



City of Florence Fiscal Biennium 2023-2025 Budget July 1, 2023 – June 30, 2025

BUDGET COMMITTEE

MAY 1, 2023

Fiscal
Biennium
2023-2025

Biennial Budget

CITY OF FLORENCE, OREGON

Proposed Budget



2023-2025 Proposed Biennial Budget Presentation

Budget Message

Erin Reynolds, Florence City Manager and City of Florence Budget Officer

Budget at a Glance

PROPOSED 2023-2025

City-Wide Total \$ 76.4 million
General Fund \$ 19.1 million

PRIOR 2021-2023

City-Wide Total \$ 73.5 million
General Fund \$ 18.3 million



Relation to City Work Plan

Vision: Oregon's Premier Coastal Community!

Mission: The mission of the City of Florence is to meet community expectations for municipal services, provide a vision for civic improvements, maintain a quality environment and position Florence to have an economically viable and sustainable future.

Motto: A City in Motion

City Council Goals. Providing a foundation for the City's Work Plan are five goals that City Council reaffirmed in early 2023. These goals build off the successful work of the past and address the pressing issues currently facing our city.

- **City Service Delivery.** Sustain and improve the delivery of cost effective and efficient services, including public safety to the citizens of Florence and our visitors.
- **Livability and Quality of Life.** Sustain and improve the City's livability and quality of life for Florence residents and visitors.
- **Economic Development.** Sustain and improve the City's economic development program and efforts towards enhancing the Florence economy, including housing, business development, and increasing living wage jobs.
- **Communication and Trust.** Sustain and improve the City's communication program and strengthen citizen trust.
- **Financial & Organizational Sustainability.** Sustain and improve the City's financial position, city-wide policies, and the infrastructure networks to support City needs.



What's in the Proposed Biennial Budget Document?

- Overall City Budget Information
- Fund Details & Summaries
- Program Narratives, Priorities, Highlights, and Changes
- Staffing & Capital Project Details
- Fund Balance Targets & Debt Service Metrics
- What's New?
 - Building Fund, new fund
 - Transient Lodging Tax, new name

Fiscal
Biennium

2023-2025

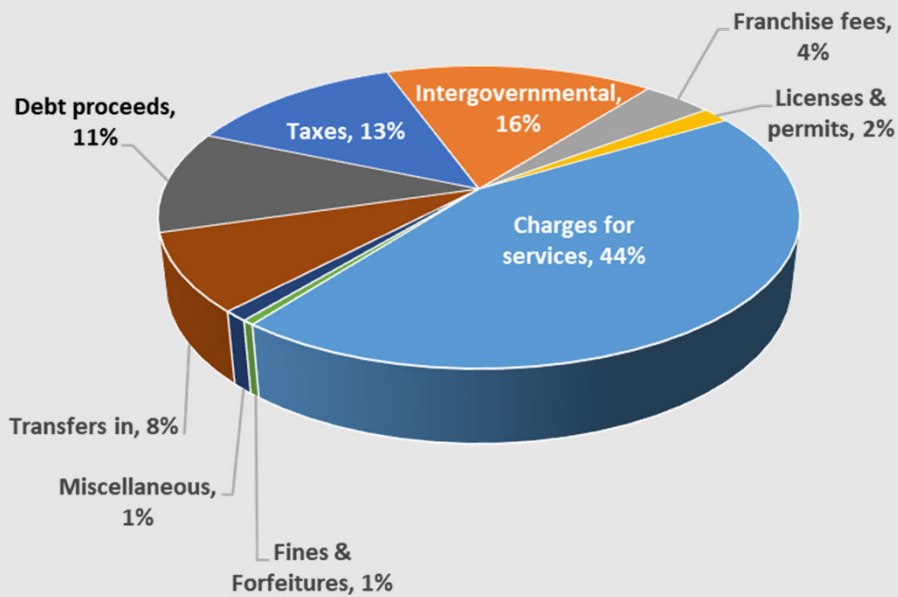
Biennial Budget

CITY OF FLORENCE, OREGON

Proposed Budget

Resources

2023-2025 Biennium Resource Summary



Current Resources: \$ 58.0 million
Beginning Fund Balance: 18.4 million
Total Resources: \$ 76.4 million

