

City of Austin

Economic Outlook & Financial Forecast Presentations



April 18, 2012





Forecast Agenda – April 18

9:00-9:15	Opening Remarks, Agenda & Highlights
9:15-10:00	Austin Area Economic Forecast <i>(Jon Hockenyos, Texas Perspectives)</i>
10:00-11:00	General Fund Financial Forecast
11:00-11:40	Planning and Development Review
11:40-1:00	Break for Lunch
1:00-2:00	Austin Police Department
2:00-2:40	Emergency Medical Services
2:40-3:20	Austin Fire Department
3:20-4:00	Parks and Recreation



Forecast Agenda – April 25

9:00-10:20

Austin Water Utility

10:20-11:30

Austin Energy

11:30-12:00

Economic Growth and Redevelopment
Services



Forecast Agenda – May 2

9:00-9:40	Austin Public Library
9:40-10:20	Health and Human Services
10:20-11:00	Neighborhood Housing & Community Dev.
11:00-11:40	Watershed Protection
11:40-1:00	Break for Lunch
1:00-1:30	Animal Services
1:30-2:10	Austin Resource Recovery
2:10-2:40	Code Compliance
2:40-3:20	Public Works
3:20-4:00	Transportation



FY 2013 Budget Process

Ongoing commitment to transparency and stakeholder engagement.

- Detailed reports published early in the process
 - citizen survey – October 2011
 - horizon issues update – March 2012
 - annual performance report and city dashboard – March 2012
 - unmet service demands report – April 2012
 - menu of potential budget reductions – May 2012
 - report on outcomes of community engagement – June 2012
 - proposed budget document – August 2012
 - all reports available at www.cityofaustin.org/finance
- 26-hours scheduled for Council discussion and input
 - financial forecast work sessions – April 18, 25, May 2
 - proposed budget work sessions – August 1, 15, 22



FY 2013 Budget Process

Ongoing commitment to transparency and stakeholder engagement.

- Multiple opportunities for public involvement
 - 15 public budget meetings – May and June
 - public hearings on budget, tax rate, and utility rates – August 23, 30
 - online speakupaustin! community forum for ranking of unmet needs and potential cuts
 - new online budget priority setting application
 - new online public question and answer process
- Goal is an inclusive, transparent and data-driven approach to making budget recommendations



General Fund Forecast Highlights

- 1.8 cent increase in the tax rate projected to maintain a balanced, structurally sound budget in FY 2013
 - \$15.1 million shortfall if no rate increase
- Economic recovery underway but revenue challenges persist
 - 7.3% year-to-date growth in sales tax revenue
 - 5% growth in property values projected by appraisal districts
 - transfers from utilities have leveled off significantly from prior years
 - departmental revenues flat despite growth in development activity
 - further cuts in federal grant funding anticipated
- \$24.6 million of unmet service demands identified by departments not included in forecast



