



# Budget Forecast & Assumptions



# Agenda

- Historical Information
  - Revenues/Expenditures and Population Growth
  - Staffing
- Long-Term Financial Strategy
- Forecast Assumptions
  - Future Growth Projections
  - General Fund Projections
- Prioritization
  - Federal Grant Exposure
  - Major Capital Projects
- Debt Capacity



# Council Direction

**Do you agree with the priority areas identified for the 2026 budget?**

**Do you agree with staff's recommended revenue and expenditure assumptions for the long-range forecast?**

**What priority areas should staff prepare debt scenarios for?**

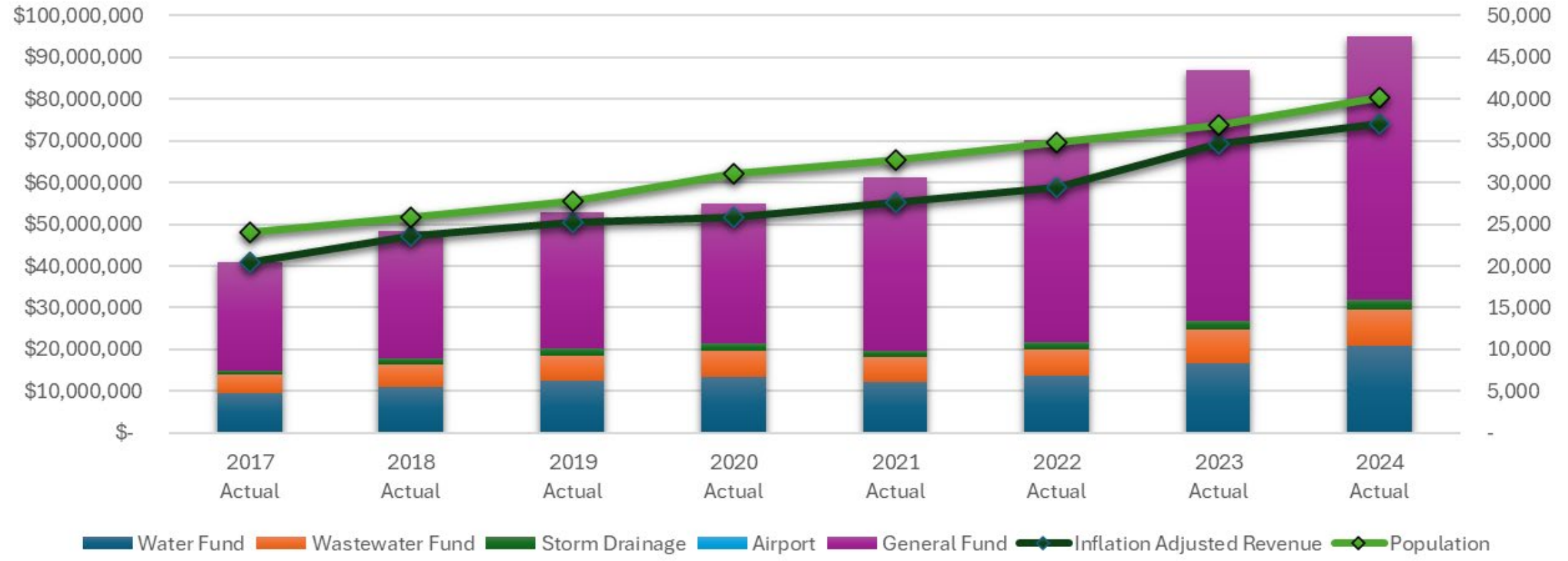


