



Budget Update Fixed Costs & Quality of Life Investments

March 14, 2023

Agenda

- Investment in Quality of Life
 - Impact of Quality of Life Bond 2012
 - Completed Projects
 - Upcoming impacts of Quality of Life
- Impact of Fixed Costs



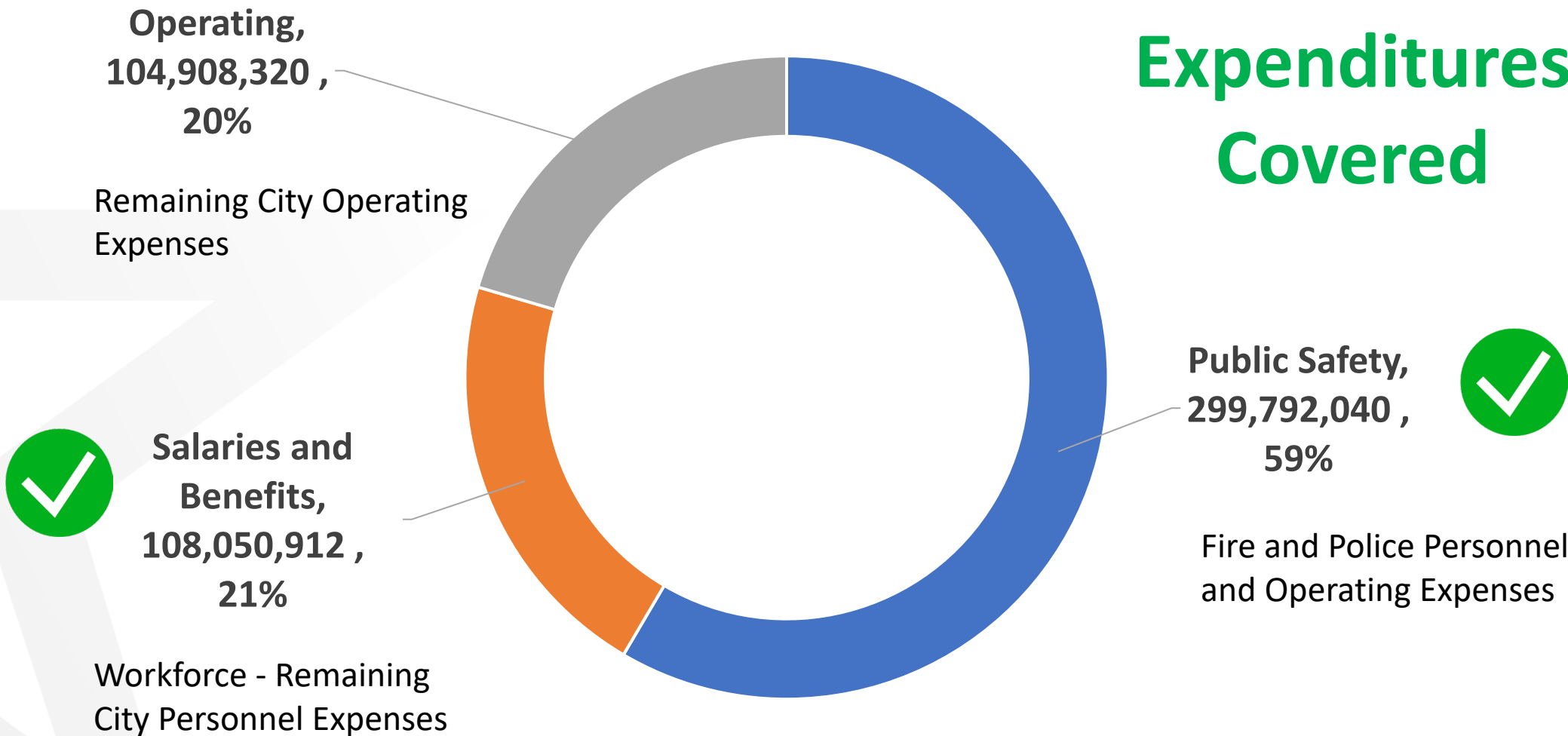
Financial and Operational Sustainability

