

Council Workshop FY17-18 Budget Discussion

March 7, 2017



Overview

- Key Revenues

- General Fund

- Special Revenue Funds

- Enterprise Funds

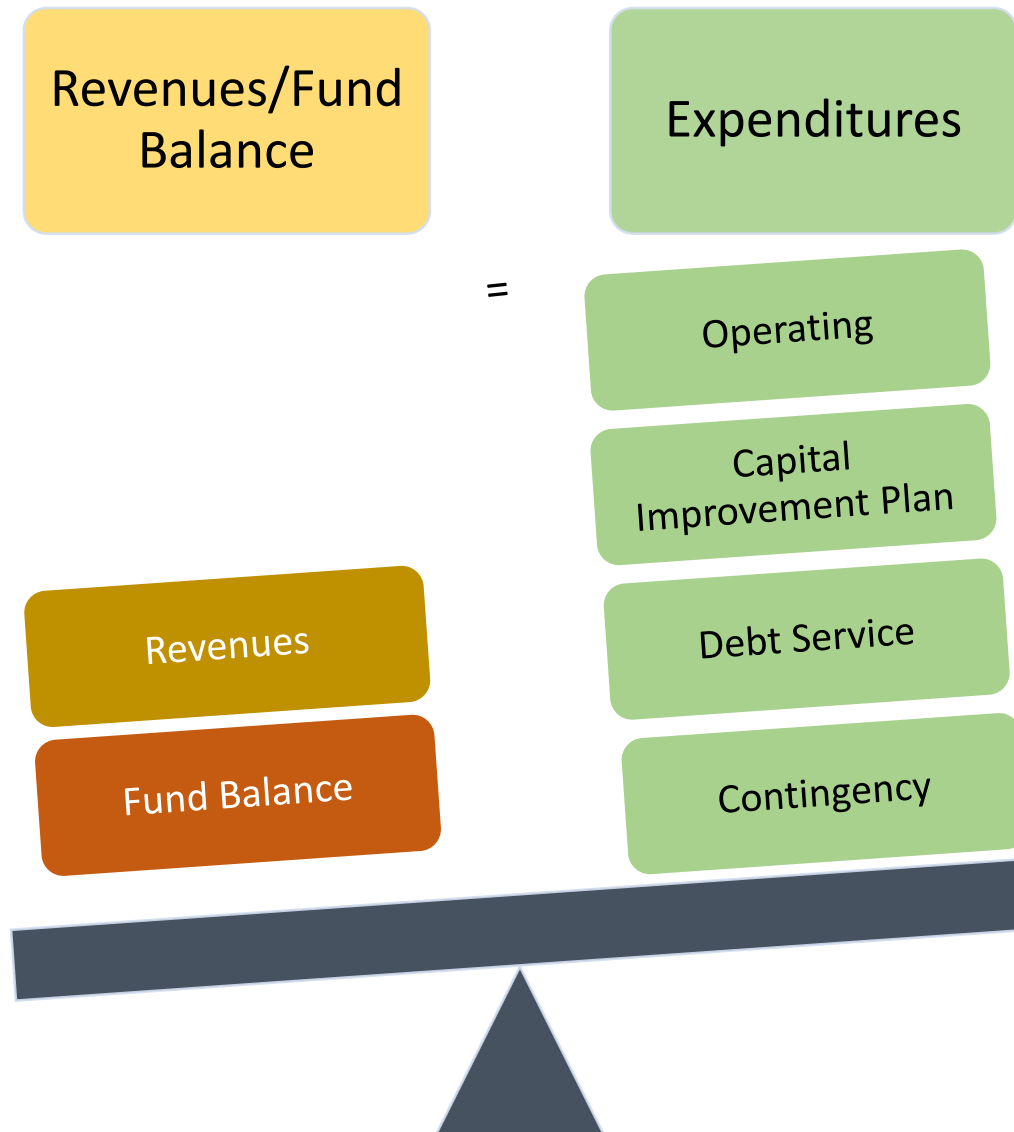
Budget Calendar

Item	Date
Financial Forecast	December 20, 2016
Council Workshop	February 7, 2017
<i>Council Workshop – Revenue Discussions</i>	<i>March 7, 2017</i>
Council Workshop – Budget Discussion/ Draft CIP	March 21, 2017
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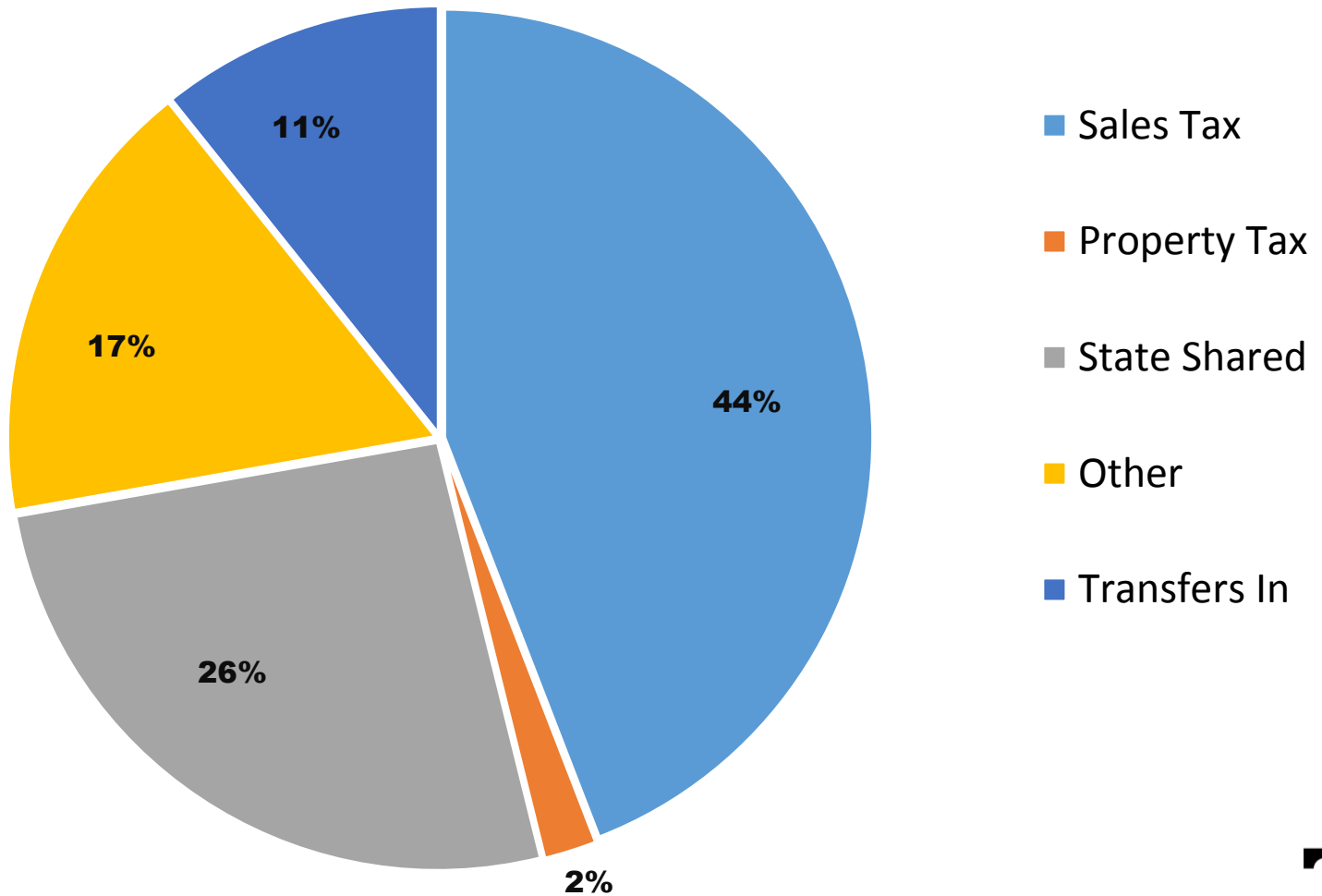
General Fund Forecast – Dec. 20, 2017

	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