# Revenue & Expenditure Trends



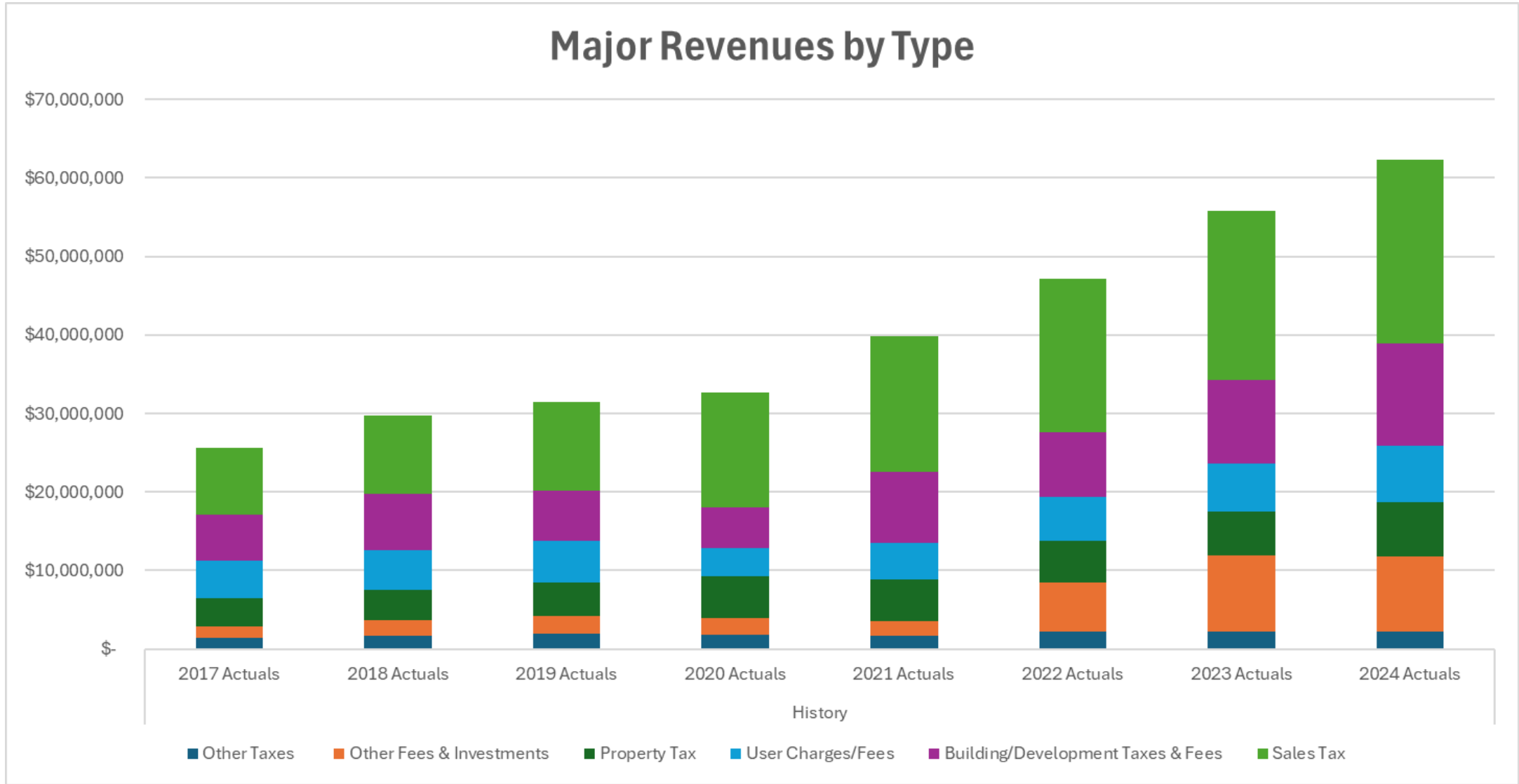
# Revenues Trends & Population Growth

## Revenue vs Population





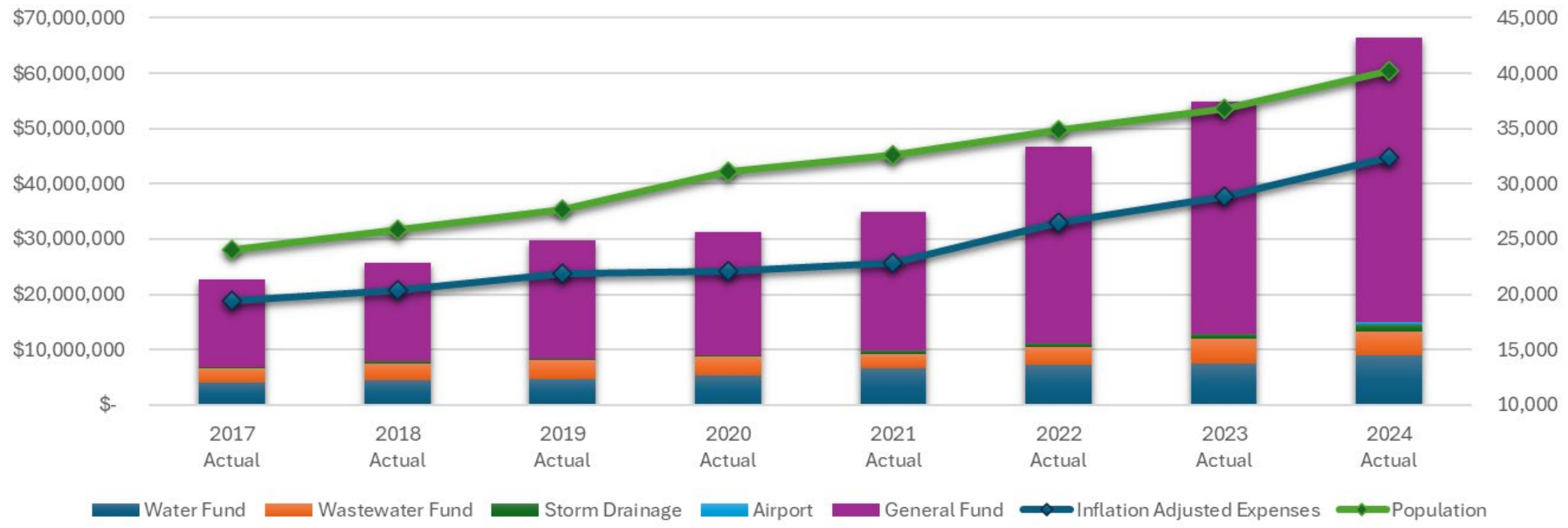
# Revenue Trends by Type





# Expenditure Trends & Population Growth

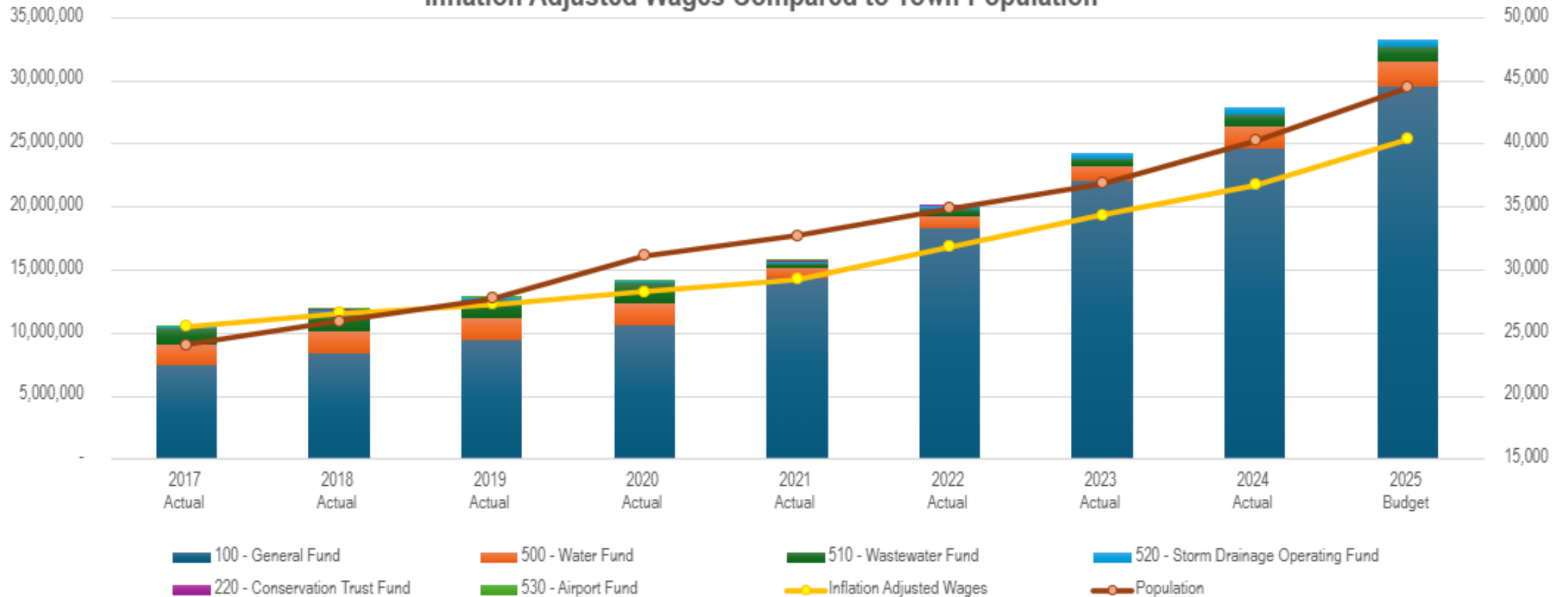
## Operating Expenses vs Population





# Staffing Trends & Population Growth

Inflation Adjusted Wages Compared to Town Population







# Long-Range Staffing Expectations - 2021

Population Milestones as it relates to Staffing needs