City of Austin Financial Forecast

Economic Outlook

Jon Hockenyos, Texas Perspectives

The 2012 Austin Area Forecast

Economic



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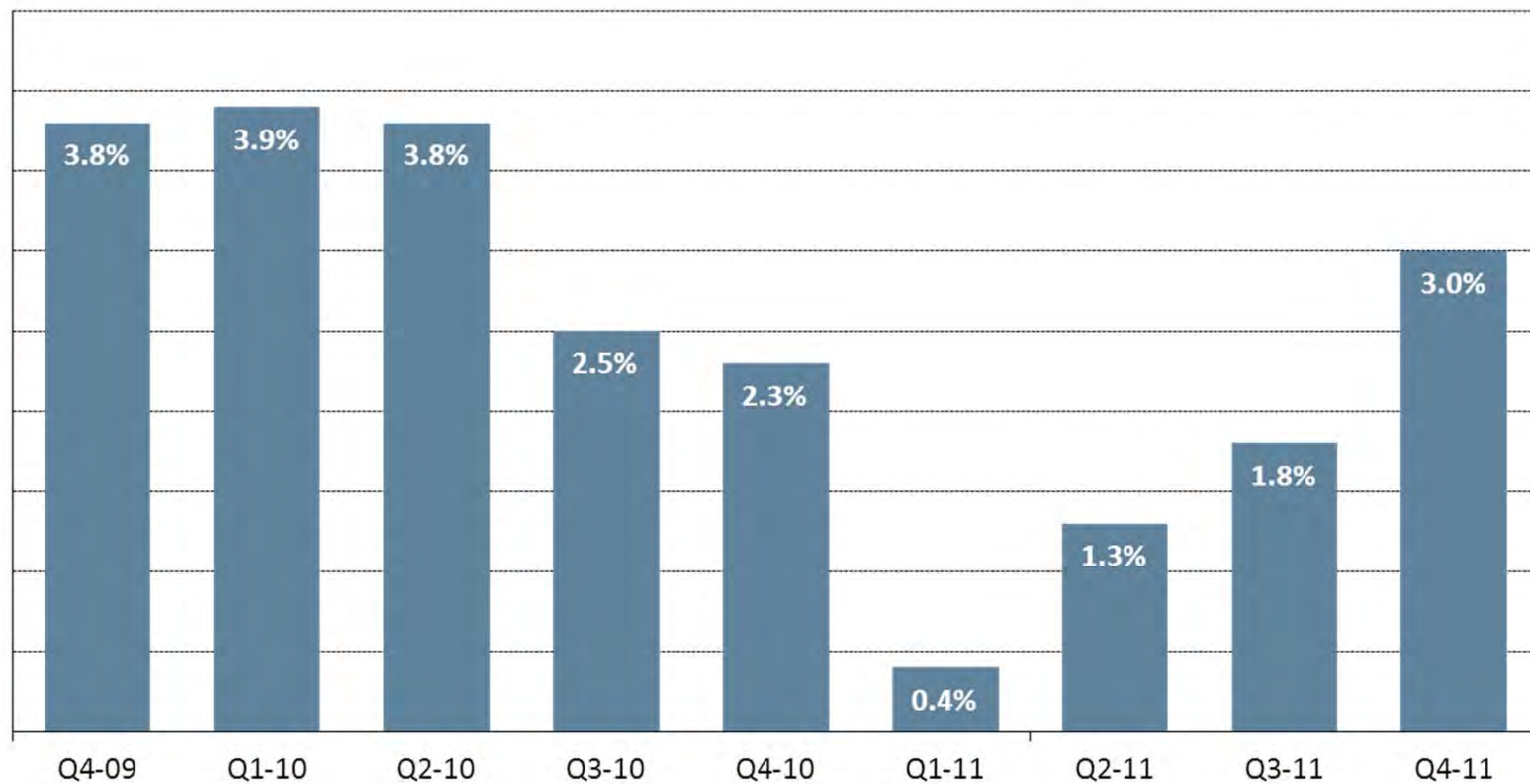
National Economy

Overview

- Economy has clearly been in recovery for last two years, with recent improvement in the labor market (both new jobs and drop in unemployment) indicating cycle may be entering next phase. Growth rates lower in light of stronger base.
- Lag in the impact of declining property values, lost jobs, higher energy prices and some sluggishness in retail spending have hit local governments hard. In many states, borrowing to meet basic needs and structural deficits has made the situation worse. Public sector nationwide will continue to struggle.
- Surging energy prices are accelerating overall inflation, though rate remains below the level that has a material impact on conventional business decision-making. Debt has yet to influence prices – with very low interest rates expected through 2014, will be interesting to see if this changes.
- Impact of the real estate bust is not over, but has begun to abate.
- Bottom line: growth that is being held back by structural issues.