Balanced Budget



FY17 Revenues - General Fund

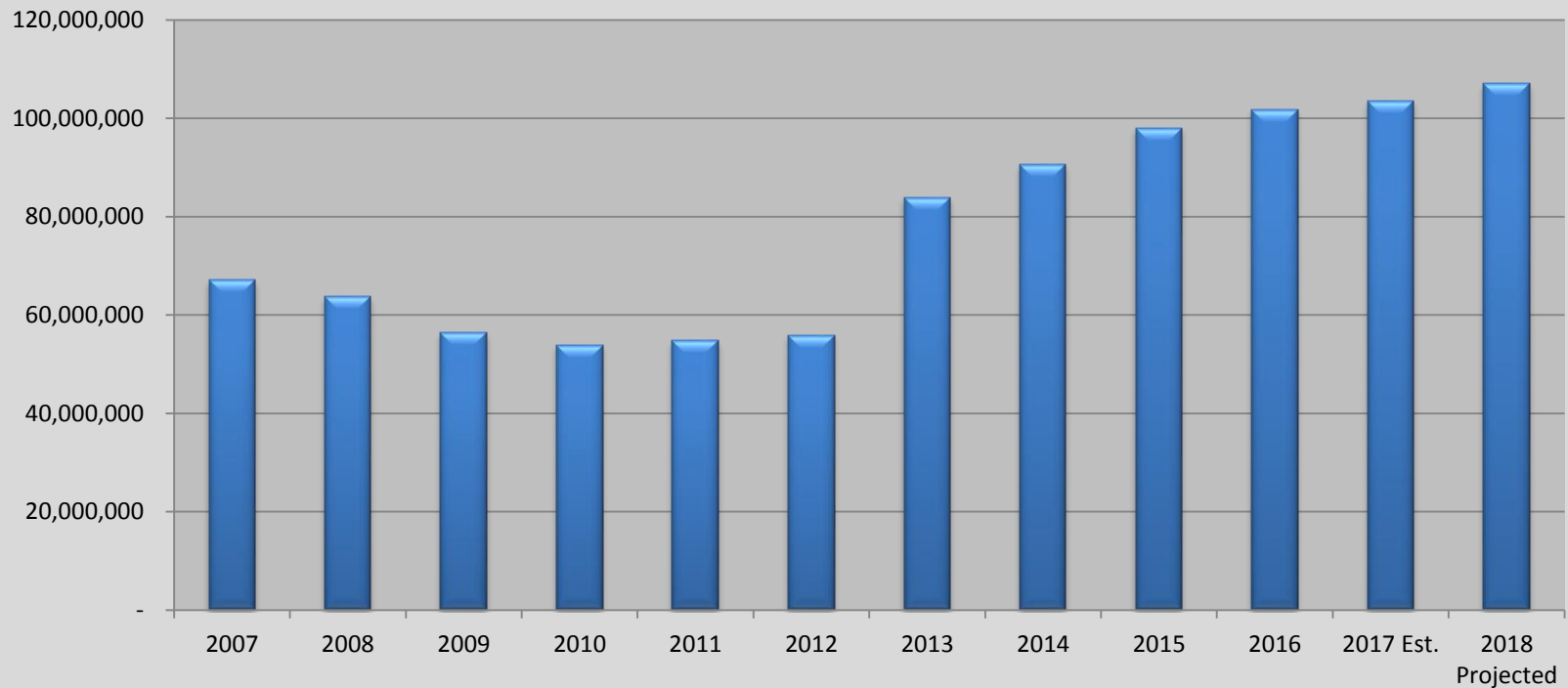


Key General Fund Revenues

Revenue	FY15-16 Actual	FY16-17 Budget	FY16-17 Estimates	FY17-18 Projected
Sales Tax	\$ 101,832,184	\$ 103,449,149	\$ 103,449,149	\$ 107,069,869
Property Tax	5,794,200	5,621,452	5,621,452	5,627,073
Intergovernmental	58,130,509	62,736,037	62,736,037	65,103,911
Fees, License, Permits	24,637,720	24,483,141	24,483,141	24,004,028
Other & Misc.	13,595,316	13,987,351	13,987,351	14,027,441
Total	\$ 203,989,929	\$ 210,277,130	\$ 210,277,130	\$ 215,832,322

