

5-YEAR BUDGET ASSUMPTIONS:

- TIF 4 comes back online in year 2015- Approximately \$375,000 of tax capacity. After 2014, \$275,000 of Funding for Roads goes away
- 5 year assumptions from County Assessor/Conservative Valuations:
2014 flat
2015- 2-4% for residential flat for commercial
2016- 1-2% conservative won't go higher possible increase in interest rates
2017 1-2% conservative won't go higher possible increase in interest rates
2018 1-2% conservative won't go higher possible increase in interest rates
- New Growth Value from building: Two year lag ; Est. based on 2012 activity
- 2.5% COLA adjustments (Current contracts thru 2014). Will need to be renegotiated for 2015-2018.
- Landfill Tipping Fee Fund: Funding Depleted in 2016- Salary of City Planner/Environmental Coordinator will be General Funded
- Health Insurance increases of :
2014: 9.5% + 3.8% Health Care reform = 13.3% Use 6.5% for budget
2015: 10.5% +3.8% Health Care Reform = 14.3% Use 7% for budget
2016: 11.5% + 3.80% Health Care Reform = 15.3% Use 7.5% for budget
2017: 12.5% +3.8% Health Care Reform = 16.3% Use 8% for budget
2018: 13.5% + 3.8% Health Care Reform = 17.3% Use 8.5% for budget

ADDRESS OF HEALTH INSURANCE ISSUES:

- Work with Unions – Cap Health Insurance.
- Should a fixed 5% annual increase be used?
- Possibility of more waivers as limit has been lifted
- 2015: Pera police increase to 16.2% from 15.3%
 - Unknown if State will mandate increased rates past 2015
- \$500,000 for Road Recon 2014-2018. Funding needed of approximately \$2.2M
 - Assumes Franchise Fee or other funding source will cover add'l expense

- **Strategic Planning Items:**

- 2015- \$20,000 Consultant for Comp Plan (0191.6315)
- 2015-\$20,000 PW Facility Study (0311.6315)
- 2015-\$25,000 Cameras in Parks (0211.6281)
- 2014-\$5,000 Supervisor Training (0130.6335)
- 2014-\$7,500 Professional Survey (0111.6315)
- 2015-\$10,000 Work Process Consultant (0130.6489)
- 2014-\$45,000 Communications Consultant (0130.6489)

Staffing – Year Included in Strategic Planning & Included in Budgets

- 2014-Office Assistant (25 Hours/wk) 2015-2018 Full Time
- 2014-IT Tech (20 hours/wk) Retain at 20 Hours week
- 2014-Patrol Officer (June 1 start) 2015-2018 Full-Time
- 2015-Drug Task Force Patrol Officer - Full time forward
- 2014-Admin Intern-1040 Hours (stays on for 2015-2018)
- 2014-Planning Intern-1040 Hours (stays on for 2015-2018)
- 2014-Rental License Intern-1040 Hours (stays on for 2015-2018)
- 2014-Code Enforcement Intern-1040 Hours (stays on for 2015-2018)
- 2014-Bldg Inspect Intern-1040 Hours (stays on for 2015-2018)
- 2014-Park & Rec Intern-1040 Hours (stays on for 2015-2018)
- 2014-5 Position **Reclasses:** IT Coor, Permit Tech, CD Dept Secretary, Environmental Coordinator, PW Street Maint Worker
- 2015-1 Position **Reclass:** Development Services Manager
- 2015-Park Maintenance Worker – Full Time Forward

- **Staffing Not included in Strategic Planning Document**

- 2014-Building Inspector: April start date; 2015-2018 Full Time
- 2014-Engr Intern – 625 Hours
- 2016-Communications Coordinator – Full Time Forward
- 2016-Associate Planner – Full Time Forward
- 2016-Police Officer – Full Time Forward
- 2016-Permit Tech – Full Time Forward
- 2016-Street Maintenance Worker – Full Time Forward
- 2017-Assistant City Administrator – Full Time Forward
- 2018-Police Officer – Full Time Forward

- Capital Equipment: (Funding is depleted by 2017 if Equipment Fund is used)
- Complete Listing of the Capital Equipment Items are included in the 2014-2018 Capital Improvement Plan (CIP)

Totals 2014: \$481,950 (Phone System, 3 Squads, Truck with Plow, Flail Mower & Zero Turn Mower)

Totals 2015: \$453,950 (3 Squads, Replace Taurus, Engr Veh, Snowplow Truck, Mower)

Totals 2016: \$758,350 (3 Squads, PD F-150, PD Impala, Bldg Vehicle, Fire Rescue Tk, Case Loader, Snow Plow Tk, Mule)

Totals 2017: \$606,135 (3 Squads, PD Taurus, Grass Truck, Plow Truck Tool Cat, Pickup Plow)

Totals 2018: \$640,650 (3 Squads, Fire Chief Veh, Sidewalk Mach)

ADDRESS CAPITAL EQUIPMENT ISSUE:

- Push out equipment purchases – use full life +
- Use of Capital Equipment Certificates: Partial/Full Amount
- Combination of Tax Levy & Equipment Fund to extend life of Equipment Fund

Notables in 5-Year Budget:

Revenue:

Property Tax Increase of:

\$984,956 from 2014 to 2015

\$454,835 from 2015 to 2016

\$564,055 from 2016 to 2017

\$1,096,760 from 2017 to 2018 (\$640,650 cap equipment all Gen Funded)

Local Government Aid (LGA)-Held constant at \$90,000

- State likes to take this funding back when budget deficits

Building Permits: 2010 Levels. Conservative at \$230,000

Transfers In Increase (Decrease) of:

(\$551,993) from 2014 to 2015 (TIF 4 Decertified & Decrease Capital)

\$442,863 from 2015 to 2016 increase in capital funded via equip fund

(\$219,856) from 2016 to 2017 decrease in cap purchases fund via equip fund
(\$495,500) from 2017 to 2018-Capital Equipment funded 100% via prop tax

Expenditures:

Personnel (Salaries & benefits but **not** health insurance) Increase of:

\$414,305 from 2014 to 2015

\$528,529 from 2015 to 2016

\$313,662 from 2016 to 2017

\$321,928 from 2017 to 2018

Health Insurance Increases

\$75,951 from 2014 to 2015

\$100,555 from 2015 to 2016

\$72,714 from 2016 to 2017

\$79,680 from 2017 to 2018

Other Issues that will need to be addressed but unsure of today:

- Joint Fire Service – Savings?