

Briefing Document

Description: Fiscal Year 2021-2022 Budget

Presenter: Brian Brown

Submitted By: Finance Department

BUDGET PRESENTATION FISCAL YEAR 2022

Honorable Mayor and City Council:

The budget process is constantly ongoing in Washington City. We have listened to comments from the City Council and citizens throughout the year to help guide our budgeting effort. Each department spent many hours working on the 2021-2022 budget. We started formally working on the proposed budget in early February 2021. The departments were directed to budget operational expenses to “maintain” existing service levels that are currently in place and handle increased growth. This means that if they needed some additional funds to maintain this level, then they should go ahead and adjust the budget accordingly. The departments also submitted requests for capital projects, vehicles/equipment, personnel, and one-time expenses. These requests were reviewed by the City Manager and Finance Director in consultation with each department. Attached is the Proposed 2021-2022 Budget for your review.

We are anticipating the housing market to continue on the current trend in Washington City for this budget. According to econometric models, the long-term trend for the United States Building Permits is projected to continue the trend in 2022. Locally, we have large development projects in process that will add to the future needs of the community. The budget includes projections based on approximately 650 new residential permits.

We reduced the earned interest because the Federal Open Market Committee (FOMC) left the target range for its federal funds' rate unchanged at 0-0.25% during its March 2021 meeting and signaled a strong likelihood that there may be no rate hikes through 2023.

One change we are making to this budget is that we are moving the Fleet Fund to the General Fund. This will simplify the accounting. The operating expenses will be allocated based on the Fleet Department's labor hours at fiscal year end.

CAPITAL OUTLAY

Whereas private businesses use profit (revenue (-) expenses) as an indicator of wealth, governments use quality of life indicators. These traditionally will come in the form of capital assets that enhance the health, safety, and general welfare of residents. The 2021-2022 budget, as proposed, includes an investment of \$45 million in capital outlay to further this objective. This is an increase of \$22 million from last year's capital outlay.

Capital Projects

See the attached Capital Projects 2022 to 2026 report.

One-time Funding

One-time funding priorities included in the proposed budget:

Department	Description	Amount
Golf Course	Driving Range Expansion	49,500
Parks	Cartegraph Software	20,000
Parks	Office furniture for the newly constructed Parks, Cemetery, Maintenance Building	6,000

Vehicles and Equipment

Vehicles and equipment requested and included in the proposed budget:

Department	Description	Amount
Community Development	Trucks (2)	48,000
Cemetery	John Deere Gator	8,000
Cemetery	Ford F350 Dump Truck (Dual Axle)	45,000
Fire	Rollover Purchase Of Command Vehicle	39,900
Fire	Replacement Of 2006 F250 Pickup With Equipment	47,000
Golf Course	Truck	27,700
Park	Toro Spraymaster Max	12,500
Park	John Deere Quik Track Mower (2)	15,200
Park	Abi Force Aeator	29,800
Park	Toro 7500-D Mid-Size Mower	35,000
Park	Ford F 350 Four Door Truck	38,000
Police	Replacement Of 3 Outdated Patrol Vehilces And 2 Outdated Animal Control Vehicles And 2 Hire Vehicles	350,000
Streets	Truck Replacement As,Tc	45,000
Capital Project-Streets	Side Cast Broom Ms	30,000
Water	Scanner Ms	8,300
Water	New Hire Truck	24,000
Water	Truck Roll Out Ld	51,000
Water	Hydro Excavator Ld	85,000
Water	Power Screen For Bedding Ld	120,000
Sewer	Scanner Ms	8,300
Sewer	Chain Hoist Lift Station Ms	10,000
Sewer	New Hire Truck Ms	24,000
Sewer	Annual Rollout Ms	44,000
Power	F150 Rollout	42,500
Power	Rollout	53,000
Power	Bucket Truck	200,000
Storm	Scanner Ms	8,300
Storm	Truck Roll Out Ms	45,000

If you have any questions regarding the proposed fiscal year 2021-2022 budget, please email me or we can meet to discuss your questions. I am available for individual meetings regarding the budget.