National Economy

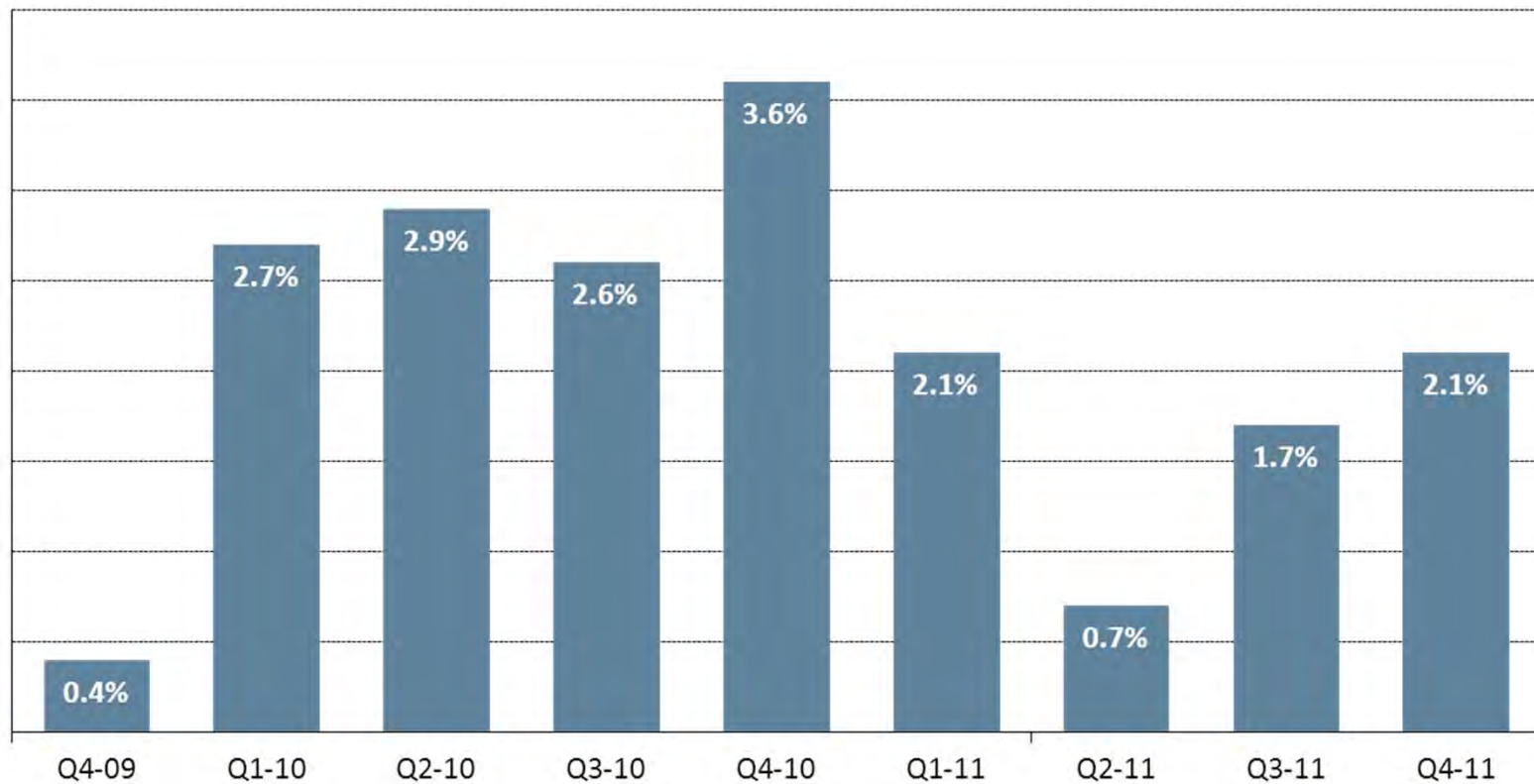
GDP Growth (SAAR)



