%
Licenses & Permits	2,461,890	2,744,915	11.5%
Grants	680,899	679,399	-0.2%
Other Revenues	493,600	565,400	14.5%
Approp. Fund Balance	3,096,886	3,000,000	-3.1%
Total	\$ 66,357,000	\$ 67,804,476	2.2%

% of Revenue - Property Taxes

FY19 Property Tax Percent of General Fund Revenue

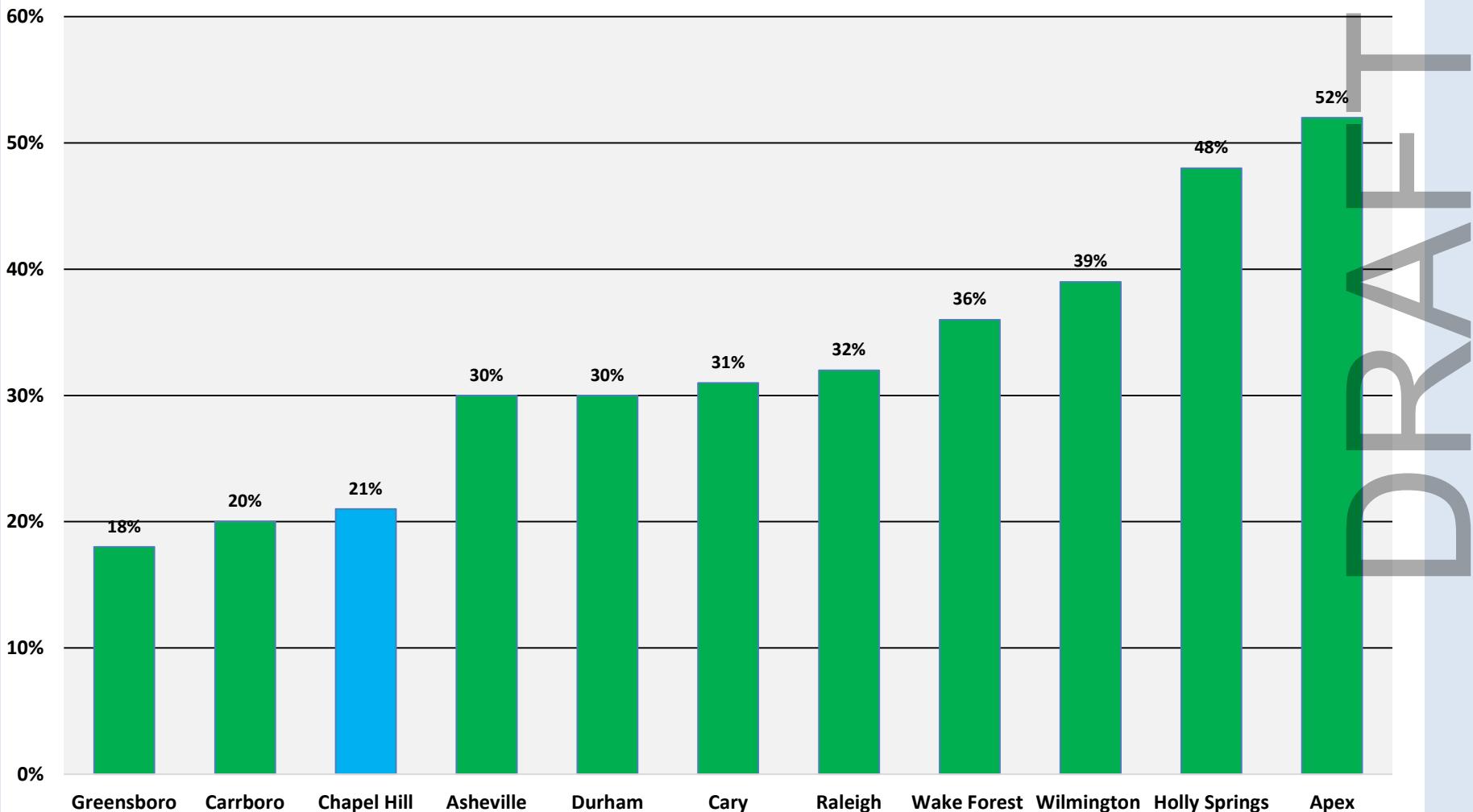


Property Tax Rate & Valuation Growth

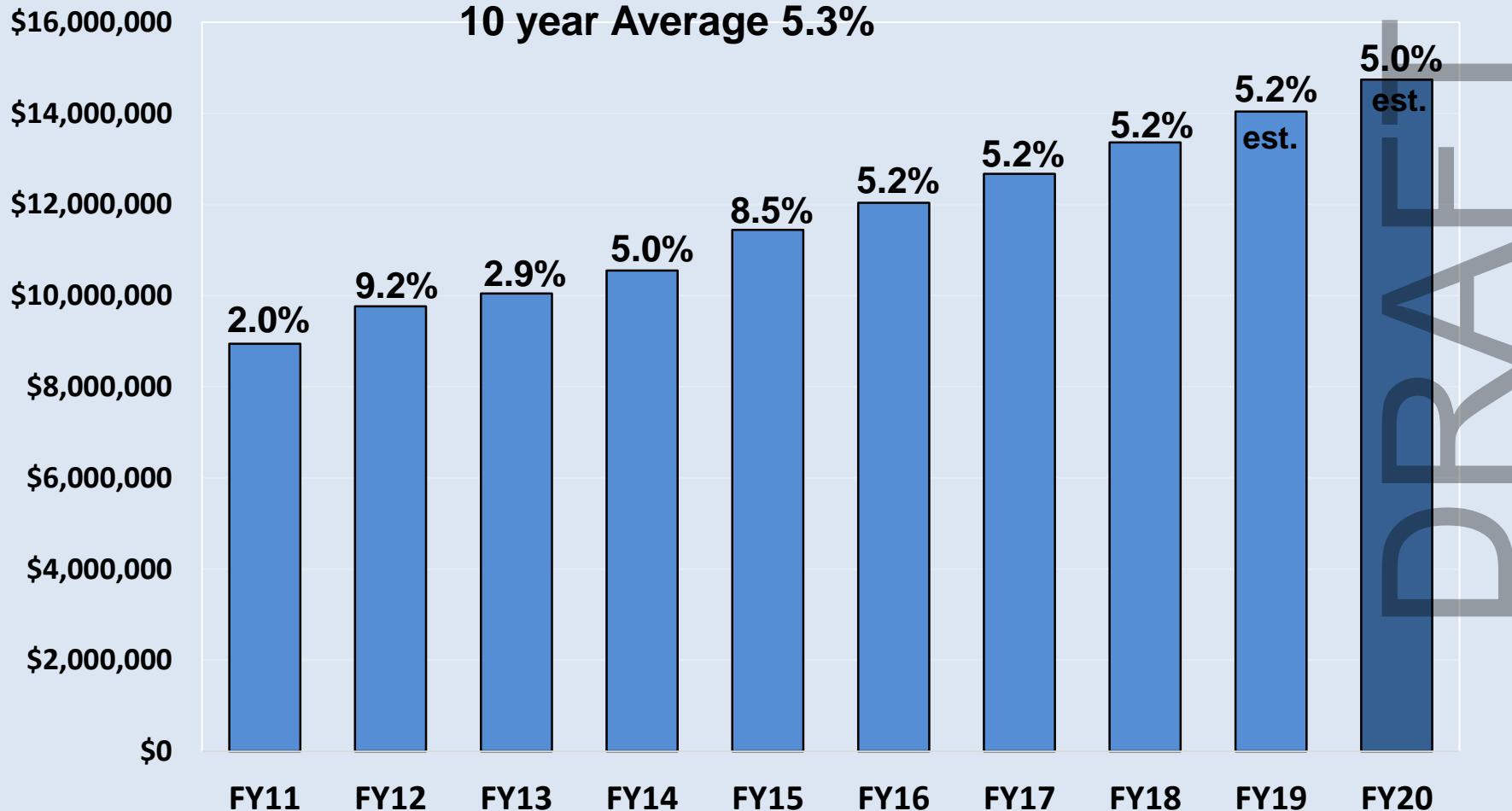


Property Tax Levy (Revenue) Increase

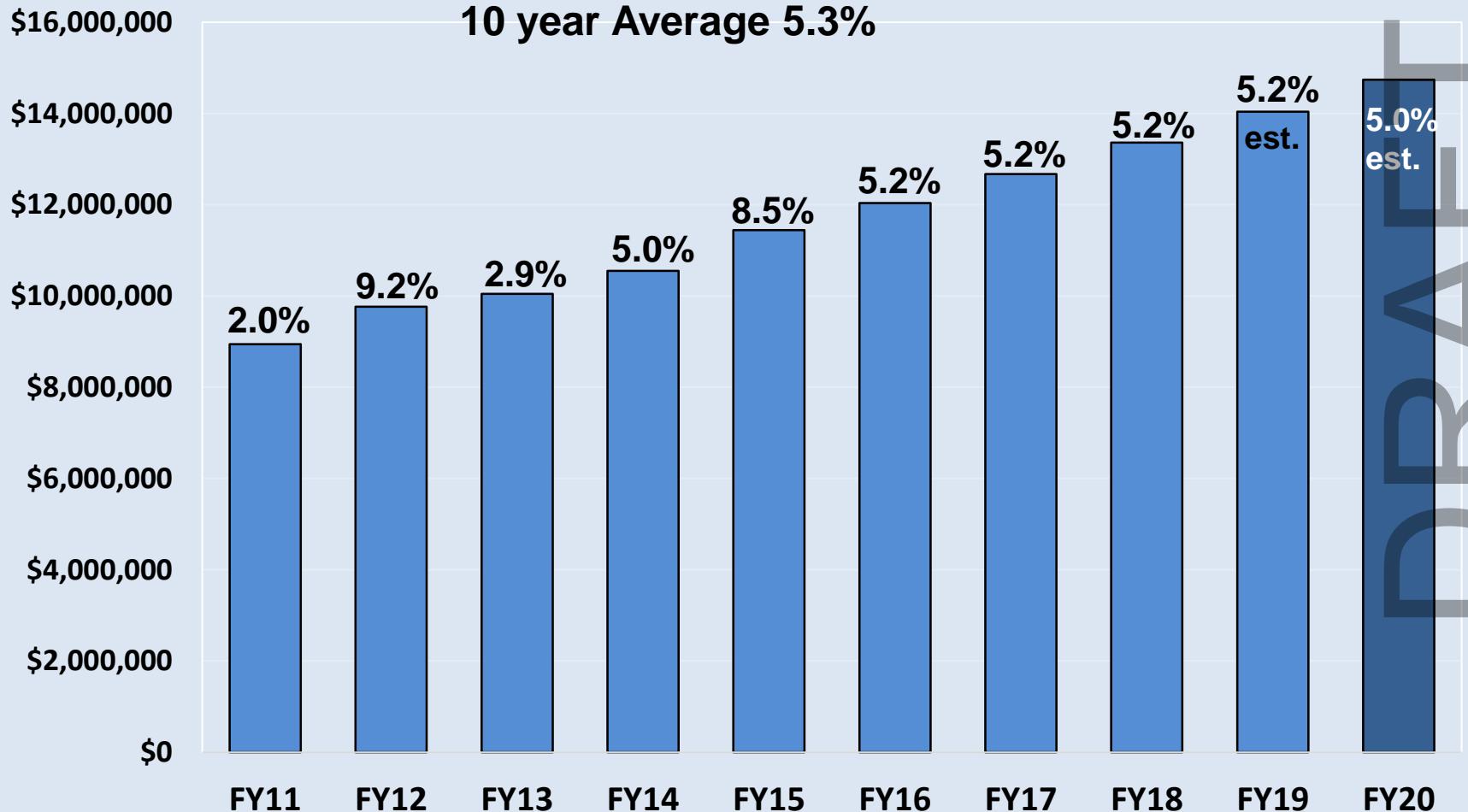
Tax Levy (Revenue) Increase FY 2009-2019