Five-Year Financial Forecast Cost Drivers

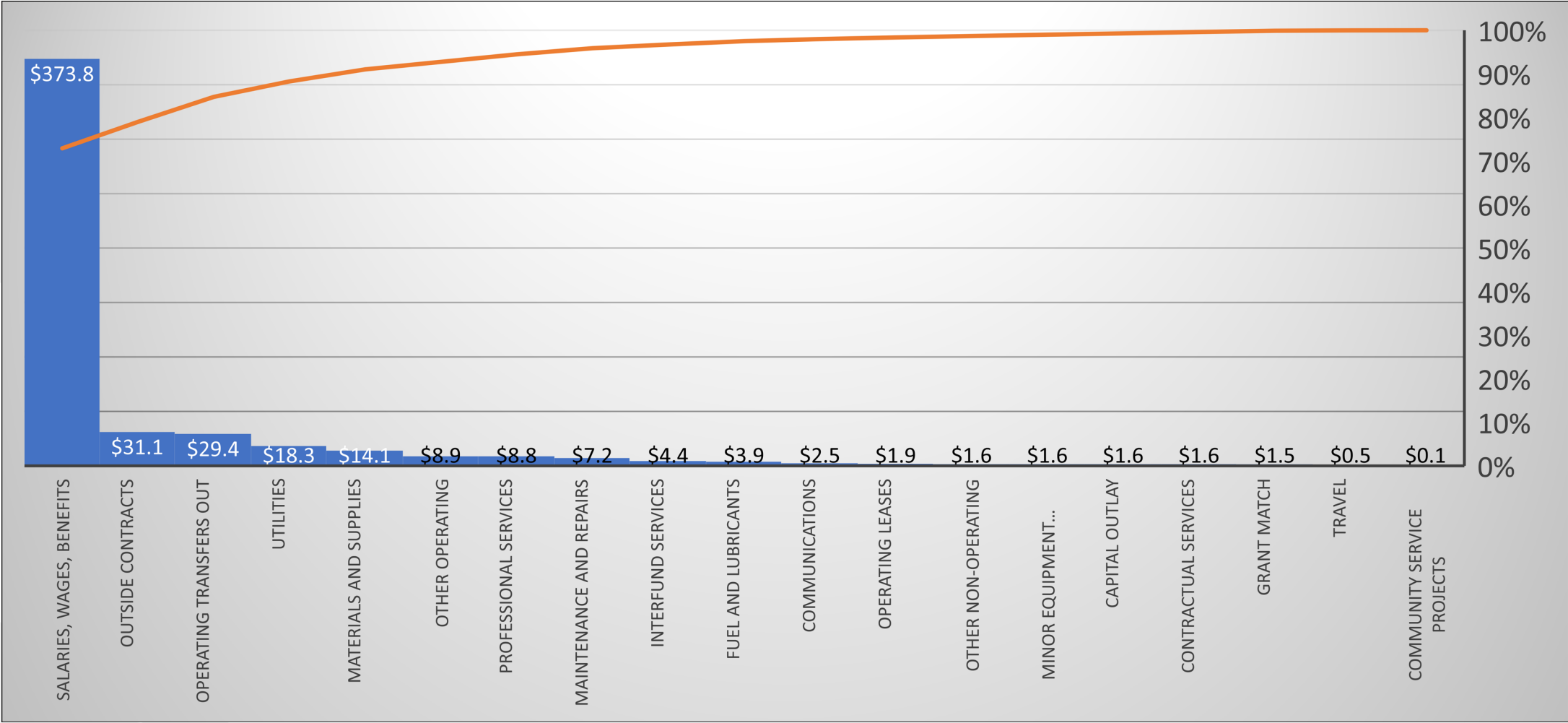
- A key component of the Integrated Budget Process is the Five-Year forecast
 - It provides a snapshot of the upcoming budget, as well as a focus on future years revenue and expenditure projections
 - The Budget Update presentations will lead to the full Five-Year Forecast presentation in March
 - The **two largest cost drivers** in the budget development are related to the **workforce** and **public safety** investments
- 80% {
- Back on January 31, 2023 the Budget Update focused on overall workforce investments
 - On February 28, 2023 we focused on Public Safety Investment
 - Today, we will focus on impact of Quality of Life Capital Projects and Fixed Costs

Budget Update Items

80% of
Expenditures
Covered



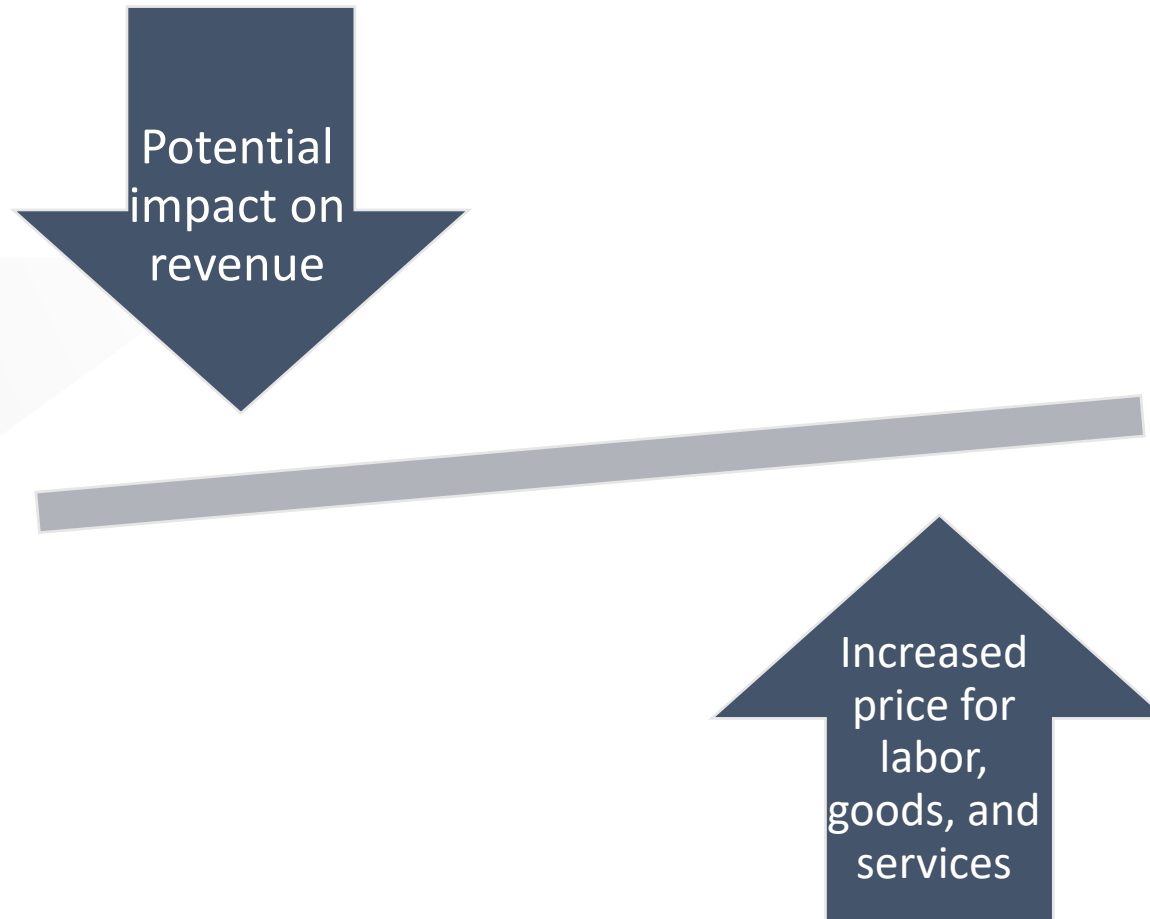
Current General Fund Budget Expenditures by Category



