

City of Rochester



Proposed FY2013 Budgets

Budget Development Schedule

Tuesday, April 17, 2012	City Mgr. presents Proposed FY2013 O&M and CIP Budgets
Tuesday, May 01, 2012	O&M Budget Resolution (1st Reading)
	CIP Budget Resolution (1st Reading)
Tuesday, May 08, 2012	School; Fire
Tuesday, May 15, 2012	Police; Communications; DPW; Com Ctr.
Tuesday, May 22, 2012	Library; MIS; Welfare; Assessing; Clerk; Gen. Govt
Tuesday, May 29, 2012	Rec & Arena; ED; Codes; Planning
Tuesday, June 05, 2012	Public Hearings: O&M, CIP
Tuesday, June 12, 2012	Council Deliberations
Tuesday, June 19, 2012	O&M Budget Resolution (2nd Reading & Adoption)
	CIP Budget Resolution (2nd Reading & Adoption)

Summary of Gen Funds

	FY12	FY13		
<u>General Fund</u>	Revised Budget	Mgr Proposed	\$ Change	% Change
City Operations	20,082,970	20,874,167	791,197	3.94%
County Taxes	5,526,142	5,659,764	133,622	2.42%
Debt Service	3,946,399	3,986,821	40,422	1.02%
Capital Projects Transfers	<u>1,899,235</u>	<u>1,116,200</u>	<u>-783,035</u>	<u>-41.23%</u>
	31,454,746	31,636,952	182,206	0.58%
School	<u>54,235,312</u>	<u>55,310,026</u>	<u>1,074,714</u>	1.98%
Total General Fund-->	85,690,058	86,946,978	1,256,920	1.47%

Summary of Enterprise & Special Revenue Funds

	FY12	FY13		
Enterprise & Sp Rev Funds	Revised Budget	Mgr Proposed	\$ Change	% Change
City Grants & Special Rev Funds	765,146	632,223	-132,923	-17.37%
School Grants & Special Rev Funds	5,529,790	4,788,000	-741,790	-13.41%
Water Fund	4,660,069	5,050,847	390,778	8.39%
Sewer Fund	6,249,675	6,261,604	11,929	0.19%
Arena Fund	500,024	513,721	13,697	2.74%
Community Center	<u>774,928</u>	<u>758,547</u>	<u>-16,381</u>	<u>-2.11%</u>
Total Enterprise & Sp Rev Funds	18,479,632	18,004,942	-474,690	-2.57%

City Operations

City Operations Without	FY12	FY13		
<u>County Taxes and Debt Service:</u>	<u>Revised Budget</u>	<u>Mgr Proposed</u>	<u>\$ Change</u>	<u>% Change</u>
Wages	\$ 10,767,402	\$ 11,249,913	\$ 482,511	4.48%
Health Insurance	\$ 2,625,951	\$ 2,462,548	\$ (163,403)	-6.22%
Retirement	\$ 1,646,442	\$ 1,626,870	\$ (19,572)	-1.19%
Other Benefits	\$ 772,370	\$ 777,908	\$ 5,538	0.72%
Contingency	\$ 550	\$ 333,471	\$ 332,921	-
Direct Assistance	\$ 199,000	\$ 199,000	\$ -	0.00%
Energy Related Items	\$ 718,373	\$ 753,387	\$ 35,014	4.87%
Technical/Professional Services	\$ 756,021	\$ 743,595	\$ (12,426)	-1.64%
New & Replacement Equipment	\$ 57,599	\$ 69,794	\$ 12,195	21.17%
All Other Items	<u>\$ 2,539,262</u>	<u>\$ 2,657,681</u>	<u>\$ 118,419</u>	4.66%
Total City W/O Debt Service,				
County Taxes & Trans CIP:	\$ 20,082,970	\$ 20,874,167	\$ 791,197	3.94%

City General Fund

by Department

	<u>FY12</u>	<u>FY13</u>	<u>\$</u>	<u>%</u>
Gen. Gov't.	\$ 3,441,562	\$ 3,573,662	\$ 132,100	4%
Police & Comm.	\$ 6,775,528	\$ 6,917,490	\$ 141,962	2%
Fire & Amb.	\$ 3,987,062	\$ 3,994,742	\$ 7,680	0%
Code Enforce	\$ 464,950	\$ 515,634	\$ 50,684	11%
DPW	\$ 2,670,156	\$ 2,715,612	\$ 45,456	2%
Welfare	\$ 423,649	\$ 418,800	\$ (4,849)	-1%
Rec & Library	\$ 1,710,532	\$ 1,704,102	\$ (6,430)	0%
General Overhead	\$ 493,560	\$ 941,869	\$ 448,309	91%

