

The Budget Calendar

- February 5, 2016 – Budget Retreat
- Feb. - April – Departments Submit Budget Requests, Base Numbers Calculated, and Capital Budget Prepared
- March 21 - March 23, 2016 – Mayor’s Budget Hearings
- April 27, 2016 – Mayor’s Budget Presentation
- May 10, 2016 – First Reading of Budget and Tax Ordinances
- May 12, 2016 – MPC Hearing on Capital Improvement Program
- May 17, 2016 – Council Budget Hearings
- May 17, 2016 – Public Hearing
- May 24, 2016 – Second Reading of Budget and Tax Ordinances



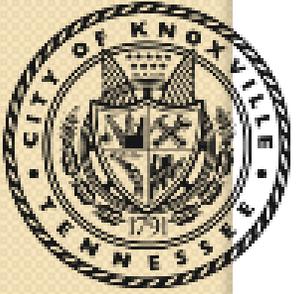


Budget Retreat – Part I

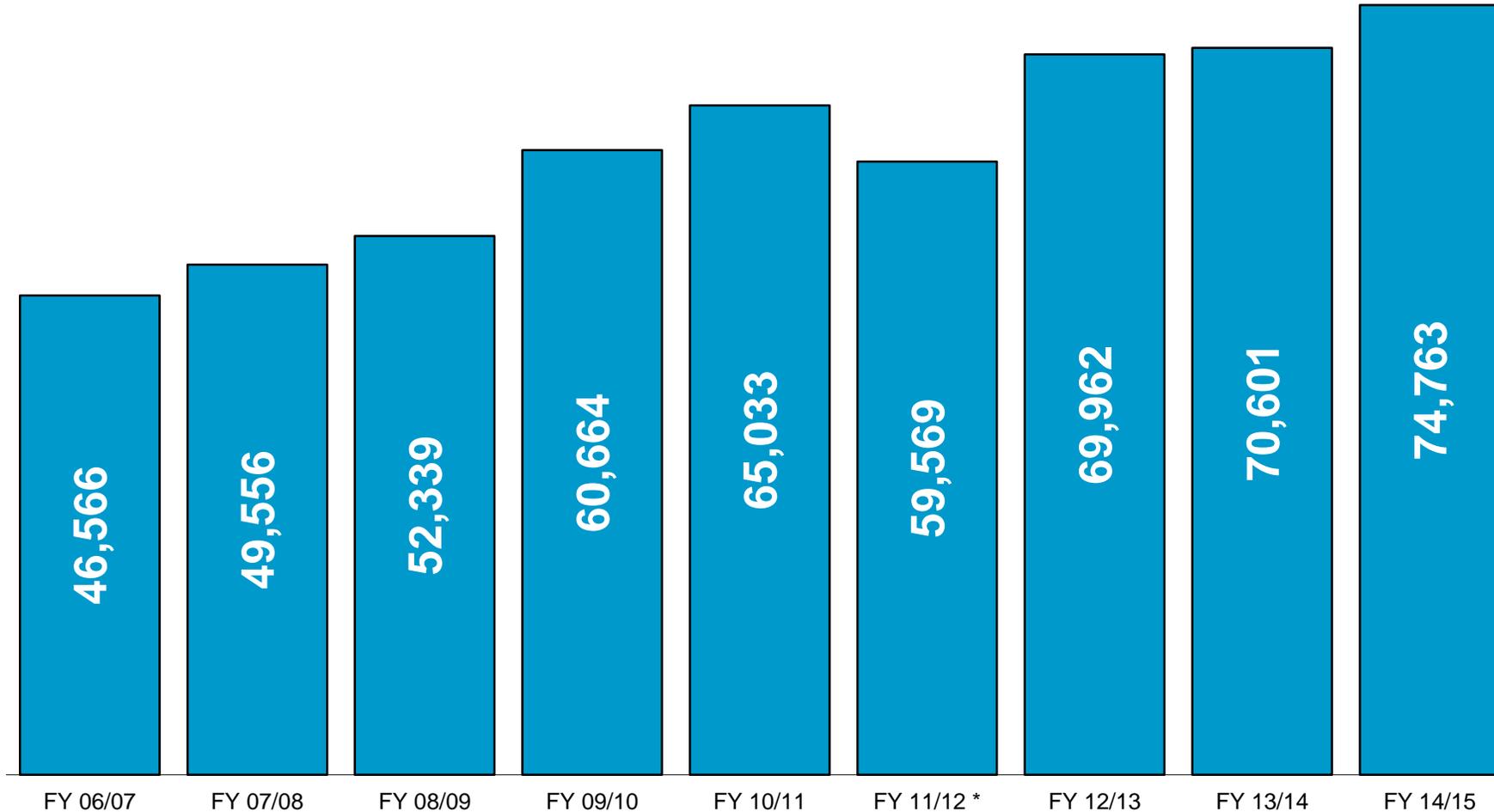
Financial Update

February 5, 2016

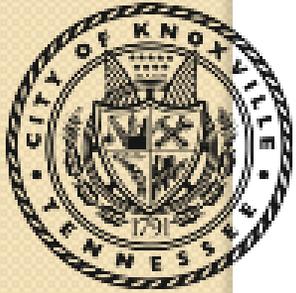




General Fund Ending Fund Balance



- In FY 11/12 the City provided a supplemental contribution of \$10 million to the Pension System. If not for this action the ending fund balance in FY 11/12 and subsequent years would both be \$10 million higher.
- All numbers in \$1,000's

