

Council Workshop FY17-18 Budget Discussion

February 7, 2017



Budget Overview FY17-18

(July 1, 2017 – June 30, 2018)

- Fiscal Year 2017-2018 (FY17-18)
- State Budget Law Requirements
- Calendar
- Process
- Budget Components
- Future Budget Discussion Items
- Next Steps

Legal Requirements

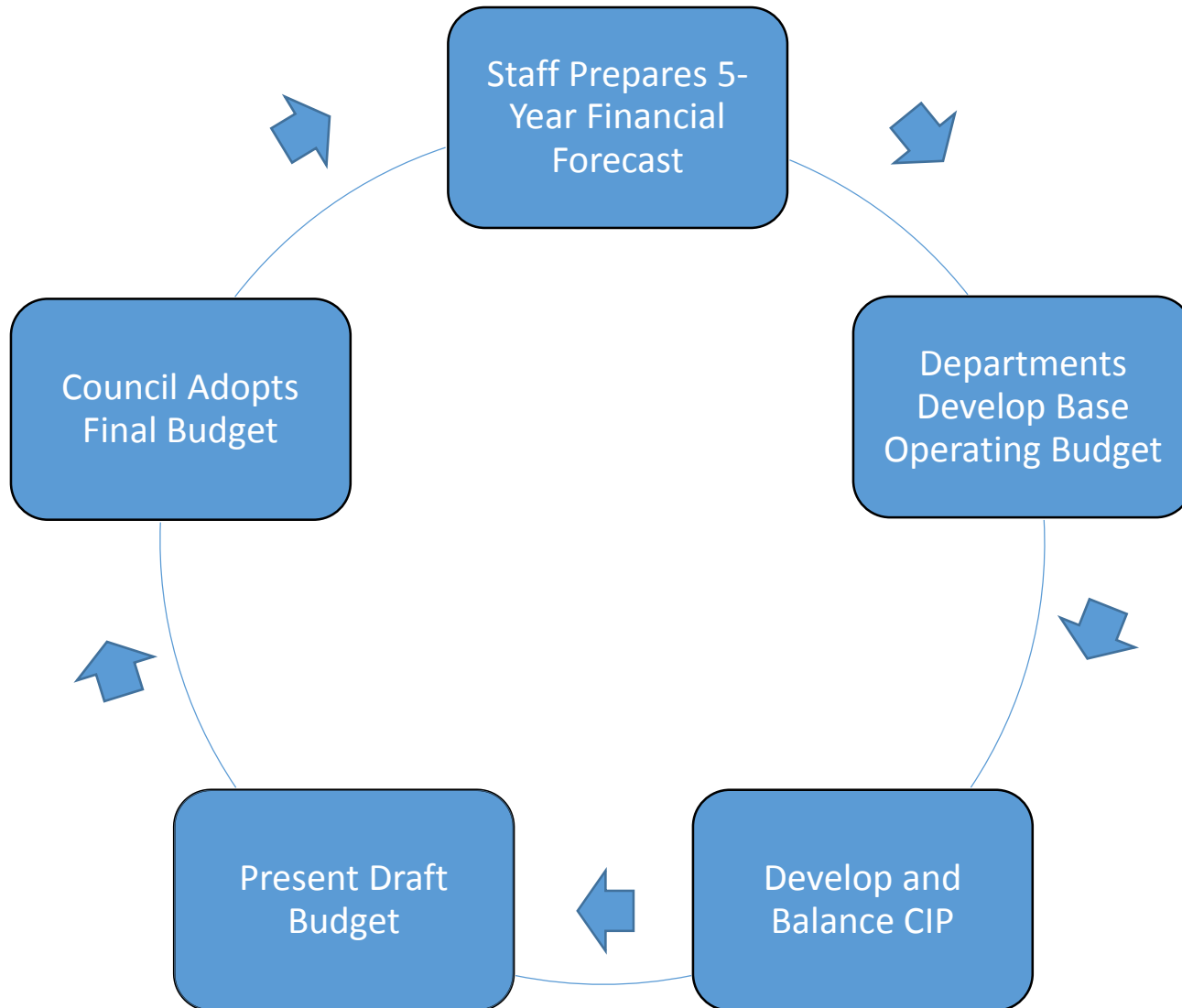
State Budget Law

- Funds
- State Imposed Expenditure Limitation
- Property Tax Levy Limitation
- Timeline/Date Requirements
 - *Tentative Budget Adoption on or before third Monday in July each fiscal year. Sets the maximum “limits” for expenditures*
 - *Final Budget Adoption the first Monday in August. With at least 14 days between the adoption of the final budget and adoption of the tax levy*
 - *Final Tax Levy the third Monday in August*
 - *Publication Notices including State Auditor General Forms*

Budget Calendar

Item	Date
Financial Forecast	December 20, 2016
<i>Council Workshop</i>	<i>February 7, 2017</i>
Council Workshop – Policy Items/Revenue Discussions	March 7, 2017
Council Workshop – Budget Discussion/ Draft CIP	March 21, 2017
Council Workshop – Budget Discussion/Follow-up Items	April 4, 2017
Council Workshop (All Day) – Departmental Presentations	April 18, 2017
Council Workshop (All Day) – Departmental Presentations	April 20, 2017
Council Workshop - Budget Discussion/Follow-up Items	May 2, 2017
Voting Meeting - Tentative Budget Adoption	May 23, 2017
Voting Meeting - Final Budget Adoption/Property Tax Levy	June 13, 2017
Voting Meeting - Property Tax Adoption	June 27, 2017