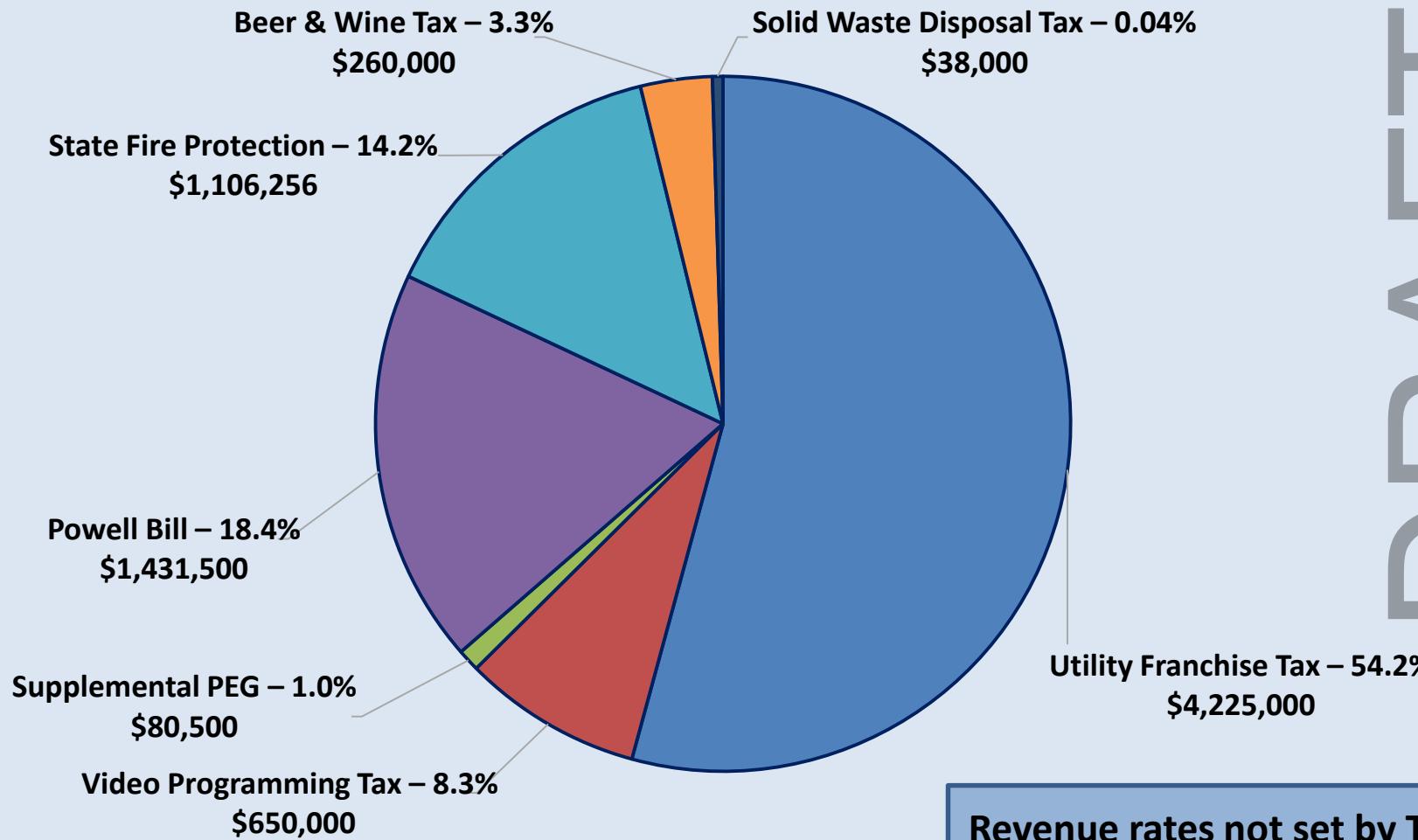
Sales Tax History



Sales Tax History



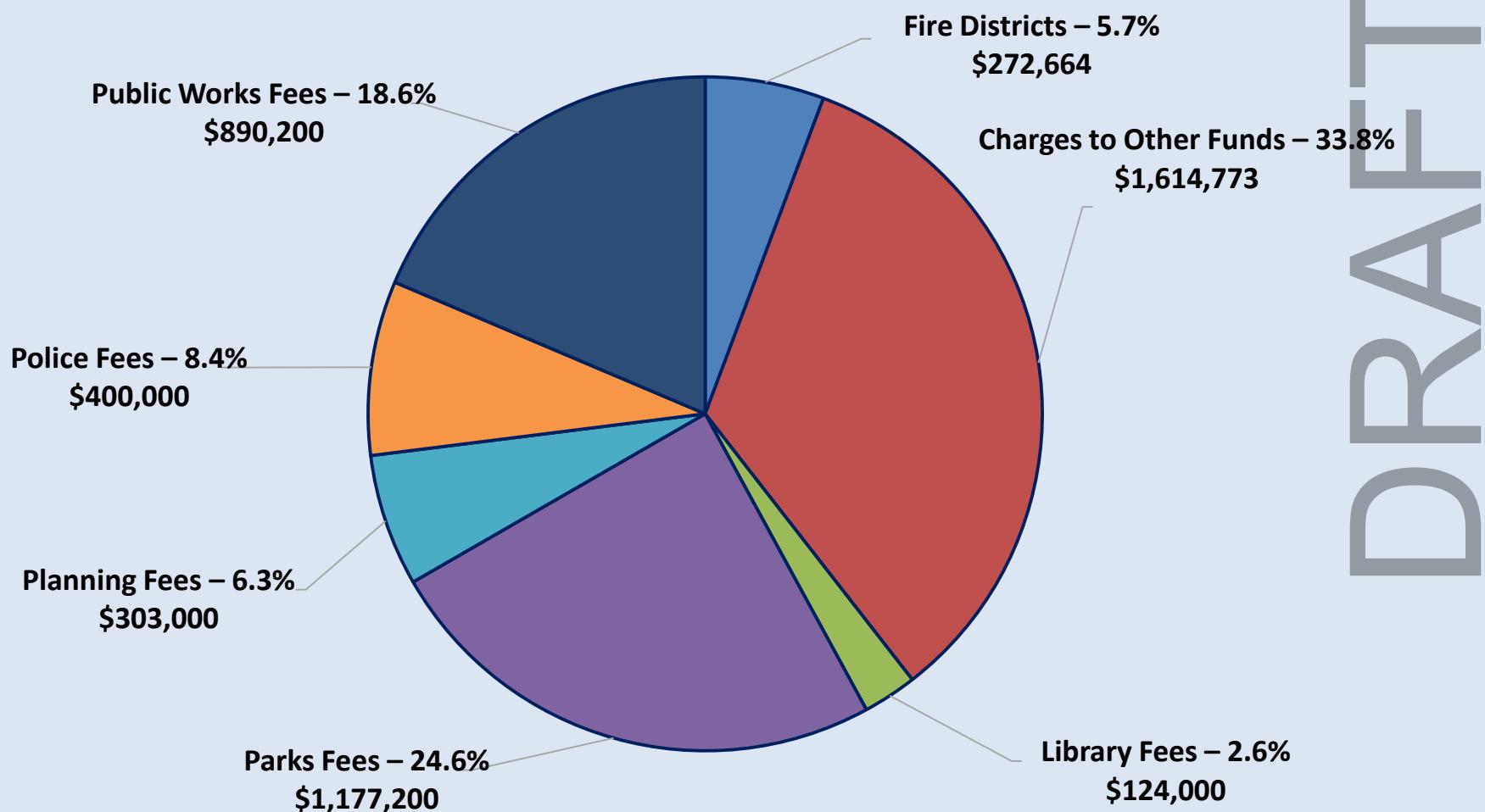
State Shared Revenues



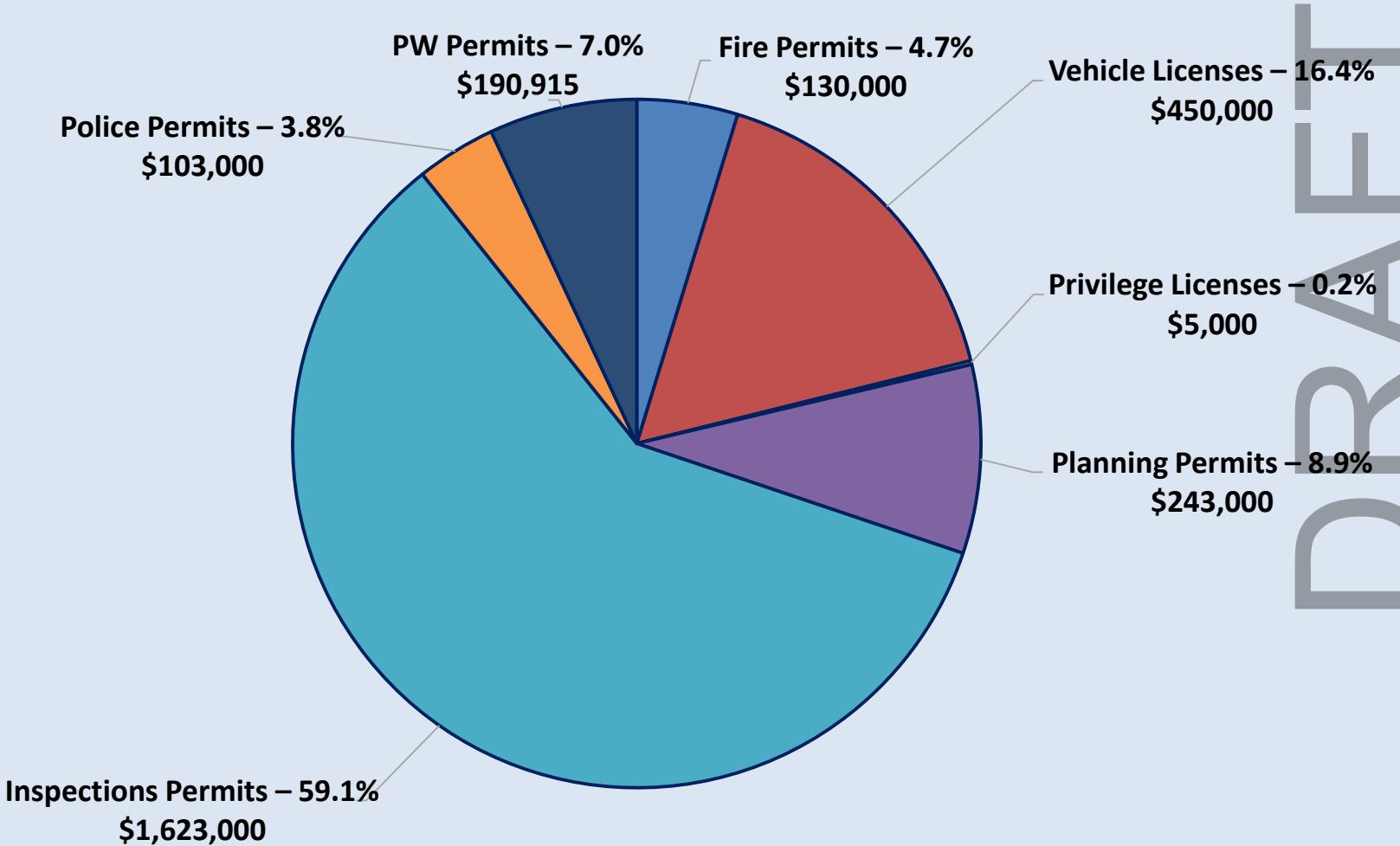
