

CITY OF LA VISTA
MAYOR AND CITY COUNCIL REPORT
AUGUST 15, 2023 AGENDA

Subject:	Type:	Submitted By:
AMENDING FY23 - FY24 BIENNIAL BUDGET	RESOLUTION ◆ ORDINANCE RECEIVE/FILE	MEG HARRIS FINANCE DIRECTOR

SYNOPSIS

A second reading of the Appropriations Ordinance has been scheduled to consider the proposed amendment to the FY23 – FY24 biennial budget. Only the second reading of the budget ordinance is requested at this time as the final assessed property valuation of the City will not be received from Sarpy County until August 20, 2023.

FISCAL IMPACT

The recommended amended budget for FY24 is \$37,015,801 in all funds, a decrease of \$8,951,951. The total proposed preliminary property tax request for FY24 is for \$12,523,631 which requires a property tax levy of \$0.54 per \$100 dollars of assessed valuation.

In FY24, the owner of a home valued at \$200,000 will pay \$1080 in property taxes, or \$90 per month.

RECOMMENDATION

Approval of second reading of the Appropriations Ordinance.

BACKGROUND

The City Council held a budget workshop on July 18, 2023. The proposed Appropriations Ordinance is based on the discussions from these meetings. The Special Budget Hearing was held August 1, 2023.

Attached is an itemized list of the proposed budget amendments and the Budget Summaries.

General Fund

Proposed Amendments to FY24

- Decrease in restaurant tax revenue of \$1.1 M, slight increase in property tax of 4%.
- Net decrease in revenue of 4.3%
- Increase of \$667K in expenditures, \$340K is carry over from FY23.

General Fund

		Fiscal Year 2024			
		Original Budget	Increase/ Decrease	As %	Proposed Amended
Beginning Fund Balance	\$	14,796,733			\$ 14,997,662
Revenue					
Property Tax Total	\$	11,674,812	\$ 493,111	4%	\$ 12,167,923
Sales Tax Received	\$	5,562,691	\$ —	—%	\$ 5,562,691
In Lieu Of Tax	\$	209,079	\$ —	—%	\$ 209,079
State Revenue	\$	2,199,941	\$ —	—%	\$ 2,199,941
Occupation & Franchise Tax	\$	848,323	\$ —	—%	\$ 848,323
Hotel Occupancy Tax	\$	1,089,450	\$ —	—%	\$ 1,089,450
Permits & Licenses	\$	488,869	\$ —	—%	\$ 488,869
Interest Income	\$	21,625	\$ —	—%	\$ 21,625
Recreation Fees	\$	169,950	\$ —	—%	\$ 169,950
Special Services	\$	20,500	\$ —	—%	\$ 20,500
Grant Income	\$	195,752	\$ —	—%	\$ 195,752
Restaurant Tax	\$	2,281,787	\$ (1,581,787)	-69%	\$ 700,000
Parking Garage Fees	\$	392,853	\$ —	—%	\$ 392,853
Other Income	\$	293,750	\$ —	—%	\$ 293,750
Total Revenue	\$	25,449,382	\$ (1,088,676)	-4%	\$ 24,360,706
Expenditures					
Personnel Services	\$	14,837,765	\$ 85,490	1%	\$ 14,923,255
Commodities	\$	687,738	\$ 40,000	6%	\$ 727,738
Contractual Services	\$	6,330,685	\$ 65,000	1%	\$ 6,395,685
Maintenance	\$	1,004,547	\$ 65,000	6%	\$ 1,069,547
Other Charges	\$	319,622	\$ —	—%	\$ 319,622
Capital Outlay	\$	1,066,000	\$ 412,500	39%	\$ 1,478,500
CIP	\$	—	\$ —	—%	\$ —
Total Expenditures	\$	24,246,357	\$ 667,990	3%	\$ 24,914,347
Revenues Less Expenditures	\$	1,203,025	\$ (1,756,666)		\$ (553,641)
Trans In (Out)	\$	(2,029,166)	\$ 200,000		\$ (1,829,166)
Net Change In Fund Balance	\$	(826,141)	\$ (1,556,666)		\$ (2,382,807)
Ending Fund Balance	\$	13,970,592			\$ 12,614,855
Reserve Summary					
Operations Reserve		58%			51%
Target Operating Reserve		25%			25%
Over/(Under Target)		33%			26%

Debt Service Fund

Proposed Amendments to FY24

- Revenue increase \$40K or 4% in property tax.
- Addition of CIP projects will result in an increase in transfers to other funds of \$3.6M

