



# FY25 Proposed Operating & Capital Improvement Budgets



# FY25 Budget Calendar

May 7, 2024- FY25 City & School O&M and CIP Resolution, First Read & Refer to Public Hearing.

May 7, 2024- School Department FY25 O&M and CIP Budget Presentation.

May 10, 2024- City Council FY25 Budget Retreat-Council Chambers 9:30am to 4pm.

May 14, 2024-City Council - Committee of the Whole FY25 budget review.

May 21, 2024- Council Workshop FY25 City & School O&M and CIP Public Hearings, Committee of the Whole budget reviews.

June 4, 2024- City Council Regular Meeting-FY25 City & School O&M and CIP budget adoptions

Open dates if needed for Budget Adoptions: June, 11, June 18, June 25.



# FY25 Budget Documents

- **Proposed Operating & Maintenance (O&M)** Identifies all City Departments O&M budgets
- **Proposed Issues & Options (I&O)**  
Identifies all Department requests for new positions, upgrades and various projects.  
I&O books has Included & Excluded sections.
- **Capital Improvements Projects (CIP)**  
Identifies all projects incorporated into the 6-Year CIP Plan.



# FY25 Issues & Options

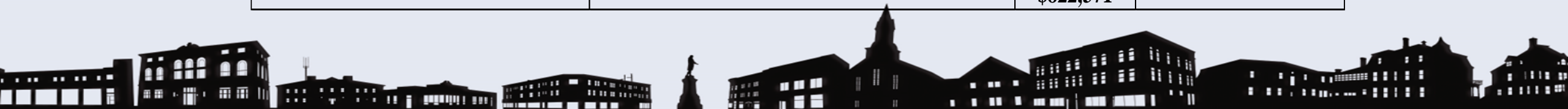
- Departments presented a total of (17) Issues & Options totaling **\$1,455,807**
- (13) I&O's are Included-Total **\$ 822,370**
- (4) I&O's are Excluded-Total **\$633,437**



# FY25 Issues & Options

- I&O's Included are as follows:

<u>Department</u>	<u>Issues &amp; Option</u>	<u>Amounts</u>	<u>Notes</u>
City Manager's Office	Chief Community Development Officer	\$171,522	
City Manager's Office	Public Information Assistant	\$47,666	1/2 Year Funding
Legal Department	New Assistant City Attorney Position-Full Time	\$127,281	
Human Resources	Upgrade Payroll Specialist to Payroll Administrator	\$2,011	
Human Resources	New Human Resource Generalist Position-Full Time	\$44,872	1/2 Year Funding
IT Services	Secondary Internet Connection	\$13,200	
Assessing Department	Contract Appraisal Service	\$100,000	
Police Department	Upgrade Records Clerk to Full Time	\$35,455	
Police Department	Parking Enforcement (2) New Part Time Positions	\$70,000	
Public Works Department	Light Equipment Operator	\$36,254	1/2 Year Funding
Public Works Department	Medium Equipment Operator	\$37,056	1/2 Year Funding
Sewer Fund	Chief Operator Position	\$56,883	1/2 Year Funding
Sewer Fund	Wastewater Treatment Facility Mechanic	\$80,171	
		<b>\$822,371</b>	



# Limitation of Budgetary Increase “Tax Cap”

Fiscal Year 2024 Tax Effort  
+ Net New Construction (NNC)  
+ Consumer Price Index (CPI)  
FY 2025 Allowed Tax Effort



# Limitation of Budgetary Increase “Tax Cap”

\$73,133,646 (FY24 Tax Effort)  
+ \$1,562,622 (NNC)  
+ \$3,013,106 (CPI)  
= \$77,709,374 FY25 Tax Effort

**An increase of \$4,575,727 ( 6.3% )**





# Tax Cap Adjustments

- Increase Appropriation Allocations:

City & County	\$ 1,911,269	(6.3%)
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Schools:	<u>\$ 2,664,458</u>	(6.3%)
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Total:	\$ 4,575,727	(6.3%)
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- **Proposed City & County: \$ 135,474 Below cap**
- **Proposed School Budget: \$ 14,378 Below cap**
- **Total: \$149,852 Below the Tax Cap**





