



CITY OF WALHALLA

FY 2023

BUDGET GUIDANCE

DECEMBER 21, 2021

CITY OF WALHALLA
206 N CHURCH ST
WALHALLA, SC 29691


Mr. Danny Edwards, Mayor

Mr. Danny Woodward, Mayor Pro Tem
Ms. Sarai Melendez, Councilwoman
Mr. Keith Pace, Councilman
Mrs. Gwen Owens, Councilwoman

Mr. Josh Roberts, Councilman
Mr. David Underwood, Councilman
Mr. Julian Stoudemire, City Attorney
Mr. Timothy B. Burton, City Administrator

MEMO

TO: City Department Heads

FROM: Timothy B. Burton, City Administrator 

RE: FY 2023 Budget Process

DATE: 21 December 2021

Congratulations, we have made it halfway through FY 2022. Thank you for the hard work you have shown in keeping within our current budget and embracing new budget practices. The upcoming year will present some challenges, but we will work through them as well. We will now begin our planning for FY 2023. Hopefully, you have already put some thought and planning into developing your budget submissions.

The following document details guidance to be considered when planning your departments goals, objectives, and budget requests for the upcoming fiscal year.

Key points from the document include:

1. Expect a stable budget for the upcoming year. No large variances in either direction.
2. Expect cost sharing with other departments for personnel and other operating costs
3. Capital expenditures may be limited
4. Performance measures and matrices will be used to evaluate requests
5. Data driven justifications will often yield higher rate of approval

I look forward to working with you to produce a workable and successful budget document that supports our mission and one that does not unduly burden our citizens.

As always please don't hesitate to contact me if you have any questions or need more information.

**CITY OF WALHALLA
FY 2023 BUDGET GUIDANCE**

General Fund

It is unlikely there will be large growth in the general fund this year. It is anticipated that revenues will remain stable and that departments should develop their requests with this in mind. General Fund resources will be placed on requests that make measurable progress in one or more of the following areas:

- Providing outstanding service: bolstering customer service in a timely and professional manner, as well as equity in service delivery.
- Reinvesting in facilities: adequately maintain our current facilities in a safe and operational state.
- Public Safety: equipping department operations to better handle increased demands for services and keeping our citizens and visitors safe.

Departments should limit ongoing add requests to only the highest priority programs and services. As part of your submission, you will be asked to propose options for how your request might be offset by a reduction to an existing program or service, and what the impact of that trade-off might be. This will allow Council to assess whether the add package should be funded with new General Fund money, an offset to an existing program, or not at all.

Hospitality Fund

Departments and non-profit organizations that could receive funds from Hospitality Revenues will need to request separately their requests for those funds. Notably, Main Street should meet with their board and develop a budget request for submittal. Other non-profits that make annual requests should do the same. Submissions in this category should specifically account for how these funds will enhance the livability, opportunities, and tourism for Walhalla.

Enterprise Fund

This year monthly payments will be allocated in the operating budget to fund contingency and depreciation as directed by the 2018 bond ordinance. Special attention should be paid to ensuring that operations and maintenance costs do not override revenues with respect to the debt coverage ratio.

Capital Improvement Fund

This year capital expenditures will be at a stable level if not lower than last year. All capital requests will be considered on an amount set aside by council for capital improvements. These will be reflected twice, in your departments budget and in the capital improvement fund.

Again, priority will be placed on requests that make measurable progress in one or more of the following areas:

- Providing outstanding service: bolstering customer service in a timely and professional manner, as well as equity in service delivery.
- Reinvesting in facilities: adequately maintain our current facilities in a safe and operational state.
- Public Safety: equipping department operations to better handle increased demands for services and keeping our citizens and visitors safe.

Capital Replacement Plan

A component of this year's budget will be outlining all your capital assets and creating a replacement plan. It is to be understood that this plan or portions of the plan may or may not be funded. Having a yearly plan will enable Council to see the entire health of our facilities and fleet and be a useful tool in future planning.

Lease Purchases

This year all lease purchases will be fund off the top of the respective fund that they come from, general or enterprise. You will not see an amount funded in your departments "leases and contracts" line item. This line item will be reserved for leases or contracts that your department may use in the fiscal year.

Shared Expenses

This year costs associated with activities that benefit more than one department will be spread across those affected departments. Most notably this will affect Sanitation and Utilities since they are a big user of our billing and collection system. This will also apply to departments that share human capital resources. For example, recreation may use utility staff for projects, a portion of this time will be billed to recreation. This new method of accounting is necessary to ensure we maintain our appropriate debt service coverage ratio in regard to our revenue bonds that were issued in 2018.

Performance Management

Building upon last year's enhanced focus on performance, departments should highlight performance metrics throughout the budget process. Wherever possible, please use performance measures to quantify the impact of your existing services and any budget requests. You will be asked you how the decisions we make can positively impact those measures. The City Administrator will provide additional information about the metrics that are being used to measure progress in these areas. Any ongoing department requests should clearly explain how the investment will make progress against those metrics.

Department Narratives

Your budget submission should also include a narrative for your department and program of work. Feel free to use the ones from FY 2022 budget documents or create your own. If you use the one from FY 22 please update it to reflect current numbers.

Annual Report

The development of an annual report was discussed at the July 2021 department head meeting. This will be part of the budget process as well. It provides both council and the public a snapshot of your program along with the successes and challenges you experience over the past year. Annual report components will be submitted in February and published in by March for presentation to Council.

Budget Worksheets

Your proposed budget will be entered into the Excel workbook that has been emailed to you. Instructions on its use are contained in the workbook. The workbook will also be used to enter organization charts, 5-year plans, capital inventories, and tabulated data for justification.

Budget Timeline

The following chart outlines the anticipated benchmarks for the FY 2023 budget process.

ID	Task Mode	Task Name	Duration	Start	Finish	Predecessors	c '21 5 12 19 26 Jan '22 2 9 16 23 Feb '22 30 6 13 20 Mar '22 27 6 13 20 Apr '22 27 3 10 17 24 May '22 1 8 15 22 Jun '22 29 5 12 19 26																											
1		Issue Guidance Docs	1 day	Mon	Mon																													
2		Dept Head Data Gather	45 days	Tue 12/21/21	Mon 2/21/22	1																												
3		Meet with Dept Heads	10 days	Tue 2/22/22	Mon 3/7/22	2																												
4		Compile Prelim Budget	20 days	Mon 3/14/22	Fri 4/8/22	3																												
5		Budget Workshop	1 day	Sat 4/9/22	Sat 4/9/22	4																												
6		Continue Budget	16 days	Mon 4/11/22	Mon 5/2/22	5																												
7		Budget Presentation	1 day	Tue 5/3/22	Tue 5/3/22	6																												
8		Budget Adjustments	34 days	Wed 5/4/22	Mon 6/20/22	7																												
9		First Reading	1 day	Wed 5/18/22	Wed 5/18/22																													
10		Budget Workshop Final	1 day	Tue 6/7/22	Tue 6/7/22																													
11		Second Reading &	1 day	Tue 6/21/22	Tue 6/21/22	10																												

Project: FY 23 Schedule Date: Fri 8/20/21	Task		Project Summary		Manual Task		Start-only		Deadline	
	Split		Inactive Task		Duration-only		Finish-only		Progress	
	Milestone		Inactive Milestone		Manual Summary Rollup		External Tasks		Manual Progress	
	Summary		Inactive Summary		Manual Summary		External Milestone			