City Sales Tax

10-Year Fiscal History w/ Projections



Sales Tax

- Sales Tax Simplification (HB2111)
 - One point of pay
 - Administration and collection by the ADOR effective January 2017
 - Audits
 - Cities seeing delays
 - Taxpayer frustration
 - Staff continues to work closely with ADOR and taxpayers

City Sales Tax Rates

Classification	General Fund	Police	Fire	Transportation	Bed Tax	Total
Retail	1.9%	.33%	.17%	.5%		2.9%
Retail single items over \$5k	1.2%	.33%	.17%	.5%		2.2%
Food (home consumption)	1.9%	.067%	.033%	.5%		2.5%
Restaurant/Bar	2.9%	.33%	.17%	.5%		3.9%
Residential Rental	1.2%	.33%	.17%	.5%		2.2%
Hotel Motel	1.9%	.33%	.17%	.5%	5.0%	7.9%
Utilities	1.9%	.33%	.17%	.5%		2.9%

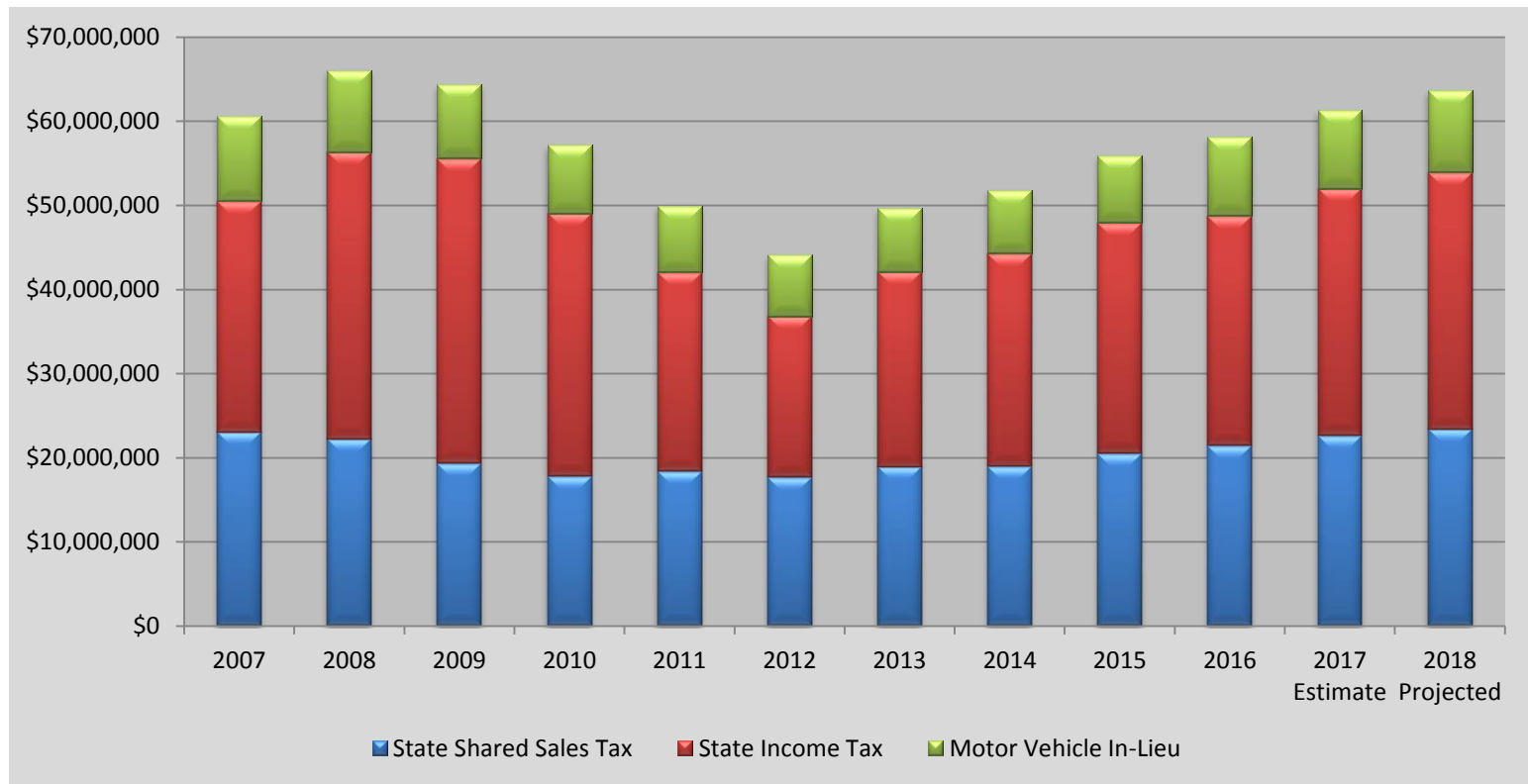


Sales Tax Rate Sufficiency

- What does a reduction of one tenth of a percent (.1%) in the sales tax rate equal?
 - Each .1% is equal to approximately \$3.5 million per year to the General Fund.
 - Assumes you only reduce the tax by the .1% on the items under \$5,000.
 - If applied to everything, including items over \$5,000, the impact would be approximately \$5,000,000 per year.