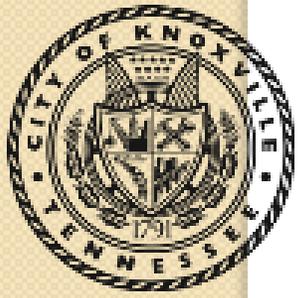


General Fund Ending Fund Balance

	FY 10/11	FY 11/12	FY 12/13	FY 13/14	FY 14/15
Non-spendable					
Prepaid	78,502	49,501	10,758	-	9,258
Inventory	<u>346,784</u>	<u>335,252</u>	<u>355,677</u>	<u>323,900</u>	<u>432,138</u>
Subtotal - Non-spendable	<u>425,286</u>	<u>384,753</u>	<u>366,435</u>	<u>323,900</u>	<u>441,396</u>
Restricted					
Encumbrances	<u>264,231</u>	-	-	-	-
Subtotal - Restricted	<u>264,231</u>	-	-	-	-
Committed					
Encumbrances	194,606	290,920	561,044	131,498	279,196
Policy	<u>34,435,594</u>	<u>34,435,594</u>	<u>36,636,086</u>	<u>40,100,512</u>	<u>41,275,270</u>
Subtotal - Committed	<u>34,630,200</u>	<u>34,726,514</u>	<u>37,197,130</u>	<u>40,232,010</u>	<u>41,554,466</u>
Assigned					
Encumbrances	-	160,690	281,423	82,718	472,838
Appropriated Fund Balance	1,725,000	4,410,000	1,850,000	2,004,600	2,065,000
Other	<u>230,966</u>	<u>150,045</u>	-	-	-
Subtotal - Assigned	<u>1,955,966</u>	<u>4,720,735</u>	<u>2,131,423</u>	<u>2,087,318</u>	<u>2,537,838</u>
Unassigned	<u>27,987,982</u>	<u>19,892,490</u>	<u>30,267,058</u>	<u>27,957,986</u>	<u>30,228,819</u>
Total Fund Balance	<u><u>65,263,665</u></u>	<u><u>59,724,492</u></u>	<u><u>69,962,046</u></u>	<u><u>70,601,214</u></u>	<u><u>74,762,519</u></u>

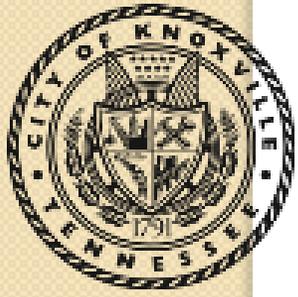
Definitions:

- Non-Spendable – Items included in assets that are non-cash related and cannot be spent
- Restricted – Funding that is restricted by law or contracts
- Committed – Items that have been approved by the governing body and are committed/designated
- Assigned – Reserved funds that do not meet the two above standards
- Unassigned – Balance available after above standards are met - the spendable amount