	28,000	2021 Requests	30,800	33,880	37,268	40,995	45,094	49,604	54,564	60,020	66,023	Total
Administration	7	2	-	1	1	1	-	1	-	-	-	13
Economic Development	2	-	1	-	1	-	1	-	-	-	-	5
Finance	8	-	-	2	6	2	3	6	3	-	1	31
Human Resources	4	-	-	1	-	1	-	1	-	-	1	8
IT Services	5	-	1	-	-	-	1	-	-	-	-	7
Parks and Recreation	82	1	2	4	1	29	-	4	35	3	-	161
Planning & Development	25	1	2	3	2	3	2	-	-	-	-	38
Police Department	48.5	-	4	7	5.5	5.5	9	5	4	8	3	99.5
Public Works	46	-	9.5	9	8	7	9	4	5	8	8	113.5
<b>Town Total</b>	<b>227.5</b>	<b>4</b>	<b>19.5</b>	<b>27</b>	<b>24.5</b>	<b>48.5</b>	<b>25</b>	<b>21</b>	<b>47</b>	<b>19</b>	<b>13</b>	<b>476</b>

Estimate	227.5	251	278	302.5		351	376	397	444	463	476
Actual	227.5	247.4	267.2	289.7	307.7	345.9	-	-	-	-	-
Budget Yr	2020	2021	2022	2023	2024	2025	-	-	-	-	-

2025 Population: **40,183**  
 2025 Approved FTEs: **345.9**





# Long-Term Strategy & Forecast



# Long-Term Financial Strategy

Are we there yet?



- Council Priorities
- Revenue & Expense Trends
- Emerging Community Needs
- Long-term Debt Needs
- Staffing Growth
- De-Prioritized Areas
- Capital Planning

