

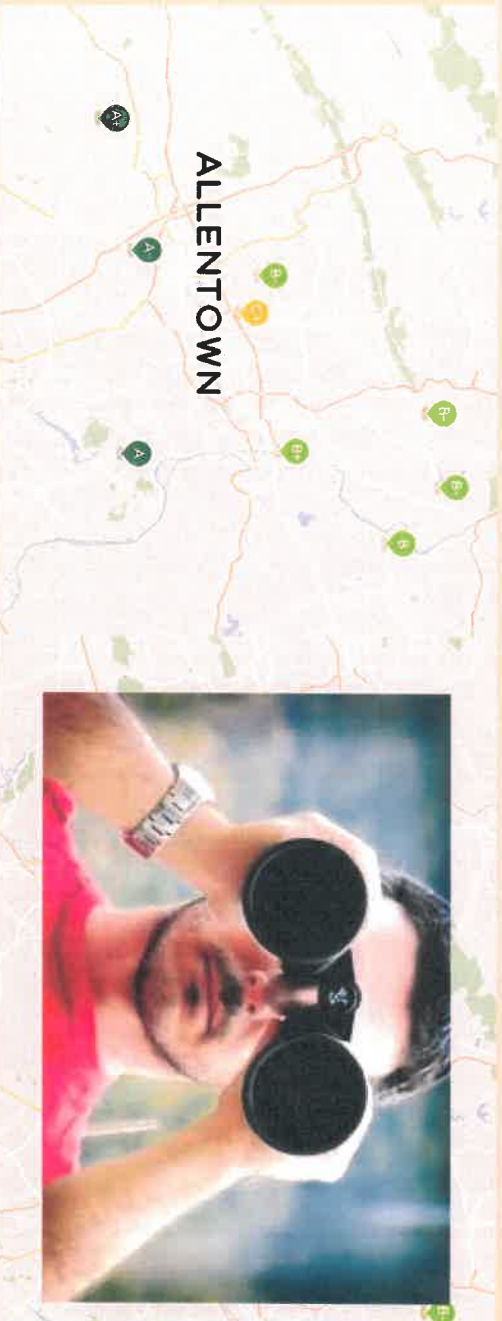


**Allentown**  
**All Inspiring**

**City of Allentown 2022 Budget**  
**OVERVIEW: GENERAL FUND**

# Where are we?

- 2022 General Fund budgeted revenues \$124.84M.
- 2022 General Fund expenditures (including the vacancy factor) \$124.84M.
- The budget is balanced without drawing on cash reserves
- TAX RATES UNCHANGED.



# Allentown Residential Trends are Positive

- 200 apartments at Cityplace (completed spring 2021).
- 97 units Center Square Lofts West (completed 2020).
- 214 units Center Square Lofts East (completed 4<sup>th</sup> quarter 2020).
- 36 apartments approved at 938 W. Washington St.
- 43 single-family homes approved on Barnes Lane.
- 78 units completed at 950-956 W. Hamilton St.
- 250 units under construction at 7<sup>th</sup> & Linden.
- 160 units under construction at Lehigh Parkway East.
- HUD grant for Lead Hazard Reduction (300 units, 2021 - 2023).





# Commercial Development Trends are Positive

- One Center Square, 300,000 sq ft.
  - Office Bldg Proposed
- Multiple industrial projects in planning or construction, including incinerator site.
- 615 Waterfront Drive, 100,000 sq ft. office under construction.
- Manhattan Building proposes multiple projects at riverfront.
- Da Vinci Science Center STEAM learning project advancing.



# **Anticipated 2021 year-end for revenues and expenditures**

The effects of the 2019 tax increase and 2020 cost containment measures continue to strengthen the city's fiscal position.

Starting 2021 Cash was about \$17 M.

We expect ending cash to remain preserved at that amount and for 2021 revenues to equal or exceed expenditures of around \$118 M.

We have frozen more than \$800K in unspent 2021 expenditures to ensure our cash position is steady going into 2022.

# Reserves

- Our reserves in other funds are showing positive momentum.
- In Q4 of 2021 and gradually in 2022, we are trimming the Risk Fund balance, which had a high point of \$11.6M at the end of September.
- This will help stabilize the General Fund while leaving the Risk Fund in healthy condition in 2022.
- The Golf Fund is expected to carry a positive cash balance throughout 2022.
- The Stormwater Fund is in position to begin substantial investments in storm sewer infrastructure

# Budget Trends for 2022

- A major commitment to the Police MMO, and a reduction in the discount rate for Police, Fire, and O&E pension plans have increased pension expenditures by \$1.4 million in 2022.
- We are anticipating Earned Income Tax, Business Privilege Tax, and the Casino Fee, all of which were impacted by the pandemic, to start showing signs of recovery.
- The 2022 budget includes a new fund: the ARPA fund. The budget also assumes that \$1.45 M in public safety costs will be covered by the ARPA fund, which helps balance the budget.
- The city will seek to improve its bond rating in the end stages of 2021 or in 2022. We are looking, at the very least, to shed the negative outlook.



# Significant New Expenditure Requests

- This budget makes human capital investments in several departments:
  - 2 new FT firefighters
  - 2 new FT paramedics (one in training capacity)
  - 1 traffic signal technician to comply with PennDOT requirements and 1 Tradesman (Public Works)
  - Construction Supervisor, Project Coordinator (CED)
  - 3 Stormwater Vegetation maintenance technicians (Stormwater)
  - 1 Environmental Compliance Specialist (Stormwater)
  - 1 Equipment Operator 4 (Solid Waste)
  - 1 Maintenance Worker 2 (Parks)
  - Housing Coordinator and Clerk 3 (Rental Fund)



# Debt Overview

- The net debt service in 2022 is \$8.97M.
- The total principal debt remaining through 2045 is \$72.9M.
- This represents an approximate principal debt per capita of \$580 per resident.
- Principal debt is less than 1.4% of taxable value of all real estate and less than 1% of market value.

# 2022 Budget Review

## Schedule of Budget Hearings, October-December 2021

Wednesday, October 20 <sup>th</sup>	Mayor's Budget Presentation - Introduction of Budget Bills to be referred to respective special meetings.
Wednesday, October 27 <sup>th</sup> 5:30 PM	Revenue and Expenditure Estimates, Finance, Debt Service Fund, Risk – Equipment and Capital Projects Fund if applicable.
Monday, November 1 <sup>st</sup> 5:30 PM	Public Safety: Fire, Police, EMS - Equipment and Capital Projects Fund if applicable.
Wednesday, November 3 <sup>rd</sup> 5:00 PM	Parks and Recreation: Trexler, Golf, Hamilton Street Dam - Equipment and Capital Projects Fund
Monday, November 8 <sup>th</sup> 5:30 PM	Community and Economic Development: Housing Fund, Rental Inspection Fund, Equipment and Capital Projects Fund.
Monday, November 15 <sup>th</sup> 5:00 PM	Human Resources, General and Civic, Non-Departmental –Mayor, Managing Director, Controller, Solicitor's Office, Council
Wednesday, December 1 <sup>st</sup> 5:00 PM	Public Works: Solid Waste, Liquid Fuels, Stormwater Management Fund, Administrative Order Fund, Equipment and Capital Projects Fund.
Monday, December 6 6:00 PM	OPEN
Wednesday, December 8 <sup>th</sup> 7:00 PM	Adoption of Budgets