FY2016 Fiscal Plan
(Covers FY2016 & FY2017)
Upcoming Presentations

• Tonight – Overview of General Fund (Two-Year Plan)
• Staff will be presenting departmental requests
• Each presentation will include budget impact sheets, 2 pagers for significant funds, and/or supplemental presentation materials as needed.
• Service Area Presentations
  – 2/23/15 – City Admin, Financial & Admin. Services, Safety Services, Courts
  – 3/9/15 – Housing Commission, Community Services, DDA
  – 3/23/15 – Public Services
  – 3/30/15 – Public Services
• 4/20/15 - City Administrator presents his recommended budget
• 5/18/15 – Council consideration of budget
Overview
(General Fund)

AVAILABLE RESOURCES
1. OPERATIONS - FY16 & FY17 financial projections suggest:
   • Revenues increases are still under 3%
   • Recurring expenditures – no opportunities to increase
   • One-time (non-recurring) expenditures – $1.3 mil. available in FY16

KEY REASONS
• Property taxes – limited by Headlee & Proposal A
• State Shared Revenue – sales tax receipts assumed up 4%
• Bond user fee – falls by $170k in FY2017
• Expenditure projections include recent labor contracts & impact of how we budget for them.

2. FUND BALANCE - Staff is looking at the level of reserves in selected funds as a potential source of one-time monies
What the numbers look like...

<table>
<thead>
<tr>
<th>OPERATING BUDGET</th>
<th>FY2016</th>
<th>FY2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>EXISTING OPERATIONS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenues</td>
<td>$ 97,740,759</td>
<td>$ 98,887,473</td>
</tr>
<tr>
<td>Expenditures</td>
<td>(96,459,503)</td>
<td>(98,959,735)</td>
</tr>
<tr>
<td>Projected Recurring Surplus/(Deficit)</td>
<td>$ 1,281,256</td>
<td>$(72,262)</td>
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</tbody>
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| STAFF REQUESTS |            |               |
| Recurring Expense Requests | (699,683) | (850,641) |
| Adjusted Recurring Surplus / (Deficit) | $ 581,573 | $(922,903) |
| Non-Recurring Expense Requests | (2,397,551) | (1,627,702) |
| Adjusted Net Surplus / (Deficit) | $(1,815,978) | $(2,550,605) |

- Staff requests for recurring expenditures exceed available resources.
- Staff requests for non-recurring expenditures and deferred capital needs exceed available resources.
General Fund Reserves
Unassigned balance as % of expenditures, excluding AATA & GASB #68 pass-thrus.

Use of fund balance is not a sustainable strategy to fund capital and one-time requests.
Questions

• Please send questions to Sara Higgins and cc Steve Powers, Tom Crawford, & Karen Lancaster
• Responses will be grouped by topic, sent to Council and posted on the City’s website