



Budget Wrap-up

Fiscal Year 2023/24

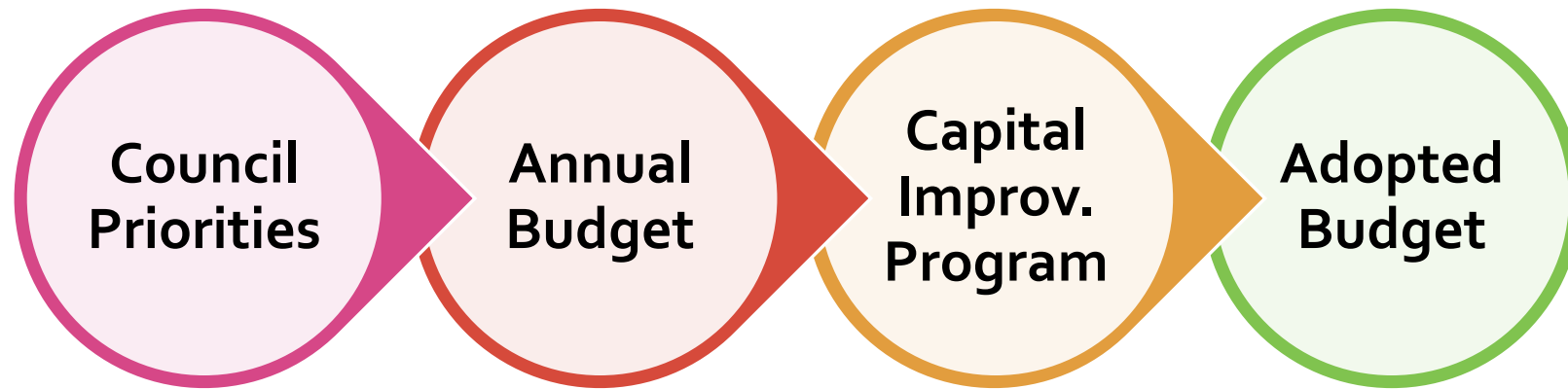
May the 4th be with you, 2023

Brian A. Ritschel – Office of Management and Budget Director

Kristi Griffin – Office of Management and Budget Operations Coordinator



FY 23/24 Budget Review Process



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General Governmental Funds Financial Principles



Balance net sources and uses



10% – 15% reserve fund balance over the 5-year forecasted period



Sustainability of programs and services



Keep wages and benefits competitive compared to other valley cities in order to retain and recruit quality staff



Investment in capital and lifecycle replacement projects

Utility Fund Financial Principles



BALANCE NET
SOURCES AND USES



20% OR HIGHER
RESERVE FUND
BALANCE



RATE ADJUSTMENTS
THAT ARE
PREDICTABLE AND
SMOOTHED
THROUGHOUT THE
FORECAST



EQUITY BETWEEN
RESIDENTIAL AND
NON-RESIDENTIAL
RATES



AFFORDABLE
UTILITY SERVICES

FY 2023/24 Budget Wrap-up



Community
Health & Safety



Skilled & Talented
Workforce



Neighborhoods &
Placemaking



Strong Community
Connections



Sustainable
Environment



Thriving
Economy

FY 2023/24 Budget Proposed Themes:

- Increasing Public Safety Staffing
 - Three police recruit academies and two firefighter recruit academies
 - 10 additional FTEs to fill the positions of firefighters attending the 6-month paramedic training full-time
- Downtown Safety
 - Downtown police ambassador program and cameras
- Park Security
 - Additional park rangers, cameras, and additional activities and programs in the parks
- Neighborhood Clean-up
 - Expanded roll-off service in neighborhoods

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FY 2023/24 Budget Proposed Themes:

- Increasing Pedestrian Access
 - New inhouse concrete crew to reduce response times for safety hazard repairs
- Workforce Development
 - Mesa job connect platform
- Focused Homelessness Assistance/Prevention
 - Create the Office of Homeless Solutions, increased support for the housing voucher program, and education/marketing support
- “Trees Are Cool” Initiative
 - Community outreach and tree planting education and activities
 - Urban Forrester

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Also included in the FY 2023/24 Proposed Budget:

○ City Attorney's Office

- General Fund support for Victims of Crime Act (VOCA) grant funding and move 2.3 FTEs to the General Fund from the grant
- Host 2-3 paid interns who will contribute at least 480 worked hours per year

○ City Manager's Office

- One-time funding is included for the Together Mesa Art in the Park Program to bring art experience to each of the Council Districts.

○ Code Compliance

- Two additional Code Compliance Officers are included for special events and increase after hours service.

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Also included in the FY 2023/24 Proposed Budget :

○ Fleet Services

- Two Equipment Mechanic II's, a Fleet Technology Coordinator, and a Fleet Asset Manager are included in the proposed budget.

○ Water Resources

- Lead and copper rule service line inventory – Environmental Protection Agency Regulation
- Required to be completed by October 16, 2024

○ Public Safety Personnel Retirement System (PSPRS)

- \$84.6M unfunded liability payment
- Proposition 207 (Marijuana Tax) revenue is allocated to the unfunded liability payment

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Recruitment and Retention of Quality Employees:

○ Market Adjustment

- Due to the continued rise in costs and inflation remaining higher than normal. Inflation for February in the Phoenix area was 8.5% while the national average was 6.5%
- 5% market adjustment for all employees not covered under a Memorandum of Understanding (MOU) agreement effective the first full pay period in July 2023

○ Benchmark Adjustment

- The City continues to evaluate and compare current salary ranges with similar cities in the valley. Appropriate increases will be made to salary ranges in order to remain competitive.

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Recruitment and Retention of Quality Employees:

○ Step Pay

- Up to a 3% step pay increase for all eligible employees effective the first full pay period in July 2023

○ Parental Leave

- The first 80 hours of leave will be provided without a match requirement. Up to an additional 80 hours will be provided by the City if the employee contributes an equal amount.

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Changes to the Proposed Budget Presented to Council

- Increase in Human Services Funding \$70,000
 - Mesa Promise \$35,000
 - Mesa K Ready \$35,000
- Quality Retail Attraction Initiative
 - Identify quality retail opportunities
 - Analyze existing amenities including retail, restaurant, and entertainment uses
 - Develop a plan for attracting retail and restaurant opportunities



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- City Hall Council Chambers
- Police Evidence Building
- Fire Station 223 (Lehi)
- Southeast Mesa Neighborhood Library
- Sirrine House
- Neon Gardens
- Central Reuse Pipeline
- Flare to Fuel

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Adopting the Budget



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The adopted budget sets the maximum expenditures the City can incur during the year

Contingency is included in the budget to allow capacity for unanticipated expenses or to allow for the spending of unanticipated revenues



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Adoption Timeline



- May 15
 - Capital Improvement Program, Public Hearing and Adoption
 - Annual Budget, Tentative Adoption
- June 5
 - Annual Budget and Secondary Property Tax Levy, Public Hearing
 - Annual Budget, Final Adoption
- June 19
 - Secondary Property Tax Levy Adoption

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