Resources – By Category

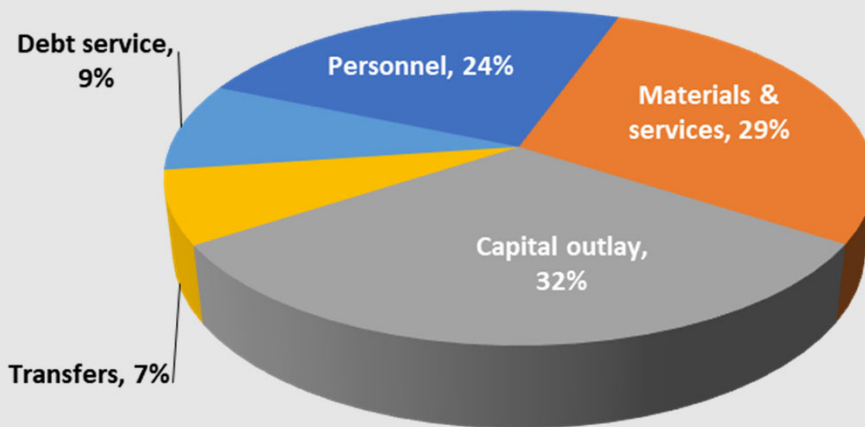
Resources by Category in Millions	2021-2023 Adj Budget	Current Biennium 2023-2025	Percentage Change
Taxes	\$ 6.91	7.58	9.57%
Intergovernmental	19.18	9.34	-51.30%
Franchise fees	2.34	2.42	3.77%
Licenses & permits	0.38	0.97	156.91%
Charges for services	22.77	25.56	12.28%
Fines & Forfeitures	0.40	0.30	-24.24%
Miscellaneous	0.68	0.63	-6.80%
Transfers in	4.09	4.84	18.31%
Debt proceeds	10.06	6.36	-36.80%
Total Current Resources	\$ 66.79	57.99	-13.17%
Beginning Fund Balance	6.68	18.38	175.23%
Total Resources	\$ 73.46	76.37	3.96%

Resources – Assumptions

- Property tax revenues assumed 1% growth and an increase of 4% in taxable assessed value.
- Utility rate increases –
 - Year 2: 5%
- Continued SDC Discount Program
- Charges for service include internal service fees for general and public works administration.
- All other fees assumed to be increases as detailed in fiscal policies.
- The Parks program continues to be the second most demanded City service, after Public Safety, and yet it does not have a dedicated funding source.
 - Therefore, City staff continues to seek grant funding to improve or create parks and trails throughout Florence.

Expenditures

2023-2025 Biennium Expenditure Summary



Current Expenditures:	\$ 68.9 million
<u>Contingency:</u>	<u>7.5 million</u>
Total Requirements:	\$ 76.4 million

Expenditures – Personnel

BIENNIUM TOTAL PERSONNEL COSTS:
\$16.6 MILLION

TOTAL FTE – CITYWIDE:	86.9
<u>LESS CONTRACTED FTE:</u>	<u>11.4</u>
NET FTE – CITYWIDE:	75.5

- Personnel equals 24% of all expenditures.
- Increase 10.6% (\$1.6 million) over previous biennium.
- Currently, 7% of existing positions are vacant and in process of recruitment.

Changes	Net Impact
➤ Adding 3.0 FTE	+3.0
➤ Removing 1.5 FTE	-1.5
➤ Transitioning 0.5 FTE	+0.5
➤ <u>Moving 3.5 FTE</u>	<u>0.0</u>
Net Change in FTE Positions	+2.0

Expenditures – Materials & Services

BIENNIUM TOTAL

MATERIALS & SERVICES COSTS:

\$19.7 MILLION

- Materials and Services equals 29% of all expenditures.
- Increase -0.5% (\$73,000) under previous biennium.

NOTABLE ITEMS:

- Economic Development Activities
- Master Planning for Gallagher's Park
- Building Official and Inspection Program
- Seasonal workers for the utility funds
- Legal services
- Engineering & GIS Services
- Municipal Court Judge

Expenditures – Capital Outlay

BIENNIUM TOTAL CAPITAL OUTLAY:

\$21.8 MILLION

- Capital Outlay equals 32% of all expenditures.
- Increase 0.4% (\$83,000) over previous biennium.
- Approximately \$12.3 million (56%) in proposed biennium are carryover.
 - Majority already engineered, planned, or under construction.

