



WORKSHOP DISCUSSION

PUBLIC FINANCING OPTIONS FOR CITY HALL



MEETING OBJECTIVES

- Direction on debt tolerance so I can start to put together a budget proposal that works.
- Input on guiding principles for taking out debt.
- Other guard rails to consider.
- Other policy issues that come to mind that we should discuss in future meetings.
- Other funding sources to consider.



DEBT IS ONLY PART OF THE EQUATION

- Existing funds (City Hall Expansion Fund)
- Proceeds from Old City Hall
- Interest Earned
- Grants?
- Incentives?
- Fundraising?
- Other?

Debt Financing

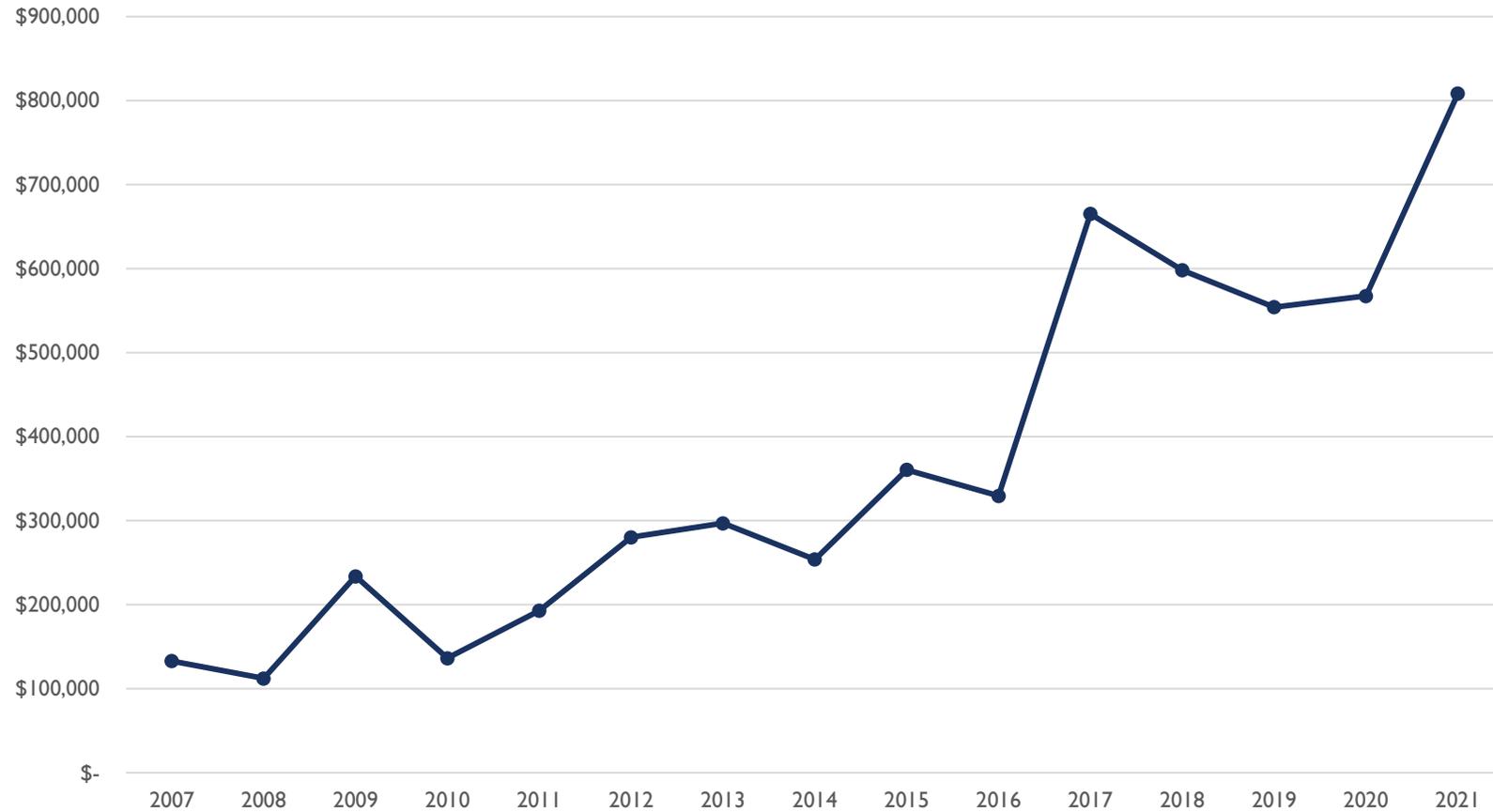
Equity

Other

GUIDING PRINCIPLES

- We can “pay the mortgage” within our current resources.
- We have a solid safety net and should hang on to it.
- We should plan for ongoing debt payments starting with the next budget cycle.
- Do our best to find opportunities to offset debt service.
- At the end of FY 21 (6/30/202) the City had \$1,248,958 in unexpended General Fund
 - Operating Expenses for FY 21 were \$1.35M

