

CITY COUNCIL WORK SESSION

AUGUST 12, 2022

The City Council of the City of McKinney, Texas met in work session in the City Hall Council Chambers, 222 N. Tennessee Street, McKinney, Texas on Friday, August 12 at 8:30 a.m.

Council Present: Mayor George Fuller, Mayor Pro Tem Rainey Rogers, and Council Members Charlie Philips, Geré Feltus, Patrick Cloutier, Rick Franklin, and Justin Beller.

City of McKinney Staff Present: City Manager Paul Grimes, Assistant City Manager Kim Flom, Assistant City Manager Barry Shelton, Assistant City Manager Steve Tilton, City Attorney Mark Houser, Assistant City Attorney Alan Lathrom, Director of Strategic Services Trevor Minyard, City Secretary Empress Drane, Deputy City Secretary Joshua Stevenson, City Secretary Administrative Assistant Blenda Sims, City Secretary Records Specialist Juametta Terrell, City Secretary Accreditation & Reporting Specialist Edith Ruiz, Director of Organizational Development & Performance Management, Chief Financial Officer Mark Holloway, Director of Finance Trudy Mathis, Senior Financial Analyst Donna Chamberlain, Senior Financial Analyst Trevor Daggon, Financial Analyst Palama Rodriguez, and Financial Services Executive Assistant Lottie Bock.

There was one (1) member of the public present in the audience.

Mayor Pro Tem Rogers called the meeting to order at 8:32 a.m. upon determining a quorum of the Council was present.

Mayor Fuller was not present when the meeting was called to order.

Mayor Fuller joined the meeting at 8:55 a.m.

Mayor Pro Tem Rogers called for Public Comments on Agenda items. There were none when called for.

Mayor Pro Tem Rogers called for the Work Session Agenda.

22-0736 Budget Work Session

The Presentation for this item will be included in the Appendix of these Minutes as "Appendix A – 2022 Budget Work Session Presentation".

Council Member Philips left the meeting at 8:38 a.m. and rejoined at 8:39 a.m.

Mayor Pro Tem Rogers left the meeting at 10:28 a.m. and rejoined at 10:31 a.m.

Mayor Fuller recessed the meeting at 10:40 a.m.

Mayor Fuller reconvened the meeting at 10:54 a.m.

Mayor Fuller called for a motion to adjourn the meeting.

Council unanimously approved the motion by Mayor Pro Tem Rogers, seconded by Council Member Franklin, to adjourn the meeting at 11:27 a.m.

The video recording of this meeting is available online through the City of McKinney video archives.

These minutes were approved by the City Council on September 6, 2022.

SIGNED:

GEORGE C. FULLER, Mayor

ATTEST:

EMPRESS DRANE, City Secretary
JOSHUA STEVENSON, Deputy City Secretary

City of McKinney, Texas

City Council Budget Work Session

City of McKinney
August 12, 2022



Agenda

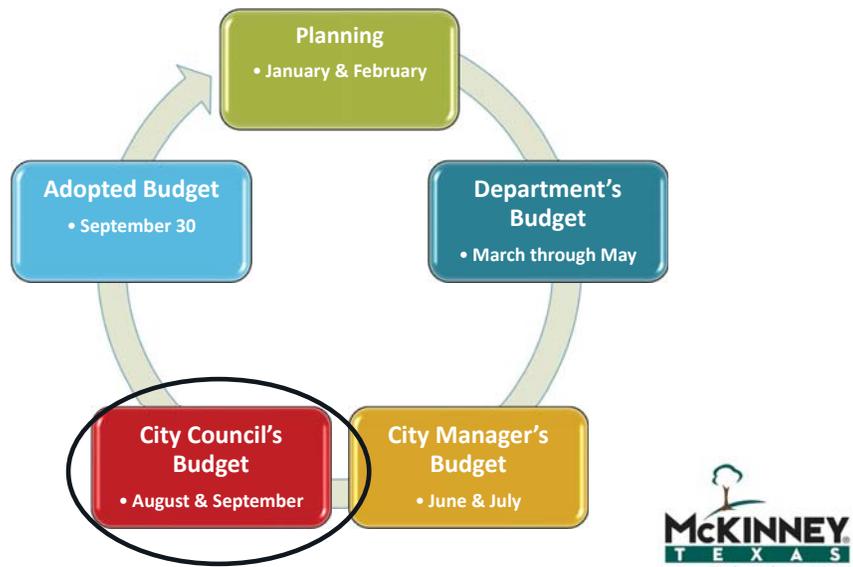
- Budget Process
- Water / Wastewater Rates
- FY23 Budget Overview
- Property Tax
- General Fund Revenues & Expenditures
- Capital Improvements Program
- Solid Waste, Surface Water Drainage & Replacement Fund
- Component Units
- Budget Calendar



Budget Process



Budget Development Cycle



McKINNEY FIRST
CITY COUNCIL GOALS & STRATEGIES
FISCAL YEAR 2023

- DIRECTION FOR STRATEGIC & ECONOMIC GROWTH**
- OPERATIONAL EXCELLENCE**
- MAXIMIZE THE DEVELOPMENT POTENTIAL OF MCKINNEY NATIONAL AIRPORT**
- FINANCIALLY SOUND GOVERNMENT**
- ENHANCE THE QUALITY OF LIFE IN MCKINNEY**
- SAFE & SECURE COMMUNITY**

The McKinney Texas logo is located in the bottom right corner of the slide.

Budget Philosophy & Strategy

- **Policy Tool**
 - Forces prioritization of level of service policy decisions
- **Management Tool**
 - Allocates resources based on need and priority
- **Communications Tool**
 - Provides insight as to the level of service being provided and prioritization of available resources

Long Term Planning Initiatives

- City has created two plans with a 10-year horizon
 - General Obligation Debt Service Plan
 - Outlines total debt capacity
 - Maintains I&S rate
 - General Fund Plan
 - Provides 10-year projection of operating revenues and expenditures



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Budget Guidelines – Fiscal Year 2022-23

- General Fund
 - Fully funded and balanced budget
 - Maintain conservative tax levy
 - Police and Fire sworn personnel pay structures based on current Meet and Confer agreement
 - Maintain minimum fund balances and reserves as required by the City's financial policies with a General Fund reserve of not less than 25% of budgeted expenditures
- Utility Funds (Water, Sewer, Drainage)
 - Long-term financial sustainability of the funds
 - Implementation of rate adjustments as recommended by appropriate rate studies or rate adjustments



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City of McKinney

2022 Water and Wastewater

Rate Study and Financial Forecast

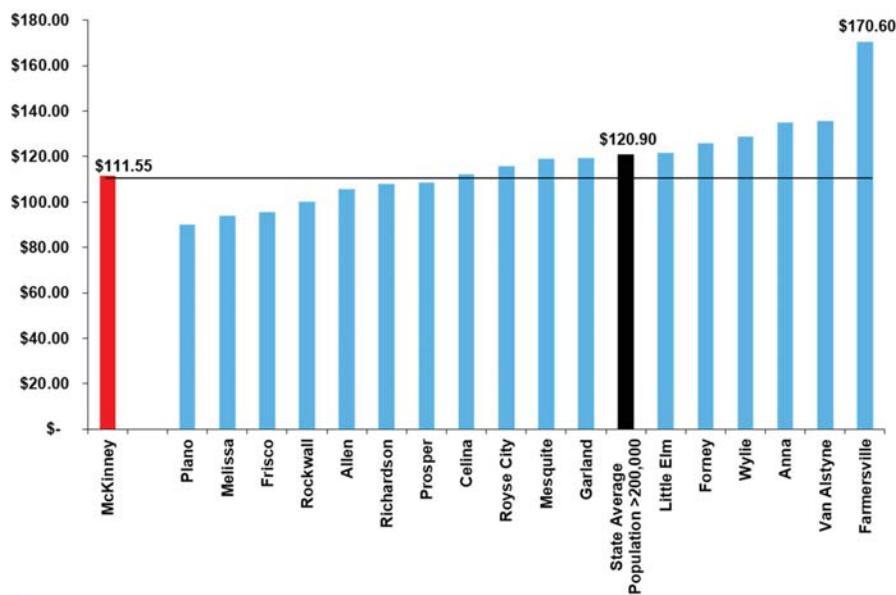
City Council Briefing

Changes to Utility Since 2021 Rate Study

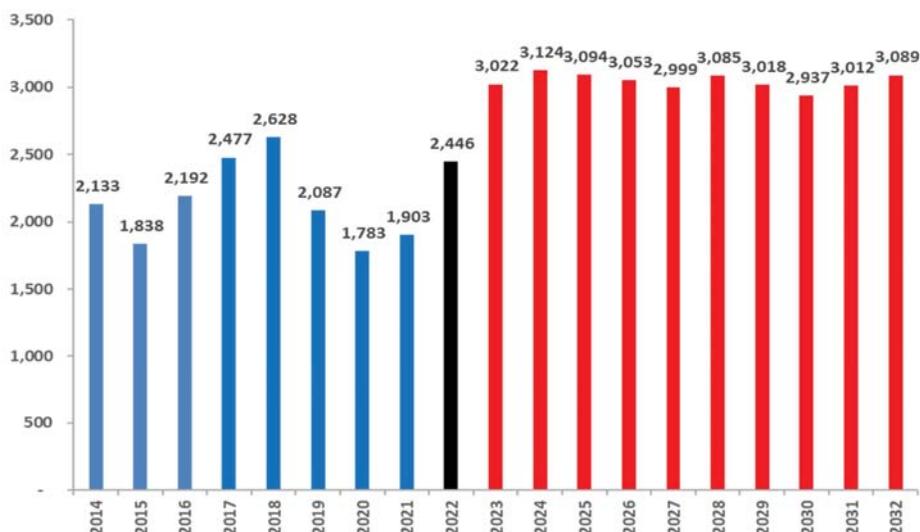


- Four factors are contributing to the need to adjust the City's long-term rate plan:
 - NTMWD is implementing **13%** water rate increase in 2022, **11%** in 2023, **4-9%** each year 2024-2031
 - NTMWD East Fork Interceptor costs now forecast to be 20% higher than 2021 estimates
 - FY 2023 budgeted operating costs are higher than forecast last year due to uptick in inflation
 - Amount of debt required to fund CIP has increased significantly from 2021

