

City Council Budget Workshop



May 6, 2014

Overview

- Anticipated revenues for each fund with an emphasis on
 - Sales tax legislation
 - Property tax levies & rates
- Inter-fund transfers
- CIP Carry-forward funding
- Other items
 - One-time impact of budgeting COP's and SAFER grants – No FY14-15 General Fund impact
 - Alternative Service Delivery

Budget Process

- Public Meetings
 - Workshop – December 17 (General Fund Five-Year Financial Forecast)
 - Budget Workshop – January 21
 - Budget Workshop – February 4
 - Budget Workshop – February 18
 - Budget Workshop – March 18
 - Budget Workshop – April 8

Budget Process

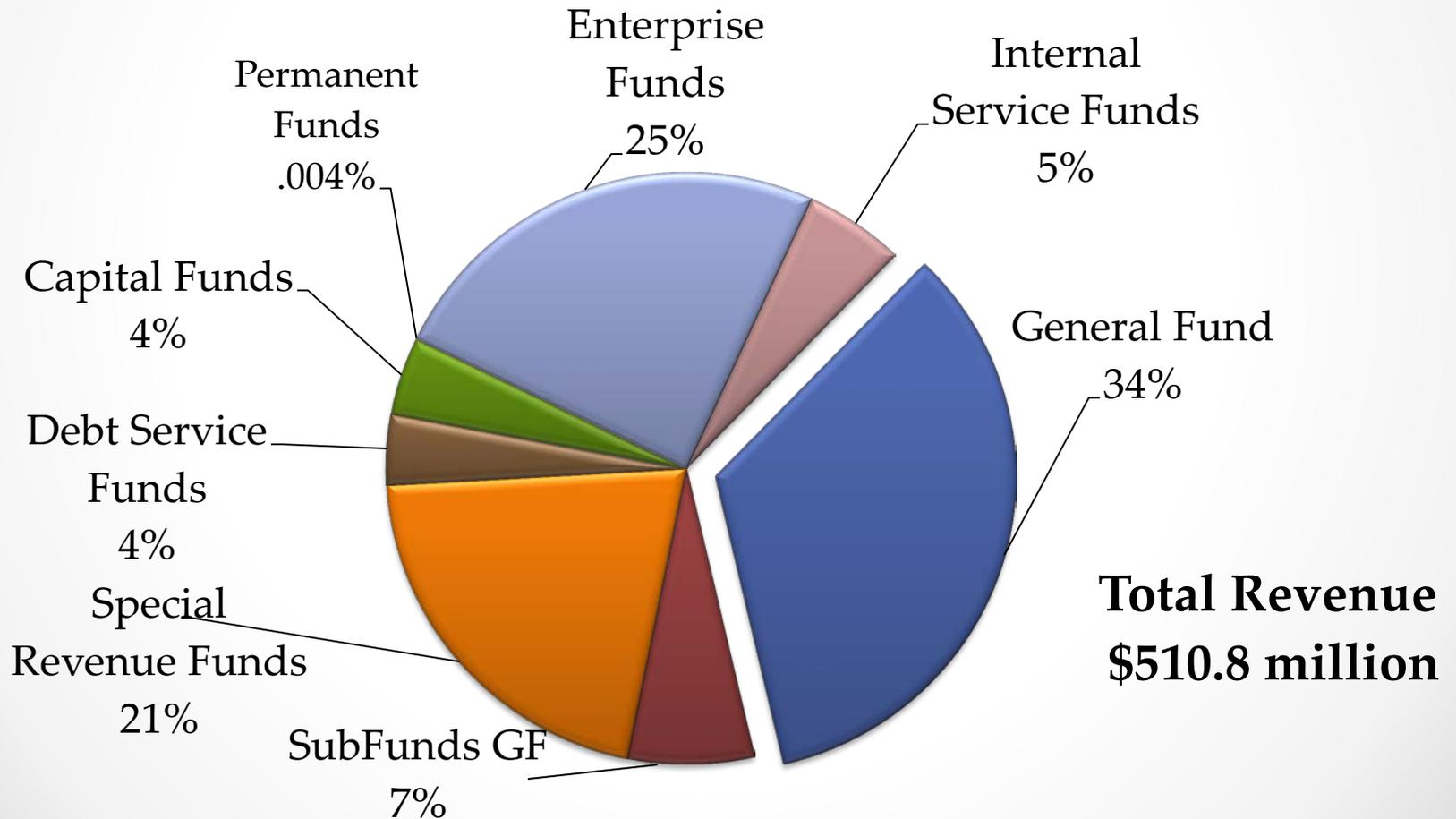
- Remaining Public Meetings
 - Voting Meeting – May 27
 - Tentative Budget Adoption
 - Voting Meeting – June 10
 - Property Tax Levy Hearing
 - Final Budget Adoption
 - Voting Meeting – June 24
 - Property Tax Adoption
 - Sales Tax Ordinance

