



## SHAKER HEIGHTS

### City Council Agenda At City Hall Council Chambers Monday, November 13, 2023

This meeting is being held in person with an option to join the Zoom meeting online as a viewer or listener and to provide public comment during the meeting from a PC, Mac, iPad, iPhone or Android device at <https://us06web.zoom.us/j/89308468178?pwd=LAXJIDCwQHgdKHH3ZGVvF-MTRGpJFh2p.thT9txT8yCetVRNi>. Password: 33553400: Description: Council Meeting; or join by phone at 833-548-0282 (toll free); Webinar ID: 893 0846 8178, Password: 33553400. International numbers available at <https://zoom.us/u/ahwKbeuA>.

Closed captioning is available but Zoom attendees must turn on this feature in their Zoom settings.

Residents may also submit comments/questions regarding items on the agenda or other items not on the agenda 6 hours in advance of the meeting by emailing **Jeri E. Chaikin** at [jeri.chaikin@shakeronline.com](mailto:jeri.chaikin@shakeronline.com) or by calling **(216) 491-1424**. Comments or questions submitted prior to the meeting will be read into the record at the meeting. The video of the meeting will be available the following day on the City's [website](#).

#### **EXECUTIVE SESSION - 6:00 pm**

To discuss the purchase, sale or the development of real property where premature disclosure of information would give an unfair competitive or bargaining advantage to a person, or otherwise adversely affect the general public interest.

To discuss imminent or pending litigation.

#### **JOINT COUNCIL/FINANCE COMMITTEE WORK SESSION - 7:00 pm**

1. 2023 General Fund Expenditures and Transfers Projections; 2024 General Fund Expenditures and Transfers Budget
  - Mayor David E. Weiss
  - Chief Administrative Officer Jeri E. Chaikin
  - Finance Director John Potts, CPA

Documents:

[COUNCIL PPT EXPENDITURES-TRANSFERS - 2023 PROJ- 2024 BUDGET.PDF](#)  
[EXHIBIT 1 - PROJECTED 2023 EXPENDITURES-TRANSFERS.PDF](#)  
[EXHIBIT 2 - 2024 EXPENDITURES-TRANSFERS BUDGET.PDF](#)

*To request an accommodation for a person with a disability, call the City's ADA Coordinator at 216-491-1440, or Ohio Relay Service at 711 for TTY users.*



SHAKER HEIGHTS

General Fund Expenditures & Transfers  
2023 Projection & 2024 Budget  
November 13, 2023

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City Council & Finance Committee  
Joint Work Session

John Potts – Director of Finance

# 2024 Budget Timeline – Recap

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*The following is a recap of the timeline for the presentation of the 2024 budget:*

- October 10<sup>th</sup> – Transformational and Major Capital projects review
- October 23<sup>th</sup> – 2023 General Fund (GF) projected revenues; 2024 GF revenue budget
- November 13<sup>th</sup> – 2023 GF projected expenditures and transfers; 2024 GF proposed expenditure budget and transfers
- November 27<sup>th</sup> – 2024 proposed capital budget by department
- December 4<sup>th</sup> – 2024 proposed operating and capital budgets (review); 2024 all other fund budgets
- December 18<sup>th</sup> – 2023 clean-up ordinance; adoption of 2024 budget ordinances (operating and capital); adoption of Position Classification and Pay Plan for Non-Bargaining and Seasonal Part-time Employees (HR)

# 2023 Revenue Projection – Recap

## 2023 General Fund Revenue Projections

	Aug YTD	Sep-Dec Projection	2023 Projection	2023 Budget	Var to 2023 Budget	%
Income Tax	29,970,520	12,710,967	42,681,487	39,900,000	2,781,487	7.0%
Property Tax	7,737,475	491,421	8,228,896	8,200,000	28,896	0.4%
Charges for Services	1,989,150	900,575	2,889,725	3,000,000	(110,275)	-3.7%
Licenses & Permits	914,154	195,846	1,110,000	1,110,000	0	0.0%
Local Governmental Fund	641,084	312,859	953,943	1,000,000	(46,057)	-4.6%
Fines & Forfeitures	298,864	164,911	463,775	500,000	(36,225)	-7.2%
Investment Earnings	1,702,675	930,827	2,633,502	1,000,000	1,633,502	163.4%
Other Taxes	82,818	27,600	110,418	95,000	15,418	16.2%
Miscellaneous	1,033,941	68,321	1,102,262	1,304,000	(201,738)	-15.5%
Intergovernmental Revenue	111,689	0	111,689	115,000	(3,311)	-2.9%
<b>General Fund Revenues</b>	<b>44,482,370</b>	<b>15,803,327</b>	<b>60,285,697</b>	<b>56,224,000</b>	<b>4,061,697</b>	<b>7.2%</b>

# 2023 Revenue Projection – Recap

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2023 Revenue Budget: \$56.2 million

**2023 Revenue Projection: \$60.3 million (↑ \$4.1 million)**

Our 2023 projection of revenues will exceed budget mainly due to income tax receipts exceeding budget by \$2.8M and investment earnings exceeding budget by \$1.6M.