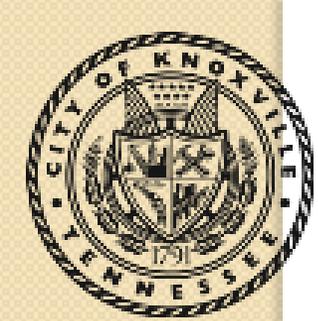
Bond Ratings

Fitch	AAA
Moody's	Aa1
Standard & Poor's	AA+

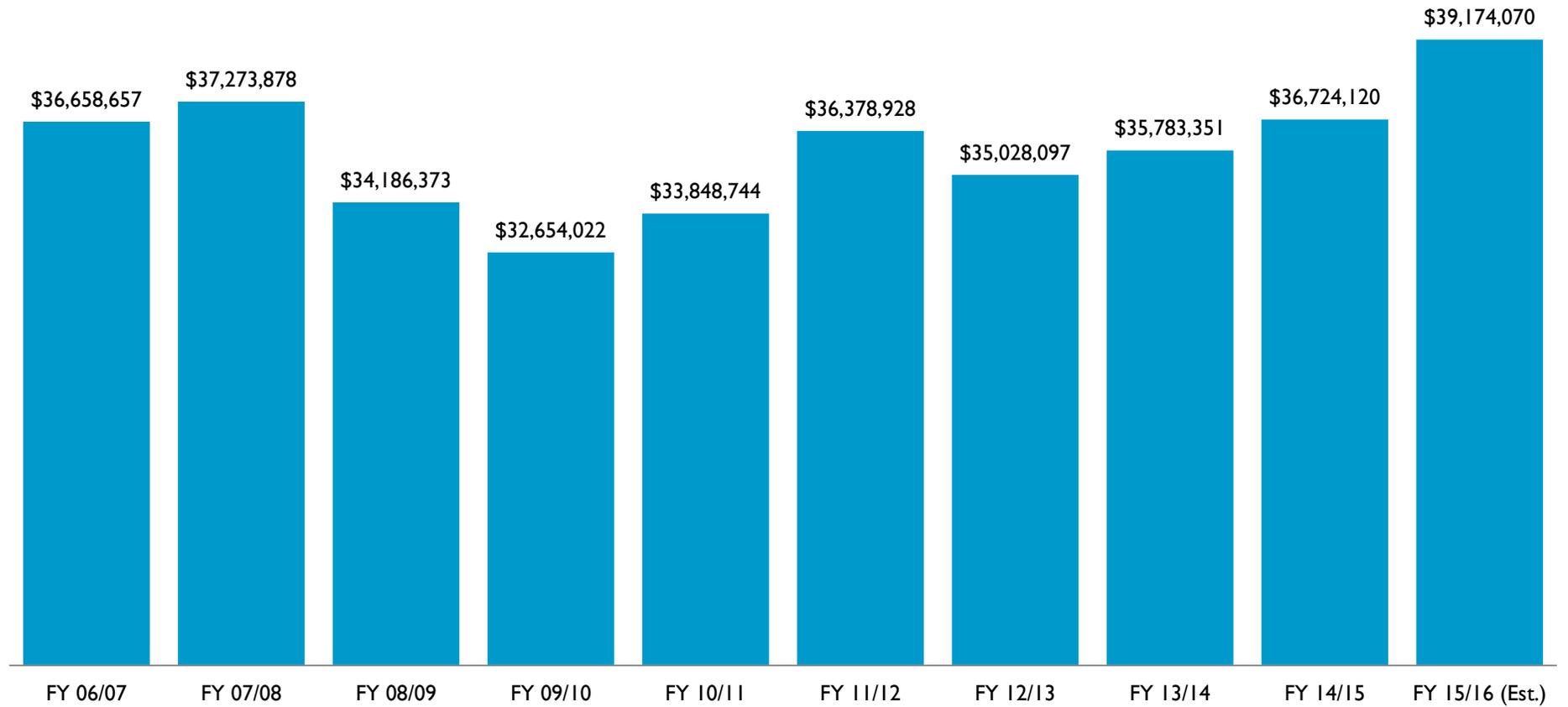


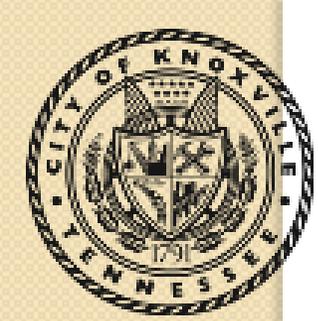
Mid-Year Forecast

- Forecast is mostly positive
 - Strength in both local option sales tax receipts, state shared sales taxes and the KUB PILOT
 - Smaller growth rate in real property and personal property assessed values
 - Relatively static business tax collections
- Overall revenue forecast is positive when compared to budget



