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# City of **EL MIRAGE**

Arizona

*GRAND HERITAGE, BRIGHT FUTURE!*

## DRAFT ANNUAL BUDGET



**For the fiscal year July 1, 2013 – June 30, 2014**

# Easy Process

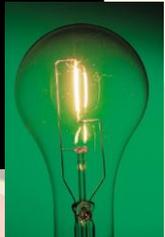
The clear and concise goals and objectives from the Council and Management have made the budget process much more focused and simple.



## **Last Year's Thoughts from City Manager**

Last year we made some tough decisions, setting a path toward ensuring the long-term health of the City.

It is imperative that as the City begins to stabilize, we meet the expectations of the Council and the Citizens in responsible and cost effective ways.



# Thoughts From City Manager

- This year's budget is stable.
- Revenues increase minimally.
- Stable State Shared Revenues.
- Voters authorized debt for essential infrastructure.

This budget will focus on “incremental growth and development”, creating stability, and meeting the expectations of both the Council and the public responsibly.



Balanced budget \$112,833,500

- \$1,412,300 Less than FY 13 Budget.

Operating expenditures are relatively flat

Approximately \$47.4 million major capital expenditures



FY 14

**“Incremental growth and development”**

Previous

**“Innovations and efficiencies in service delivery”**

**“Create stability and meet expectations responsibly”**





# CHANGES TO THE BUDGET

3 adjustments from budget workshops.



# Changes From Council Retreat

General Fund	Reduced Transfers In – double counted	\$85,000
Water Fund	Reduced Transfers Out – double counted	85,000
General Fund	Added City Hall Improvements	12,000
Highway User Revenue Fund	Reduced Traffic Signal Maintenance	12,000
Municipal Court Fund	Reduced Salaries – Transferred to MCEF	53,500
Municipal Court Enhancement Fund	Increased Salaries – Transferred from Court	53,500
General Fund	Reduced Transfers Out – Court & HURF	60,000
Municipal Court Fund	Reduced Transfers In – General Fund	50,000
Highway User Revenue Fund	Reduced Transfers In – General Fund	10,000



# Changes From Council Workshop

	NEW	OLD	DIFFERENCE
PERSONNEL SERVICES	\$ 15,577,500	\$ 15,577,500	0
SUPPLIES	5,854,500	5,854,500	0
SERVICES	8,572,500	8,572,500	0
SPECIAL PROJECTS	4,792,000	4,792,000	0
CAPITAL OUTLAY	47,364,500	47,364,500	0
DEBT SERVICE/FEES	1,778,500	1,778,500	0
CONTINGENCY	11,846,500	11,846,500	0
<b>TOTAL</b>	<b>\$ 95,786,000</b>	<b>\$ 95,786,000</b>	<b>0</b>





**For the fiscal year July 1, 2013 – June 30, 2014**

# REVENUES



# CITYWIDE REVENUES

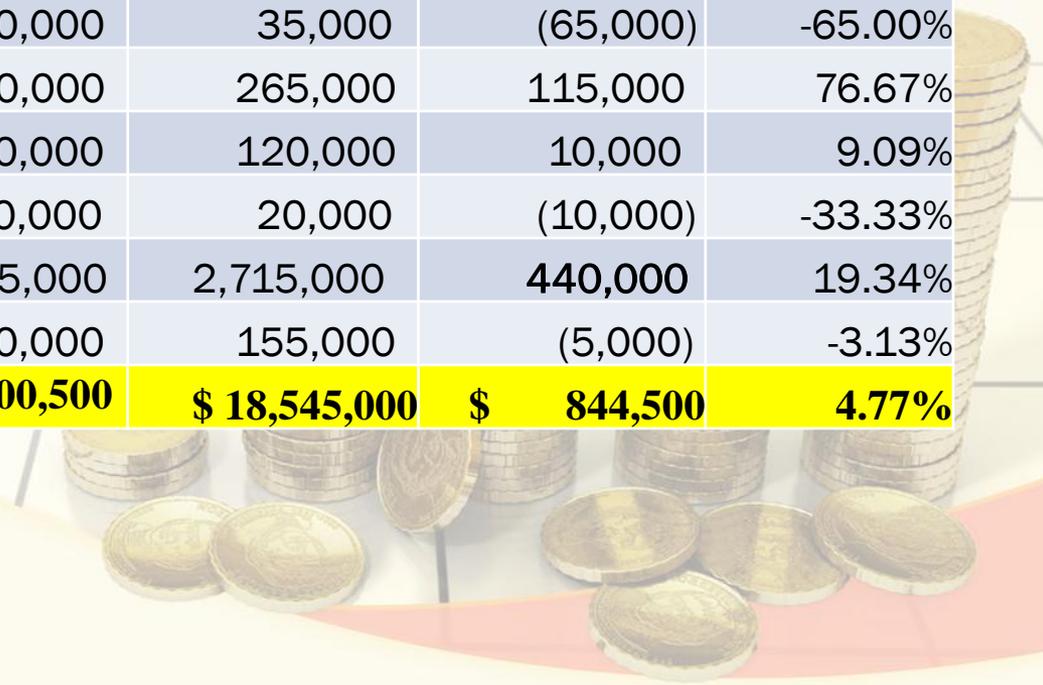


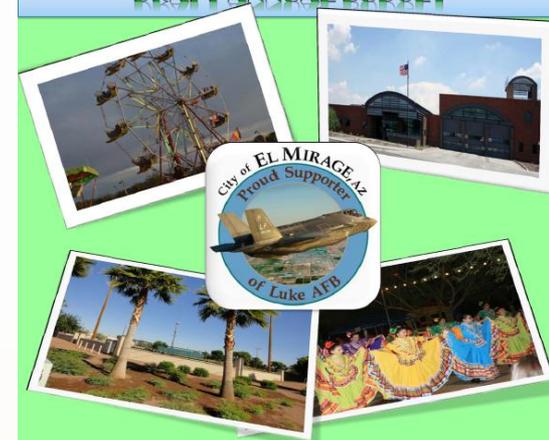
<b>Taxes</b>	<b>\$11,650,000</b>
<b>Licenses and Permits</b>	<b>265,000</b>
<b>Intergovernmental</b>	<b>7,335,000</b>
<b>Grants</b>	<b>36,540,000</b>
<b>Charges for Services</b>	<b>13,485,000</b>
<b>Fines and Forfeitures</b>	<b>3,335,000</b>
<b>Miscellaneous</b>	<b>245,000</b>
<b>Total Revenues</b>	<b>\$72,855,000</b>



