



Council Workshop FY20-21 Budget Discussion

February 4, 2020





Council Consensus

- Financial Policy – Fund Reserve
- Property Tax Levy
 - Primary
 - Secondary



Budget Overview

- Fiscal Year 2020-2021 (FY20-21)
- State Law Requirements
- Calendar
- Process
- Budget Components
- Fund Balance Policy
- Property Tax Discussion
- Revenues/Assumptions
- Future Budget Discussion Items
- Next Steps

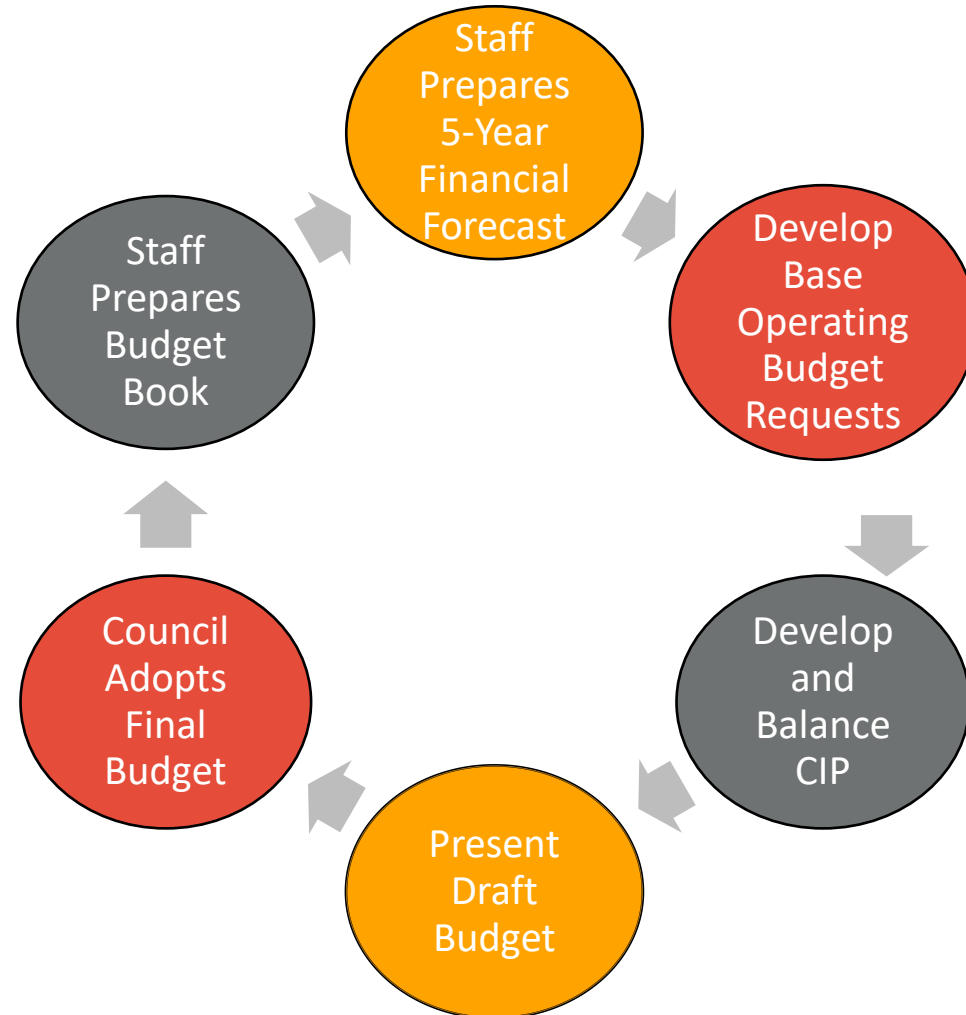


Budget Calendar

Item	Date
Financial Forecast	December 10, 2019
<i>Council Workshop – Policy Overview/Policy Discussions/Revenues</i>	<i>February 4, 2020</i>
Council Workshop – G. O. Bond Project Prioritization	February 18, 2020
Council Workshop – G. O. Bond Follow Up/CIP Prioritization	March 3, 2020
Council Workshop – Budget Discussion/Follow-up Items	March 17, 2020
Council Workshop – Budget Discussion/Follow-up Items	March 31, 2020
Council Workshop (All Day) – Departmental Presentations	April 7, 2020
Council Workshop (All Day) – Departmental Presentations	April 9, 2020
Council Workshop – Budget Discussion/Follow-up Items	April 21, 2020
Voting Meeting – Tentative Budget Adoption	May 12, 2020
Voting Meeting – Final Budget Adoption/Property Tax Levy	June 9, 2020
Voting Meeting – Property Tax Adoption	June 23, 2020