Local Option Sales Tax

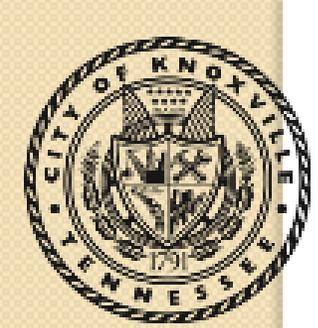




Hall Tax Receipts



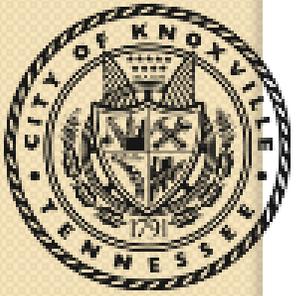
All amounts in million \$'s



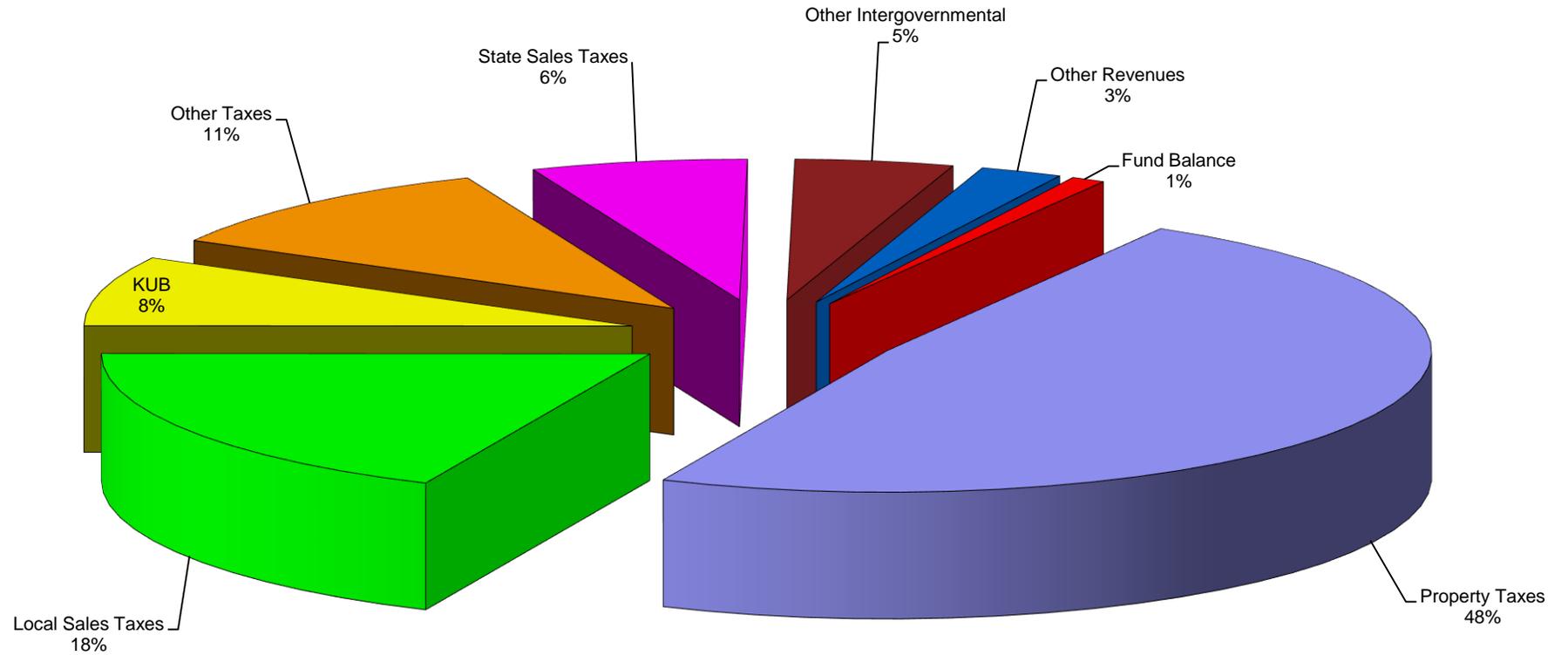
General Fund Forecast

Ending 6/30/2016

	Amended Budget	Current Forecast
Revenues	202,197,590	205,329,860
Expenditures	175,746,870	171,356,190
Net Transfers	(37,175,720)	(37,030,730)
Revenues/Sources Over Uses	(10,725,000)	(3,057,060)
Beginning Fund Balance	74,762,519	74,762,519
Ending Fund Balance	64,037,519	71,705,459