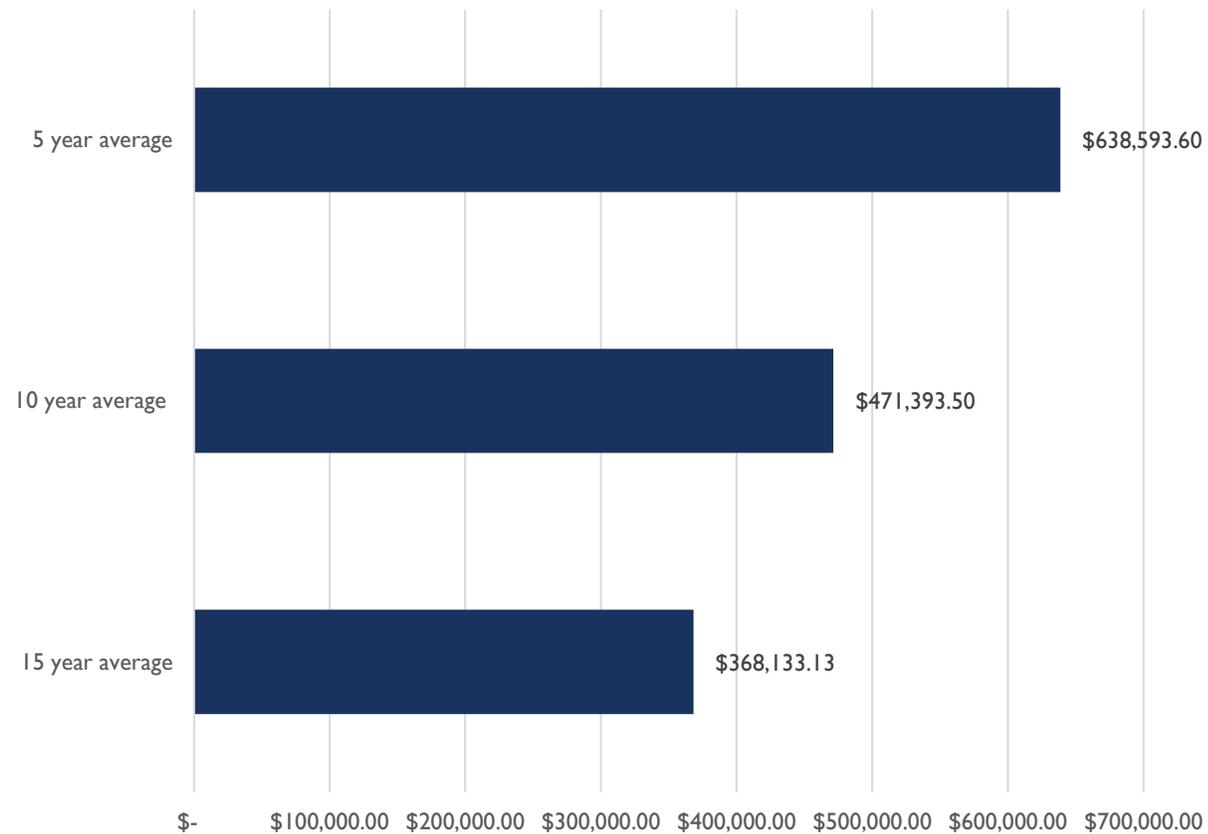
EXCESS OF REVENUE OVER EXPENSES FY 2007- FY 2021



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AVERAGE - EXCESS OF REVENUES OVER EXPENDITURES



TRANSFERS

	FY 19	FY 20	FY 21	FY 22
Road Fund	\$ 250,000	\$ 486,200	\$ 100,000	\$ 130,000
Public Safety Equipment Reserve Fund	\$ 26,200	\$ -	\$ 26,200	\$ 26,200
City Hall Expansion Fund	\$ 260,000		\$ 100,000	\$ 155,400
Storm Drain Facilities Fund	\$ 100,000	\$ 60,000	\$ 60,000	\$ 75,000

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The general fund has subsidized infrastructure for decades as SDCs have been either nonexistent (transportation) or extremely low (storm drain SDC is \$174 per unit) parks are \$60 per unit

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The \$155,400 transfer into the City Hall Fund is to pay off the debt service for Underhill Plaza which will be paid off in 2027 (Q2 of FY 2028)

WE NEED TO ACT

- Evident we need to find additional resources for infrastructure maintenance and system development
- The development of new funding mechanisms for infrastructure and building a city hall are not mutually exclusive.
- We need to do BOTH.
- We have been out of space for almost 30 years.
- We have also charged the same for parks and storm SDCs since 1996.
- Its time to address BOTH.



DISCUSSION QUESTIONS

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- Other funding sources to consider?

