



Fiscal Year July 2024 – June 2025

## Budget in Brief

### “Inspiring a Vibrant Community”



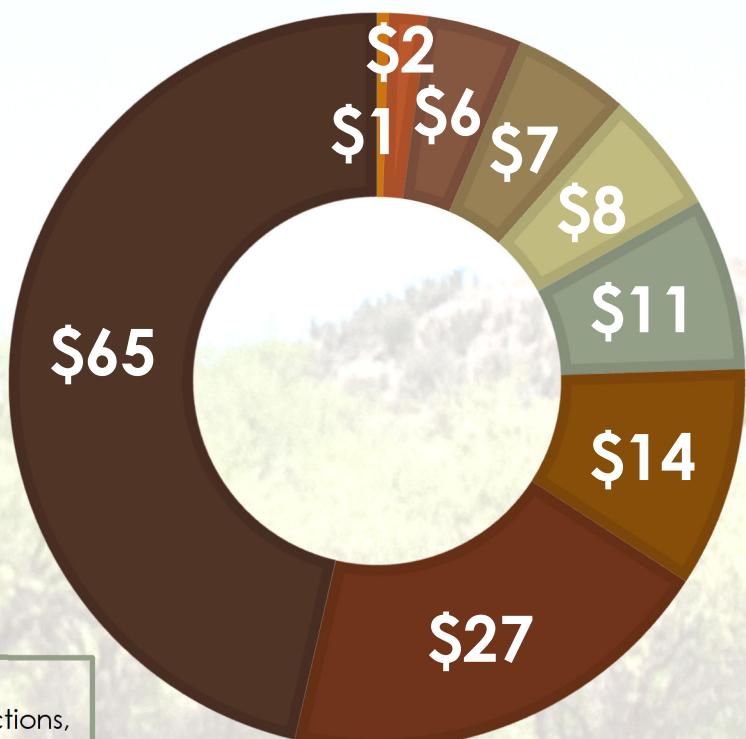
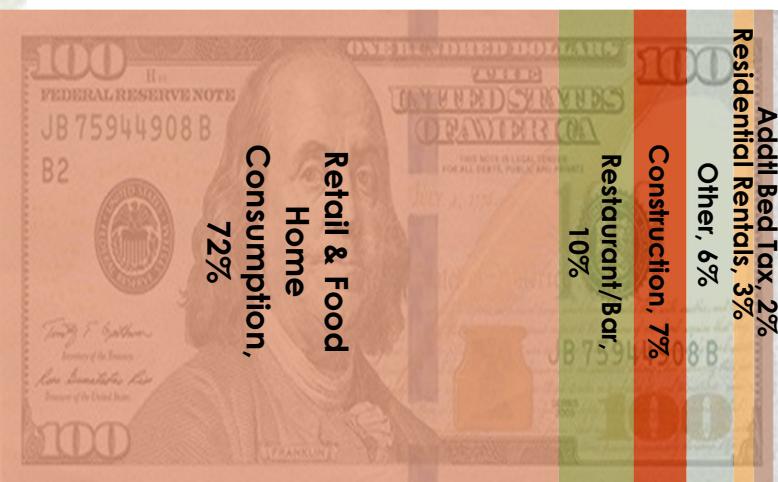
The City Council established the below guiding principles for FY 2023-FY 2025 in the Strategic Plan.



**Total City Budget**  
**\$140M**  **Down 9%**  
 over prior year (PY)

A slowing economy and the completion of several large capital projects contribute to the decrease from prior year estimates. Personnel costs are 16% of the total budget and increased by 12% over the prior year budget. Streets projects such as the Main Street pavement rehabilitation, grant funding for airport projects and projects in the enterprise funds (water & wastewater) show the largest budgeted increase.

### Where the Money Comes From



FY 2025 Budget - \$26.8M - Transaction Privilege Tax – Estimate for FY 2025 is an increase of 3% over FY 2023 collections, minus the loss of residential rental tax. Retail & Retail Food for Home Consumption are 72% of total tax collections.

# Where the Money Goes

29%	Contingencies / Reserves - \$ 40,639,618 <b>Contingencies</b> – Funds that are budgeted for an event or expense that may or may not occur. <b>Reserves</b> – Funds that are reserved for a specific purpose. The City allocates at a percentage of prior year revenues in the General Fund as a General Fund reserve.
27%	Capital Projects - \$ 37,505,445 – Capital projects or Equipment to maintain infrastructure – including streets, airport and water/wastewater projects and large equipment purchases.
5%	Debt Service – \$6,463,815 – Debt Service is the amount allocated to pay annual debt service payments.
6%	Interfund Transfers - \$7,777,592 – Funds that are transferred from the General Fund to other funds to assist in the operations of those funds.
34%	Operational Costs – 34% of total budget – The operational budget is created based on departmental need for services and supplies. Included in this budget are #7 new FTE's, a 3.2% COLA, \$2,080 wage adjustment program, and employee benefits.
	16 % - Personnel Services - \$27,256,920
	10 % - Contractual Services - \$14,453,465
	3 % - Repairs, Maintenance & Supplies - \$3,909,490
	2% - Utilities – \$2,237,616