# 2023 Expenditures Projection

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2023 Expenditures Projection – utilized August YTD actuals plus projected wages and other expenses from September through December. Other expense budgets, with undetermined year end estimates, were conservatively projected to budgeted amounts.

2023 Expenditures Budget: \$45.0 million

**2023 Expenditures Projected: \$44.2 million (↓ \$0.8 million)**

2023 Transfers Budget: \$11.0 million

**2023 Transfers Projected: \$16.0 million (↑ \$5.0 million)**

Finance has confidence in the 2023 expenditures projection as we compile these estimates late in the budget year. In 2022, actuals came in 0.1% above Projection and in 2021 actuals came in 1.3% below Projection.

# 2023 Expenditures Projection

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Refer to **Exhibit 1** – Projected 2023 General Fund Expenditures & Transfers

- The Administration proposes to transfer an additional \$5.0 million from the projected 2023 surplus to the General Capital Fund toward 2024 capital budget needs and commitments. Funds for capital projects will be discussed at the November 27<sup>th</sup> Capital Budget meeting.
- After the above additional transfer of \$5.0 million, we are projecting a 2023 surplus of \$97K and a General Fund Reserve of 45.5%.



# 2023 Recap After Additional Transfers

	<b>2023 Projection</b>	<b>2023 Budget</b>	<b>2023 Proj vs Budget</b>
<b>Total Operating Expenditures</b>	<b>44,229,178</b>	<b>45,007,005</b>	<b>(777,827)</b>
General Capital Fund	11,000,000	6,000,000	5,000,000
Debt Service Fund	900,000	900,000	0
Police Pension Fund	1,100,000	1,100,000	0
Fire Pension Fund	1,200,000	1,200,000	0
Recreation Fund	1,260,000	1,260,000	0
Self Insurance Fund	500,000	500,000	0
<b>Transfers Out</b>	<b>15,960,000</b>	<b>10,960,000</b>	<b>5,000,000</b>
<b>Total Disbursements</b> (Expenditures + Transfers)	<b>60,189,178</b>	<b>55,967,005</b>	
<b>Total General Fund Revenue</b>	<b>60,285,697</b>	<b>56,224,000</b>	<b>4,061,697</b>
<b>Surplus/(Deficit)</b>	<b>96,519</b>	<b>256,995</b>	
Personal Services	31,477,873	32,255,700	(777,827)
Other Expenses	12,751,305	12,751,305	0
<b>Total Operating Expenditures</b>	<b>44,229,178</b>	<b>45,007,005</b>	<b>(777,827)</b>
<b>Projected Year End GF Balance</b>	<b>27,403,115</b>		
<b>Projected Year End GF Reserve %</b>	<b>45.5%</b>		



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# 2023 Expenditures & Transfers Projection Questions/Comments

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# City Goals & Priorities

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- **Goal 1) Superior Response & Service Delivery** – Deliver outstanding services including safety and public works, with targeted modernization of technology, facilities, and infrastructure as Shaker’s population, commercial development, and number of residential properties continue to grow.
- **Goal 2) Financial Health & Sustainability** – Responsibly manage and deploy necessary resources to fund strategic priorities and capital budget needs. Increase the tax base by maintaining and increasing high quality housing and commercial development.
- **Goal 3) Greenspace and Public Spaces** – Maintain the quality of Shaker’s beautiful greenspaces and public spaces.
- **Goal 4) Recreation** – Determine the level and type of recreation services and programming based on demand and available resources; deliver quality, accessible programming.

# City Goals & Priorities

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- **Goal 5) Human Capital and Talent** – Attract and retain a diverse resident population and staff who contribute to and benefit from Shaker’s welcoming and inclusive culture.
- **Goal 6) Environmental Sustainability** – Educate, advocate for, and support the environmental, economic and social sustainability of the community in partnership with our residents and businesses to meet the needs of our entire community without compromising the resources or well-being of future generations.
- **Goal 7) Quality Housing** – Invest in both new and existing housing to ensure that a diversity of high-quality and well-maintained housing types are available to residents. Encourage both reinvestment in older housing and the growth of additional attractive housing types to meet the needs and desires of current and future residents across a wide spectrum.
- **Goal 8) Economic Development** – Develop and maintain vibrant commercial districts through public/private partnerships and other innovative approaches.

