

Clearfield City | April 27, 2021

Draft Fiscal Year 2022 Budget Fourth Discussion

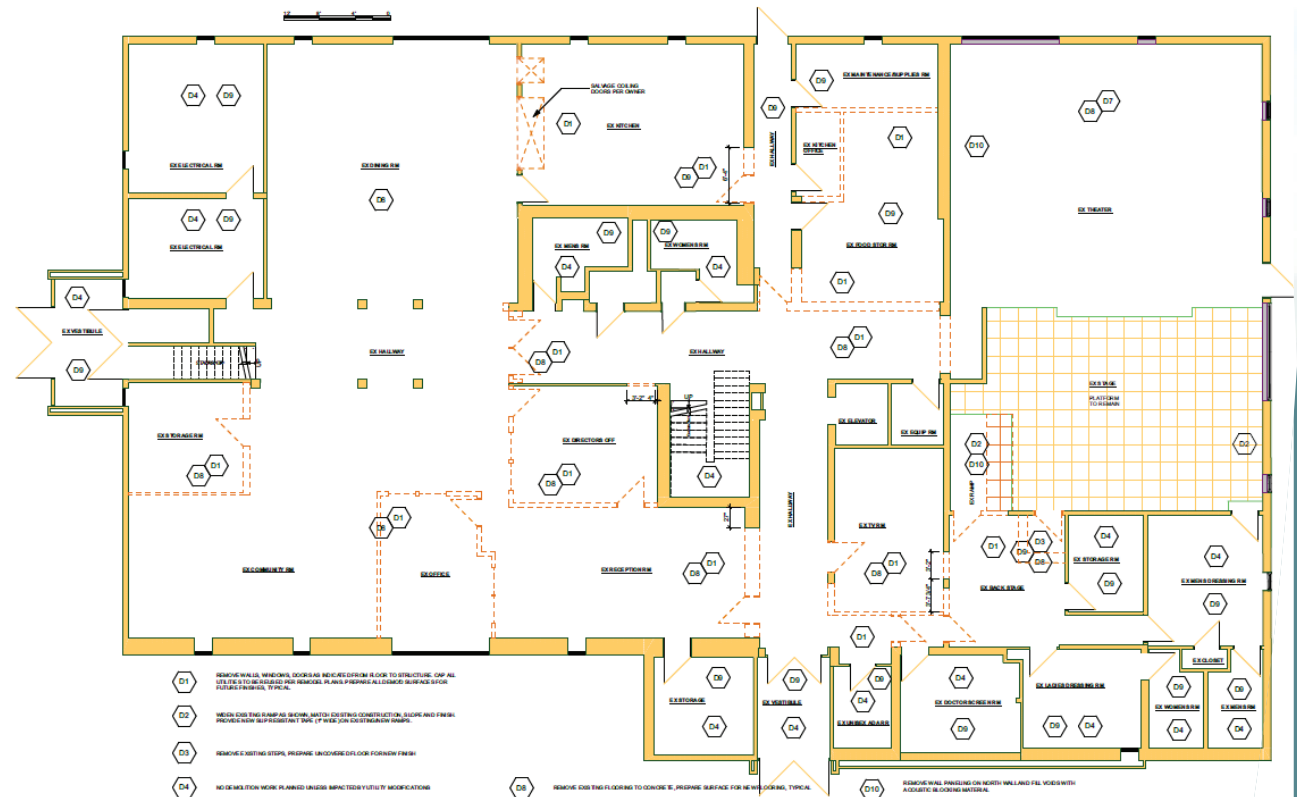
Agenda & Future Meetings

- Aquatic & Fitness Center Refresh
- Questions to Answer
- Health Insurance
- Overall Current Status
- Debt
- Larger Operational Items
- Vehicle, Machinery, & Equipment
- Questions from Budget Details



Capital Projects-Facilities

- Arts Center – First floor renovation - \$550k
 - FY21 Set aside \$150k
 - FY22 new GF \$150k
 - PARAT \$250k