Debt Service Fund

	Fiscal Year 2024			
	Original Budget	Increase/ Decrease	As %	Proposed Amended
Beginning Fund Balance	\$ 11,273,865			\$ 10,860,476
Revenue				
Property Tax Total	\$ 901,995	\$ 39,513	4%	\$ 941,508
Sales Tax Received	\$ 2,718,597	—	—%	\$ 2,718,597
In Lieu Of Tax	\$ 20,907	—	—%	\$ 20,907
Interest Income	\$ 4,100	—	—%	\$ 4,100
Other Income	\$ 393,925	—	—	\$ 393,925
Total Revenue	\$ 4,039,524	39,513	1%	\$ 4,079,037
Expenditures				
Debt Service	\$ 2,906,149	—	—%	\$ 2,906,149
Other Charges	\$ 206,845	—	—%	\$ 206,845
Total Expenditures	\$ 3,112,994	—	—%	\$ 3,112,994
Revenues Less Expenditures	\$ 926,530			\$ 966,043
Trans In (Out)	\$ (6,195,835)	\$ (3,603,025)		\$ (9,798,860)
Net Change In Fund Balance	\$ (5,269,305)			\$ (8,832,817)
Ending Fund Balance	\$ 6,004,560			\$ 2,027,659

Redevelopment Fund

Proposed Amendments to FY24

- Revenue increase of \$137K in GBOT with the opening of the Astro.
- Increase of \$2.8M in capital projects.

Redevelopment Fund

		Fiscal Year 2024			
		Original Budget	Increase/ Decrease	As %	Proposed Amended
Beginning Fund Balance	\$	3,907,240		\$	6,132,060
Revenue					
Sales Tax Received	\$	2,718,597	\$ —	—% \$	2,718,597
GBOT Total	\$	117,475	\$ 136,611	116% \$	254,086
Interest Income	\$	25,660	\$ —	—% \$	25,660
Other Income	\$	12,000,000	\$ —	—% \$	12,000,000
Total Revenue	\$	14,861,732	\$ 136,611	1% \$	14,998,343
Expenditures					
Contractual Services	\$	299,250	\$ —	—% \$	299,250
Other Charges	\$	2,966,859	\$ —	—% \$	2,966,859
CIP	\$	2,300,000	\$ 2,865,000	125% \$	5,165,000
Total Expenditures	\$	5,566,109	\$ 2,865,000	51% \$	8,431,109
Revenues Less Expenditures	\$	9,295,623		\$	6,567,234
Trans In (Out)	\$	—	\$ —	—% \$	—
Net Change In Fund Balance	\$	9,295,623		\$	6,567,234
Ending Fund Balance	\$	13,202,863		\$	12,699,294

Capital Improvement Fund

Proposed Amendments to FY24

- Carry over of \$140K in capital projects from FY23
- Addition of \$2.9M in capital projects requested for FY24

Capital Improvement Fund

		Fiscal Year 2024			
		Original Budget	Increase/ Decrease	As %	Proposed Amended
Beginning Fund Balance	\$	2,166,423		\$	—
Revenue					
Interest Income	\$	12,475	\$ —	—% \$	12,475
Total Revenue	\$	12,475	\$ —	—% \$	12,475
Expenditures					
CIP	\$	4,620,000	\$ 3,095,500	67% \$	7,715,500
Total Expenditures	\$	4,620,000	\$ 3,095,500	67% \$	7,715,500
Revenues Less Expenditures	\$	(4,607,525)		\$	(7,703,025)
Trans In (Out)	\$	5,000,000	\$ 2,703,025	54% \$	7,703,025
Net Change In Fund Balance	\$	392,475		\$	—
Ending Fund Balance	\$	2,558,898		\$	—

Lottery Fund

Proposed Amendments to FY24

- Carry over of \$5K for street banners from FY23
- Increase of \$66K for Community Events in conjunction with the opening of the Link

Lottery Fund

	Fiscal Year 2024			
	Original Budget	Increase/Decrease	As %	Proposed Amended
Beginning Fund Balance	\$ 4,607,532		\$	4,376,850
Revenue				
Community Betterment	\$ 900,000	\$ —	—% \$	900,000
Lottery Rev for TX form 51	\$ 313,043	\$ —	—% \$	313,043
Interest Income	\$ 14,800	\$ —	—% \$	14,800
Total Revenue	\$ 1,227,843	\$ —	—% \$	1,227,843
Expenditures				
Personnel Services	\$ 102,563	\$ —	—% \$	102,563
Commodities	\$ 176,420	\$ 50,000	28% \$	226,420
Contractual Services	\$ 204,715	\$ —	—% \$	204,715
Other Charges	\$ 346,643	\$ 21,400	6% \$	368,043
Total Expenditures	\$ 830,341	\$ 71,400	9% \$	901,741
Revenues Less Expenditures	\$ 397,502		\$	326,102
Trans In (Out)	\$ (265,770)	\$ —	—% \$	(265,770)
Net Change In Fund Balance	\$ 131,732		\$	60,332
Ending Fund Balance	\$ 4,739,264		\$	4,437,183