# Framing the 2024 Operating & Capital Budgets

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- Reviewed the City-wide goals adopted by Council for 2023-2024 along with each goal's strategic priorities.
- Identified some of Council's highest strategic priorities that are completed or will be completed in 2023:
  - Doan Brook Restoration and Amenities selected for design.
  - Lower Lake Path design and construction funded.
  - Recreation Study consultant selected and ready for funding.
  - Successful new lateral entry hiring process for police officers.
  - Additional access to school gyms for basketball and pickleball.
  - Internal DEI Assessment completed and recommendations being implemented.
  - Lee Road Action Plan completed and adopted.
  - Inspectors using CitizenServe in the field for Point of Sale inspections.
  - Joint with Beachwood Bryden Road Culvert Project completed.
  - Successful Grow Not Mow sites.

# Framing the 2024 Operating & Capital Budgets

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- Highlighted some of Council's highest strategic priorities that will continue in 2024:
  - Expansion of Mental Health Response Program with \$400K in Federal grant funds.
  - Listening Project consultant to be hired and Community Advisory Group created.
  - DEI Committee engagement of the community.
  - Continued joint deer culling program with Beachwood.
  - Implementation of non-bargaining employee Merit Pay Plan.
  - Arcadia mixed-use development to break ground.
  - Study relocation of schools' bus depot to create Lee Road Neighborhood Center.

# 2024 Budget – Primary Themes

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- The Work From Home impact continues to make it difficult to forecast some income tax trends long term. The expenditures operating budget needs to remain stable, not growing beyond regular increases to personal services (e.g. COLA, bargaining unit negotiated increases, employer health care cost increases, etc.).
- 2024 Personal Services (wages) budget includes a 2.25% cost of living adjustment and a 2.50% merit pay plan adjustment budgeted for all non-bargaining employees. For all bargaining units, the increase is attributable to the Year 3 of 3 impact from the Collective Bargaining Unit negotiations.
- Health Care Equivalent costs are budgeted to increase 5.1% (2023 increase was 11%).
- Inflationary pressures and supply chain disruption continues to increase some materials and supply budgets in addition to a large number of capital project estimates (e.g. concrete costs).

# 2024 Revenue Budget – Recap

## 2024 General Fund Operating Revenue Budget (DRAFT)

	Actual 2022	Budget 2023	Projection 2023	Budget 2024	Budget 2024 to Projected 2023	%
Income Tax	40,601,174	39,900,000	42,681,487	43,750,000	1,068,513	2.5%
Property Tax	8,144,181	8,200,000	8,228,896	8,200,000	(28,896)	-0.4%
Charges for Services	3,027,085	3,000,000	2,889,725	2,930,000	40,275	1.4%
Licenses & Permits	1,386,696	1,110,000	1,110,000	1,257,000	147,000	13.2%
Local Governmental Fund	911,750	1,000,000	953,943	950,000	(3,943)	-0.4%
Fines & Forfeitures	495,691	500,000	463,775	450,000	(13,775)	-3.0%
Investment Earnings	867,933	1,000,000	2,633,502	3,000,000	366,498	13.9%
Other Taxes	97,329	95,000	110,418	95,500	(14,918)	-13.5%
Miscellaneous	1,280,165	1,304,000	1,102,262	1,135,000	32,738	3.0%
Intergovernmental Revenue	116,681	115,000	111,689	115,000	3,311	3.0%
<b>General Fund Revenues</b>	<b>56,928,685</b>	<b>56,224,000</b>	<b>60,285,697</b>	<b>61,882,500</b>	<b>1,596,803</b>	<b>2.6%</b>



# 2024 Expenditures Budget

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## Overall

- A 2.25% cost of living adjustment and a 2.50% merit pay plan adjustment budgeted for Non-Bargaining employees. All five bargaining units will be in Year 3 of 3 within their agreements in 2024. Each has their own respective increases (beginning with a 2.25% COLA).
- 5.1% increase in employer and employee health care premium equivalents.
- Most department staffing levels remain at prior year budgeted levels except as noted herein. Vacancies are historically budgeted at the beginning of the year.

# 2024 Expenditures Budget

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## **Police Department**

- The Police Department's authorized sworn manpower limit is 68, currently at 58.
- Personal Services budget reinstates the Summer Student Bike Patrol in 2024 ↑ \$50K
- Grant funded Mental Health Response Team (MHRT) expansion with four other cities.
- Chagrin Valley Dispatch (Police & Fire) ↑ \$45K or 5.1%
- Solon Prisoner Boarding Services ↑ \$27K
- Deer Culling Contract (joint with Beachwood) ↑ \$20K
- Operating Expenses for the VAD Police HUB ↑ \$24K

## **Fire Department**

- The Fire Department is at its full complement of 55 which includes all Firefighters / Paramedics, Lieutenants, Battalion Chiefs and the Fire Inspectors. An administrative position (Business Services Manager) was restored.
- The 2016 Aerial Ladder (five year) truck lease was completed in 2023. This results in an annual savings to Other Expenses of \$144K (debt service) beginning in 2024.