Revenue rates not set by Town

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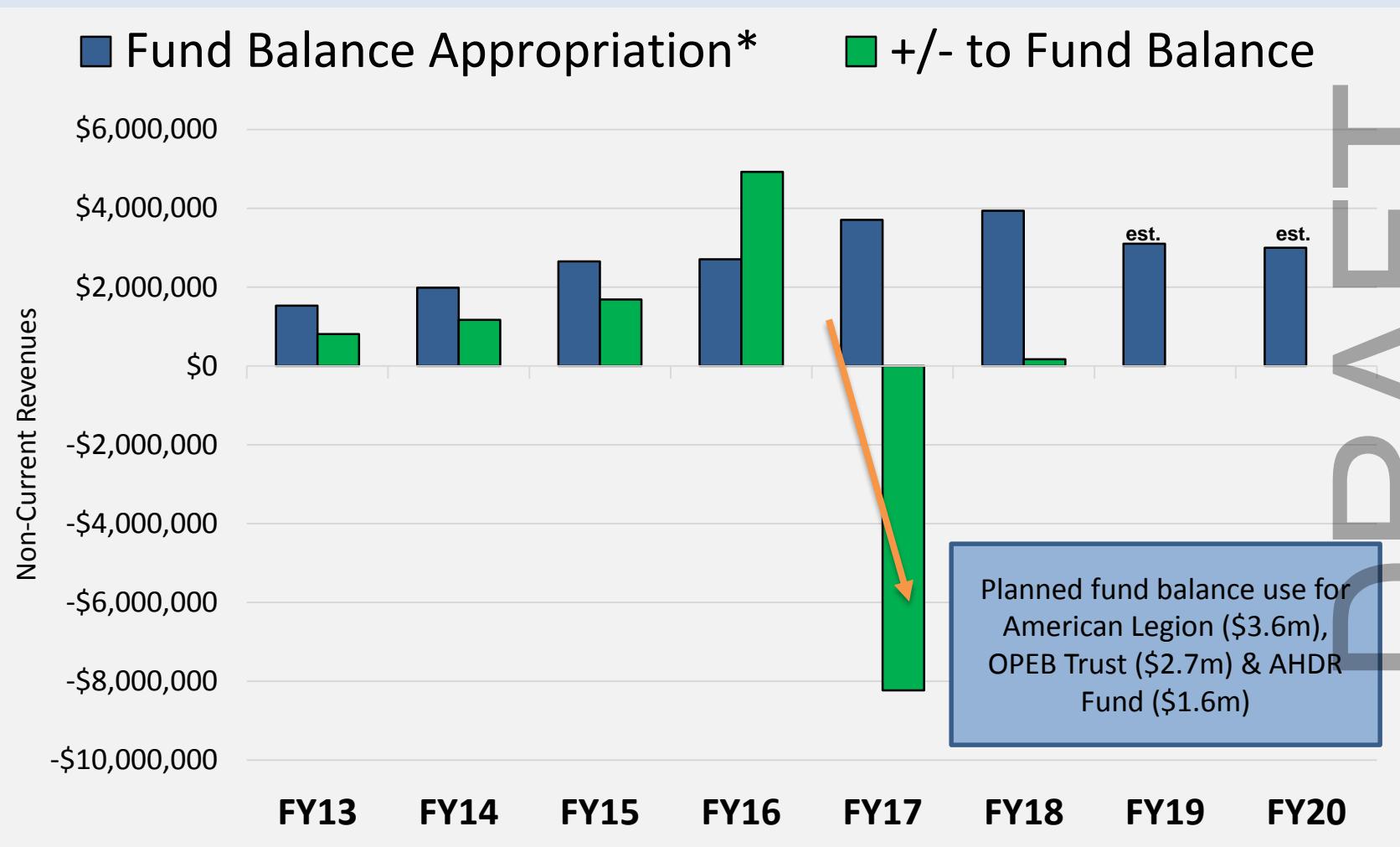
Charges for Services



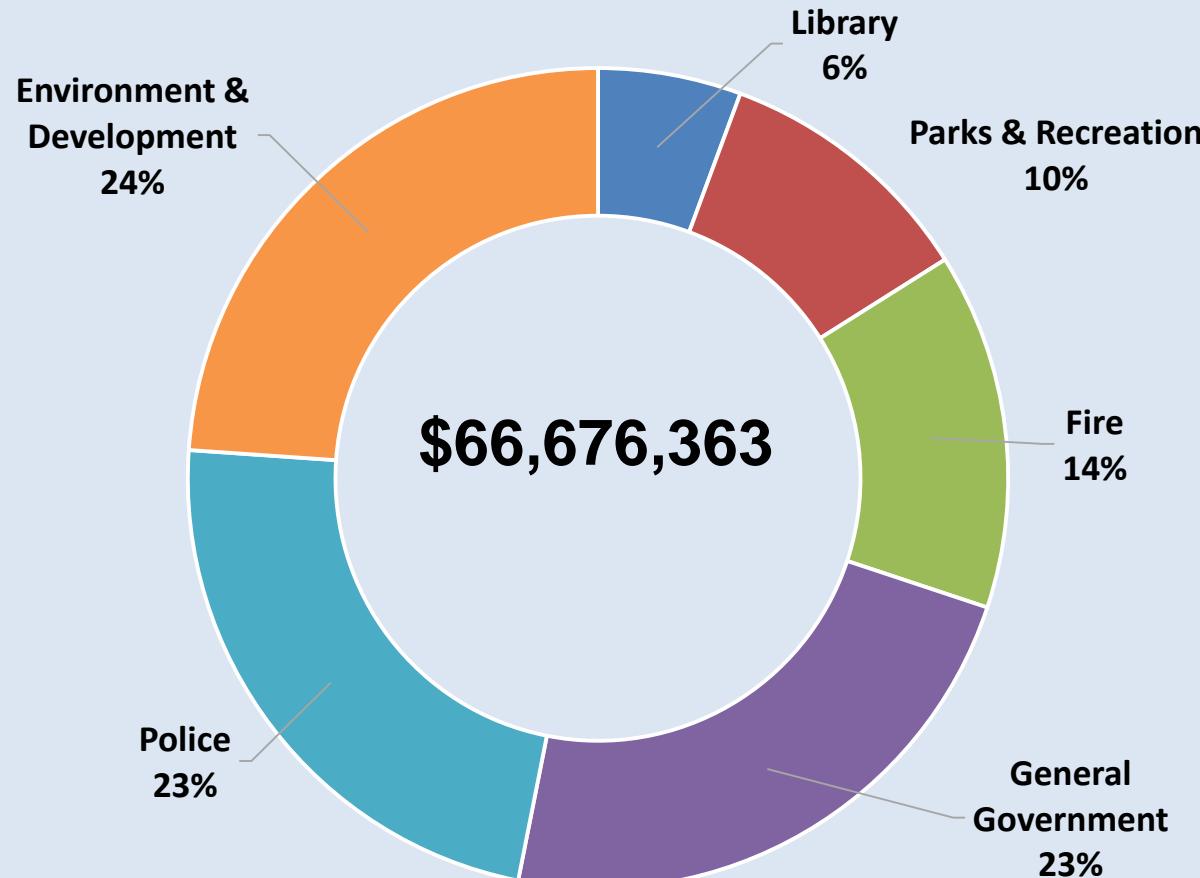
Licenses & Permits



General Fund – Fund Balance +/-



General Fund Expenditures FY2019-20



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As of March 4, 2019

Baseline Budget

Items for Discussion:

