

City of Clayton

Budget Presentation

August 10, 2010

Public Hearing

Vision 2013:

Vision

To be a leading community that thrives
on innovative thinking, adaptive
approaches to new challenges and 21st
Century sustainable practices

Vision 2013: Mission

To foster a vital, balanced community composed of outstanding neighborhoods, quality businesses, commercial and government centers, premier educational institutions, and a healthy natural environment through an open, accessible and fiscally responsible government.

Vision 2013: Goals

- I. Ensure the public's safety and respond effectively and efficiently to all emergencies throughout the community.
- II. Maintain and grow a strong, diversified economic base that enriches the City's quality of life, preserves the integrity of our residential neighborhoods, and is consistent with the Comprehensive Plan.
- III. Create and maintain a beautiful, clean and healthy community where resources are used responsibly.

Vision 2013: Goals

- IV. Encourage widespread participation in a variety of recreational and cultural activities, which are accessible to all community members.
- V. Foster all safe and accessible modes of travel including walking and biking.
- VI. Efficiently and transparently align organizational resources to achieve the Vision, Mission and Goals of the City of Clayton.

Budget and Finances



Summary

- FY 2011 to FY 2013 Budget document distributed to Mayor & Board of Aldermen on July 2, 2010.
- Two budget workshops held on July 8th and July 28th.
- Public Hearing scheduled for 8-10-2010 for both the property tax levy and FY 2011 to FY 2013 budget approval.
- Maintains current level of services.

Summary – (con't)

- Significant changes:
 - Consolidated General, Parking and Insurance Funds into a new General Fund.
 - Consolidated Revolving Public Improvement and Recreation & Storm Water Funds into a new Capital Improvement Fund.
 - Includes capital projects greater than \$25,000
 - Established a ranking system for all projects
 - Moved projects less than \$25,000 into the General Fund

Summary – (con't)

- Significant changes (con't):
 - Proposed three year budget for the General Fund includes an approximate \$1 million a year to repay the debt service on the Build America Bonds issued in 2009 for the new Police Building.
 - The original General Fund as proposed over the three years included expenses exceeding revenues by \$9 million and reducing fund balance to \$12.34 million by the end of the third year.

Summary – (con't)

- Significant changes (con't):
 - The BOA directed staff after the July 8, 2010 workshop to present some alternatives for their review on July 28, 2010.
 - The result was an increase in revenue and decrease in expenses totaling \$1.716 million over the three years thereby reducing the fund balance to 14.055 million compared to the original proposal of \$12.34 million.

Summary – (con't)

- Significant changes (con't):
 - Additionally:
 - Parking meter rates will be increased from \$.75 per hour to \$1.00 per hour
 - Parking meter violation fine is recommended to go from \$5 to \$10 and include the elimination of the discount.
 - After hours work permit fee (\$50), currently no charge
 - Non-resident rental of park shelters
 - Allow rental of the patio at Oak Knoll Park.
 - The BOA recommended levying the maximum property tax rate for the Special Business District – an increase of \$149,000 each year.

Summary – (con't)

- Significant changes (con't):
 - Additionally:
 - Bidding the refuse contract results in a three year savings of approximately \$967,000.
 - The BOA is seeking approval from the residents in November 2010 for a new up to 5% tax on hotel rooms to promote tourism within the City of Clayton.
 - the Proposition P referendum initiative for the new Police Building passed which will allow the City to levy a tax to pay for the Build America debt service starting in FY 2014.

Summary – (con't)

- Significant changes (con't):
 - Additionally:
 - Since this is a one-year adopted budget and a two year plan, staff and the BOA will address future year deficits on an on-going basis as well as next year at this time.

City of Clayton – FY 2011 Budget Summary

Fund	Revenues	Expenditures	Over / (under)	Beginning Balance	Ending Balance	% of ending balance to expenditures
General	22,323,301	24,561,831	-2,238,530	21,352,577	19,114,047	77.82%
Capital Improvement Fund	14,137,088	17,978,102	-3,841,014	3,844,380	3,366	0.02%
Special Revenue Fund	534,505	374,167	160,338	355,540	515,878	137.87%
Equipment Replacement	548,029	1,371,820	-823,791	2,217,381	1,393,590	101.59%
Uniformed Pension	3,096,598	1,553,390	1,543,208	27,620,375	29,163,583	1877.42%
Non-uniformed Pension	936,259	360,567	575,692	9,700,829	10,276,521	2850.10%
Debt Service	4,874,776	11,651,339	-6,776,563	9,467,157	2,690,594	23.09%
SUBTOTALS	46,450,556	57,851,216	-11,400,660	74,558,239	63,157,579	
Inter-fund Transfers	12,076,097	12,076,097				
TOTALS	34,374,459	45,775,119				

The total FY 2011 City of Clayton budget is as follows:

Revenues	\$ 46,450,556
Expenditures	<u>\$ 57,851,216</u>
Net change	\$-11,400,660
Beginning Fund Balance	\$ 74,558,239
Ending Fund Balance	\$ 63,157,579

