

# City Council Budget Retreat

City of McKinney

June 14, 2013



# Current Fiscal Year Performance

2012-2013



# General Fund Revenues

58% of Fiscal Year Complete	Actual FY 2010-11	Actual FY 2011-12	Revised Budget FY 2012-13	YTD Actual 4/30/2013	% of Budget Collected	End-of-Year Estimate FY 2012-13	Requested Budget FY 2013-14	% of Chg Rev 13/ Req 14
<b>BEGINNING FUND BALANCE</b>	<b>\$32,035,785</b>	<b>\$33,689,766</b>	<b>\$45,501,513</b>	<b>\$45,501,513</b>		<b>\$45,501,513</b>	<b>\$42,776,434</b>	<b>-5.99%</b>
<b>Taxes</b>								
Property Taxes	43,675,703	44,464,212	45,889,634	45,846,743	100%	46,239,634	48,050,000	4.71%
Sales & Use Taxes	16,435,845	17,060,736	16,114,000	11,211,626	70%	18,980,000	18,980,000	17.79%
<b>Total Taxes</b>	<b>60,111,548</b>	<b>61,524,948</b>	<b>62,003,634</b>	<b>57,058,369</b>	<b>92%</b>	<b>65,219,634</b>	<b>67,030,000</b>	<b>8.11%</b>
<b>Franchise Fees</b>	<b>11,941,484</b>	<b>12,113,229</b>	<b>12,908,483</b>	<b>7,217,741</b>	<b>56%</b>	<b>12,695,483</b>	<b>12,695,483</b>	<b>-1.65%</b>
<b>Licenses &amp; Permits</b>								
Business Licenses and Permits	685,624	978,083	797,746	540,129	68%	892,845	892,100	11.83%
Building Permits	3,172,064	4,426,823	3,550,000	3,095,085	87%	4,500,000	4,700,000	32.39%
Engineering Inspections	324,875	1,231,011	779,626	601,295	77%	900,000	900,000	15.44%
Police/Fire Alarm Permits	509,730	568,785	500,000	280,225	56%	482,500	502,500	0.50%
<b>Total Licenses &amp; Permits</b>	<b>4,692,293</b>	<b>7,204,702</b>	<b>5,627,372</b>	<b>4,516,734</b>	<b>80%</b>	<b>6,775,345</b>	<b>6,994,600</b>	<b>24.30%</b>
<b>Charges and Fines</b>								
General Government	1,032,038	1,068,175	1,118,711	369,219	33%	1,128,911	1,229,532	9.91%
Public Safety	1,745,921	1,718,362	1,629,531	1,384,347	85%	1,783,531	1,819,500	11.66%
Recreation	753,827	700,750	739,777	385,763	52%	739,777	735,500	-0.58%
Fines	2,103,250	1,925,208	2,109,000	920,914	44%	2,109,030	2,081,100	-1.32%
<b>Total Charges and Fines</b>	<b>5,635,036</b>	<b>5,412,495</b>	<b>5,597,019</b>	<b>3,060,243</b>	<b>55%</b>	<b>5,761,249</b>	<b>5,865,632</b>	<b>4.80%</b>
<b>Other Revenues</b>								
Intergovernmental	229,956	192,756	300,000	52,325	17%	300,000	500,000	66.67%
Interest Income	646,509	458,915	301,754	144,699	48%	301,754	300,000	-0.58%
Contributions & Donations	40,769	336,294	12,600	2,250	18%	12,600	12,500	-0.79%
Sale of Property & Miscellaneous	1,181,618	471,143	332,200	165,183	50%	332,200	332,200	0.00%
<b>Total Other Revenues</b>	<b>2,098,852</b>	<b>1,459,108</b>	<b>946,554</b>	<b>364,457</b>	<b>39%</b>	<b>946,554</b>	<b>1,144,700</b>	<b>20.93%</b>
<b>Total Revenues</b>	<b>84,479,213</b>	<b>87,714,482</b>	<b>87,083,062</b>	<b>72,217,544</b>	<b>83%</b>	<b>91,398,265</b>	<b>93,730,415</b>	<b>7.63%</b>
<b>Transfers</b>	<b>4,275,922</b>	<b>4,304,058</b>	<b>2,786,696</b>	<b>1,625,573</b>	<b>58%</b>	<b>2,786,696</b>	<b>2,786,696</b>	<b>0.00%</b>
<b>Total Revenues and Transfers</b>	<b>\$88,755,135</b>	<b>\$92,018,540</b>	<b>\$89,869,758</b>	<b>\$73,843,117</b>	<b>82%</b>	<b>\$94,184,961</b>	<b>\$96,517,111</b>	<b>7.40%</b>

# General Fund Expenditures

58% of Fiscal Year Complete	Actual FY 2010-11	Actual FY 2011-12	Revised Budget FY 2012-13	YTD Actual 4/30/2013	% of Budget Spent	End-of-Year Estimate FY 2012-13	Requested Budget FY 2013-14	% of Chg Rev 13/ Req 14
<b>General Government</b>								
City Council	\$674,640	\$689,939	\$724,874	\$577,600	80%	\$724,526	\$124,103	-82.88%
City Manager	1,269,515	1,166,556	1,292,487	874,089	68%	1,501,641	1,526,636	18.12%
Strategic Planning & Budget	0	391,660	0	0		0	0	0.00%
Human Resources	944,015	951,490	1,177,084	627,075	53%	1,142,461	1,286,301	9.28%
Benefits & Wellness	11,573,133	8,432,447	0	0		0	0	0.00%
City Secretary	459,361	410,954	458,562	241,934	53%	461,202	414,941	-9.51%
Municipal Court	1,349,056	1,367,550	1,463,630	859,525	59%	1,462,846	1,546,790	5.68%
Communications & Marketing	1,026,647	1,010,897	1,061,259	554,773	52%	1,087,564	1,090,850	2.79%
Housing & Community Development	60,193	61,280	160,748	89,525	56%	155,856	169,303	5.32%
Environmental Stewardship	317,888	245,583	0	0		0	0	0.00%
Financial Services	2,112,137	1,635,475	1,867,728	1,058,432	57%	1,912,832	1,989,151	6.50%
Risk Management	1,251,135	1,065,760	0	0		0	0	0.00%
Purchasing	558,599	533,419	583,000	340,001	58%	585,970	605,925	3.93%
Information Technology / GIS	4,484,617	4,281,779	4,821,054	3,087,003	64%	4,724,551	5,135,202	6.52%
Legal	950,729	826,995	1,187,492	728,501	61%	1,184,173	1,188,425	0.08%
Non-Departmental	(7,084,380)	(4,895,521)	2,166,802	3,102,132	143%	2,164,802	1,580,875	-27.04%
<b>Total General Government</b>	<b>19,947,285</b>	<b>18,176,263</b>	<b>16,964,720</b>	<b>12,140,590</b>	<b>72%</b>	<b>17,108,423</b>	<b>16,658,503</b>	<b>-1.81%</b>
<b>Public Safety</b>								
Police	19,751,903	19,977,263	23,812,595	13,864,610	58%	22,516,374	24,940,580	4.74%
Fire	18,027,195	17,285,054	20,423,123	12,071,903	59%	20,421,103	20,372,766	-0.25%
<b>Total Public Safety</b>	<b>37,779,098</b>	<b>37,262,317</b>	<b>44,235,718</b>	<b>25,936,513</b>	<b>59%</b>	<b>42,937,477</b>	<b>45,313,347</b>	<b>2.44%</b>
<b>Development Services</b>								
Development Services	501,402	482,513	539,301	303,223	56%	518,848	534,835	-0.83%
Planning	1,123,845	1,035,031	1,422,248	685,176	48%	1,376,059	1,290,593	-9.26%
Engineering	2,683,108	2,120,644	2,283,644	1,279,753	56%	2,321,410	2,697,110	18.11%
Building Inspections	2,072,009	1,772,560	1,835,555	1,069,118	58%	1,810,846	1,872,844	2.03%
Code Compliance	1,477,473	1,524,365	1,691,544	1,147,424	68%	1,699,564	1,742,913	3.04%
<b>Total Development Services</b>	<b>7,857,837</b>	<b>6,935,113</b>	<b>7,772,292</b>	<b>4,484,694</b>	<b>58%</b>	<b>7,726,726</b>	<b>8,138,296</b>	<b>4.71%</b>
<b>Public Works</b>								
Public Works Administration	237,167	245,950	268,286	151,301	56%	268,306	277,071	3.27%
Fleet Services	425,500	500,772	564,722	324,949	58%	558,226	576,145	2.02%
Building Operations	1,941,673	1,639,523	1,612,664	1,135,488	70%	1,560,621	1,568,050	-2.77%
Street & Traffic Control	7,825,990	7,851,182	7,819,030	5,523,026	71%	7,917,002	7,771,574	-0.61%
<b>Total Public Works</b>	<b>10,430,330</b>	<b>10,237,427</b>	<b>10,264,702</b>	<b>7,134,764</b>	<b>70%</b>	<b>10,304,155</b>	<b>10,192,839</b>	<b>-0.70%</b>
<b>Parks and Library</b>								
Parks, Recreation & Open Space	6,244,145	6,158,900	6,944,019	3,851,917	55%	6,876,966	6,859,868	-1.21%
Library	2,750,739	2,606,701	2,993,145	1,647,616	55%	2,859,389	2,916,902	-2.55%
<b>Total Parks and Library</b>	<b>8,994,884</b>	<b>8,765,601</b>	<b>9,937,164</b>	<b>5,499,533</b>	<b>55%</b>	<b>9,736,355</b>	<b>9,776,770</b>	<b>-1.61%</b>
<b>Transfers</b>	<b>1,540,908</b>	<b>2,473,743</b>	<b>9,285,724</b>	<b>7,731,265</b>	<b>83%</b>	<b>10,456,904</b>	<b>3,374,851</b>	<b>-63.66%</b>
<b>Total Expenditures &amp; Transfers</b>	<b>\$86,550,342</b>	<b>\$83,850,464</b>	<b>\$98,460,320</b>	<b>\$62,927,359</b>	<b>64%</b>	<b>\$98,270,040</b>	<b>\$93,454,606</b>	<b>-5.08%</b>
<b>Net Increase/ (Decrease) Adjustment</b>	<b>2,204,793 (550,812)</b>	<b>8,168,076 3,643,672</b>	<b>(8,590,562) 1,360,000</b>			<b>(4,085,079) 1,360,000</b>	<b>3,062,505 287,500</b>	
<b>ENDING FUND BALANCE</b>	<b>\$33,689,766</b>	<b>\$45,501,513</b>	<b>\$38,270,951</b>			<b>\$42,776,434</b>	<b>\$46,126,439</b>	<b>20.53%</b>

