



FY2023 Quarter 3 Budget Update

Eric Peterson

Asst. City Manager/Director of Finance and Administration

Q2 Budget Update Agenda



www.webstergrovesmo.gov/budget

Budget documents, Five-Year Plan, Quarterly Updates

Q2 Budget Update Agenda



1. Accounting Update
2. FY2023 Q1 Budget Performance Update
3. FY2023 Deficit Reduction Status
4. Five-Year Plan Updates
5. Quarterly Investment Report

Common Definitions



Structural Deficit

The amount of annual recurring expenses exceeds the amount of annual recurring revenue

Common Definitions



RECURRING REVENUE OR EXPENDITURES

Revenues or expenditures that can reasonably be expected to occur repeatedly year after year.

ONE-TIME REVENUE OR EXPENDITURES

Revenues or expenditures that are reasonably expected to NOT occur repeatedly year after year.

Accounting Updates in Q3, FY23



502 Block Party Permits
503 Barricade Rental Fees



New Block Party Object Codes added to give detail to recurring revenue rather than bundling in Misc. Income.

426 PUBLIC SAFETY SALES TAX



Police Sales Tax retitled to match 2017 Proposition Title and common name.

FY2023 QUARTER 3 BUDGET PERFORMANCE

City of WEBSTER GROVES

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	BUDGET	ACTUAL YTD	% YTD	YTD FY22
REVENUE	\$27,925,042.00	\$21,845,031.61	78%	\$20,938,476.59
EXPENDITURES	\$30,727,368.00	\$19,920,954.72	70%	\$17,463,313.36
NET GRAND TOTALS	(\$2,802,326.00)	\$1,924,076.89		\$3,475,163.23

YTD as of 04/05/23

FY2023 ALL FUNDS

City of WEBSTER GROVES

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	BUDGET	ACTUAL YTD	% YTD	YTD FY22
REVENUE	\$18,602,495.00	\$13,998,288.72	75%	\$12,697,049.75
EXPENDITURES	\$19,084,709.00	\$16,203,515.44	70%	\$13,683,545.32
NET GRAND TOTALS	(\$482,214.00)	\$794,773.28		(\$986,495.57)

YTD as of 04/05/23

FY2023 GENERAL FUND

City of WEBSTER GROVES

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	BUDGET	ACTUAL YTD	% YTD	YTD FY22
REVENUE	\$1,724,620.00	\$1,398,159.41	81%	\$1,131,398.01
EXPENDITURES	\$2,236,355.00	\$1,668,174.64	91%	\$158,652.50
NET GRAND TOTALS	(\$511,735.00)	(\$270,015.23)		\$972,745.51

YTD as of 04/05/23

FY2023 CAPITAL IMPROVEMENT FUND

City of WEBSTER GROVES

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	BUDGET	ACTUAL YTD	% YTD	YTD FY22
REVENUE	\$1,026,838.00	\$628,812.44	61%	\$603,408.95
EXPENDITURES	\$1,595,932.00	\$385,978.85	61%	\$353,249.68
NET GRAND TOTALS	(\$569,094.00)	\$240,833.59		\$250,159.27

YTD as of 04/05/23

FY2023 PARK IMPROVEMENT FUND

City of WEBSTER GROVES

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FY2023 Q3 REVENUE SPOTLIGHTS

City of WEBSTER GROVES

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REVENUE CLASSIFICATION	BUDGET	YTD	YTD %	YTD FY22
PROPERTY TAX	\$ 1,386,143.00	\$ 1,315,443.35	94.90%	\$ 1,269,193.92
INTERGOVERNMENTAL REVENUE	\$ 1,579,822.00	\$ 1,365,594.85	86.44%	\$ 1,211,850.81
SALES TAX	\$ 6,507,849.00	\$ 4,060,364.45	62.39%	\$ 2,880,742.22
UTILITY TAX	\$ 3,204,110.00	\$ 2,360,250.67	73.66%	\$ 2,090,940.77
LICENSES	\$ 711,931.00	\$ 356,370.79	50.06%	\$ 438,454.63
INSPECTION FEES & PERMITS	\$ 899,364.00	\$ 761,619.34	84.68%	\$ 663,637.73
FINES	\$ 319,000.00	\$ 208,153.47	65.25%	\$ 264,093.76
CHARGE FOR SERVICES	\$ 721,302.00	\$ 256,804.38	35.60%	\$ 454,022.63
RECREATION FEES	\$ 1,988,000.00	\$ 1,630,463.35	82.02%	\$ 1,360,402.39
OTHER INCOME	\$ 410,938.00	\$ 809,190.07	196.91%	\$ 219,650.89
OTHER FINANCING SOURCES (TRANSFERS)	\$ 874,036.00	\$ 874,034.00	100.00%	\$ 1,844,060.00
TOTALS	\$ 18,602,495.00	\$ 13,998,288.72	75.25%	\$ 12,697,049.75