# 2024 Expenditures Budget

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## **Recreation Department**

- Personal Services Part Time and Seasonal ↑ \$100K as minimum wage is increasing from \$10.10 to \$10.45 (3.5% increase).
- No significant other expense budget changes from last year.

## **Planning Department**

- No significant budget changes from last year.

## **Communications & Marketing Department**

- No significant budget changes from last year.

# 2024 Expenditures Budget

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## **Building & Housing Department**

- Reduction in one administrative Full Time employee.
- Misc. Engineering, Architectural Design Service expenses ↓ \$10K. Most of this budget is plans examiner fees and can fluctuate from year to year based on commercial activity. Budget includes anticipated fees from the Arcadia Project. These Plan review fee expenses are pass through expenses and are fully reimbursed to the city through permit fee revenue, dollar for dollar.

## **Mayor's Office**

- Per 2023 Ordinance, Mayor salary increased to \$103K in 2024.

# 2024 Expenditures Budget

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## **Economic Development Department**

- Neighborhood Network Coordinator position replaces outsourced services in Moreland.
- SHDC Annual Contribution (subsidy) increased from \$50K to \$75K as they continue their successful fundraising focus on The Fund to support redevelopment on Lee Road (versus fundraising to support operations). This strategy strongly supports the City's ED efforts. The SHDC budget deficit is approximately \$35,000 and the Administration is recommending an increase in our contribution back to \$75,000 for 2024.

# 2024 Expenditures Budget

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## Public Works Department

- Temporary (Seasonal) Labor ↑ \$36K as it is requiring higher wages to get and maintain temp staffing
- Materials ↑ \$41K as mulch, top soil, etc. prices are higher
- Vehicle parts and supply costs inflationary increases ↑ \$75K
- Landfill Disposal Services contract increase expected ↑ \$75K
- Organic Disposal Costs (pricing coming down) ↓ \$23K
- Fuel & Diesel charges ↓ \$20K

# 2024 Expenditures Budget

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## **CAO Department (includes DEI)**

- One Full Time employee for one year to assist with the implementation of the Listening Project.
- \$50K for Listening Project Consultant

## **Finance Department**

- No significant budget changes from last year.

## **Law Department**

- Other Expenses up mainly due to potential increased Legal Services for Union contracts expiring at the end of 2024 and continued Horseshoe Lake litigation. There are also increases in Court appointed legal counsel fees.

# 2024 Expenditures Budget

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## **City Council**

- Additional funds added to other expense budget for Council Chambers audio/visual assistance with hybrid meetings in 2024.

## **Municipal Court**

- No significant budget changes from last year.



# 2024 Expenditures Budget

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## **Human Resources & Civil Service Departments**

- One Part Time position increased to a Full Time position to add a Recruitment function.
- \$16K Paid Internship Program moved from Other Expenses (2023) to Personal Services line (2024) for proper budget tracking.
- Additional funds (\$17K) added to Civil Service Other Expenses budget for entry level and promotional Police and Fire exams in 2024.

## **Information Technology Department**

- No significant budget changes from last year.

# 2024 Expenditures Budget

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## **Contractual Charges & Statutory Expenses (CCSE) Department**

- A reallocation of \$62K in expenses (unemployment comp; employee assistance program; employee awards) from the Personal Services line to the Other Expenses line for proper budget tracking.
- ↑ \$14K for Cuyahoga County Board of Health contract.
- ↑ \$100K Support of Shaker Historical Society
- ↑ \$49K Insurance Premiums (10%)

# 2024 Transfers Budget

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- \$8.5M – General Capital Fund (funding 2025 capital)
- \$975K – Debt Service Fund
- \$3.7M – Police and Fire Pension Funds (restore to a 100% reserve)
- \$1.0M – Recreation Fund (General Fund subsidy)
- \$400K – Self Insurance Fund

# 2024 Expenditures Budget

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Refer to **Exhibit 2** – Budgeted 2024 General Fund Expenditures & Transfers

- In keeping with our city goal of Superior Response & Service Delivery, Police, Fire & Public Works personal services budget represents **71%** of the total City personal services budget and **51%** of the total City operating budget (personal services plus other expenses).