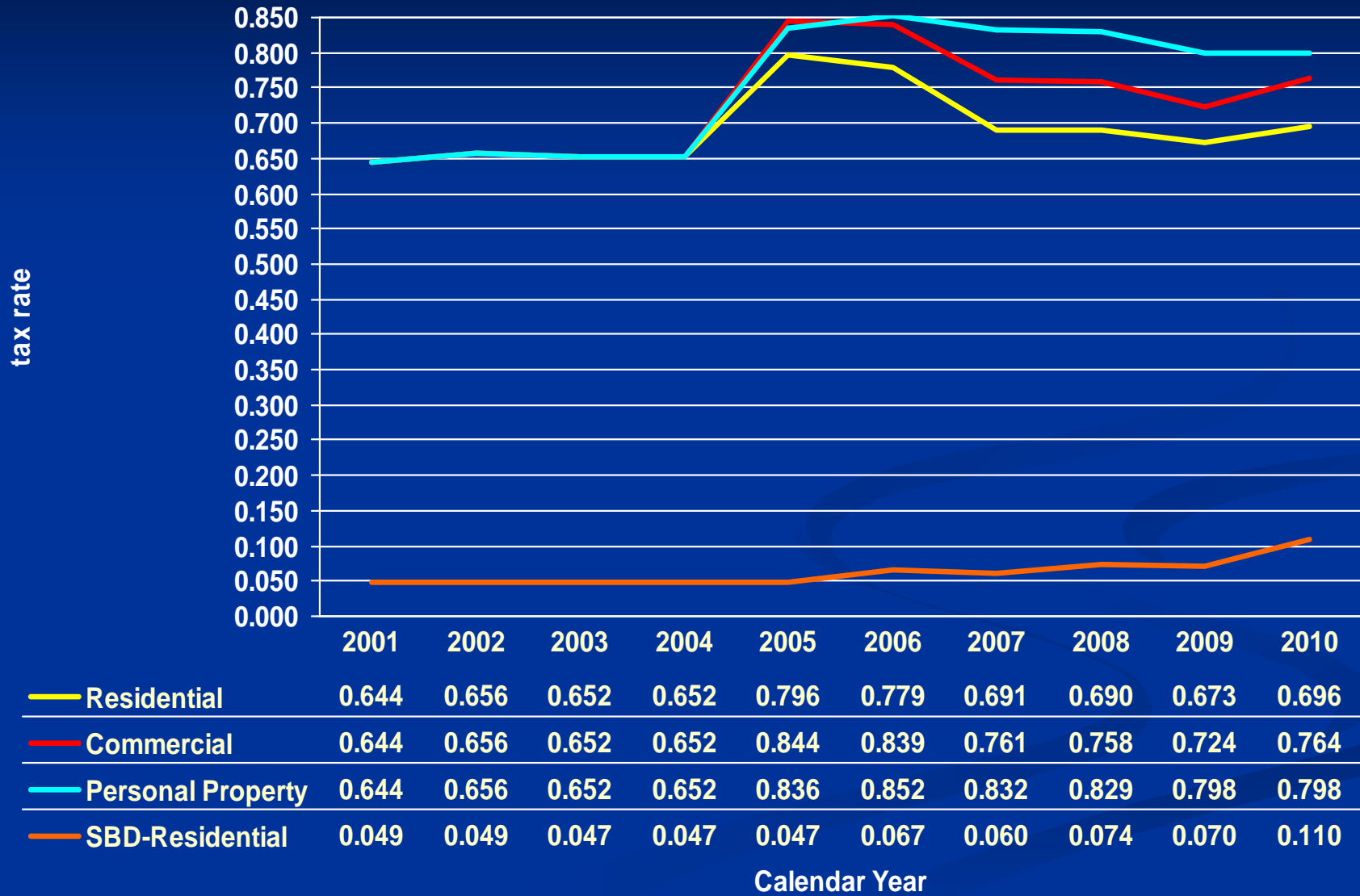
The largest portion of the net change of \$-11,400,660 is related to the new Police Building.

The total FY 2011 General Fund budget is as follows:

Revenues	\$ 22,323,301
Expenditures	<u>\$ 24,561,831</u>
Net change	\$- 2,238,530
Beginning Fund Balance	\$ 21,352,577
Ending Fund Balance	\$ 19,114,047

