

## FY20 & FY21 BIENNIAL BUDGET

October 1, 2020

Honorable Mayor Kindig and Members of the City Council,

I am pleased to present the City's FY21-FY22 Biennial Budget, which was prepared during the early months of the unprecedented COVID-19 infectious disease outbreak, one of the most uncertain economic periods of our times. Based on the most current information known at a point in time, the adopted budget ensures continued financial strength and resiliency.

The world has changed dramatically since the budget development process began in January. Although the short-term budgetary impact to the City has not been of the magnitude initially anticipated, the overall financial impact of COVID-19 remains unknown. The economy was on a solid footing prior to the pandemic and the City in a position of fiscal strength; however, challenges to control the spread of the disease linger, and the resulting economic impact remains uncertain.

The biennial budget reflects the City's continuing commitment to deliver quality municipal services and invest in the infrastructure essential to improving the City of La Vista's economy, while ensuring fiscal responsibility and long-term financial stability.

The FY21 budget is a short-term financial plan that has been created as a roadmap to sustain the ongoing operations of the community during this time of uncertainty. Minimal revenue growth is offset by ongoing operating cost increases, even after making reductions to expenditures. Any enhancements should only be considered if the financial picture improves or becomes more clear and additional resources are available to fund any new capital and operating investment. The FY22 budget reflects more of a return to normal; however, this year will obviously be impacted by what happens in FY21 and the resulting effect on the operating reserve.

On January 11, 2020, the Mayor & City Council held a strategic visioning work session with the City leadership team that resulted in an update to the strategic priorities which were approved by the City Council on June 2, 2020. The strategic priorities previously adopted – Quality of Life & Community Identity, Economic Vitality, Infrastructure Investment, Safe Community & Thriving Neighborhoods, and Governance & Fiscal Responsibility – carried forward but with adjustments to the subordinate plan structure and nomenclature. The strategic priorities form the basis for the budget and provide the framework to ensure that the City's resources are optimized in a manner to best serve its citizens.

## Strategic Priorities



**Quality of Life  
& Community  
Identity**



**Economic  
Vitality**



**Infrastructure  
Investment**



**Safe Community  
& Thriving  
Neighborhoods**



**Governance  
& Fiscal  
Responsibility**

The City has leveraged a significant investment in public infrastructure and planning associated with the redevelopment of the 84th Street corridor. Continued implementation of innovative planning and development concepts, along with ongoing citizen engagement, will ensure that City Centre and Civic Center Park become the walkable, mixed-use destination sure to revitalize the City's core and enhance the quality of life of our citizens.

The biennial budget includes funding in each year to continue the transformation of La Vista City Centre into a dynamic, urban mixed-use city center that will create a memorable and distinct identity, a vibrant mix of land uses, a sense of community and a high quality of life for residents. Funding is also included for continued planning and public improvements in Civic Center Park.

Staff continues to review and refine long-term capital needs with emphasis on maintaining and improving public infrastructure and investing in capital projects that align with the priorities in the Strategic Plan.

The first two years of the City's 5-year Capital Improvement Program (CIP), FY21 & FY22, are included in the biennial budget.

New this year is the development of an "unprogrammed" project list which includes projects we need to be mindful of, but may require additional direction regarding prioritization, planning and strategy development, clarity on project timing, etc. Unprogrammed projects totaling \$51.8 million have been identified and included in the CIP and will need to be given consideration in subsequent CIP and long-range financial planning processes.

Other priority-budget initiatives include brand & marketing strategy implementation, public space and facility planning, business continuity planning, and technology management & improvement.

Although impacted by the COVID-19 pandemic, the FY21- FY22 Biennial Budget remains a budget of action and investment. It represents the City's continued efforts to deliver on its mission to provide exceptional municipal services with the highest level of integrity, professionalism, and excellence.

It is, however, imperative that we remain steadfast in monitoring our revenue streams, as the longer term economic implications of the COVID-19 crisis depend on many factors including length of the pandemic and potentially related directed health measures, scope and structure of state and federal policies enacted to backstop losses experienced by residents, businesses, state and local governments, and any recurrences of the disease.

Maintaining essential services in balance with fiscal responsibility is a strength of our team. We have been in tough situations before, and we are resilient. We remain committed to preserving the City's solid financial position by maintaining strong fund balances and reserves, carefully managing operations, maintaining current programs, aligning financial investments to Council goals, and making decisions within the context of our long-range financial forecast.

Budget preparation is a demanding and time-consuming effort for all staff members. This is especially true considering the continued workloads of staff with other areas of responsibility. The biennial budget is the result of months of work by the Finance Team in conjunction with the Executive Budget Team, Budget Production Team, and staff from all departments. I would like to thank all City staff who participated in developing the budget document.

Respectfully Submitted,

A handwritten signature in black ink that reads "Brenda S. Gunn". The signature is written in a cursive, flowing style.

Brenda S. Gunn  
City Administrator