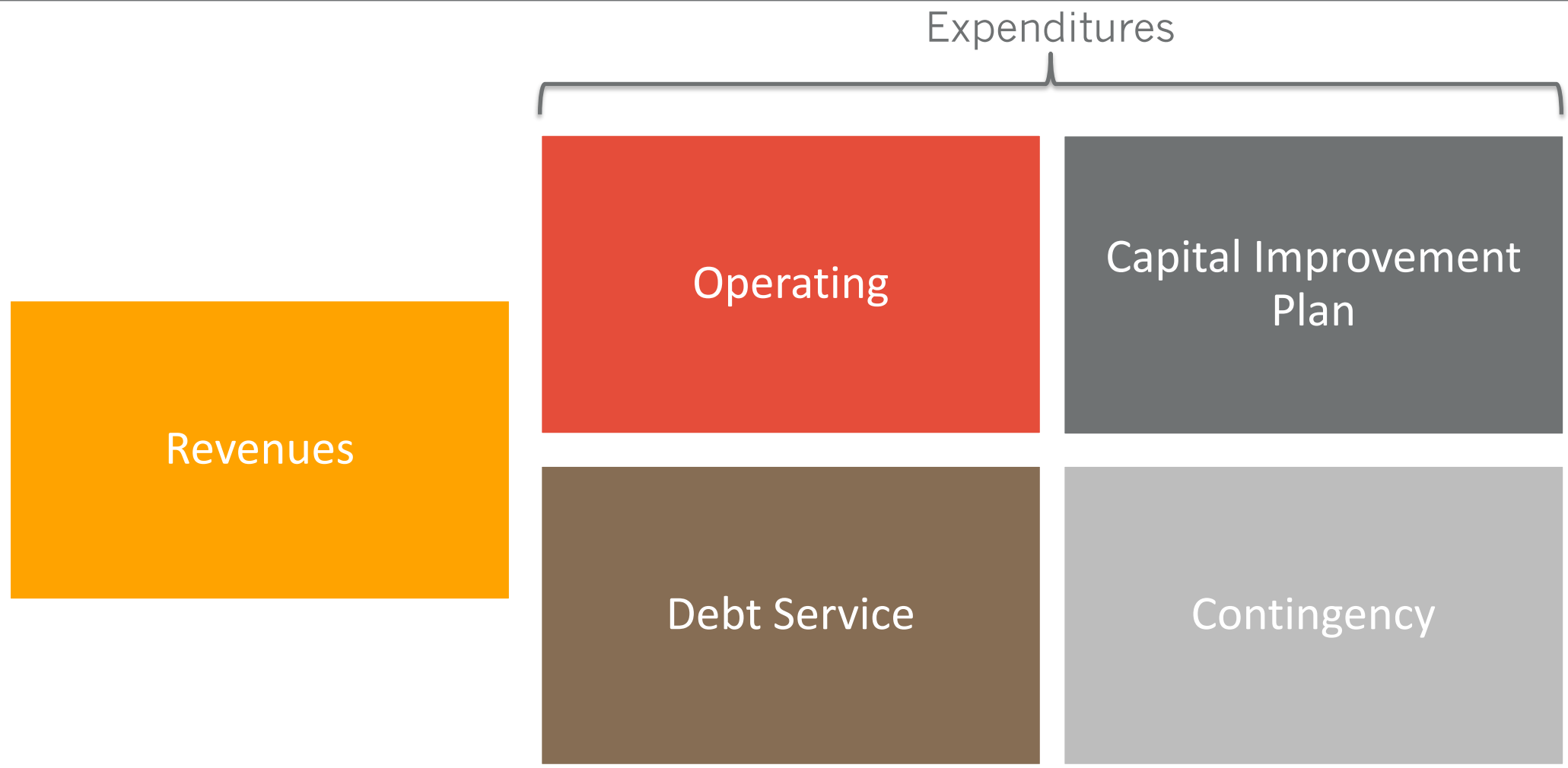


Budget Process



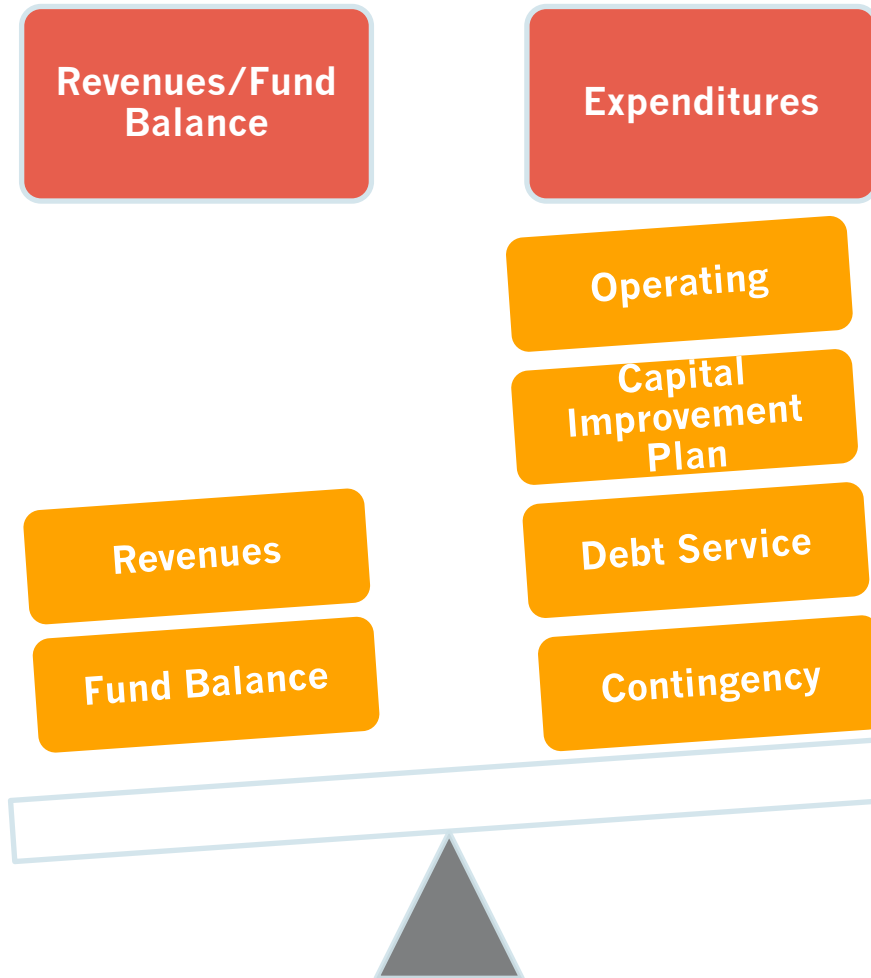


Budget Components





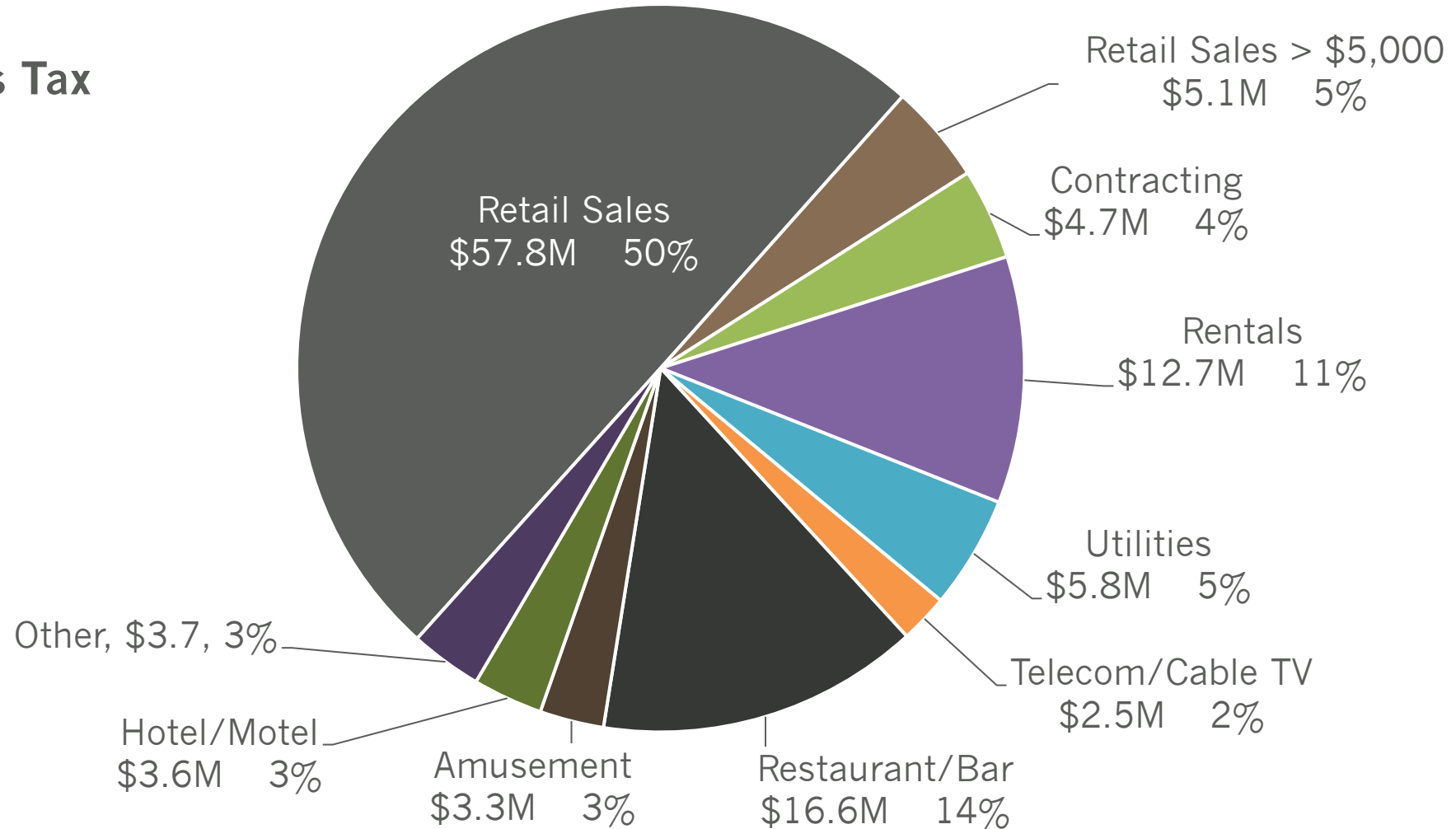
Balanced Budget





FY19 General Fund Sales Tax by Type

FY19 GF Sales Tax
\$115.8M





Financial Policies – Fund Reserve and Structure