Recap of Current Budget

- 80% of the budget is salaries, benefits, and public safety
- 20% is operating costs that include fixed costs, contractual obligations, materials, and supplies
- Recent inflationary pressures and tight labor market has resulted in increased price of goods and services
- SB2, 3.5% property tax cap, does not account for high levels of inflation impacting City budgets
- As the price of goods and services remain high, primary revenue sources (sales taxes) will be impacted
- Increased costs, potential for less available revenue, and priority to minimize impact on taxpayers

Economic Situation

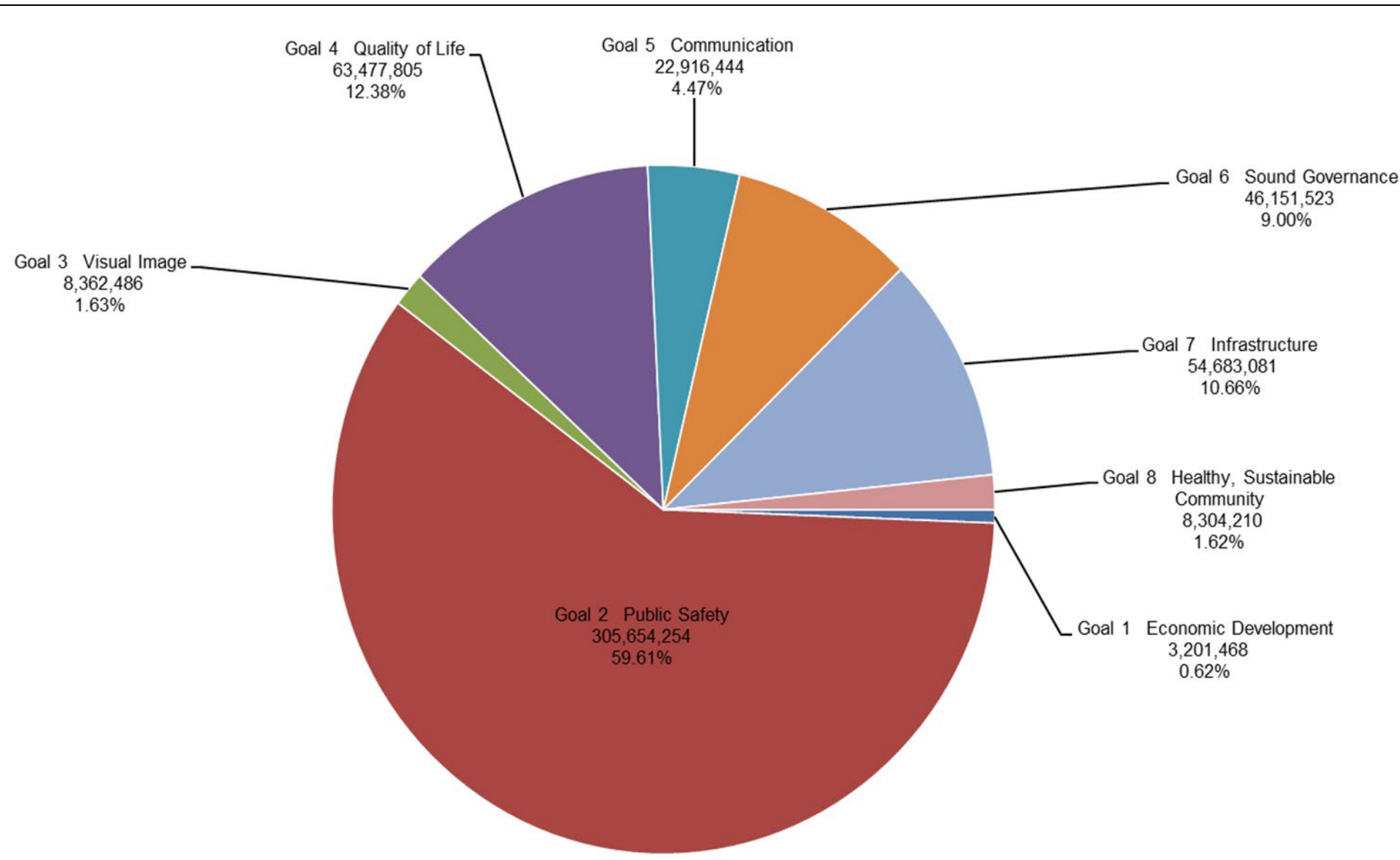


Quality of Life Investments

Parks and Recreation, Libraries, Zoo,
and Museums and Cultural Affairs



Current Budget Recap



List of Completed Bond Projects

Eastwood Dam – Wrought Iron Gate Improvements (NIP)	Zoo - Africa Red River Hog Exhibit	Zoo - Event Tent (additional shade)	Crestmont Park Improvements
Digital Wall @ History Museum	Ponder Park Improvements(All Abilities)	Museum of Archaeology ADA upgrade	Mountain View Park Improvements
Lomaland Park Improvements (NIP)	Zoo - Animal Holding Phase I Improvements	Angora Loop Median Improvements NIP III	Cimarron Unit 1 Metal Shade Canopy
Newman Park Improvements (NIP)	Zoo - Education Animal Holding	Crestmont Canopy over playground	Hawkins Pool Roof Replacement
Chuck Heinrich Park (NIP)	Citywide Play Equipment Installation Group 2	Richard Burges Library Renovation	Todd Ware Park Improvements
Summit Fillmore Park Improvements (NIP)	Coyote Park - Citywide Canopy Installation	Zoo - Giraffe Shade (Support Elements)	N. Carolina Retaining Wall
Radford Park	Museum of Archaeology Gazebo	Judge Marquez Branch Library	District 7 Chapoteo Neighborhood
Coronado Curb Cut Improvements (NIP)	Pavo Real Enhanced Spray Park	Sergio Troncoso (Ysleta) Library	Palm Grove Park Improvements
Madeline Park (NIP)	Ponder ParkOutdoor Sports Field Lighting	Sergio Troncoso (Ysleta) Library Parking Lot	District 2 Lost Kingdom Water Park
Patriot Place Park Improvements (NIP)	Rutherford Curb Cut Improvements NIP III	Trailhead Parking Areas and Amenities -	Madeline Park Improvements
Sunrise Park Restroom Improvements (NIP)	Salvador Rivas Spray Park	Trailhead Parking Areas and Amenities -	Clardy Fox Library Renovations
John Lyons/ Cheryl Ladd Park QOL	Zoo - Event Tent	Trailhead Parking Areas and Amenities -	Sandstone Ranch Metal Shade
Yucca Park Improvements	Sandstone Ranch Estates Park Improvements-	Trailhead Parking Areas and Amenities	Haddox Family Park Improvements
Downtown Pedestrian Pathways	Escondido, Robles & Espada SW Gaps NIP III	Shawver Outdoor Sports Lighting	Eastwood (Album) Metal Shade
Carlos Bombach Park (NIP)	Aztec & Navajo SW Gap NIP III	Sue Young Sports Lighting	Sandstone Ranch Estates Metal