# GENERAL FUND REVENUES

			Increase	
	FY 12-13	FY 13-14	(Decrease)	%
	Budget	Budget	Amount	Change
City Sales Taxes	\$ 5,480,000	\$ 5,580,000	\$ 100,000	1.82%
Franchise Fees	690,000	695,000	5,000	0.72%
Primary Property Tax	1,755,500	1,625,000	(130,500)	-7.43%
State Shared Revenues	6,950,000	7,335,000	385,000	5.54%
Grants	100,000	35,000	(65,000)	-65.00%
Bus. Lic./Bldg. Permits	150,000	265,000	115,000	76.67%
Charges for Services	110,000	120,000	10,000	9.09%
Fines & Forfeitures	30,000	20,000	(10,000)	-33.33%
Transfers	2,275,000	2,715,000	440,000	19.34%
Miscellaneous	160,000	155,000	(5,000)	-3.13%
<b>Total General Fund Revenues</b>	<b>\$ 17,700,500</b>	<b>\$ 18,545,000</b>	<b>\$ 844,500</b>	<b>4.77%</b>





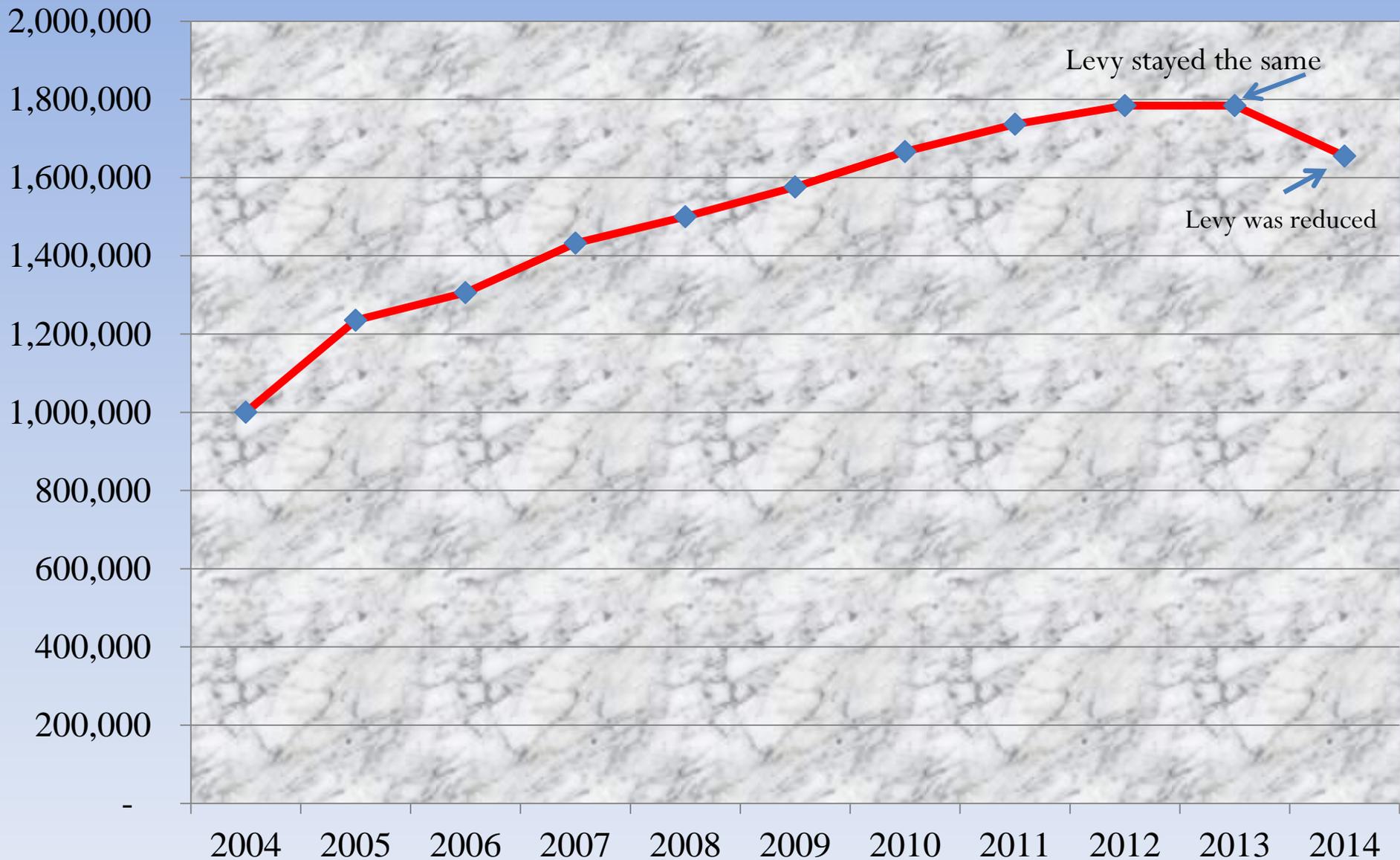
**For the fiscal year July 1, 2013 – June 30, 2014**