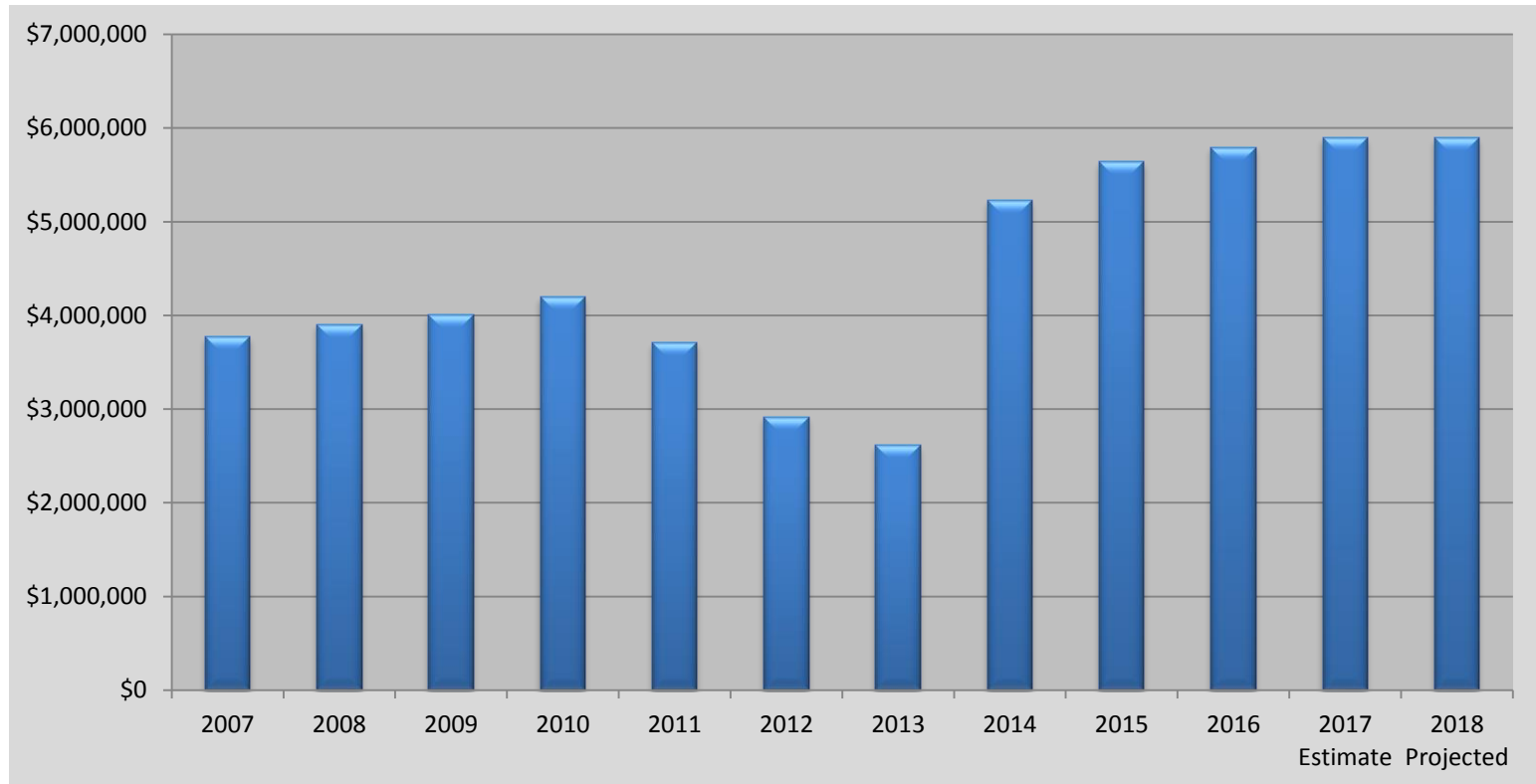
State Shared Revenue

10-Year Fiscal History w/ Projections



Primary Property Tax *(includes SRP In-Lieu)*

10-Year Fiscal History w/ Projections

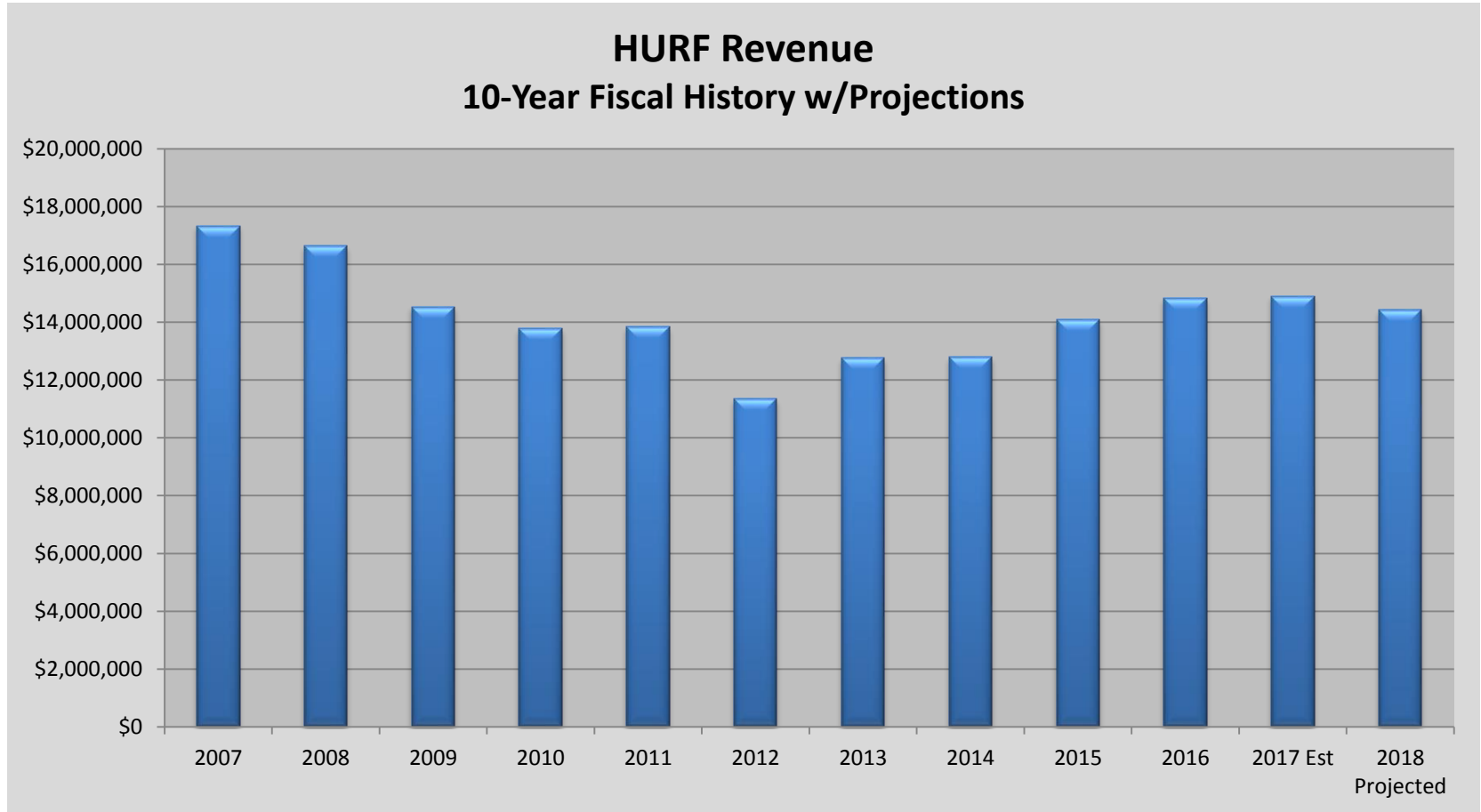


Key Special Revenue Funds

Revenue	FY15-16 Actual	FY16-17 Budget	FY16-17 Estimate	FY17-18 Projected
HURF	\$14,830,976	\$14,310,810	\$14,310,810	\$14,431,864
Transportation Sales Tax	27,218,083	25,317,441	25,317,441	26,194,311
Public Safety Sales Tax- Police	15,586,896	16,086,459	16,086,459	16,649,485
Public Safety Sales Tax - Fire	7,793,359	8,100,273	8,100,273	8,383,783
Total	\$65,429,314	\$63,814,983	\$63,814,983	\$65,659,443