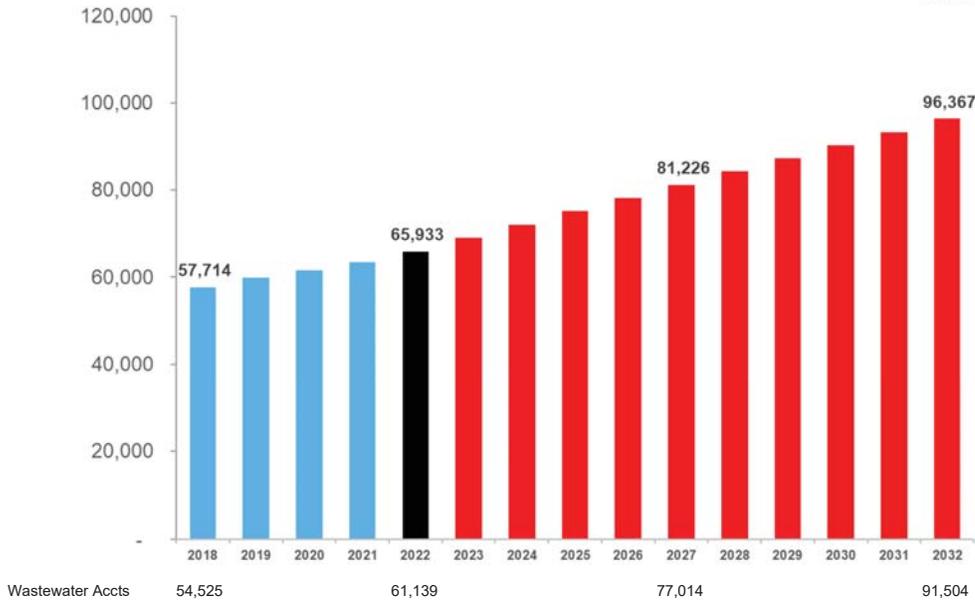
Monthly Residential Charge Comparison 10,000 Gal W, 5,000 Gal WW



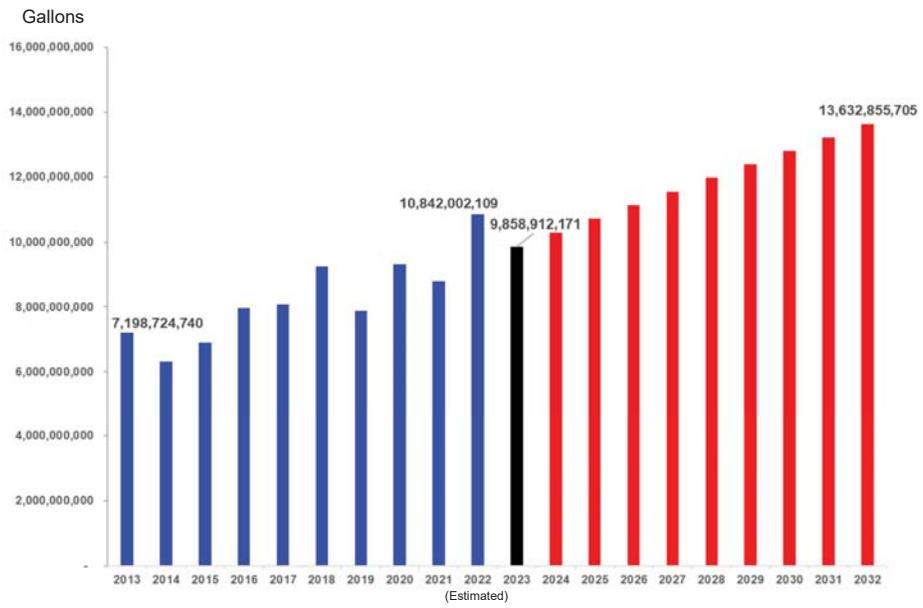
Forecast Annual New Water Accounts



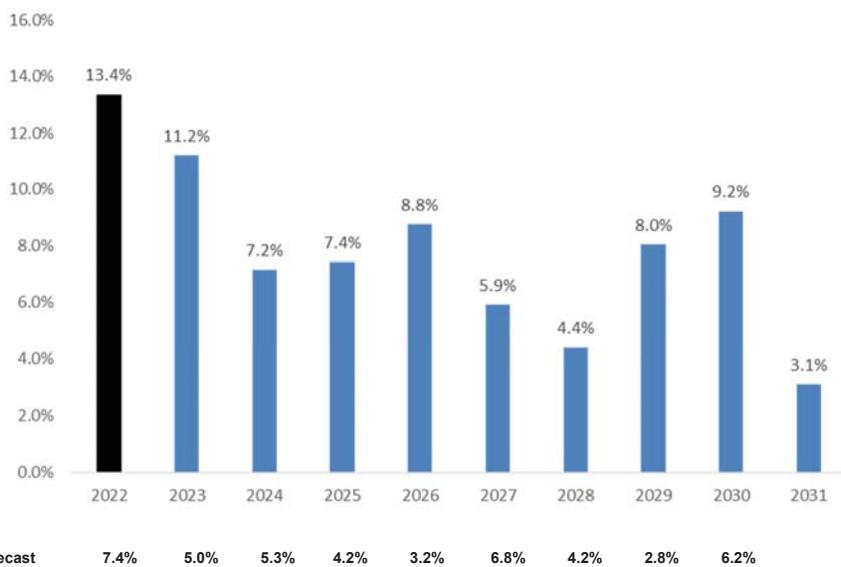
Actual and Forecast Total Water Accounts



Actual and Forecast Water Consumption



NTMWD Water Rate Increases 2022 Forecast



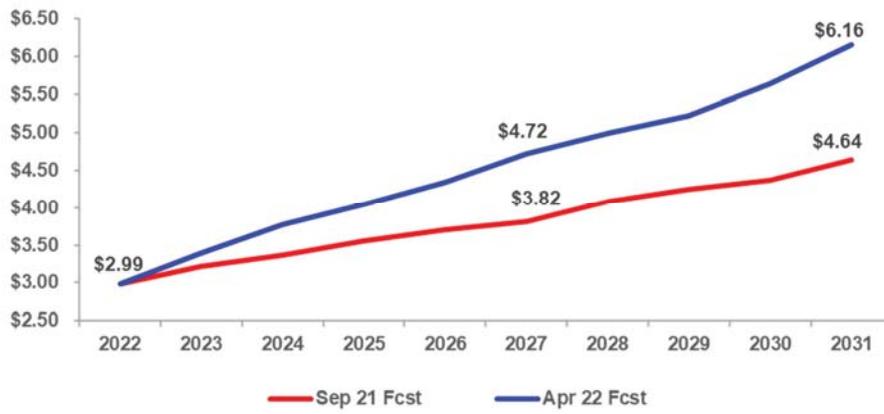
2021 Forecast 7.4% 5.0% 5.3% 4.2% 3.2% 6.8% 4.2% 2.8% 6.2%



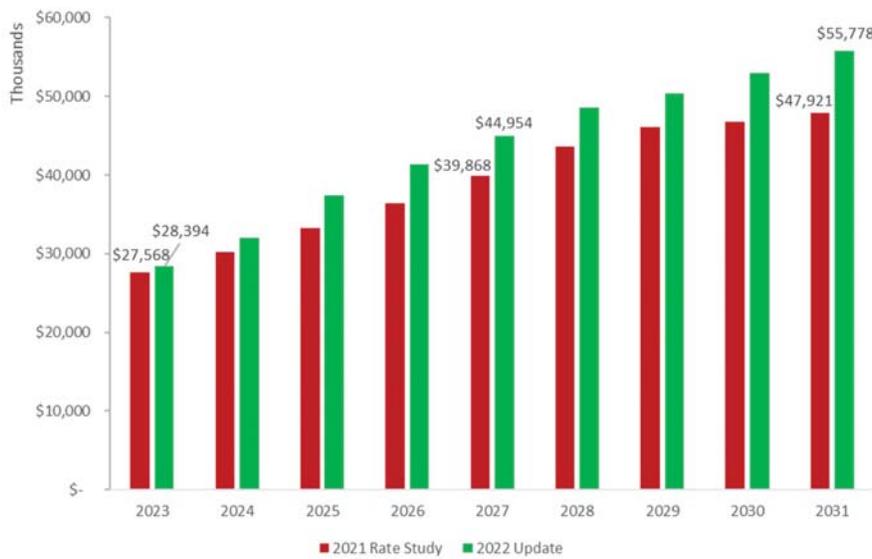
NTMWD 2021 and 2022 Rate Forecasts



Rate/1,000 Gal



NTMWD Wastewater Upper East Fork Interceptor - 2021 vs 2022



Water/Wastewater Forecast Bond Issues

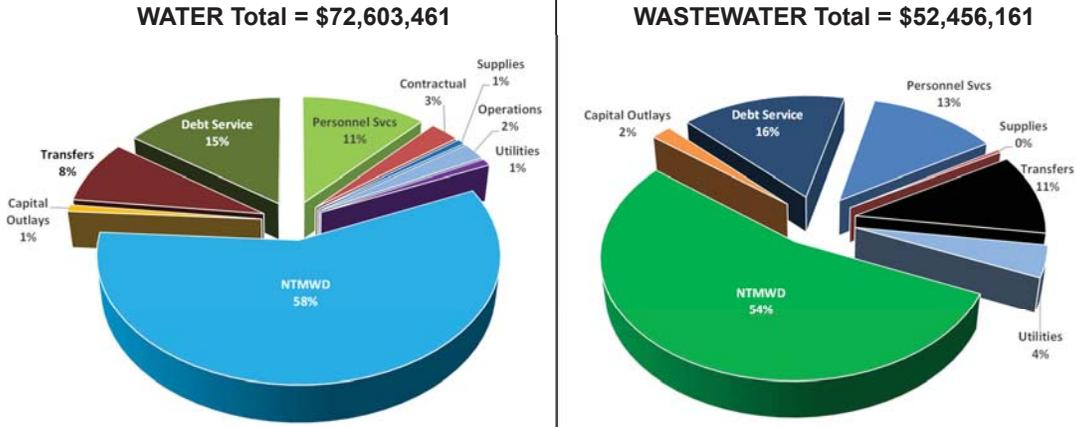


	2021 Rate Study	2022 Update
Forecast Bond Issues		
2022	\$ 38,000,000	\$ 57,465,000
2023	35,500,000	54,500,000
2024	23,000,000	30,500,000
2025	24,000,000	32,500,000
2026	22,000,000	29,500,000
2027	-	41,000,000
Sub-Total	104,500,000	188,000,000
Total Debt	142,500,000	245,465,000