# PROPERTY TAX INFORMATION

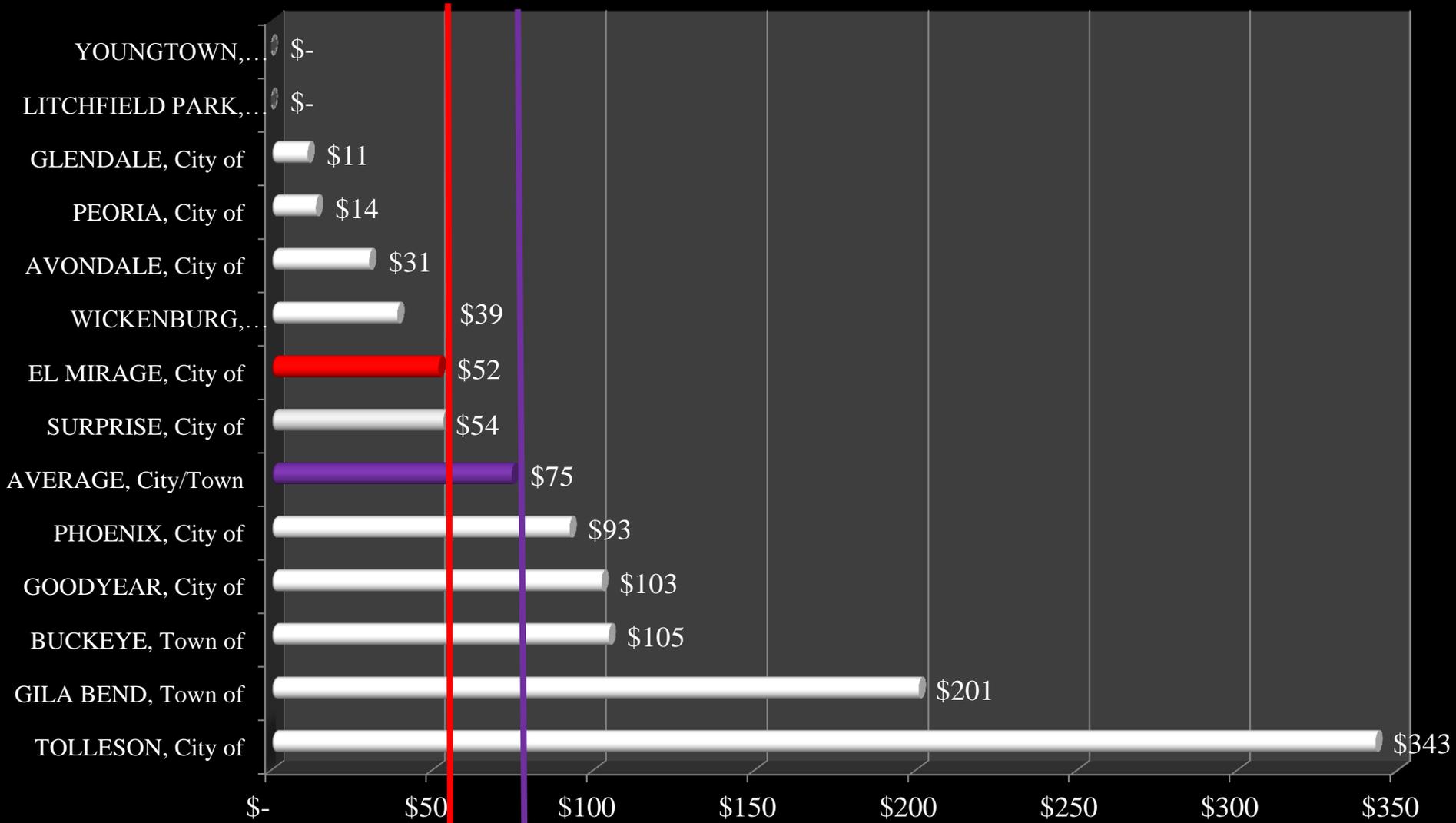
LEVY VS. RATES –  
“RATES ARE MISLEADING”