Budget Summary

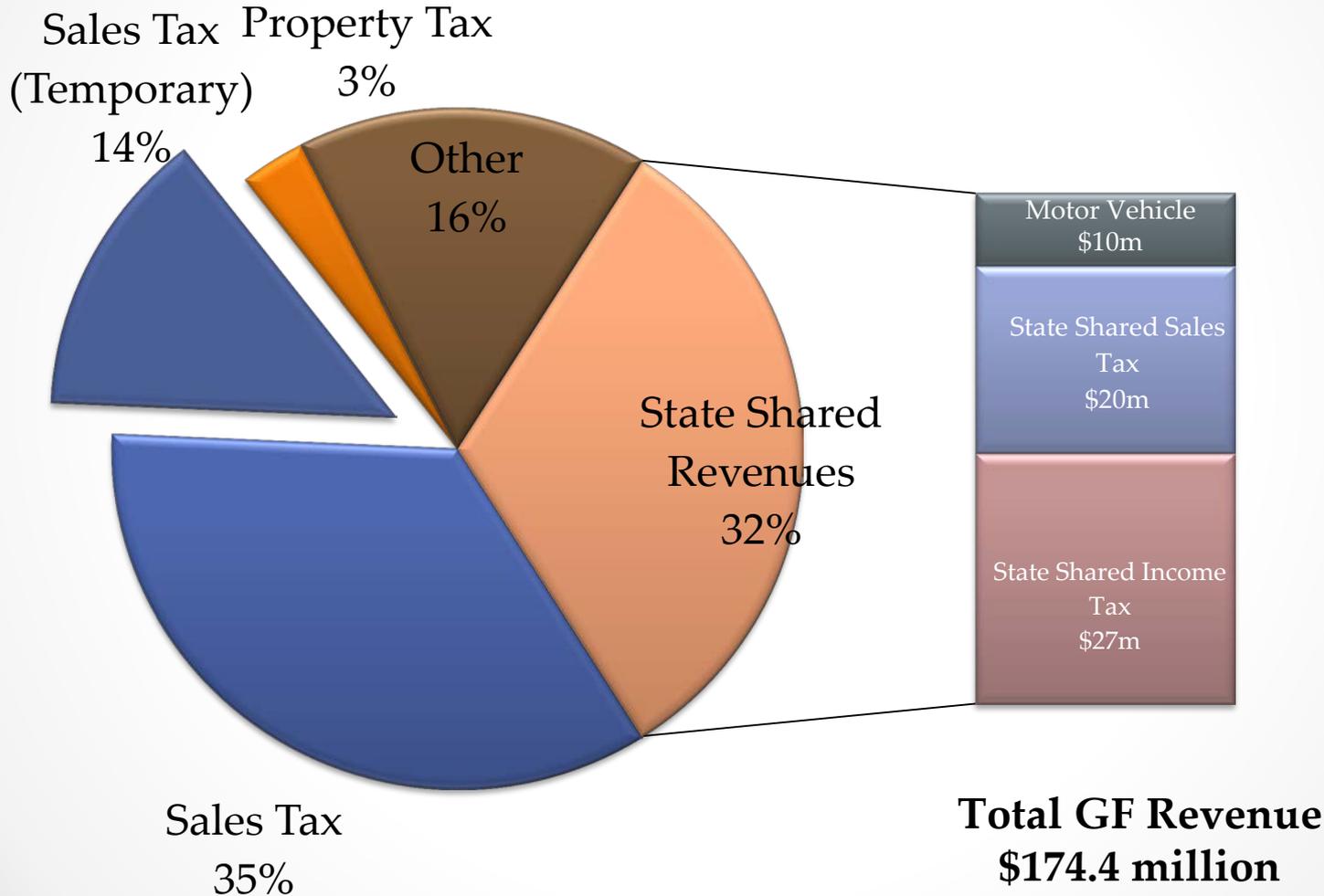
(in millions)	Beginning Balance	Revenue	Transfers In	Transfers Out	Expenditures	Ending Balance
General Fund	\$ 17.9	\$ 174.4	\$ 24.4	(\$ 38.3)	(\$ 162.6)	\$ 15.8
-Sub-funds	12.9	34.7	22.3	(16.7)	(47.3)	5.8
Special Revenue	59.8	107.0	1.8	(74.1)	(72.5)	22.1
Debt Service	11.0	19.7	40.8	-	(66.8)	4.7
Capital Projects	26.0	21.7	39.7	(0.2)	(87.2)	-
Permanent Fund	5.6	-	-	-	(5.7)	-
Enterprise Funds	92.4	125.7	0.3	-	(170.8)	47.5
Internal Service	9.7	27.6	-	-	(28.9)	8.4
Totals	\$ 235.4	\$ 510.8	\$ 129.3	(\$ 129.3)	(\$ 642.0)	\$ 104.3