City of WEBSTER GROVES 13

FY2023 Revenue Highlights



1. Local Use Tax – Received \$206,560.12 YTD; trending \$145,319.05 above estimate for FY23
2. Sales Taxes - \$367,498.95 ahead of revenue YTD in FY22
3. Utility Gross Receipts – \$269,309.90 ahead of revenue YTD in FY22

FY2023 Revenue Highlights



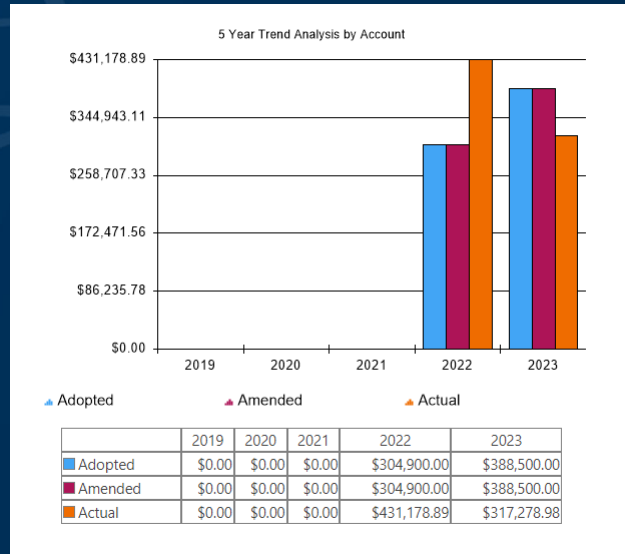
1. Recreation Fees – \$235,178.29 ahead of revenue YTD in FY22
2. Interest – Investment strategy returning interest to General Fund at 2,132% of budget YTD
3. Ambulance Charges – 123,672.37 collected vs 321,071.27 YTD in FY22; shortfall due to billing issue for ambulance calls July to November. ProClaims is in process of back billing all those calls at this time.