Aquatic and Fitness Center Intro to the Facility Plan

Future Capital—CAFC

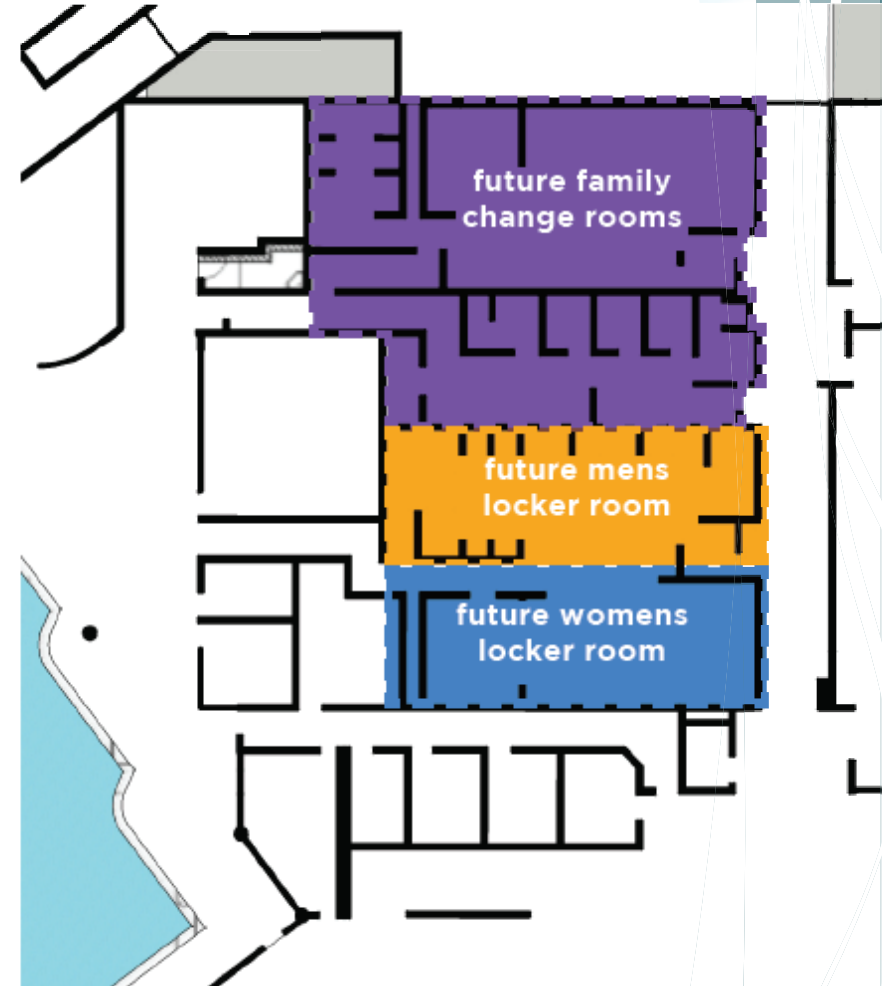
- Total Amenity Cost with no expansion – \$5.85M
- All Amenities plus Option 1 = \$10.7M
- All Amenities plus Option 2 = \$14.1M
- All Amenities plus Option 3 = \$18.9M

Amenity	Construction Cost	Soft Cost	Total Costs*
New Elevator	\$ 262,500	\$ 65,625	\$ 328,125
Locker Room Renovation	\$ 1,701,000	\$ 425,250	\$ 2,126,250
Relocate Weight Room	\$ 220,500	\$ 55,125	\$ 275,625
Relocate Staff Offices	\$ 43,313	\$ 10,828	\$ 54,141
Improve Ventilation	\$ 94,500	\$ 23,625	\$ 118,125
Reconfigure Fitness Area	\$ 472,500	\$ 118,125	\$ 590,625
Fitness Studio Expansion	\$ 1,155,000	\$ 288,750	\$ 1,443,750
Outdoor Fitness Patio	\$ 84,000	\$ 21,000	\$ 105,000
Renovate to add Teen Center	\$ 483,000	\$ 120,750	\$ 603,750
Outdoor Recreation Expansion	\$ 170,625	\$ 42,656	\$ 213,281
Aquatic Expansion			
Option 1	\$ 3,905,000	\$ 976,250	\$ 4,881,250
Option 2	\$ 6,620,000	\$ 1,655,000	\$ 8,275,000
Option 3	\$ 10,440,000	\$ 2,610,000	\$ 13,050,000