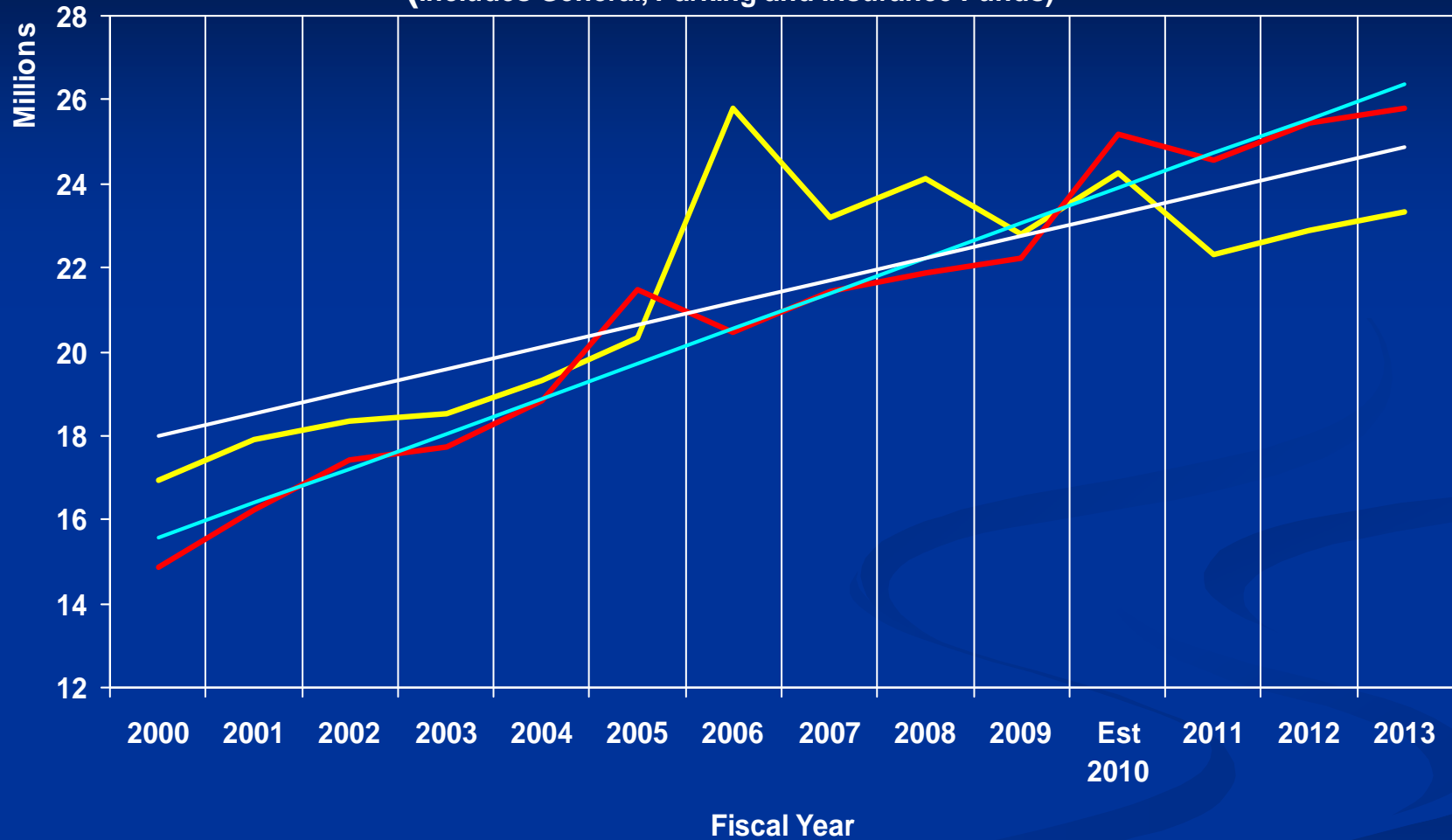
The General Fund starting in FY 2011 incorporates the General, Parking and Insurance Funds. Please note that \$1 million of the \$2.2 million deficit is attributable to the debt service on the Build America Bonds for the new Police Building.

Property Tax Rates by Category



(New) General Fund Revenues/Expenses

(includes General, Parking and Insurance Funds)



— Revenues — Expenses — Linear (Expenses) — Linear (Revenues)

Significant impacts to the General Fund budget since 2000

- Refuse - \$867,000 increase over 2002
 - \$1.165 million in FY 2000
 - \$ 885,000 in FY 2002
 - \$1.752 million in FY 2010
- Uniformed pension – 478% increase
 - \$194,999 in FY 2000
 - \$1.127 million in FY 2010
- 27th pay period in 2005 - \$335,000
- Salary increases – 39% increase
 - \$7.07 million in 2000
 - \$10.1 million in 2010

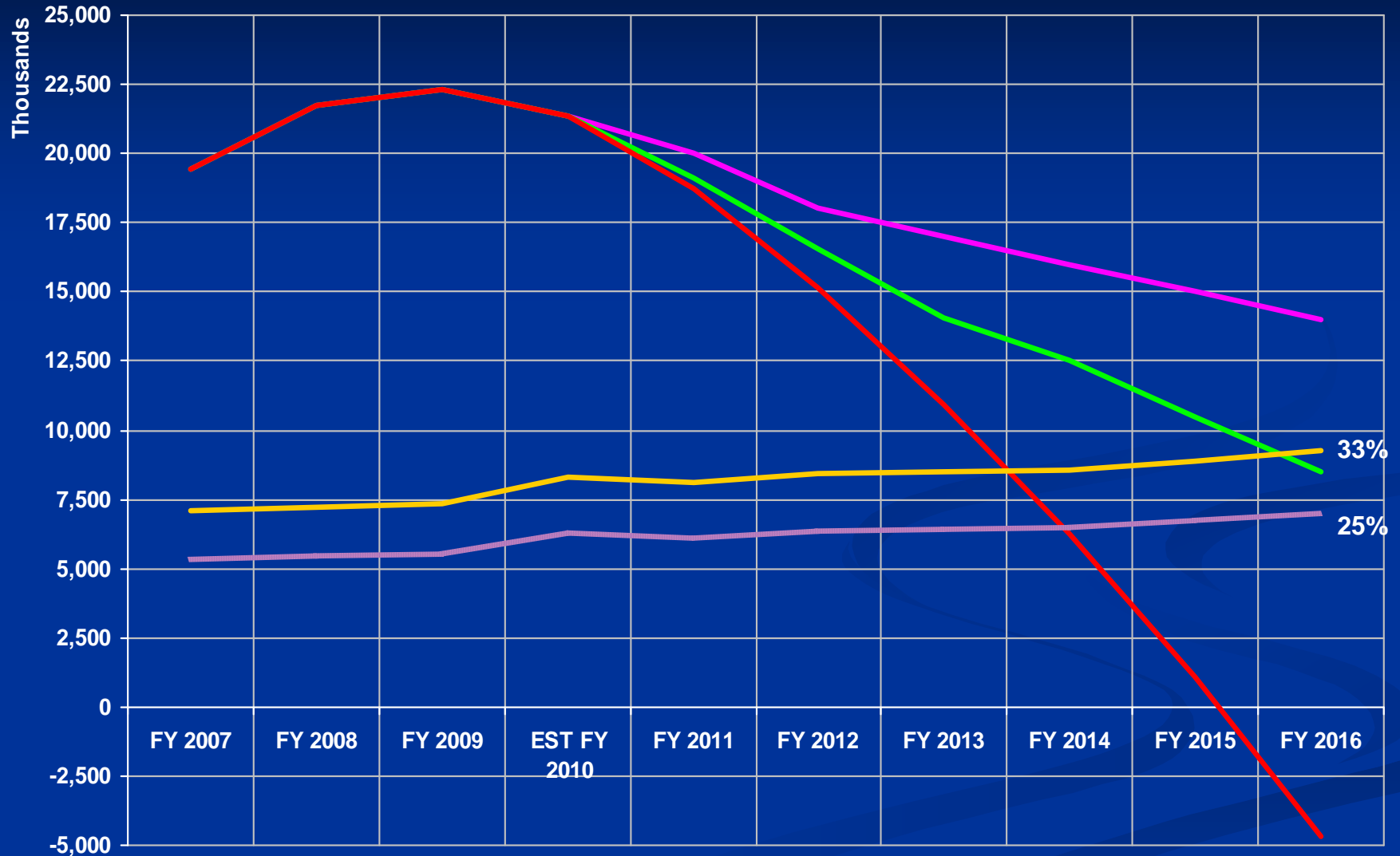
Significant impacts to the General Fund budget since 2000