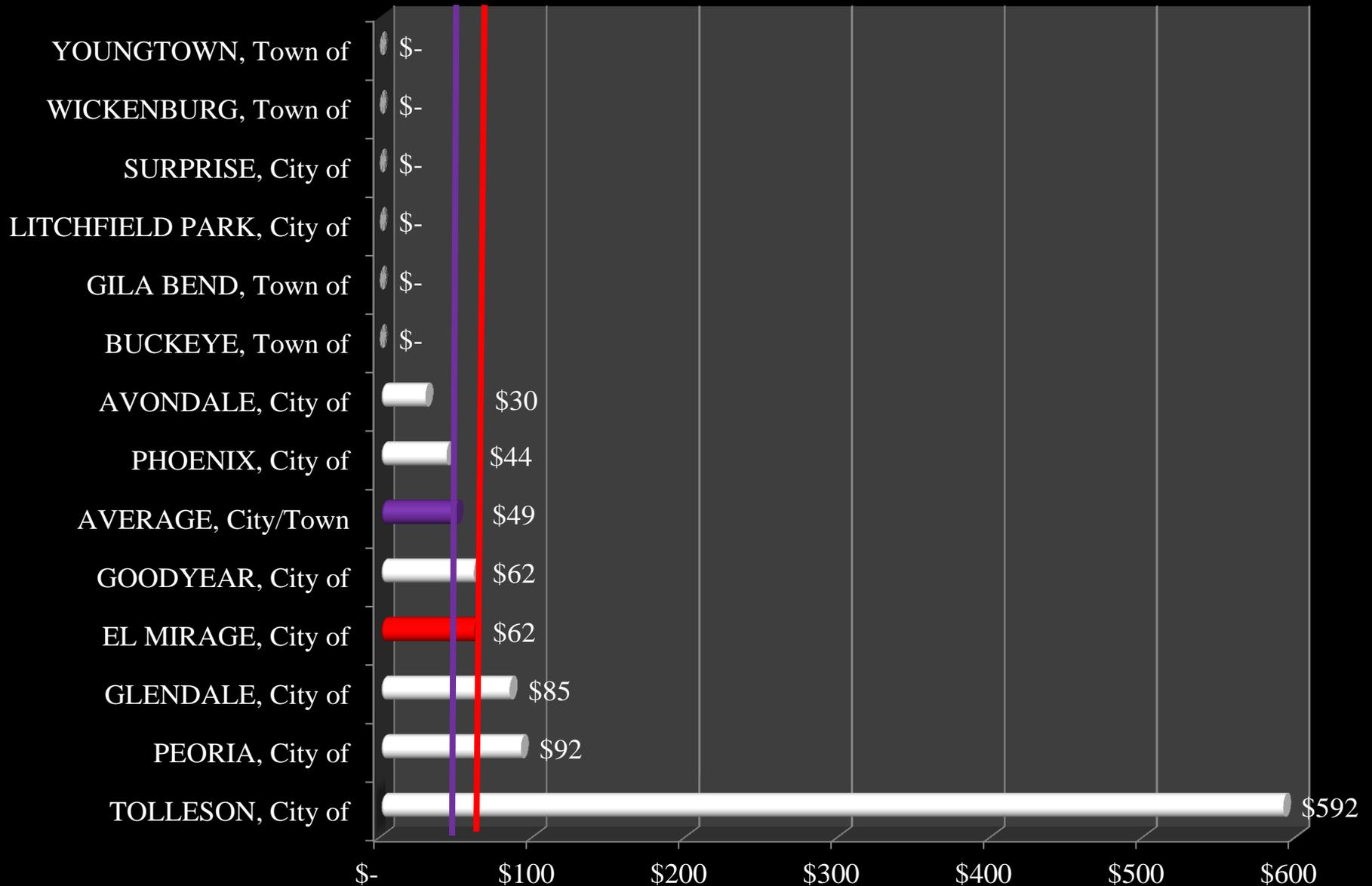
# Primary Property Tax Levy By Year

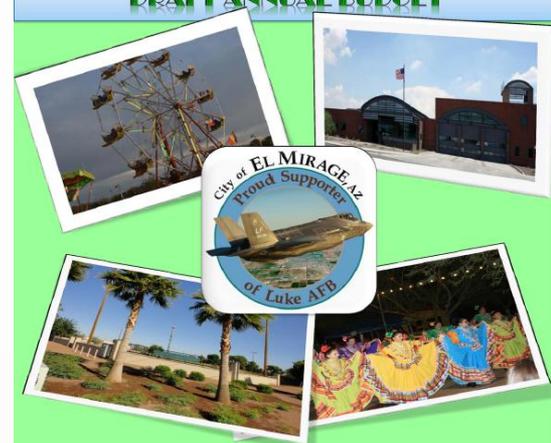


# Primary Tax/Capita



# Secondary Tax/Capita





**For the fiscal year July 1, 2013 – June 30, 2014**

# FEEES



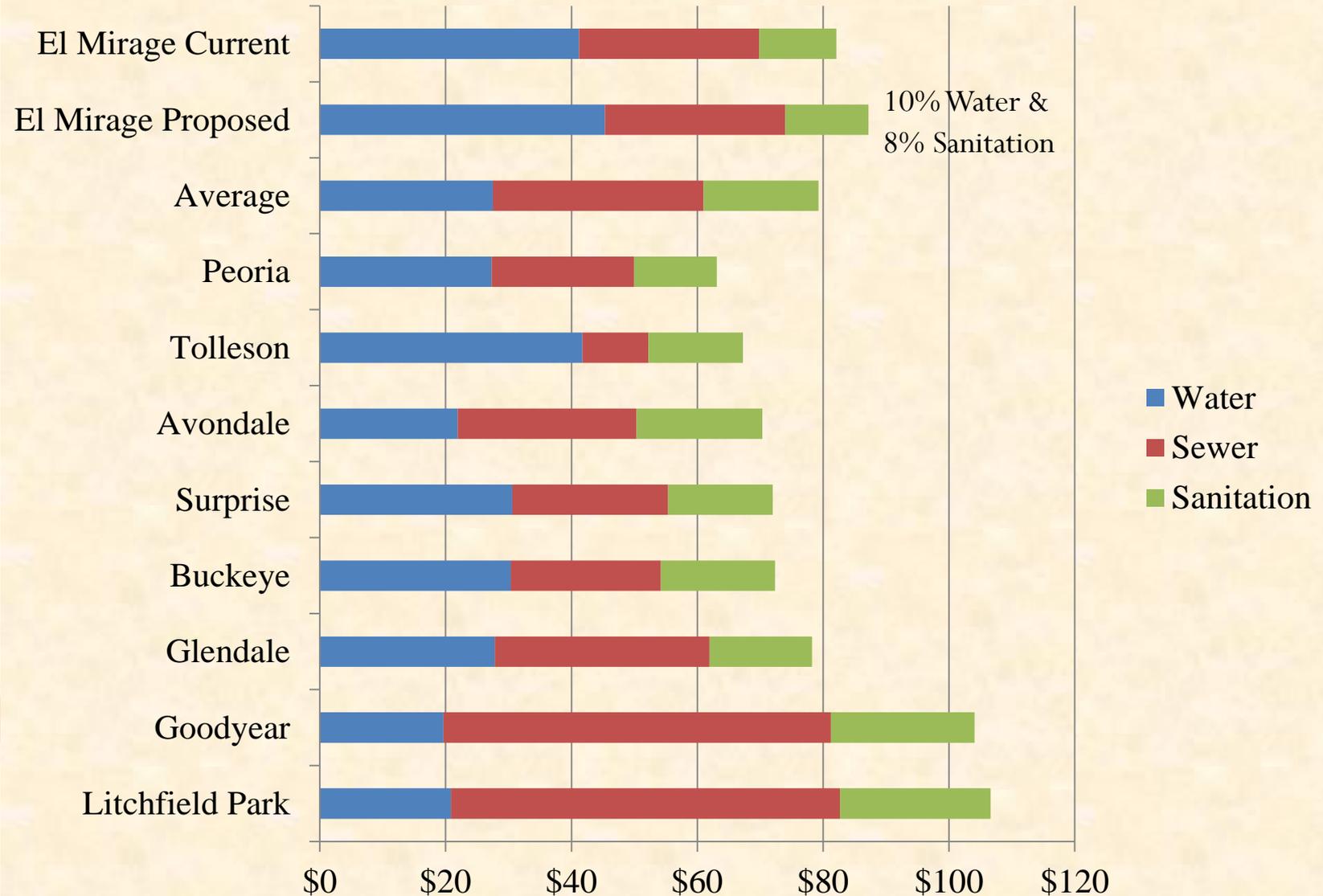
# Recharge table approved by Council through 2016

**Table 3**  
**Projected Recharge Water Rate**

<u>Fiscal Year</u>	<u>Projected Recharge Water Rate</u> (\$/kgals)
2011-12	\$1.30
2012-13	1.36
2013-14	1.49
2014-15	1.69
2015-16	1.87
2016-17	1.87
2017-18	1.87
2018-19	1.87
2019-20	1.87
2020-21	1.87