CAFC Amenity – New Elevator \$328k



CAFC Amenity Options – Locker Room \$2.1M



CAFC Amenity – Expand/Relocate Weight Room \$275k

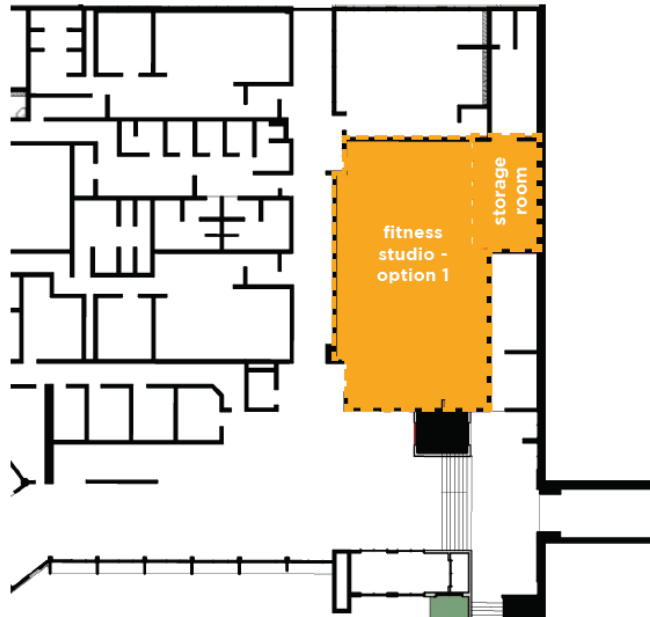


CAFC Amenity – Reconfigure Fitness Area \$590k



CAFC Amenity – Relocate or Expand Fitness Studio \$1.4M

Option 1: relocate the fitness studio to the weight room area



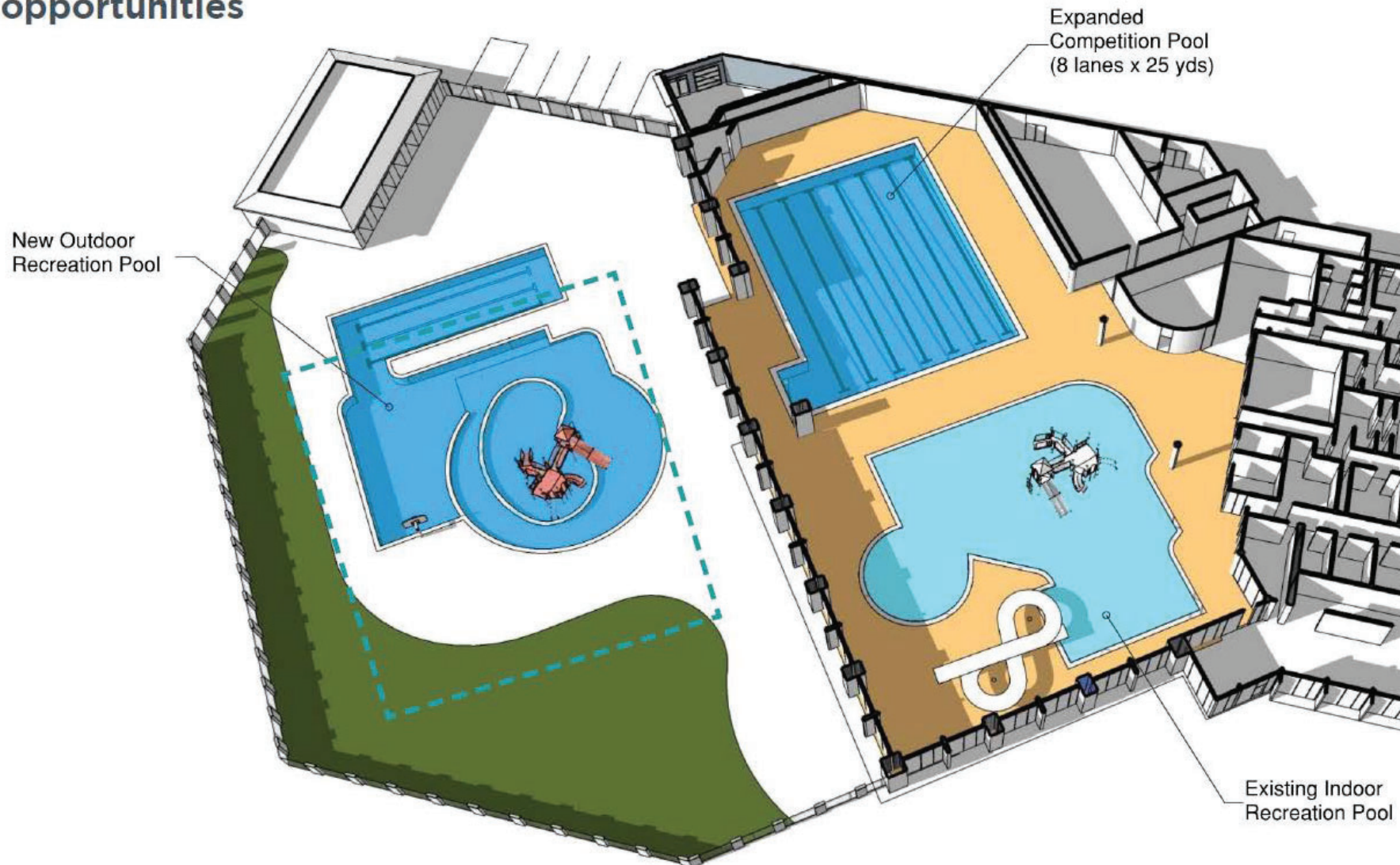
Option 2: expand the facility to accommodate a new, larger fitness studio