# Budget Development

2013-2014



# Budget Development Cycle





# FY 2014 Budget Challenges

- Managing expenditures with modest increased revenues.
- Maintaining market competitiveness of our total compensation packages.
- Right sizing staff based on programmatic needs.
- Continually maximizing efficiencies while maintaining current service levels.



# FY 2014 Budget Opportunities

- Salary and benefit package balanced with the market.
- Prioritization of programs and services to align with Council and Manager priorities.
- Slight increase in projected revenues due to continued residential and commercial growth.

# General Fund Revenues

FY 2014 Budget Discussion

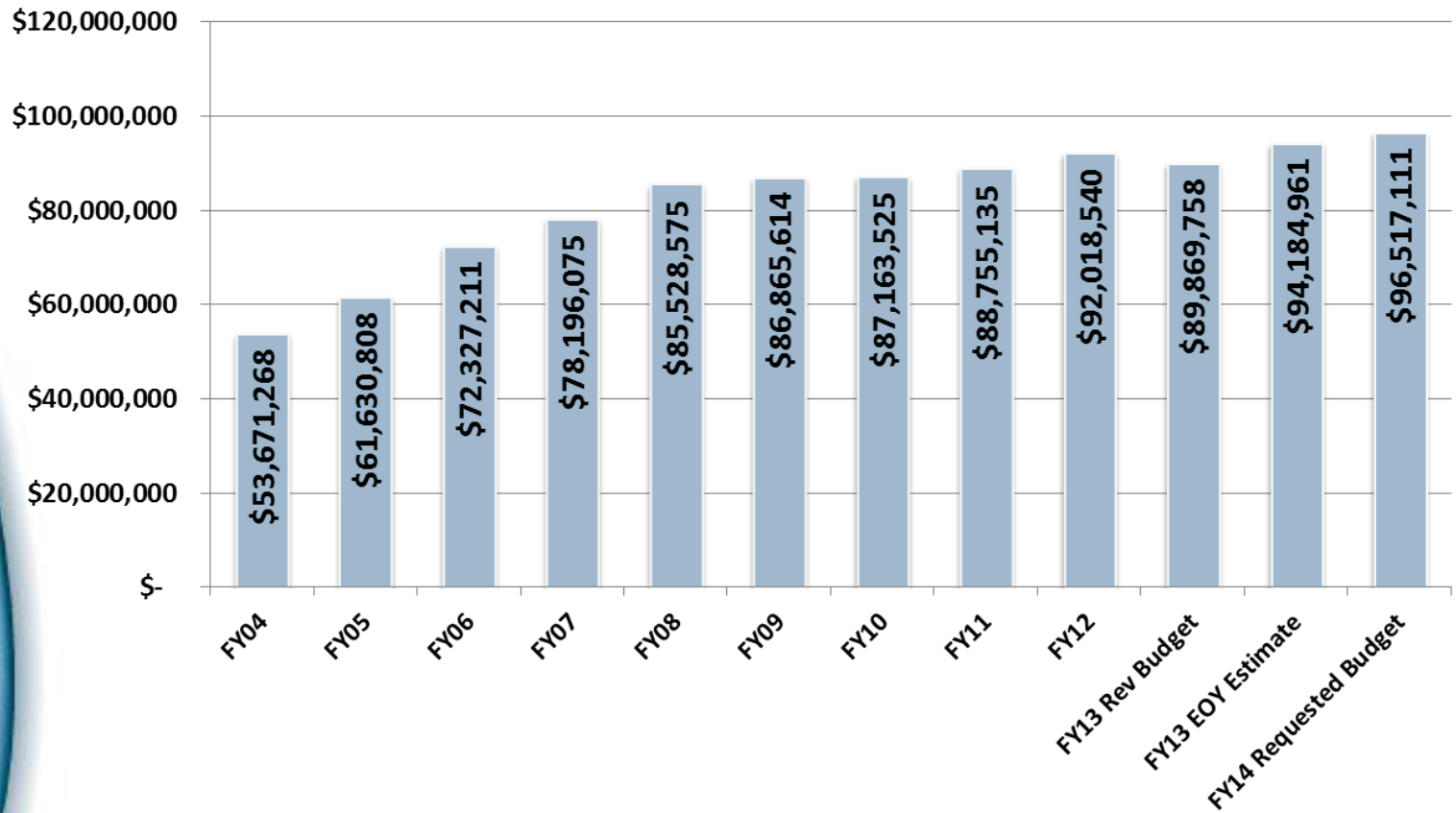




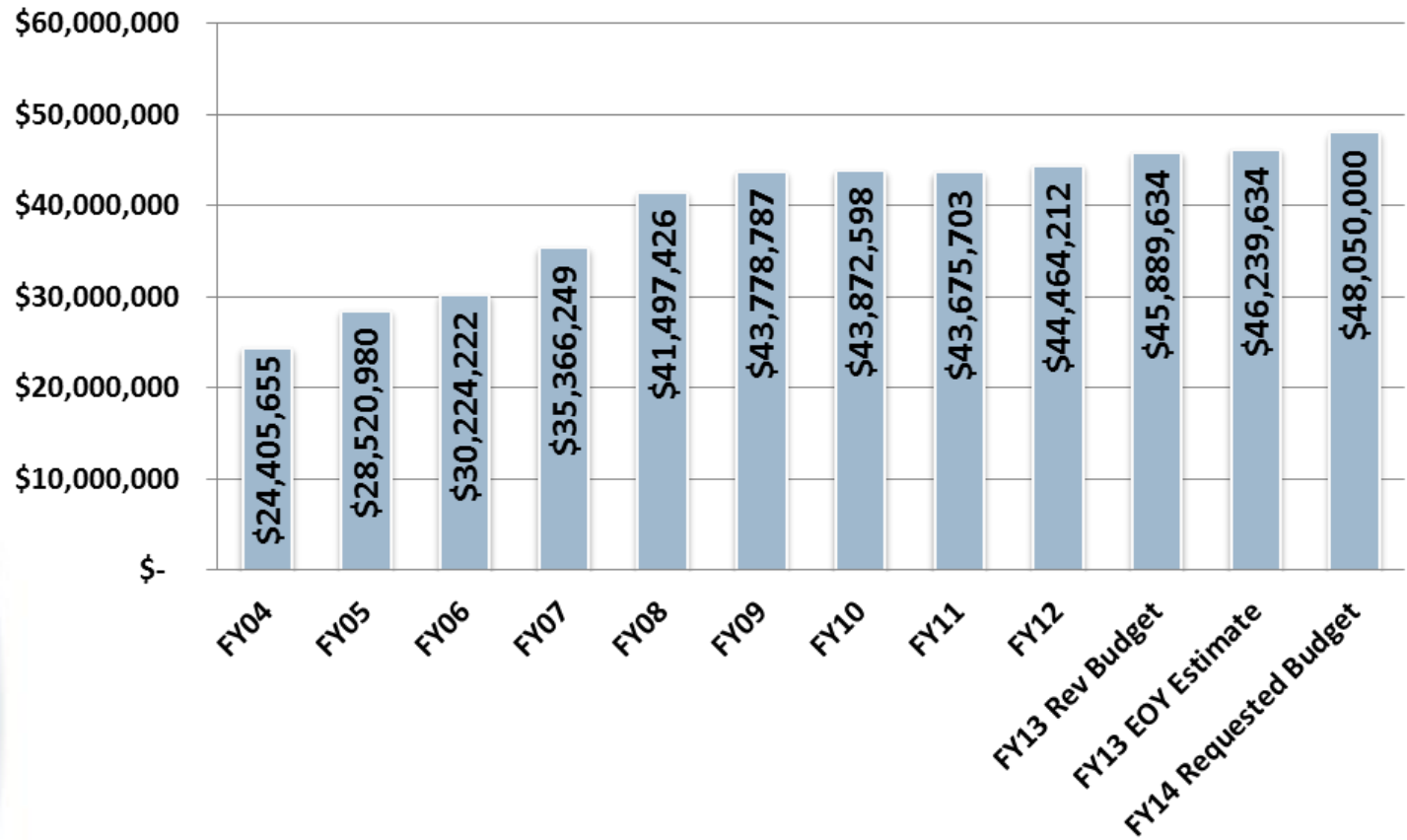
# GF Revenue Estimates

- Approximately 7% increase as compared to FY 2013 Budget
  - Property Tax – 5% increase
  - Sales Tax – 18% increase
  - Building Permits – 32% increase
  - Engineering Inspections – 15% increase
  - Ambulance Fees – 10% increase
  - ISD Contributions (SRO's) – 67% increase due to additional SRO's in middle schools
  - Interest Income – 1% decrease