# Forecast Assumptions

	<b>General Fund</b>	<b>2024 Actuals</b>	<b>2025 Budget</b>	<b>2026 Forecast</b>	<b>2027 Forecast</b>	<b>2028 Forecast</b>	<b>2029 Forecast</b>
Revenues & Sources	<b>Beginning FB</b>	<b>53,030,933</b>	<b>28,513,947</b>	<b>25,459,068</b>	<b>25,266,980</b>	<b>24,604,181</b>	<b>23,350,784</b>
	Budgeted Revenues	62,920,401	57,451,621	60,387,194	63,472,764	66,715,996	70,124,946
	Unbudgeted Revenues	1,039,704	700,000				
	Transfer Ins	1,136,461	6,527,827	3,000,000	3,000,000	3,000,000	3,000,000
	<b>Revenues</b>	<b>65,096,565</b>	<b>64,679,448</b>	<b>63,387,194</b>	<b>66,472,764</b>	<b>69,715,996</b>	<b>73,124,946</b>
Expenditures	<b>Debt</b>	<b>1,862,466</b>	<b>3,990,163</b>	<b>3,992,813</b>	<b>3,515,613</b>	<b>3,514,613</b>	<b>3,514,614</b>
	<b>Operating Expenditures</b>	<b>51,567,304</b>	<b>59,027,105</b>	<b>62,461,048</b>	<b>66,281,027</b>	<b>70,426,789</b>	<b>74,927,474</b>
	Personnel	31,479,503	36,731,121	39,942,105	43,536,895	47,455,215	51,726,185
	Operating	20,087,801	22,295,983	22,518,943	22,744,132	22,971,574	23,201,290
	7.5% Operating Turnback		(4,427,033)	(4,684,579)	(4,971,077)	(5,282,009)	(5,619,561)
	<b>Operating w/ Turnback</b>	<b>51,567,304</b>	<b>54,600,072</b>	<b>57,776,470</b>	<b>61,309,950</b>	<b>65,144,780</b>	<b>69,307,914</b>
	Capital	8,943,780					
	Airport Transfer	240,000	310,697	310,000	310,000	310,000	310,000
	Fleet Transfers		2,333,396	1,500,000	2,000,000	2,000,000	2,000,000
	<b>Total Expenditures</b>	<b>62,613,551</b>	<b>61,234,327</b>	<b>63,579,283</b>	<b>67,135,563</b>	<b>70,969,393</b>	<b>75,132,528</b>
Fund Balance Reconciliation	Ending FB	55,513,947	31,959,068	25,266,980	24,604,181	23,350,784	21,343,203
	Transfer to CIF	27,000,000	6,500,000				
	<b>Ending Spendable FB</b>	<b>20,580,215</b>	<b>22,130,522</b>	<b>21,938,434</b>	<b>21,275,635</b>	<b>20,022,238</b>	<b>18,014,657</b>
	<b>Minimum FB</b>	<b>13,263,610</b>	<b>14,730,512</b>	<b>15,553,046</b>	<b>16,486,009</b>	<b>17,495,373</b>	<b>18,587,793</b>
	<b>Unassigned Fund Balance</b>	<b>7,316,605</b>	<b>7,400,011</b>	<b>6,385,387</b>	<b>4,789,626</b>	<b>2,526,865</b>	<b>(573,136)</b>
	<b>Total Ending FB</b>	<b>28,513,947</b>	<b>25,459,068</b>	<b>25,266,980</b>	<b>24,604,181</b>	<b>23,350,784</b>	<b>21,343,203</b>





# Forecast Assumptions – Snapshot

	Current 2025 Budget	Growth Assumptions from Current Budget			Forecasted Revenue		
		Very Constrained	Somewhat Constrained	Optimistic	2026 Forecast 1	2026 Forecast 2	2026 Forecast 3
<b>Property Taxes</b>							
General Operating	\$ 5,184,806	-7%	-5%	-3%	\$ 4,821,870	\$ 4,925,566	\$ 5,029,262
Debt Service	\$ 1,489,000		set by debt payment		\$ 1,493,500	\$ 1,493,500	\$ 1,493,500
<b>Sales Taxes</b>							
Retail	\$ 20,900,000	3%	5%	7%	\$ 21,527,000	\$ 21,945,000	\$ 22,363,000
Vehicle	\$ 4,180,000	0%	2%	5%	\$ 4,180,000	\$ 4,263,600	\$ 4,389,000
<b>Other Taxes</b>							
Highway User Taxes	\$ 950,000	3%	5%	7%	\$ 978,500	\$ 997,500	\$ 1,016,500
Motor Vehicle Taxes	\$ 95,000	8%	8%	8%	\$ 102,600	\$ 102,600	\$ 102,600
Road & Bridge Taxes	\$ 200,000	-15%	-10%	0%	\$ 170,000	\$ 180,000	\$ 200,000
Cigarette Taxes	\$ 22,000	0%	0%	0%	\$ 22,000	\$ 22,000	\$ 22,000
Severance Taxes	\$ 250,000	0%	0%	0%	\$ 250,000	\$ 250,000	\$ 250,000
Specific Ownership Taxes	\$ 375,000	0%	0%	0%	\$ 375,000	\$ 375,000	\$ 375,000
<b>Building/Development</b>							
Use Tax	\$ 5,577,000	-1%	-1%	0%	\$ 5,521,230	\$ 5,521,230	\$ 5,577,000
Building Permits	\$ 2,834,250	-1%	-1%	0%	\$ 2,805,908	\$ 2,805,908	\$ 2,834,250
Other Building Revenue	\$ 153,000	35%	40%	45%	\$ 206,550	\$ 214,200	\$ 221,850