Tax Cap Calculation

- **Net New Construction: \$25,762,717**
- **CPI: 3.16%**
- **Total Additional Appropriation Allowed –**
 - **City & County: \$981,984**
 - **Schools: \$1,217,325**
 - » **Total: \$2,199,309**
- **Proposed City Budget: \$0 under the cap**

School Tax Cap

- School Department's proposed budget
 - (a) was adopted before the Tax Cap final calculation was completed on March 31
 - (b) exceeds by \$75,631 the tax cap calculation
 - I will be working with the City Council and School Department to bring their budget into compliance with the tax cap.

Property Tax Rate Calculation

- **FY2012**

– City Rate	\$ 8.30
– County Rate	\$ 2.78
– Schools	<u>\$13.78</u>
» Total	\$24.86

- **FY2013 (estimated)**

– City Rate	\$8.73	
– County Rate	\$2.85	
– Schools	<u>\$14.43</u>	<u>Change</u>
» Total	\$26.01	\$1.15 (4.6%)

– Using Tax Year 2011 Total Assessed Value

Fund Balance

Fund Balance at Beginning of FY2011 Fiscal Year	\$ 11,861,101
Fiscal Year 2011 Revenues over Expenditures	<u>\$ 912,806</u>
Ending Fund Balance	\$ 12,773,907
Actual Percentage of Gross Budget	12.9%

City Staffing Adjustments

- **MIS: Database Administrator, new position, \$87,720**
- **Code Enforcement: PT Secretary increased to FT, \$44,307**
- **Planning: CD Specialist funding to Gen Fund, \$22,492**

City Staffing Adjustments

- **Economic Development: Administrative Assistance upgrade to Executive Secretary, \$5,448**
- **Non-Union Salary: Merit Pool allocation of 2.5%, \$23,688.**
- **Total General Fund Staffing Adjustments Costs: \$204,314**

General Overhead

- **Salaries Contingency: increase of \$52,000**
- **Salaries & Benefits Adjustments: increase of \$53,805**
- **Increased Banking Fees: \$2,550**
- **Anticipated Reorganization Initiatives: \$332,921**
- **Coast Subsidy: increase of \$8,881**
- **Total General Overhead Increases: \$448,309**

Organizational Change

- This budget is submitted with the intention that many more organizational changes will be considered during the next few months and well into FY 2013.
- Proposed budget is prepared with the intention of being able to accommodate potential changes to the organization and service delivery systems during FY 2013.
- Contingency of \$332, 921 is budgeted to support enhancements to service delivery in the areas of buildings, legal services, public works and modifications to the City Hall Annex.
- Service enhancement initiatives are still "works in process" subject to revision and modification.

City CIP

	FY12	FY13		
	Revised Budget	Mgr Proposed	\$ Change	% Change
City	\$ 4,972,880	\$ 6,152,100	\$ 1,179,220	23.71%
School	\$ 625,355	\$ 924,000	\$ 298,645	47.76%
Water	\$ 2,366,000	\$ 3,027,500	\$ 661,500	27.96%
Sewer	\$ 999,924	\$ 4,154,000	\$ 3,154,076	315.43%
Arena	\$ 50,000	\$ 300,000	\$ 250,000	500.00%
Community Center	\$ -	\$ 45,000	\$ 45,000	0.00%
Transfer to General Fund	\$ 335,000	\$ 280,000	\$ (55,000)	-16.42%
Transfer to Econ Devel Fund	\$ <u>123,728</u>	\$ <u>100,000</u>	\$ <u>(23,728)</u>	<u>-19.18%</u>
Total CIP all Funds	\$ 9,472,887	\$ 14,982,600	\$ 5,509,713	58.16%

Concluding Remarks ...

Budget Philosophy & FY2013 Proposed Budget

- Cash Solvency – goals met**
- Budget Solvency – goals met**
- Long Range Solvency – goals met**
- Services Delivery Solvency – goals met**

Closing

- City of Rochester has maintained its sound fiscal health without a loss of services and without significant increases in property taxes. The proposed FY2013 budget contained herein continues to support these trends.
- I look forward to working with you, staff and the citizens of Rochester for another year of change, challenge and opportunity and on behalf of all City departments; we look forward to working with the City Council to review the FY2013 budget.