

Proposed Resolution Establishing Policy Objectives Associated with the Fiscal Year 2024 Budget

(draft revised 5/10/23)

Introduced by: Councilmember Dyballa

WHEREAS, the City Council has adopted Ordinance 2023-XX, approving and adopting a Fiscal Year 2024 Budget for July 1, 2023 – June 30, 2024; and

WHEREAS, as the City recovers from the fiscal and other impacts of the COVID-19 pandemic; and

WHEREAS, City Council has received reports and presentations in the past few months on a 10-year financial forecast, the City's fiscal health, and an organizational assessment; and

WHEREAS, the City Council and City management team desire to work closely throughout the months before the next budget season, to develop and consider policy options and additional revenue sources related to long-term fiscal health of the City, and

WHEREAS, this City Council has identified establishing a long-term fiscal sustainability strategy for the City as a priority goal in the Council's 2023-4 Council priorities; and

WHEREAS, as part of the City Council's review of the proposed FY24 budget, and discussion of 2023-4 priorities, specific policy and revenue options have been identified that may have the potential to improve the city's long-term fiscal health.

NOW, THEREFORE, BE IT RESOLVED THAT the City Council will review revenues, expenditures, reserves and economic projections throughout the fiscal year, and the City Manager will present Council with a quarterly fiscal report on expenditures and revenues; and

BE IT FURTHER RESOLVED THAT the City Council will work with the City Manager and designated staff in the next eight months to review ~~and consider~~ policy ~~options~~ concerning the ~~replacement of City vehicles, equipment and facility repairs, long-term fiscal health of the City,~~ specifically :

- the criteria for vehicle replacement policy;
- the criteria for road maintenance policy; and
- the assumptions behind the Equipment Replacement Reserve; and
- policy options for a Facility Maintenance Reserve policy; and
- ~~relevant recommendations of the 2022 Organizational Assessment; and~~

BE IT FURTHER RESOLVED THAT the City Council will work with the City Manager and designated staff in the next eight months to ~~analyze and~~ consider the feasibility of potential additional revenue sources, specifically:

- a comprehensive list of all city fees and whether any can reasonably be increased;
- increase in the stormwater fee;
- ~~railroad and utility tax increase; and~~
- ~~pursuit of federal and other grants;~~
- a longer-term approach to considering a separate commercial property tax rate.

Adopted this _____ day of May, 2023.

Attest:

Proposed Additions Put Forth by Other Council Members

Councilmember Gibson:

BE IT FURTHER RESOLVED THAT City Council will work with the City Manager to revise the timeline for the Council's engagement in the annual budget process by: 1) holding quarterly review and discussion of fiscal, budgetary and program data with the goal of identifying preliminary budget parameters and 2) beginning formal budget review and deliberations by April 1.

Councilmember Seamens:

WHEREAS, the City Council's 2023-4 priorities document establishes five overarching goals, including fiscally sustainable government; and

WHEREAS, during the Council FY24 budget discussions there was consensus that the 2023-4 priorities include more work than can be accomplished within FY24 budget;

BE IT FURTHER RESOLVED THAT by the end of June the City Council shall review the 2023-4 council priorities to identify the priorities that should be put on hold for the coming year.