- Transfers to Insurance Fund – 66% increase
 - \$289,514 in 2000
 - \$482,000 in 2010
- City paid health insurance – 130% increase
 - \$519,633 in 2000
 - \$1.2 million in 2011
 - Total premium is approx \$1.53 million

General Fund (combined) Balances - actual and projected*



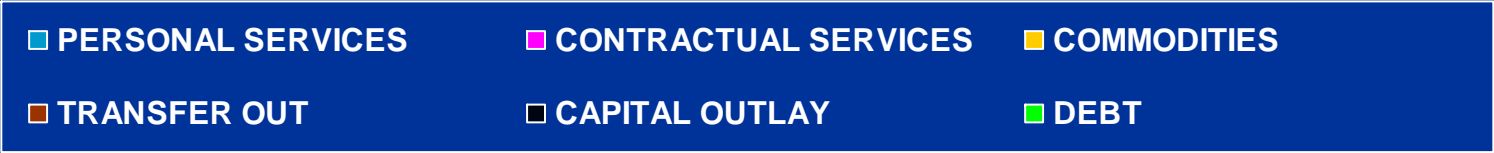
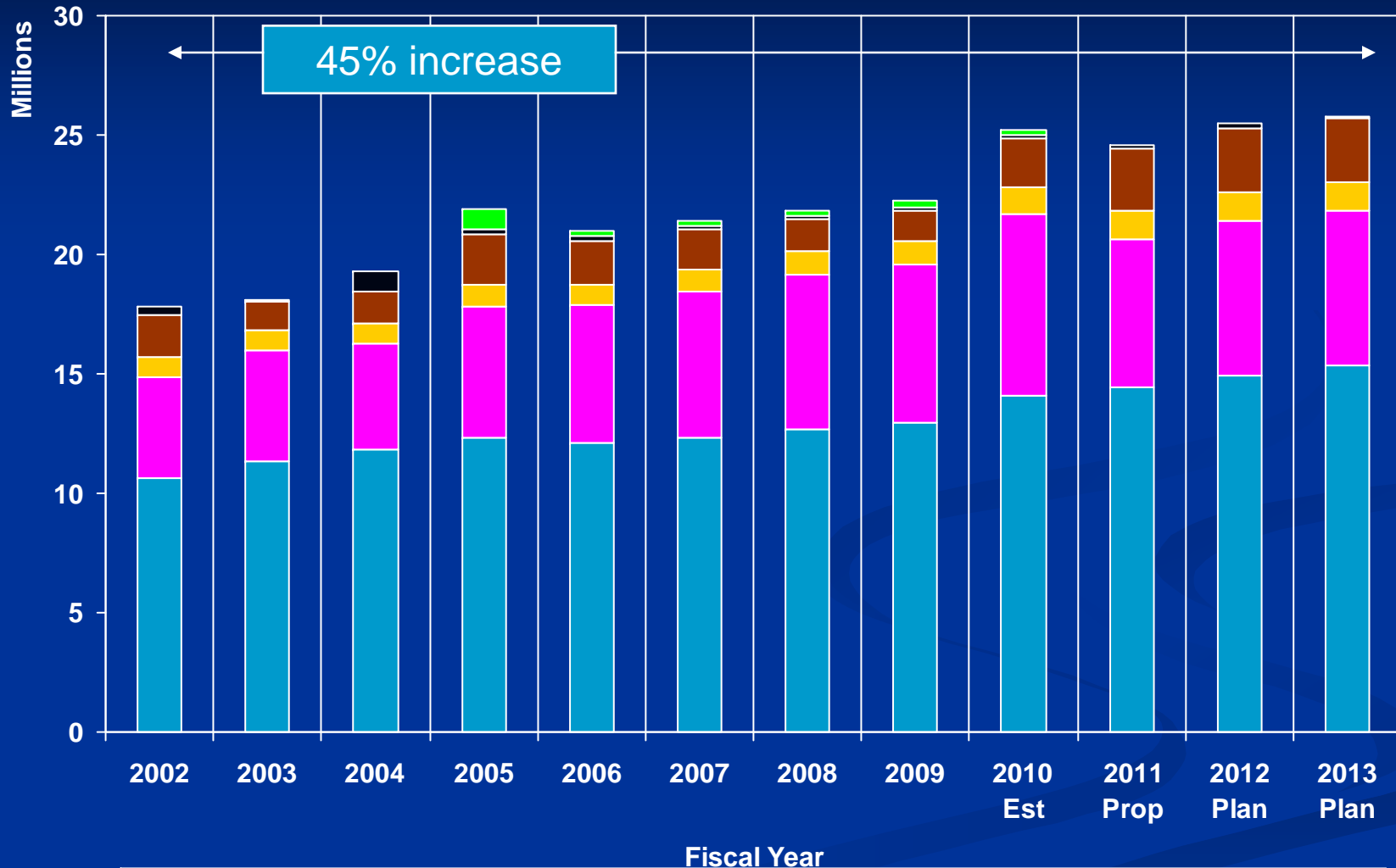
General Fund Balance Best, Worst and Most Likely