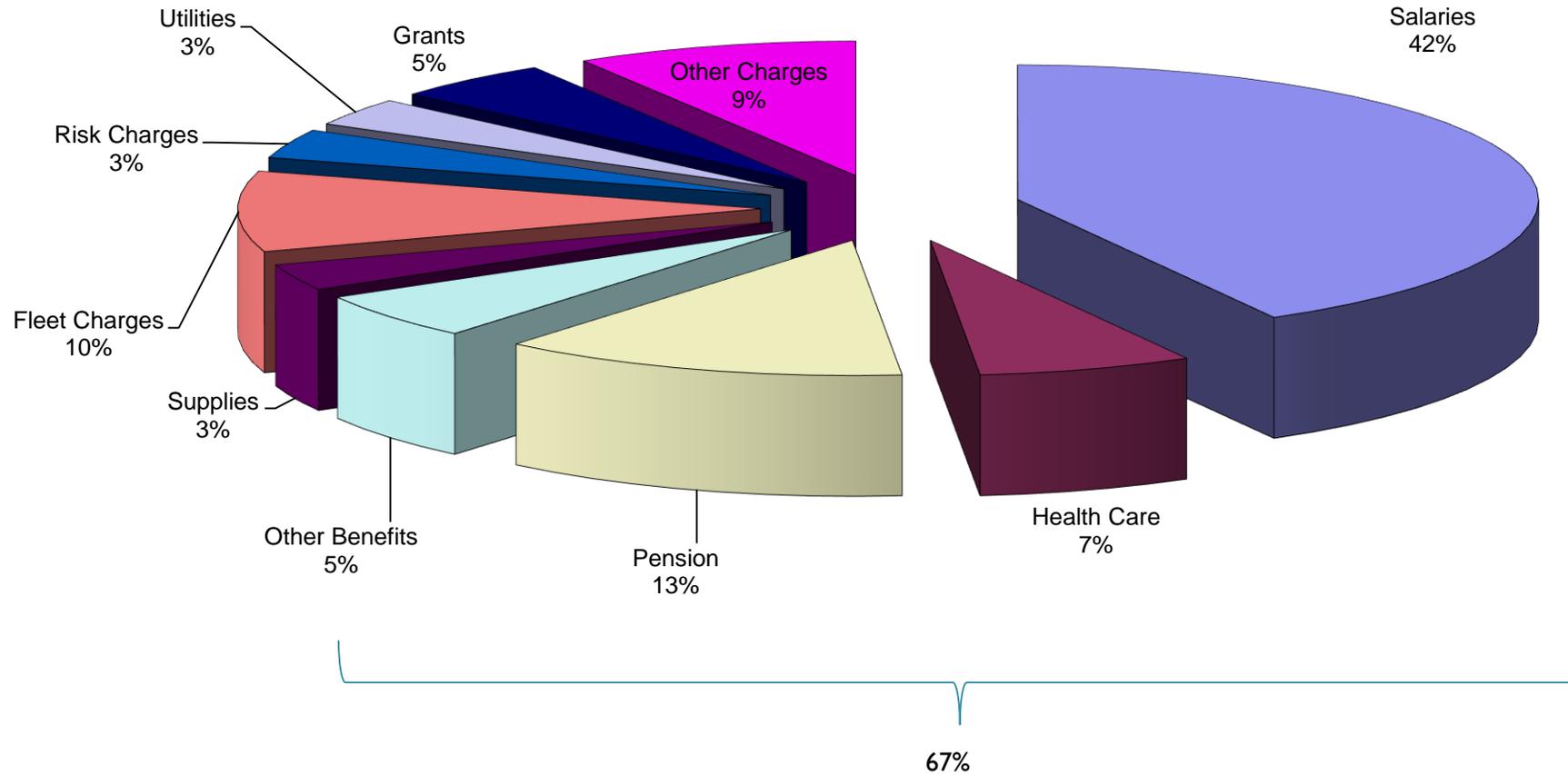


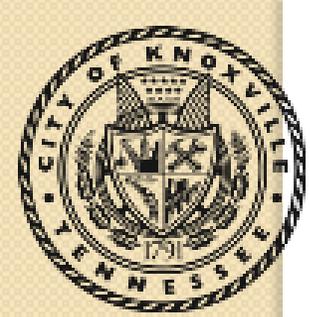
General Fund Revenues



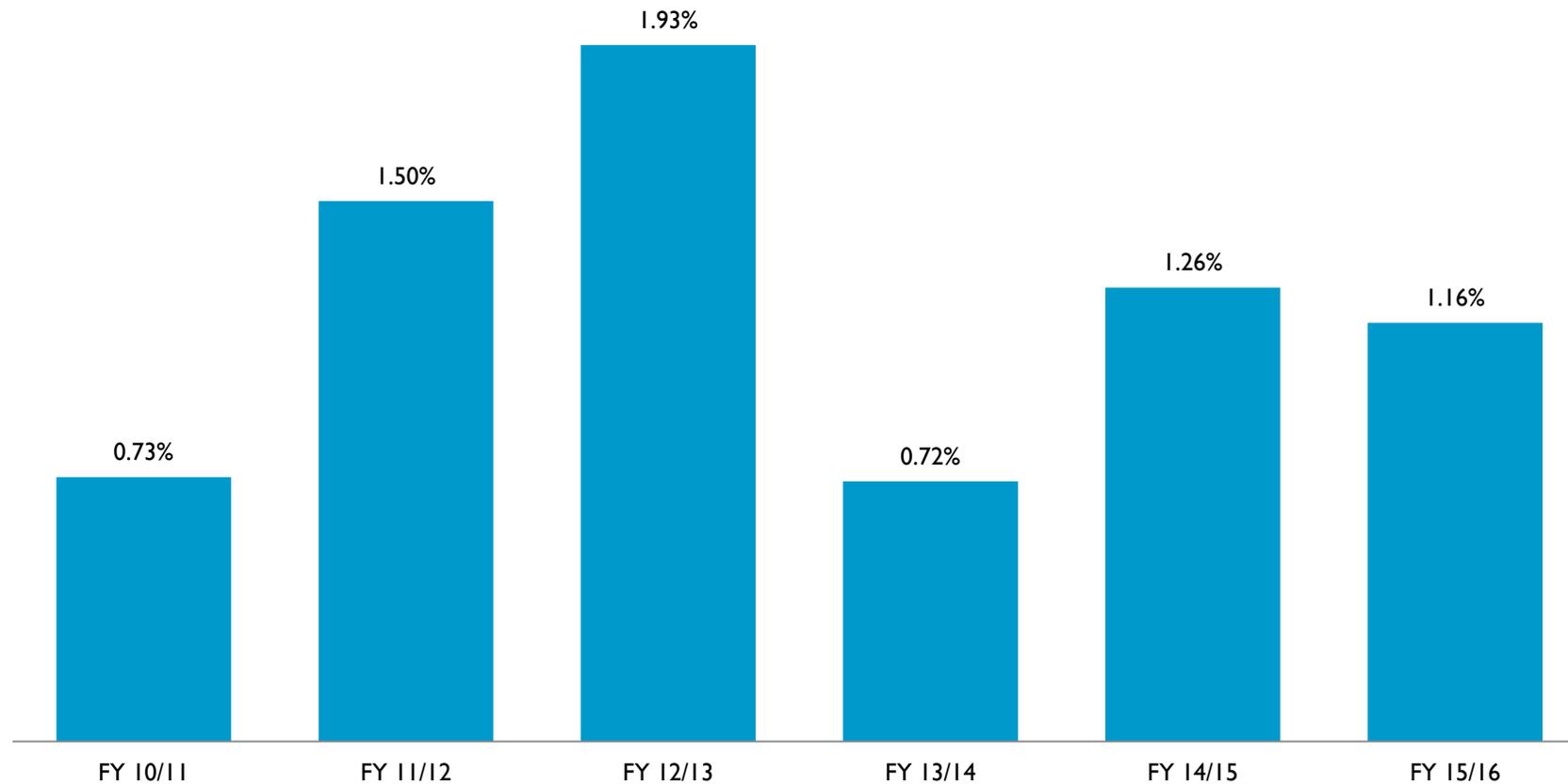


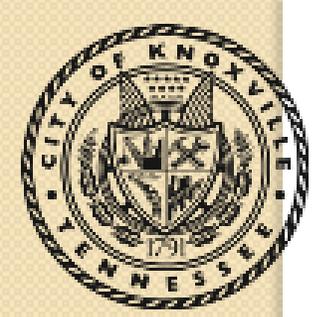
General Fund Expenditures