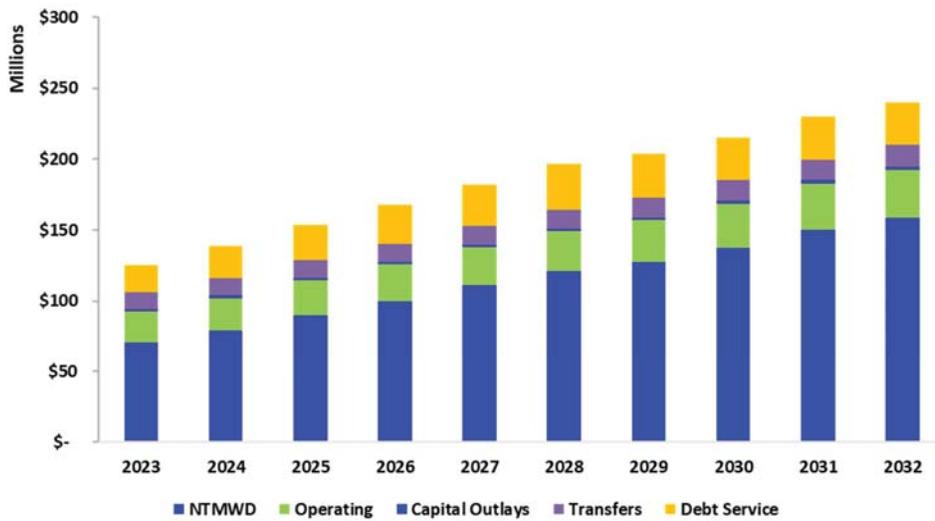
* Issued in 2022



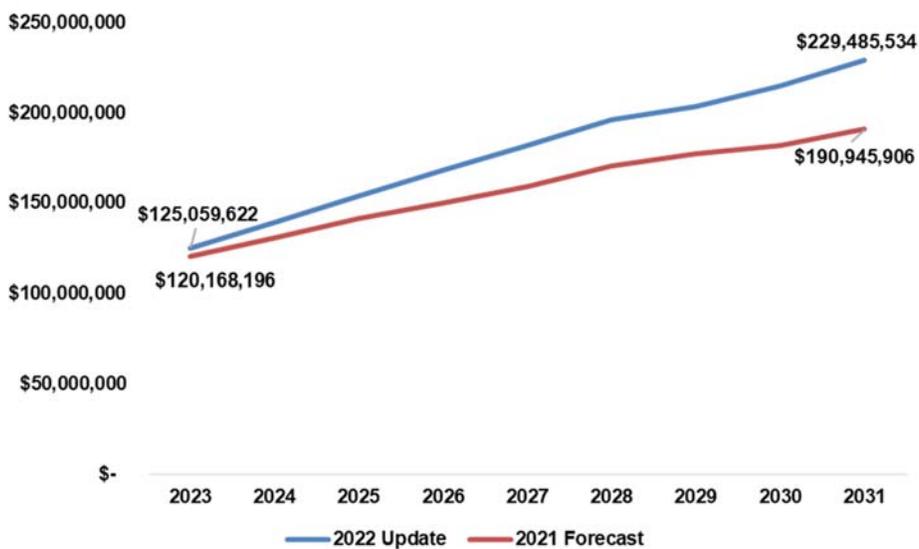
Test Year 2023 Cost of Service



Water and Wastewater Forecast Cost of Service – 2022 Update



Water and Wastewater Cost of Service 2021 and 2022 Forecasts



Notes on Rate Proposal



- Combination of following factors results in need for adjustment to City rate plan:
 - NTMWD – water rate increases
 - NTMWD – East Fork and wastewater increases
 - Increase in inflation rate
 - Higher levels of debt service required to fund CIP

- Due to economic uncertainty, recommend implementing one year rate plan and conduct annual reviews for next several years

2022 Update Proposed Water Rate Plan



WATER	Current	Effective Oct-22	Forecast		
			Oct-23	Oct-24	Oct-25
Water Rates -- Residential Inside					
Monthly Minimum Charge	\$ 16.50	\$ 17.65	\$ 18.70	\$ 19.65	\$ 20.65
1"	16.50	17.65	18.70	19.65	20.65
1 1/2"	16.50	17.65	18.70	19.65	20.65
2"	16.50	17.65	18.70	19.65	20.65
Volume Rate Per 1,000 Gal					
1 7,000	4.00	4.35	4.70	5.00	5.30
7,001 20,000	5.50	6.00	6.50	6.90	7.30
20,001 40,000	6.95	7.60	8.20	8.70	9.20
40,001 Above	8.35	9.10	9.85	10.45	11.10
Water Rates -- Commercial Inside					
Monthly Minimum Charge					
3/4"	16.50	17.65	18.70	19.65	20.65
1"	28.95	31.00	32.85	34.50	36.25
1 1/2"	49.60	53.05	56.25	59.05	62.00
2"	69.55	74.40	78.85	82.80	86.95
3"	122.45	131.00	138.85	145.80	153.10
4"	182.05	194.80	206.50	216.85	227.70
6"	339.40	363.15	384.95	404.20	424.40
8"	670.45	717.40	760.45	798.45	838.35
10"	1,268.65	1,357.45	1,438.90	1,510.85	1,586.40
12"	2,371.75	2,537.75	2,690.00	2,824.50	2,965.70
Volume Rate Per 1,000 Gal					
1 Above	4.65	5.05	5.45	5.80	6.15

2022 Update Proposed Water Rate Plan



WATER	Current	Effective Oct-22	Forecast		
			Oct-23	Oct-24	Oct-25
Water Rates - MU					
Monthly Minimum Charge	-	-	-	-	-
Volume Rate Per 1,000 Gal					
1 Above	3.50	3.80	4.10	4.35	4.60
Water Rates - Irrigation					
Monthly Minimum Charge					
3/4"	16.50	17.65	18.70	19.65	20.65
1"	28.95	31.00	32.85	34.50	36.25
1 1/2"	49.60	53.05	56.25	59.05	62.00
2"	69.55	74.40	78.85	82.80	86.95
3"	122.45	131.00	138.85	145.80	153.10
4"	182.05	194.80	206.50	216.85	227.70
6"	339.40	363.15	384.95	404.20	424.40
8"	670.45	717.40	760.45	798.45	838.35
Volume Rate Per 1,000 Gal					
1 7,000	4.00	4.35	4.70	5.00	5.30
7,001 20,000	5.50	6.00	6.50	6.90	7.30
20,001 40,000	6.95	7.60	8.20	8.70	9.20
40,001 Above	8.35	9.10	9.85	10.45	11.10

2022 Update Proposed Wastewater Rate Plan



WASTEWATER	Current	Effective Oct-22	Forecast		
			Oct-23	Oct-24	Oct-25
Wastewater Rates - Residential Inside					
Monthly Minimum Charge	\$ 21.05	\$ 22.75	\$ 24.55	\$ 26.25	\$ 27.30
Volume Rate/1,000 Gal	5.90	6.35	6.85	7.35	7.65
Wastewater Rates - Commercial Inside					
<u>Monthly Minimum Charge</u>					
3/4"	21.05	22.75	24.55	26.25	27.30
1"	34.50	37.25	40.25	43.05	44.75
1 1/2"	57.00	61.55	66.45	71.10	73.95
2"	74.15	80.10	86.50	92.55	96.25
3"	116.30	125.60	135.65	145.15	150.95
4"	164.85	178.05	192.30	205.75	214.00
6"	281.65	304.20	328.55	351.55	365.60
8"	551.15	595.25	642.85	687.85	715.35
10"	1,134.55	1,225.30	1,323.30	1,415.95	1,472.60
12"	2,314.15	2,499.30	2,699.25	2,888.20	3,003.75
Volume Rate/1,000 Gal	5.90	6.35	6.85	7.35	7.65
Wastewater Rates - MU					
<u>Monthly Minimum Charge</u>					
	-	-	-	-	-
Volume Rate/1,000 Gal					
1 Above	4.45	4.80	5.20	5.55	5.75



Proposed Rate Plan Impact on Monthly Charges



	Current	Effective Oct-22	Forecast		
			Oct-23	Oct-24	Oct-25
Residential Monthly Charges -- 3/4"					
5,000 Water 5,000 WW	\$ 87.05	\$ 93.90	\$ 101.00	\$ 107.65	\$ 112.70
Increase -- \$		6.85	7.10	6.65	5.05
Increase -- %		7.9%	7.6%	6.6%	4.7%
10,000 Water 5,000 WW	111.55	120.60	129.90	138.35	145.20
Increase -- \$		9.05	9.30	8.45	6.85
Increase -- %		8.1%	7.7%	6.5%	5.0%
30,000 Water 5,000 WW	236.05	256.60	276.90	294.35	310.20
Increase -- \$		20.55	20.30	17.45	15.85
Increase -- %		8.7%	7.9%	6.3%	5.4%
Commercial Monthly Charges -- 2"					
40,000 Water 40,000 WW	\$ 565.70	\$ 610.50	\$ 657.35	\$ 701.35	\$ 735.20
Increase -- \$		44.80	46.85	44.00	33.85
Increase -- %		7.9%	7.7%	6.7%	4.8%



Questions?



