

2024 Mid-Year Budget Update

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MAY 21, 2024



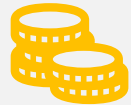
AGENDA



2023 Results



2024 Trends and Revisions



2025 Budget Philosophy



Questions?

Where did we end in 2023?



2023 GENERAL FUND *(UNAUDITED)*

Revenues *(Compared to 2022)*

- Sales and Use Tax: ↓ 0.5%
- Franchise Fees: ↓ 2%
- Property Tax: ↓ 1.1%
- Other revenues: ↑ 42%

Overall Revenues: ↑ 5.6%

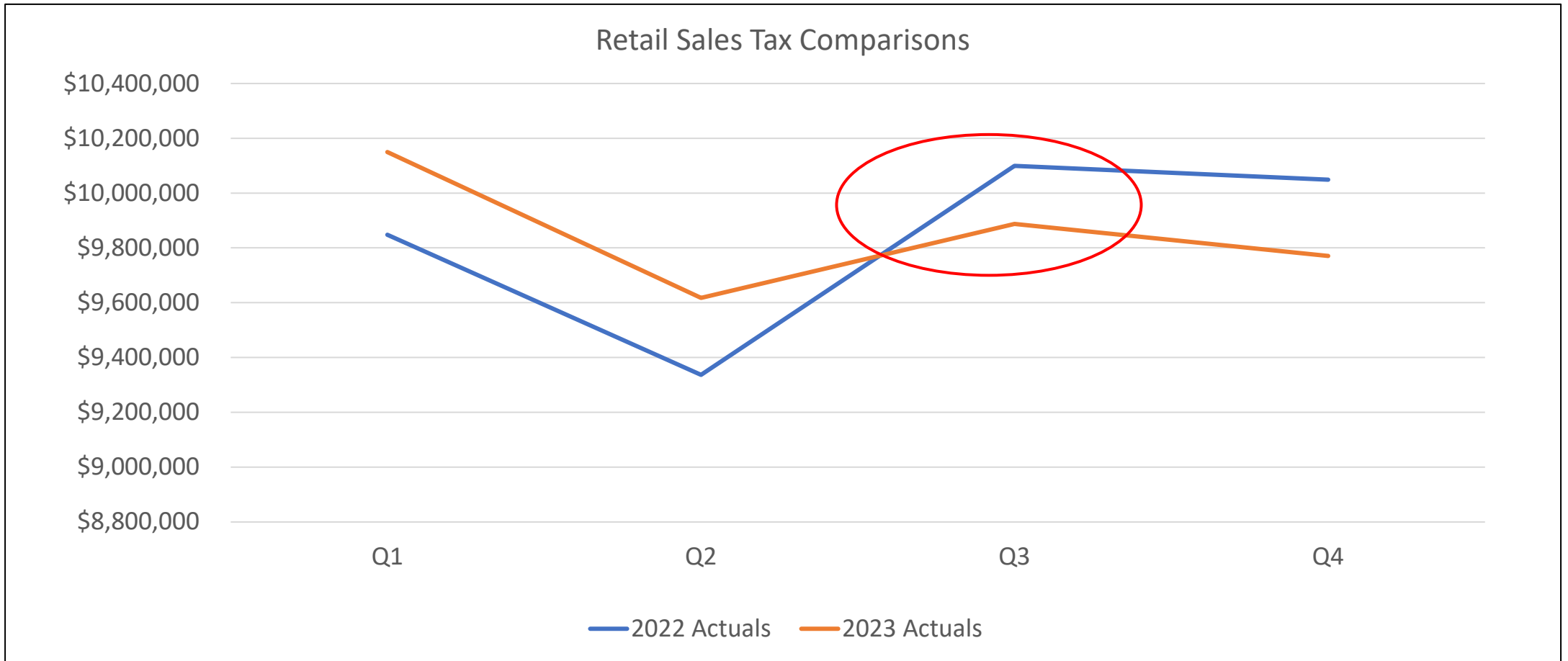
Expenditures *(Compared to 2022)*

- Personnel: ↑ 8%
- Non-personnel: ↑ 17%

Overall Expenditures: ↑ 9.8%

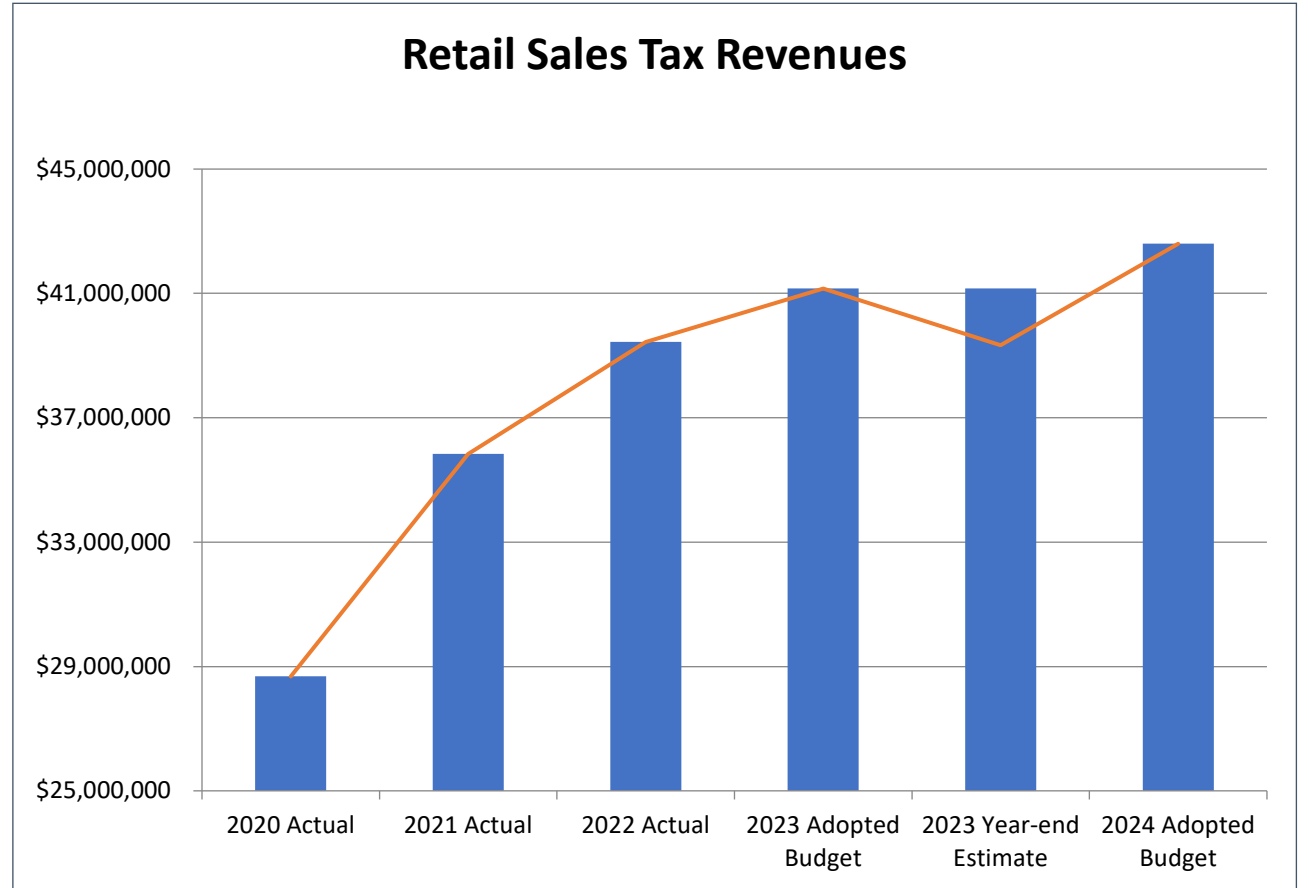
2023 Ending Fund Balance = \$ 21.8M (↑ \$1.0M)