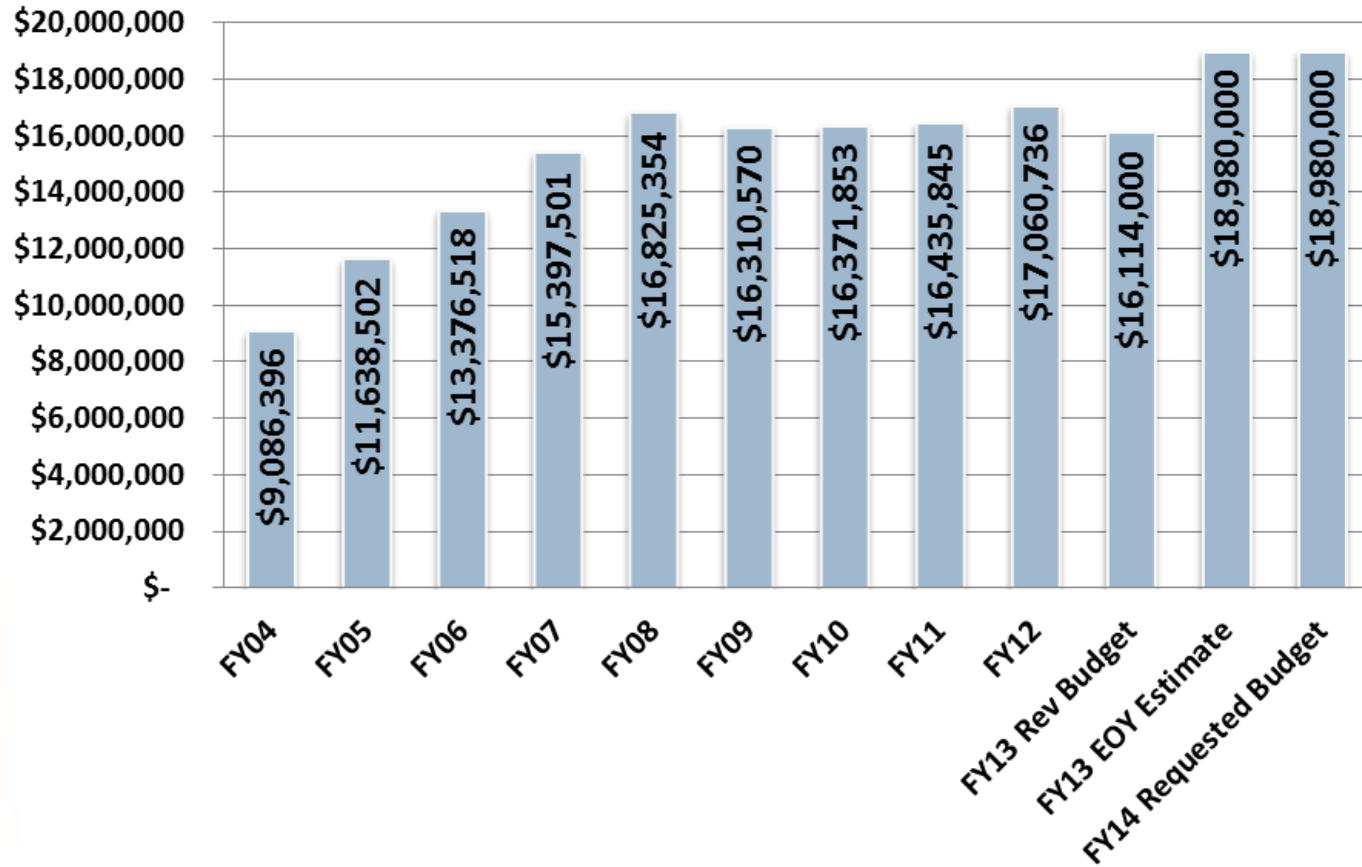
# General Fund Revenue



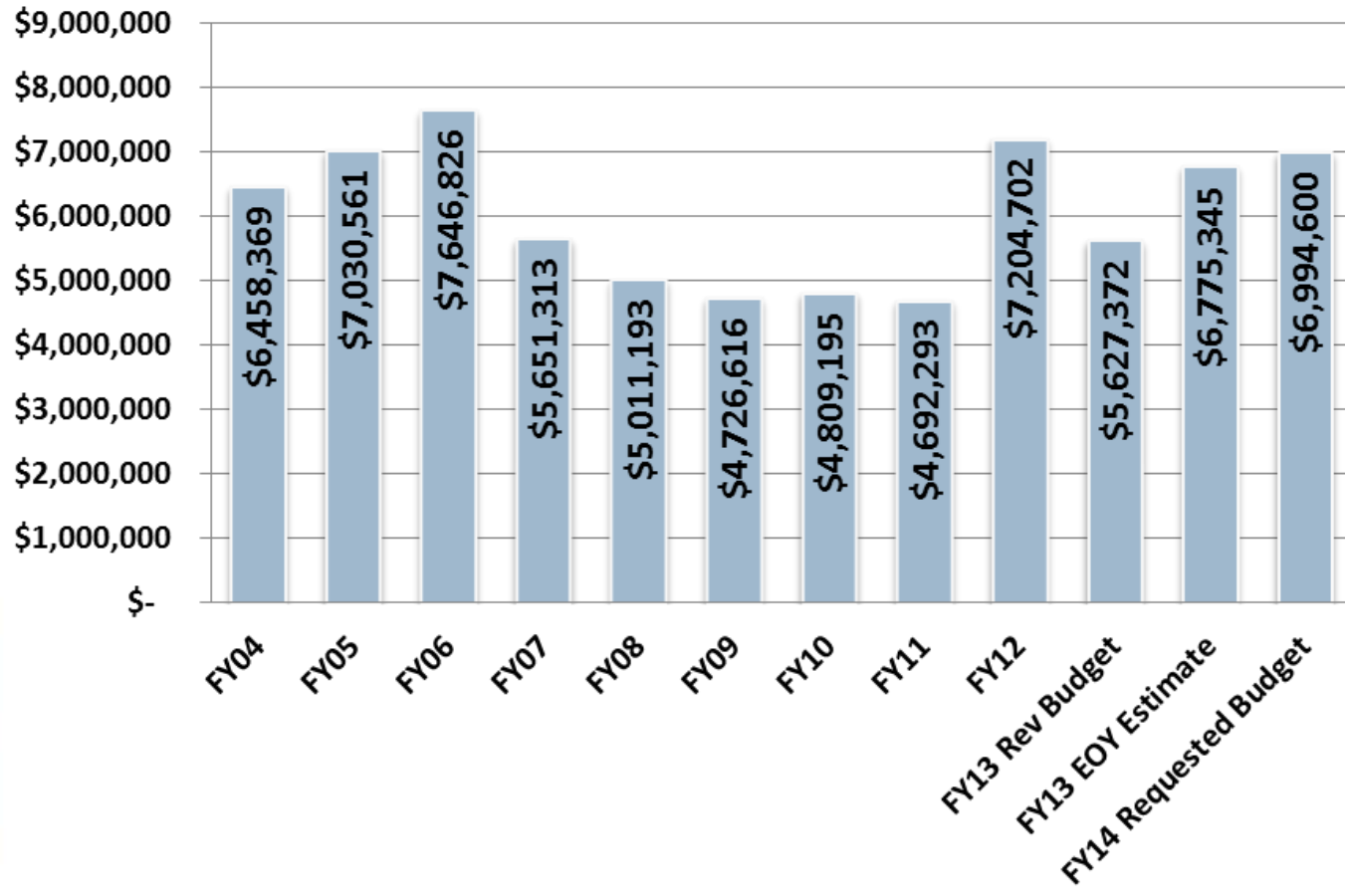
# Property Tax Revenues



# Sales Tax Revenues

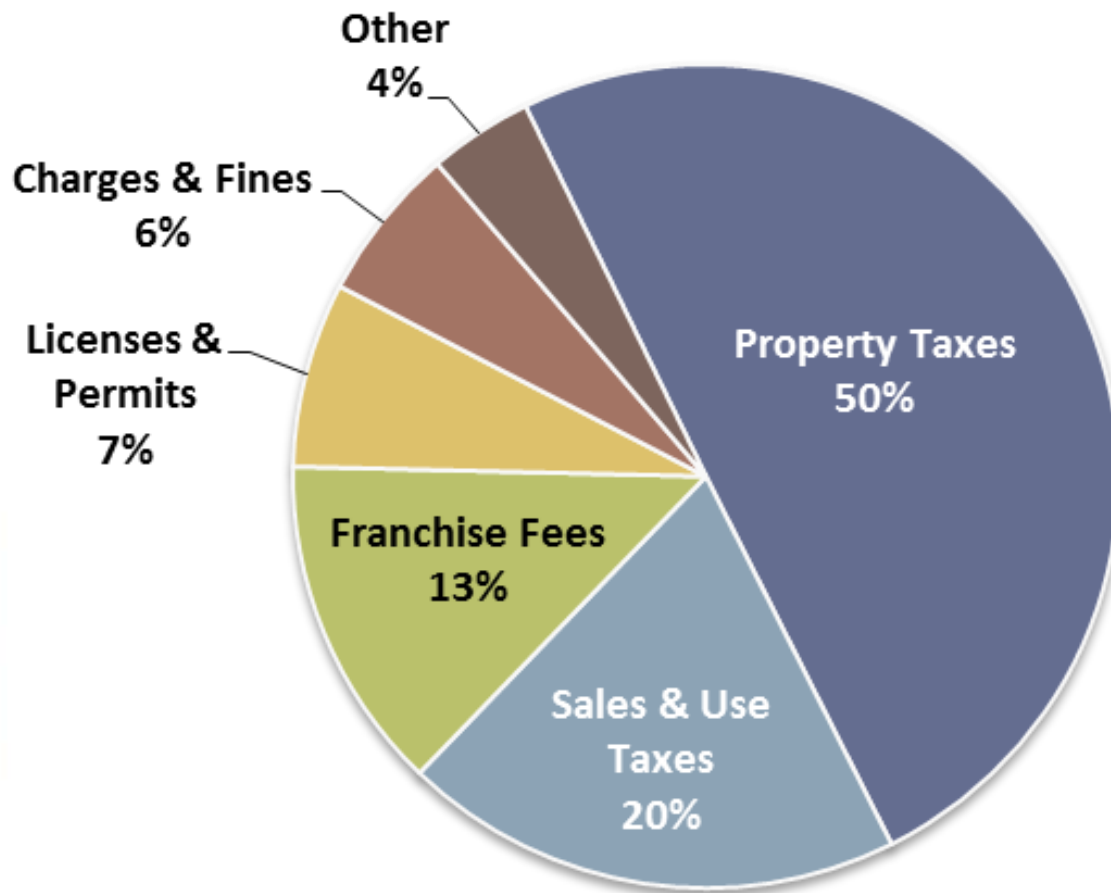


# Licenses & Permits Revenues

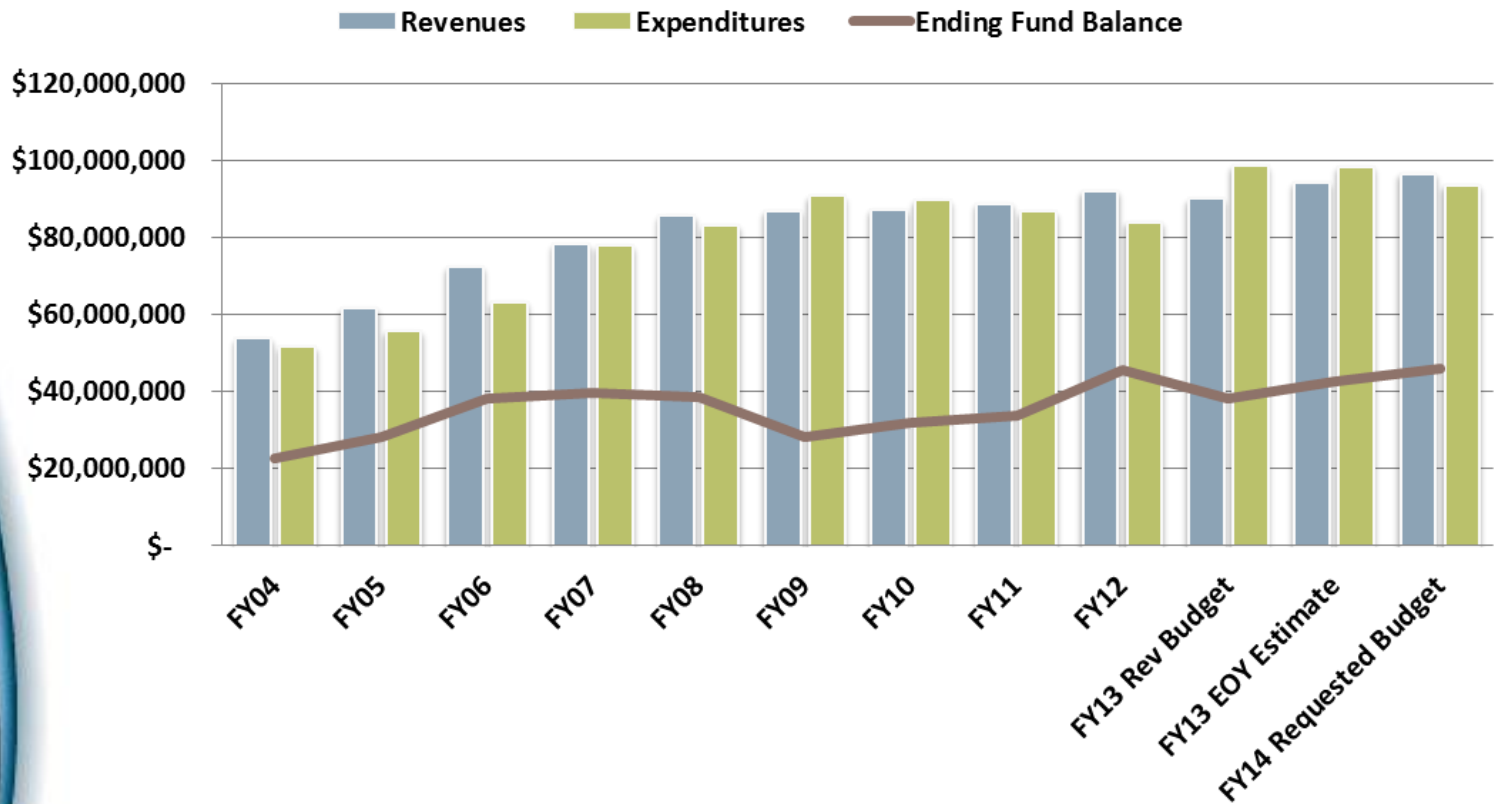