FY2023 Q3 EXPENDITURE SPOTLIGHTS

FY23

- 82% of budget expended YTD
- ~\$17k ahead of last year

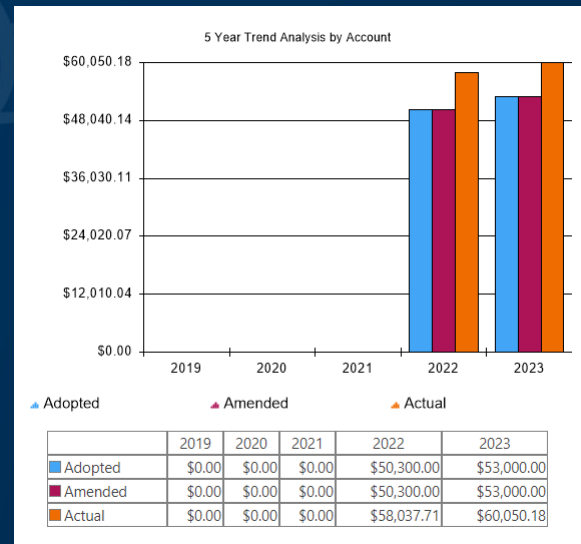
Electricity



FY23

- 113% of budget expended YTD
- ~\$19k ahead of last year

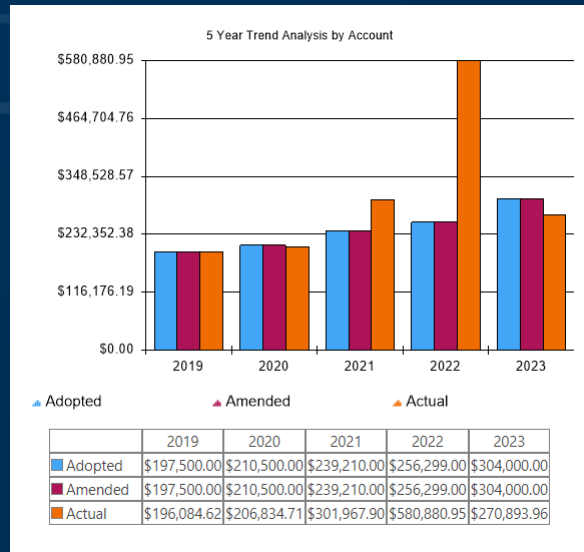
(Natural) Gas



FY23

- 89% of budget expended YTD
- Estimated to be ~\$66k over in FY23

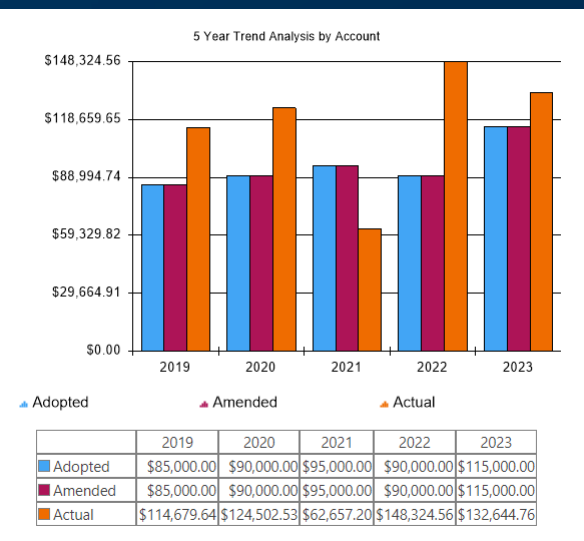
Fire Overtime



FY23

- 115% of budget expended YTD
- Estimated to be ~\$66k over in FY23

Police Overtime



DEFICIT REDUCTION IN LIGHT OF FY23 ESTIMATES

City of WEBSTER GROVES

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	FY23 BUDGET	FY23 ESTIMATE	OVER(UNDER)
REVENUE	\$18,602,495	\$19,301,602	\$699,107
EXPENDITURES	\$19,084,709	\$19,089,416	\$4,707
NET GRAND TOTALS	(\$482,214)	\$212,186	

Deficit Reduction of \$316,491.64?

FY2023 GENERAL FUND

City of WEBSTER GROVES

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DEFICIT REDUCTION POLICY



RESOLUTION 2022-22

BE IT FURTHER RESOLVED, that the City Council of the City of Webster Groves declares the following to be the Deficit Reduction Policy of the City:

- The City **declares a lapse of \$1,000,000 of appropriated expenditures** from the adopted Fiscal Year 2023 General Fund budget necessary and shall be undertaken,
- The City declares that the rate of growth of expenditures, in total, **must remain at zero** growth from Fiscal Year 2023 to 2024,
- The City, throughout Fiscal Year 2023, will dedicate actual revenues received in excess of budgeted estimates towards the fund balance of the General Fund,
- The City is committed to the same or similar targets for FY 2024 and beyond, subject to City Council approval,
- The City shall make all possible efforts to **eliminate the deficit by the close of Fiscal Year 2025**;

DEFICIT REDUCTION PLAN



Council Amended Budget on Nov 1

General Fund Reduction of \$683,508.36

(68.35% of the \$1M Deficit Reduction Target)

FIVE-YEAR PLAN UPDATES

City of WEBSTER GROVES 25

Improvements in FY2023 replenish the fund balance (one-time funds) but overall do not solve the structural deficit.