2022 – 2024 Retail Sales Tax

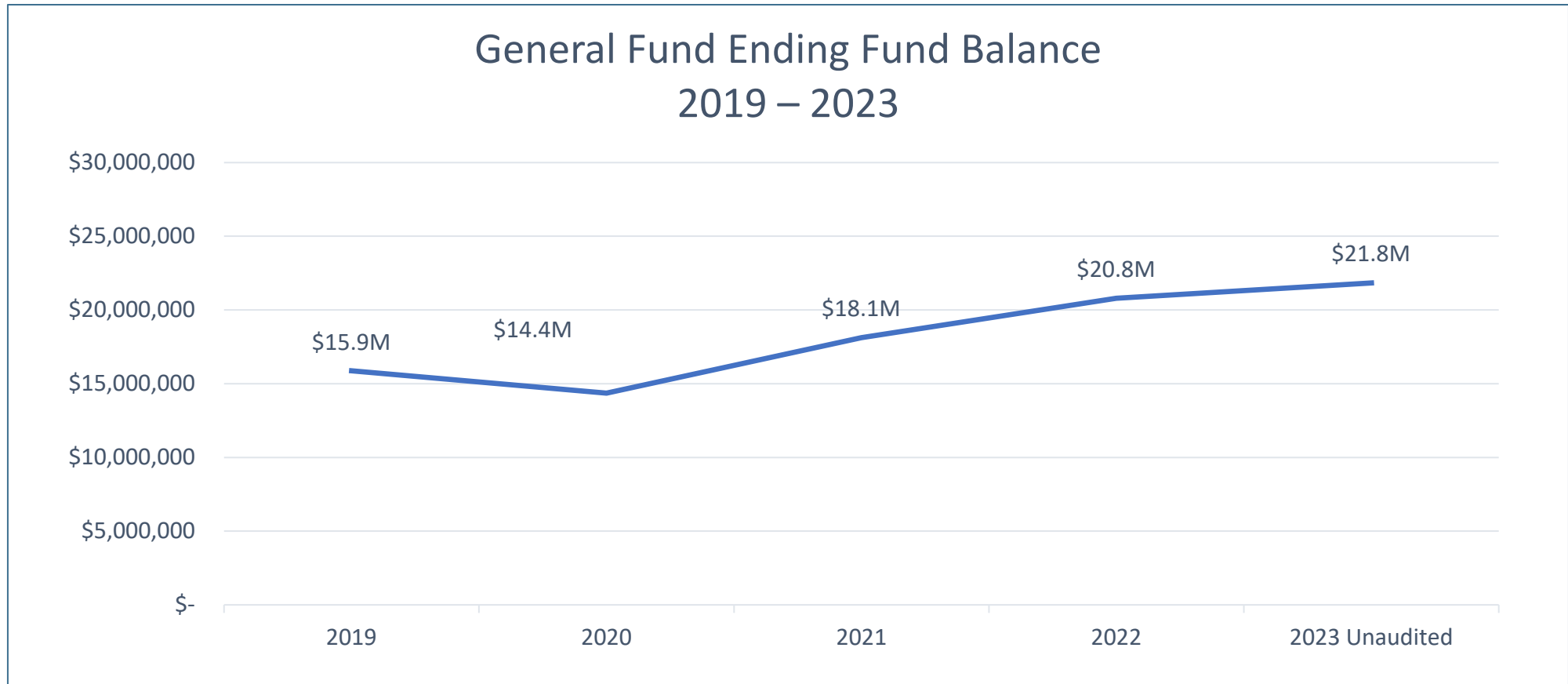


2023 Retail Sales Tax Estimates vs Actuals

Retail Sales Tax	Amount
2023 Estimate	\$41.2M
2023 Actuals	\$39.3M
Shortfall	(\$1.9M)



GENERAL FUND ENDING FUND BALANCE



What are we seeing in
2024?