Pay raise	each 1% = \$ 335,135
Health insurance	each 1% = \$ 50,000
OPEB pre-funding	\$ 630,000
Building maintenance	\$ 472,214
Pay-go capital	\$ 237,500
Vehicle replacement	\$ 380,592
Non-profit capital campaigns	\$ 125,000
Urban Design	\$ 100,000

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Framework for the FY2020 Budget

- Maintaining Core Services
- Employee Compensation
- Building Maintenance
- Pay Go Capital
- Vehicle Replacement
- Streets Paving

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Maintaining Core Services

- No significant changes to department budgets

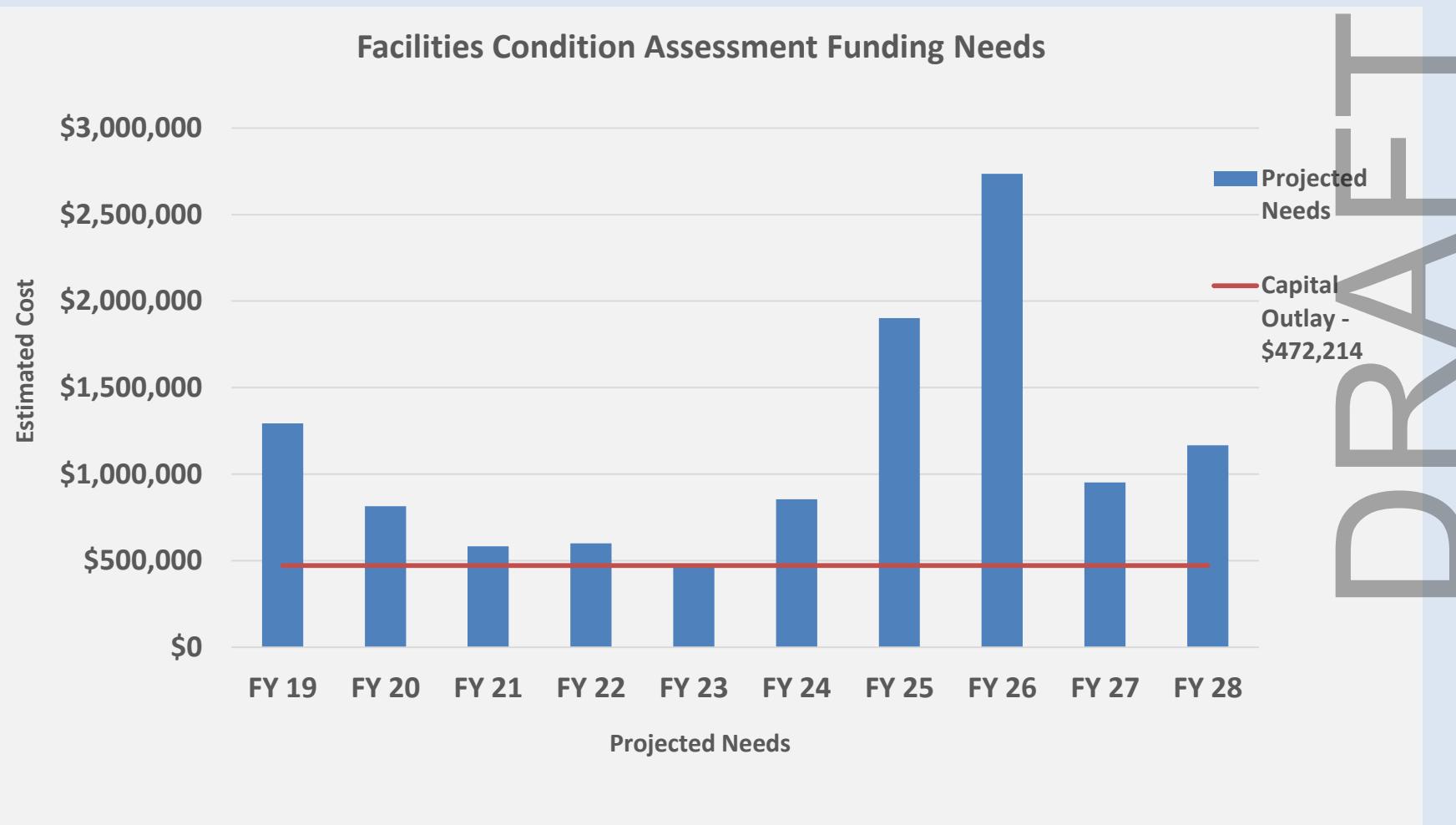


Employee Compensation

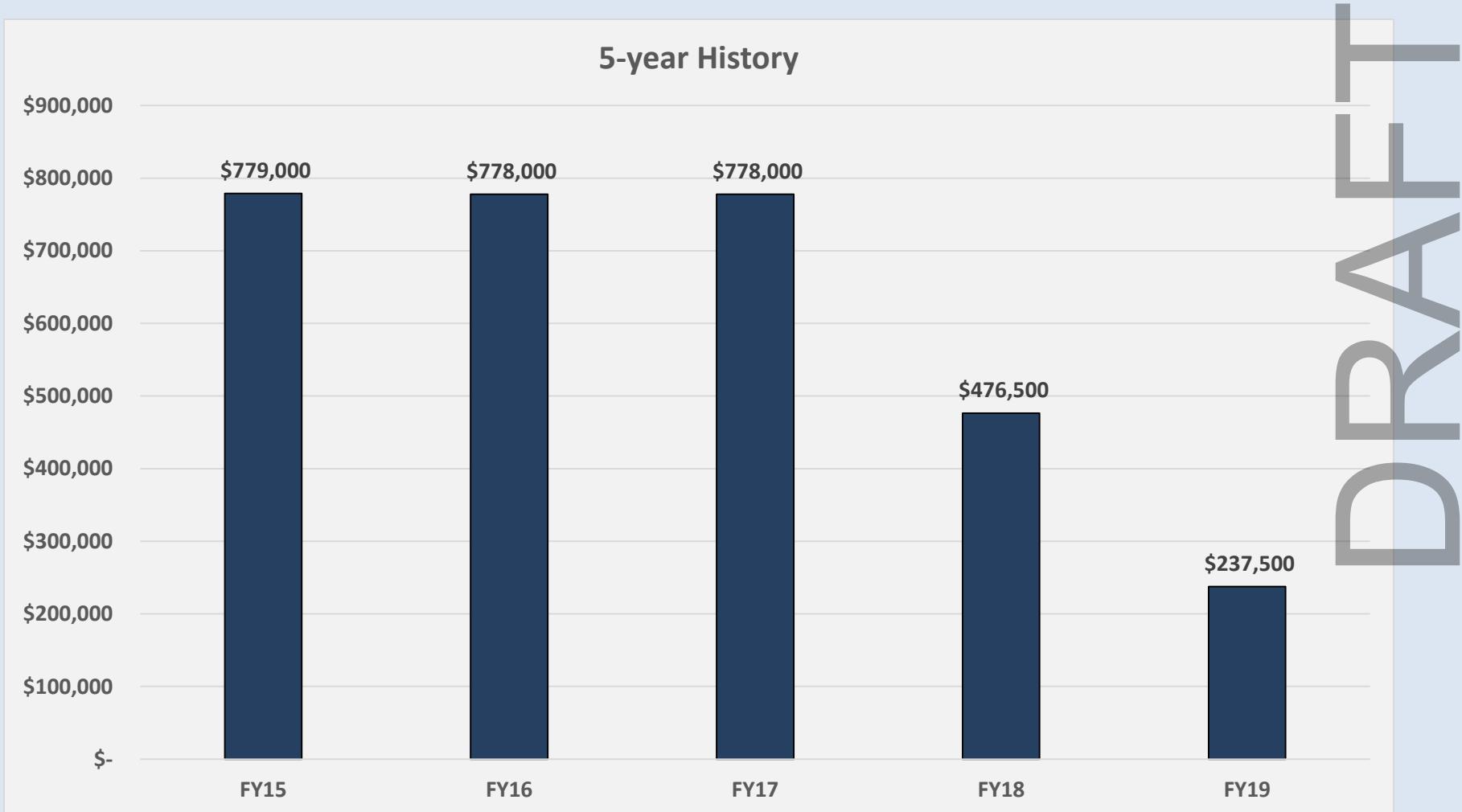
- Market Adjustment
- Living Wage Adjustments
- Medical Insurance Increase
- Retirement System Increase 1.2% (\$371K)