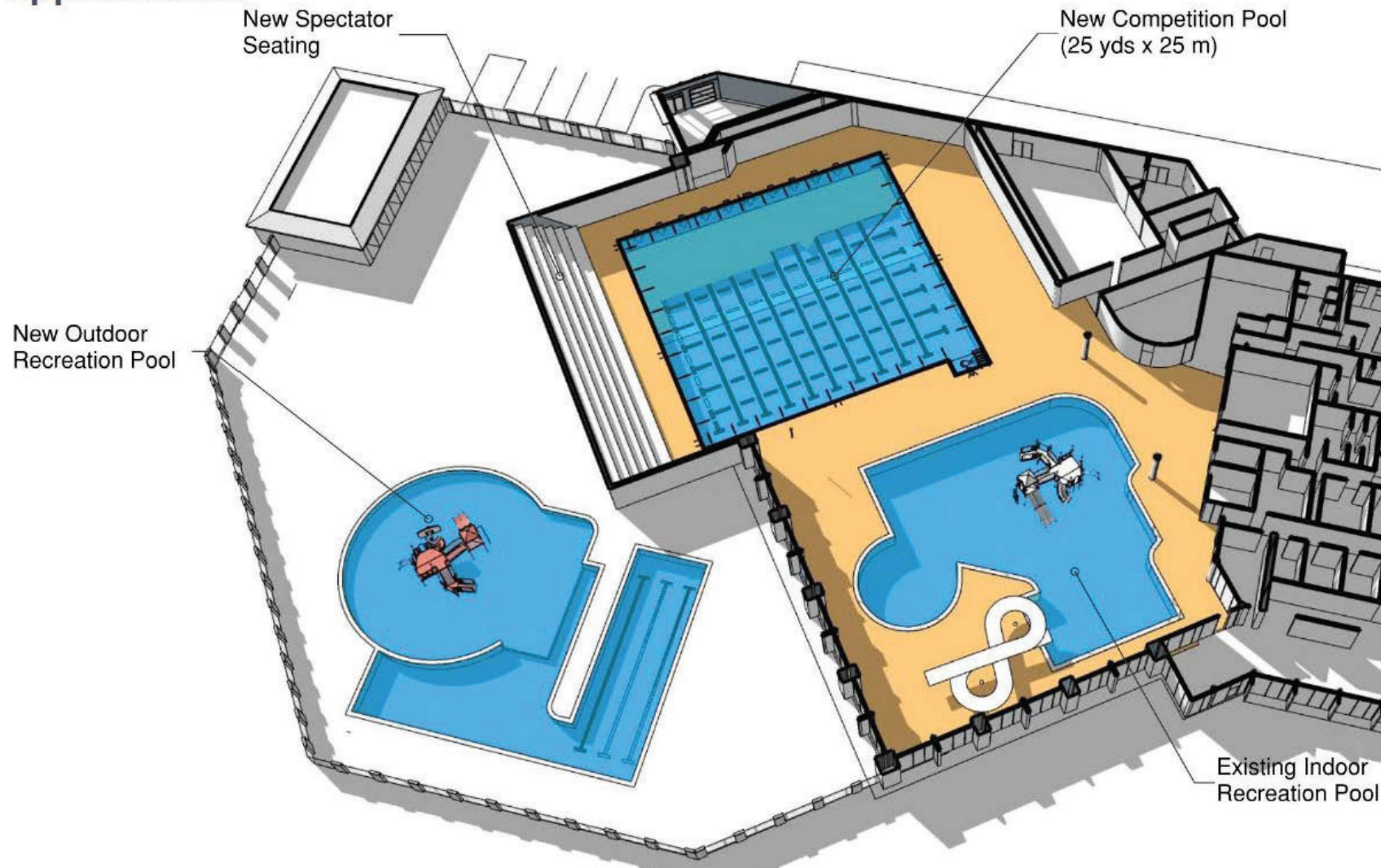
CAFC Amenity – Teen Center \$600k, Outdoor Patio \$100k



