

# City of Glendale

## Public Safety & Benefits Discussion

April 26, 2013

**GF Operating  
Budget & Public Safety  
Outstanding Issues**

# 4/16/13 Balancing Projections

## General Fund: Five-Year Forecast

### Draft Balancing Projections (with Add'l Reductions)

(\$'s in Millions)

	Draft				.7 ST Sunset
	FY14	FY15	FY16	FY17	FY18
Beginning Balance:	\$11.4	\$8.0	\$8.0	\$12.5	\$20.3
Revenue	161.5	165.5	171.6	178.1	162.3
Expenditures	(132.0)	(128.4)	(128.9)	(128.9)	(132.7)
COS Exp Cuts:	3.5	4.8			9.5
Inflationary Adj (3%)		(3.8)		(3.8)	
Transfers Out *	(30.3)	(32.1)	(32.3)	(31.6)	(33.1)
Arena Mgt Fee	(6.0)	(6.0)	(6.0)	(6.0)	(6.0)
Ending Balance:	\$8.0	\$8.0	\$12.5	\$20.3	\$20.3
Contingency % (Goal = 10%)	5%	5%	7%	11%	12%

\* MPC Debt Svc, NHL Loan Repayments, Arena/Stadium/CR Ops, Civic Ctr, Airport, Special Events, etc.

# Outstanding Issues

## Not Included in 4/16/13 Projection

- Police: 31 sworn & 6 support staff
  - \$3.8M Ongoing, \$1.4M One-Time
- Fire: 8 sworn
  - \$1.7M Ongoing, \$243K One-Time (Mid-Year hire date generates \$412K of 1x salary savings)
- Retiree Medical Contribution
  - \$844K One-Time

**45 FTE's, \$5.5M Ongoing, \$2.1M One-Time**

# Revised Projection w/ All 3 Added

## General Fund: Five-Year Forecast

### Revised Draft Balancing Projections

(\$'s in Millions)

	Draft				.7 ST Sunset
	FY14	FY15	FY16	FY17	FY18
Beginning Balance:	\$11.5	\$0.5	\$1.0	\$6.0	\$14.3
Revenue	161.5	165.5	171.6	178.1	162.3
Expenditures	(139.5)	(133.8)	(128.2)	(128.2)	(132.0)
COS Exp Cuts:	3.5	10.9			9.0
Inflationary Adj (3%)		(3.8)		(3.8)	
Transfers Out *	(30.5)	(32.3)	(32.4)	(31.8)	(33.3)
Arena Mgt Fee	(6.0)	(6.0)	(6.0)	(6.0)	(6.0)
Ending Balance:	\$0.5	\$1.0	\$6.0	\$14.3	\$14.3
Contingency % (Goal = 10%)	0.3%	0.6%	3.5%	8.0%	8.8%

\* MPC Debt Svc, NHL Loan Repayments, Arena/Stadium/CR Ops, Civic Ctr, Airport, Special Events, etc.

# Benefits Discussion & Follow-Up

# Medical Benefits

- April 16 workshop: one premium structure for each tier w/in each insurance option (HMO or PPO)
- Active employees and retirees would have same premium rates based on the plan (HMO/PPO) and tier selected

# FY14 Employer Benefit Costs

- Retiree's pay full amount
- Active Employee's & City pays 3-Tier Rate
  - Employee Only: 85% Employer / 15% City
  - Employee + 1: 75% Employer / 25% City
  - Employee + Family: 75% Employer / 25% City
- FY14 employer contributions: \$13M
- FY14 employee contributions: \$3.9M
- FY14 retiree contributions: \$3.7M

# Medical Benefits

Continued

- Moving to a single premium structure will require the most significant premium increases to retirees.
- Options to offset cost increase to retirees:
  - Two-year phase-in
  - Three-year phase-in
- Challenges w/ phased approach that will result with unequal distribution of cost increase:
  - Health insurance out to bid during FY 2014 at same time health insurance market is changing w/ implementation of federal health care law
  - Actuarial analysis results for FY 2015

# Budget Adoption Calendar

- April 11: 60-day notice of prop tax rate increase on website
- April 17 - May 9: FY14 budget doc prep (AG and other budget schedules)
- May 10 - 16: Print production & final review
- May 17: Delivery of FY14 tentative budget
- May 28: Adopt resolution – FY14 tentative budget, notice for dates of 2 public hearings & final budget adoption and publication of budget schedules

# Budget Adoption Calendar

- **May 30 & June 6**: Two notices of scheduled public hearings & budget schedules in Glendale Star.
- **June 11**: Public hearings on Truth in Taxation, FY14 property tax levy & FY14 budget and adopt resolution for FY14 budget
- **June 25**: Adopt ord. for FY14 prop tax levy
- **July 1**: First day of FY14

City of Glendale

End of Workshop

April 26, 2013