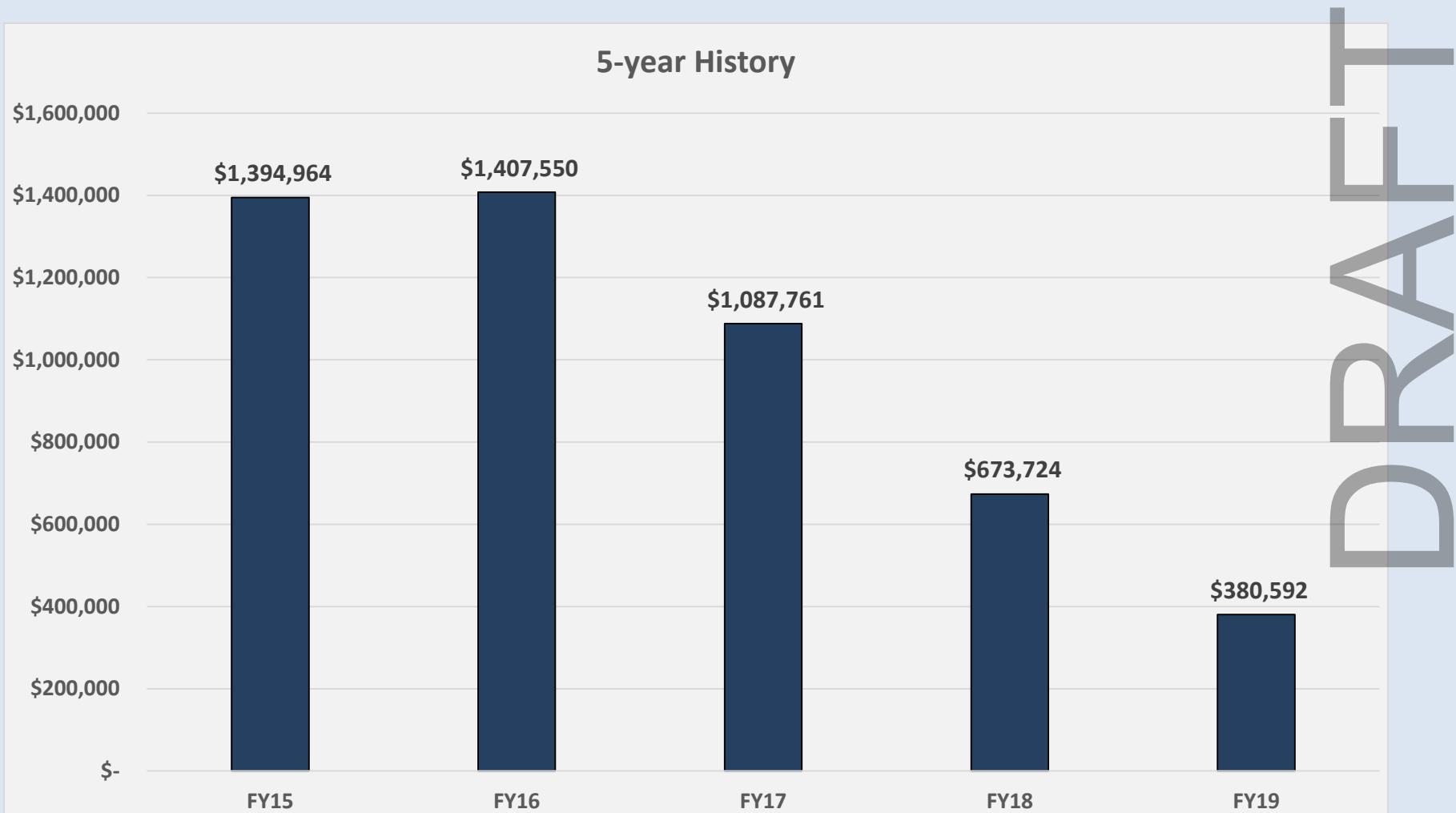
Building Maintenance



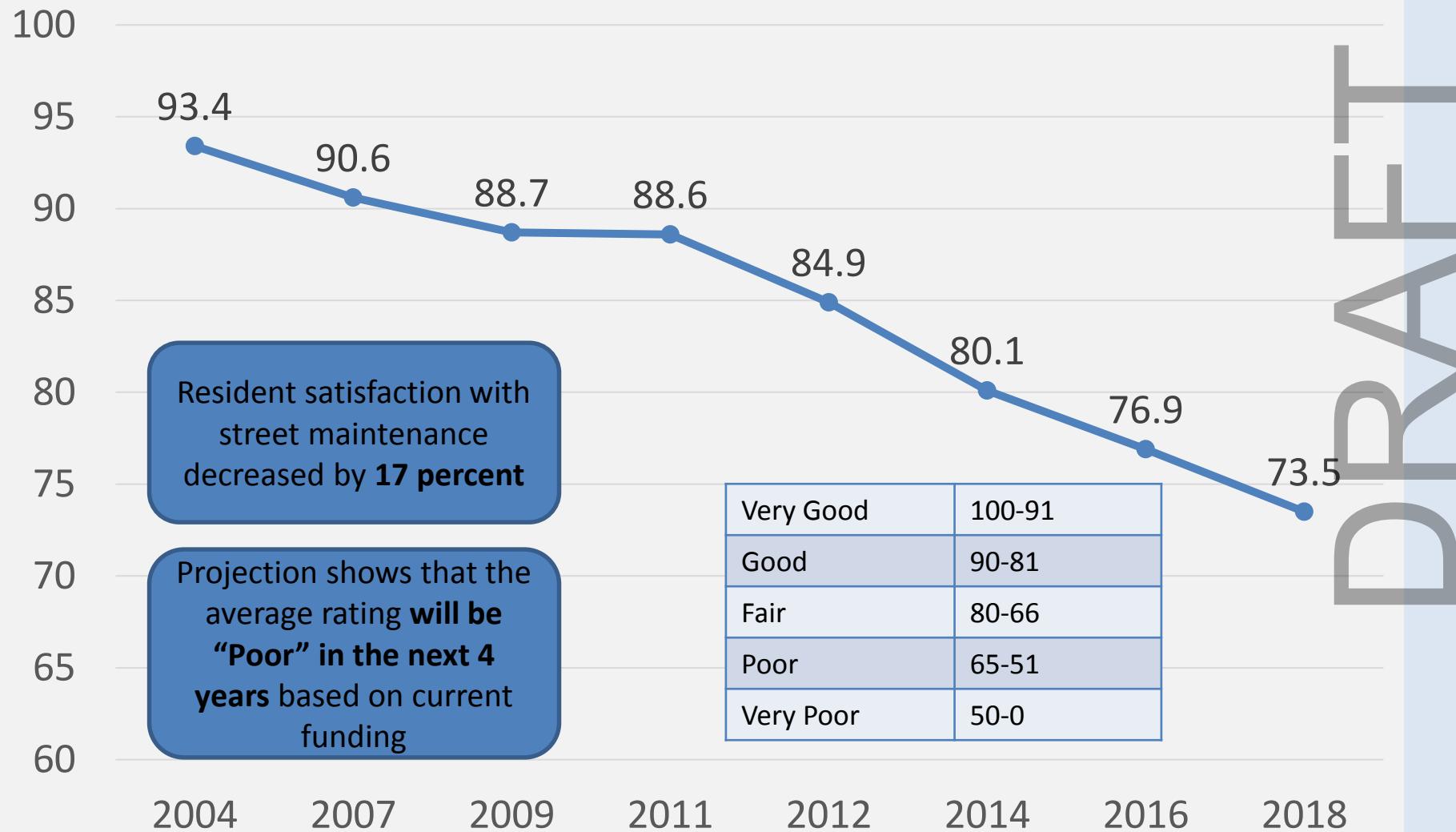
Pay Go Capital



Vehicle Replacement



Street Paving



Debt Fund (Capital Financing)

- Additional revenues are needed to fund planned major capital projects including:
 - Municipal Services Center
 - Streets & Sidewalks
 - Wallace Deck
 - Affordable Housing projects
- Consideration of a tax increase of 1.0 cent for affordable housing
- Consideration of a 0.6 cents in FY20 to cover projects for next 5 years

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5-Year Plan

- 5-Year Plan to accomplish:
 - Restoration of pay-go capital and vehicle replacement programs
 - Expansion of building maintenance and street paving programs
 - Connections between strategic work plans to budget program expansions

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Draft Finance Policies

Fiscal Policy Guidelines:

- Debt Policy
- Fund Balance Reserves Policy
- Cash Management and Investment Policy
- OPEB Pre-Funding Policy

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Next Steps

- **March 20** – Public Forum
- **May 1** – Manager's Recommended Budget
- **May 8** – Public Hearing
- **May 15** – Budget Work Session
- **June 5** – Budget Work Session
- **June 12** – Proposed Budget Adoption

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