Budget Process



Budget Components

Expenditures

Revenues

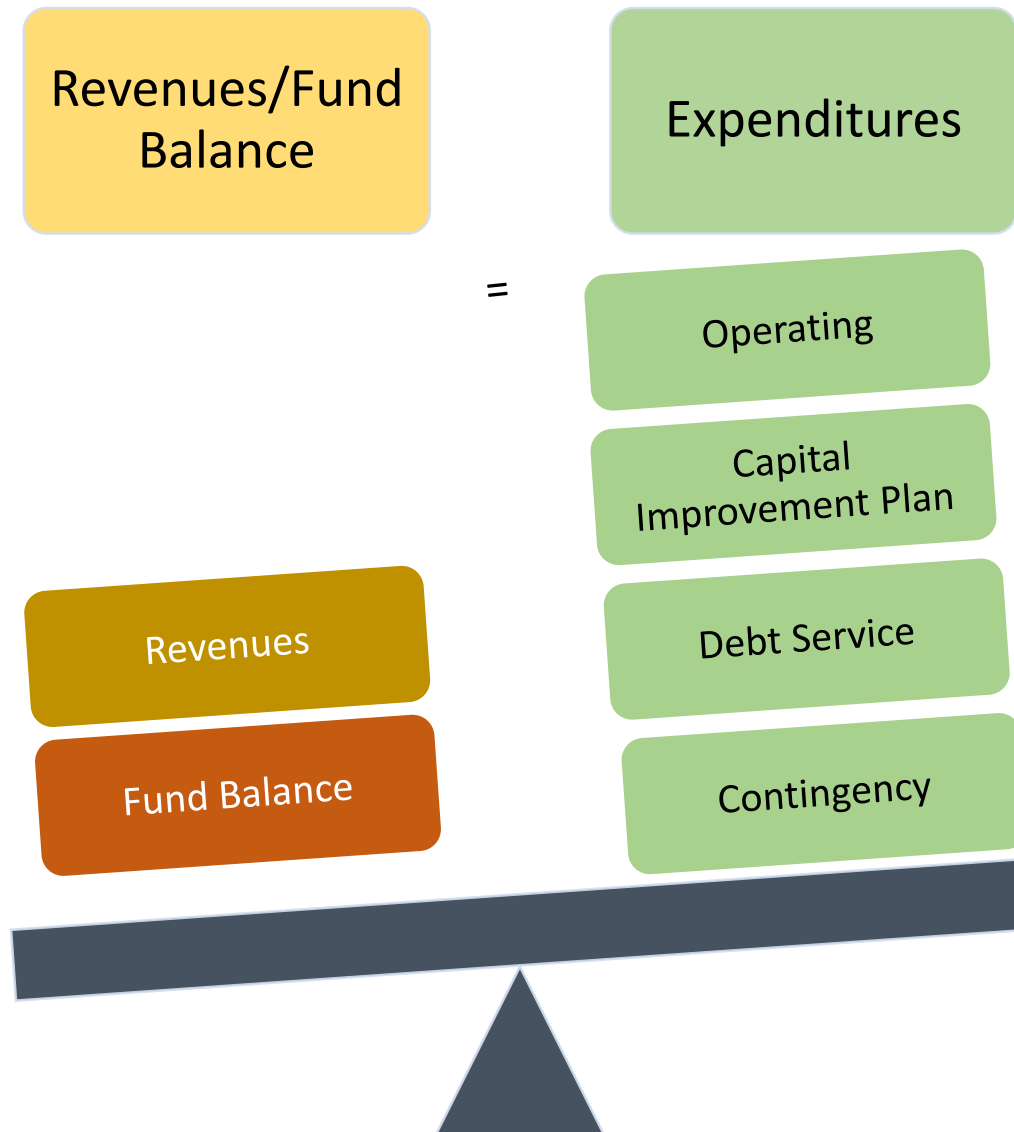
Operating

Capital
Improvement Plan

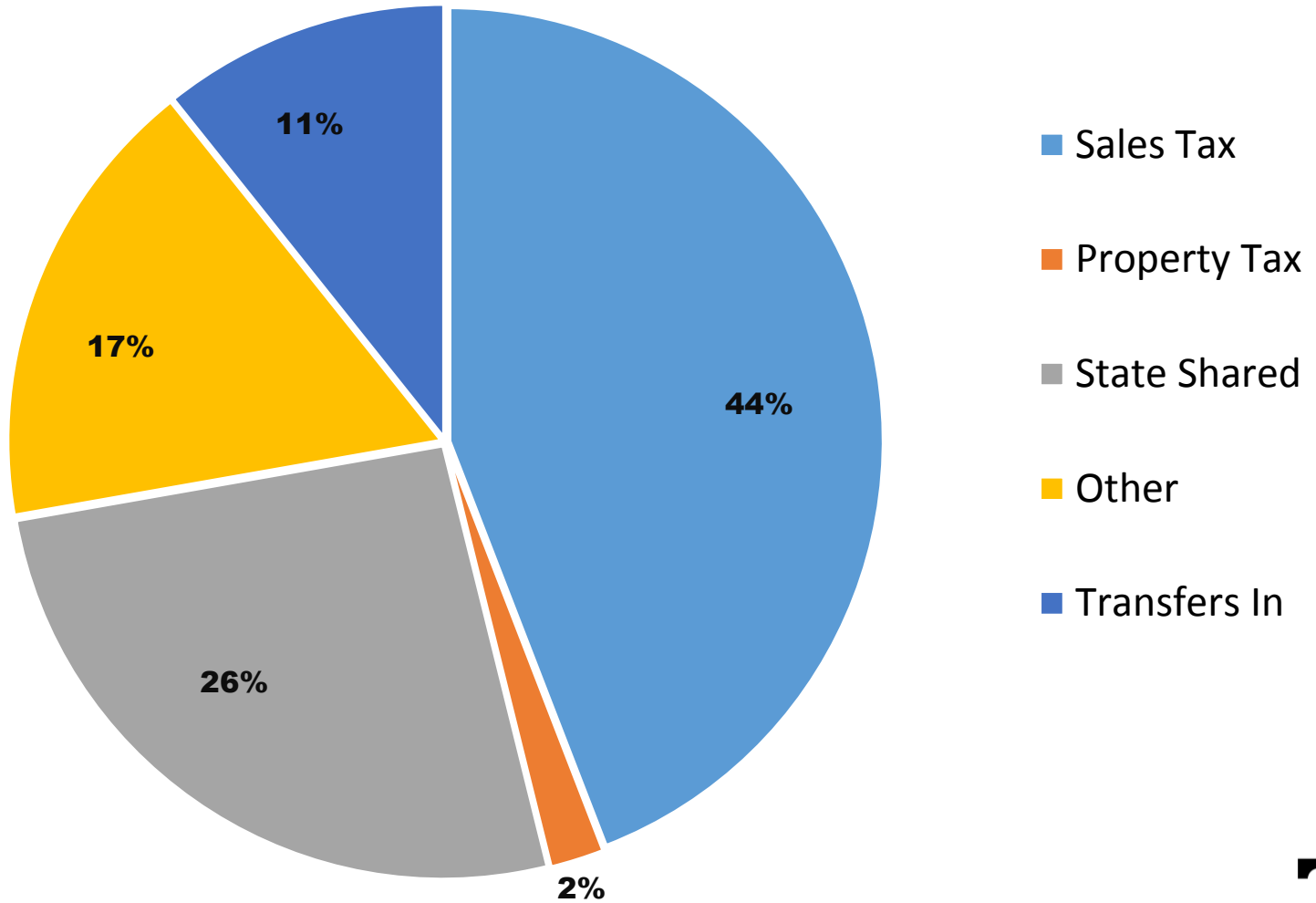
Debt Service

Contingency

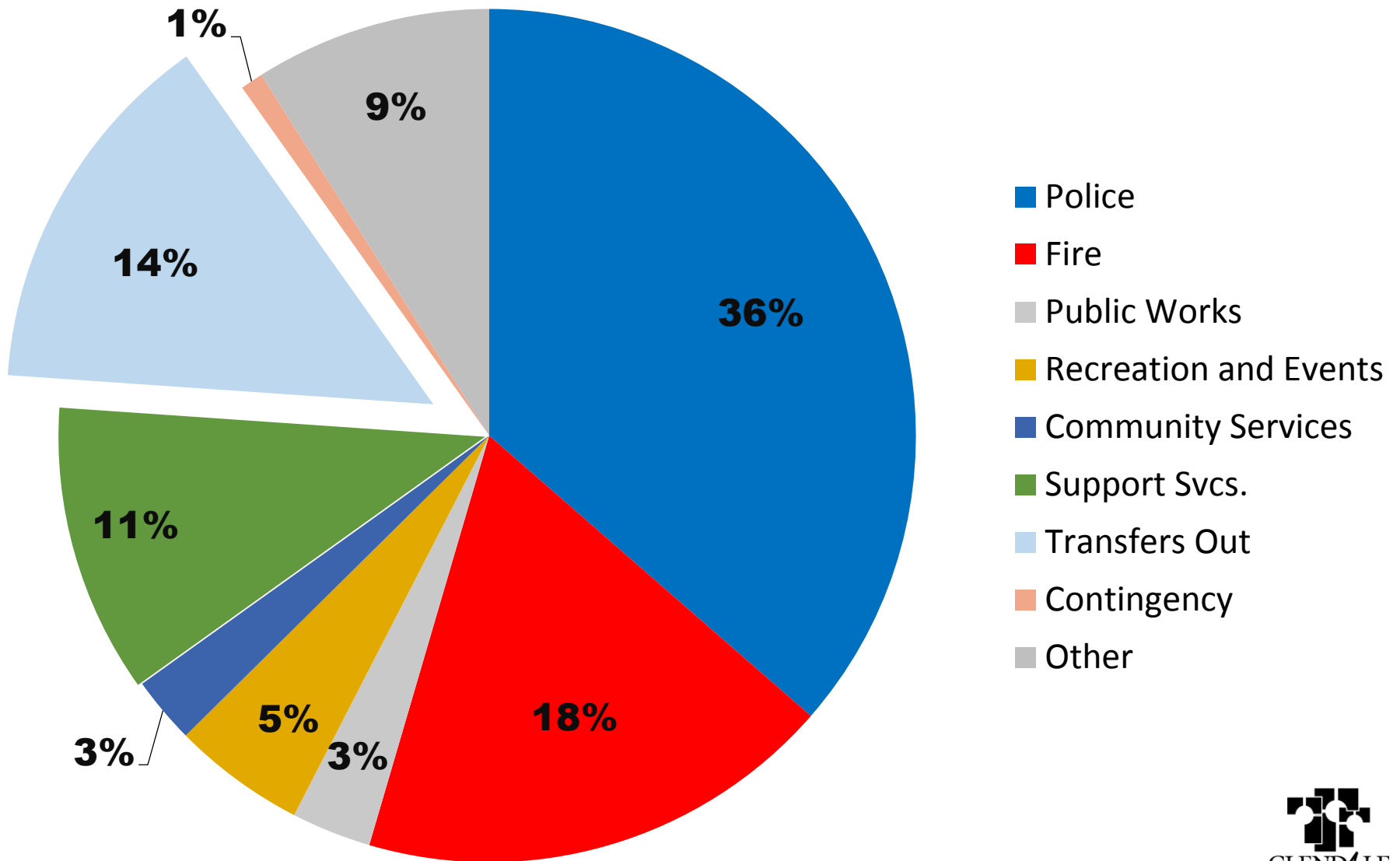
Balanced Budget



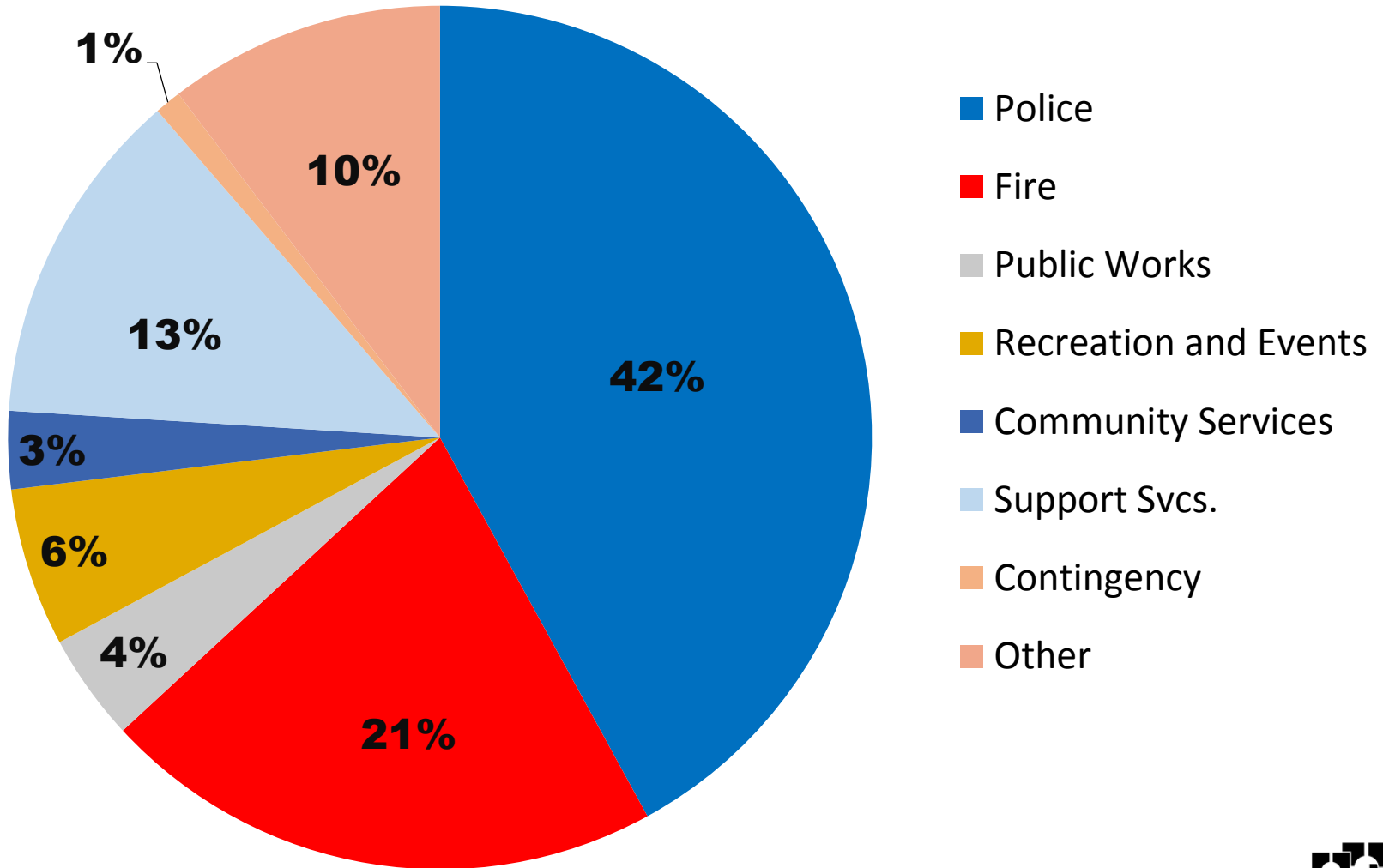
Revenues - General Fund



Expenditures – General Fund



Expenditures – General Fund (Without Transfers Out)



