



**GARDINER CITY COUNCIL
AGENDA ITEM INFORMATION SHEET**



| | | | |
|---------------------|---------------------------|-------------------|--------------|
| Meeting Date | 05/05/2021 | Department | City Manager |
| Agenda Item | 4.i) FY22 Budget workshop | | |
| Est. Cost | TBD | | |

Background Information

Acting City Manager Anne Davis will continue the presentation of the FY22 Budget presentation. The presentation will coincide with the budget books handed out to councilors. Each Department Head will walk listeners through their departmental budget and will answer questions from Gardiner City Council during individual presentations.

Departmental presentations scheduled to be discussed include "General Government", "Technology", "Police" and, perhaps, "Fire" should time allow.

| | |
|---|--|
| Requested Action | This is a discussion item only. Acting City Manager and Department Heads will be looking for comments and guidance from Gardiner City Council as the presentations commence. |
| City Manager and/or Finance Review | |
| Council Vote/ Action Taken | |
| Departmental Follow-Up | |

| | | | |
|----------------------------|-------------------------------|----------------------------------|--------------------------------|
| City Clerk Use Only | 1 st Reading _____ | Advertised _____ | EFFECTIVE DATE _____ |
| | 2 nd Reading _____ | Advertised _____ w/in 15 Days | |
| | Final to Dept _____ | Updated Book _____ | Online _____ |

5/5/21



FY22 Proposed Budget

Council discussion, debate and public comment

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Prepared & Presented by:

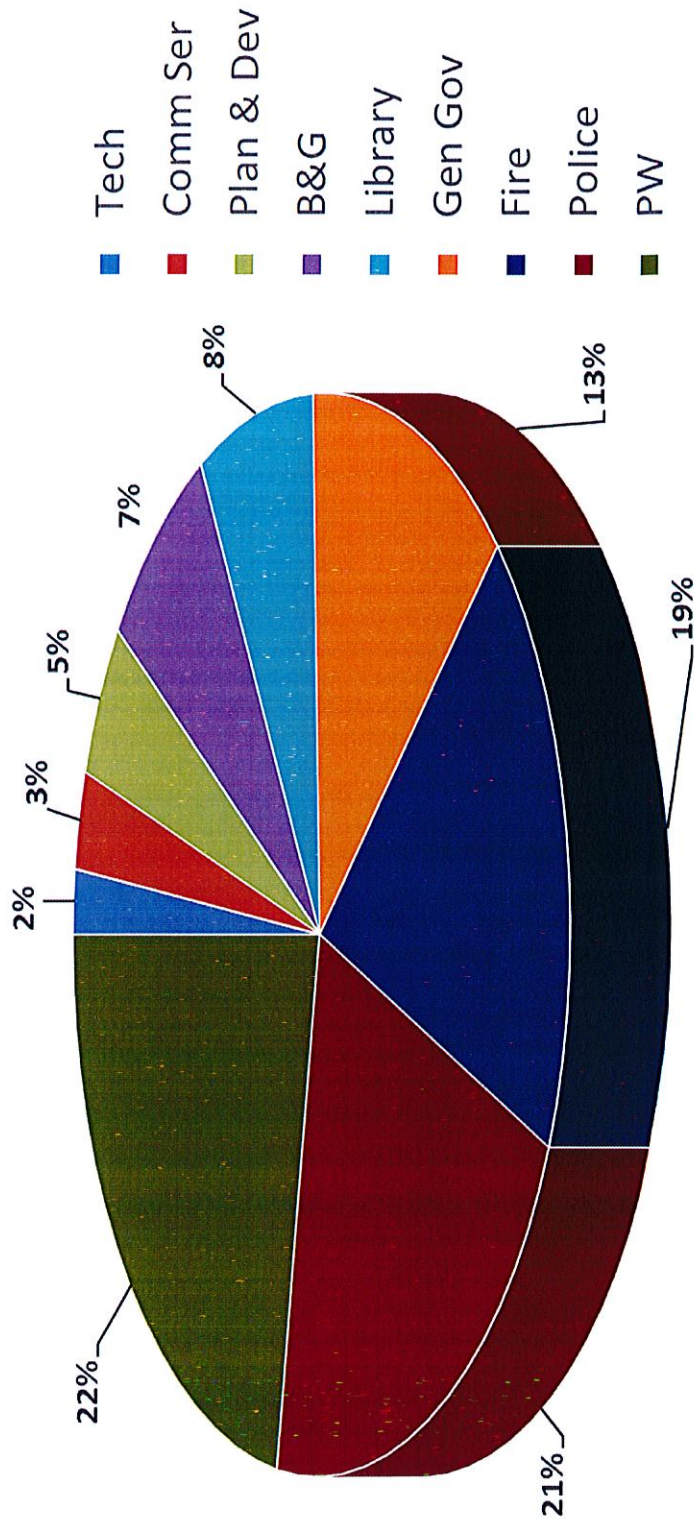
Anne Davis, Acting City Manager | Denise Brown, Finance Director