NOTABLE PROJECTS:

- Rhododendron Drive Realignment Project
- Wastewater UV Parks Improvements
- Large Equipment Replacement
- FEC Facility Planning & Equipment Updates
- Significant investments in Information Technology (IT)
- Emergency Stormwater project for Coast Guard Road and Siuslaw River slope stabilization

Expenditures – By Category

Expenditures by Category in Millions	2021-2023 Adj Budget	Current Biennium 2023-2025	Percentage Change
Personnel	\$ 14.97	\$ 16.58	10.75%
Materials & services	19.82	19.74	-0.37%
Capital outlay	21.73	21.81	0.38%
Transfers	4.11	4.84	17.77%
Debt service	4.58	5.92	29.15%
Total expenditures	\$ 65.21	68.9	5.65%
Ending Fund Balance/ Contingency	8.25	7.48	-9.41%
Total Requirements	\$ 73.46	76.37	3.96%

Debt & Ending Fund Balance

DEBT

- Previously delayed financing occurred in Spring of 2023: \$13.6 million, with draw 2 occurring in 2023-25 Biennium \$3.5 million
- Proposed New Debt Proceeds: \$2.86 million
- Debt Outstanding at Biennium End: \$29.7 million
- Budgeted Debt Service Expenditures: \$5.9 million or 9% of total expenditures

ENDING FUND BALANCE

- Fund Balance Reserve Policies
 - All funds meet policy, with the exception of the Street Fund.
 - Historical revenue issue
 - Transportation System Plan (TSP) Update
- Ending Fund Balance Expectations: \$7.5 million



2023-2025 Proposed Biennial Budget Message Presentation

THANK YOU!

2023 - 2025 Budget Calendar

Budget Committee meetings will be held in person beginning at 5:30 pm on the dates indicated below in blue.

City Budget Committee: City Council (5) & City Budget Committee Members (5).

FURA Budget Committee: FURA Board Members (9), Additional City Councilors (2), City Budget Committee Members (5), & FURA Budget Committee Members (2).

Su	Mo	Tu	We	Th	Fr	Sa
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15	16	17	18	19	20	21
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29	30	31				

JAN Work Plan Development

- 1/5 - City Council Work Plan Session
- 1/12 - City Council Ethics Training
- 1/23 - City Council Work Plan Session
- 1/26 - City Council Work Plan Session
- 1/30 - City Council Work Plan Session

Su	Mo	Tu	We	Th	Fr	Sa
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26	27	28				

FEB Work Plan Development

- 2/2 - City Council Work Plan Work Session
- 2/6 - City Council Work Plan Work Session
- 2/13 - City Council Work Plan Work Session
- 2/27 - City Council Work Plan Adoption
- Staff will develop the proposed budget throughout the months of February, March, and April.

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26	27	28	29	30	31	

MAR Year End & Budget Preparation

- 3/7 - City/FURA Budget Committee Training
- 3/9 - City Director Budget Meetings
- 3/14 - City Director Budget Meetings
- 3/16 - City Director Budget Meetings

Su	Mo	Tu	We	Th	Fr	Sa
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APR Proposed Budget Finalization

- 4/19 - City & FURA Budget Committee Training, 5:30 pm

Su	Mo	Tu	We	Th	Fr	Sa
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14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

MAY Budget Committee Meetings

- 5/1 - City Budget Committee Budget Message, 5:30 pm
- 5/8 - FURA Budget Committee Meeting, 5:30 pm
- 5/8 - City Budget Committee Meeting, after FURA Meeting
- 5/10 - City Budget Committee Meeting, 5:30 pm
- 5/11 - City Budget Committee Meeting (if needed), 5:30 pm
- 5/24 - FURA Board Budget Public Hearing, 5:30 pm

Su	Mo	Tu	We	Th	Fr	Sa
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11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

JUN Budget Finalization & Adoption

- 6/5 - City Council Budget Public Hearing, 5:30 pm

Adoption of FY 2023-25 Budgets due by June 30, 2023.



Thank you!