— Best
 — Most Likely
 — Worst
 — Most Likely 33%
 — Most Likely 25%

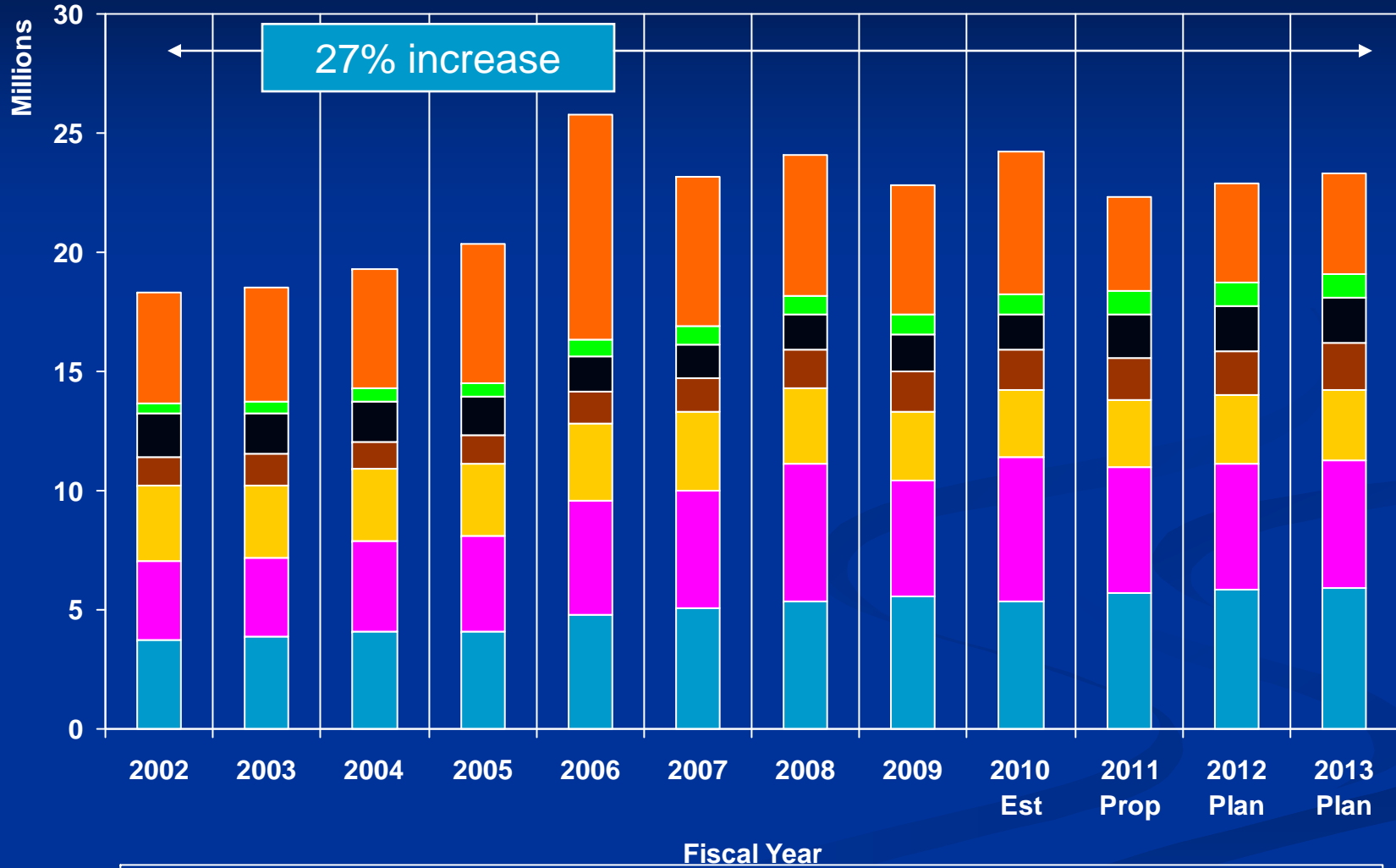
General Fund Expenditures

(General, Parking and Insurance Funds)