FY22 Budget Overview

> General Fund

- The City budget is up by \$272,448 (2.58%)
 - This results in a \$0.60 (2.77%) tax rate increase (from \$21.70 to \$22.30)
 - > or \$88.69 for the median home valued at \$146,900
 - **Education and County budget assessments are unknown at this time**
- ## > TIF & Enterprise Funds
- Libby Hill TIF now taking in more revenue than expenses (~\$250K/year) and Downtown TIF remains healthy
 - Ambulance Fund assessments to partner communities same as FY21
 - Wastewater Fund is up substantially due to project interest and capital reserve – last year of 4 year 4% rate increases

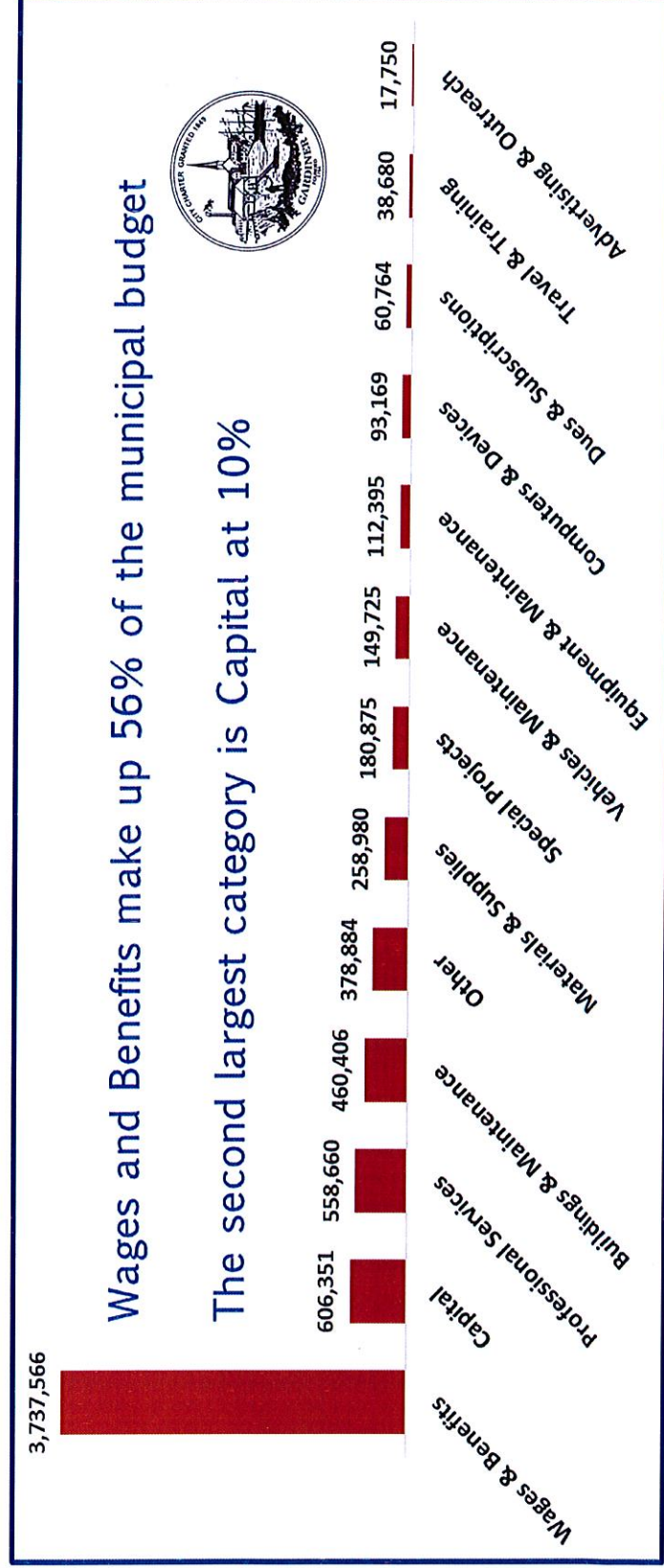
FY22 City Services Budget by Department



* Excludes School and County Budgets

Wages up \$165K

- \$65K for Fire Dept proposal
- normal step increases
- three retirements
- a placeholder for potential union negotiated increases