(\$2.1) million

FY14-15 Revenues By Fund Type



General Fund Revenue





Sales Tax

- Sales Tax Simplification
 - HB2111 tax reform bill passed last year
 - One point of pay
 - Administration and collection to be handled by the ADOR effective January 2015.
 - Audits
 - ADOR handles “multi-jurisdictional” audits
 - City handles local audits

Sales Tax

- Sales Tax Simplification (con't)
 - Cities are expecting a payment delay of up to 6 weeks
 - Overall, no decline in revenues – only the potential for the delay
 - IGA will further define all parties obligations and responsibilities
 - Staff continues to closely monitor the progress of the transition

Property Taxes

	FY13-14 Rate	FY13-14 Levy	FY14-15 Rate	FY14-15 Levy
Primary	\$ 0.4974	\$ 5,196,766	\$ 0.4896	\$ 5,364,136
Secondary	1.7915	18,826,764	1.6605	19,065,274
Total	\$ 2.2889	\$ 24,023,530	\$ 2.1501	\$ 24,429,410

- Primary – Levy increased by 2%
 - Citywide additional revenue increase due to new construction (3.2% total growth)
- Secondary – No levy increase
 - Citywide additional revenue increase due to new construction (1.1% total growth)

Property Taxes



Existing Property	FY13-14 Levy	FY14-15 Rate	FY14-15 Levy	
Primary *	\$ 5,196,766	\$ 0.4896	\$ 5,300,701	2%
Secondary	18,826,764	1.6605	18,826,764	0%
Total	\$24,023,530	\$ 2.1501	\$24,127,465	
* 2% levy increase				

Property Taxes



Existing Property	FY13-14 Levy	FY14-15 Rate	FY14-15 Levy	
Primary *	\$ 5,196,766	\$ 0.4896	\$ 5,300,701	2%
Secondary	18,826,764	1.6605	18,826,764	0%
Total	\$24,023,530	\$ 2.1501	\$24,127,465	

* 2% levy increase

New Property	FY13-14 Levy	FY14-15 Rate	FY14-15 Levy
Primary	n/a	\$ 0.4896	\$ 63,435
Secondary	n/a	1.6605	238,510
Total	n/a	\$ 2.1501	\$ 301,945

Property Taxes



Existing Property	FY13-14 Levy	FY14-15 Rate	FY14-15 Levy	
Primary *	\$ 5,196,766	\$ 0.4896	\$ 5,300,701	2%
Secondary	18,826,764	1.6605	18,826,764	0%
Total	\$24,023,530	\$ 2.1501	\$24,127,465	

* 2% levy increase

New Property	FY13-14 Levy	FY14-15 Rate	FY14-15 Levy
Primary	n/a	\$ 0.4896	\$ 63,435
Secondary	n/a	1.6605	238,510
Total	n/a	\$ 2.1501	\$ 301,945

All Property	FY13-14 Levy	FY14-15 Rate	FY14-15 Levy
Primary *	\$ 5,196,766	\$ 0.4896	\$ 5,364,136
Secondary	18,826,764	1.6605	19,065,274
Total	\$24,023,530	\$ 2.1501	\$ 24,429,410

Property Taxes Rates

	Primary Rate	Secondary Rate	Total Rate
FY14-15	\$0.4896	\$1.6605	\$2.1501
FY13-14	\$0.4974	\$1.7915	\$2.2889
FY12-13	\$0.2252	\$1.6753	\$1.9005
FY11-12	\$0.2252	\$1.3699	\$1.5951
FY10-11	\$0.2252	\$1.3699	\$1.5951
FY09-10	\$0.2252	\$1.3699	\$1.5951
FY08-09	\$0.2432	\$1.3519	\$1.5951
FY07-08	\$0.2681	\$1.3519	\$1.6200
FY06-07	\$0.2925	\$1.4275	\$1.7200
FY05-06	\$0.3064	\$1.4136	\$1.7200

