Agenda

• Revenue Projection

• Expenditure Projection

• Next Steps / Key Dates
Budget Workshop – Fiscal Year 2014 Budget

Revenue Projection

July 8, 2013
## Overview

<table>
<thead>
<tr>
<th>Source</th>
<th>FY13 Adopted</th>
<th>FY14 Projected</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Tax</td>
<td>98,717,058</td>
<td>102,111,148</td>
<td>3,394,090</td>
</tr>
<tr>
<td>Utility Services Tax</td>
<td>44,323,307</td>
<td>41,914,067</td>
<td>(2,409,240)</td>
</tr>
<tr>
<td>State Sales Tax</td>
<td>32,318,206</td>
<td>34,004,720</td>
<td>1,686,514</td>
</tr>
<tr>
<td>Municipal Revenue Sharing</td>
<td>9,488,281</td>
<td>9,967,733</td>
<td>479,452</td>
</tr>
<tr>
<td>Local Business Tax</td>
<td>7,747,000</td>
<td>7,897,000</td>
<td>150,000</td>
</tr>
<tr>
<td>Franchise Fee / Dividend</td>
<td>76,384,000</td>
<td>76,384,000</td>
<td>-</td>
</tr>
<tr>
<td>Other Revenue</td>
<td>85,314,865</td>
<td>85,118,892</td>
<td>(195,973)</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td><strong>354,292,717</strong></td>
<td><strong>357,397,560</strong></td>
<td><strong>3,104,843</strong></td>
</tr>
</tbody>
</table>
Property Tax

- Millage rate of 5.65 (consistent with current year)

- Based on the Property Appraiser’s Certified Tax Roll
  - Increase of 4.18% in total taxable value in the City
  - New value added to the tax roll is $211 million
  - As property values show recovery, significant changes are occurring in the property base, including the homestead and non-homestead differentials
Utility Services Tax

- Projection for FY14 is lower ($2.4M) to account primarily for user rate reductions
Sales Tax

- Current sales tax revenue is tracking very close to the budget estimate

- FY14 budget estimate is based on the most recent State Department of Revenue / Office of Tax Research estimate
Municipal Revenue Sharing

• Current municipal revenue sharing is tracking very close to the budget estimate

• FY14 budget estimate is based on the most recent State Department of Revenue / Office of Tax Research estimate
Franchise Fee / Dividend

- Total revenue received from OUC for the franchise fee / dividend is agreed upon
- FY13 was a $2M decrease from FY12; FY14 total revenue will be equal to FY13
Local Business Tax

- Projection is for a slight increase ($.2M) for fiscal year 2014
Budget Workshop – Fiscal Year 2014 Budget

Expenditure Projection

July 8, 2013
General Fund Cost Increases

- Total Cost Increase ($15.0M)
  - Employee Costs ($13M or 5%)
    - Pension, Health Insurance, and Other Employee Costs
  - Tax Increment Payments ($1.0M)
  - Utilities/All Other Costs ($1.0M or less than 1%)
General Fund Current Status

- Total Revenue Increase $3.1M
- Total Expenditure Increase $15.0M

- Workshop on July 22\textsuperscript{nd} to provide updated projections and options
Budget Workshop – Fiscal Year 2014 Budget

Next Steps / Key Dates

July 8, 2013
Budget Development Calendar

- **July 22nd**
  - Workshop
    - Mayor’s Budget Address
    - Budget Update
  - City Council Meeting
    - Approve Tentative Millage Rate

- **September 16th**
  - Public Hearing and Adopt Tentative Millage Rate

- **September 23rd**
  - Public Hearing, Adopt Final Millage Rate, and Approve Budget