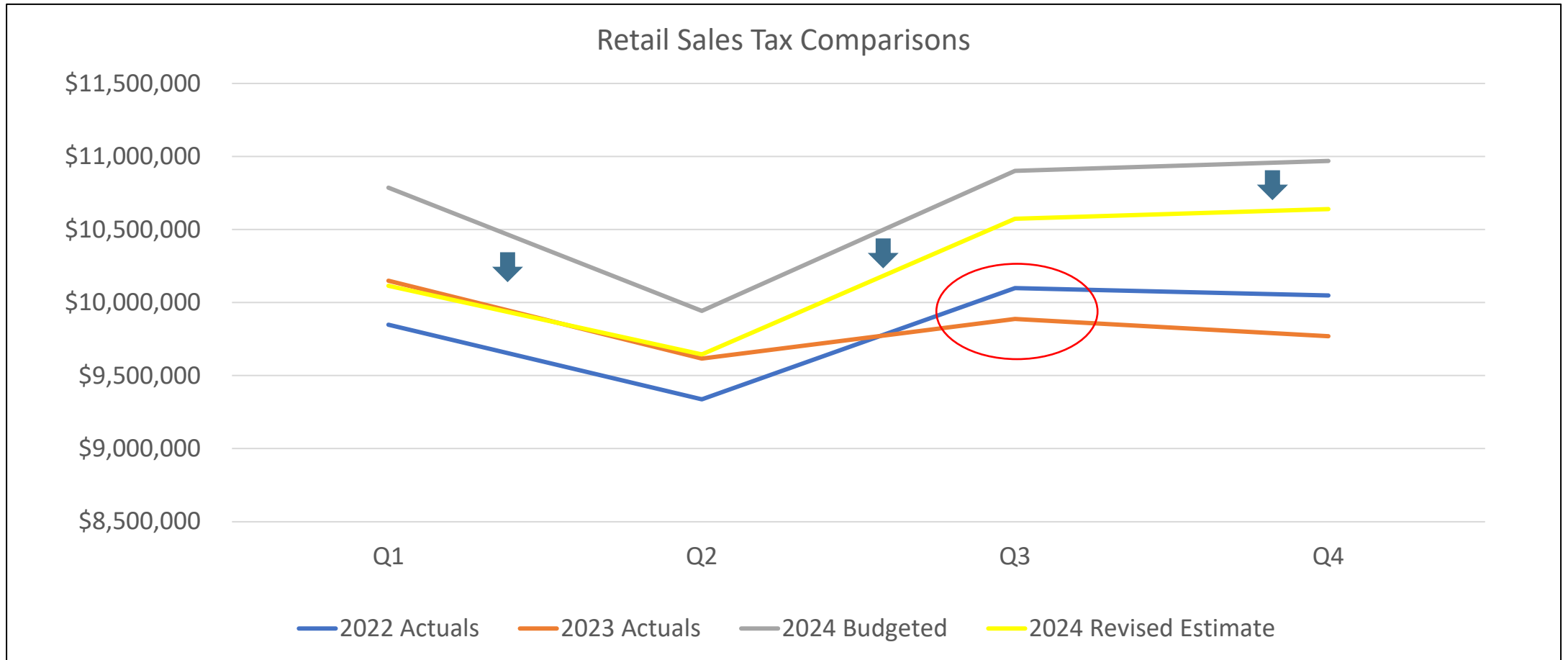


Downward Trend in Sales and Use Tax

- The 2023 decline continues into 2024
- Jan 2024 thru April 2024, sales and general use taxes are down 2% compared to same period in 2023.



2022 – 2024 Retail Sales Tax



As presented in 2024 Budget

**City of Littleton
General Fund Sources / Uses
2022-2028 Financial Projections**

	<u>2022 Actual</u>	<u>2023 Estimated</u>	<u>2024 Proposed</u>	<u>2025 Projected</u>	<u>2026 Projected</u>	<u>2027 Projected</u>	<u>2028 Projected</u>
REVENUES	\$ 52.3	\$ 55.8	\$ 59.0	\$ 60.1	\$ 62.0	\$ 64.0	\$ 66.0
EXPENDITURES	\$ 46.3	\$ 52.2	\$ 56.1	\$ 58.2	\$ 60.4	\$ 62.7	\$ 65.1
OTHER FINANCING SOURCES/(USES)	\$ (3.3)	\$ (3.5)	\$ (1.9)	\$ (1.9)	\$ (2.1)	\$ (2.4)	\$ (2.7)
Net Cash Flow	\$ 2.7	\$ 0.1	\$ 1.0	\$ -	\$ (0.5)	\$ (1.1)	\$ (1.8)
ONE-TIME EXPENDITURES	\$ -	\$ -	\$ 1.2	\$ -	\$ -	\$ -	\$ -
Net Cash Flow	\$ 2.7	\$ 0.1	\$ (0.2)	\$ -	\$ (0.5)	\$ (1.1)	\$ (1.8)
FUND BALANCE BEG	\$ 18.1	\$ 20.8	\$ 20.9	\$ 20.7	\$ 20.7	\$ 20.2	\$ 19.1
FUND BALANCE END	\$ 20.8	\$ 20.9	\$ 20.7	\$ 20.7	\$ 20.2	\$ 19.1	\$ 17.3

FUND BAL. AS % OF OP EXPS	45%	40%	37%	36%	33%	30%	27%
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Note : Reflected in millions

2024 General Fund

- Retail sales tax revenues are trending lower than budgeted
- Revisions to revenue projections required
- Incorporated anticipated expenditures savings
- Overall, projected 2024 fund balance is higher than budgeted; however, this is a result of 2023 actual and 2024 anticipated budget savings