Current Policy:

For the other major governmental operating funds, the total minimum unassigned fund balance shall be as follows:

- PSST: 5% of operating revenue
- HURF: 15% of operating revenue
- Others: 10% of operating revenue

Recommended Policy Update:

For the other major governmental operating funds, the total minimum unassigned fund balance shall be as follows:

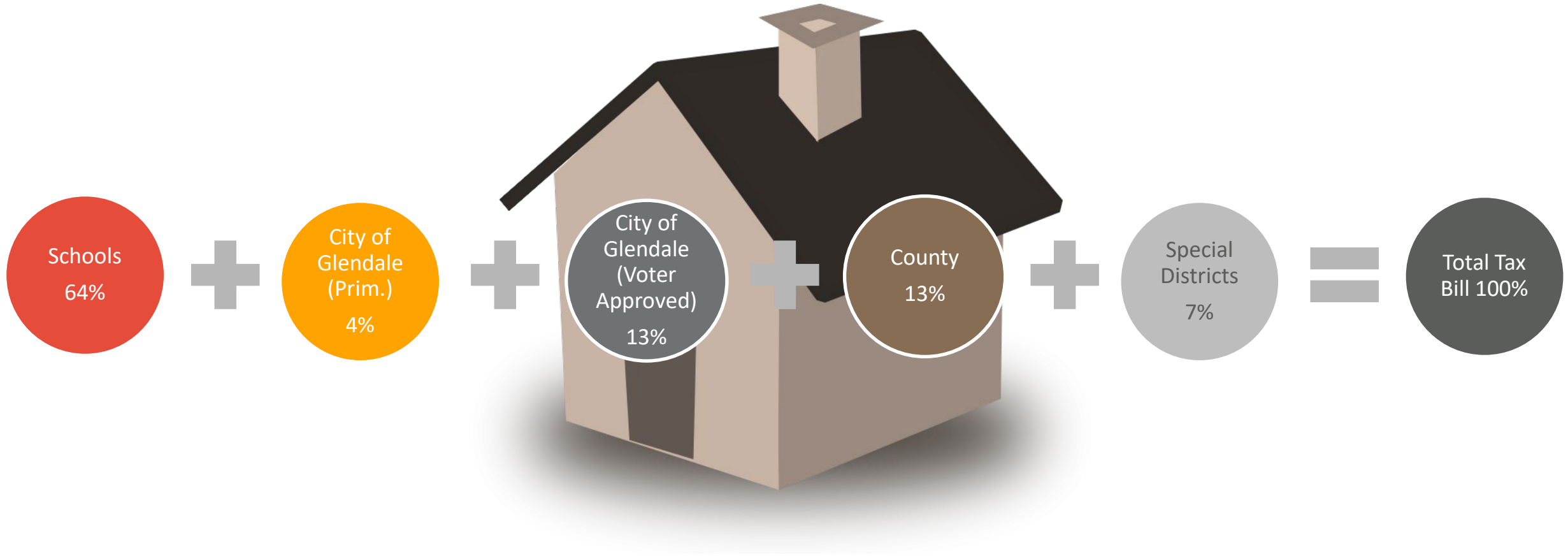
- PSST: 5% of operating revenue
- HURF: 15% of operating revenue
- **Transportation Sales Tax: 15% of operating revenue**
- Others: 10% of operating revenue