# 2024 Expenditures Budget

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## Overall Recap of 2024 Budget

➤ <b>General Fund Operating Revenues Budget</b>	<b>\$61,882,500</b>
➤ <b>General Fund Operating Expenditures Budget</b>	<b>(\$47,321,758)</b>
➤ <b>General Fund Transfers Budget</b>	<b><u>(\$14,555,000)</u></b>
➤ <b>Budget Revenues exceed Disbursements</b>	<b>\$5,742</b>
<b>Projected General Fund Reserve end of 2024</b>	<b>44.3%</b>



SHAKER HEIGHTS

# 2024 Expenditures & Transfers Budget Questions/Comments

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# Next Budget Meeting

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**November 27, 2023 Joint Council / Finance Committee Meeting:**

- ***Presentation of 2024 Capital Budget by Department***
- ***Recap of Transformational & Major Capital Projects***
- ***Presentation of 10 Year Capital Plan (2024-2033)***

# Other Final Reminders for 2024

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- In 2024, the Administration and Council will begin discussing increased Street Lighting Assessments to ensure that an annual General Fund subsidy will not be needed in the future. An increase for the Tree Maintenance Assessment occurred in 2022.
- In 2024, the Administration and Council will begin discussing the need for additional sewer fee increases as May 2023 was the last rate increase from the four year fee schedule (2020 – 2023).





SHAKER HEIGHTS

# Final Questions/Comments

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## EXHIBIT 1 - PROJECTED END OF YEAR 2023 - General Fund Expenditures & Transfers

	2023 Annual Proj	2023 Budget	2023 Proj vs Budget
<b>Police</b>			
Personal Services	9,907,235	10,285,292	(378,057)
Other Expenses	1,867,502	1,867,502	0
<b>Subtotal Police</b>	<b>11,774,737</b>	<b>12,152,794</b>	<b>(378,057)</b>
<b>Fire</b>			
Personal Services	7,581,595	7,412,497	169,098
Other Expenses	858,822	858,822	0
<b>Subtotal Fire</b>	<b>8,440,417</b>	<b>8,271,319</b>	<b>169,098</b>
<b>Recreation</b>			
Personal Services	1,045,933	892,041	153,892
Other Expenses	343,216	343,216	0
<b>Subtotal Recreation</b>	<b>1,389,149</b>	<b>1,235,257</b>	<b>153,892</b>
<b>Planning</b>			
Personal Services	612,212	604,897	7,315
Other Expenses	81,193	81,193	0
<b>Subtotal Planning</b>	<b>693,405</b>	<b>686,090</b>	<b>7,315</b>
<b>Building &amp; Housing</b>			
Personal Services	1,670,015	1,670,004	11
Other Expenses	192,515	192,515	0
<b>Subtotal Building &amp; Housing</b>	<b>1,862,530</b>	<b>1,862,519</b>	<b>11</b>
<b>Communications &amp; Marketing</b>			
Personal Services	443,469	445,487	(2,018)
Other Expenses	471,745	471,745	0
<b>Subtotal C&amp;M</b>	<b>915,214</b>	<b>917,232</b>	<b>(2,018)</b>
<b>Economic Development</b>			
Personal Services	329,075	344,248	(15,174)
Other Expenses	574,264	574,264	0
<b>Subtotal Economic Development</b>	<b>903,339</b>	<b>918,512</b>	<b>(15,174)</b>
<b>Public Works</b>			
Personal Services	4,884,475	5,180,243	(295,769)
Other Expenses	4,633,368	4,633,368	0
<b>Subtotal Public Works</b>	<b>9,517,843</b>	<b>9,813,611</b>	<b>(295,769)</b>

## EXHIBIT 1 - PROJECTED END OF YEAR 2023 - General Fund Expenditures & Transfers

	2023 Annual Proj	2023 Budget	2023 Proj vs Budget
<b>Mayor's Office</b>			
Personal Services	227,284	226,122	1,162
Other Expenses	34,960	34,960	0
<b>Subtotal Mayor's Office</b>	<b>262,244</b>	<b>261,082</b>	<b>1,162</b>
<b>Chief Administrator's Office</b>			
Personal Services	384,391	385,135	(745)
Other Expenses	63,979	63,979	0
<b>Subtotal Chief Administrator's Office</b>	<b>448,370</b>	<b>449,114</b>	<b>(745)</b>
<b>Finance</b>			
Personal Services	763,042	750,493	12,549
Other Expenses	247,970	247,970	0
<b>Subtotal Finance</b>	<b>1,011,012</b>	<b>998,463</b>	<b>12,549</b>
<b>Law</b>			
Personal Services	705,455	695,865	9,590
Other Expenses	156,183	156,183	0
<b>Subtotal Law</b>	<b>861,638</b>	<b>852,048</b>	<b>9,590</b>
<b>Council</b>			
Personal Services	150,062	147,078	2,984
Other Expenses	38,083	38,083	0
<b>Subtotal Council</b>	<b>188,145</b>	<b>185,161</b>	<b>2,984</b>
<b>Municipal Court</b>			
Personal Services	1,951,349	2,300,886	(349,537)
Other Expenses	101,229	101,229	0
<b>Subtotal Municipal Court</b>	<b>2,052,578</b>	<b>2,402,115</b>	<b>(349,537)</b>
<b>Human Resources</b>			
Personal Services	320,739	358,585	(37,847)
Other Expenses	174,212	174,212	0
<b>Subtotal Human Resources</b>	<b>494,951</b>	<b>532,797</b>	<b>(37,847)</b>
<b>Civil Service</b>			
Personal Services	31,825	31,640	185
Other Expenses	66,407	66,407	0
<b>Subtotal Civil Service</b>	<b>98,232</b>	<b>98,047</b>	<b>185</b>