* Excludes School and County Budgets



FY22 City Services Budget by Category

TAX RATE HISTORY

| Proposed FY22 | 22.30 |
|---------------|-------|
| FY21 | 21.70 |
| FY20 | 21.70 |
| FY19 | 21.40 |
| FY18 | 22.00 |
| FY17 | 21.50 |
| FY16 | 21.60 |
| FY15 | 20.60 |
| FY14 | 19.90 |
| FY13 | 19.90 |
| FY12 | 19.90 |

CPI INCREASE VS TAX RATE INCREASE

Consumer Price Index - Urban (Northeast) vs. Gardiner Tax Increases

| Calendar Year | CPI % of Change | Fiscal Year | Tax Rate % of Change | Difference |
|---------------|-----------------|---------------|----------------------|------------|
| 2021/3 months | 1.39% | FY22/Proposed | 2.76% | 1.37% |
| 2020 | 1.31% | FY21 | 0.00% | -1.31% |
| 2019 | 1.60% | FY20 | 1.40% | -0.20% |
| 2018 | 2.16% | FY19 | -2.73% | -4.89% |
| 2017 | 1.84% | FY18 | 2.33% | 0.49% |
| 2016 | 1.06% | FY17 | -0.46% | -1.52% |
| | 9.35% | | 3.30% | -6.05% |

An additional 6.05% increase to the tax rate would equal an additional \$1.30 on the mil rate

One Time Revenues - FY21 vs FY22

Fiscal Year 2021

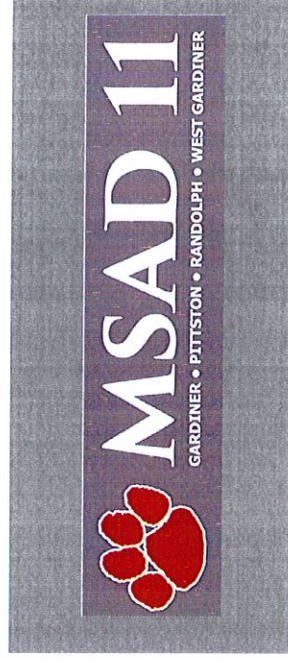
| | <u>FY21</u> |
|--------------------------|----------------|
| LH Lot Sales | 115,000 |
| From Revolving Loan Fund | 50,000 |
| Use of Fund Balance | <u>250,000</u> |
| | 415,000 |

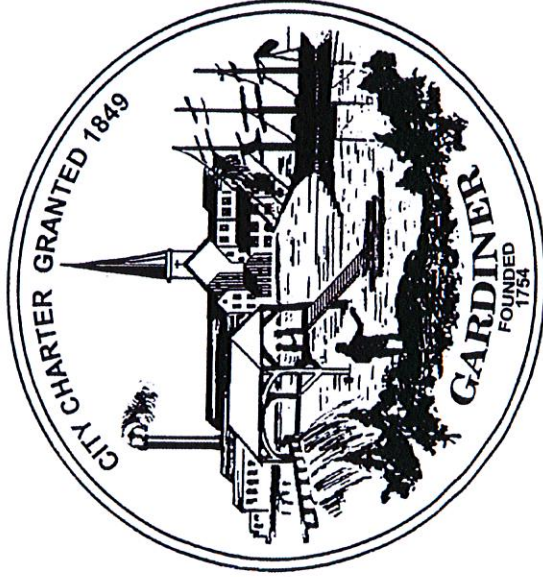
Fiscal Year 2022

| | <u>FY22</u> |
|--------------------------|----------------|
| LH Lot Sales | 100,000 |
| From Revolving Loan Fund | 25,000 |
| Use of Fund Balance | <u>250,000</u> |
| | 375,000 |

CAUTIONS

- Council should give special consideration to a paving plan that allows for annual funding.
- Budgets always rely to some extent on assumptions.
- Assumes that our partner communities for ambulance and library services remain.
- This budget relies on a significant amount of one-time revenue of \$375,000.
- Education and County budgets will likely increase





BUDGET TIMELINE

- 5/12/21: Council discussion and debate of departmental budgets & public comment
- 5/19/21: Council receives updated budget and set public hearing dates
- 6/2/21: Public Hearing and First Read of FY22 Budget
- 6/16/21 Public Hearing and Second/Final Read of FY22 Budget