
OVERVIEW:

2015 General City Revenues

Finance & Personnel Committee

October 7, 2014

General City Purposes Budget Revenue

	2014 ADOPTED BUDGET	2015 PROPOSED BUDGET	DIFFERENCE	PERCENTAGE CHANGE
PILOT's	\$17,931,000	\$18,028,400	\$97,400	0.5%
Licenses & Permits	13,922,600	15,065,000	1,142,400	8.2%
Intergovernmental	259,955,700	261,826,000	1,870,300	0.7%
Charges for Service	117,421,303	122,265,869	4,844,566	4.1%
Fines & Forfeitures	4,755,400	4,506,000	-249,400	-5.2%
Miscellaneous	36,670,400	35,733,600	-936,800	-2.6%
Fringe Benefit Offset	24,300,000	24,300,000	0	0%
Tax Stabilization Fd.	20,000,000	16,700,000	-3,300,000	-16.5%
Tax Stab. Revenue Anticipation	0	507,000	507,000	N/A
Tax Levy	95,745,352	114,302,220	18,556,868	19.4%
TOTAL	590,701,755	613,234,089	22,532,334	3.8%

Revenue Strategic Overview

Opportunities

- Strong reserve conditions help stabilize operations
- Commitment to cost-recovery through service charges offsets pressure on State aids and levy

Challenges

- End of State commitment to Shared Revenue growth
- Levy limits
- Limited local revenue options
- Result: ongoing service costs exceed ongoing revenue and cause persistent structural imbalance

Revenue Strategic Overview {cont'd}

Implications for 2015 Budget

1. Apply Omnibus revenue file changes & any re-estimates to reduce reserve use & improve future structural balance
2. Continue commitment to cost-recovery through charges, licenses, and permits
3. Take a multi-year perspective on reserve use

2015 Proposed Budget Changes

■ Increases to Major User Fees

■ General Fund Fees

- ❑ Key Drivers: increased tipping fees, higher salt costs
- ❑ Solid Waste Fee: +\$7.40 per household (4%)
- ❑ Snow & Ice fee: +\$2.40 (7%)

■ Sewer Maintenance Fund Fees

- ❑ Key drivers: fund debt service related to improving sewer replacement cycle; preserving Forestry services
- ❑ Storm water charge: +\$4.08 (6%)
- ❑ Local sewer charge: +\$2.70 (3%)

2015 Proposed Budget Changes

- Charter Ordinance change adopted in CCFN 130784 requires Comptroller to recognize Mayor's proposed increases to Solid Waste, Snow & Ice, and Extra Garbage Cart fees:
- Recognized revenue for 2015
 - Solid Waste Fee: +\$1,669,000
 - Snow & Ice Fee: +\$573,000

2015 Proposed Budget Changes

- Proposed Fee increases
- Key policy drivers: improve food safety and cost recovery
 - Health Food Licenses: +\$91,000
 - DPW Public Way Permit & Inspection Fees: +\$53,000
 - DNS Electrical & Plumbing Permit Fees: +\$68,000
 - DNS Reinspection Fee: +\$66,000
 - Apartment Garbage: +\$123,000
 - Residential Rental Inspection expansion: +\$106,000
- Reduce TSF Withdrawal by \$507,000 if proposed fee increases adopted

2015 Proposed Budget Changes

- State aids increase \$1.9 million (0.7%)
 - Local Street Aids (\$793,000), Computer Exemption Aid (\$600,000), Expenditure Restraint Aid (\$275,000), State Shared Revenue (\$128,000)
- Parking Fund transfer payment reduced by \$425,000 (2.4%) to \$17 million
 - Improve long-term Parking Fund stability
- Sewer maintenance fund transfer increased by \$679,820 (4.5%) to \$15.7 million for forestry services

2015 Proposed Budget Changes

- Based on Comptroller Estimates
 - TID Excess Revenue of \$950,000
 - Fines & Forfeitures decrease by \$249,400 (-5.2%)
 - DNS charges for services and permits increase by \$1.9 million
 - No change in Fringe benefit offset (\$24.3 million)

2015 Proposed Budget Changes

Reserve Use: Overview

- Budget proposes \$6.2 million lower reliance on the four major reserve funds compared to 2014
 - ❑ Pension Reserve Fund decreased \$3 million
 - ❑ TSF Withdrawal reduced \$3.3 million
 - ❑ Parking Fund transfer reduced \$425,000
 - ❑ PDAF Withdrawal increased \$500,000

2015 Proposed Budget Changes

Proposed TSF withdrawal

- Balance of \$49.9 million
- 2015 Recommended withdrawal is \$16.7 million
 - Reduction of \$3.3 million (16.5%) from 2014
- Use of approximately 33% of the available balance
- Projected Regeneration=> \$16 million

