

BUDGET WORK SESSION

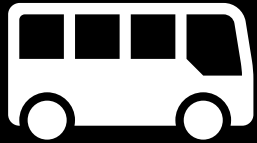
March 15, 2023

AGENDA

- Enterprise Funds
 - Transit Fund
 - Parking Fund
 - Public Housing Fund
 - Stormwater Fund

- General Fund Scenarios

TRANSIT

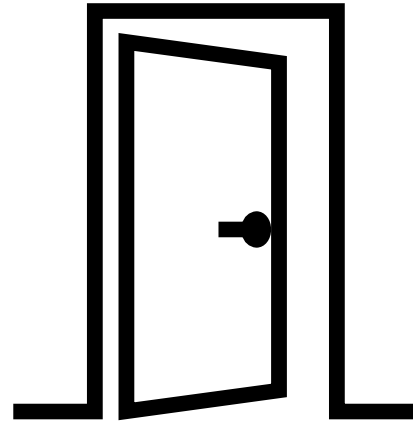


REALITY CHECK

- Critical need to recruit, retain staff
- Revenues not keeping up with expenses
- Inflationary increases on everything
- Demands for service expansion/improvement
- Capital needs growing, including NSBRT
- Zero emission is not zero cost

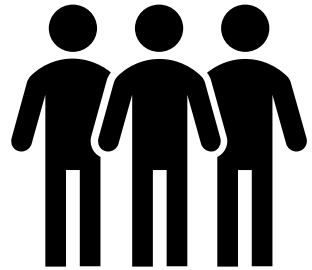
FY23 = \$31.4 MILLION

- **\$18.9 million (Local)**
- **\$2.5 million (Federal)**
- **\$3.2 million (State)**
- **\$4.0 million (OC)**
- **\$2.7 million (Other)**

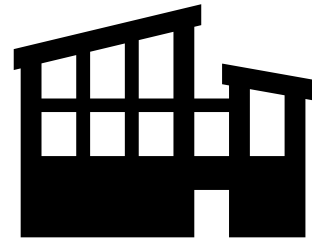


- **70% (Personnel, fuel, etc)**
- **13% (Contracted services)**
- **6% (Capital)**
- **5% (General Fund)**
- **6% (Utilities, supplies, etc)**

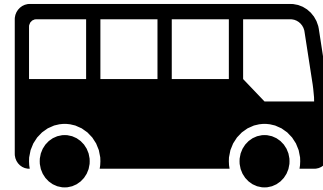
FIVE YEAR PRIORITIES



PEOPLE



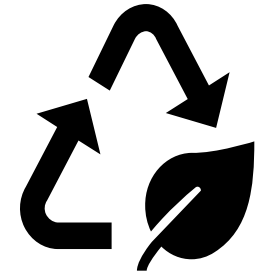
FACILITY



VEHICLES



NSBRT



SUSTAINABILITY

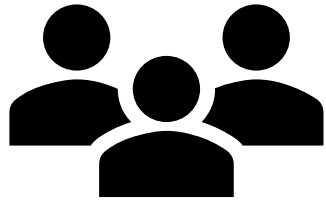
PARKING



REALITY CHECK

- Parking occupancy increasing
- Parking revenue increasing
- Rosemary Deck transforming East End
- Increase occupancy for West End
- Current deferred maintenance needs
- Future meter repair/replacement
- Improved technology for lots/decks

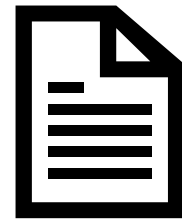
FY23 = \$6.1 MILLION



People
\$1 million

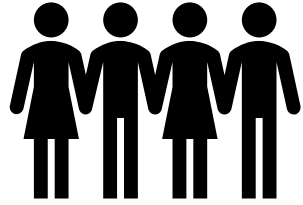


Debt Service
\$3.8 million



Operations
\$1.4 million

HOUSING



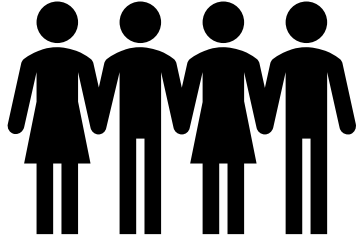
MUNICIPAL DEPARTMENT



LANDLORD/PROPERTY MGR



HUD HOUSING AUTHORITY



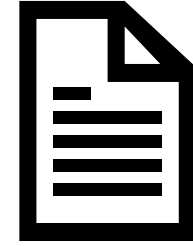
TOWN DEPT

- Most of our budget is staff
- 30% increases for utilities
- Portfolio is aging, labor and materials costs rising



LANDLORD

- Limited capacity for refurbishments
- Reduced resources for tenant programs & training
- Limited resources to help tenant quality of life



HUD AUTHORITY

- Rents down 45% since COVID
- Federal grants have limited flexibility
- Not compensated for 40 units vacant since 2018.