FY 2023 Budget Overview



Citizens Budget Survey – Virtual Town Hall FY23

- Survey completed by 150 citizens on the allocation of City funds



FY 2023 Budget Opportunities

- **Decrease property tax rate by 4.0 cents to \$0.457485**
- Sales Tax remains strong
- Provide market adjustments for all employees
 - Step increases for FY23
 - Allowance for Market Study
 - Planned step increases for sworn personnel
- Increased funding for Street Maintenance
- Staffing
 - Public Safety/Police & Fire
 - Development Services
 - Parks and Recreation
 - Public Works
 - Water/Wastewater



2019 Bond Package

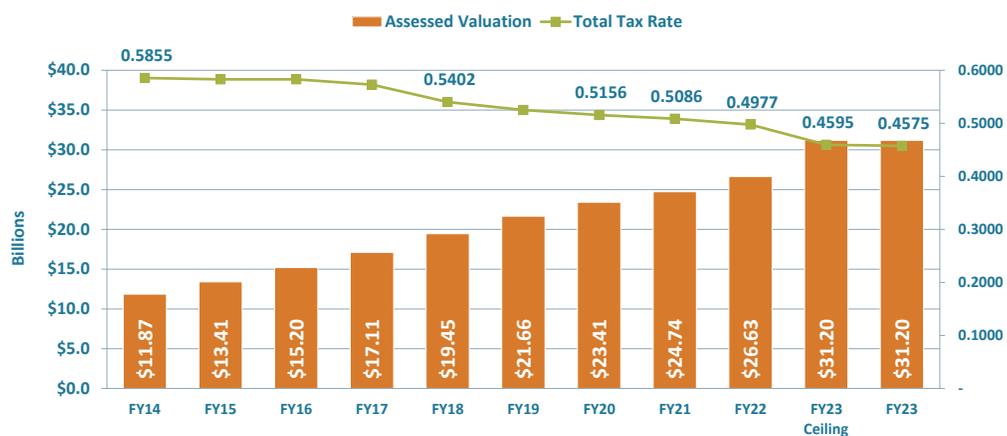
- Total Bond Package - \$350 Million
 - Public Safety Facilities \$75 Million
 - \$14.75 million issued
 - Municipal Community Complex \$50 Million
 - \$50 million issued
 - Parks and Recreation Facilities \$91 Million
 - \$46.09 million issued
 - Public Works Facilities \$34 Million
 - \$16.75 million issued
 - Street Improvements \$100 Million
 - \$37.86 million issued
- Total Issued - \$165.45 Million



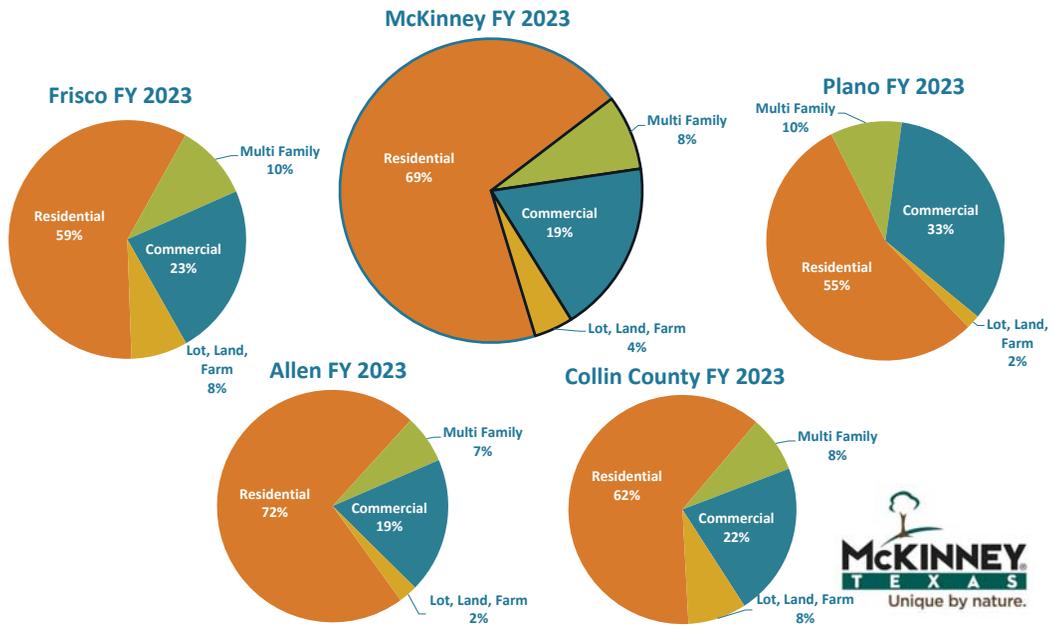
Property Tax



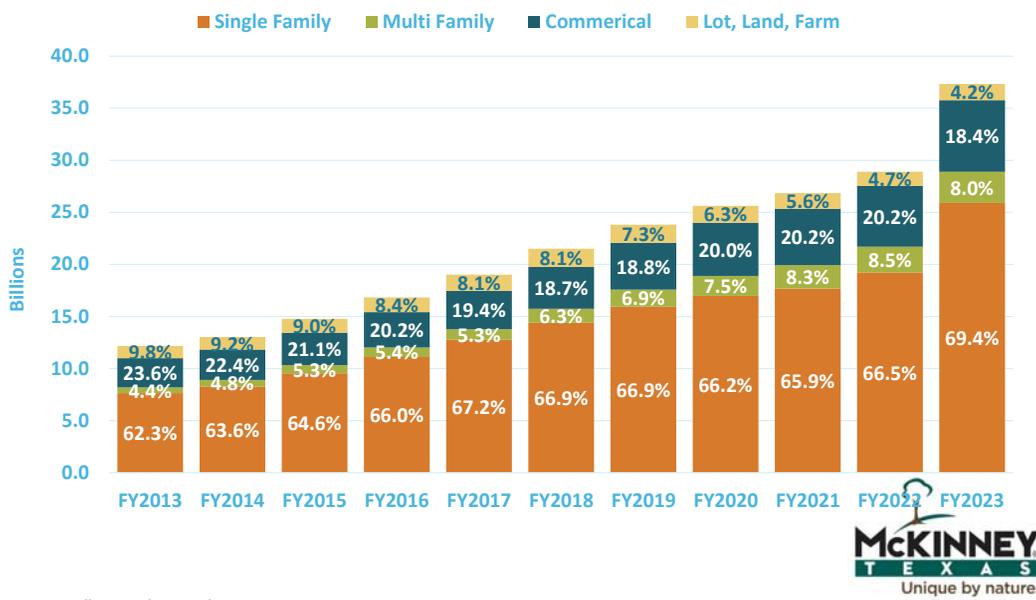
Taxable Value & Tax Rate History



Makeup of Appraised Values – Sister Cities

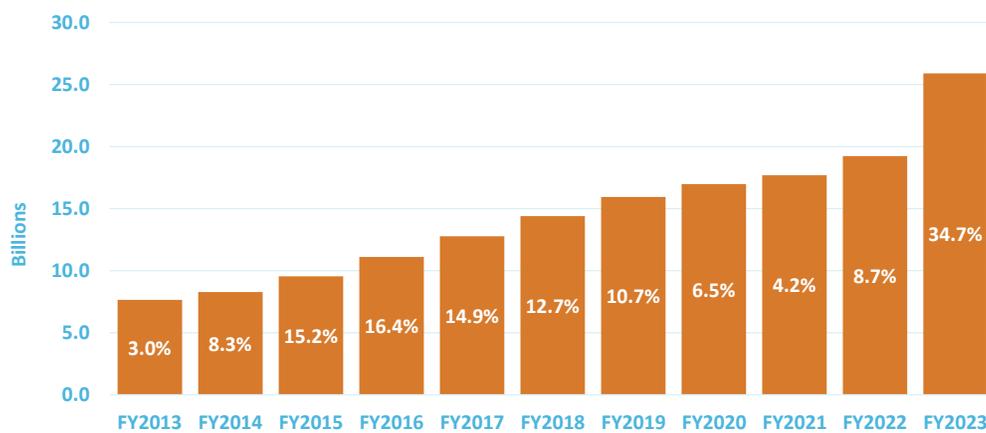


Makeup of Appraised Values

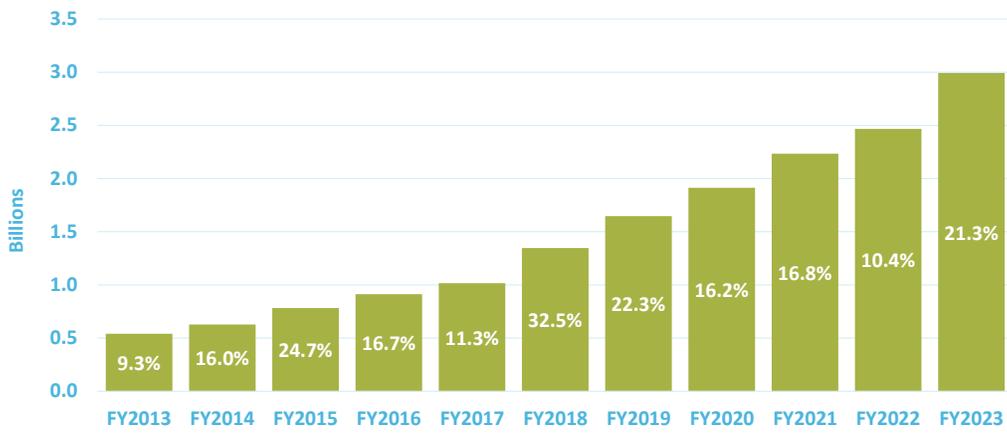


Source: Collin Central Appraisal District

Single Family Residence Values - % of Change



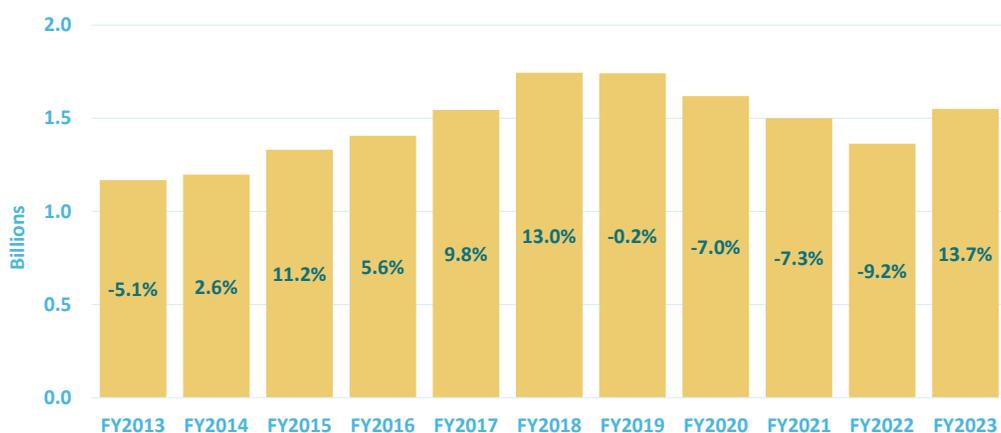
Multi Family Values - % of Change



Commercial Values - % of Change



(Vacant) Land Value - % of Change



5-Year CPI Rates vs McKinney Tax Rate (% Above NNR Rate)