Downtown Benches (NIP)	N. Carolina Speed Indicator Signs NIP III	Adrian Garcia Park	Sun City Lights - District 5
Gallagher Street Sidewalk Improvements (NIP)	Wayne Retention Pond Rock Wall - NIP III	McKelligon Canyon Pavilion Structureal	Travis White Park Improvements
Valle de Las Misiones Street Lights (NIP)	James Grant Area Residential Street Lights NIP	Chihuahuan Desert Exhibit Complex	Newman Park Metal Shade Canopy
Cielo Vista Ramps (NIP II)	Polly Harris Doors	Museum of Art Roof Replacement and	South American Pavilion
Valley View Street Lights (NIP)	Marty Robbins Canopy over Playground	Paseos Del Sol Park Improvements	Sports Field Lighting (Veterans,
Ethel & Edgar Sidewalk Gaps (NIP II)	Vista Del Valle Canopy over playground	Bartlett Park Improvements	Ventanas Destiny Metal Shade
Trowbridge Sidewalk Gap (NIP II)	Clifford Ponding Area Improvements NIP III	Shawver Renovate Sports Fields	Pueblo Viejo Park Improvements
Mission Hills Park Improvements (NIP)	Summit Fillmore Park Improvements NIP III	Thomas Manor Park Improvements-NIP II	Jose Cisneros Library Improvements
Blackie Chesher Lighted Flat Fields (Sports Field Lighting)	Love Road crosswalk and landscaping NIP II	Museum of History Track Lighting	Esperanza Moreno Library
Barron Park	Westside Pool	Jan Sumrall Trailhead Playground	Armijo Branch Library Improvements
Zoo - Africa Wild Dog	Pueblo Viejo Park Picnic Table Canopies - NIP III	Salamanca and Pejamo ADA Ramps	Pueblo Viejo Park Metal Shade
Zoo - Reptile Building	Museum of Art Gallery Upgrade	Balsam Sidewalk Gaps	Salvador Rivas Park Phase III
Ranchland Hills Lights (NIP II)	Edgemere Park NIP III	Eastside Senior Center (Pebble Hills)	Seville Recreation Center
San Jacinto Plaza	Houston Park Improvements NIP III	Blackie Chesher Metal Shade Canopy	Joey Barraza and Vino Memorial Park
Little River Park Improvements (NIP)	Argal Park at Las Palmas (Las Palmas/Pendale	Zoo - Kalahari Improvements	Pavo Real Recreation Center
E.L. Williams Park Improvements-NIP II	Eastside Sports Complex Design/Build Phase 1	Memorial Park Library Branch Expansion	Westside Branch Library
Pueblo Viejo Park Improvements- NIP II	Mountain View Park Lights Improvements NIP III	Rim Area Street Signs	Dick Shinaut Concrete Skate Park
Johnson Basin	H.T. Ponsford Park Improvements- NIP II	Sunset Heights and Old San Francisco	Trailhead Improvements - Chuck
Jorge Montalvo Park Improvements	Zoo - Carousel Site Development	Yucca Metal Shade Canopy	Joey Barraza and Vino Modular Play
Digital Wall (History Museum)Roof Drain Alterations	Borderland Park Improvements NIP III	Irwin J Lambka Metal Shade Canopy	Westside Community Park Soccer
Stiles Park Handball Court	Socorro Rd. Landscaping Improvements NIP III	Nations Tobins Metal Shade Canopy	