- Overall Growth Assumptions: All Revenue Categories
  - Very Constrained – Flat - 3%
  - Somewhat Constrained – 3%-5%
  - Optimistic – 5%+



# Federal Grants



# Federal Grant Exposure

Project	Federal Agency	Awarded	Progress	Expected Completion Date
County Line Rd Roadway Improvements	US Dept of Transportation	\$ 2,360,000	99%	6/30/2025
Coal Creek Channel Restoration	FEMA (Federal Emergency Management Agency)	\$ 1,153,221	70%	12/20/2026
Erie Pkwy & WCR 7 Signal Grant	US Dept of Transportation	\$ 480,000	100%	4/30/2026
Traffic Signal Comm Project	US Dept of Transportation	\$ 893,000	100%	4/30/2026
WCR3 Bridge North of WCR 12	US Dept of Transportation	\$ 1,036,368	80%	6/30/2025
Affordable Housing - Repairs to Single Family Homes	Housing and Urban Development	\$ 167,000	0%	12/31/2025
EIAF 9393 - Erie Comprehensive Plan	Federal Funds -- Pass Through State	\$ 100,000	100%	10/30/2025
Main Apron and Taxiway A Rehab	Federal Aviation Administration	\$ 977,151	0%	7/31/2028
Leon A Wurl Service Center - Turf Replacement Project	US Dept of the Interior	\$ 69,443	0%	12/31/2026
<b>Total Active Grants</b>		<b>\$ 7,236,183</b>		



# Capital Improvement Fund



# Capital Improvements Fund

## Capital Improvements Fund - 110

Project Account	Department	Project Description	2025 1st		2025 Total Budget
			2025 Adopted	Supplemental	
100378	Public Works	Street Maintenance Projects	\$ 4,500,000	\$ -	\$ 4,500,000
100900	Econ Dev	Makerspace	\$ 1,200,000	\$ -	\$ 1,200,000
100234	Public Works	Facilities Energy Performance	\$ 900,000	\$ 253,290	\$ 1,153,290
100367	Parks & Rec	Park Fixture Replacements	\$ 590,000	\$ -	\$ 590,000
253002	Planning	Affordable Housing Fund	\$ 500,000	\$ 855,000	\$ 1,355,000
253001	Planning	Coal Creek Pre-Development Sitework	\$ 375,000	\$ -	\$ 375,000
100147	Parks & Rec	Playground Replacements	\$ 350,000	\$ -	\$ 350,000
100379	Public Works	Concrete Maintenance Program	\$ 350,000	\$ -	\$ 350,000
247003	Public Works	ECC Replacement RTU(s)	\$ 325,000	\$ 700,000	\$ 1,025,000
257003	Public Works	Vista Parkway Interim Improvements	\$ 210,045	\$ -	\$ 210,045
100085	Public Works	WCR3 Bridge	\$ 165,000	\$ 1,165,404	\$ 1,330,404
100425	Parks & Rec	HOA Pocket Park Program	\$ 150,000	\$ (150,000)	\$ -
100329	Public Works	Facility Safety & Life Cycle Projects	\$ 149,900	\$ 19,645	\$ 169,545
247002	Public Works	LAWSC Additional space and security	\$ 120,000	\$ 788,900	\$ 908,900
	Env Services	FLIR Camera Model: Gx320	\$ 115,000	\$ -	\$ 115,000
100368	Parks & Rec	POST Infrastructure Maintenance & R	\$ 85,000	\$ 180,367	\$ 265,367
100246	Parks & Rec	ECC Pool Maintenance	\$ 76,360	\$ -	\$ 76,360
100177	Public Works	Traffic Mitigation	\$ 75,000	\$ 42,000	\$ 117,000
100170	Public Works	Traffic Calming	\$ 75,000	\$ -	\$ 75,000
	Parks & Rec	Parks & Rec Capital Equipment	\$ 54,000	\$ -	\$ 54,000
100423	Public Works	Traffic Signal Improvements	\$ 52,500	\$ -	\$ 52,500
100327	Env Services	Electric Vehicle Charging Stations	\$ 50,000	\$ 140,044	\$ 190,044
100353	Public Works	Office Remodeling	\$ 50,000	\$ 138,486	\$ 188,486
100166	Public Works	Parking Lot Maintenance	\$ 50,000	\$ -	\$ 50,000
100295	Public Works	Mechanical Replacement	\$ 45,000	\$ 45,000	\$ 90,000
	Police	K9 Police Dog	\$ 20,000	\$ -	\$ 20,000
	Police	DJI M30T UAS Drone	\$ 12,400	\$ -	\$ 12,400
100250	Parks & Rec	ECC Maintenance Refresh	\$ 10,000	\$ -	\$ 10,000