## EXHIBIT 1 - PROJECTED END OF YEAR 2023 - General Fund Expenditures & Transfers

	2023 Annual Proj	2023 Budget	2023 Proj vs Budget
<b>Information Technology</b>			
Personal Services	407,720	463,187	(55,467)
Other Expenses	140,579	140,579	0
<b>Subtotal Information Technology</b>	<b>548,299</b>	<b>603,766</b>	<b>(55,467)</b>
<b>CCSE</b>			
Personal Services	62,000	62,000	0
Other Expenses	2,705,078	2,705,078	0
<b>Subtotal CCSE</b>	<b>2,767,078</b>	<b>2,767,078</b>	<b>0</b>
<b>Total Operating Expenditures</b>	<b>44,229,178</b>	<b>45,007,005</b>	<b>(777,827)</b>
General Capital Fund	11,000,000	6,000,000	5,000,000
Debt Service Fund	900,000	900,000	0
Police Pension Fund	1,100,000	1,100,000	0
Fire Pension Fund	1,200,000	1,200,000	0
Recreation Fund	1,260,000	1,260,000	0
Self Insurance Fund	500,000	500,000	0
<b>Transfers Out</b>	<b>15,960,000</b>	<b>10,960,000</b>	<b>5,000,000</b>
<b>Total Disbursements</b> (Expenditures + Transfers)	<b>60,189,178</b>	<b>55,967,005</b>	
<b>Total General Fund Revenue</b>	<b>60,285,697</b>	<b>56,224,000</b>	<b>4,061,697</b>
<b>Surplus/(Deficit)</b>	<b>96,519</b>	<b>256,995</b>	
Personal Services	31,477,873	32,255,700	(777,827)
Other Expenses	12,751,305	12,751,305	0
<b>Total Operating Expenditures</b>	<b>44,229,178</b>	<b>45,007,005</b>	<b>(777,827)</b>
<b>Projected Year End GF Balance</b>	<b>27,403,115</b>		
<b>Projected Year End GF Reserve %</b>	<b>45.5%</b>		

### Assumptions

Personal Services - 2023 projection based off of 8 months actual and 4 months projection.

Other Expenses - 2023 projections were left at budget to be conservative.