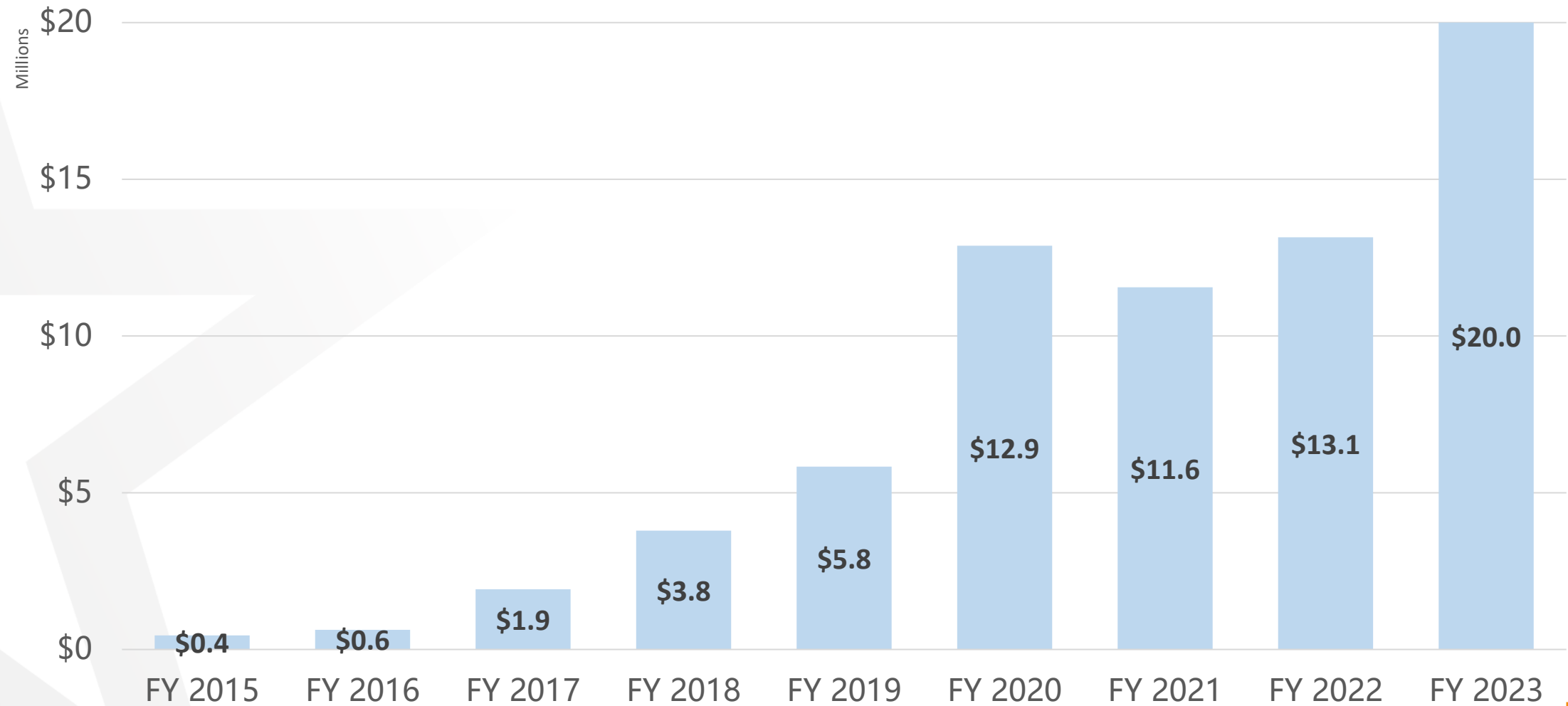
Investments in Quality of Life

Parks and Recreation, Libraries, Zoo & Museums and Cultural Affairs

New Project Operations and Maintenance:

- Increase in staffing
- Increase in contractual services
- Increase in utilities
- New capital equipment and future replacement

Quality of Life – Cumulative O & M



List of Upcoming Bond Projects

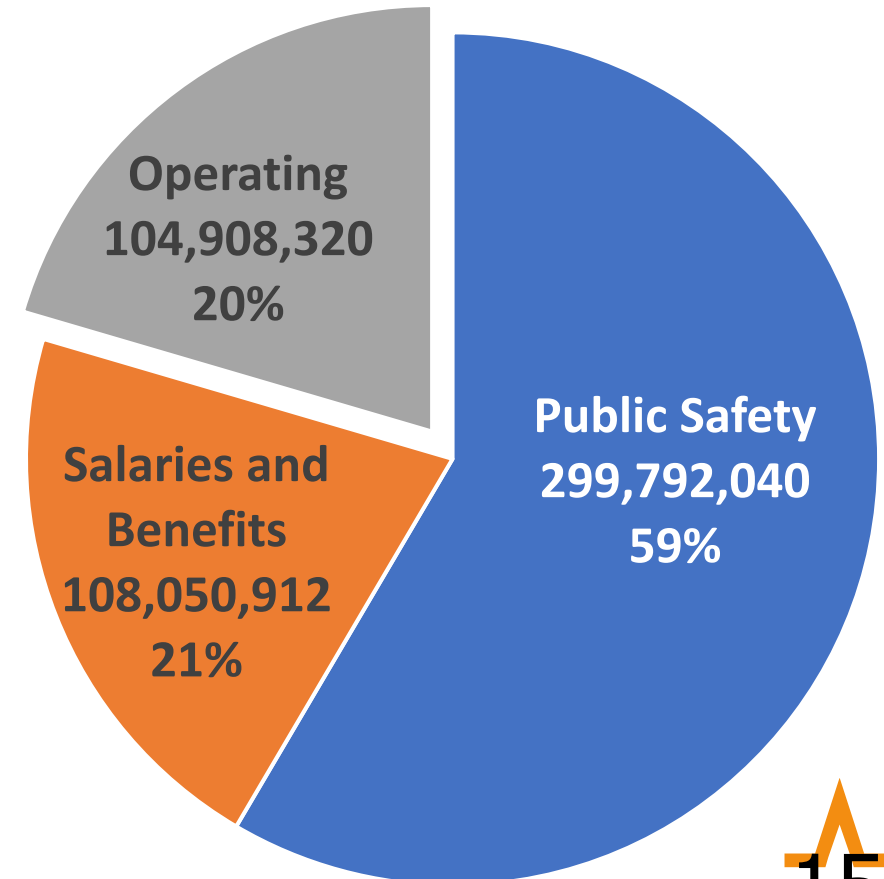


- Leopard and Elephant Exhibit Renovations
- Lomaland (Sylvia Carreon) Recreation Center Bridge Ramp
- Manhattan Heights Historic Archway Illumination
- Nolan Richardson Recreation Center
- Penguin Exhibit and Life Support Project (full year impact)
- Sea Lion Exhibit Repair and Upgrade
- South American Pavilion Restrooms
- Wainwright and NE basin Park Improvements
- Dorris Van Doren,
- Mexican American Cultural Center
- Main Library Renovations