Economic Development Fund

Proposed Amendments to FY24

- There are no proposed amendments to the FY24 budget
- Increase in fund balance is carry over from FY23 YEE

Economic Development Fund

	Fiscal Year 2024			
	Original Budget	Increase/ Decrease	As %	Proposed Amended
Beginning Fund Balance	\$ —		\$	202,140
Revenue				
Grantee Interest Payments	\$ 142,951	\$ —	—% \$	142,951
Total Revenue	\$ 142,951	\$ —	—% \$	142,951
Expenditures				
Other Charges	\$ 1,149,525	\$ —	—% \$	1,149,525
Total Expenditures	\$ 1,149,525	\$ —	9% \$	1,149,525
Revenues Less Expenditures	\$ (1,006,574)		\$	(1,006,574)
Trans In (Out)	\$ 1,006,574	\$ —	—% \$	1,006,574
Net Change In Fund Balance	\$ —	\$ —	—% \$	—
Ending Fund Balance	\$ 1		\$	202,140

Off Street Parking Fund

Proposed Amendments to FY24

- Carry over of \$500K for completion of Parking Garage #2.
- Addition of \$700K in capital expenditures for construction of surface parking area on Lot 12 City Centre.

Off Street Parking Fund

	Fiscal Year 2024			
	Original Budget	Increase/ Decrease	As %	Proposed Amended
Beginning Fund Balance	\$ 583,255		\$	525,955
Revenue				
Interest Income	\$ 1,400	\$ —	—% \$	1,400
Total Revenue	\$ 1,400	\$ —	—% \$	1,400
Expenditures				
Commodities	\$ 11,354	\$ —	—% \$	11,354
Contractual Services	\$ 401,576	\$ —	—% \$	401,576
Maintenance	\$ 16,625	\$ —	—% \$	16,625
Other Charges	\$ 1,805,315	\$ —	—% \$	1,805,315
CIP	\$ —	\$ 1,200,000	—% \$	1,200,000
Total Expenditures	\$ 2,234,870	\$ 1,200,000	54% \$	3,434,870
Revenues Less Expenditures	\$ (2,233,470)		\$	(3,433,470)
Trans In (Out)	\$ 2,233,471	\$ 700,000	—% \$	2,933,471
Net Change In Fund Balance	\$ 1	\$ 700,000	—% \$	(499,999)
Ending Fund Balance	\$ 583,255		\$	25,956

Sewer Fund

Proposed Amendments to FY24

- Carry over of \$810K from FY23 for the completion of the sewer rehab project.
- Move \$20K from FY23 to FY24 for sanitary sewer project.

Sewer Fund

	Fiscal Year 2024			
	Original Budget	Increase/ Decrease	As %	Proposed Amended
Beginning Fund Balance	\$ 1,050,539		\$	1,971,842
Revenue				
Sewer Charges	\$ 5,146,230	\$ —	—% \$	5,146,230
Interest Income	\$ 3,000	\$ —	—% \$	3,000
Other Income	\$ 21	\$ —	—% \$	21
Total Revenue	\$ 5,149,251	\$ —	—% \$	5,149,251
Expenditures				
Personnel Services	\$ 700,865	\$ —	—% \$	700,865
Commodities	\$ 36,785	\$ —	—% \$	36,785
Contractual Services	\$ 3,542,103	\$ —	—% \$	3,542,103
Maintenance	\$ 73,610	\$ —	—% \$	73,610
Other Charges	\$ 16,068	\$ —	—% \$	16,068
Capital Outlay	\$ 60,000	\$ —	—% \$	60,000
CIP	\$ —	\$ 830,000	—% \$	830,000
Total Expenditures	\$ 4,429,431	\$ 830,000	19% \$	5,259,431
Revenues Less Expenditures	\$ 719,820		\$	(110,180)
Trans In (Out)	\$ (701,827)	\$ —	—% \$	(701,827)
Net Change In Fund Balance	\$ 17,993	\$ —	—% \$	(812,007)
Ending Fund Balance	\$ 1,068,533		\$	1,159,836
Reserve Summary				
Operations Reserve	24%			22%
Target Operating Reserve	25%			25%
Over/(Under Target)	-1%			-3%

Sewer Reserve Fund

Proposed Amendments to FY24

- No changes to the sewer reserve fund budget for FY24

Sewer Reserve Fund

	Fiscal Year 2024			
	Original Budget	Increase/ Decrease	As %	Proposed Amended
Beginning Fund Balance	\$ 2,195,073		\$	2,195,073
Revenue				
Interest Income	\$ 8,690	\$ —	—% \$	8,690
Total Revenue	\$ 8,690	\$ —	—% \$	8,690
Trans In (Out)	\$ 702,553	\$ —	—% \$	702,553
Net Change In Fund Balance	\$ 711,243	\$ —	—% \$	711,243
Ending Fund Balance	\$ 2,906,316		\$	2,906,316