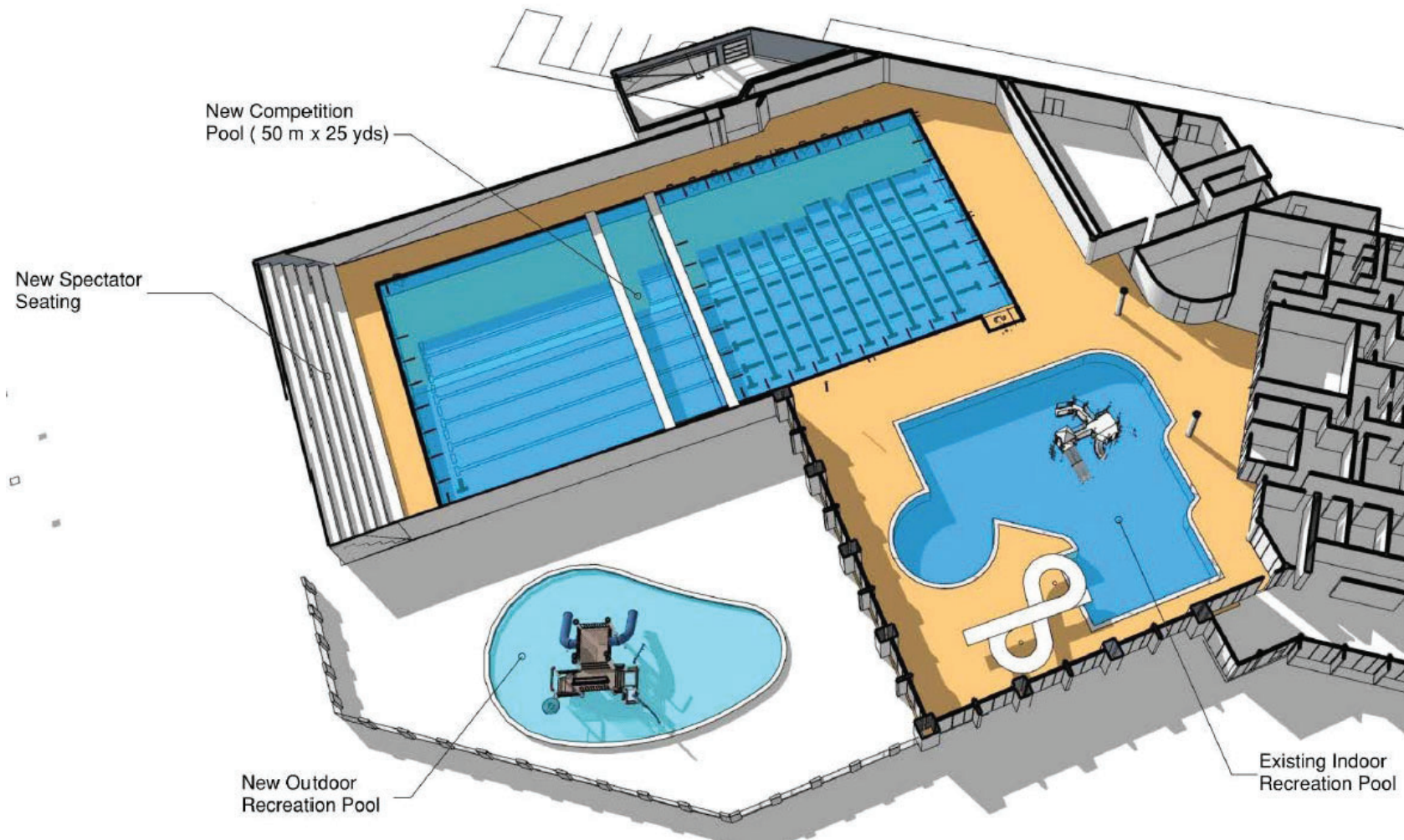
Option 1: maintain existing indoor pool and expand outdoor aquatic opportunities



Option 2: Expand indoor aquatics and provide expanded outdoor opportunities



Option 3: Expand indoor aquatics to accomodate a 50-meter pool and provide expanded outdoor opportunities



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Questions to Answer, Compensation, Current Status