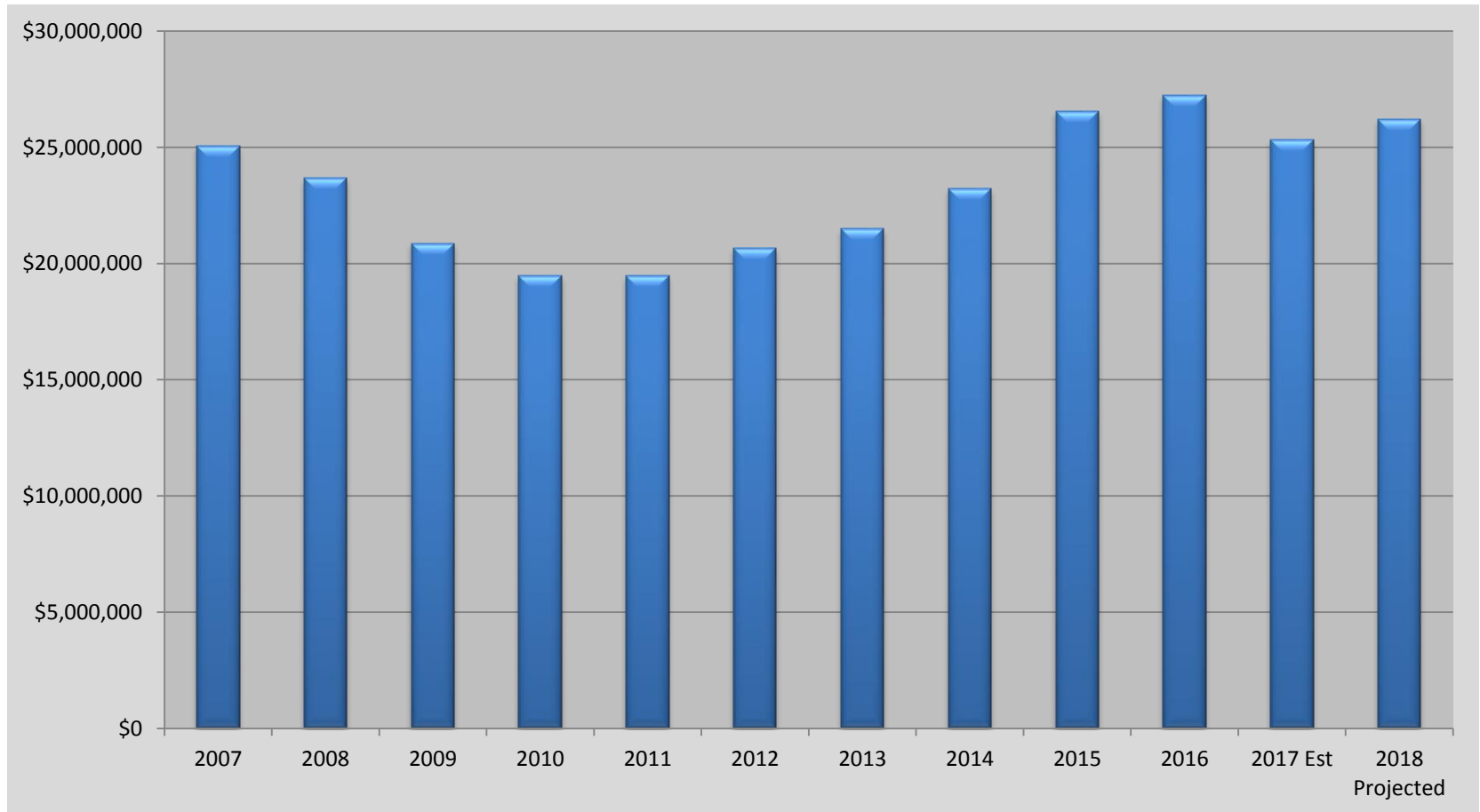
HURF Revenue

10-Year Fiscal History w/Projections

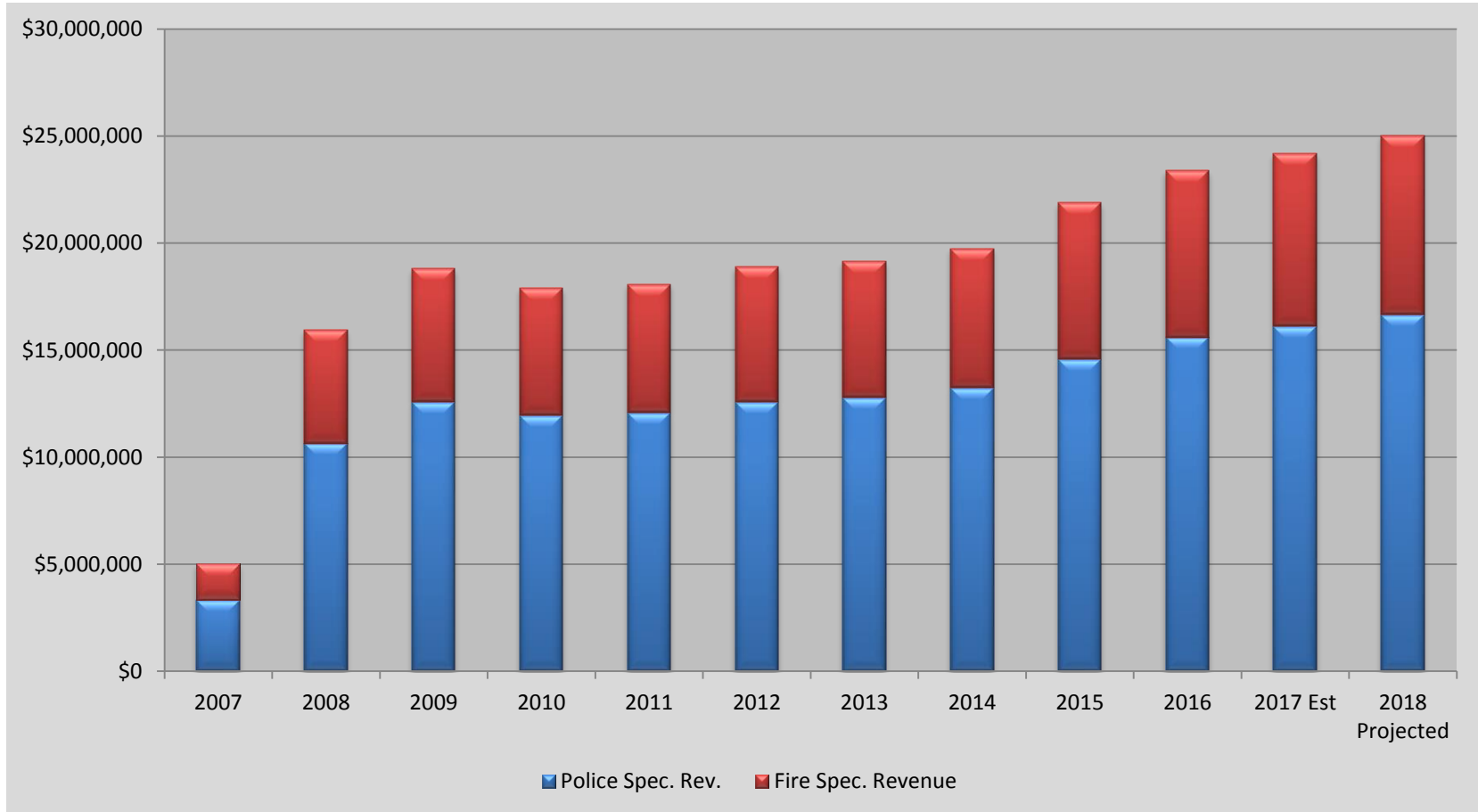


Transportation Sales Tax Fund

10-Year Fiscal History w/ Projections



Police & Fire Special Revenue Funds 10-Year Fiscal History w/Projections