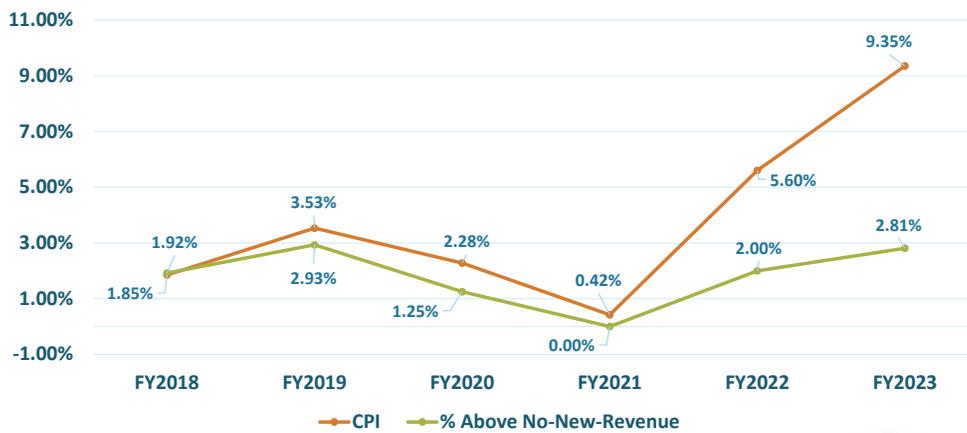
- 2017 – 1.85% CPI
- 2018 – 3.53% CPI
- 2019 – 2.28% CPI
- 2020 – 0.42% CPI
- 2021 – 5.60% CPI
- 2022 – 9.35% CPI (July to July)
- FY18 – 1.92% Above NNR
- FY19 – 2.94% Above NNR
- FY20 – 1.25% Above NNR
- FY21 – 0.00% Above NNR
- FY22 – 2.00% Above NNR

FY23 Proposed Tax Rate

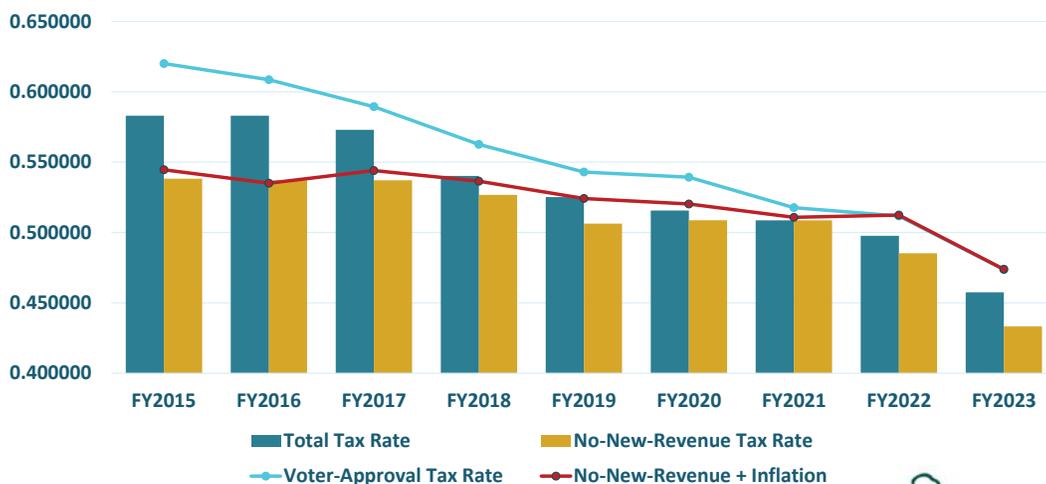
- **FY2023 - .457485 (2.81% Above NNR)**



5-Year CPI Rates vs McKinney Tax Rate (% Above NNR Rate)

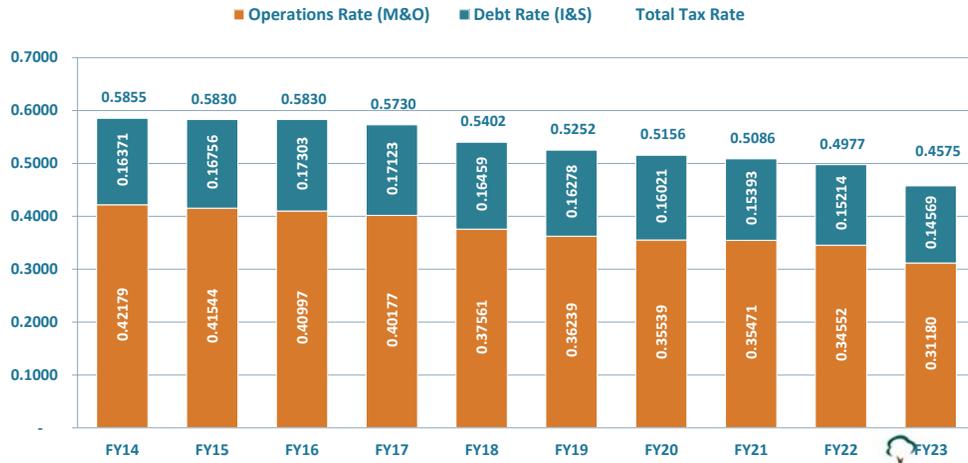


Total Tax Rate Comparison



Property Tax Rate

Operations & Debt Rate History



Tax Rate/Average Home Value

2021 Tax Year

(FY22)

Tax Rate \$0.497655

Avg. Market Value
\$374,290

Avg. Taxable Value
\$372,011

Average Tax Levy

\$1,851

2022 Tax Year

(FY23)

Tax Rate \$0.457485

Avg. Market Value
\$496,438

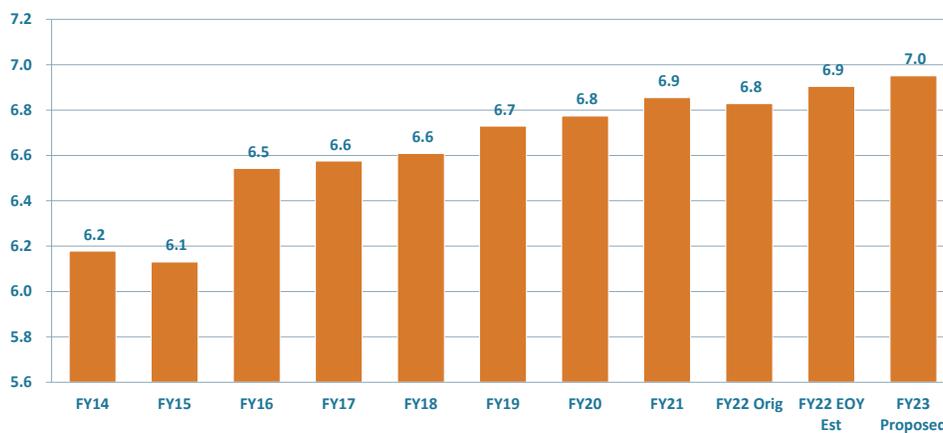
Avg. Taxable Value
\$415,259

Average Tax Levy

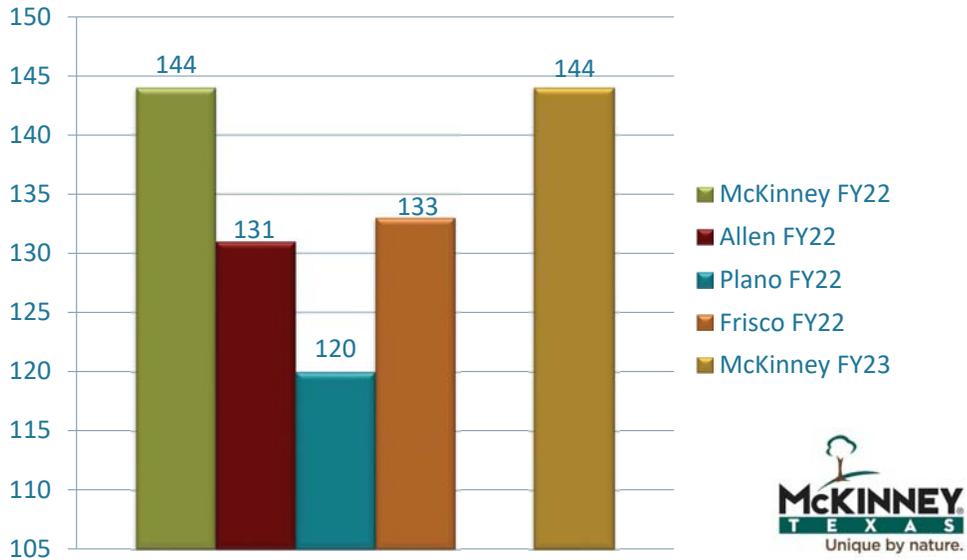
\$1,899



Citizens Served Per Employee



Citizens Served – Sister Cities



General Fund Revenues



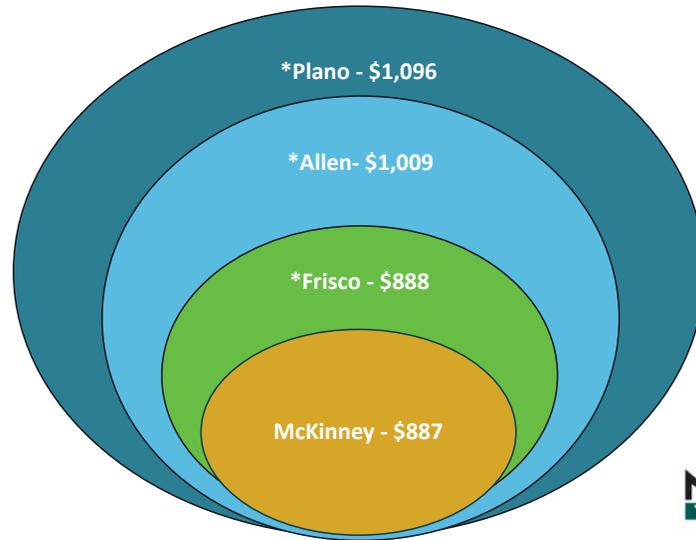
FY 2023 Revenue Estimates

- Budget for sales tax conservative
 - FY22 + 5.0%
- Building Permits
 - Up \$600,000 from FY22 Budget
 - Budgeted at 10% over FY21 actual
 - FY22 engineering inspections are used as indicator
- Interest Income
 - \$2.5 million more than FY22 EOY
- Franchise Fees
 - Budgeted 3.8% above FY22 budget
 - Have remained relatively flat