Questions to Answer

- Commit the remaining GO Bond Recapture?
- Increase Water Base Charge by 7% July 1?
- Bond in Utility Funds to keep projects going?
- Anything in the budget you would like modified, postponed, cut, and/or added?
- Do we need/want a meeting next week



Changes Since Last Week

- Medical Insurance Increase – 7% or \$85k
 - Includes new positions
- Grant Revenues Updated





Health Insurance & Market Data

Measure of Sustainability

- \$200k of \$700k Bond recapture moved to operations

General Fund-Budget Net Ongoing Rev & Exp	
Sources	
Revenues	\$18,650,216
Transfer In	\$1,230,200
Non-Operating Revenues	-\$2,103,789
Total Operating Revenue	\$17,776,627
Ongoing Expenditures	
Personnel	\$11,776,210
Materials & Services	\$4,771,632
Debt	\$1,147,091
Total Ongoing & Debt	\$17,694,933
Net Ongoing Surplus	\$81,694

Measure of Security

GFOA Recommendation –
Maintain unrestricted fund balance of
no less than two months of regular
general fund operating expenditures.

2 months of operating expense =
\$2,961,239

Amount above 2-month Operating
Expense = \$329,078

FY21 Revenues higher
& expenses lower

General Fund-Budget Summary

Sources

Revenues & Transfers In	\$19,800,432
Transfer from Restricted	(77,000)
Total Sources	\$19,723,432

Expenditures

Personnel	\$11,848,710
Materials & Services	4,771,632
Debt	1,147,091
Total Operating & Debt	\$17,767,433

One-time Operations Expense	\$427,700
CDBG (pass through)	175,673
Capital	3,943,468
Total One-Time Expenses	\$4,546,841

Total Expenditures **\$22,314,274**

Use of Available Reserves

Use of Available Reserves	<u>\$(2,590,842)</u>
Est Beg Unrestricted Balance	\$5,881,159
End Unrestricted Fund Balance	\$3,290,317
Unrestrctd % of Revenues	17.7%

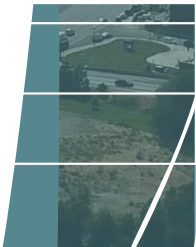


Debt

Debt - Summary

First Payment
Oct 2022
\$508k

	Retire Year	June 30, 2022	June 30, 2021
Revenue Bonds			
2016 Sales Tax - CAFC	FY2029	\$5,991,000	\$6,768,000
2018 Excise Tax - CMHP	FY2033	\$ -	\$6,849,000
2020 Excise Tax – UIA	FY2047	\$12,645,000	12,645,000
2021 Sales Tax – Station	FY2045	\$16,085,000	
2022 CAFC?	FY2042	\$?	
Enterprise Rev Bonds			
2021 Water ?	FY2031?	\$?	\$ -
Loans			
2016 Energy Performance	FY2030	\$1,499,613	\$1,684,473
		\$20,135,613	\$27,946,473
	\$ Change	\$(7,810,860)	
	% Change	-28%	



Debt History by Pledged Revenue

Fiscal Year End	GO Bond	Revenue Bonds	Loans	Enterprise Bonds	Total Debt	Per Capita
2017	3,495,000	10,476,000	2,350,625	920,000	17,241,625	566
2018	2,520,000	16,799,000	2,167,818	625,000	22,111,818	725
2019	1,510,000	15,811,000	2,005,802	320,000	19,646,802	644
2020	500,000	14,803,000	1,832,041	-	17,135,041	562
2021	-	28,069,794	1,652,794	-	28,069,794	921
2022		18,636,000	1,499,613		20,135,613	610



Debt - Bond Capacity

- Pledged Revenues Limit Bond Capacity
 - Sales Tax - ~\$10M left
 - 2028 bond pay off free up
 - Energy Tax - complicated with \$12M UIA
 - 2018 bond pay off free up some
- Net Operating Limits Bond Capacity
 - \$500k operating surplus max borrow = \$7.2M
 - I-15 Beautification \$2M leaves \$5.2M
- Low available cash/fund balance limits bond rating
 - Lower rating = higher rates = less bond capacity



Debt – Future

- Infrastructure Bond—
 - Capitalize interest 3 years
 - Interest only for 2 years
 - Retired in 2044
 - Sales tax pledged, TIF makes the payments
- Water Bond
 - Debt process now—lower cash affects rating
 - Reimbursement Resolution
- Aquatic Center Refresh Bond
 - Not much left to pledge ~\$10 million
 - Could include I-15 beatification here instead of Clearfield Station