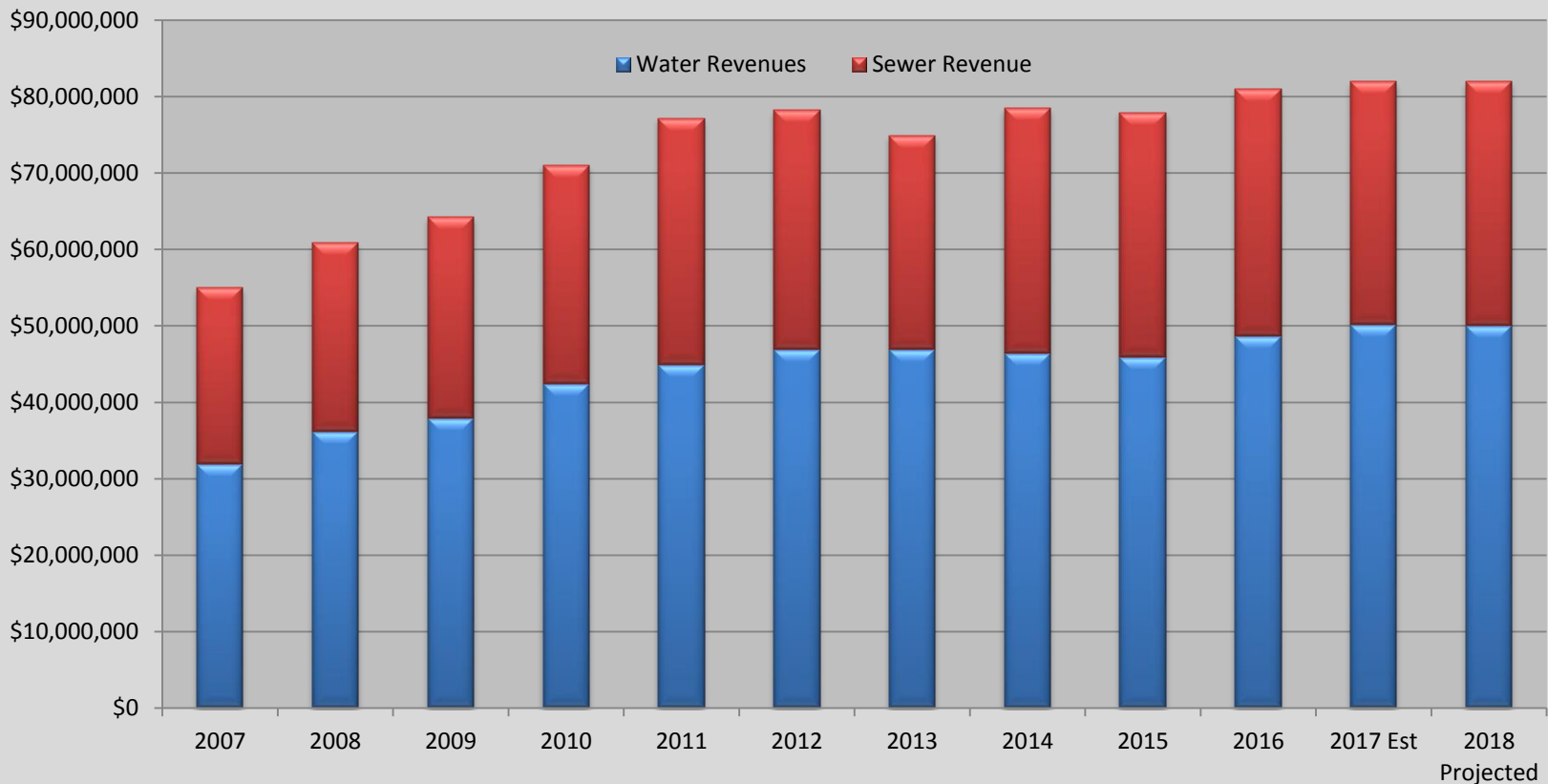


Key Revenues

Enterprise Funds

Revenue	FY15-16 Actual	FY16-17 Budget	FY16-17 Estimate	FY17-18 Projected
Water/Wastewater	\$77,884,260	\$80,969,653	\$81,933,596	\$81,984,424
Landfill	10,445,429	10,288,219	10,288,219	10,383,545