**Exhibit 2 - 2024 Budget - General Fund Operating Expenditures & Transfers**

	<b>2023 Budget</b>	<b>2023 Proj</b>	<b>2024 Budget</b>	<b>2024 Bud v 2023 Proj</b>	<b>% Var</b>	<b>2024 Bud v 2023 Bud</b>	<b>% Var</b>
<b>Police</b>							
Personal Services	10,285,292	9,907,235	10,897,754	990,519	10.0%	612,462	6.0%
Other	1,867,502	1,867,502	1,984,610	117,108	6.3%	117,108	6.3%
<b>Subtotal Police</b>	<b>12,152,794</b>	<b>11,774,737</b>	<b>12,882,364</b>	<b>1,107,627</b>	<b>9.4%</b>	<b>729,570</b>	<b>6.0%</b>
<b>Fire</b>							
Personal Services	7,412,497	7,581,595	7,846,682	265,087	3.5%	434,185	5.9%
Other	858,822	858,822	715,847	(142,975)	-16.6%	(142,975)	-16.6%
<b>Subtotal Fire</b>	<b>8,271,319</b>	<b>8,440,417</b>	<b>8,562,529</b>	<b>122,112</b>	<b>1.4%</b>	<b>291,210</b>	<b>3.5%</b>
<b>Recreation</b>							
Personal Services	892,041	1,045,933	1,044,065	(1,868)	-0.2%	152,024	17.0%
Other	343,216	343,216	364,366	21,150	6.2%	21,150	6.2%
<b>Subtotal Recreation</b>	<b>1,235,257</b>	<b>1,389,149</b>	<b>1,408,431</b>	<b>19,282</b>	<b>1.4%</b>	<b>173,174</b>	<b>14.0%</b>
<b>Planning</b>							
Personal Services	604,897	612,212	631,987	19,775	3.2%	27,090	4.5%
Other	81,193	81,193	81,242	49	0.1%	49	0.1%
<b>Subtotal Planning</b>	<b>686,090</b>	<b>693,405</b>	<b>713,229</b>	<b>19,824</b>	<b>2.9%</b>	<b>27,139</b>	<b>4.0%</b>
<b>Building &amp; Housing</b>							
Personal Services	1,670,004	1,670,015	1,695,857	25,842	1.5%	25,853	1.5%
Other	192,515	192,515	179,465	(13,050)	-6.8%	(13,050)	-6.8%
<b>Subtotal Building &amp; Housing</b>	<b>1,862,519</b>	<b>1,862,530</b>	<b>1,875,322</b>	<b>12,792</b>	<b>0.7%</b>	<b>12,803</b>	<b>0.7%</b>
<b>Communications and Marketing</b>							
Personal Services	445,487	443,469	465,902	22,433	5.1%	20,415	4.6%
Other	471,745	471,745	471,945	200	0.0%	200	0.0%
<b>Subtotal C&amp;M</b>	<b>917,232</b>	<b>915,214</b>	<b>937,847</b>	<b>22,633</b>	<b>2.5%</b>	<b>20,615</b>	<b>2.2%</b>
<b>Economic Development</b>							
Personal Services	344,248	329,075	434,053	104,979	31.9%	89,805	26.1%
Other	574,264	574,264	594,414	20,150	3.5%	20,150	3.5%
<b>Subtotal ED</b>	<b>918,512</b>	<b>903,339</b>	<b>1,028,467</b>	<b>125,129</b>	<b>13.9%</b>	<b>109,955</b>	<b>12.0%</b>
<b>Public Works</b>							
Personal Services	5,180,243	4,884,475	5,278,027	393,553	8.1%	97,784	1.9%
Other	4,633,368	4,633,368	4,828,403	195,035	4.2%	195,035	4.2%
<b>Subtotal Public Works</b>	<b>9,813,611</b>	<b>9,517,843</b>	<b>10,106,430</b>	<b>588,588</b>	<b>6.2%</b>	<b>292,819</b>	<b>3.0%</b>
<b>Mayor</b>							
Personal Services	226,122	227,284	250,562	23,279	10.2%	24,440	10.8%
Other	34,960	34,960	44,485	9,525	27.2%	9,525	27.2%
<b>Subtotal Mayor</b>	<b>261,082</b>	<b>262,244</b>	<b>295,047</b>	<b>32,804</b>	<b>12.5%</b>	<b>33,965</b>	<b>13.0%</b>
<b>Chief Admin Officer</b>							
Personal Services	385,135	384,391	506,226	121,836	31.7%	121,091	31.4%
Other	63,979	63,979	113,979	50,000	78.2%	50,000	78.2%
<b>Subtotal CAO</b>	<b>449,114</b>	<b>448,370</b>	<b>620,205</b>	<b>171,836</b>	<b>38.3%</b>	<b>171,091</b>	<b>38.1%</b>
<b>Finance</b>							
Personal Services	750,493	763,042	768,678	5,637	0.7%	18,185	2.4%
Other	247,970	247,970	249,120	1,150	0.5%	1,150	0.5%
<b>Subtotal Finance</b>	<b>998,463</b>	<b>1,011,012</b>	<b>1,017,798</b>	<b>6,787</b>	<b>0.7%</b>	<b>19,335</b>	<b>1.9%</b>
<b>Law</b>							
Personal Services	695,865	705,455	727,099	21,644	3.1%	31,234	4.5%
Other	156,183	156,183	246,433	90,250	57.8%	90,250	57.8%
<b>Subtotal Law</b>	<b>852,048</b>	<b>861,638</b>	<b>973,532</b>	<b>111,894</b>	<b>13.0%</b>	<b>121,484</b>	<b>14.3%</b>