Source: BEA; TXP

National Economy

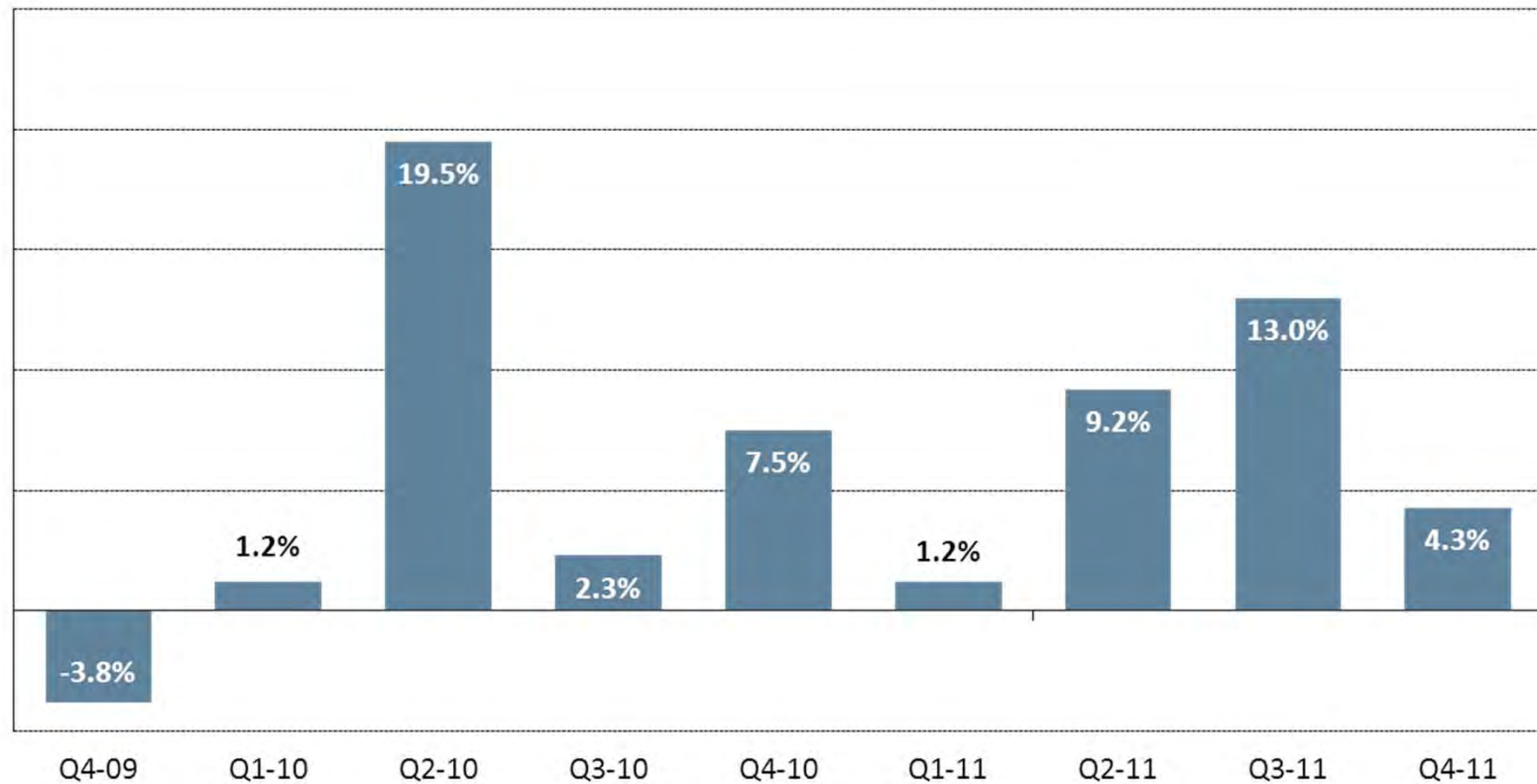
PCE Growth (SAAR)