Solid Waste	15,243,358	14,623,650	14,623,650	14,695,689
Total Enterprise Funds	\$ 103,573,047	\$ 105,881,522	\$ 106,845,465	\$ 107,063,658

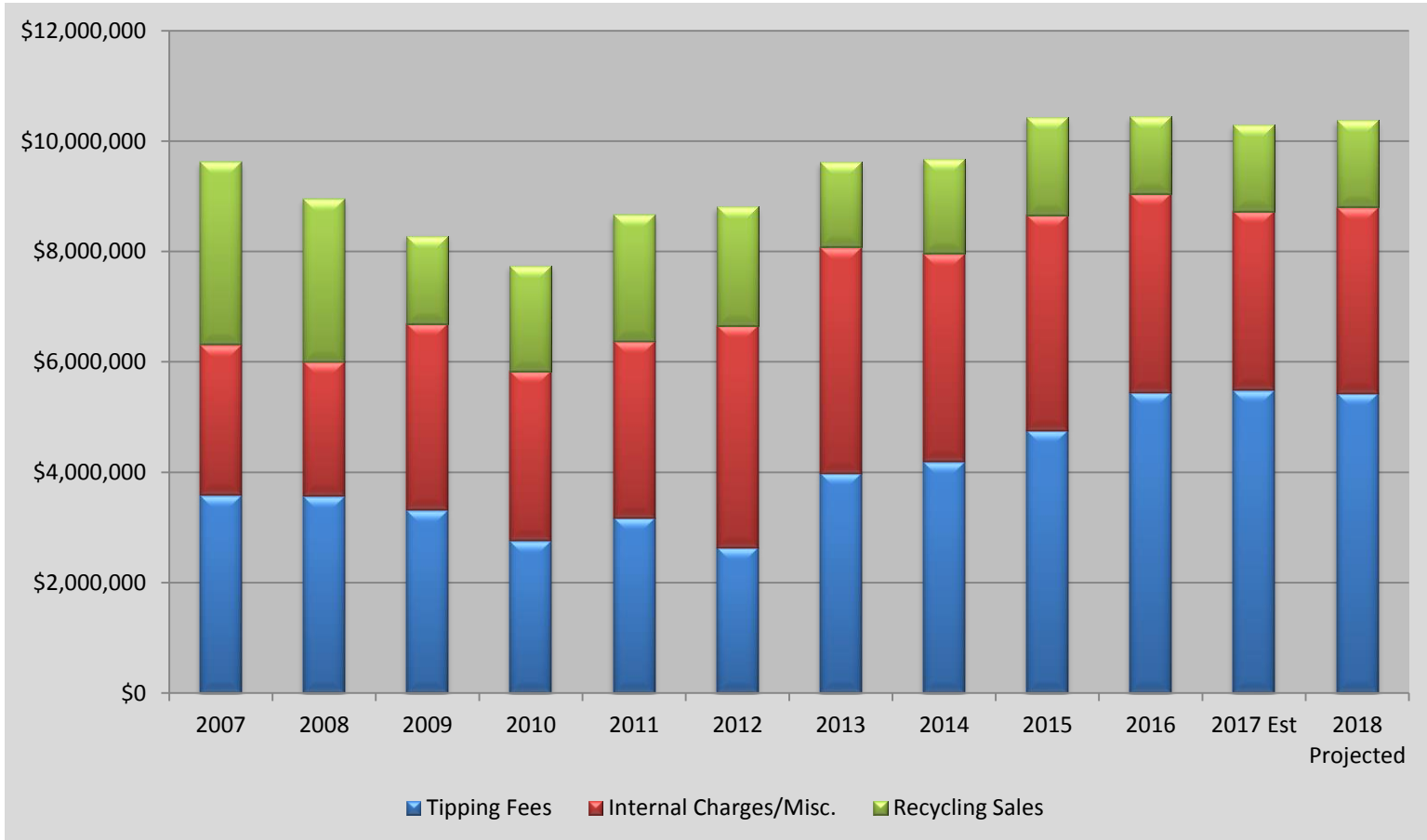
Water & Sewer Revenue Fund 10-Year Fiscal History w/ Projections



