
OVERVIEW:

2016 General City Revenues

Finance & Personnel Committee
October 6, 2015

General City Purposes Budget Revenue

	2015 ADOPTED BUDGET	2016 PROPOSED BUDGET	DIFFERENCE	PERCENTAGE CHANGE
PILOT's	\$18,028,400	\$17,978,800	-\$49,600	-0.3%
Licenses & Permits	15,277,000	16,067,300	790,300	5.2%
Intergovernmental	262,211,000	262,577,600	366,600	0.1%
Charges for Service	122,580,869	126,703,395	4,122,526	3.4%
Fines & Forfeitures	4,506,000	4,060,000	-446,400	-9.9%
Miscellaneous	35,733,600	35,790,300	56,700	0.2%
Fringe Benefit Offset	24,300,000	23,000,000	-1,300,000	-5.3%
Tax Stabilization Fd.	16,700,000	21,087,000	4,387,000	26.3%
Tax Stab. Revenue Anticipation	0	108,000	108,000	N/A
Tax Levy	114,264,667	108,023,142	-6,241,525	-5.5%
TOTAL	613,601,536	615,395,537	1,794,001	0.3%

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
 - Limited revenue growth: non-property tax General Fund revenues increase only 0.7%
 - Result: ongoing service costs exceed ongoing revenue and cause persistent structural imbalance
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Revenue Strategic Overview {cont'd}

Implications for 2016 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

2016 Proposed Budget Changes

- Limited Increases to Major User Fees
- General Fund Fees
 - ❑ Key Drivers: Tipping fees, recycling grant decrease
 - ❑ Solid Waste Fee: +\$2.52 per household (1.3%)
 - ❑ Snow & Ice fee: No change
- Sewer Maintenance Fund Fees
 - ❑ Key drivers: fund debt service related to improving sewer replacement cycle; preserving Forestry services
 - ❑ Storm water charge: +\$5.04 per residential user (7%)
 - ❑ Local sewer charge: No change

2016 Proposed Budget Changes

- Proposed Fee increases
- Key policy drivers: maintain cost recovery
 - Apartment Garbage: +\$70,000
 - Appraisal & Inspection Service Charges: +\$38,000
- Reduce TSF Withdrawal by \$108,000 if proposed fee increases adopted

2016 Proposed Budget Changes

- State aids increase \$366,600 (0.1%)
 - Local Street Aids (\$113,000), Payment for Municipal Services (\$300,000), State Shared Revenue (\$112,000), Expenditure Restraint Aid (-\$105,000), State Payments-Police (-\$73,400)
- Parking Fund transfer payment reduced by \$500,000 (2.9%) to \$16.5 million
 - Improve long-term Parking Fund stability
- Sewer maintenance fund transfer increased by \$2.1 million (12.9%) to \$18.1 million for forestry services

2016 Proposed Budget Changes

- Based on Comptroller Estimates
 - ❑ TID Excess Revenue of \$340,000
 - ❑ Fines & Forfeitures decrease by \$446,000 (-9.9%)
 - ❑ DNS charges for services and permits increase by \$1.2 million
 - ❑ Fringe benefit offset reduced by \$1.3 million (-5.3%)
 - ❑ Police charges for services increase \$2.3 million for overtime reimbursement agreements previously treated as grants

2016 Proposed Budget Changes

Reserve Use: Overview

- Budget proposes \$2 million (4%) higher reliance on the four major reserve funds compared to 2015
 - ❑ Pension Reserve Fund decreased \$3.4 million (\$7M)
 - ❑ TSF Withdrawal increased \$4.4 million (\$21.1M)
 - ❑ Parking Fund transfer reduced \$500,000 (\$16.5M)
 - ❑ PDAF Withdrawal increased \$1.5 million (\$7M)

2016 Proposed Budget Changes

Proposed TSF withdrawal

- Balance of \$56.6 million
- 2016 Recommended withdrawal is \$21.1 million
 - Increase of \$4.4 million (26.3%) from 2015
- Use of approximately 37% of the available balance
- Projected Regeneration=> \$16 million