Fixed Costs

FY 2023 General Fund Budget Breakdown

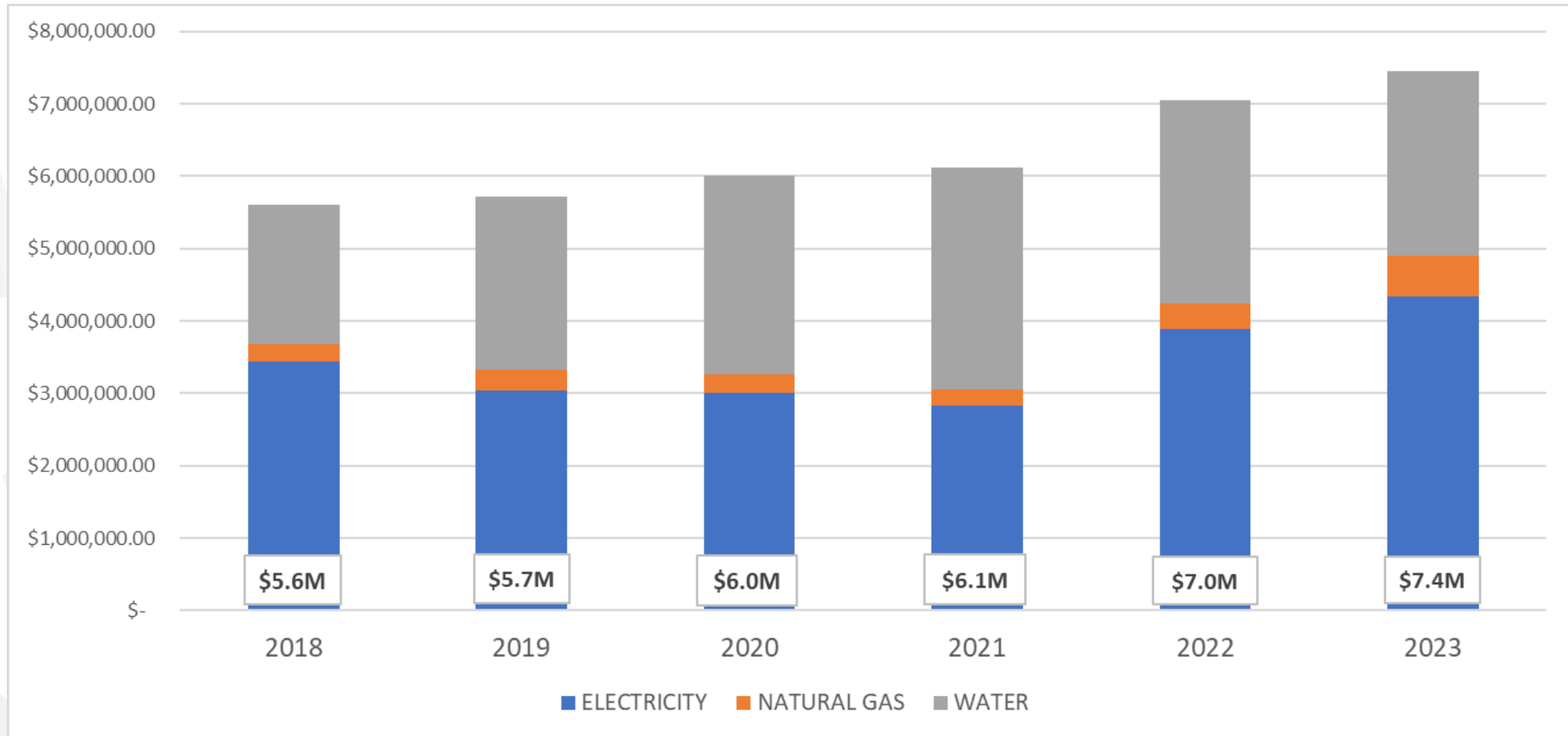
Examples of What's in the "Operating" Category	Amount
Utilities	\$18,300,459
Appraisal Services	\$4,922,120
IT software/hardware contracts	\$9,727,789
Vehicle maintenance/fuel	\$7,902,943
Phones, postage, shipping	\$2,482,023
Maintenance & repairs (bldgs. Pools, streets)	\$6,987,166
General liability and property insurance	\$2,251,071
Janitorial and security contracts	\$4,745,033
Economic Development Agreements	\$3,635,933
Animal Shelter (employee costs budgeted as a transfer)	\$4,192,958
Residential street projects	\$7,000,000
Subtotal	\$72,147,495,



Items above represent 14.7% of the Total General Fund Budget only 5% remaining

Utilities

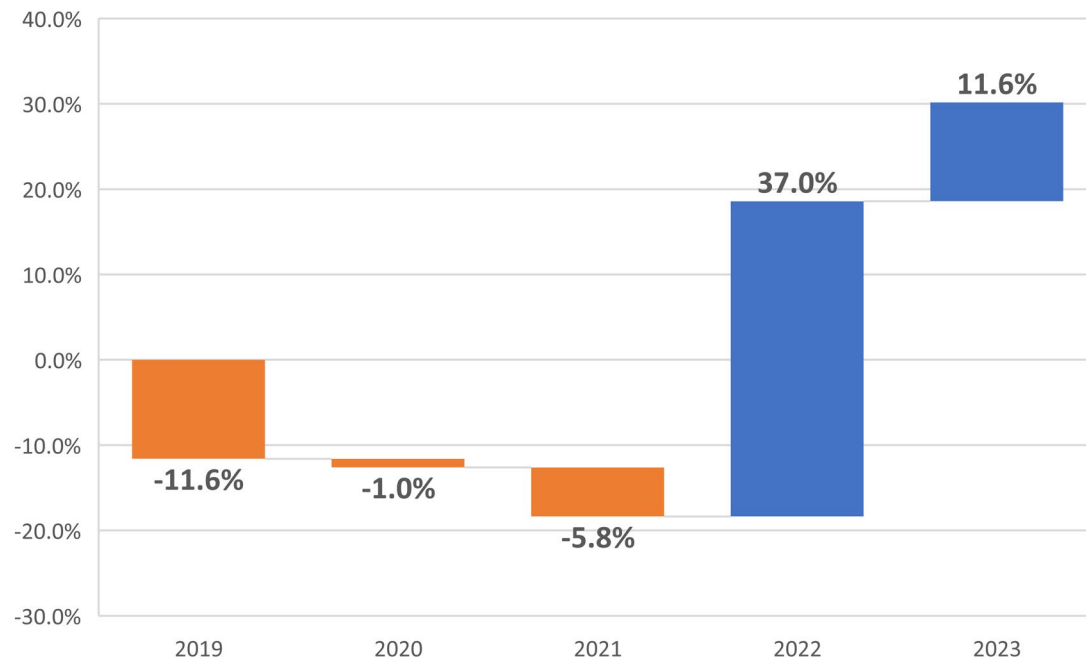
GF Expenditures as of the period ending January 31