# Single Family Residential Comparison 2013



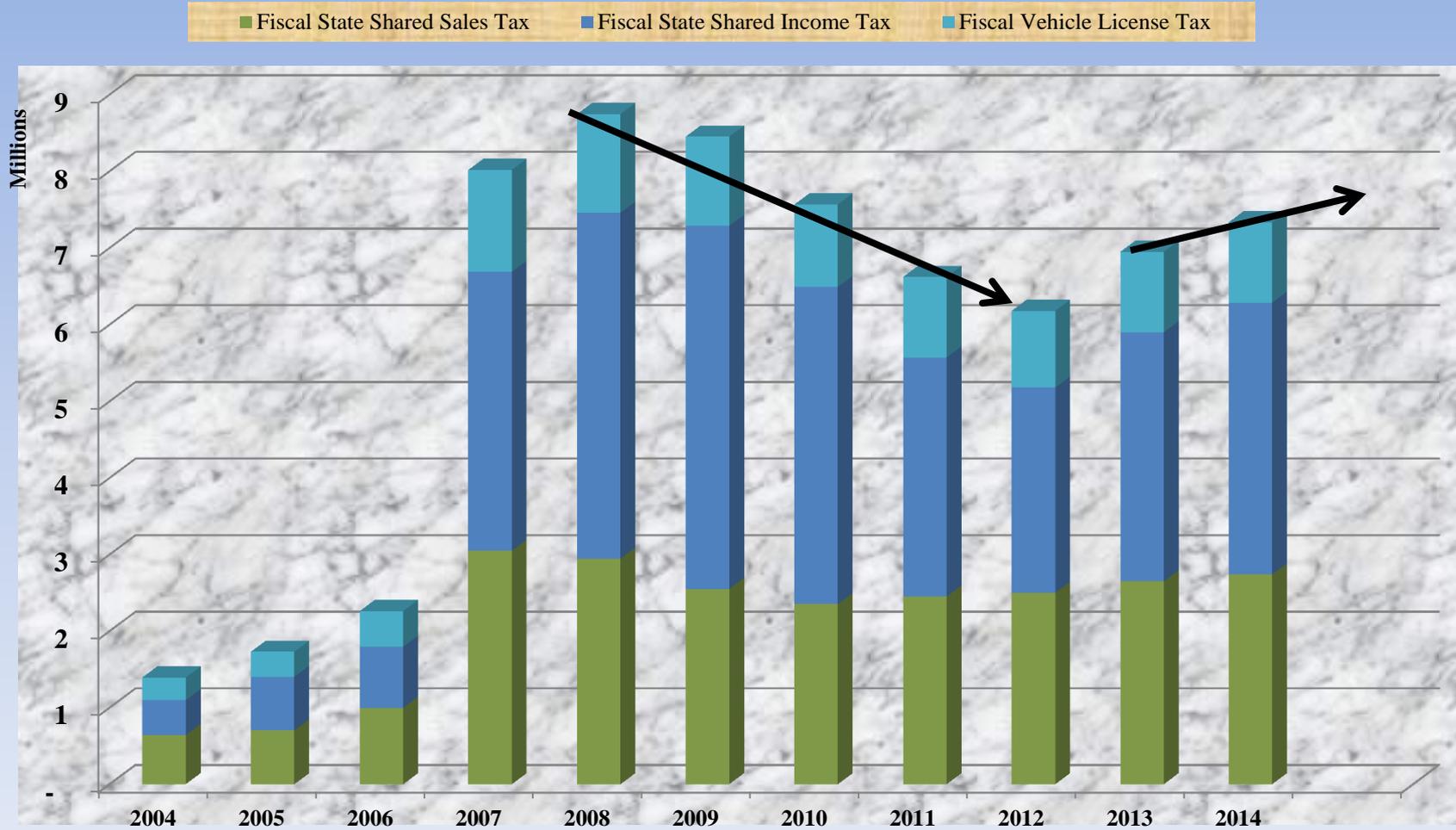


**For the fiscal year July 1, 2013 – June 30, 2014**

# OTHER REVENUES



# STATE SHARED REVENUES

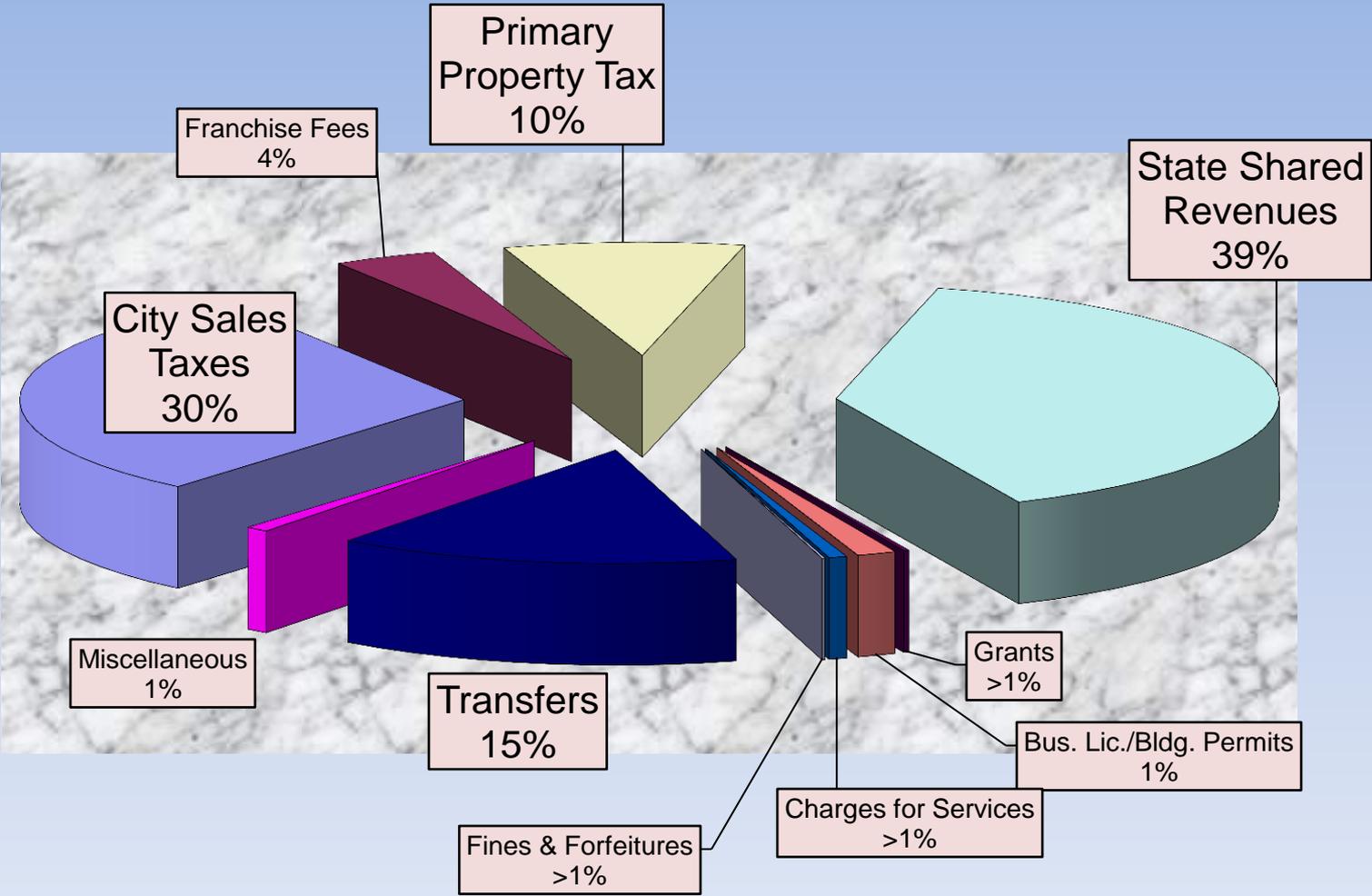


# CITY SALES TAX COLLECTIONS

(including regression analysis)



