

# 2020-2021 2<sup>nd</sup> Budget Workshop



April 21, 2020

# Agenda

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- Recap of April 7, 2020 Budget Workshop
- Governor's Executive Order 7S – Tax Deferral
- Senior Tax Relief
- Board of Finance Budget Review Discussion

# Proposed General City Budget

Increase

General City Request	\$77,591,075	5.38%
Proposed Reduction	(\$1,927,975)	
Proposed City Budget	\$75,663,100	2.76%



# Capital Outlay Requests

	Requested	Proposed	Funding
City Departments	\$1,223,845	\$628,555	Equipment Building Sinking Fund
Public Works – Fleet	\$1,361,000	\$1,100,000	General Fund
<b>Total</b>	<b>\$2,584,845</b>	<b>\$1,728,555</b>	

# Proposed Capital Outlay – Sinking Fund



*These items will go before the Board of Finance for approval. Items to be funded through the Equipment Building Sinking Fund.*

*No mill rate impact.*

Department	Requested	Proposed
Probate	\$1,900	\$0
IT	\$110,000	\$110,000
Police	\$513,000	\$339,000
Fire	\$89,500	\$62,500
Building	\$30,445	\$27,055
Public Works	\$295,000	\$40,000
Parks	\$184,000	\$50,000
	\$1,223,845	\$628,555

# Proposed Debt Service and Capital Transfers

		Increase (Decrease)
Operating Transfers Out Request	\$12,330,000	3.22%
Proposed Reduction	(\$1,250,000)	
Proposed Operating Transfers Out	\$11,080,000	(7.24%)

# Proposed Board of Education Budget



Increase

BOE Request

\$121,797,185

5.87%

Proposed Reduction

(\$2,166,195)

Proposed BOE Budget

\$119,630,990

3.99%

# Proposed Expenditures 2020-2021 Budget

Department	Adopted 2019-2020 Budget	Proposed 2020-2021 Budget	\$ Increase (Decrease)	% Increase (Decrease)	% Increase (Decrease) of FY 2020
General City*	\$73,628,880	\$75,663,100	\$2,034,220	2.76%	1.01%
Debt Service & Capital Transfers*	\$11,945,000	\$11,080,000	(\$865,000)	(7.24%)	(0.43%)
Education	\$115,040,860	\$119,630,990	\$4,590,130	3.99%	2.29%
<b>Total General Fund</b>	<b>\$200,614,740</b>	<b>\$206,374,090</b>	<b>\$5,759,350</b>	<b>2.87%</b>	<b>2.87%</b>

\*Adjusted to reflect Road Improvements Fund transfers.

# Proposed Revenues 2020-2021 Budget

	Adopted 2019-2020 Budget	Proposed 2020-2021 Budget	Increase (Decrease) \$
Taxes	\$3,475,000	\$3,475,000	\$0
Licenses/Permits	\$1,345,800	\$1,501,300	\$155,500
Charges for Services	\$2,723,245	\$3,104,210	\$380,965
Investment Earnings	\$933,000	\$556,000	(\$377,000)
Other/Misc./Transfers	\$575,265	\$1,183,215	\$607,950
Fed/State Grants	\$44,018,670	\$43,499,925	(\$518,745)
<b>Totals</b>	<b>\$53,070,980</b>	<b>\$53,319,650</b>	<b>\$248,670</b>

**Total Revenue Increase = 0.47%**

# Summary Proposed 2020-2021 Budget

Total Revenues	\$53,319,650
Current Levy – 2020	\$147,543,760
Total Expenditures	<u>(\$206,374,090)</u>
Variance	(\$5,510,680)
Grand List Growth	\$2,032,263
Total	(\$3,478,417)

**Mill Rate Increase Required**

**0.90 Mills  
2.37% Increase**

# Proposed Mill Rate Recap 2020-2021

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Total Request Mill Rate Increase	2.26
<b>Proposed Request Adjustments</b>	
General City	(0.49)
Debt Service/Capital Transfers	(0.32)
BOE	<u>(0.55)</u>
Total Proposed Adjustments	<u>(1.36)</u>
<b>Proposed Mill Increase</b>	<b>0.90</b>
<b>2019-2020 Mill Rate</b>	<b><u>38.05</u></b>
<b>2020-2021 Proposed Mill Rate</b>	<b>38.95</b>

# Mill Impact – Average Taxpayer

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	Assessed Value	Fiscal Year 2020*	Fiscal Year 2021**	Increase \$	Increase %
Motor Vehicle	\$7,645	\$290.89	\$297.77	\$6.88	2.37%
Real Estate	\$127,435	\$4,848.90	\$4,963.59	\$114.69	2.37%
		\$5,139.79	\$5,261.36	\$121.57	2.37%

\* Mill Rate = 38.05

\*\* Mill Rate = 38.95

# Governor's Executive Order 7S

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- Two options:
  - Defer Taxes for 90 days for those affected by COVID-19
  - Reduce interest rate to 3% for the 90 days

## **The City has opted to Defer Taxes until 10/1 for all taxpayers**

- Escrow payments are excluded from this Executive Order
  - Estimated at \$27-\$30 million that will be collected by 8/1/2020

# Senior Tax Relief

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Current cap on program is \$650,000

<u>Income</u>		<u>Credit</u>
\$0 -	\$50,000	\$500
\$50,001	\$60,000	\$500 *

\*Tax credit may be pro-rated based on the program benefit balance after processing applications for taxpayers with incomes between \$0 and \$50,000

# Discussion

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- Additional Changes?
- Pending - State Budget
- Budget Adoption Dates
  - Board of Finance – April 28, 2020/May 12, 2020
  - Joint Meeting – May 18, 2020/June 4, 2020

# Questions??