General Fund Forecast – Dec. 20, 2017

	FY17-18	FY18-19	FY19-20	FY20-21	FY21-22
Beginning Fund Balance	\$ 41,265,832	\$ 42,633,907	\$ 43,636,827	\$ 45,643,582	\$ 46,118,297
Operating Revenue	215,832,322	221,979,801	228,331,146	232,380,682	235,350,410
Operating Expenditures	(209,490,807)	(210,380,433)	(215,376,615)	(219,395,352)	(218,587,050)
Net Transfers	(2,973,440)	(8,596,448)	(8,947,776)	(10,310,615)	(11,127,427)
Contingency	(2,000,000)	(2,000,000)	(2,000,000)	(2,200,000)	(5,000,000)
Total Surplus/(Deficit)	1,368,075	1,002,920	2,006,755	474,715	635,933
Ending Fund Balance	\$ 42,633,907	\$ 43,636,827	\$ 45,643,582	\$ 46,118,297	\$ 46,754,230

Total Surplus/Deficit	FY17-18	FY18-19	FY19-20	FY20-21	FY21-22
December 20, 2016	1,368,075	1,002,920	2,006,755	474,715	635,933
December 15, 2015	1,283,907	(142,033)	1,189,462	1,478,007	N/A
December 16, 2014	(3,606,846)	773,633	2,854,719	N/A	N/A

Items Included in Year 1 General Fund Forecast

- FY17-18

- Arena Management Fee \$5.6M
- Fire Trucks \$1.6M
- Stadium Settlement Agreement \$3.0M
- Vehicle Replacement \$2.0M
- General Fund Capital Needs \$6.4M
 - Building Maintenance Reserve
 - Capital Repair – Camelback Ranch
 - Replacement of Fire Department Air-packs
 - ERP Solution (PS Replacement)

Key Factors for FY17-18

- Considerations of the following:
 - Retirement contribution rates
 - Sales tax rate assessment
 - Transition to ADOR sales tax collections
 - Potential rates and fee increases
 - Capital needs funding
 - Opportunities to sell or repurpose assets

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Budget Discussion and Questions