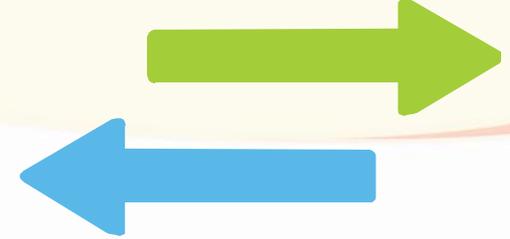
# WHERE GENERAL FUND \$\$ COME FROM



# Current Budget Comparisons: *Sales Tax*



# TRANSFERS/LOANS



Transfer		Gen. Fund	Court	Capital St.	Water	Sewer	Sanitation	HURF	CDBG	Cap. Proj. Parks	Debt Service	TOTAL
↓ Out	→ In											
Gen. Fund		\$ -	375,000	500,000	3,195,000	-	-	365,000	-	3,000,000	100,000	\$ 7,535,000
Sewer Fund		805,000	-	-	555,000	-	-	-	-	-	-	1,360,000
Water Fund		1,095,000	-	-	-	1,020,000	-	-	-	-	-	2,115,000
Sanitation		320,000	-	-	-	-	-	-	-	-	-	320,000
Photo		495,000	-	495,000	-	-	-	-	-	-	-	990,000
HURF		-	-	-	195,000	-	-	-	-	-	-	195,000
<b>TOTAL</b>		<b>\$ 2,715,000</b>	<b>375,000</b>	<b>995,000</b>	<b>3,945,000</b>	<b>1,020,000</b>	<b>-</b>	<b>365,000</b>	<b>-</b>	<b>3,000,000</b>	<b>100,000</b>	<b>\$ 12,515,000</b>
<b>Loans:</b>												
Gen. Fund					2,125,000		600,000					\$ 2,725,000

Includes Interest Payments from Water and Sanitation.

Budget Transfer Methodology			
Description:	From	To	Allocation %
Photo Enforcement	Photo Enforcement	GF/Cap. St.	50% Each Fund*
Customer Service	Sewer	Water	Per Rate Model
Engineering	GF/Sewer/HURF	Water	25% Each Fund
Utility Administration	GF/Sewer/HURF	Water	25% Each Fund

\* Based on prior year's fund balance.