# GF Revenue Makeup

FY 2014 Requested Budget



# GF Historical Performance



# General Fund Expenditures

FY 2014 Budget Discussion



# Expenditure Strategy

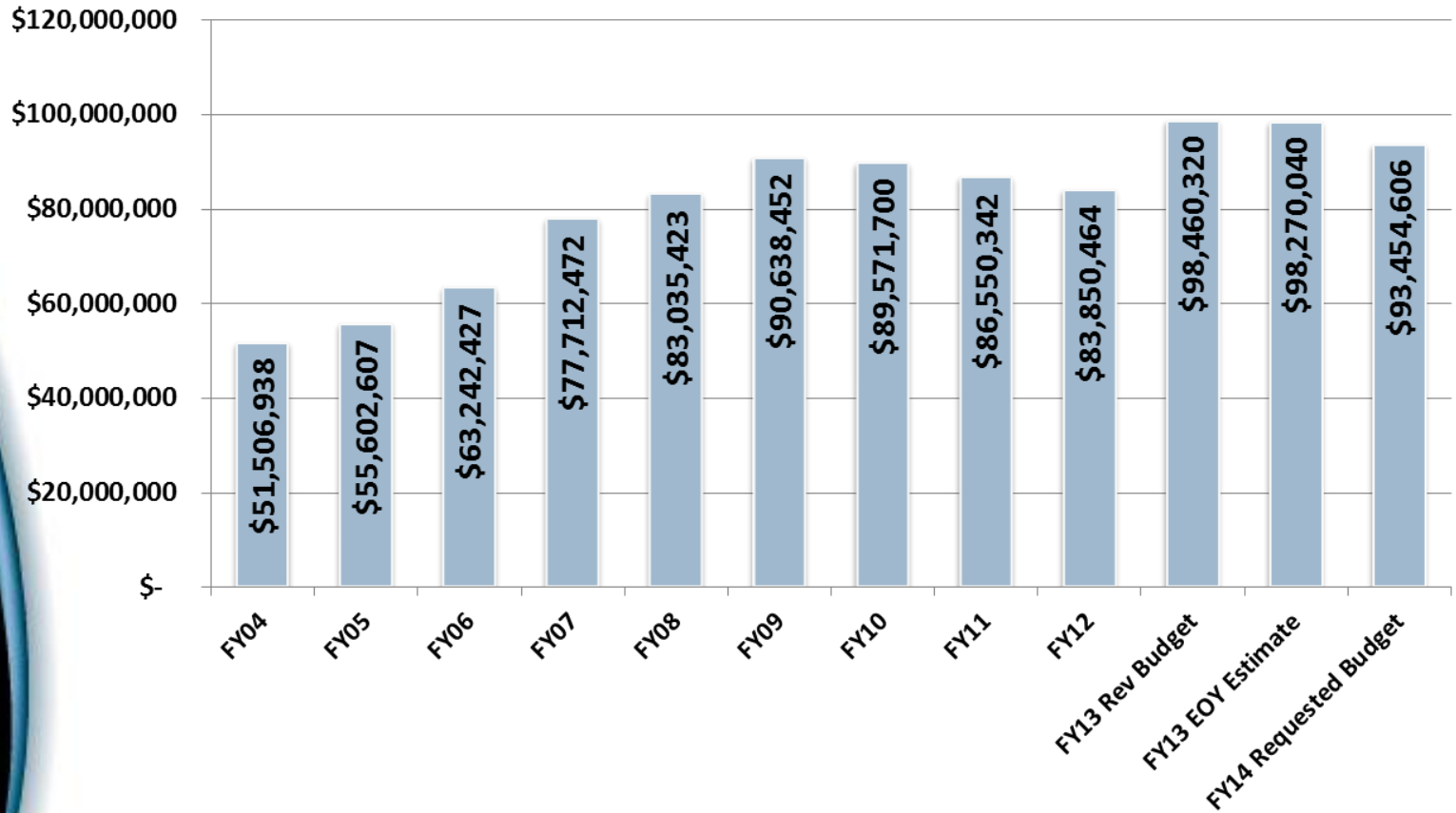