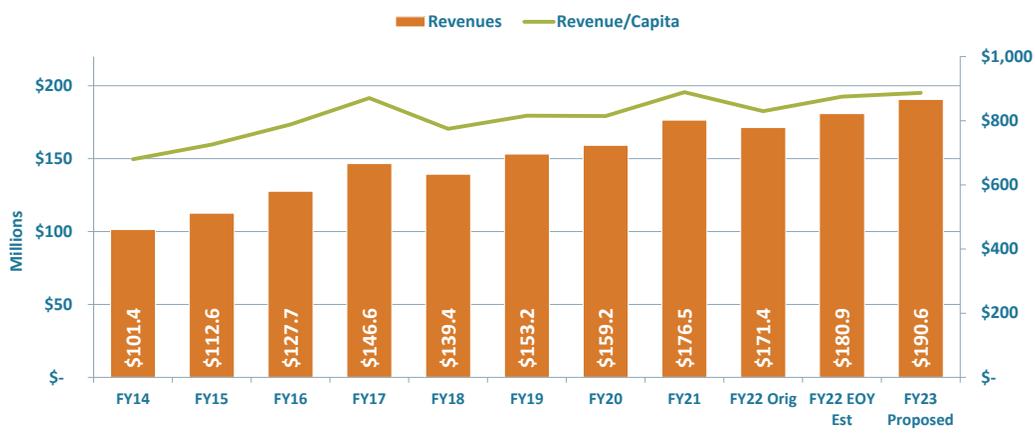


Sister Cities GF Revenues Per Capita

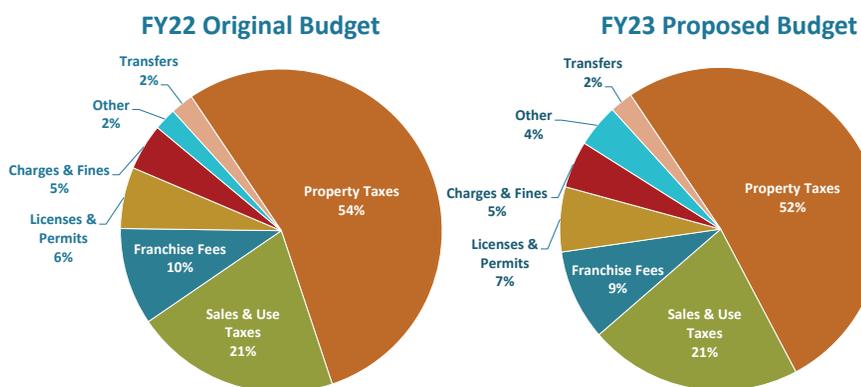
*Based on FY2022 Adopted Budgets



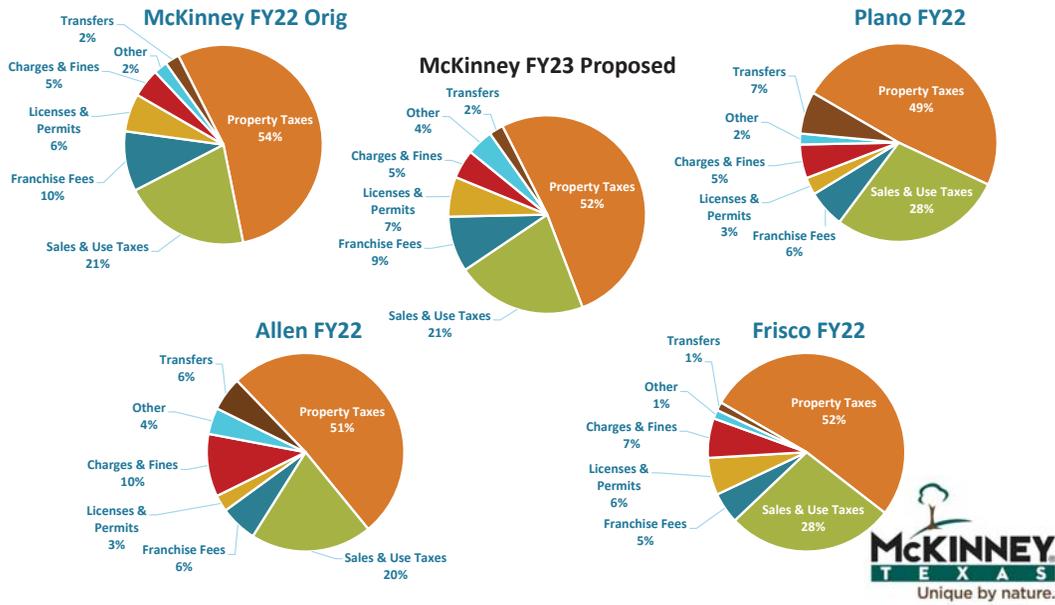
General Fund Revenues



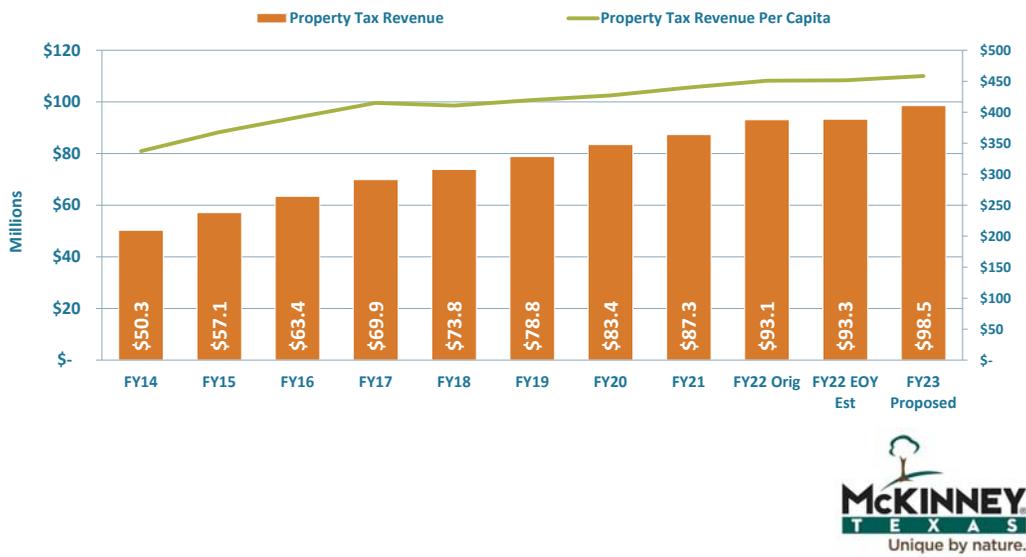
General Fund Revenue Makeup



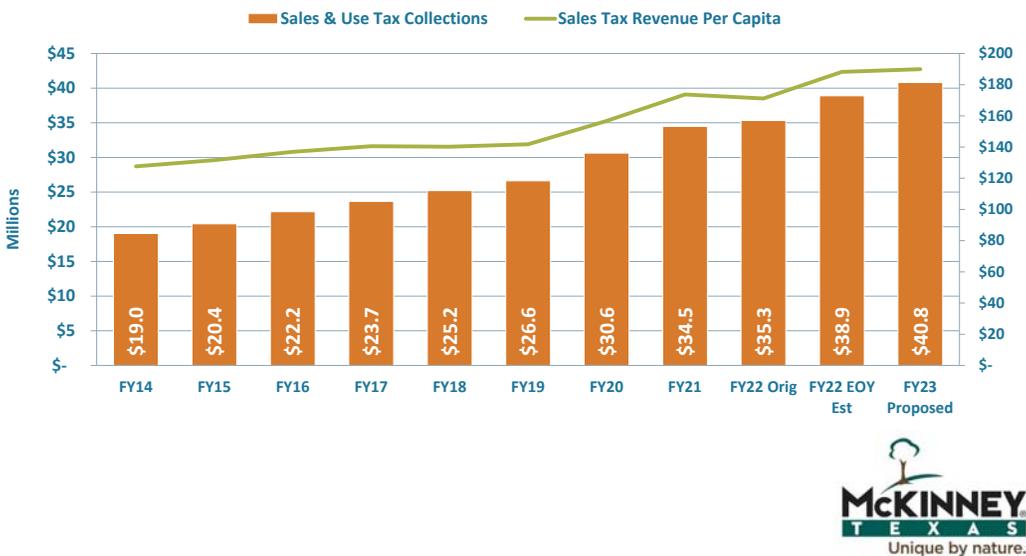
General Fund Revenue Makeup – Sister City Comparison