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**DRAFT ANNUAL BUDGET**



**For the fiscal year July 1, 2013 – June 30, 2014**

# EXPENDITURES



**Total Adopted Budget**  
**\$112.8M**

**OPERATING**  
**\$34.8M**

**CAPITAL/PROJECTS**  
**\$47.4M**

**OTHER**  
(TRANSFER/CONTINGENCY/RESERVE/  
DEPRECIATION /DEBT/INTEREST)  
**\$30.6M**

**General Fund**  
**\$16.4M**

**General Fund**  
**\$0.5M**

**General Fund**  
**\$7.7M**

# \$31,615,000 El Mirage Road



\$ 5,236,000

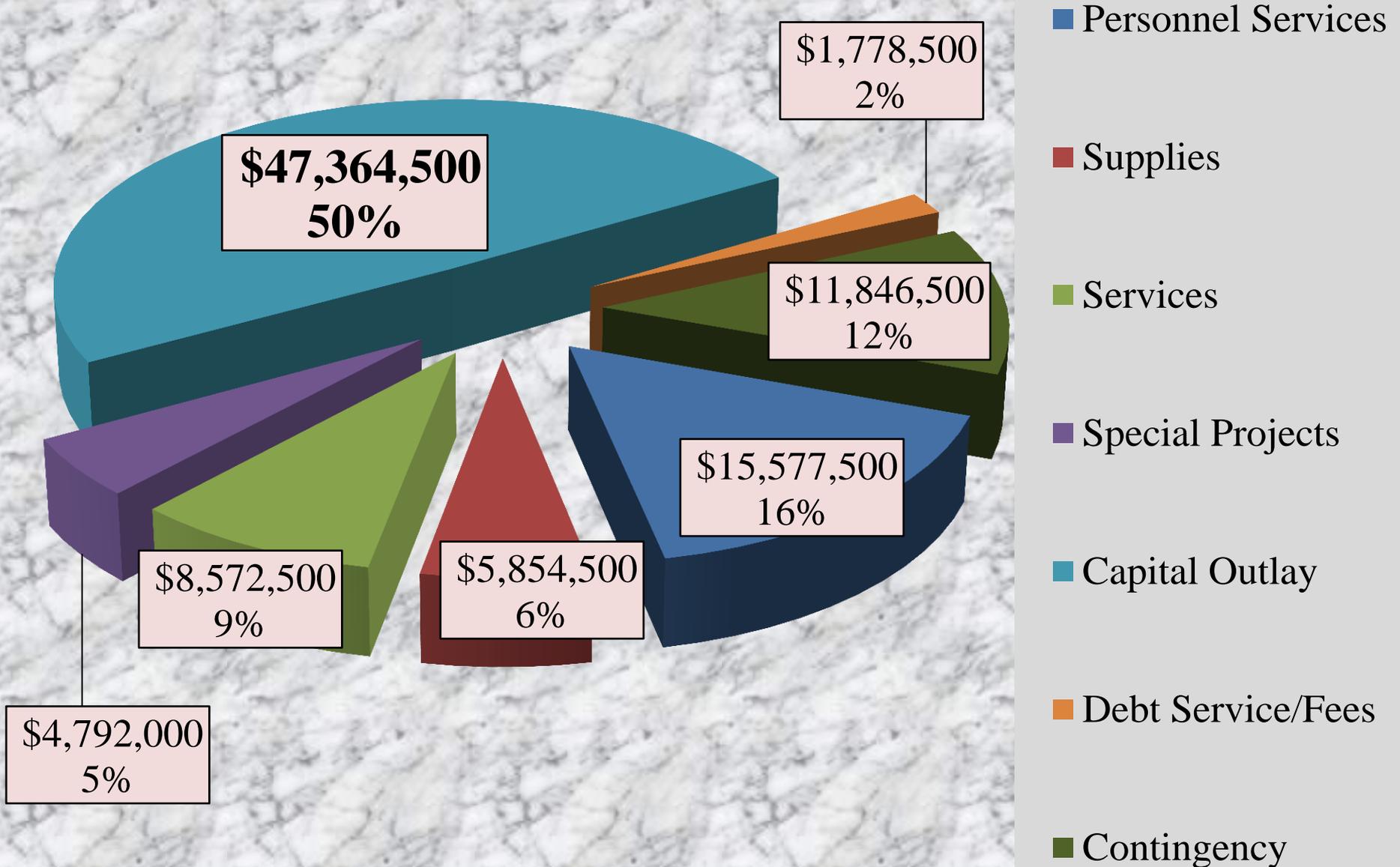
Recreation/Pool Facility



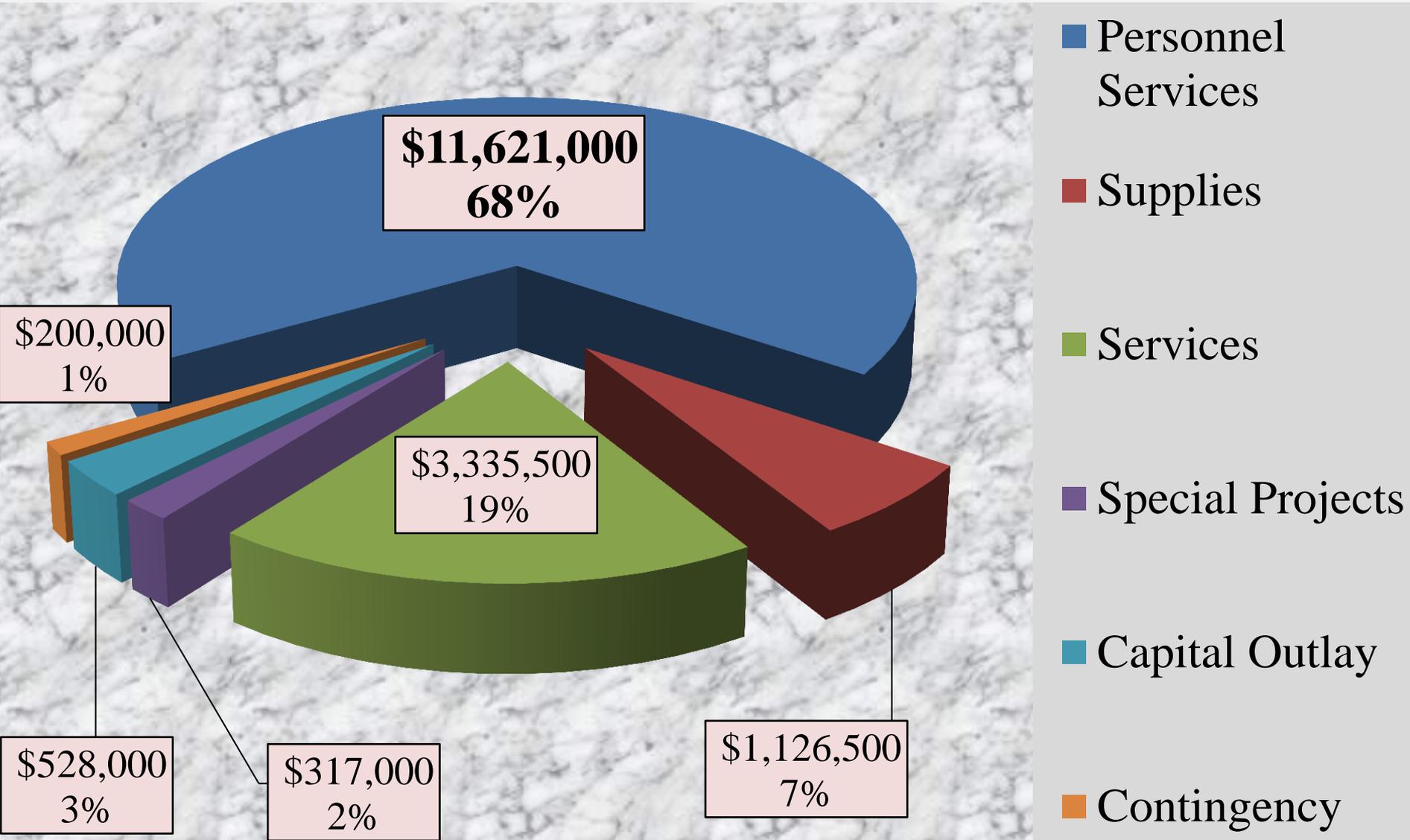
# \$ 5,262,500 Police Facility



# Citywide Expenditures by Category

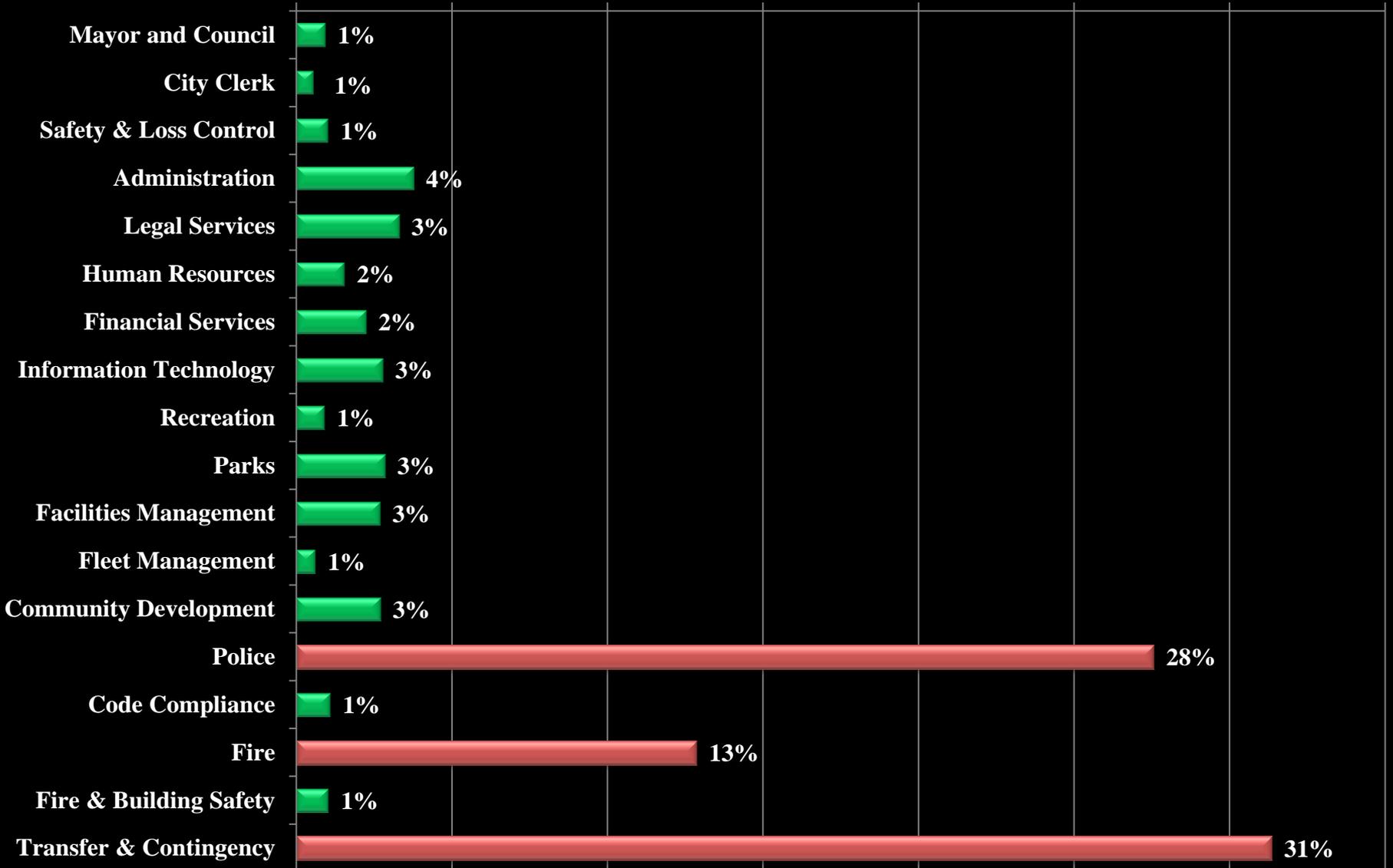


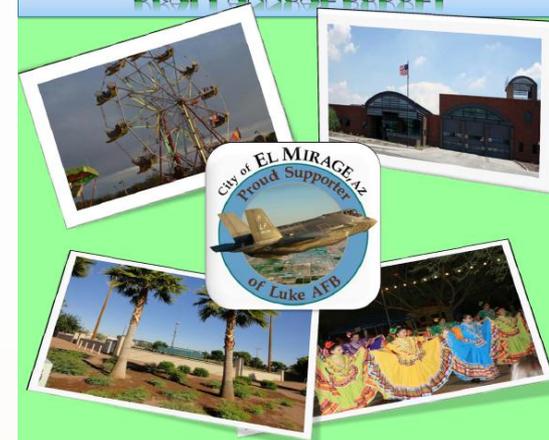
# General Fund Expenditures by Category



# Department Budgets as a Percent of Total General Fund Budget

0% 5% 10% 15% 20% 25% 30% 35%





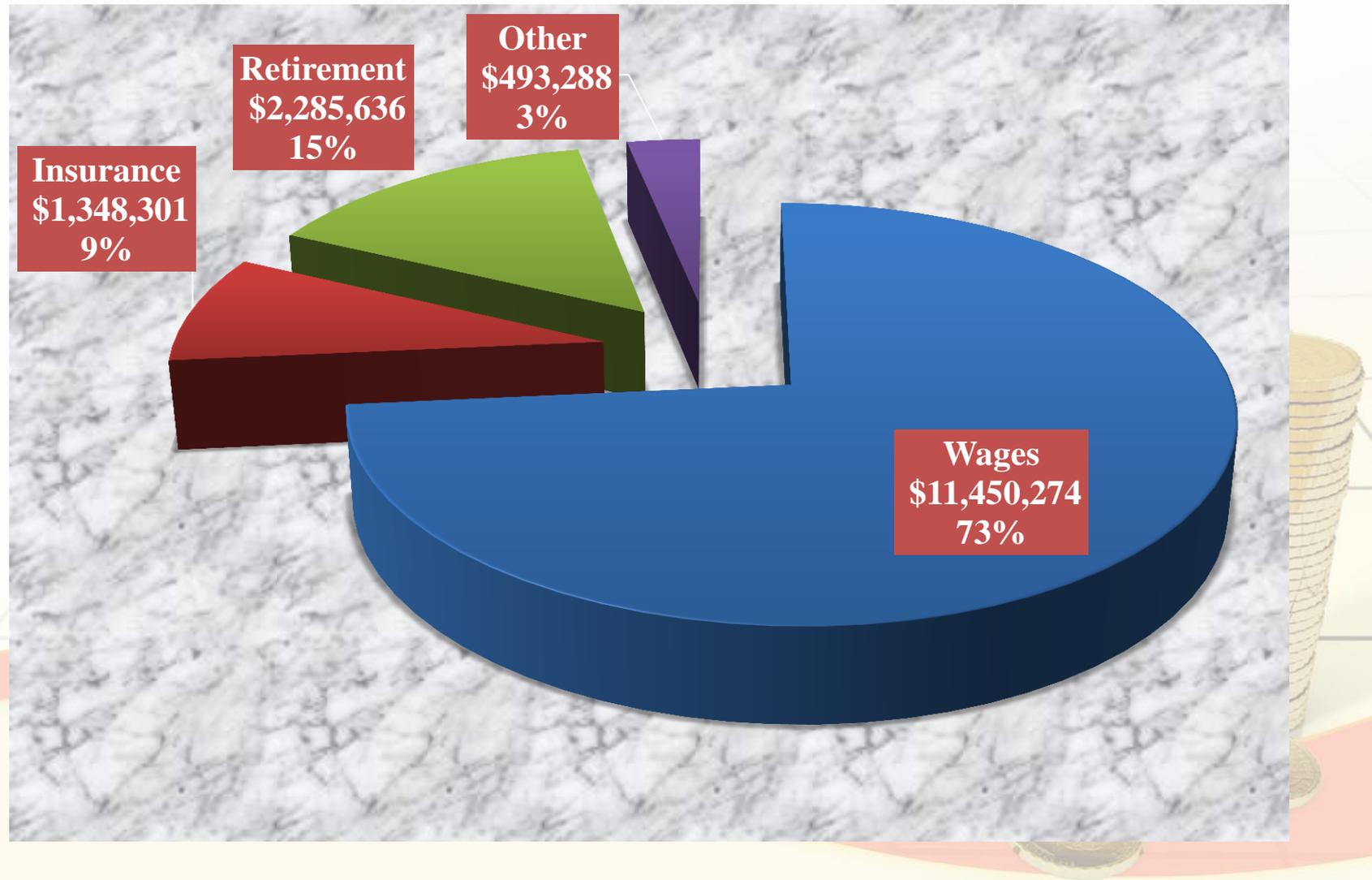
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# WAGES AND BENEFITS

3.5 New positions in Police and Fire