# FY25 Appropriation Summary

	FY24	FY25		
Summary	Revised	Proposed	\$ Change	% Change
City Operations	\$52,647,930	\$46,656,433	(\$5,991,497)	-11.38%
School Operations	\$71,954,485	\$74,790,383	\$2,835,898	3.94%
County Taxes	\$8,020,000	\$8,765,254	\$745,254	9.29%
Enterprise & Special Revenues	\$35,179,199	\$30,825,796	(\$4,353,403)	-12.37%
Veterans Credits & Overlay	<u>\$1,036,675</u>	<u>\$1,178,925</u>	<u>\$142,250</u>	<u>13.72%</u>
<b>All Totals</b>	<b>\$168,838,289</b>	<b>\$162,216,791</b>	<b>(\$6,621,498)</b>	<b>-3.92%</b>

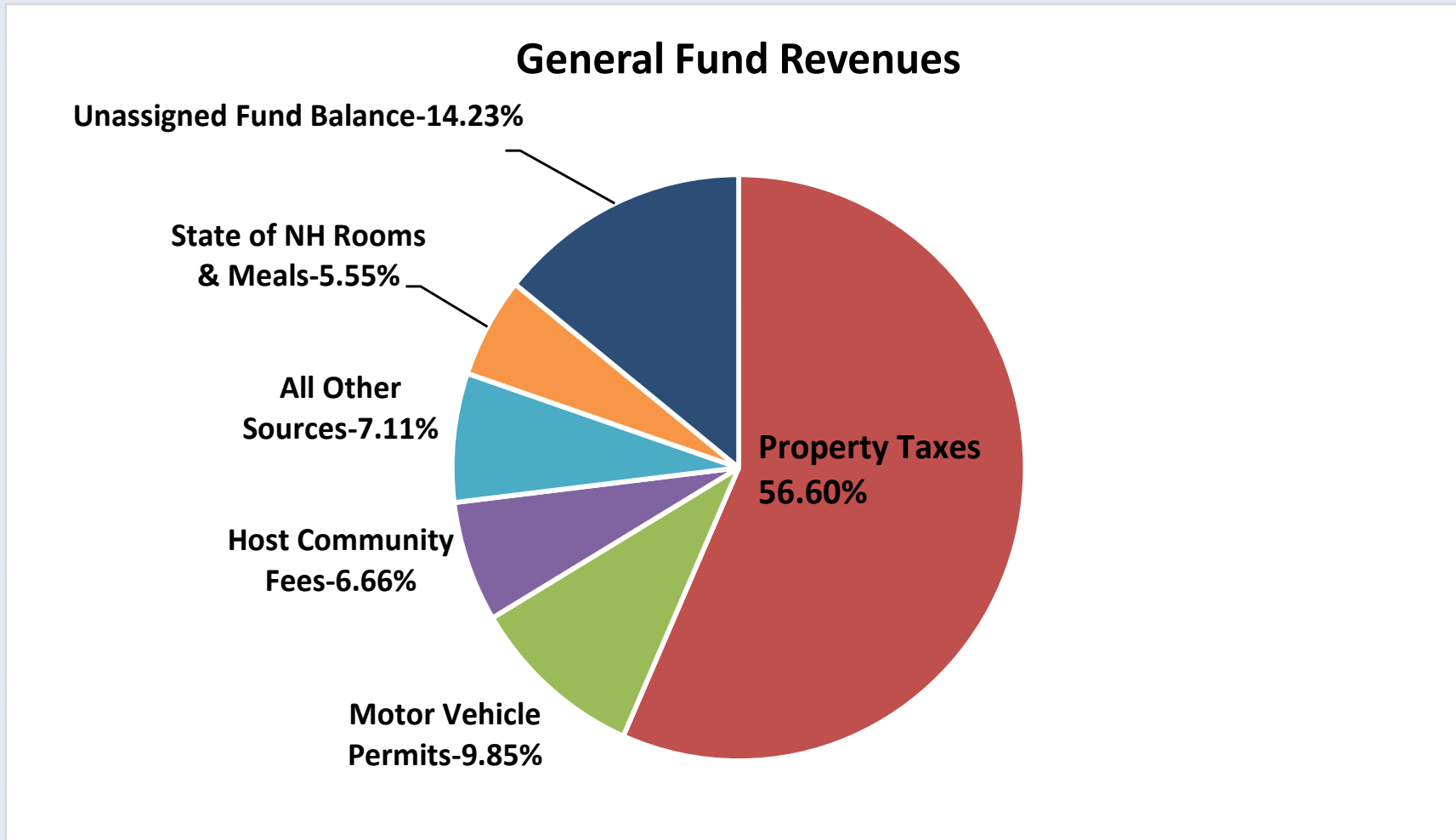


# FY25 General Fund- Appropriations

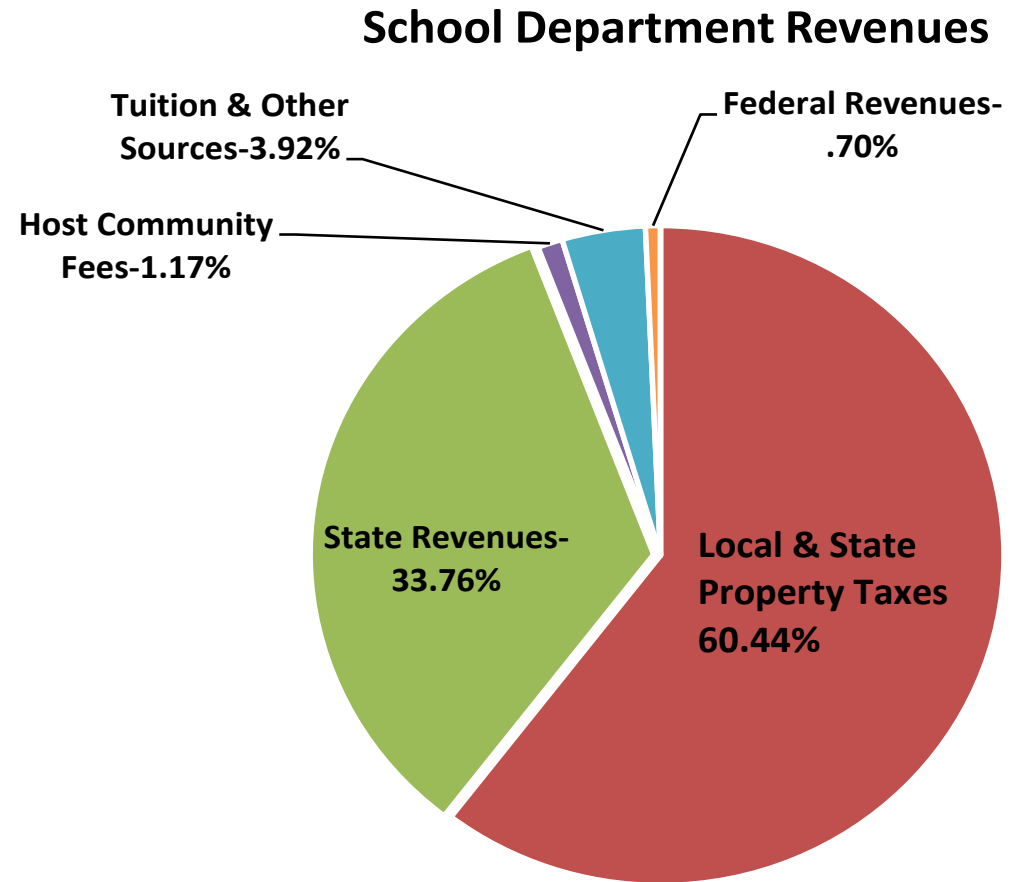
	FY24	FY25		
City Operations	Revised	Proposed	\$ Change	% Change
City Operations	\$33,817,151	\$36,722,014	\$2,904,863	8.59%
County Taxes	\$8,020,000	\$8,765,254	\$745,254	9.29%
Debt Service	\$5,040,763	\$5,072,585	\$31,822	0.63%
Capital & Other Transfers	\$13,790,016	\$4,861,834	(\$8,928,182)	-64.74%
Tax Overlay	\$350,000	\$450,000	\$100,000	29%
Veterans Credits	<u>\$686,675</u>	<u>\$728,925</u>	<u>\$42,250</u>	<u>6.15%</u>
City	<b>\$61,704,605</b>	<b>\$56,600,612</b>	<b>(\$5,103,993)</b>	<b>-8.27%</b>
School	<b>\$71,954,485</b>	<b>\$74,790,383</b>	<b>\$2,835,898</b>	<b>3.94%</b>
<b>Sub Total City &amp; School</b>	<b><u>\$133,659,090</u></b>	<b><u>\$131,390,995</u></b>	<b><u>(\$2,268,095)</u></b>	<b><u>-1.70%</u></b>