Financial Policies – Property Tax

“To ensure ongoing General Fund stability, the primary property tax levy will be evaluated each year to determine where it should be set.”

Property Tax





Property Tax Bill (Example)

	2018		2019		Changes
Assessed Value	\$121,064		\$127,117		
Full Cash Value	\$183,500		\$197,000		
	Property Tax Levy Calculation				
	2018		2019		
	Rate	Levy	Rate	Levy	\$ Change
Schools/Education (64%)		\$866.91		\$884.88	\$17.97
Glendale Primary (4%)	\$0.4407	\$53.35	\$0.4144	\$52.68	-\$0.67
Glendale Secondary (13%)	\$1.5357	\$185.91	\$1.4441	\$183.57	-\$2.34
County (13%)		\$169.59		\$178.09	\$8.50
Special Districts (7%)		\$82.28		\$91.20	\$8.92
Total		\$1,358.04		\$1,390.42	\$32.38



Property Taxes

	FY19-20		FY20-21		
	Budget		Projected		
	Rate	Levy	Rate	Levy	Increase
<i>Primary</i>	<i>\$ 0.4144</i>	<i>\$ 5,856,524</i>	<i>\$ 0.4227</i>	<i>\$ 5,973,654</i>	<i>\$ 117,130</i>
Secondary	1.4441	20,408,799	1.4441	20,408,799	0
Total	\$ 1.8585	\$ 26,265,323	\$ 1.8668	\$ 26,382,453	\$ 117,130

- Primary – Levy increased by 2% or No Levy Increase
- Secondary (Voter Approved) – No levy increase
 - Simple example, assumes no new construction & no increase in assessed valuation