2024 Revised Estimates

**City of Littleton
General Fund Sources / Uses
2022-2028 Financial Projections**

	2022 <u>Actual</u>	2023 <u>(Unaudited)</u>	2024 <u>Budget</u>	2024 <u>Revised</u>	2025 <u>Projected</u>	2026 <u>Projected</u>	2027 <u>Projected</u>	2028 <u>Projected</u>
REVENUES	\$ 52.3	\$ 57.6	\$ 59.0	\$ 57.5	\$ 59.5	\$ 59.7	\$ 61.6	\$ 63.5
EXPENDITURES	\$ (46.3)	\$ (53.1)	\$ (56.1)	\$ (54.4)	\$ (58.2)	\$ (60.4)	\$ (62.7)	\$ (65.0)
OTHER FINANCING SOURCES/(USES)	\$ (3.3)	\$ (3.5)	\$ (1.9)	\$ (1.9)	\$ (1.9)	\$ (2.1)	\$ (2.4)	\$ (2.6)
Net Cash Flow	\$ 2.7	\$ 1.0	\$ 1.0	\$ 1.2	\$ (0.6)	\$ (2.8)	\$ (3.5)	\$ (4.1)
ONE-TIME EXPENDITURES	\$ -	\$ -	\$ (1.2)	\$ (1.0)	\$ -	\$ -	\$ -	\$ -
Net Cash Flow	\$ 2.7	\$ 1.0	\$ (0.2)	\$ 0.2	\$ (0.6)	\$ (2.8)	\$ (3.5)	\$ (4.1)
FUND BALANCE BEG	\$ 18.1	\$ 20.8	\$ 20.8	\$ 21.8	\$ 22.0	\$ 21.4	\$ 18.6	\$ 15.1
FUND BALANCE END	\$ 20.8	\$ 21.8	\$ 20.6	\$ 22.0	\$ 21.4	\$ 18.6	\$ 15.1	\$ 11.0
FUND BAL. AS % OF OP EXPS	45%	41%	37%	40%	37%	31%	24%	17%

What will 2025 look like?



Connect
Strategic Plan
to Annual
Budget

STRATEGIC OUTCOMES FRAMEWORK



Vibrant Community with a Rich Culture

Preserve our historic legacy and elevate our arts and culture scene for a vibrant, inclusive city.



Sustainable Community with Natural Beauty

Nurture a resilient and dynamic urban environment while preserving our natural resources.



Robust and Resilient Economy

Foster an enduring and thriving economy to bolster prosperity, innovation, and sustainable growth.



Safe Community

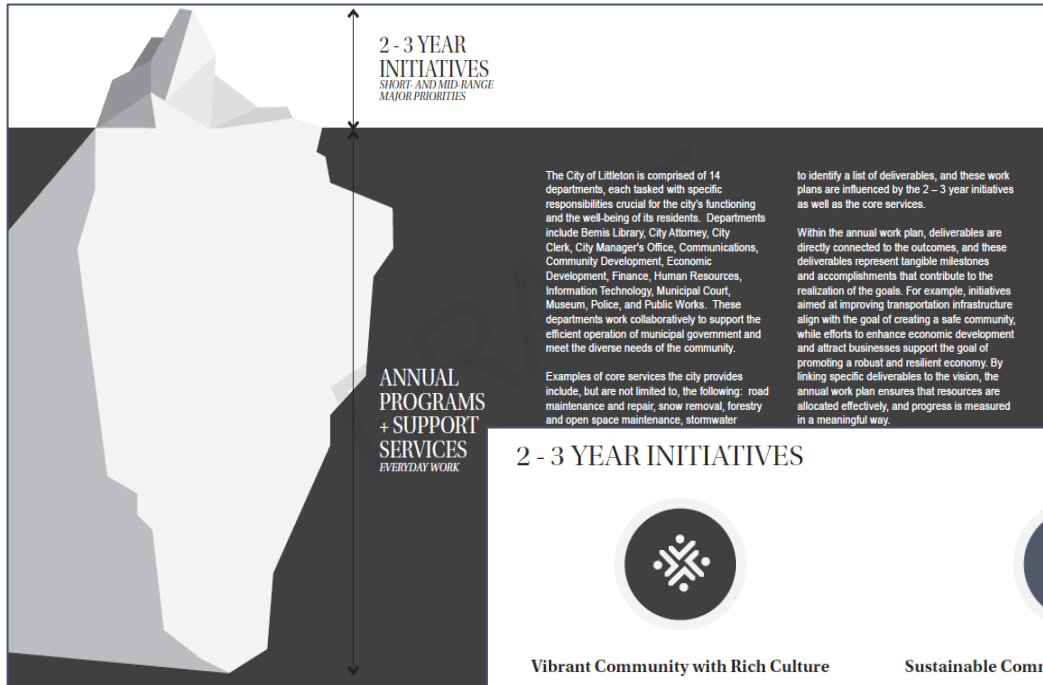
Prioritize high-quality public safety services, enhanced engagement, and strategic reinvestment in public infrastructure and transportation for a safe community.