STORM WATER



REALITY CHECK

- National Pollutant Discharge Elimination System (NPDES) MS4 permit requirements
 - Inspection and Maintenance of Stormwater Control Measures
 - Major Outfall Data Collection and Mapping
 - Dry Weather Screening
 - Staffing Needs
- Last fee increase was FY20

"YEAR OF THE GENERAL FUND"

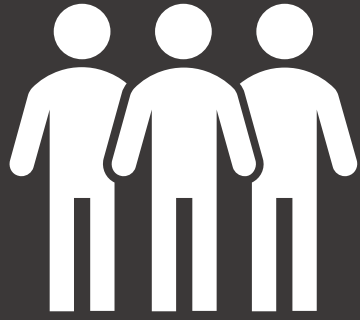
- We've shared a lot of information about our organization's needs
- Everything is important
- The General Fund is how we deliver our essential – and excellent – services

CATCHING UP SCENARIO

	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Staffing	1,350,000	200,000	300,000	400,000	500,000
Operations	250,000	350,000	450,000	550,000	650,000
Facilities	250,000	250,000	250,000	250,000	250,000
Fleet	750,000	250,000	500,000	250,000	250,000
Parks Capital	971,000	18,000	18,000	18,000	18,000
Fire Capital	250,000	250,000	250,000	250,000	47,000
Affordable Housing	282,605	18,000	18,000	18,000	18,000
Council Initiatives	0	0	0	0	0
TOTAL	4,103,605	1,336,000	1,786,000	1,736,000	1,733,000
Scenario Proposal	4.00 cents	1.50 cents	1.50 cents	1.50 cents	1.50 cents

ENTIRE BACKLOG SCENARIO

	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Staffing	1,750,000	750,000	750,000	750,000	750,000
Operations	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Facilities	1,000,000	1,000,000	500,000	500,000	250,000
Fleet	1,250,000	1,000,000	500,000	500,000	250,000
Parks Capital	971,000	18,000	18,000	18,000	18,000
Fire Capital	971,000	18,000	18,000	18,000	18,000
Affordable Housing*	282,605	18,000	18,000	18,000	18,000
Council Initiatives	0	0	0	0	0
TOTAL	7,224,605	3,804,000	2,804,000	2,804,000	2,304,000
Scenario Proposal	7.50 cents	4.00 cents	2.75 cents	2.75 cents	2.25 cents



RECRUITMENT
RETENTION
COMPENSATION
CAPACITY

CURRENT BACKLOG

- Recruitment/Retention \$1,000,000
- New positions \$3,200,000

FIVE YEAR GOAL

Catch Up Scenario	Entire Backlog Scenario
\$ 1,000,000 in FY24	\$ 1,000,000 in FY24
\$350,000 in FY 24	\$750,000 in FY 24
32% of backlog in FY 24	42% of backlog in FY 24
\$2,750,000 over 5 years	\$4,750,000 over 5 years
65% of backlog over 5 years	113% of backlog over 5 years



**CORE FUNCTIONS
OPERATIONS
SERVICES**

CURRENT BACKLOG

- Program increases \$2,100,000
- Program expansions \$4,700,000

FIVE YEAR GOAL

Catch Up Scenario	Entire Backlog Scenario
\$250,000 in FY 24	\$1,000,000 in FY 24
4% of backlog in FY 24	15% of backlog in FY 24
\$ 2,250,000 over 5 years	\$ 5,000,000 over 5 years
33% of backlog over 5 years	74% of backlog over 5 years



**FACILITIES
MAINTENANCE
CAPITAL PROJECTS**

CURRENT BACKLOG

- \$10,100,000

FIVE YEAR GOAL

Catch Up Scenario	Entire Backlog Scenario
\$250,000 in FY 24	\$1,000,000 in FY 24
2% of backlog in FY 24	10% of backlog in FY 24
\$ 1,250,000 over 5 years	\$ 3,250,000 over 5 years
12% of backlog over 5 years	32% of backlog over 5 years



REPLACEMENT
MAINTENANCE
ELECTRIFICATION

CURRENT BACKLOG

- \$9,300,000

FIVE YEAR GOAL

Catch Up Scenario	Entire Backlog Scenario
\$ 750,000	\$ 1,250,000
8% in FY 24	13% in FY 24
\$2,000,000 over 5 years	\$3,500,000 over 5 years
22% of backlog over 5 years	38% of backlog over 5 years



AFFORDABLE HOUSING INITIATIVES

CURRENT BACKLOG

- \$30,000,000

FIVE YEAR GOAL

- Increase AHDR to one penny
- 1 penny = 10-20 units of affordable housing per year (15% of funding need)

IN CLOSING

- What is Council's general takeaway regarding our funding scenarios?
- What else do you want us to know or would you like to see in the budget as we begin preparing the Manager's Recommended Budget?