



PARKER AUTHORITY FOR REINVESTMENT STUDY SESSION AGENDA
November 28, 2022

1. **Authority Board Items**
2. **Study Session Items**
 - A. Proposed 2023 P3 Budget - Feazell, Brown - 30 minutes



Parker Authority for Reinvestment Study Session Memorandum

TO: Parker Authority for Reinvestment Board Members

FROM: Weldy Feazell, Redevelopment Manager
Mary Lou Brown, Finance Director

DATE: November 28, 2022

SUBJECT: Proposed 2023 P3 Budget

ISSUE:

The P3 2023 Budget has been completed and is now available for the Board's consideration.

FISCAL/BUDGET IMPACT:

The budget for 2023 includes total revenue of \$5,319,900 and total appropriations of \$3,806,985. The ending fund balance is \$11,041,046. The budget document also includes the breakdown by tax district.

BACKGROUND:

The P3 Budget has been completed and reflects ongoing revenue growth; however, the repeal of the Gallagher amendment in 2020 paved the way for reduced residential assessment rates. The state legislature reduced the assessment rates for certain property types, including commercial and multi-family residential, by varying amounts between 2022 and 2024. While commercial properties make up the bulk of the three tax districts, reduced assessment rates across the board will have an impact on revenues.

Major activities for 2023 include the continuation of the infrastructure and placemaking projects for which financing was obtained in 2020. The Pilgrim's Place sidewalk project is continuing, and the Beckett Drive project is starting. Individual project costs are budgeted in the Town's Public Improvement Fund using the loan proceeds that were transferred to the Town from PAR.

PAR is also leading the ongoing project with a local contractor on the development of the My Mainstreet Project. PAR owns one of the parcels included in the proposed development and will be contributing some future funding for the project.

RECOMMENDATION:

This item is presented in study session in order to provide time for the Board to ask questions prior to the presentation of the 2023 Budget for approval.

REQUESTED DIRECTION:

Staff is available to answer questions about the P3 2023 Budget in advance of submission to the P3 Board for approval.

ATTACHMENT:

1. 2023 Budget PDF

Parker Authority for Reinvestment Summary

	2019 Actual	2020 Actual	2021 Actual	2022 Amended Budget	2022 Projected	2023 Budget	Compound Annual Growth
Beginning Fund Balances	\$ 1,135,886	\$ 2,583,098	\$ 5,424,033	\$ 7,259,504	\$ 7,259,504	\$ 9,528,131	70%
Revenues							
Parker Central Tax District	1,234,405	1,753,954	2,363,594	2,900,000	2,900,000	3,132,000	26%
Cottonwood Tax District	926,501	1,534,654	1,515,031	1,650,000	1,650,000	1,485,000	13%
Parker Road Tax District	348,439	566,591	564,565	710,000	710,000	702,900	19%
Loan Proceeds	-	20,935,000	-	-	-	-	n/a
Interest	1,010	775	-	-	-	-	n/a
Total Revenues	\$ 2,510,355	\$ 24,790,974	\$ 4,443,190	\$ 5,260,000	\$ 5,260,000	\$ 5,319,900	21%
Expenditures							
Supplies	1,091	357	279	1,500	120	1,500	8%
Purchased Services	684,839	21,289,452	619,665	1,141,426	933,776	970,983	9%
Utilities/Insurance	16,073	13,712	17,157	16,800	16,800	17,500	2%
Debt Services	-	257,748	1,633,060	1,577,820	1,577,820	1,576,105	n/a
Contributions	361,140	388,770	337,559	992,000	462,857	1,240,897	36%
Total Expenditures	\$ 1,063,143	\$ 21,950,039	\$ 2,607,720	\$ 3,729,546	\$ 2,991,373	\$ 3,806,985	38%
Ending Fund Balances	\$ 2,583,098	\$ 5,424,033	\$ 7,259,504	\$ 8,789,958	\$ 9,528,131	\$ 11,041,046	44%

The PAR 2023 budget reflects ongoing revenue growth; however, the repeal of the Gallagher amendment in 2020 paved the way for reduced residential assessment rates. The state legislature reduced the assessment rates for certain property types, including commercial and multi-family residential, by varying amounts between 2022 and 2024. While commercial properties make up the bulk of the three tax districts, reduced assessment rates across the board will have an impact on revenues.

Major activities for 2023 include the continuation of the infrastructure and placemaking projects for which financing was obtained in 2020. The Pilgrim's Place sidewalk project is continuing, and the Beckett Drive project is starting. Individual project costs are budgeted in the Town's Public Improvement Fund using the loan proceeds that were transferred to the Town from PAR.

