



# FY 12-13 Tentative Budget Adoption

May 15, 2012



# Overview

| <b>Tentative FY12-13 Budget</b>     | <b>Total Request<br/>(in Millions)</b> |
|-------------------------------------|--|
| Operating Budget                    | \$46.03                                |
| Capital Projects Budget             | <u>\$129.14</u>                        |
| <b>Total FY12-13 Budget Request</b> | <b>\$175.17</b>                        |

# Overview

| <b>FY12-13 Operating Budget</b>     | <b>Total Request<br/>(in Millions)</b> |
|-------------------------------------|--|
| General Fund                        | \$29.80                                |
| Highway User Revenue Fund (HURF)    | 1.41                                   |
| Grants Fund                         | 12.70                                  |
| Debt Service Fund (G.O. Bonds)      | <u>2.12</u>                            |
| <b>Total FY12-13 Budget Request</b> | <b>\$46.03</b>                         |

# Overview

| FY12-13 CIP Budget                  | Total Request<br>(in Millions) |
|-------------------------------------|--------------------------------|
| General Governmental CIP            | \$ 16.06                       |
| General Governmental Bond           | 8.57                           |
| Grants CIP                          | 61.48                          |
| Local Road Maintenance              | 1.00                           |
| County Road Tax                     | 2.23                           |
| Parks Bond                          | 22.87                          |
| Police Impact Fee                   | 0.71                           |
| Fire Impact Fee                     | 0.05                           |
| General Governmental Impact Fee     | 3.61                           |
| Transportation Impact Fee           | 10.84                          |
| Highway User Revenue Fund           | <u>1.72</u>                    |
| <b>Total FY12-13 Budget Request</b> | <b>\$ 129.14</b>               |

# Staff's Objective

- Operating Budget - Exceed the City Council's expectation by providing a balanced, zero-based budget that:
  - Begins to address the structural deficit
  - Advances the strategic plan
  - Introduces new programs, technology, and services
- Capital Budget – Address Capital Needs within the 10-Year Plan
  - Clearly identify funding sources

# Actions to Date

- Operating Budget
  - **January-February, 2012** – Departments prepared budget - zero-based approach
  - **March, 2012** - City Manager, Finance Director, and Accounting Manager met with department to review line items, make adjustments
  - **March 28, 2012** - BFO Committee
  - **April 27, 2012** - City Council Budget Retreat
- Capital Budget
  - **January-February, 2012** – Departments & prepared CIP requests & reviewed with City Manager
  - **March 20, 2012** – Draft 10-Year CIP Plan
  - **April 3, 2012** – Adopt 10-Year CIP Plan

# FY12-13 Operating Budget Overview

- Zero-based budget, every line item was first reviewed by the City Manager and Finance Director and then the BFO
- Planned General Fund expenditures are \$111,409 LESS than the anticipated revenues
- Includes \$1.7 million in reductions, which EXCEEDS the \$1 million reduction per Council's direction to address the structural deficit over four years
- CIP is removed from operating budget and in a separate and dedicated fund

# General Fund Revenue Highlights

- No increased property tax levy
- Increased state-shared revenue estimates
- Stable sales tax revenues



# Property Tax Levies

- Request assumes no increase in the primary or secondary levies
  - 2% primary levy increase (\$195,000) is allowable but not recommended

|                | 2012          | 2013             |                   |
|----------------|---------------|------------------|-------------------|
|                | Actual        | No Levy Increase | 2% Levy Increase* |
| Primary Rate   | \$ 4.8105     | \$ 4.8753        | \$ 4.9728         |
| Secondary Rate | <u>0.6528</u> | <u>0.6917</u>    | <u>0.6917</u>     |
| Total Rate     | \$ 5.4633     | \$ 5.5670        | \$ 5.6645         |

\* Not recommended

# General Fund Revenues and Expenditures Overview

| Description   | Amount         |
|---|----------------|
| Anticipated Revenue FY12-13   | \$ 27,906,917  |
| Planned Expenditures FY12-13  | \$(27,795,508) |
| Balance (in the black)  | \$ 111,409     |
|   |                |
| Contingency Fund  | \$ (2,000,000) |
| FY12-13 Structural Deficit<br>(addressed over three additional years) | \$ (1,888,591) |

# FY12-13 CIP Budget Overview

- Detailed project information provided in 10-Year CIP plan
- Clearly identified funding sources for FY12-13 projects including City Complex, Multi-Gen Center & Regional Park
- Appropriates SR347 Grade Separation Project if funded
- Adjustments to 10-Year CIP plan – primarily due to changes in carry-forward estimates

## FY12-13 CIP (\$ Millions)

| Project Description            | Request        |
|--------------------------------|----------------|
| City Services Complex          | \$ 13.1        |
| Fire Station #575              | \$ 2.6         |
| Recreation/Aquatic Center      | \$ 12.4        |
| Regional Park/Sports Complex   | \$ 10.5        |
| SR347 Grade Separation Project | \$ 60.0        |
| All Other Projects             | \$ 30.5        |
| <b>Total Request</b>           | <b>\$129.1</b> |

# Conclusion

Questions?

Next Steps:

- June 5: Final Budget Adoption
- June 19: Property Tax Levy Adoption