# Capital Improvements Fund

## Capital Improvements Fund - 110

Project Account	Department	Project Description	2025 Adopted	2025 1st	
				Supplemental	2025 Total Budget
247001	Env Services	Street Lights	\$ -	\$ 2,597,719	\$ 2,597,719
131430	Planning	Affordable Housing Old Town Future	\$ -	\$ -	\$ -
100199	Public Works	Town Hall Expansion	\$ -	\$ 2,223,055	\$ 2,223,055
115001	Public Works	Page Property	\$ -	\$ 477,356	\$ 477,356
247007	Public Works	Flora View Signal Communications Integration	\$ -	\$ -	\$ -
252202	Econ Dev	Xcel Joint Funding Agreement	\$ -	\$ 411,418	\$ 411,418
100252	Public Works	Signal Communication Project	\$ -	\$ 228,017	\$ 228,017
100410	Parks & Rec	Public Art and Placemaking Program	\$ -	\$ 85,851	\$ 85,851
252503	Env Services	Charge Ahead 2025 Grant	\$ -	\$ 9,500	\$ 9,500
100439	Public Works	Facilities Exterior	\$ -	\$ 36,570	\$ 36,570
100200	Parks & Rec	Schofield Farm/Strieby Open Space/Erie Lake Exp. M	\$ -	\$ 18,001	\$ 18,001
100424	Public Works	Pierce Street House Upgrades	\$ -	\$ 7,401	\$ 7,401
212121	Multiple	ARPA	\$ -	\$ 2,399	\$ 2,399
100250	Parks & Rec	ECC Maintenance Refresh	\$ 10,000	\$ -	\$ 10,000
		<b>Total Capital Improvements Fund</b>	<b>\$ 10,655,205</b>	<b>\$ 10,275,423</b>	<b>\$ 20,930,628</b>

- **Currently, the 2025 CIF has over half of the budgeted projects classified as new or continuing projects.**

2025 Budgeted CIF		
\$9,113,192	44%	Capital Maintenance
\$201,400	1%	Capital Equipment
\$11,616,036	55%	New or Continuing Capital Projects



# Prioritization – CIF Forecast

	2024 Actuals	2025 1st Supp.	2026 Forecast	2027 Forecast	2028 Forecast	2029 Forecast
<b>CIF Beginning FB</b>	-	27,000,000	12,569,372	2,430,514	(4,586,092)	(11,780,128)
<b>General Fund Transfer</b>	27,000,000	6,500,000	-	-	-	-
<b>Rollovers</b>	-	9,079,005				
<b>New Requests</b>		411,418				
<b>Interfund Transfers</b>		785,000				
<b>Original Capital Budget</b>	-	10,655,205	10,138,858	7,016,606	7,194,036	7,065,952
<b>Total Capital Budget</b>	-	20,930,628	10,138,858	7,016,606	7,194,036	7,065,952
<b>CIF Ending FB</b>	27,000,000	12,569,372	2,430,514	(4,586,092)	(11,780,128)	(18,846,080)