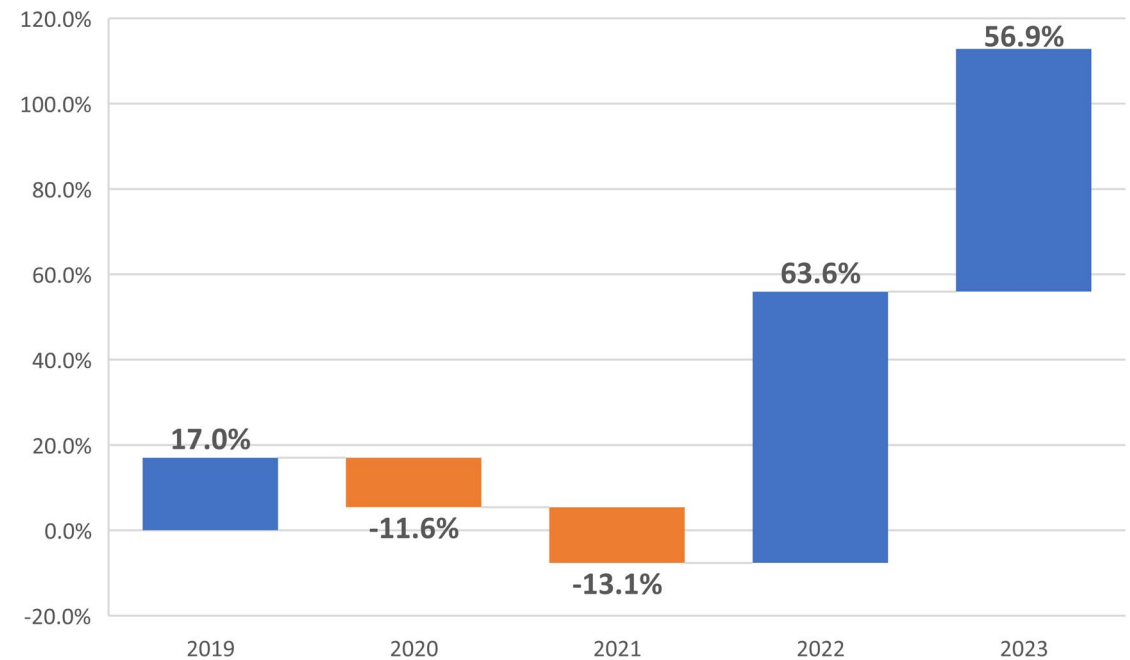
Utilities

Year-over-Year energy changes as of the period ending January 31

Electricity YoY Changes



Natural Gas YoY Changes



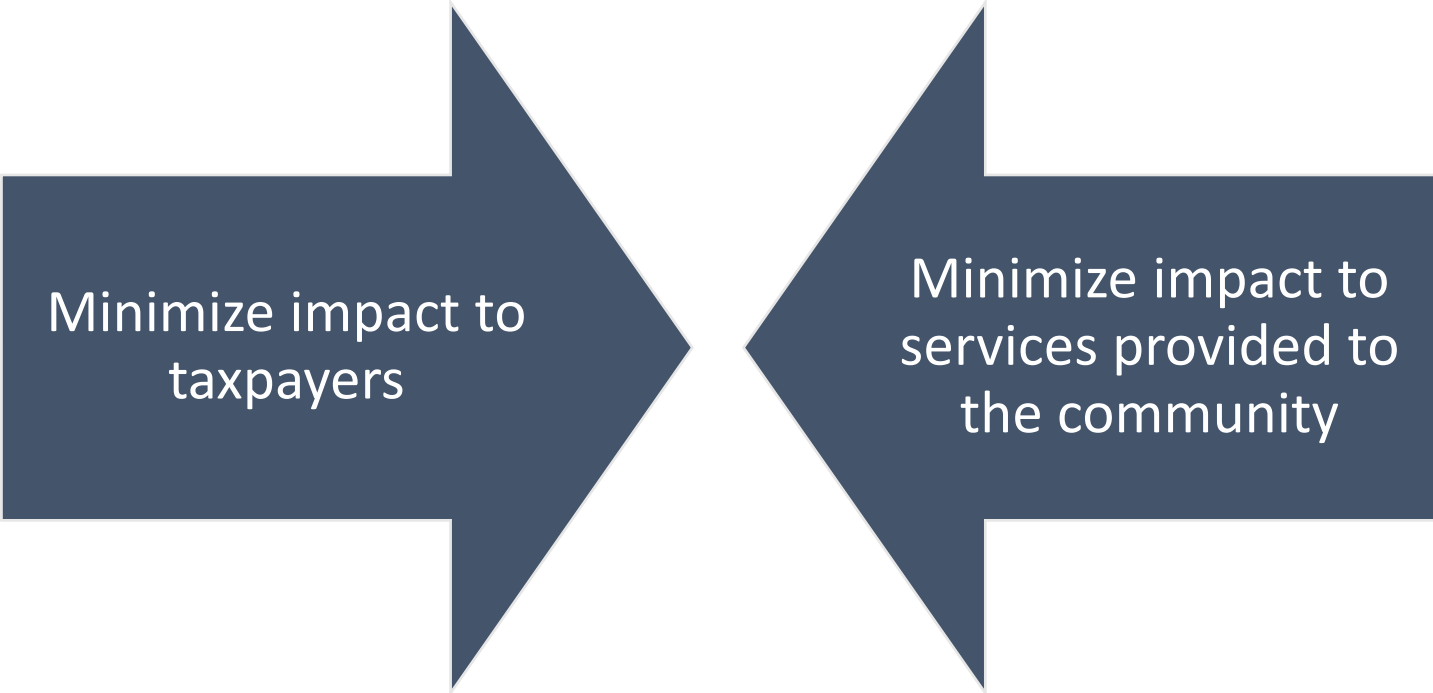
Aging Facilities/Capital Replacement

- Facility Review completed in 2015 and refreshed
- Quality of Life and Public Safety Bond Impacts
- Roof replacements
- HVAC Replacements
- Parks Amenities
- Vehicle Replacement

Inflationary Impacts

- Janitorial Service Contracts
- Security Contracts
- Billing and Collections
- Information Technology Contracts

Developing City Budget

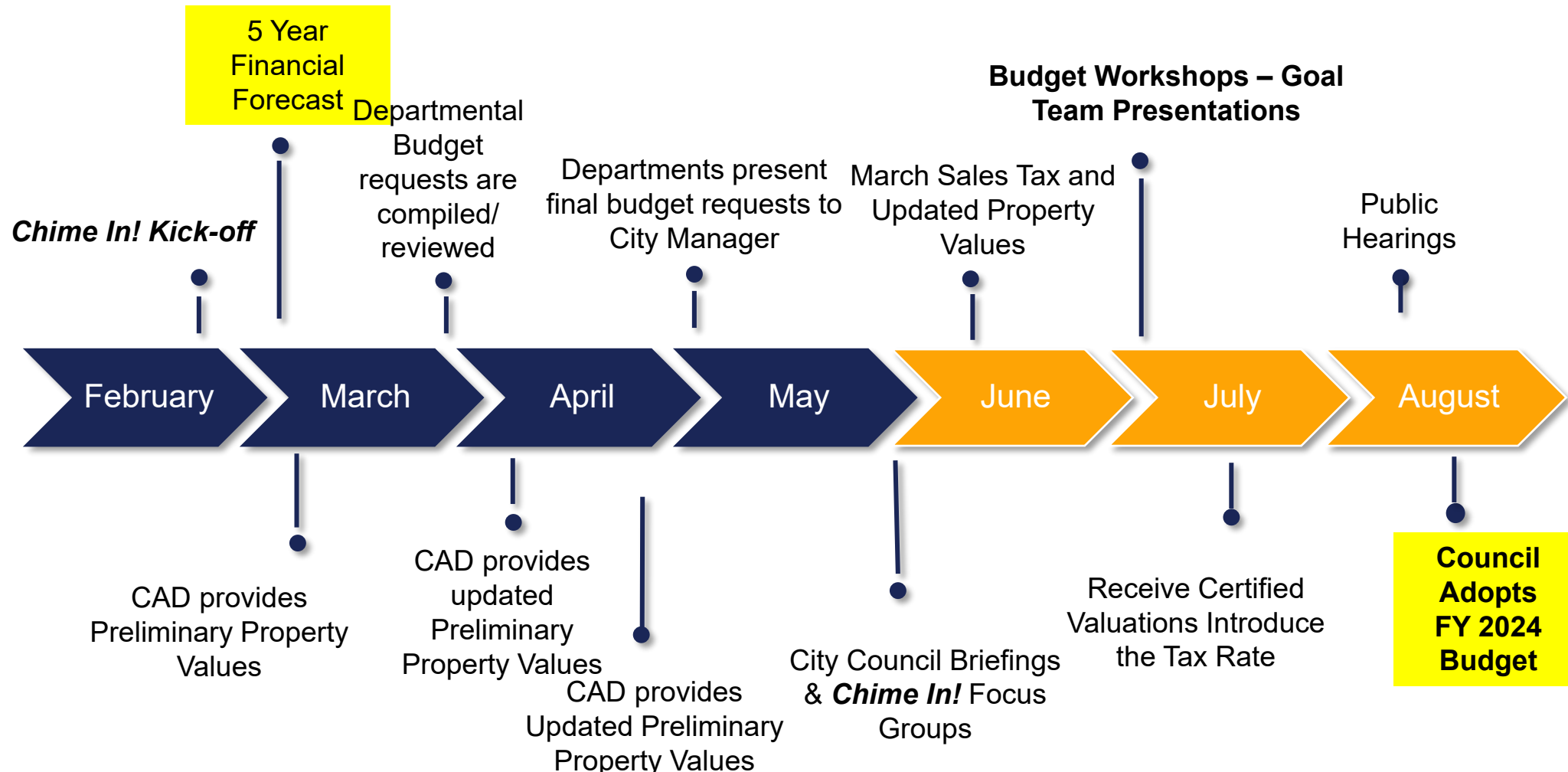
A diagram consisting of two dark blue arrows pointing in opposite directions, one to the right and one to the left, meeting at a central point. The left arrow contains the text "Minimize impact to taxpayers" and the right arrow contains the text "Minimize impact to services provided to the community".

Minimize impact to
taxpayers

Minimize impact to
services provided to
the community

FY 2024 Budget Process Timeline

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MISSION



Deliver exceptional services to support a high quality of life and place for our community

VISION



Develop a vibrant regional economy, safe and beautiful neighborhoods and exceptional recreational, cultural and educational opportunities powered by a high performing government



VALUES

Integrity, **R**espect, **E**xcellence,
Accountability, **P**eople