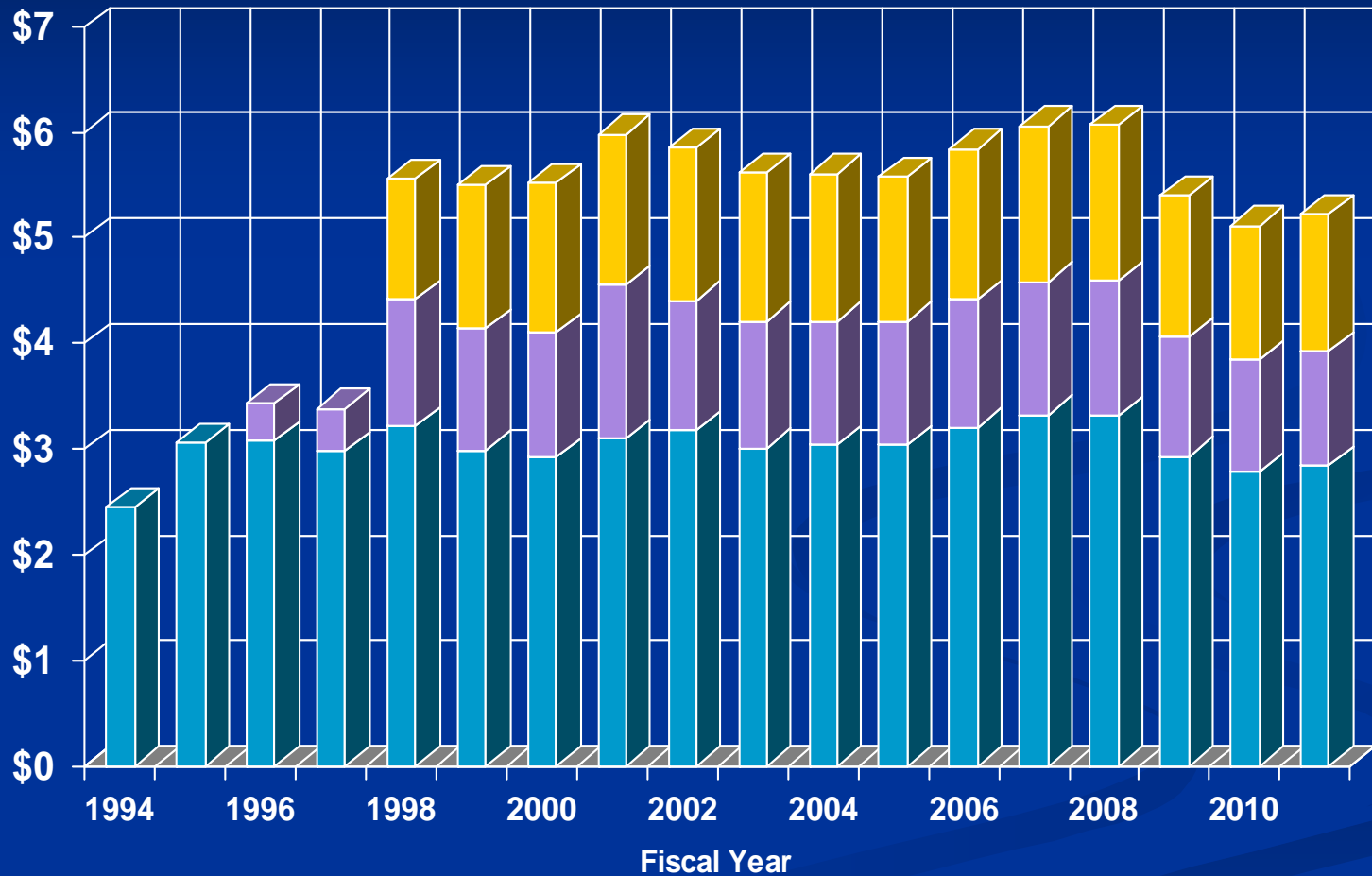
General Fund revenues

(General, Parking and Insurance Funds)