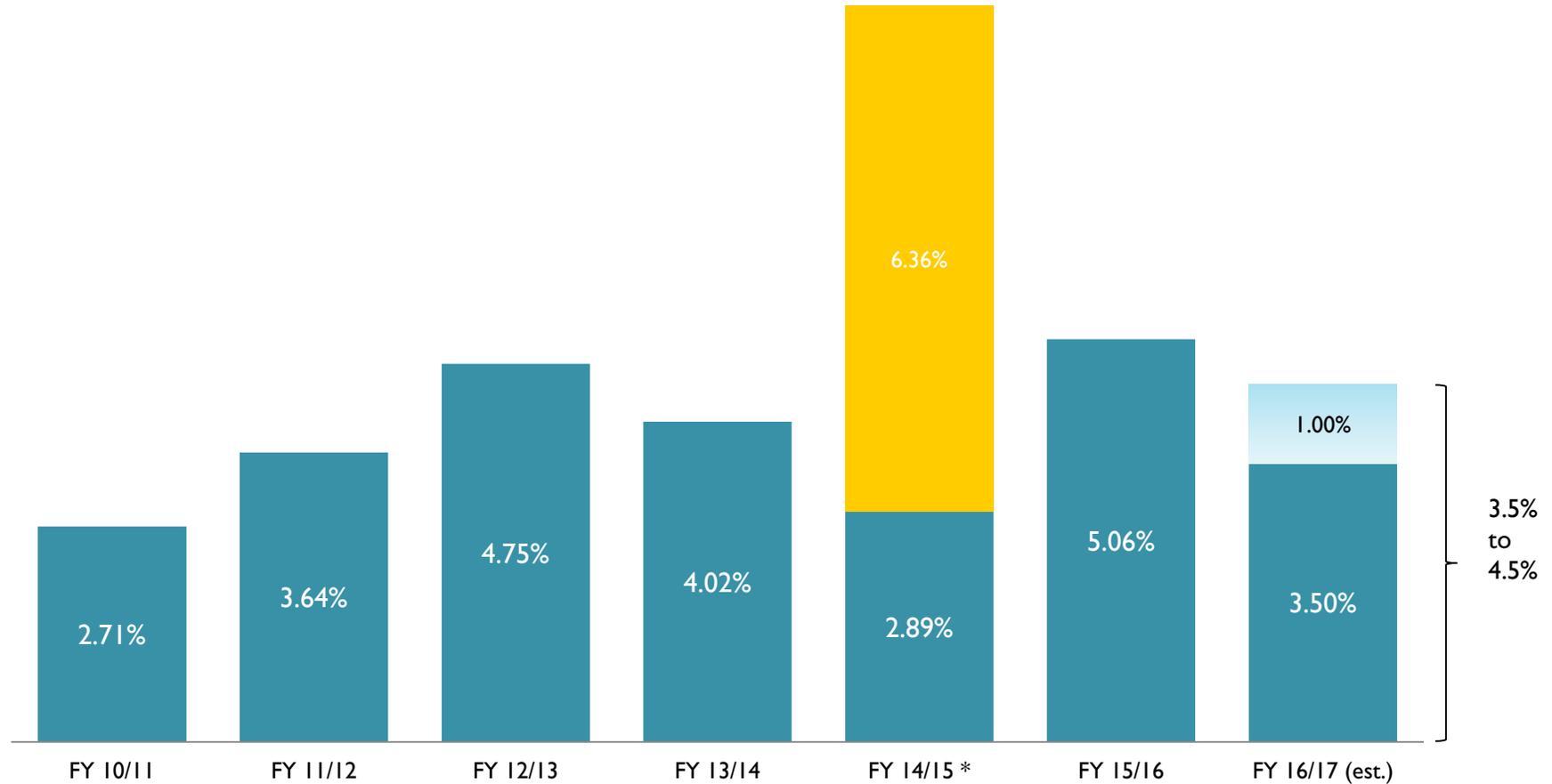


New Growth in Real Property Values





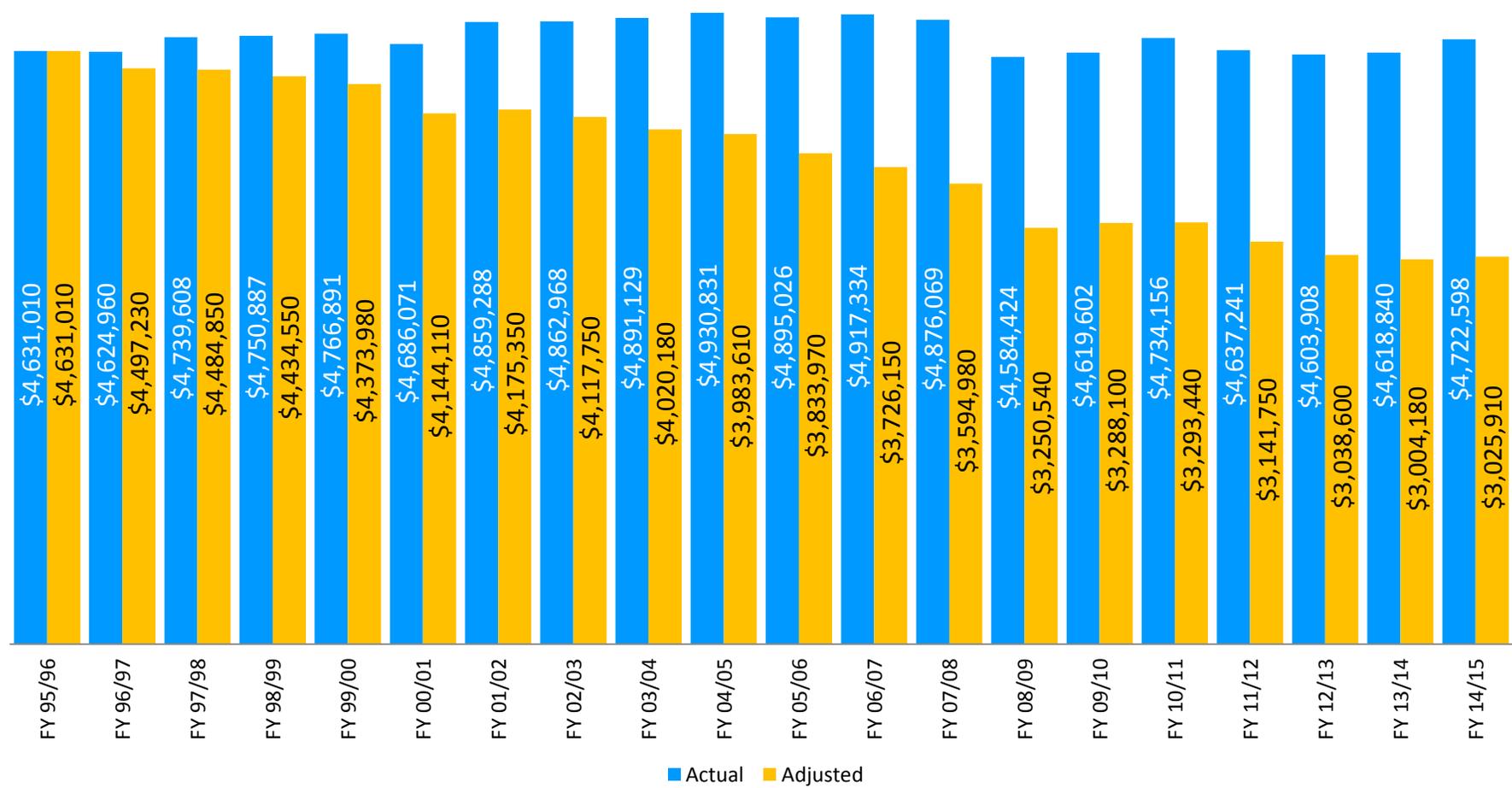
Growth in Personal Services

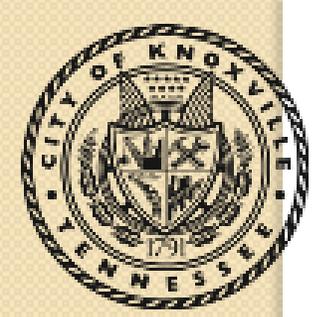


* FY 14/15 reflects a reduction in the pension discount rate from 8% to 7.375%. This action was taken to reduce risk and lower volatility of the investments. The result of this action is a one time increase in the base for pension costs.