All expenditures must be a resource to get us closer to the vision, goals, and strategies of the City.



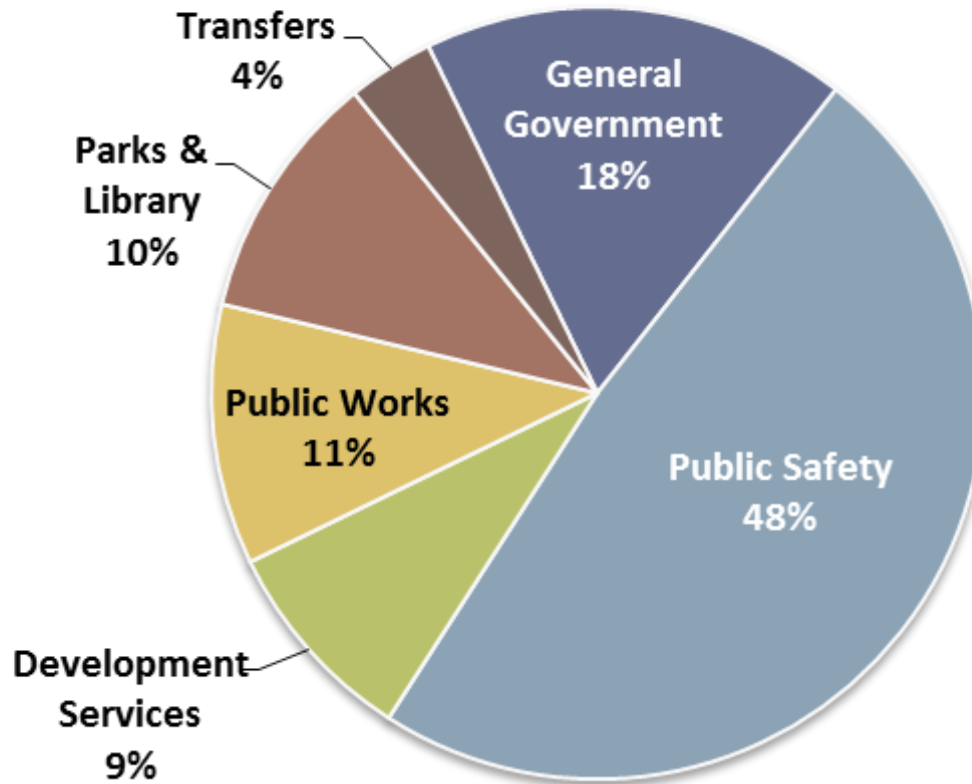
Departmental programs should be described in a way that the general public can understand for what their investment is being used.

