



# **Our Scrapbook – A Review of Major Financial Results**

Town Council Meeting

June 3, 2020

# Summary Results

Type / Category	One-Time Amount	Annual Amount
1. Debt Related One-Time Savings / Cost Avoidance	\$33.9M	-
2. Operating Budget Annual Savings / Cost Avoidance	-	\$6.7M
3. Tax and Fee Reductions / Refunds	\$3.2M	\$4.7M
4. Project Cost Sharing Partnerships	<u>\$42.9M</u>	
<b>TOTAL</b>	<b>\$79.3M</b>	<b>\$11.4M</b>

*A 5<sup>th</sup> Category also exists for “Other Accomplishments” which are much more difficult to quantify but have a significant financial impact.*

# 1. One-Time Savings / Cost Avoidance

Item	Year Completed	One-Time Amount
1. Early Payoff of Two Development Agreements	FY 16-17	\$10.8M
2. Refinanced Excise Tax Debt	FY 16-17	\$12.5M
3. Refinanced Improvement District Debt	FY 16-17	\$4.0M
4. Improvement District Account Payoffs	FY 17-18	\$0.3M
5. Early Payoff of Debt for WW Treatment Plant	FY 18-19	\$3.7M
6. Early Payoff of Interfund Loans	FY 19-20	<u>\$2.6M</u>
<b>TOTAL</b>		<b>\$33.9M</b>

## 2. Operating Budget Annual Savings / Cost Avoidance

Item	Year Started	Annual Amount
1. Pension Funding Policy	FY 15-16	\$2.1M
2. Increased Costs Recovered from Fire District Contract	FY 15-16	\$125K
3. Reallocated Source of Funding for Two Street Development Agreements	FY 16-17	\$1.7M
4. Increased Public Safety Funding from Utilities	FY 17-18	<u>\$2.8M</u>
<b>TOTAL</b>		<b>\$6.7M</b>

# 3. Tax and Fee Reductions / Refunds

Item	Year Completed	One-Time Amount	Annual Amount
1. SLID Property Tax Reduction (Reconciliation)	FY 19-20	\$0.5M	
2. SLID Property Tax Reduction (Pole Ownership)	FY 20-21		\$0.4M
3. Water Meter Deposit Refunds	Ongoing	\$2.3M	
4. Terminated 2 Years of Pre- Approved Wastewater Rate Increases	FY 15-16		\$0.8M
5. Reduction of Monthly Wastewater Rates	FY 19-20		\$1.1M
6. Reduced Water Replenishment Fees	Ongoing		\$2.4M
7. Impact Fee Refunds (Grandfather Provision)	FY 16-17	<u>\$0.4M</u>	— -
<b>TOTAL</b>		<b>\$3.2M</b>	<b>\$4.7M</b>

## 4. Project Cost Sharing Partnerships

- ~\$43M From Partnerships (Other Cities, Counties, State)
- Streets Related
- 10 Projects

# 5. Other Accomplishments

## 1. Lower Interest Costs on Future Bond Issuances

- Both Bond Ratings Upgraded to 'AA'
- Increased Debt Coverage Requirement
- Expanded Definition of Pledged Revenues to Include Dedicated Sales and Property Taxes

## 2. Lowered Property Insurance Costs paid by Homeowners and Businesses

- Town's ISO Rating (Insurance Services Office) Has Improved as a Result of the Growth of the Fire Department (Staffing and Infrastructure)

## 5. Other Accomplishments (continued)

### 3. **Faster Contract Award and Construction of Infrastructure Projects**

- Implemented New “Delegation Resolution” Process

### 4. **Comprehensive Employee Wellness Program**

- Programs Encourage a Healthy Lifestyle for Employees and Families (Nutrition, Exercise, Preventive Care, etc.)



## 5. Other Accomplishments (continued)

### 5. Overhauled Impact and Capacity Fees

- Dedicated 2% Transportation Sales Tax Included in Transportation Fee Calculation
- Reconciled Individual Fee Cash Balances (\$43.5M)
- Same Water Capacity Fee for  $\frac{3}{4}$ " and 1" Meters
- Reduced Costs Charged to Growth for the Library
- Improved Allocation of Costs to Non-Residential Properties
  - Used Function Population
  - Used Regional Data re. Employees per 1K SF
  - Allocated Public Safety Costs to Retail Uses

## 5. Other Accomplishments (continued)

### 6. Expanded Utilities Financial Policies

- Combined Water and Wastewater into One Utility for Debt Issuances Purposes
- Increased Operating and Repair and Replacement Reserves

### 7. Created \$6.5M Placeholder for Transportation Funding

### 8. Aggressive Water Supply Acquisition Strategy

## 5. Other Accomplishments (continued)

### 9. Strategic Annexations

### 10. Created Numerous Sinking Funds for Replacement of Infrastructure

### 11. WIFA Program Changes

- 50K+ Population Eligibility Change
- Funding Water Resources

# 5. Other Accomplishments (concluded)

## 12. Parks Level of Service Adjustment

- Set Interim Level of Service at 40 Acres per 10,000 Population for Parks Impact Fee, Down from the 51 Acres Identified in the Parks Master Plan
- Reduced Funding Requirements from the Operating Budget by \$53M

## 13. Numerous Operational Improvements / Efficiencies

- Utility Accounts, Project Management, Enhanced Technology, etc.



# Questions and Comments