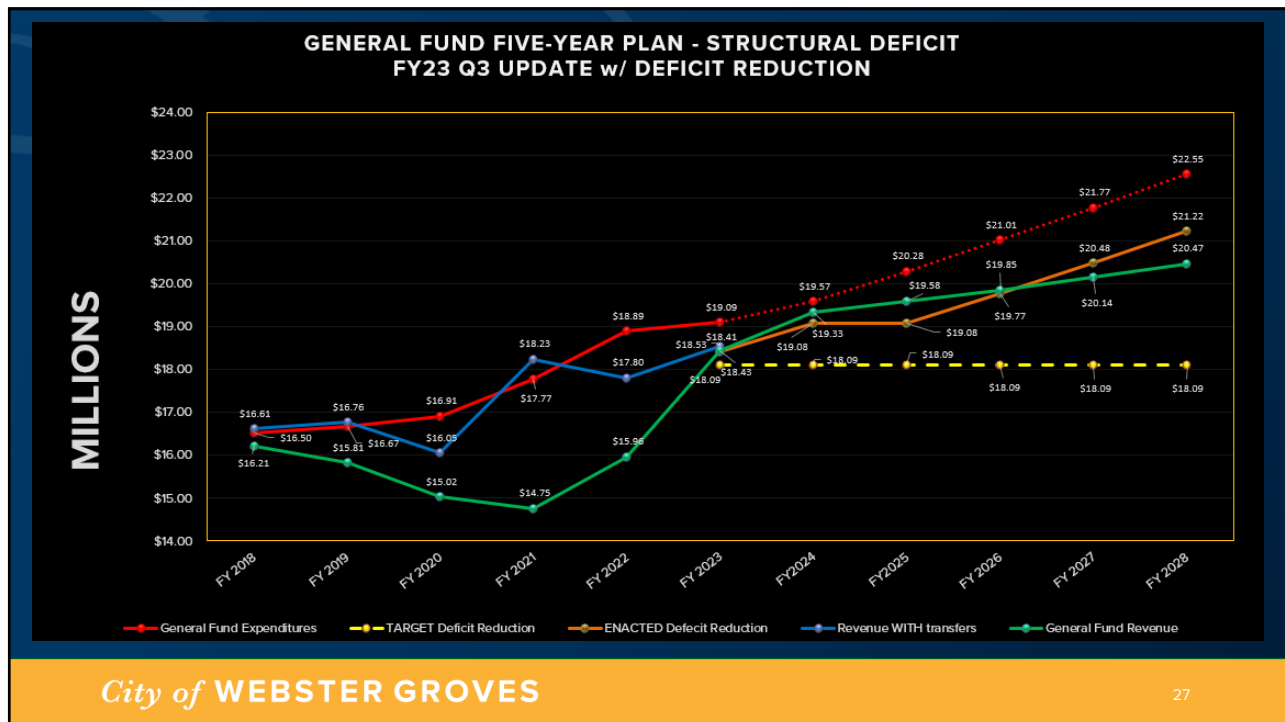
Ongoing revenue enhancement and expenditure control will be necessary.

City of WEBSTER GROVES 26

WEBSTER GROVES FISCAL 5-YEAR PLAN - GENERAL FUND

The Five-Year Plan is a policy-driven forecasting document to aid policy makers in the decisions that affect the City's future fiscal outlook. This plan is not a binding commitment of the City to certain levels of spending or revenue collection. This plan is not subject to refinement or revision by the City Council, Administration, or Finance Department or quarterly budget updates unless it is necessary. It is provided for public review and discussion. The performance of the City that inform the average growth model are available on the City's website.