# General Fund Expenditures



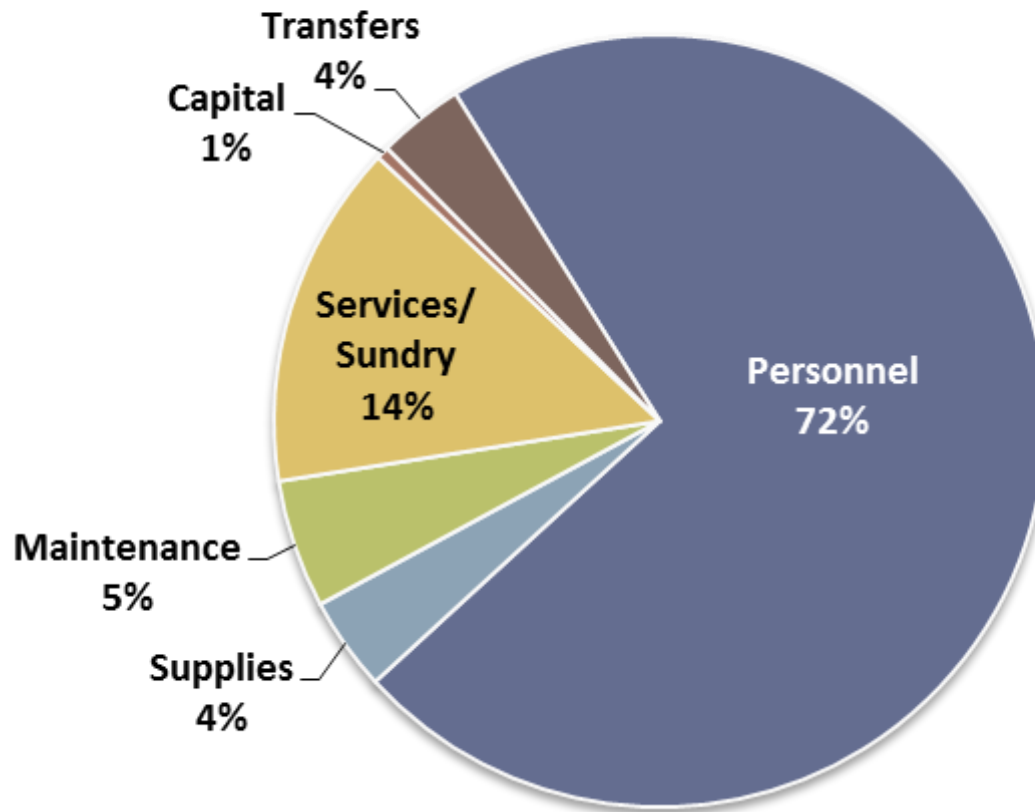
# GF Expenditure Makeup by Function

FY 2014 Requested Budget

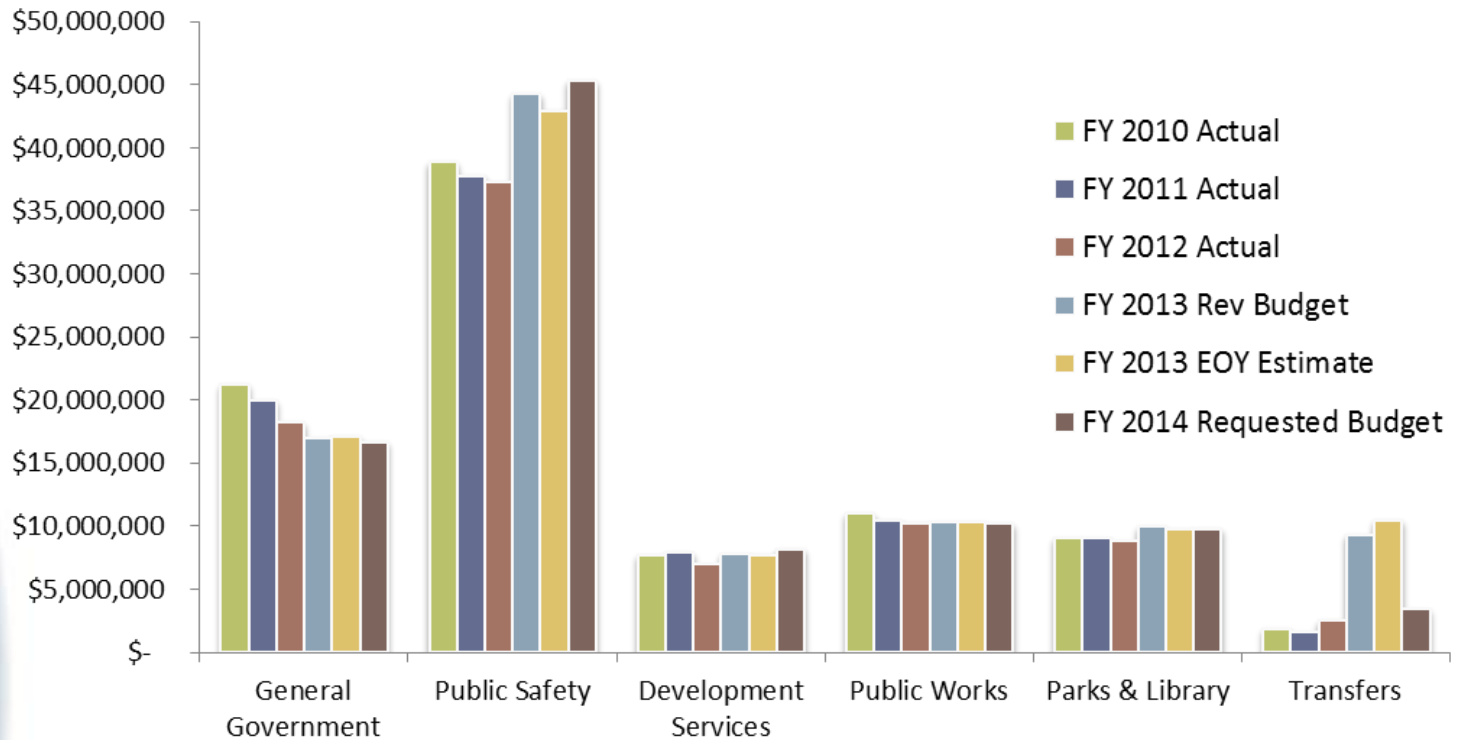


# GF Expenditure Makeup by Type

FY 2014 Requested Budget



# General Fund Expenditures

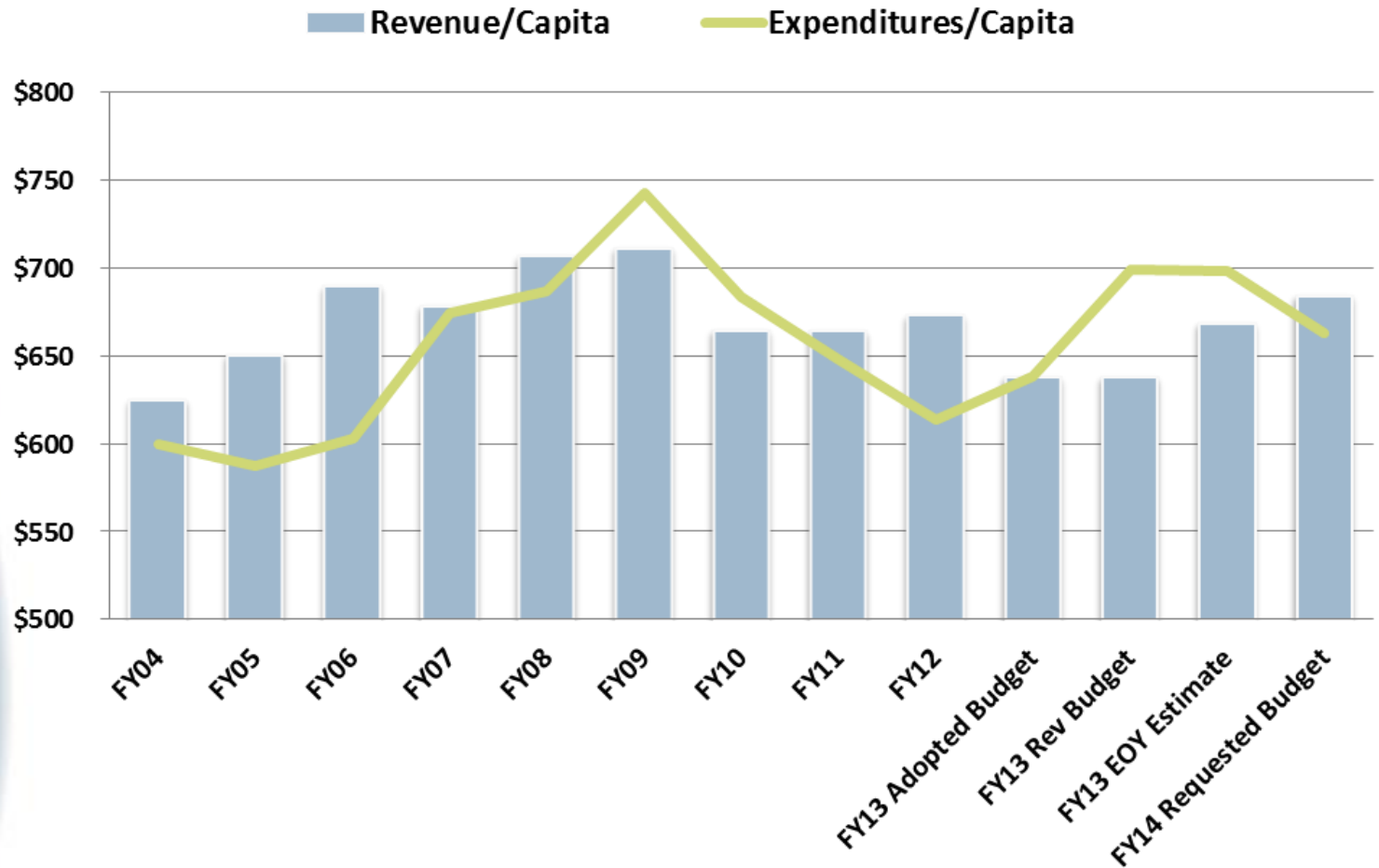