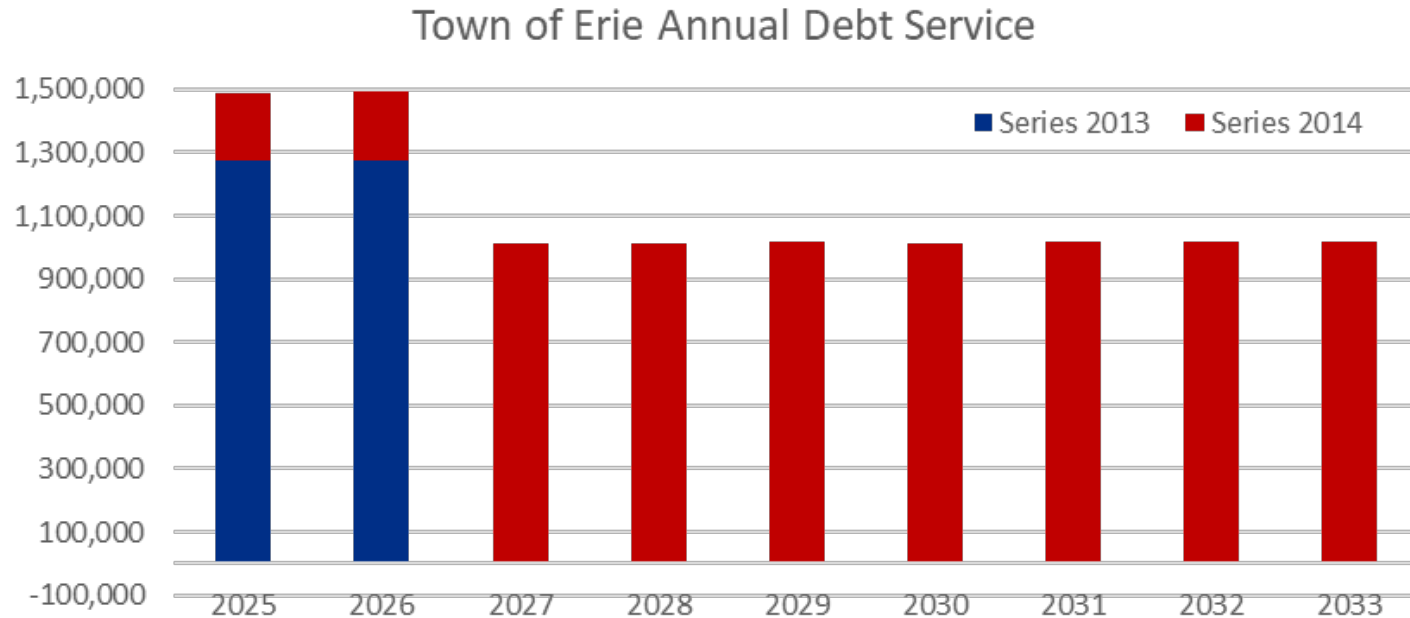
- The General Fund transfer will be determined once operating and debt are balanced.
- This forecast assumes that the CIF will spend 100% of the budget – it never does.
- The 2026 forecast includes the unvetted department requests. This number is not finalized.



# Debt



# Current General Fund Debt



- **Erie Community Center – 2026 Payoff: \$1,240,000**
  - The 1st 2025 payment has been made
- **Public Safety Building – 2033 Payoff: \$6,200,000**
  - Interest-only payments have been made since 2014

Year	Population	Estimated Actual	General Bonded Debt	Debt to Actual Ratio	Debt per Capita
2024	40,183	9,099,965,631	8,956,430	0.1	223



# Debt Scenarios

## General Fund - Planned and Potential Projects

- Parks & Recreation Projects
- Street Maintenance
- Water/Additional Recreation Facility
- Performing Arts Center
- North/South Connection
- LAWSC Expansion

**Public Safety Building – Currently budgeted in debt payment, forecasted at \$2.5 million**

- **Expand project debt to include Town Center Mitigation Funds**
  - Would increase debt payment approximately \$500,000-600,000 per year, dependent on final interest rate and project cost.



# Council Direction

Do you agree with the priority areas identified for the 2026 budget?

- Core Operations & Current Service Levels
- Capital Maintenance
- Public Safety
- Parks & Recreation
- New Capital Projects

Do you agree with staff's recommended revenue and expenditure assumptions for the long-range forecast?

- Very Constrained – Flat to 3% Growth
- **Staff Rec'd:** Somewhat Constrained – 3%-5% Growth
- Optimistic – 5%+

What priority areas should staff prepare debt scenarios for?

- Public Safety Building (currently budgeted- COPs)
- Parks & Recreation Projects (Future Ballot Item[s])
- Town Center
- Infrastructure Projects



# Questions & Discussion