High Quality Governance

Advance a governance model that is adaptive, fiscally-responsible, transparent, and responsive for an informed and empowered community.

Focus on “Top 30” 2-3 year initiatives



2 - 3 YEAR INITIATIVES

Safe Community

16 Complete pedestrian and bicycle safety strategy and implement results. (Council)

High-Quality Governance

24 Align improvements in the city's development review process with future DEI and Environmental Stewardship goals and policies.

2 - 3 YEAR INITIATIVES

Vibrant Community with Rich Culture

- 1** Integrate Downtown Mobility & Streetscape Improvement Plan results into long term capital planning and funding for construction downtown.
- 2** Develop Arts & Culture Master Plan to establish the long-term vision for promoting arts, fostering inclusivity, and enhancing quality of life through various cultural initiatives and experiences.
- 3** Implement diversity, equity, and inclusion (DEI) plan across the city, pertaining to city employees and the larger Littleton community.
- 4** Establish a cultural campus with enhanced connectivity and amenity zones at Littleton's Library, Museum, Ketring Park, and Gallup Park.
- 5** Develop Arts & Cultural facilities master plan to identify capital and future improvements.

Sustainable Community with Natural Beauty

- 6** Improve the overall condition of our drainage infrastructure.
- 7** Implement strategic goals of forestry master plan, including tree canopy health and community equity.
- 8** Replace irrigation systems to monitor and control water remotely. Real time water reporting. Reduced water loss and costs.
- 9** Implement Environmental Stewardship Action Plan. (Council)
- 10** Implement Mineral Ave. median improvements featuring a mix of replacement, upgrades, reduced water native plantings, and tree canopy pruning.
- 11** Implement recommendations from Integrated Water Resources Plan.

Robust and Resilient Economy

- 12** Cultivate a favorable environment for housing development across all income levels. (Council)
- 13** Develop Littleton Blvd. Economic/Redevelopment Plan. (Council)
- 14** Increase awareness of local spending benefits for Littleton residents and attract new shoppers to Littleton.
- 15** Create and implement a plan to market Littleton's unique character and increase tourism, sales tax revenue, and support Littleton businesses.

2 - 3 YEAR INITIATIVES

Safe Community

- 16** Complete pedestrian and bicycle safety strategy and implement results. (Council)
- 17** Implement safety improvements objectives identified in the current safety strategy by implementing a pilot program.
- 18** Regularly engage residents about crime prevention and community knowledge / intelligence gathering.
- 19** Address Homelessness and Homeless Areas. (Council)

High-Quality Governance

- 20** Implement a program in downtown Littleton, including plans, zoning, and continuity of operations.
- 21** Complete and implement identified projects focused on transportation infrastructure.
- 22** Implement a program to reduce homelessness through a comprehensive approach to...

Robust and Resilient Economy

- 23** Complete and implement a citywide historic preservation plan to increase the level of service to historic preservation.
- 24** Utilize developed asset inventory to assess risk and long-term capital planning for city infrastructure.
- 25** Complete transition to proactive and education based code compliance.
- 26** Implement a records management program with increased efficiency and access for staff and residents.

2025 Budget Principles

The 2025 budget p will focus on:

- Continuing implementation of the critical needs and expanded service levels provided in the 2024 budget in areas such as public safety, development services, and several other areas.
- Incorporating the strategic plan and align the budget with strategic initiatives, ensuring that resources are optimally allocated to their delivery.
- Policy questions will be reflective of accomplishing the 2-3 year initiatives by providing forecasting of necessary resources to realize those strategies and workplans; most notably, those resources are staff capacity and funding.
- Enhancing project details of long-term capital planning.



Questions?