# Personnel Cost Breakdown



# Cost of New Retirement Rates

2013	2014	Change	Description
12.51%	13.96%	1.45%	PSPRS Fire
19.32%	20.22%	0.90%	PSPRS Police
11.15%	11.54%	0.39%	ASRS (+LTD) *
8.64%	9.20%	0.56%	ACR ASRS
10.51%	17.07%	6.56%	ACR PSPRS



# RECAP

1. **Balanced Budget**
2. **Reduced Taxes**
3. **Last Utility Increase**
4. **Less \$\$\$ Per Capita From Residents Than Other Cities**
5. **More Public Safety Positions**
6. **Major Capital – EM Road/Police/Recreation**
7. **Assured Water Supply**
8. **No General Fund Borrowing**
9. **Incremental Growth And Development**



# NEXT STEPS



## **Adopt Tentative Budget**

Scheduled for May 7, 2013

## **Public Hearing for Utility Fee Increases and Property Tax**

Scheduled for May 21, 2013

## **Adopt Final Budget**

Scheduled for May 21, 2013

## **Adopt Property Tax**

Scheduled for June 4, 2013





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**DRAFT ANNUAL BUDGET**



City of EL MIRAGE, AZ  
Proud Supporter  
of Luke AFB

For the fiscal year July 1, 2013 – June 30, 2014

# QUESTIONS



City of  
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