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Parker Central Tax District

	2019 Actual	2020 Actual	2021 Actual	2022 Amended Budget	2022 Projected	2023 Budget	Compound Annual Growth
Revenues							
Parker Central Tax District	\$ 1,234,405	\$ 1,753,954	\$ 2,363,594	\$ 2,900,000	\$ 2,900,000	\$ 3,132,000	26%
Loan Proceeds	-	12,855,000	-	-	-	-	n/a
Interest	1,010	775	-	-	-	-	n/a
Total Revenues	\$ 1,235,415	\$ 14,609,729	\$ 2,363,594	\$ 2,900,000	\$ 2,900,000	\$ 3,132,000	26%
Expenditures							
Supplies	441	119	93	500	100	500	3%
Purchased Services	311,800	12,967,705	253,746	572,342	458,242	526,551	14%
Utilities/Insurance	6,005	5,232	6,397	6,200	6,200	6,500	2%
Debt Services	-	143,996	1,025,396	1,027,780	1,027,780	1,024,936	n/a
Contributions	213,726	268,828	305,036	902,000	412,857	915,897	44%
Total Expenditures	\$ 531,972	\$ 13,385,880	\$ 1,590,668	\$ 2,508,822	\$ 1,905,179	\$ 2,474,384	47%
Beginning Fund Balance	933,058	1,636,501	2,860,350	3,633,276	3,633,276	4,628,097	49%
Revenue Over (Under) Exp	703,443	1,223,849	772,926	391,178	994,821	657,616	-2%
Ending Fund Balance	\$ 1,636,501	\$ 2,860,350	\$ 3,633,276	\$ 4,024,454	\$ 4,628,097	\$ 5,285,713	34%

Cottonwood Tax District

	2019 Actual	2020 Actual	2021 Actual	2022 Amended Budget	2022 Projected	2023 Budget	Compound Annual Growth
Revenues							
Cottonwood Tax District	\$ 926,501	\$ 1,534,654	\$ 1,515,031	\$ 1,650,000	\$ 1,650,000	\$ 1,485,000	13%
Loan Proceeds	-	8,080,000	-	-	-	-	n/a
Total Revenues	\$ 926,501	\$ 9,614,654	\$ 1,515,031	\$ 1,650,000	\$ 1,650,000	\$ 1,485,000	13%
Expenditures							
Supplies	325	119	93	500	-	500	11%
Purchased Services	190,460	8,168,509	190,088	322,542	301,742	214,431	3%
Utilities/Insurance	5,034	4,240	5,380	5,300	5,300	5,500	2%
Debt Services	-	113,752	607,664	550,040	550,040	551,169	n/a
Contributions	147,414	113,692	-	30,000	-	275,000	17%
Total Expenditures	\$ 343,233	\$ 8,400,312	\$ 803,225	\$ 908,382	\$ 857,082	\$ 1,046,600	32%
Beginning Fund Balance	368,384	951,652	2,165,994	2,877,800	2,877,800	3,670,718	78%
Revenue Over (Under) Exp	583,268	1,214,342	711,806	741,618	792,918	438,400	-7%
Ending Fund Balance	\$ 951,652	\$ 2,165,994	\$ 2,877,800	\$ 3,619,418	\$ 3,670,718	\$ 4,109,118	44%

Parker Road Tax District

	2019 Actual	2020 Actual	2021 Actual	2022 Amended Budget	2022 Projected	2023 Budget	Compound Annual Growth
Revenues							
Parker Road Tax District	\$ 348,439	\$ 566,591	\$ 564,565	\$ 710,000	\$ 710,000	\$ 702,900	19%
Total Revenues	\$ 348,439	\$ 566,591	\$ 564,565	\$ 710,000	\$ 710,000	\$ 702,900	19%
Expenditures							
Supplies	325	119	93	500	20	500	11%
Purchased Services	182,579	153,238	175,831	246,542	173,792	230,001	6%
Utilities/Insurance	5,034	4,240	5,380	5,300	5,300	5,500	2%
Debt Services	-	-	-	-	-	-	n/a
Contributions	-	6,250	32,523	60,000	50,000	50,000	n/a
Total Expenditures	\$ 187,938	\$ 163,847	\$ 213,827	\$ 312,342	\$ 229,112	\$ 286,001	11%
Beginning Fund Balance	(165,556)	(5,055)	397,689	748,427	748,427	1,229,315	n/a
Revenue Over (Under) Exp	160,501	402,744	350,738	397,658	480,888	416,899	27%
Ending Fund Balance	\$ (5,055)	\$ 397,689	\$ 748,427	\$ 1,146,085	\$ 1,229,315	\$ 1,646,214	n/a