

**JOURNAL OF COMMISSION WORK SESSION**  
**April 16, 2013**

City Commission Work Session

Mayor Winters presiding

**CALL TO ORDER:** 5:30 p.m.

**ROLL CALL:** City Commissioners present: Michael J. Winters, Bill Bronson, Fred Burow, Bob Jones, and Bob Kelly.

**STAFF PRESENT:** City Manager; Deputy City Manager; Directors of Fiscal Services, Library, Park and Recreation, Planning and Community Development, and Public Works; Fire Chief; Police Chief; Interim City Attorney; Interim Planning and Community Development Director; City Engineer; Water Plant Supervisor; and the Deputy City Clerk.

**1. FINANCIAL FORECAST**

Fiscal Services Director Melissa Kinzler provided a PowerPoint presentation of FY 2014 General Fund preliminary revenue projections and expense outlook.

<p><b>FY 2014 General Fund Revenue Projections</b></p> <ul style="list-style-type: none"> <li>• Property Tax Revenue <ul style="list-style-type: none"> <li>– Tax Year 2014 – 1.03% inflation adjustment (\$134,366)</li> <li>– Commission Action/ Public Hearing required</li> <li>– Projected Historical Average - FY 2007 to FY 2013 (\$330,000), estimating \$200,000 based on last year</li> <li>– Overall minimal increase estimated <ul style="list-style-type: none"> <li>• \$334,366 projected total increase FY 2014</li> </ul> </li> </ul> </li> </ul> <p style="text-align: right;">2</p>	<p><b>FY 2014 General Fund Revenue Projections</b></p> <ul style="list-style-type: none"> <li>• Other Revenue <ul style="list-style-type: none"> <li>– HB 124 - “ Big Bill” - State Entitlement Payments – NOW HB 495 <ul style="list-style-type: none"> <li>• \$6.9 million in State Entitlement Payments FY 2013</li> <li>• Four quarterly equal payments (not all General Fund)</li> <li>• Had 3.5% increase in Governor's Budget for FY 2014</li> <li>• \$230,304 projected increase in General Fund</li> </ul> </li> </ul> </li> </ul> <p style="text-align: right;">3</p>
<p><b>FY 2014 General Fund Revenue Projections</b></p> <ul style="list-style-type: none"> <li>• Other Revenue <ul style="list-style-type: none"> <li>– Local Option Vehicle Tax (.5%) <ul style="list-style-type: none"> <li>• \$1,110,000 estimated, \$1,110,000 budgeted in FY 2013</li> <li>• Projected increase for FY 2014 in budget \$0</li> <li>• Annually extended by the County</li> </ul> </li> </ul> </li> </ul> <p style="text-align: right;">4</p>	<p><b>FY 2014 General Fund Revenue Projections</b></p> <ul style="list-style-type: none"> <li>• Other Revenue <ul style="list-style-type: none"> <li>– Fines &amp; Forfeitures Revenue <ul style="list-style-type: none"> <li>• \$1.2 million estimated in FY 2013</li> <li>• No projected increase in FY 2014</li> </ul> </li> </ul> </li> </ul> <p style="text-align: right;">5</p>

<p style="text-align: center;"><b>FY 2014 General Fund Revenue Projections</b></p> <p>– Total Projected General Fund Revenue Increases</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 150px;">+\$134,366</td> <td>Inflationary Property Tax Revenue</td> </tr> <tr> <td>+ \$200,000</td> <td>Newly Taxable Property</td> </tr> <tr> <td>+ \$230,304</td> <td>HB 124 (State Entitlement Payment)</td> </tr> <tr> <td style="border-top: 1px solid black;">+ \$564,670</td> <td style="border-top: 1px solid black;">Total Projected Revenue Increase</td> </tr> </table> <p style="text-align: right;">6</p>	+\$134,366	Inflationary Property Tax Revenue	+ \$200,000	Newly Taxable Property	+ \$230,304	HB 124 (State Entitlement Payment)	+ \$564,670	Total Projected Revenue Increase	<p style="text-align: center;"><b>FY 2014 Expense Outlook</b></p> <ul style="list-style-type: none"> <li>• Expected Operating Increases <ul style="list-style-type: none"> <li>– Utilities <ul style="list-style-type: none"> <li>• Electricity – (?)</li> <li>• Gas – (0%)</li> <li>• Water (5%, capital demands)</li> <li>• Wastewater (10%, capital demands)</li> </ul> </li> <li>– Preliminary Insurance <ul style="list-style-type: none"> <li>• Property (stabilized)</li> </ul> </li> </ul> </li> </ul> <p style="text-align: right;">7</p>
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<p style="text-align: center;"><b>FY 2014 Expense Outlook</b></p> <ul style="list-style-type: none"> <li>• Potential Operating Increases (continued) <ul style="list-style-type: none"> <li>– Personal Services <ul style="list-style-type: none"> <li>• All Collective Bargaining Agreements (CBA) under negotiation</li> <li>• Health insurance – RFP under review <ul style="list-style-type: none"> <li>– Fund Balance, June 30, 2012, \$(81,815).</li> </ul> </li> <li>• PERS -State legislature</li> <li>• COPS grant expires on 9/15/2013, at least 2 additional police officers salaries to cover, FY 2013 Budget - \$318,122</li> </ul> </li> </ul> </li> </ul> <p style="text-align: right;">8</p>	<p style="text-align: center;"><b>FY 2014 Expense Outlook</b></p> <ul style="list-style-type: none"> <li>• Capital Needs <ul style="list-style-type: none"> <li>– Enterprise Funds</li> <li>– General Government Facilities</li> </ul> </li> </ul> <p style="text-align: right;">9</p>								
<p style="text-align: center;"><b>Tentative Budget Calendar</b></p> <ul style="list-style-type: none"> <li>• April 26                      Deadline for Internal Service Funds Budget</li> <li>• May 3                              Deadline for all Funds-Departments</li> <li>• May 16 – May 22              Departments present budget to City Manager</li> <li>• June 18                            City Manger presents budget to Commission</li> <li>• September 4                    Deadline for budget and tax levy</li> </ul> <p style="text-align: right;">10</p>									

**ADJOURN**

There being no further discussion, Mayor Winters adjourned the informal work session of April 16, 2013, at 5:51 p.m.