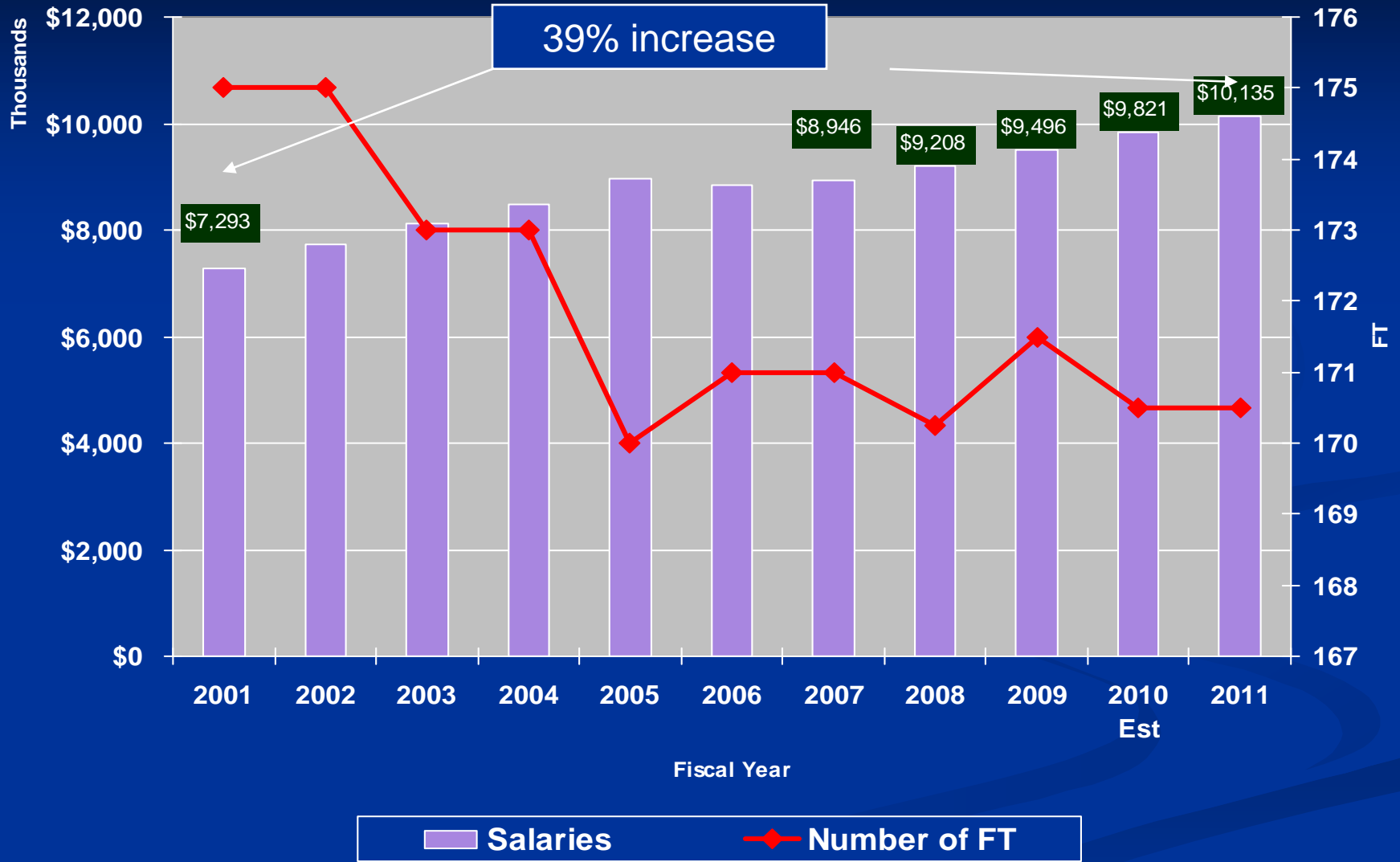
Sales tax history

Millions

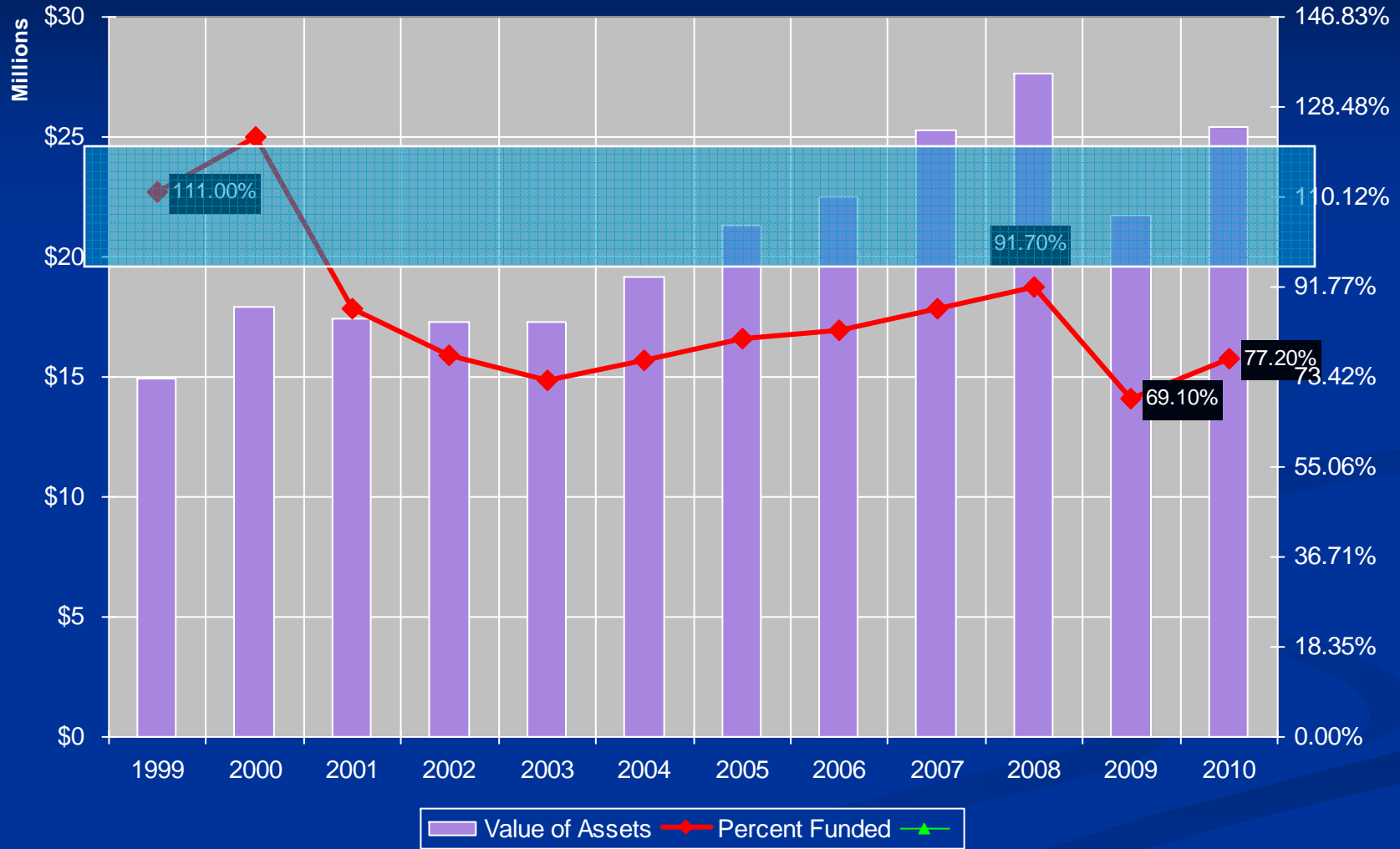


■ One and quarter cent ■ Half-cent capital ■ Half-cent parks

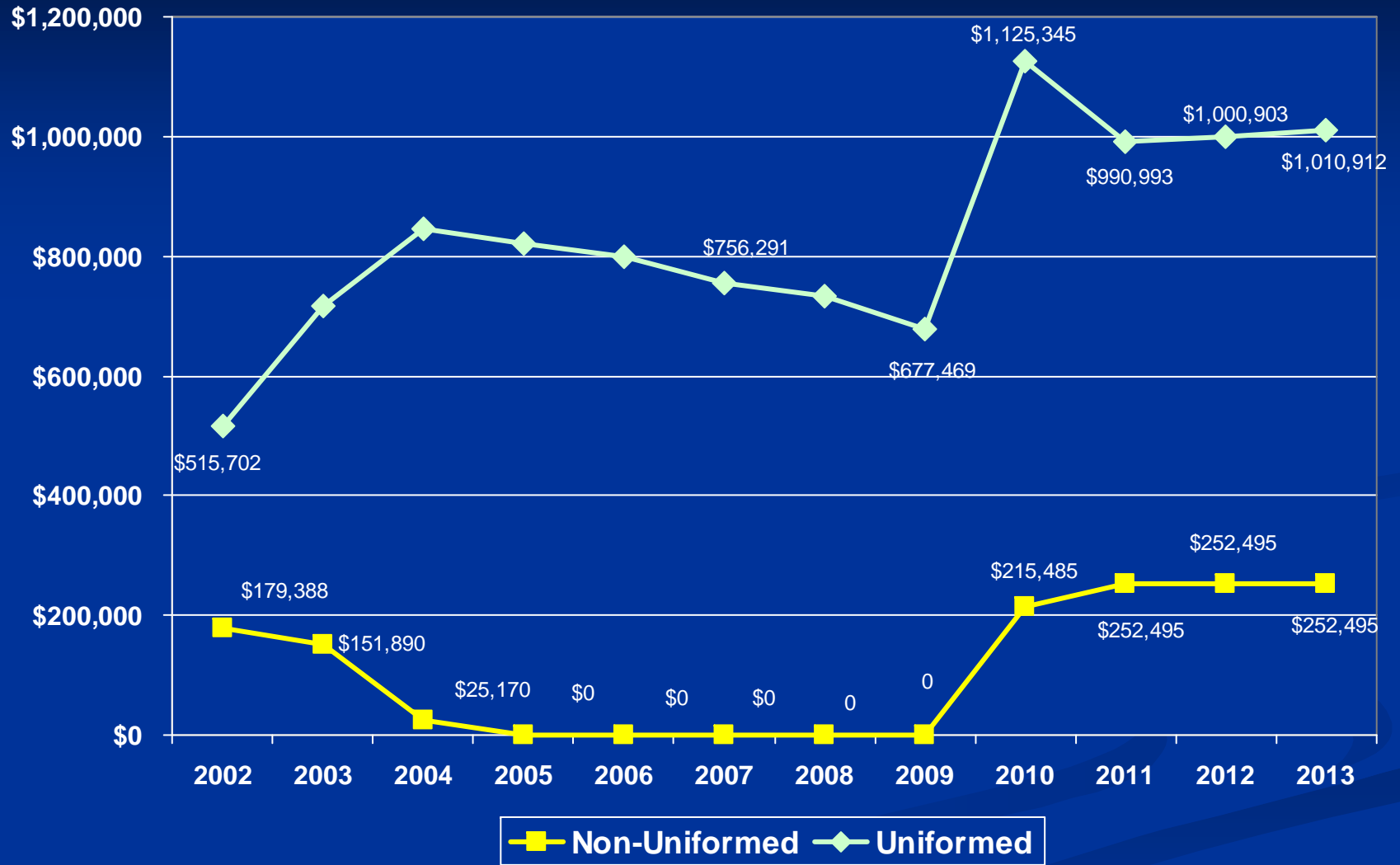
Salaries vs. Number of FT (General Fund)



Uniformed Pension Plan year starts January 1



Pension Contributions (City)



Debt Outstanding 10-1-10

□ 2009 General Obligation -	\$ 2,955,000
□ 2007 Special Obligation -	\$ 6,710,000
□ 2005A Special Obligation -	\$ 8,465,000
□ 2005B Taxable Bonds -	\$ 1,615,000
□ 2009 Build America Bonds -	<u>\$15,000,000</u>
□ TOTAL DEBT OUTSTANDING	\$34,745,000

■ Questions??