Property Tax Revenue



Sales Tax Revenue

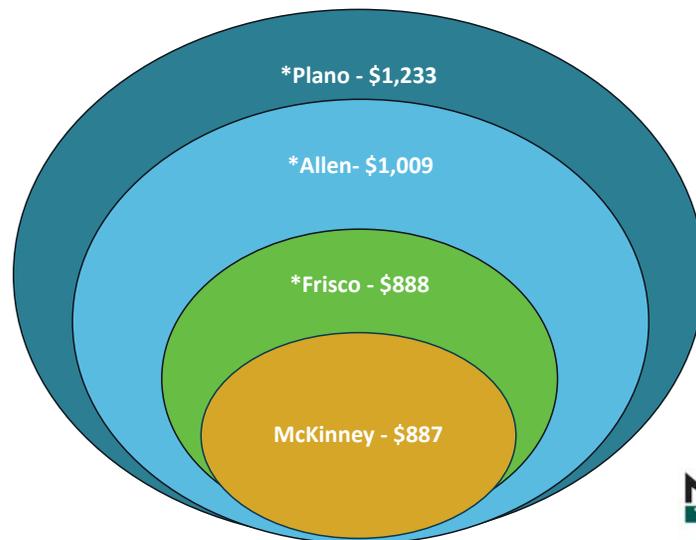


General Fund Expenditures



Sister Cities GF Expenditures Per Capita

*Based on FY2022 Adopted Budgets

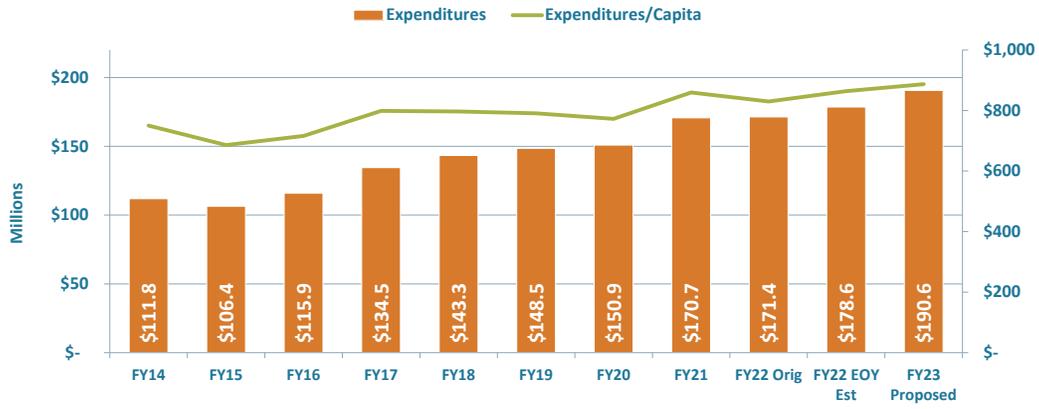


General Fund Expenditure Highlights

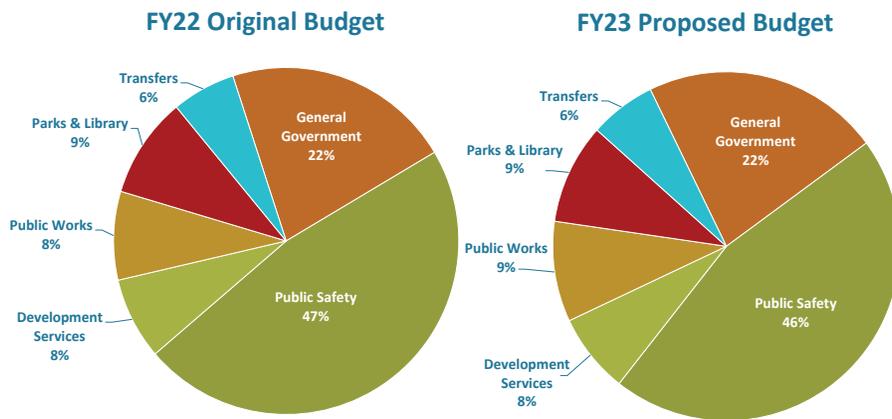
- \$7,800,000 – New Employees & Equipment
- \$3,000,000 – Street Maintenance
- \$1,500,000 – Public Safety Step Increases and Market Adjustments
- \$1,400,000 – Step Increases for General Government Employees
 - 2% Cost-of-Living Adjustment July 2022
- Additional Allowance for Market Study Results



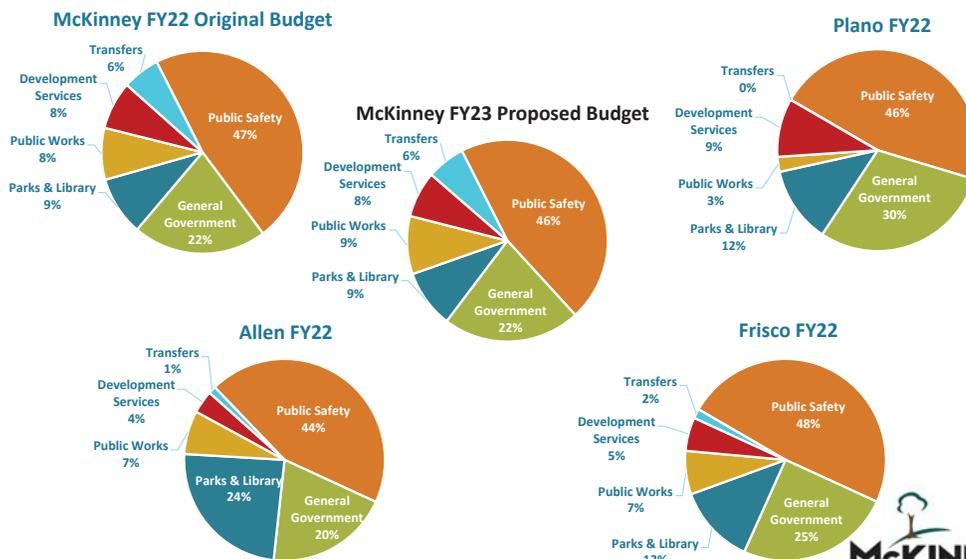
General Fund Expenditures



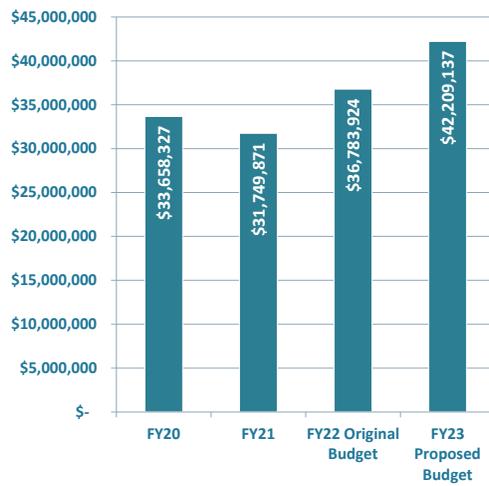
General Fund Expense Makeup



General Fund Expense Makeup – Sister City Comparison



General Government



- 165 Authorized Positions
- Includes all internal business functions
- FY23 expenditures include new:
 - Human Resource Analyst
 - Community Services Coordinator
 - IT Application Support Specialist
 - IT Maintenance



Public Safety



- 583 Authorized Positions
- FY23 expenditures include new:
 - Police Dept. Employees (16)
 - 8 First Responders
 - Mental Health Coordinator
 - Open Records Specialist
 - 2 Communication Specialists
 - 3 Detectives
 - 1 Public Service Officer
 - Fire Dept. Employees (11)
 - 9 Firefighter/Paramedics
 - Fire Systems Review Specialist
 - 2 College Interns



Development Services



- 116 Authorized Positions
- FY23 expenditures include new:
 - Civil Engineer II
 - Assistant Engineering Director
 - Neighborhood Planner
 - Administrative Assistant



Public Works



- 80 Authorized Positions
- FY23 expenditures include new:
 - 4 Maintenance Technicians
 - Crew Leader
 - Right of Way Supervisor
 - Plans Examiner
- \$3,000,000 added to Street Maintenance



Parks & Library



- 200 Authorized Positions
- FY23 expenditures include new:
 - 2 Parks Maintenance Workers
 - Parks Development Planner II
 - 2 Special Event Coordinators
 - Contract Mowing
 - Digital Library Expansion



Grants to Community

- Adopted annually as part of General Fund appropriations
- Organizations do not reapply annually

Arts Commission	200,000
Community Support Grants	175,000
Community Grants – Flex Fund	20,000
Volunteer McKinney	75,000
Kiwanis Triathlon Support Grant	10,000
Pecan Grove Memorial Service	950
Boys and Girls Club	15,000
One Heart McKinney	15,000
Downtown Holiday Decorations	50,000
Unassigned Assistance	10,000
	570,950



Capital Improvements Program



Capital Improvements Program – FY 2023-2027

Project	Funded Thru FY22 (Incl. B.A.)	FY22 Adjustments	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	TOTAL
Airport	\$ 72,410,433	\$ 60,000	\$ 1,863,443	\$ 6,400,000	\$ 5,266,666	\$ 4,333,333	\$ -	\$ 90,333,875
Drainage	15,730,000	(7,906,818)	-	-	-	-	7,500,000	15,323,182
Facilities	61,727,470	60,000,000	35,250,000	-	-	-	-	156,977,470
Public Safety Improvements	66,905,997	(32,700,000)	33,350,000	30,000,000	750,000	1,800,000	-	100,105,997
Library	108,401	-	-	-	-	-	-	108,401
Parks	91,896,845	3,143,713	9,395,320	20,410,000	30,000,000	-	-	154,845,878
Streets	205,632,764	(3,745,052)	27,525,000	39,600,000	1,815,000	-	-	270,827,712
Technology Improvmts	12,665,000	3,365,761	2,500,000	-	-	-	-	18,530,761
Traffic	14,593,141	(745,694)	6,920,000	820,000	20,000	20,000	20,000	21,647,447
Water	178,759,767	2,984,849	40,630,000	18,925,000	21,675,000	18,900,000	25,400,000	307,274,616
Wastewater	65,638,681	(2,314,150)	26,870,000	13,325,000	11,075,000	10,650,000	15,450,000	140,694,531
Grand Total	\$ 786,068,499	\$ 22,142,609	\$ 184,303,763	\$ 129,480,000	\$ 70,601,666	\$ 35,703,333	\$ 48,370,000	\$ 1,276,669,870



Major Projects – FY 2023 Funding

- Airport Projects
 - Taxi lane A Realignment and Rehabilitation \$1.1M
- Facilities Projects
 - Municipal Complex Design and Construction \$18.0M
 - Public Works Complex - College Street Service Center Campus Renovations \$17.3M
- Parks Projects
 - Greens of McKinney Park Trail and Improvements \$2.8M
- Public Safety Projects
 - Fire Department Administration Building \$20.5M
 - Fire Station #8 Reconstruction – 3445 Alma Road \$11.5M
- Streets Projects
 - Citywide Street Repairs (Programmed) \$5.0M
 - Bloomdale Road and Spur 195 Realignment \$4.1M
- Water / Wastewater Projects
 - FM1461 Utility Relocations (TxDOT Roadway Construction) \$14.0M
 - Wilson Creek Parallel Sanitary Sewer – North (Virginia to US 75) \$10.5M
 - 920PP Water Booster Transmission and Supply Mains \$5.3M
 - SH5 Utility Relocations Phase 2 \$4.4M



Water and Wastewater Fund



Water and Wastewater Highlights

- Continue water line replacement program
- Anticipate a debt sale for capital projects in FY23
- Supplementals proposed include:
 - 2 Water Utilities Supervisor
 - 3 Water Utilities Technicians
 - Manhole Inspections
 - Auto Flushers
 - Hydro Excavator