MODEL	ACCOUNT	CLASSIFICATION	FY23 ESTIMATED AMOUNTS	GROWTH AVG.	FY24 PROPOSED	FY25 ESTIMATE	FY26 ESTIMATE	FY27 ESTIMATE	FY28 ESTIMATE	
REVENUES										
REVENUES AND EXPENSES SUBJECT TO BALANCE										
REVENUES										
REVENUES MODEL SHOWS BOTH REVENUES AND EXPENSES WITH AVERAGE GROWTH RATE DETERMINED FROM THE PAST FIVE FISCAL YEARS (BY FY23)										
	EXPENSE	Personnel Services	\$ 1,628,105.00	3.45%	\$ 1,677,432.00	\$ 1,732,257.07	\$ 1,788,481.92	\$ 1,845,239.20	\$ 1,902,428.00	
	EXPENSE	Maint. Inv. & Equip. Inv.	\$ 277,953.00	1.49%	\$ 287,258.00	\$ 296,793.24	\$ 306,564.45	\$ 316,574.13	\$ 326,828.00	
	EXPENSE	Contracted Services	\$ 3,359,493.00	4.73%	\$ 3,514,481.00	\$ 3,673,817.07	\$ 3,837,611.40	\$ 4,005,874.64	\$ 4,200,000.00	
	EXPENSE	City of Webster	\$ 48,000.00	0.0000%	\$ -	\$ -	\$ -	\$ -	\$ -	
	EXPENSE	Other Reimbursements	\$ -	0.0000%	\$ -	\$ -	\$ -	\$ -	\$ -	
	EXPENSE	TOTALS	\$ 5,313,551.00	3.22%	\$ 5,484,781.00	\$ 5,709,467.38	\$ 5,952,757.77	\$ 6,217,693.97	\$ 6,509,256.00	
	REVENUE	PROPERTY TAX	\$ 1,920,925.00	1.89%	\$ 1,951,788.00	\$ 1,983,221.23	\$ 2,015,374.88	\$ 2,048,271.71	\$ 2,081,930.00	
	REVENUE	INTERGOVERNMENTAL REVENUE	\$ 4,324,428.00	4.39%	\$ 4,520,294.00	\$ 4,718,232.04	\$ 4,919,109.45	\$ 5,123,276.45	\$ 5,330,238.00	
	REVENUE	SALES TAX	\$ 1,591,126.00	2.16%	\$ 1,638,483.00	\$ 1,687,374.88	\$ 1,737,748.88	\$ 1,789,671.71	\$ 1,843,150.00	
	REVENUE	UTILITY TAX	\$ 1,029,381.00	3.27%	\$ 1,074,102.00	\$ 1,120,380.27	\$ 1,168,208.97	\$ 1,217,638.51	\$ 1,268,628.00	
	REVENUE	LIC FEES	\$ 788,357.00	1.89%	\$ 798,500.00	\$ 808,881.07	\$ 819,504.08	\$ 830,368.00	\$ 841,474.00	
	REVENUE	INSPECTION FEES & PERMITS	\$ 989,058.00	1.94%	\$ 1,014,775.00	\$ 1,041,631.07	\$ 1,068,734.04	\$ 1,096,074.35	\$ 1,124,658.00	
	REVENUE	FINES	\$ 267,913.00	1.54%	\$ 273,000.00	\$ 278,141.14	\$ 283,330.52	\$ 288,567.13	\$ 293,852.00	
	REVENUE	CHARGES FOR SERVICES	\$ 293,474.00	2.32%	\$ 303,220.00	\$ 313,209.32	\$ 323,442.26	\$ 333,920.00	\$ 344,643.00	
	REVENUE	RECREATION FEES	\$ 212,000.00	0.87%	\$ 217,500.00	\$ 223,000.00	\$ 228,500.00	\$ 234,000.00	\$ 239,500.00	
	REVENUE	OTHER INCOME	\$ 707,303.00	0.40%	\$ 716,900.00	\$ 726,500.00	\$ 736,100.00	\$ 745,700.00	\$ 755,300.00	
	REVENUE	OTHER FINANCING SOURCES (USED) from other funds	\$ 100,000.00	0.0000%	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	
	REVENUE	TOTALS	\$ 16,826,212.00	1.98%	\$ 17,225,250.00	\$ 17,624,628.88	\$ 18,024,027.77	\$ 18,423,426.66	\$ 18,822,825.00	
		BALANCE TOTALS	\$ (559,264.00)		\$ (247,501.00)	\$ (702,776.50)	\$ (1,160,212.44)	\$ (1,620,718.63)	\$ (2,081,102.64)	
		ESTIMATED OPENING FUND BALANCE (rounded)	\$ 13,332,220.00		\$ 13,084,719.00	\$ 12,381,942.50	\$ 11,221,730.06	\$ 9,601,011.43	\$ 7,520,908.00	
		ESTIMATED CLOSING FUND BALANCE (rounded)	\$ 12,772,956.00		\$ 12,837,218.00	\$ 11,679,166.00	\$ 10,061,517.62	\$ 7,980,300.80	\$ 5,439,805.36	
