

2016 Budget

Carryover and Adjustment to Base
Second Reading and Public Hearing
June 7, 2016

Budget Process

- Annual Budget Approved in Oct. for Following Year
- State Requires Annual Appropriation
- Unspent Budget Appropriation Ends at Dec. 31
- New Appropriation Required as of Jan. 1
 - For Carryover
 - For New Items
- Two Major Adjustments Each Year
 - First – Carryover and Adjustment to Base
 - Second – Adjustment to Base – yearly update

Carryover

- Project Carryover: often for capital, multi-year projects
- Grant Carryover: timing of grant awards may differ from fiscal year
- Operating Carryover: specific non-recurring expenditures where funding was appropriated in a previous year and then carried forward until completion (e.g. Master Plan Update)

Budget Supplemental

- From New Revenue: initiatives associated with new sources of revenues (e.g. grants, bond funding)
- From Fund Balance: savings that have been built up, or revenues that have been received in advance of expenditure being needed

Carryover and Adjustment to Base

- Base is 2016 Budget
- \$142 Million Project and Grant Carryover
 - Capital Projects – timing; multi-year
 - Grants – Accounting Rules
 - Replaces Estimated Carryover from Annual Budget
- \$15 Million Operating Carryover
- \$6.5 Million New Requests and Adjustments

Comparison to Prior Years

| | Project and Grant c/o | Operating c/o | New Requests | Total |
|------|--------------------------|---------------|--------------|-------------|
| 2016 | 141,596,472 | 15,195,759 | 6,501,275 | 163,293,506 |
| 2015 | 83,862,169 | 14,556,955 | 19,593,286 | 118,012,410 |
| 2014 | 101,606,165 | 12,589,831 | 12,019,126 | 126,215,122 |
| 2013 | 102,392,546 | 7,598,633 | 16,358,315 | 126,349,494 |
| 2012 | 64,648,173 | 6,453,615 | 18,012,028 | 89,113,816 |

Key Items and Examples

- Project and Grant Carryover:
 - Affordable Housing: \$12 million
 - OSMP Land Acquisition: \$13 million
 - Transportation Capital Projects: \$26 million
 - Stormwater Capital Projects: \$34 million
 - Wastewater Capital Projects: \$22 million
 - Water Capital Projects: \$6 million

Key Items and Examples

- Operating Carryover
 - Energy: \$6.2 million
 - Fire Station Alerting System: \$580,000
 - Landlink System Replacement: \$1.5 million
 - Climate Action Plan Programs: \$570,000
 - Capital Bond: \$852,000
 - RMJ Youth Education: \$500,000

Key Items and Examples

- Supplemental Requests from Fund Balance
 - Police Records Management System: \$696,040
(from Asset Forfeiture Reserves)
 - Dairy Arts Center Maintenance: \$242,871
 - BCH Repair and Rennovation: \$1.25 million
 - Affordable Housing: \$1 million
(from additional revenue received in 2015)
 - ACA compliance-seasonal benefits: \$200,000
 - Workers Compensation: \$250,000

Key Items and Examples

- Supplemental Requests from Additional Revenue
 - Tree Debris to Opportunity Grant: \$200,000
 - Valmont Butte Cleanup: \$2 million
(third party contribution)
 - Affordable Housing: \$250,000
(HUD Grants Above Projection)
 - Wonderland Creek CDBG-DR Grant: \$2.4 million
 - Resilience Assessments (federal grant): \$215,625

Questions

- Does council have any questions related to the First Adjustment to Base carryover and/or supplemental requests?