

# 2023 BUDGET DISCUSSION

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September 19, 2022



1. Budget Calendar
2. Revenues
3. Expenses
4. Forecast
5. Next Steps

# Agenda



# Budget Calendar

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Town of Woodway  
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# Budget Calendar

## October 3

- Presentation of preliminary budget. Public Hearing (state requirement) on revenue sources, including 1% property tax levy.
- Public Hearing (state requirement) on preliminary budget.
- Council members' discussion/deliberation on preliminary budget and 1% property tax levy.

## November 7

- Public Hearing (state requirement) on final budget. Council members' discussion/deliberation on final budget.
- Council members' discussion/deliberation and vote on 1% property tax resolution.
- Presentation of 2022 budget amendment.

## November 21

- Council members' discussion/deliberation and vote on final budget.
- Council members' discussion/deliberation and vote on 2022 budget amendment.

# Revenues

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# 2022 budget vs. 2023 proposed revenues

**Operating Budget:** \$2.4 million vs. \$2.1 million.

- Reduction in Federal ARPA dollars - \$194k.
- Reduction in legally allowable REET transfer - \$186k.
- Increase in interest earnings - \$47k.

**Capital Projects Fund:** Reduction in estimated REET revenue due to higher interest rates and slowing economy.

# Expenses

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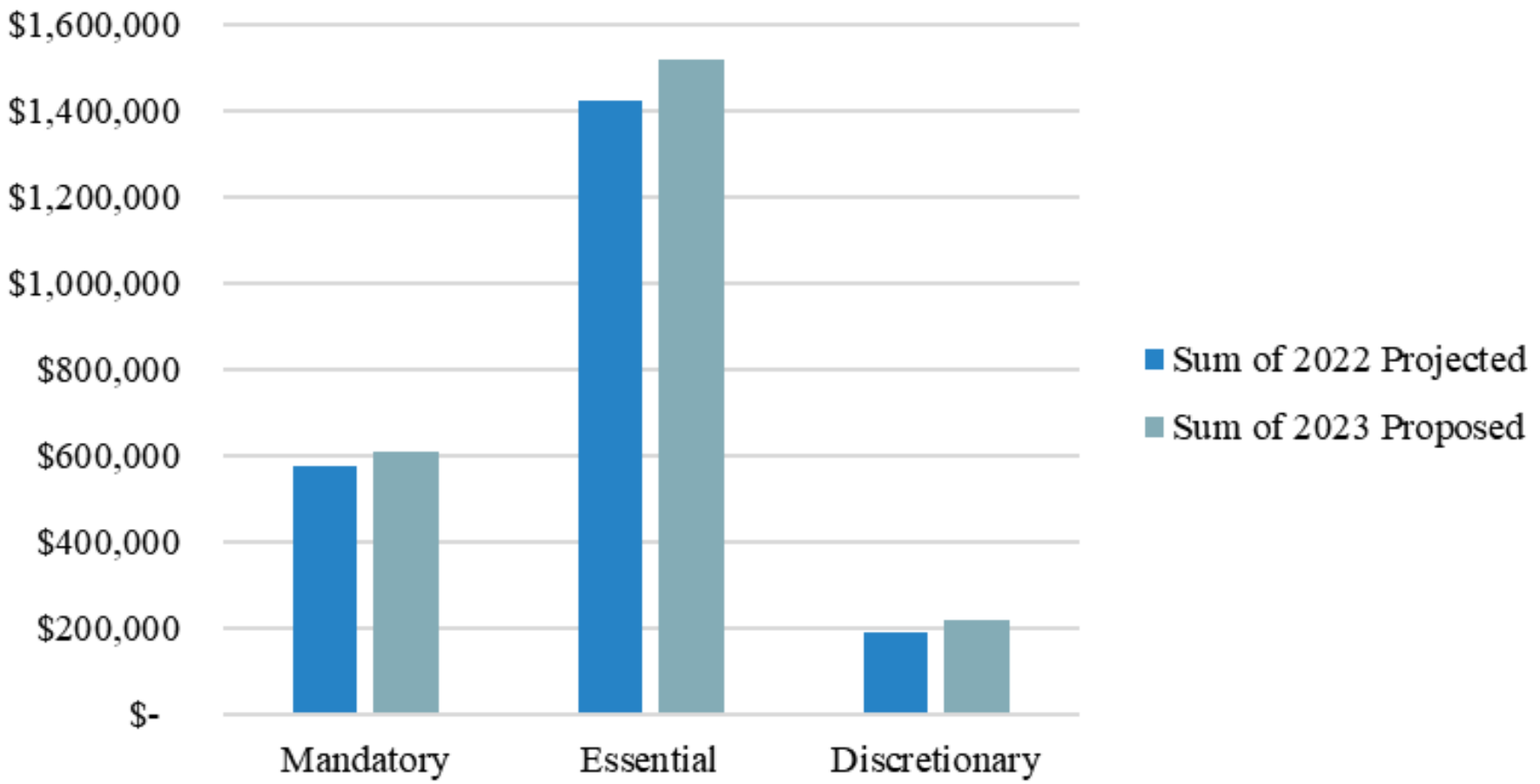
# 2022 budget vs. 2023 proposed expenses

**Operating Budget:** \$2.1 million vs. \$2.3 million.

- Salaries/benefits increase - \$86k, including 6.8% increase in core salaries/benefits and \$19k for temporary records management position.
- Comp. Plan Update - \$45k increase in reimbursable expenses.
- Public safety costs - \$34k increase in police and fire contracts.
- State Audit - \$26k, every other year.
- Insurance - \$18k increase.



# Operating Expenses Comparison



# Governmental Functions

- **Mandatory:** Expenses we incur by reason of state mandate. Includes positions (e.g., clerk/treasurer, building official, attorney, and police chief), functions (e.g., building inspector, a planner, and certain responsibilities of public works), and costs (e.g., State Auditor and County elections).
- **Essential:** Not legally required but expected by residents (e.g., police, fire and emergency medical services, and public works).
- **Discretionary:** A non-exhaustive list of these items would include parks, roadside mowing/line trimming (except for life/safety reasons), the Town Administrator position, beautification, and community events, such as the Town Fair.

# Forecast

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# Financial Forecast

Operating Funds	2023 Proposed	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Revenues	2,180,512	2,017,215	1,979,692	1,994,214	2,008,472	2,021,159	2,035,095	2,058,388	2,082,179	2,106,470	2,131,266
Expenses	2,347,833	2,322,665	2,387,173	2,438,394	2,554,043	2,614,884	2,737,977	2,818,400	2,925,469	2,997,191	3,142,404
Operating Funds	2023 Proposed	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Beginning Balances	\$ 1,948,419	\$ 1,781,098	\$ 1,475,648	\$ 1,068,167	\$ 623,987	\$ 78,416	\$ (515,308)	\$ (1,218,190)	\$ (1,978,202)	\$ (2,821,493)	\$ (3,712,214)

# Next Steps

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