

RESOLUTION NO. 2015-03-___ (R)

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MCKINNEY,
TEXAS, AUTHORIZING THE ADOPTION OF BUDGET GUIDELINES
FOR FISCAL YEAR 2015-16**

WHEREAS, the City Council of the City of McKinney, Texas, acknowledges that budget guidelines help to guide the development of budget.

WHEREAS, the City Council would like to develop a budget that addresses concerns and directs resources and efforts.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS, THAT:

Section 1. The City Council of the City of McKinney, Texas hereby adopts the budget guidelines.

Section 2. This Resolution shall take effect immediately from and after the date of passage and is so resolved.

DULY PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF MCKINNEY, TEXAS ON THE 17th DAY OF MARCH, 2015.

CITY OF MCKINNEY, TEXAS

BRIAN LOUGHMILLER
Mayor

ATTEST:

SANDY HART, TRMC, MMC
City Secretary
DENISE VICE, TRMC
Assistant City Secretary

APPROVED AS TO FORM:

MARK S. HOUSER
City Attorney

CITY COUNCIL BUDGET GUIDELINES FY 2015-2016

The City of McKinney's annual budget process is an opportunity to continuously assure that McKinney residents receive exceptional services while enjoying top value for their tax dollars. These guidelines are intended to affirm Council goals for FY16:

- Budgets and departmental work plans will be established to support the 6 Council goals established in January of 2015
 1. Direction for Strategic Growth
 2. Operational Excellence
 3. Growth at the McKinney National Airport
 4. Financially Sound Government
 5. Growth in Downtown McKinney
 6. Safe and Secure Community
- Staffing level adjustments will be made in adherence with our overall 10 Year Financial Plan
- Revenue estimates for all funds will be detailed, conservative, and realistic
- The General Fund expenditure budget will be based on the following:
 - The City Manager will propose a fully funded and balanced budget.
 - Maintain a \$0.5830 total tax rate
 - Civilian employee pay structures will be based on a market-based system and allocate resources to reward performance through a merit system
 - Police and Fire Sworn Personnel pay structures will be based on continuing the current Meet and Confer agreements with appropriate market-based adjustments
 - Maintain minimum fund balances and reserves as required by the City's financial policies with a General Fund reserve of not less than 25% of budgeted expenditures
- The Utility Fund expenditure budget will be broadly based on:
 - Long-term financial sustainability of the funds
 - Implementation of rate adjustments as recommended by appropriate rate studies or rate adjustments of providers. An annual update of rate studies will be done to determine the fiscal condition of the funds
- The proposed budget will seek to sustain the support of the Equipment and Facilities Replacement Fund that is being used to modernize our fleet and upgrade facilities
- To the extent possible, the City will fund depreciation in all funds to minimize the need to issue debt and to cash fund needed infrastructure improvements