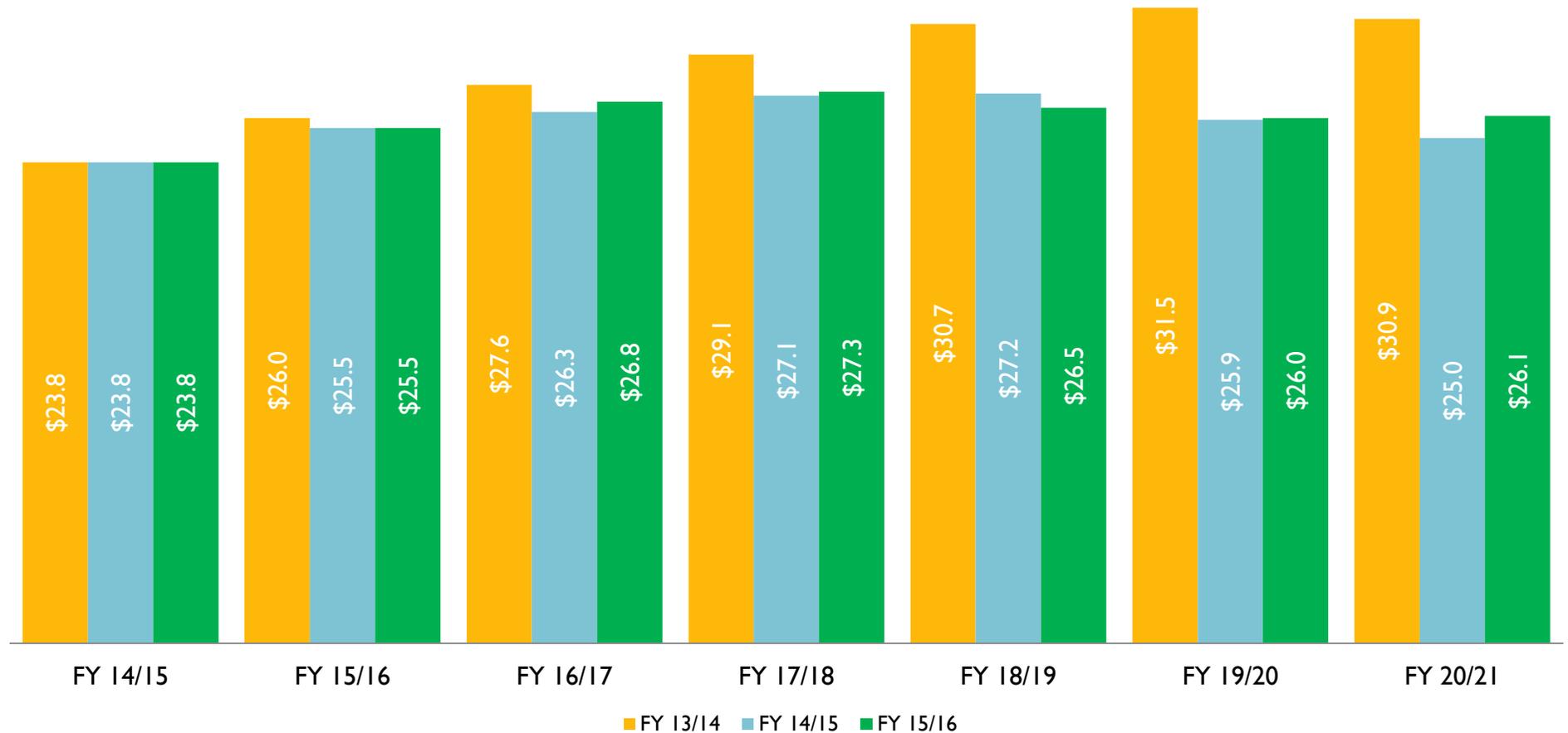


State Shared Gas Tax





Estimated Pension Costs



In \$ Millions



2016/17 Budgetary Factors

- Limited new growth in real property
- Static business tax collections
- Potential federal/state cuts
- Cost of living adjustments
- Slightly higher pension contributions
- Slightly higher health care costs
- Lower fuel costs

Budget Retreat – Part I

Financial Update

QUESTIONS