Water and Wastewater Rates

- Rates and NTMWD
 - NTMWD FY23
 - 13.4% Increase on Water
 - Originally no increase was expected from NTMWD on Water
 - 8.4% Increase on Wastewater
 - Increased rates due to inflation and market conditions, commodity prices, capital improvements district wide, & increased regulatory requirements
 - City of McKinney proposes
 - 9% increase on Water
 - 8% increase on Wastewater
 - Allows for Water/Wastewater fund to remain self-sufficient



Solid Waste, Surface Water Drainage & Replacement Fund



Solid Waste Fund

- Solid Waste rates remained the same for Residential customers & increased 10% for Commercial
 - Last year was first rate increase to customers since FY2006
- With the help of a consultant, undergoing the development of a Solid Waste Services RFP
- Supplementals proposed include:
 - Customer Service Representative, Senior



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Surface Water Drainage Fund

- No changes to fee schedule (updated in FY15)
- Supplementals proposed include:
 - Graduate Engineer I
 - Storm Sewer Televising:
 - CCTV Operator & Van
 - Combo Vac Operator & Truck



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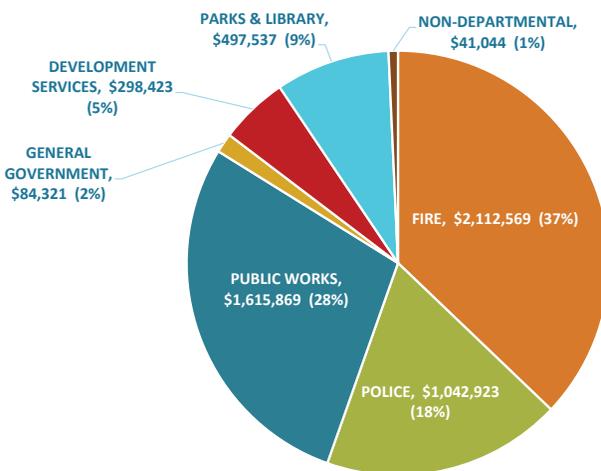
Equipment & Facilities Replacement Fund

- Fund initiated in FY14 to address needed fleet replacements and facilities upgrades and repairs
- Attempting to fund depreciation in all funds, as funds are available, to lessen dependence on debt
- This fund has replaced HVAC units, addressed failing roofs, and provided upgrades for several facilities and parks.



Equipment & Facilities Replacement Fund

- During FY22, over \$5.7M has been used for replacements in the following departments:



McKinney National Airport



McKinney National Airport

- Balanced budget presented for FY23
 - Reinvestment in Airport Construction Fund
 - Annual General Fund contribution ended FY20
- Supplementals proposed include:
 - Airport Operations Supervisor
 - Credentialing Coordinator
 - Line Service Technician



Component Units



Hotel/Motel Tax Fund

- Under Texas law, Hotel/Motel Tax must be expended under 2 criteria:
 - Criteria #1: Every expenditure must directly enhance and promote tourism and the convention and hotel industry.
 - Criteria #2: Every expenditure of the hotel occupancy tax must clearly fit into one of nine statutorily provided categories for expenditure of local hotel occupancy tax revenues.
- Estimated FY22 Hotel/Motel Tax Collection \$2,100,000



Visit McKinney Budget Notes

- Total operating costs up \$93,000 over FY22 Adopted
–\$943k to \$1.04M
- Supplementals proposed include:
–Visit McKinney Store Sale Items



Visit McKinney Budget and Current Staffing

STATEMENT OF REVENUES AND EXPENDITURES	Actual FY 19-20	Actual FY 20-21	Original FY 21-22	EOY Estimate FY 21-22	Proposed FY 22-23
REVENUES					
Interest Income	\$ 527	\$ 290	\$ 300	\$ 300	\$ 2,000
Other Income	3,553	3,846	4,760	4,760	4,460
Transfers from Hotel/Motel Fund	828,000	878,000	895,000	895,000	1,030,000
Total Revenues	\$ 832,079	\$ 882,137	\$ 900,060	\$ 900,060	\$ 1,036,460
EXPENDITURES					
Personnel	\$ 466,438	\$ 540,583	\$ 541,668	\$ 562,331	\$ 580,975
Supplies	5,702	4,715	9,114	9,114	9,774
Maintenance	-	-	-	-	-
Services/Sundry	286,578	314,299	392,235	467,135	445,385
Capital	-	-	-	-	-
Total Expenditures	\$ 758,718	\$ 859,598	\$ 943,017	\$ 1,038,580	\$ 1,036,134
NET INCOME	73,361	22,539	(42,957)	(138,520)	326
BEGINNING FUND BALANCE	44,279	117,640	52,481	140,179	1,659
ENDING FUND BALANCE	\$ 117,640	\$ 140,179	\$ 9,524	\$ 1,659	\$ 1,985

STAFFING	Grade	EOY Estimate FY 21-22	Proposed FY 22-23
Executive Director of CVB	D2	1.00	1.00
MCVB Sales Manager	14	2.00	2.00
MCVB Communications Manager	13	1.00	1.00
Executive Assistant +	10	1.00	1.00
Administrative Assistant +	7	0.00	0.00
Staff Assistant <1560 hrs +	4B	0.00	0.00
Staff Assistant <1000 hrs +	4A	1.00	1.00
+ Position(s) reclassified in FY 2021-22.			
Total		6.00	6.00



MEDC

- Main Source of Funds – ½ Cent Type A Sales Tax
–FY23 Estimated Collection \$21,772,226
- Type A Funds may be used for land, buildings, facilities, improvements, and expenditures related to:
 - Manufacturing, industrial, R&D, corporate headquarter facilities, and distribution centers
 - Job Training
 - Business airport facilities
 - Light rail, commuter rail, or motor buses
 - Infrastructure assistance to retail or commercial projects
 - Type B projects (with voter approval)



MEDC Budget and Current Staffing

STATEMENT OF REVENUES AND EXPENDITURES	Actual FY 19-20	Actual FY 20-21	Original FY 21-22	EOY Estimate FY 21-22	Proposed FY 22-23
REVENUES					
Sales Taxes	\$ 16,099,254	\$ 18,349,959	\$ 17,749,025	\$ 20,735,453	\$ 21,772,226
Interest Income	117,179	7,624	14,000	89,500	287,000
Other Operating Income	280	-	-	-	218,111
Sale of Land	-	87,106	-	-	-
Bond Proceeds	-	-	-	-	-
Total Revenues	\$ 16,216,713	\$ 18,444,688	\$ 17,763,025	\$ 20,824,953	\$ 22,277,337
EXPENDITURES					
Personnel	\$ 1,188,023	\$ 1,161,570	\$ 1,285,836	\$ 1,440,562	\$ 1,556,721
Supplies	24,856	35,531	51,000	51,000	87,500
Maintenance	859	-	2,000	2,000	2,750
Services/Sundry	12,394,857	6,961,653	13,951,963	17,546,636	17,918,528
Capital	-	-	-	11,450,000	77,000
Transfers to Other Funds	3,961,100	3,967,690	2,472,226	2,472,226	2,472,839
Total Expenditures	\$ 17,569,694	\$ 12,126,444	\$ 17,763,025	\$ 32,962,424	\$ 22,115,338
NET INCOME	(1,352,981)	6,318,245	-	(12,137,471)	161,999
BEGINNING FUND BALANCE	15,388,817	14,035,836	2,835,043	20,354,081	8,216,610
ENDING FUND BALANCE	\$ 14,035,836	\$ 20,354,081	\$ 2,835,043	\$ 8,216,610	\$ 8,378,609



MEDC Budget and Current Staffing (Cont.)

STAFFING	Grade	EOY Estimate FY 21-22	Proposed FY 22-23
MEDC President	D10	1.00	1.00
MEDC Executive Vice President of Operations	27	1.00	1.00
MEDC Senior Vice President	27	1.00	1.00
MEDC Director of Technology & Research	23	1.00	1.00
MEDC Project Manager *	19	2.00	3.00
MEDC Marketing & Social Media Manager	18	1.00	1.00
MEDC Operations Manager	14	1.00	1.00
Executive Assistant	10	1.00	1.00
* Position(s) added in FY 22-23.			
Total		9.00	10.00



MCDC

- Main Source of Funds – ½ Cent Type B Sales Tax
 - FY21 Estimated Collection \$21,772,226
- Type B Funds may be used for everything authorized under the Type A Sales Tax and:
 - Quality of Life Projects (Parks, Sports Facilities, Entertainment Facilities, Affordable Housing, and Other Improvements)
 - Water Supply Facilities (with voter approval)
 - Hangars, airport maintenance and repair facilities, air cargo facilities, and related infrastructure



MCDC Budget and Current Staffing

STATEMENT OF REVENUES AND EXPENDITURES	Actual FY 19-20	Actual FY 20-21	Original FY 21-22	EOY Estimate FY 21-22	Proposed FY 22-23
REVENUES					
Sales Tax	\$ 16,099,254	\$ 18,349,959	\$ 17,749,025	\$ 20,735,453	\$ 21,772,226
Interest Income	665,420	53,378	70,000	387,000	1,921,000
Other Income	-	5,250	-	1,000,000	13,329
Total Revenues	\$ 16,764,673	\$ 18,408,586	\$ 17,819,025	\$ 22,122,453	\$ 23,706,555
EXPENDITURES					
Personnel	\$ 295,506	\$ 295,084	\$ 305,793	\$ 307,795	\$ 319,676
Supplies	4,192	2,391	17,250	17,250	15,250
Maintenance	-	-	2,500	2,500	2,500
Services/Sundry	12,855,078	13,821,490	16,657,433	47,329,598	19,250,742
Capital	-	6,447,062	200,000	12,935,237	4,118,387
Total Expenditures	\$ 13,154,775	\$ 20,566,028	\$ 17,182,976	\$ 60,592,380	\$ 23,706,555
NET INCOME	3,609,899	(2,157,442)	636,049	(38,469,927)	-
BEGINNING FUND BALANCE	59,976,655	63,586,553	22,850,240	61,429,112	22,959,185
ENDING FUND BALANCE	\$ 63,586,553	\$ 61,429,112	\$ 23,486,289	\$ 22,959,185	\$ 22,959,185

STAFFING	Grade	EOY Estimate FY 21-22	Proposed FY 22-23
MCDC President	D4	1.00	1.00
Administrative and Marketing Coordinator	13	1.00	1.00
Total		2.00	2.00



Budget Calendar