# Miscellaneous Information

FY 2014 Budget Discussion



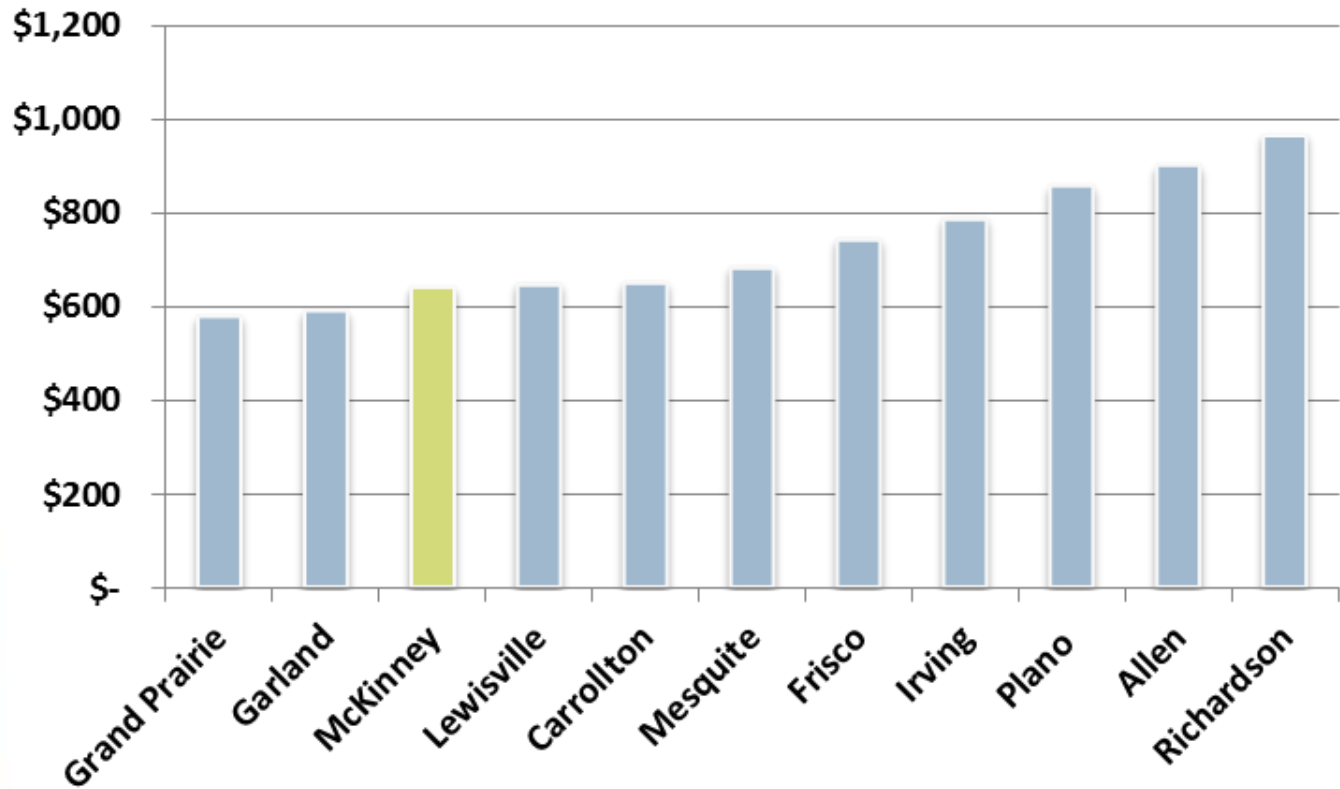
# General Fund Per Capita



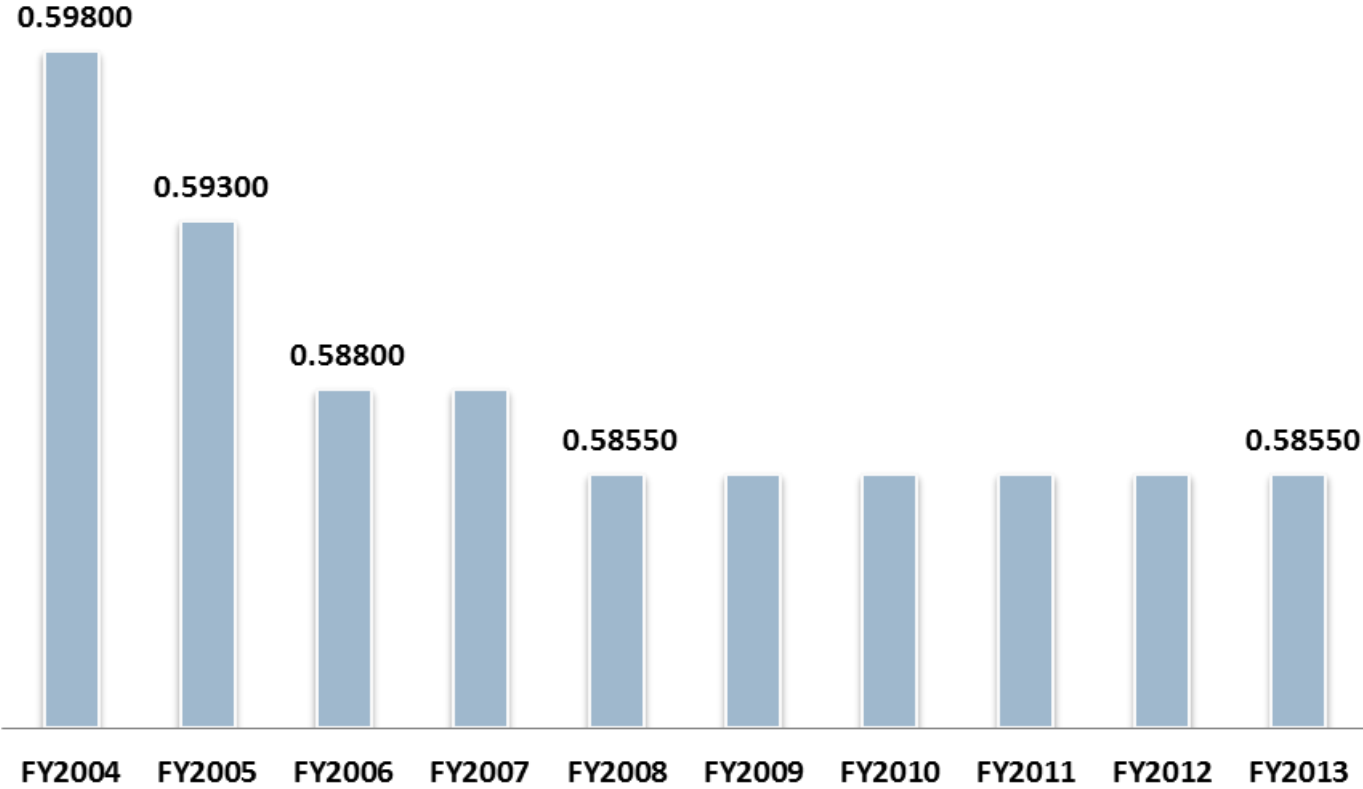
# Sister Cities

## GF Expenditures Per Capita

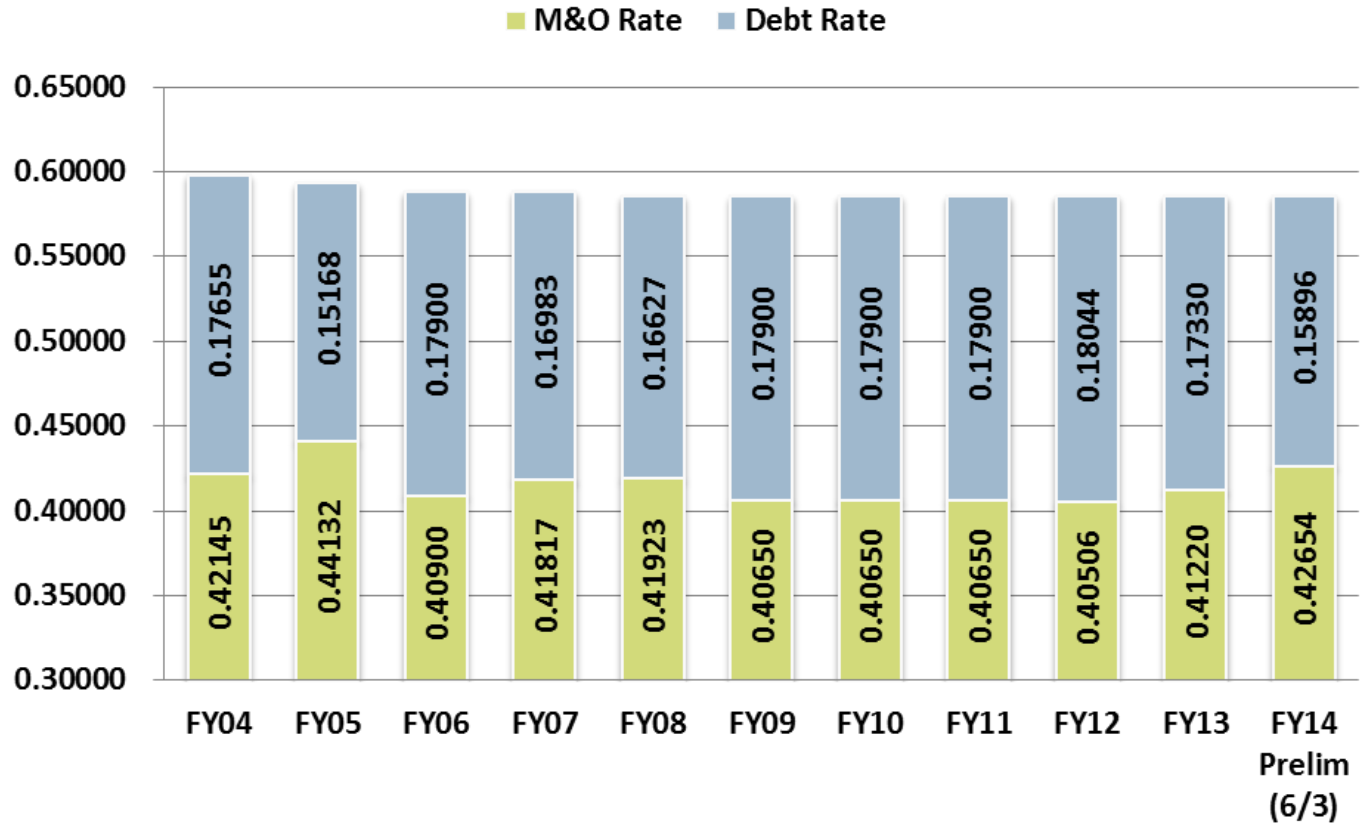
Based on FY 2013 Adopted Budgets