Debt Principle Balance - End FY 2024	
General Fund	
2015 Pledged Revenue Bond	5,258,825
2016 Pledged Revenue Bond	3,815,000
2021 Pledged Revenue Bond	18,485,000
Purchase Agreements	615,808
Subscriptions	136,971
<b>Total General Fund</b>	<b>\$28,311,604</b>
Enterprise Funds	
2015 WIFA Loan	4,288,507
2016 WIFA Loan	9,388,503
2015 Pledged Revenue Bond	2,096,175
Purchase Agreements	53,022
<b>Total Enterprise Fund</b>	<b>\$15,826,207</b>
<b>Total Outstanding Debt</b>	<b>\$44,137,811</b>
<b>Principle Due End of FY 2024</b>	<b>\$4,392,023</b>
<b>Balance at End of FY 2024</b>	<b>\$39,745,788</b>

## Total Budgeted FTE's (Full-Time Equivalent Employees)

244.8



### Operating Budget Highlights

- The Transaction Privilege Tax Rate is currently 3.5% and is estimated to be up by 3% over FY 2024.
- Budgeted for a half year loss of the Residential Rental tax that was removed by the State. (\$350k)
- Maintains and enhances existing level of services adding 7 full time employees to help maintain service levels.
- Added a 3.2% Cost of Living Adjustment and range increase, a wage adjustment of \$2,080.
- Includes a water rate adjustment and budget to implement a rate study.
- Maintains a 25% reserve of prior year revenues, a CIP Reserve of \$1M
- Adds a \$1M Housing reserve.
- Includes all anticipated grant funding and expenditures, including continued funding for the Transit program and Airport Capital Improvements.

## Capital Improvements Program FY 2023 – 24 CIP Highlights

<b>Water &amp; Wastewater</b>	<ul style="list-style-type: none"> <li>Arsenic Systems - \$ 2,000,000</li> <li>SCADA Design &amp; Construction - \$1,000,000</li> <li>WW - Blower/Aeration Improvements Mingus Plant \$6,016,685</li> <li>WW - Lift Station 2 Rehab \$1,170,000</li> </ul>	<ul style="list-style-type: none"> <li>IT Server Upgrades \$ 65,000</li> <li>IT Printer Replacements - \$ 39,000</li> <li>Animal Control – Truck Boxes - \$ 40,000</li> </ul>	<b>General Fund</b>
<b>Highway User Revenue Fund (HURF)</b>	<ul style="list-style-type: none"> <li>Main Street ADA Improvements grant - \$1,578,435</li> <li>Local Street Reconstruction Project - \$331,000</li> <li>Main street Design/Construction \$9,364,710</li> <li>6<sup>th</sup> Street Rehab Design \$ 312,000</li> </ul>	<ul style="list-style-type: none"> <li>Riverfront Green Space Design \$ 250,000</li> <li>Bathroom Remodel \$15,000</li> <li>Skatepark/Hockey Upgrades - \$ 100,000</li> <li>Develop Riverwalk trail \$ 25,000</li> </ul>	<b>Parks &amp; Recreation /Library</b>
<b>Transit</b>	<ul style="list-style-type: none"> <li>5339 Grant \$ 450,000</li> <li>Printer - \$ 9,400</li> </ul>	<ul style="list-style-type: none"> <li>Flock Cameras - \$25,000</li> <li>Surveillance Trailer Grant - \$ 50,000</li> <li>Generator Communications - \$ 90.000</li> </ul>	<b>Police</b>
<b>Airport</b>	<ul style="list-style-type: none"> <li>Obstruction Mitigation Grant - \$ 559,000</li> <li>Windsock/Segmented Circle Grant - \$270,000</li> <li>Noise Compatibility Study Grant - \$500,000</li> <li>Airfield Lighting – Grant \$1,000,000</li> </ul>	<ul style="list-style-type: none"> <li>Emergency Operations Center - \$12,000</li> <li>Facility Upgrades - \$ 82,000</li> <li>Fire Truck – Carry-over \$ 700,000</li> </ul>	<b>Fire &amp; Medical</b>
<b>Capital Improvements Fund</b>	<ul style="list-style-type: none"> <li>Cottonwood Municipal Center Design - \$ 900,000</li> <li>Drainage Improvements - \$ 400,000</li> <li>Old Town Bathroom Design - \$50,000</li> </ul>	<ul style="list-style-type: none"> <li>Historic Preservation Grant - \$ 20,000</li> <li>Old Town Parking Study - \$75,000</li> </ul>	<b>Community Development</b>