2014 Property Tax Bill

	2013		2014		
Primary Assessed Value	\$ 161,500		\$ 171,500		
Secondary Assessed Value	\$ 161,500		\$ 171,500		
		<u>Property Tax Levy Calculation</u>			
	Rate	Levy	Rate	Levy	\$ Change
Schools/Education (75%)		\$ 1,970.85	tbd	tbd	
Glendale Primary (3%)	\$ 0.4974	\$ 80.33	\$ 0.4896	\$ 83.97	\$ 3.64
Glendale Secondary (11%)	\$ 1.7915	\$ 289.33	\$ 1.6605	\$ 284.78	(\$ 4.55)
County (8%)		\$ 206.83	tbd	tbd	
Special Districts (3%)		\$ 85.46	tbd	tbd	
Total		<u>\$ 2,632.80</u>		<u>tbd</u>	

Inter-Fund Transfers

- Used to appropriately support the operations of other funds.
- Examples of transfers:
 - From the Transportation Sales Tax Operating Fund to the Transportation Capital Projects Fund for transportation capital outlay
 - From General Fund to the MPC Debt Service fund for the support of MPC debt service
 - From the Fire Special Revenue Fund to the General Fund to support fire services funded under Proposition 401 approved by voters in 2007

Inter-Fund Transfers

Transfers From	Transfer To	Transfers Out (\$ in millions)
General Fund	Debt Service	\$ 31.3
General Fund	Enterprise	0.3
General Fund	Transportation	0.9
General Fund	Other	0.3
General Fund	GF - Sub-funds	22.3
Police Special Revenue	General Fund	16.5
Fire Special Revenue	General Fund	7.9
HURF	Debt Service	1.0
Transportation	Debt Service	8.3
Capital Projects	Debt Service	0.2
HURF	Capital Projects	18.4
Transportation	Capital Projects	21.3
Other	Transportation	0.7
		\$ 129.3

FY14-15 Capital Improvement Program

- Includes FY13-14 appropriation for projects not yet completed \$84,690,874
- Includes appropriation for new projects \$59,780,593
- Total FY14-15 CIP \$144,471,467

	FY14-15 Requested
Carryover	\$ 84,690,874
New Projects	59,780,593
Total FY14-15 CIP	\$ 144,471,467

Note: Carryover appropriation will be reconciled to actual FY13-14 expenditures after year end close and brought back to council for final adjustments in FY14-15

Capital Improvement Program

Project Funding Carryover

Project by Funding Source	Amount	Notable Projects
Bond Construction Funds	\$ 4,713,780	<ul style="list-style-type: none"> • Flood Control • Drainage • Mechanical Upgrades • Downtown Redevelopment
Development Impact Fees	1,263,991	<ul style="list-style-type: none"> • Roadway Improvements • Traffic Signals • Park Improvements
Enterprise Funds	28,930,622	<ul style="list-style-type: none"> • Arrowhead Recl. Facility Improvements • Additional Water Supply • Sewer Lift Station Upgrades • Sanitation Trucks & Equip. • Landfill Soil Excavation
Streets/Transportation	36,837,211	<ul style="list-style-type: none"> • Northern Ave. Super Street • Smart Traffic Signals • Pavement Management Program • Park Ride Transit Ctr.
Other	12,945,270	<ul style="list-style-type: none"> • FTA Grants • Airport Runway Land Purchase • Airport Capital Grants
Total CIP Carryover	\$ 84,690,874	

Public Safety Grants

- 15 New Firefighters
- 10 New Officers
- One-time Equipment and Vehicles



Total Budget Adds	• Fire \$1,558,959 • Police \$1,370,035
\$2,928,994	
Fire	• Grant Funds \$1,001,610 • PSST Funds \$557,349
Police	• Grant Funds \$553,150 • PSST \$816,885

Alternative Service Delivery

- Alternative Service Delivery is part of the standard operating procedures
- As positions open, Alternative Service Delivery will be evaluated
- Therefore, will not impact existing staff

Next Steps

- Voting Meeting – May 27
 - Tentative Budget Adoption
- Voting Meeting – June 10
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