Police Academy Fund

Proposed Amendments to FY24

- No changes to the Police Academy Fund budget for FY24

Police Academy Fund

	Fiscal Year 2024			
	Original Budget	Increase/ Decrease	As %	Proposed Amended
Beginning Fund Balance	\$ 142,152		\$	146,065
Revenue				
Police Academy Operating Rev	\$ 214,500	\$ —	—% \$	214,500
Interest Income	\$ 145	\$ —	—% \$	145
Total Revenue	\$ 214,645	\$ —	—% \$	214,645
Expenditures				
Personnel Services	\$ 190,459	\$ —	—% \$	190,459
Commodities	\$ 2,150	\$ —	—% \$	2,150
Contractual Services	\$ 10,450	\$ —	—% \$	10,450
Other Charges	\$ 5,500	\$ —	—% \$	5,500
Total Expenditures	\$ 208,559	\$ —	—% \$	208,559
Revenues Less Expenditures	\$ 6,086		\$	6,086
Ending Fund Balance	\$ 148,239		\$	152,151

TIF Funds

Proposed Amendments to FY24

- No changes to the TIF Fund budgets for FY24

TIF	Fiscal Year 2024			
	Revenue	Expenditures	Ending Balance	
1A	\$ 401,545	\$ 401,545	\$	—
1B	\$ 799,142	\$ 799,142	\$	—
1C	\$ 50,299	\$ 50,299	\$	—
1D	\$ 503,598	\$ 503,598	\$	—

Qualified Sinking Fund

Proposed Amendments to FY24

- No changes to the Qualified Sinking Fund budget for FY24

Qualified Sinking Fund

	Fiscal Year 2024			
	Original Budget	Increase/ Decrease	As %	Proposed Amended
Beginning Fund Balance	\$ 781,626		\$	781,797
Revenue				
Interest Income	\$ 3,625	\$ —	—% \$	3,625
Total Revenue	\$ 3,625	\$ —	—% \$	3,625
Expenditures				
Capital Outlay	\$ 250,000	\$ —	—% \$	250,000
Total Expenditures	\$ 250,000	\$ —	—% \$	250,000
Revenues Less Expenditures	\$ (246,375)		\$	(246,375)
Trans In (Out)	\$ 250,000	\$ —	—% \$	250,000
Net Change In Fund Balance	\$ 3,625	\$ —	—% \$	3,625
Ending Fund Balance	\$ 785,251		\$	785,422

All Funds Summary

Proposed Amendments to FY24

- Amendments result in a \$9.6M decrease to ending fund balance.
- Reduced revenue \$913K
- Carry over of CIP from FY23 \$3.6M
- New projects \$4.4M
- Expenditures carried over from FY23 \$345K
- Unforeseen additional expenditures \$394K

All Fund Balance

Fund	Fiscal Year 2024					
	Original	Original	Increase/	As	Proposed	
	Budget	Budget Adj for FY23 YEE	Decrease	%	Amended	
General	\$ 13,970,583	\$ 14,171,514	\$ (1,556,666)	(10)%	\$ 12,614,855	
Sewer	\$ 1,068,531	\$ 1,989,834	\$ (830,000)	9 %	\$ 1,159,836	
Debt Service	\$ 6,004,559	\$ 5,591,170	\$ (3,563,512)	(66)%	\$ 2,027,659	
Capital Improvement	\$ 2,558,898	\$ 392,475	\$ (392,475)	(100)%	\$ —	
Lottery	\$ 4,739,265	\$ 4,508,583	\$ (71,400)	(6)%	\$ 4,437,183	
Economic Development	\$ —	\$ 202,140	\$ —	— %	\$ 202,140	
Off-Street Parking	\$ 583,255	\$ 525,955	\$ (500,000)	— %	\$ 25,956	
Redevelopment	\$ 13,202,863	\$ 15,427,683	\$ (2,728,389)	(4)%	\$ 12,699,294	
Police Academy	\$ 148,238	\$ 152,151	\$ —	— %	\$ 152,151	
TIF - City Centre Phase 1A	\$ —	\$ —	\$ —	— %	\$ —	
TIF - City Centre Phase 1B	\$ (1)	\$ (1)	\$ —	— %	\$ (1)	
TIF - City Centre Phase 1C	\$ —	\$ —	\$ —	— %	\$ —	
TIF - City Centre Phase 1D	\$ —	\$ —	\$ —	— %	\$ —	
Sewer Reserve	\$ 2,906,309	\$ 2,906,316	\$ —	— %	\$ 2,906,316	
Qualified Sinking Fund	\$ 785,251	\$ 785,422	\$ —	— %	\$ 785,422	
Ending Fund Balance	\$ 45,967,751	\$ 46,653,242	\$ (9,642,442)		\$ 37,010,810	