*2018 Revenue budget includes \$2.6M reimbursement from City of Peoria for Pinnacle Peak WTP Expansion

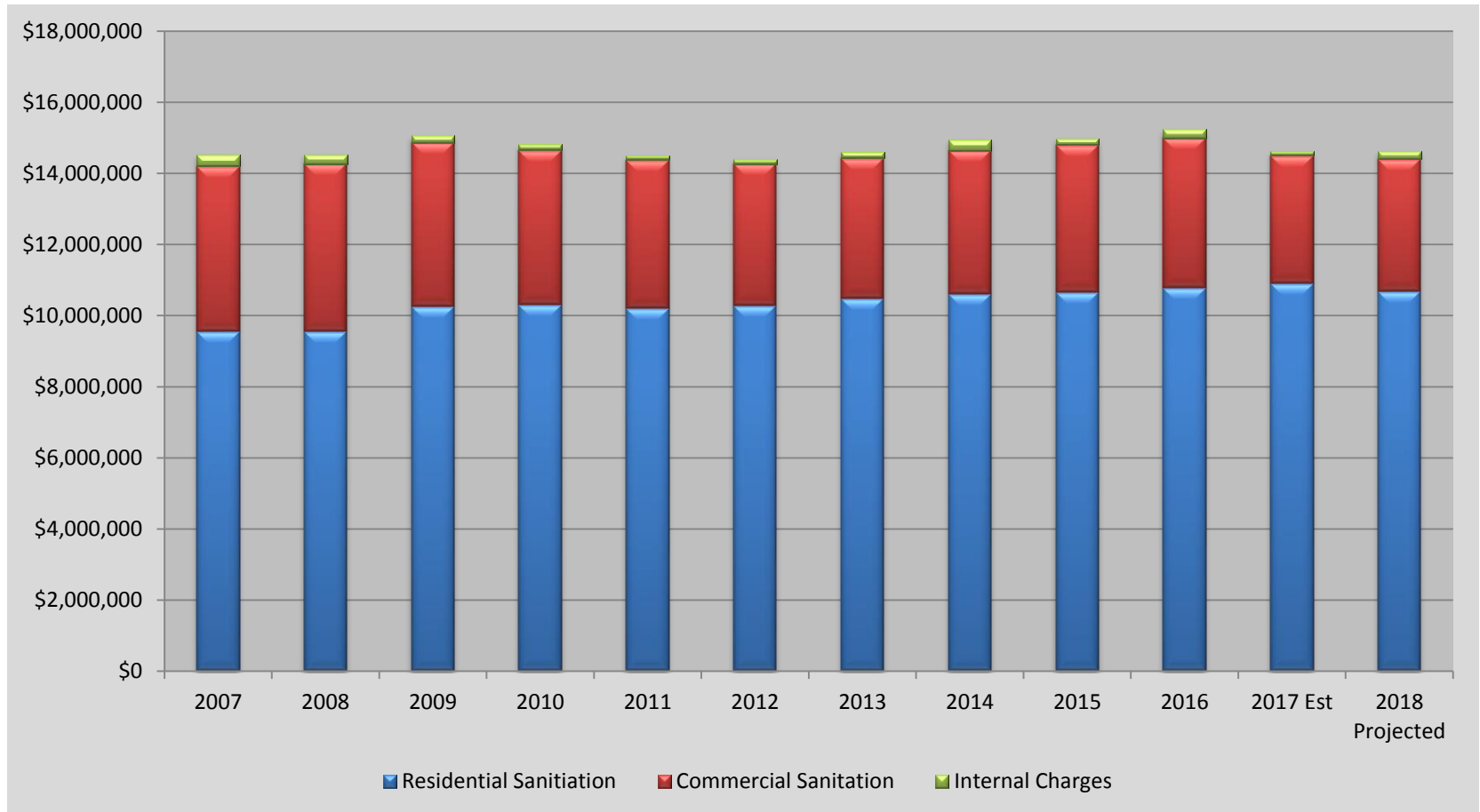
Landfill Revenue

10-Year Fiscal History w/ Projections



Solid Waste Revenue

10-Year Fiscal History w/ Projections



Budget Discussion and Questions

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