**Exhibit 2 - 2024 Budget - General Fund Operating Expenditures & Transfers**

	<b>2023 Budget</b>	<b>2023 Proj</b>	<b>2024 Budget</b>	<b>2024 Bud v 2023 Proj</b>	<b>% Var</b>	<b>2024 Bud v 2023 Bud</b>	<b>% Var</b>
<b>City Council</b>							
Personal Services	147,078	150,062	148,143	(1,919)	-1.3%	1,065	0.7%
Other	38,083	38,083	44,800	6,717	17.6%	6,717	17.6%
<b>Subtotal City Council</b>	<b>185,161</b>	<b>188,145</b>	<b>192,943</b>	<b>4,798</b>	<b>2.6%</b>	<b>7,782</b>	<b>4.2%</b>
<b>Municipal Court</b>							
Personal Services	2,300,886	1,951,349	2,352,520	401,171	20.6%	51,634	2.2%
Other	101,229	101,229	111,299	10,070	9.9%	10,070	9.9%
<b>Subtotal Municipal Court</b>	<b>2,402,115</b>	<b>2,052,578</b>	<b>2,463,819</b>	<b>411,241</b>	<b>20.0%</b>	<b>61,704</b>	<b>2.6%</b>
<b>Human Resources</b>							
Personal Services	358,585	320,739	421,426	100,688	31.4%	62,841	17.5%
Other	174,212	174,212	164,312	(9,900)	-5.7%	(9,900)	-5.7%
<b>Subtotal Human Resources</b>	<b>532,797</b>	<b>494,951</b>	<b>585,738</b>	<b>90,788</b>	<b>18.3%</b>	<b>52,941</b>	<b>9.9%</b>
<b>Civil Service</b>							
Personal Services	31,640	31,825	31,883	58	0.2%	243	0.8%
Other	66,407	66,407	84,247	17,840	26.9%	17,840	26.9%
<b>Subtotal Civil Service</b>	<b>98,047</b>	<b>98,232</b>	<b>116,130</b>	<b>17,898</b>	<b>18.2%</b>	<b>18,083</b>	<b>18.4%</b>
<b>Information Technology</b>							
Personal Services	463,187	407,720	487,152	79,432	19.5%	23,965	5.2%
Other	140,579	140,579	140,779	200	0.1%	200	0.1%
<b>Subtotal IT</b>	<b>603,766</b>	<b>548,299</b>	<b>627,931</b>	<b>79,632</b>	<b>14.5%</b>	<b>24,165</b>	<b>4.0%</b>
<b>CCSE</b>							
Personal Services	62,000	62,000	0	(62,000)	-100.0%	(62,000)	-100.0%
Other	2,705,078	2,705,078	2,913,996	208,918	7.7%	208,918	7.7%
<b>Subtotal CCSE</b>	<b>2,767,078</b>	<b>2,767,078</b>	<b>2,913,996</b>	<b>146,918</b>	<b>5.3%</b>	<b>146,918</b>	<b>5.3%</b>
<b>Total Operating Expenditures</b>	<b>45,007,005</b>	<b>44,229,178</b>	<b>47,321,758</b>	<b>3,092,580</b>	<b>7.0%</b>	<b>2,314,753</b>	<b>5.1%</b>
To General Capital Fund	6,000,000	11,000,000	8,500,000	(2,500,000)		2,500,000	
To Debt Service Fund	900,000	900,000	975,000	75,000		75,000	
To Police Pension Fund	1,100,000	1,100,000	1,820,000	720,000		720,000	
To Fire Pension Fund	1,200,000	1,200,000	1,860,000	660,000		660,000	
To Recreation Fund	1,260,000	1,260,000	1,000,000	(260,000)		(260,000)	
To Self Insurance Fund	500,000	500,000	400,000	(100,000)		(100,000)	
<b>Transfers</b>	<b>10,960,000</b>	<b>15,960,000</b>	<b>14,555,000</b>	<b>(1,405,000)</b>		<b>3,595,000</b>	
<b>Total Disbursements</b> (Expenditures + Transfers)	<b>55,967,005</b>	<b>60,189,178</b>	<b>61,876,758</b>	<b>1,687,580</b>	<b>2.8%</b>	<b>5,909,753</b>	<b>10.6%</b>
<b>Total General Fund Revenue</b>	<b>56,224,000</b>	<b>60,285,697</b>	<b>61,882,500</b>	<b>1,596,803</b>	<b>2.6%</b>	<b>5,658,500</b>	<b>10.1%</b>
<b>Surplus/(Deficit)</b>	<b>256,995</b>	<b>96,519</b>	<b>5,742</b>	<b>(90,777)</b>		<b>(251,253)</b>	
Personal Services	32,255,700	31,477,873	33,988,016	2,510,143	8.0%	1,732,316	5.4%
Other	12,751,305	12,751,305	13,333,742	582,437	4.6%	582,437	4.6%
<b>Total Operating Expenditures</b>	<b>45,007,005</b>	<b>44,229,178</b>	<b>47,321,758</b>	<b>3,092,580</b>	<b>7.0%</b>	<b>2,314,753</b>	<b>5.1%</b>
<b>Projected Year End GF Cash Balance</b>			<b>27,408,857</b>				
<b>Projected Year End GF Reserve %</b>			<b>44.3%</b>				