Property Taxes

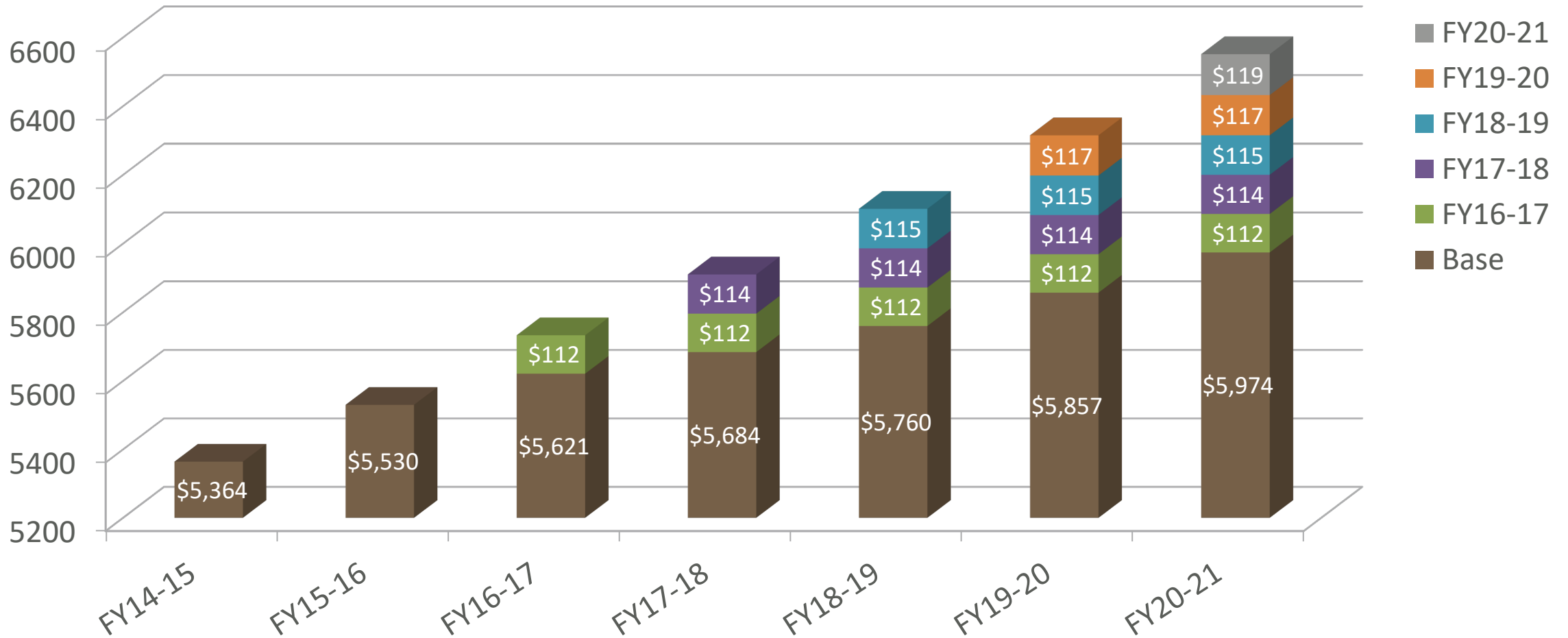
Existing Property	FY19-20 Levy	FY19-20 Rate	FY20-21 Levy	
Primary *	\$ 5,856,524	\$ 0.4144	\$ 5,973,654	2%
Secondary	20,408,799	1.4441	20,408,799	0%
Total	\$ 26,265,323	\$ 1.8585	\$ 26,382,453	
* 2% levy increase				



New Property	FY19-20 Levy	FY19-20 Rate	FY20-21 Levy
Primary *	N/A	\$ 0.4144	\$ 96,993
Secondary	N/A	1.4441	338,001
Total	N/A	\$ 1.8585	\$ 434,994



Total Primary Levy





Budget Discussion

- Property Tax Discussion
 - Primary Levy Limit
 - Any general fund expense
 - Allowable 2% increase per year
 - Cumulative increase is approximately \$577K ongoing
 - Secondary Levy Limit
 - Debt Service only
 - Currently flat levy



Key Revenues – Enterprise Funds

Revenue	FY18-19 Actual	FY19-20 Budget	FY19-20 Estimate	FY20-21 Projected	% Increase
Water/Wastewater*	\$95,334,341	\$94,426,479	\$97,194,479	\$99,358,574	2.2%
Landfill*	11,019,726	11,490,427	11,790,222	12,143,500	3.0%
Solid Waste	18,191,412	19,343,549	19,343,549	20,437,283	5.7%
Total – Enterprise Funds	\$124,545,479	\$125,260,455	\$128,328,250	\$131,939,357	

*Revenues do not Include Bond Proceeds or Reimbursement from Outside Sources (IGA)



Key Revenues – Special Revenue Funds

Revenue	FY18-19 Actual	FY19-20 Budget	FY19-20 Estimate	FY20-21 Projected	% Increase
HURF	\$ 17,430,835	\$ 16,924,349	\$ 16,924,349	\$ 17,344,458	2.5%
Transportation Sales Tax	31,139,452	30,592,943	30,592,943	31,653,756	3.5%
Public Safety Sales Tax- Police	17,919,390	18,094,660	18,094,660	18,727,973	3.5%
Public Safety Sales Tax - Fire	8,954,164	9,111,495	9,111,495	9,430,397	3.5%
Total	\$ 75,443,841	\$ 74,723,447	\$ 74,723,447	\$ 77,156,584	



Additional Council Questions/Feedback?