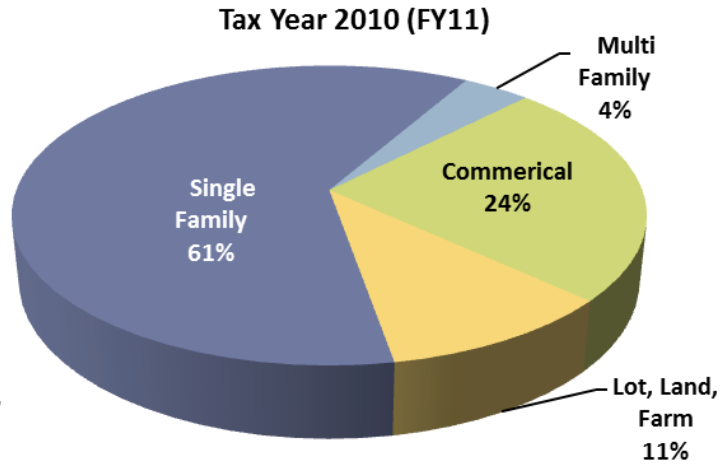
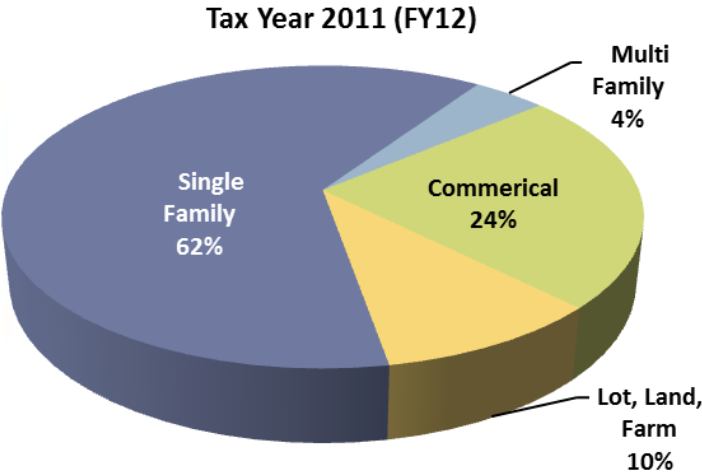
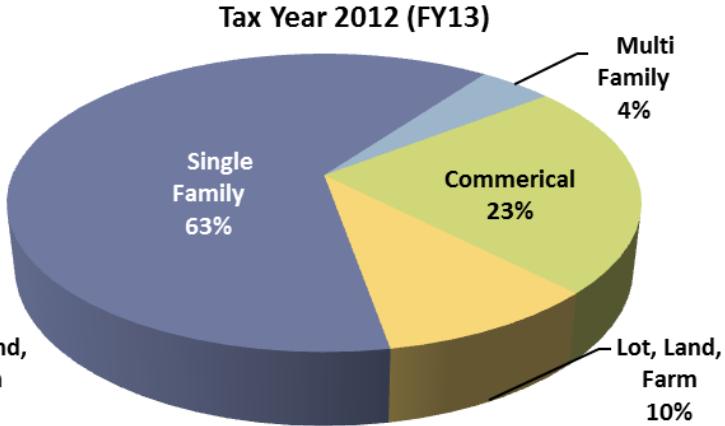
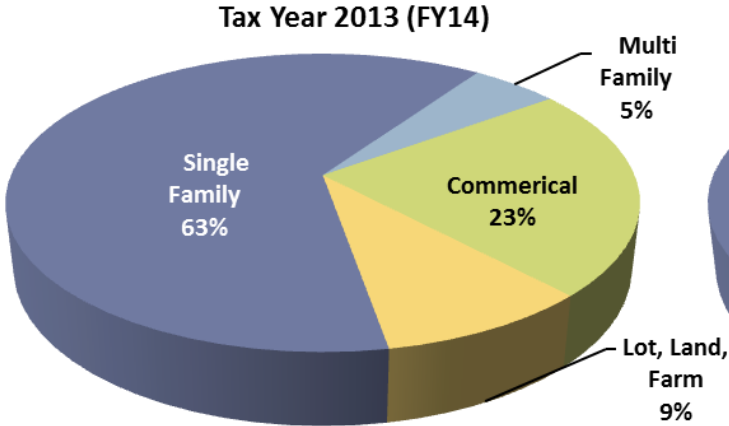
# Historical Tax Rate



# Tax Rate Makeup History



# Assessed Valuation Breakdown



# Discussion



# City Council Budget Retreat

City of McKinney

June 14, 2013