# City General Fund Revenue Sources \$55.8 Million



# School Dept Revenue Sources \$74.8 Million



# Estimated Tax Rate-Tax Year 2024

	<b>Tax</b>	<b>Tax</b>	
	<b>Year</b>	<b>Year</b>	<b>\$</b>
	<b><u>2023</u></b>	<b><u>2024 Est</u></b>	<b><u>Change</u></b>
City	\$7.74	\$6.84	-\$0.90
County	\$2.99	\$2.54	-\$0.45
Local School	\$13.01	\$11.41	-\$1.60
State School	<u>\$2.00</u>	<u>\$1.75</u>	<u>-\$0.25</u>
<b>Total</b>	<b>\$25.74</b>	<b>\$22.54</b>	<b>-\$3.20</b>
DRA Dec-23 Net Assessed Value		2,850,005,061	
Estimated Dec-24 Net Assessed Value		3,450,005,061	



# FY25 Enterprise & Special Revenue Appropriations

	FY24	FY25		
Enterprise & Special Revenues	Revised	Proposed	\$ Change	% Change
City Grants & Other Special Revenues	\$165,000	\$165,000	\$0	0.00%
Tax Incremental Financing Funds	\$1,341,889	\$1,375,990	\$34,101	2.54%
School Grants & Special Rev Funds	\$12,844,000	\$6,401,000	(\$6,443,000)	-50.16%
Water Fund	\$7,544,084	\$8,842,267	\$1,298,183	17.21%
Sewer Fund	\$11,976,177	\$12,647,287	\$671,110	5.60%
Arena Special Revenue	\$413,290	\$464,297	\$51,007	12.34%
Community Center	<u>\$894,759</u>	<u>\$929,955</u>	<u>\$35,196</u>	<u>3.93%</u>
<b>Total Enterprise &amp; Special Revenues</b>	<b>\$35,179,199</b>	<b>\$30,825,796</b>	<b>(\$4,353,403)</b>	<b>-12.37%</b>
<b>All Totals</b>	<b>\$168,838,289</b>	<b>\$162,216,791</b>	<b>(\$6,621,498)</b>	<b>-3.92%</b>



# FY25 Capital Improvements Budget

	FY24	FY25	
Capital Improvements Plan (CIP)	Revised	Proposed	\$ Change
City	\$16,580,813	\$20,626,286	\$4,045,473
School	\$36,732,000	\$1,497,000	(\$35,235,000)
Arena	\$21,000	\$275,000	\$254,000
Community Center	\$428,500	\$340,000	(\$88,500)
Water	\$7,547,500	\$9,971,134	\$2,423,634
Sewer	\$8,080,251	\$10,350,634	\$2,270,383
Tax Incremental Financing Funds	<u>\$0</u>	<u>\$10,560,000</u>	<u>\$10,560,000</u>
<b>Total CIP all Funds</b>	<b>\$69,390,064</b>	<b>\$53,620,054</b>	<b>(\$15,770,010)</b>





# In Closing

Through the last several budget cycles, the City of Rochester has maintained its sound fiscal health without a loss of services and without significant increases in property taxes. The proposed fiscal year 2025 budget continues along these trends.

I look forward to working with you, city and school staff, and the citizens of Rochester as we embark on another year of change, challenge and opportunity. On behalf of all City departments, we look forward to working with the City Council on your review, deliberations and adoption of the fiscal year 2025 budget.