ONE-TIME REVENUES AND/OR EXPENDITURES TO BE LISTED INDIVIDUALLY TO JUDGE IMPACT ON GENERAL FUND BALANCE										
	EXPENSE	FY23 Capital Improvement Plan Services	\$ -		\$ (150,000.00)	\$ -	\$ -	\$ -	\$ -	
	REVENUE	ARP Revenues Loss	\$ 774,400.00		\$ (90,000.00)	\$ -	\$ -	\$ -	\$ -	
	REVENUE	Insurance Settlements	\$ 41,259.00		\$ -	\$ -	\$ -	\$ -	\$ -	
	REVENUE	Devalued Asset Settlement	\$ 500,000.00		\$ -	\$ -	\$ -	\$ -	\$ -	
	REVENUE	Capital Asset Retirement	\$ 49,718.00		\$ -	\$ -	\$ -	\$ -	\$ -	
	REVENUE	ETC. City of Webster For Reimbursement - FY22	\$ 2,522,245.00		\$ -	\$ -	\$ -	\$ -	\$ -	
	REVENUE	SLAT Reval Asset Reimbursement	\$ 19,533.00		\$ -	\$ -	\$ -	\$ -	\$ -	
	REVENUE	Reimbursement from other funds	\$ 1,446.00		\$ -	\$ -	\$ -	\$ -	\$ -	
	REVENUE	TOTALS	\$ 4,422,346.27		\$ -	\$ -	\$ -	\$ -	\$ -	
		BALANCE TOTALS	\$ 4,422,346.27		\$ (397,501.00)	\$ (702,776.50)	\$ (1,160,212.44)	\$ (1,620,718.63)	\$ (2,081,102.64)	
		ESTIMATED OPENING FUND BALANCE (rounded)	\$ 13,332,220.00		\$ 12,935,219.00	\$ 12,132,442.50	\$ 10,961,517.62	\$ 9,340,300.80	\$ 7,239,805.36	
		ESTIMATED CLOSING FUND BALANCE (rounded)	\$ 12,935,219.00		\$ 11,734,941.50	\$ 10,430,666.00	\$ 8,841,305.18	\$ 7,259,592.17	\$ 5,158,702.72	
DEBT REDUCTION PLAN INCLUDING LAPSING FUND BALANCE AND MAINTAINING DEPENDENT GROWTH IN FUND CLOSING STRUCTURAL DEFICIT BY END OF FY28										
	EXPENSE	DEFICIT REDUCTION Personnel Services	\$ 868,250.00	0.0000%	\$ 868,250.00	\$ 868,250.00	\$ 868,250.00	\$ 868,250.00	\$ 868,250.00	
	EXPENSE	DEFICIT REDUCTION Materials & Supplies	\$ -	0.0000%	\$ -	\$ -	\$ -	\$ -	\$ -	
	EXPENSE	DEFICIT REDUCTION Contractual Services	\$ -	0.0000%	\$ 3,585,846.00	\$ 3,585,846.00	\$ 3,778,200.00	\$ 3,974,825.00	\$ 4,175,688.00	
	EXPENSE	DEFICIT REDUCTION Capital Outlay	\$ -	0.0000%	\$ 480,000.00	\$ 480,000.00	\$ 480,000.00	\$ 480,000.00	\$ 480,000.00	
	EXPENSE	DEFICIT REDUCTION Other Expenditures	\$ 16,495,907.64	2.8226%	\$ 16,084,709.00	\$ 15,084,709.00	\$ 13,969,599.94	\$ 12,840,045.24	\$ 11,717,026.88	
	REVENUE	TOTALS	\$ 16,562,457.64	2.8447%	\$ 16,337,805.00	\$ 15,373,625.00	\$ 14,348,049.94	\$ 13,224,870.24	\$ 12,194,914.88	
		BALANCE TOTALS	\$ 1,537,588.63		\$ 242,591.00	\$ 490,920.88	\$ 78,459.36	\$ (335,272.93)	\$ (751,011.66)	
		ESTIMATED OPENING FUND BALANCE (rounded)	\$ 13,332,220.00		\$ 12,790,229.00	\$ 12,299,308.00	\$ 11,914,038.64	\$ 11,578,765.71	\$ 11,287,754.05	
		ESTIMATED CLOSING FUND BALANCE (rounded)	\$ 11,794,631.37		\$ 12,432,820.00	\$ 12,790,229.00	\$ 12,638,789.28	\$ 12,243,492.78	\$ 11,536,742.39	



QUARTERLY INVESTMENT REPORT

City of WEBSTER GROVES 28

INVESTMENT REPORT HIGHLIGHTS



<u>Total Investments and Cash</u> \$23,432,912.98	<u>Total Investments</u> \$14,082,426.45	<u>Liquidity Ratio</u> 40%/60% <i>Liquid/Illiquid</i>
<u>Yield Spread</u> 0.05% - 5.10%	<u>Weighted Avg Yield</u> 3.76%	as of 3/31/23

