



City of Maricopa

Legislation Text

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The Mayor and City Council shall discuss and possibly take action on adopting a tentative budget for fiscal year 2015-2016 (FY15-16). Discussion and Action.

In compliance with Title 42 of the Arizona Revised Statutes (A.R.S.), the tentative budget for FY15-16 is presented for Council consideration. The tentative operating and capital budget, based on Council strategic priorities and staff input, totals \$113,828,826. The tentative operating budget totals \$51,293,293 and the tentative Capital Improvement Projects (CIP) budget totals \$62,535,533.

Final budget adoption is scheduled for the June 16, 2015 at a Special Council Meeting.

Operating Budget

The proposed operating budget was developed through input from the April 9, 2015 Council Budget, Finance and Operations (BFO) Subcommittee and the subsequent April 28, 2015 City Council Budget Retreat.

Based on these meetings, the proposed FY15-16 tentative operating budget totals \$51,293,293. The totals, by fund, are as follows:

Tentative Operating Expenditures	
General Fund	\$ 31,826,765
General Fund - Contingency	500,000
Highway User Revenue Fund	1,752,068
Copper Sky Recreation Fund	4,949,572
Grants Fund	8,532,112
Debt Service Fund	<u>3,732,776</u>
 Total	 \$ <u>51,293,293</u>

The information above includes all operating funds of the City with the General Fund being the largest operating fund. Highlights of the tentative operating budget are as follows:

- Staff utilized a zero-based budget approach
- General Fund anticipated revenues exceed proposed expenditures \$12,000
- The proposed budget includes reduced primary and secondary property tax rates

The initial General Fund budget requests, as presented to the City Manager, totaled \$34.4 million resulting in expenditures exceeding anticipated revenues by \$2.1 million. As a result of City Manager review, BFO Subcommittee review, and full Council review at the Budget Retreat, the revised anticipated revenues over planned expenditures totals \$12,106 calculated as follows.

Anticipated Revenue	\$ 32,338,871
Proposed Expenditures	(31,826,765)
Proposed Contingency	<u>(500,000)</u>
 Balance	 \$ <u>12,106</u>

Capital Budget

The 5-Year Capital Improvement Plan (Plan) serves as the basis for developing the FY15-16 Capital Improvement Projects (CIP) budget. Based on the Plan, the FY15-16 tentative CIP budget totals \$62,535,533 and is as follows:

Proposed Capital Improvement Projects (CIP) Expenditures:

General Governmental CIP	\$ 11,576,972
Grants CIP	28,252,579
Local Road Maintenance	300,000
County Road Tax	3,692,508
Transportation Impact Fee	10,881,096
Fire Impact Fee	1,525,000
Highway User Revenue Fund	6,172,378
Parks Impact Fee	<u>135,000</u>

Total Proposed CIP Expenditures \$ 62,535,533

Accomplishments of the FY15-16 CIP requests include:

- Funding for the completion a Police Department substation at the regional park and the Public Works & Fire Fleet Maintenance Facility.
- Maintains the City's street maintenance program.
- Appropriates funding for the SR347 Overpass Project which includes \$25.0 million in grant funding.

This item will be presented by Brian A. Ritschel, Finance Director.

Staff recommends that the Mayor and Council adopt the tentative budget for fiscal year 2015-2016 (FY15-16).