Source: BEA; TXP

National Economy

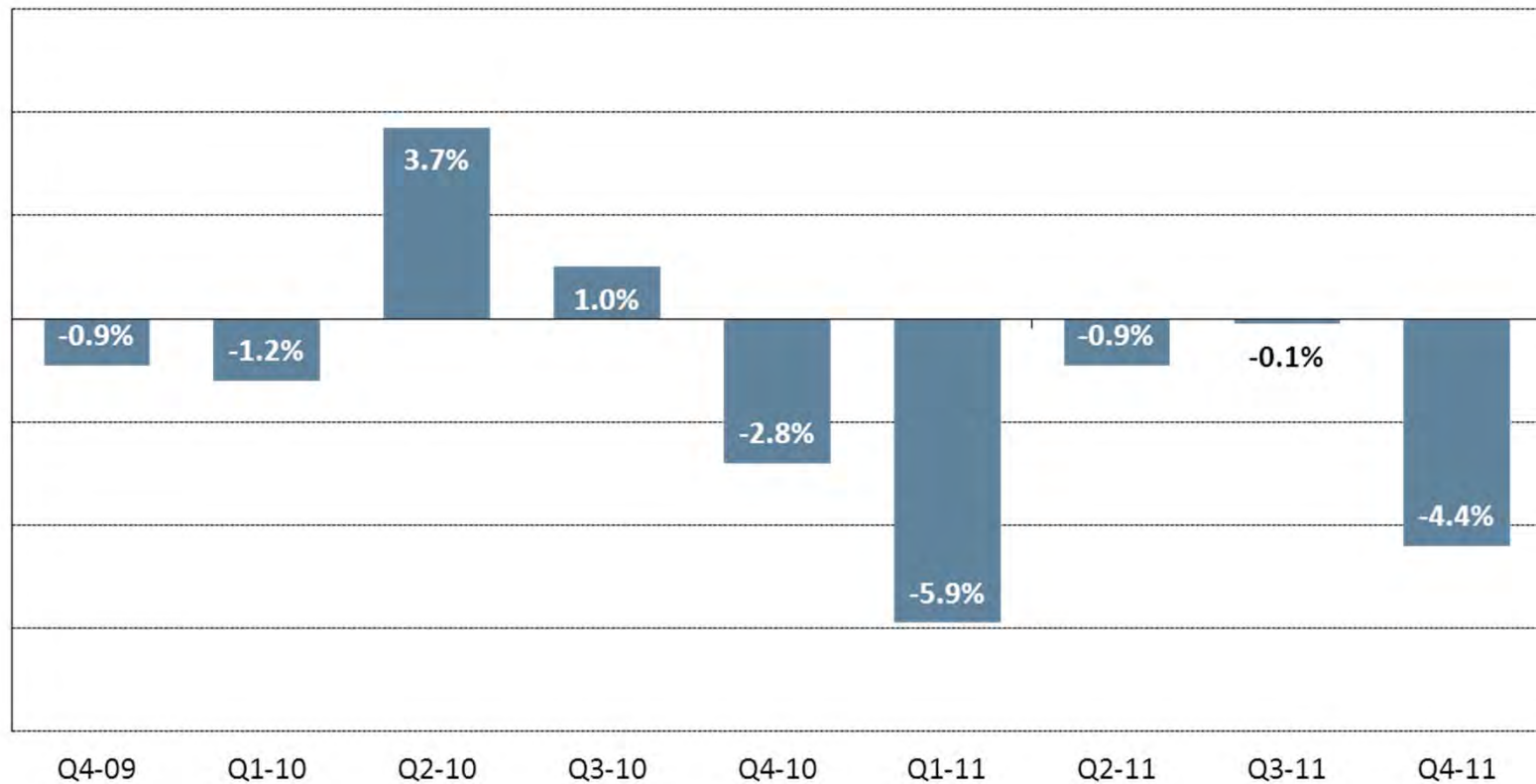
Fixed Investment Growth (SAAR)



Source: BEA; TXP

National Economy

Government Growth (SAAR)



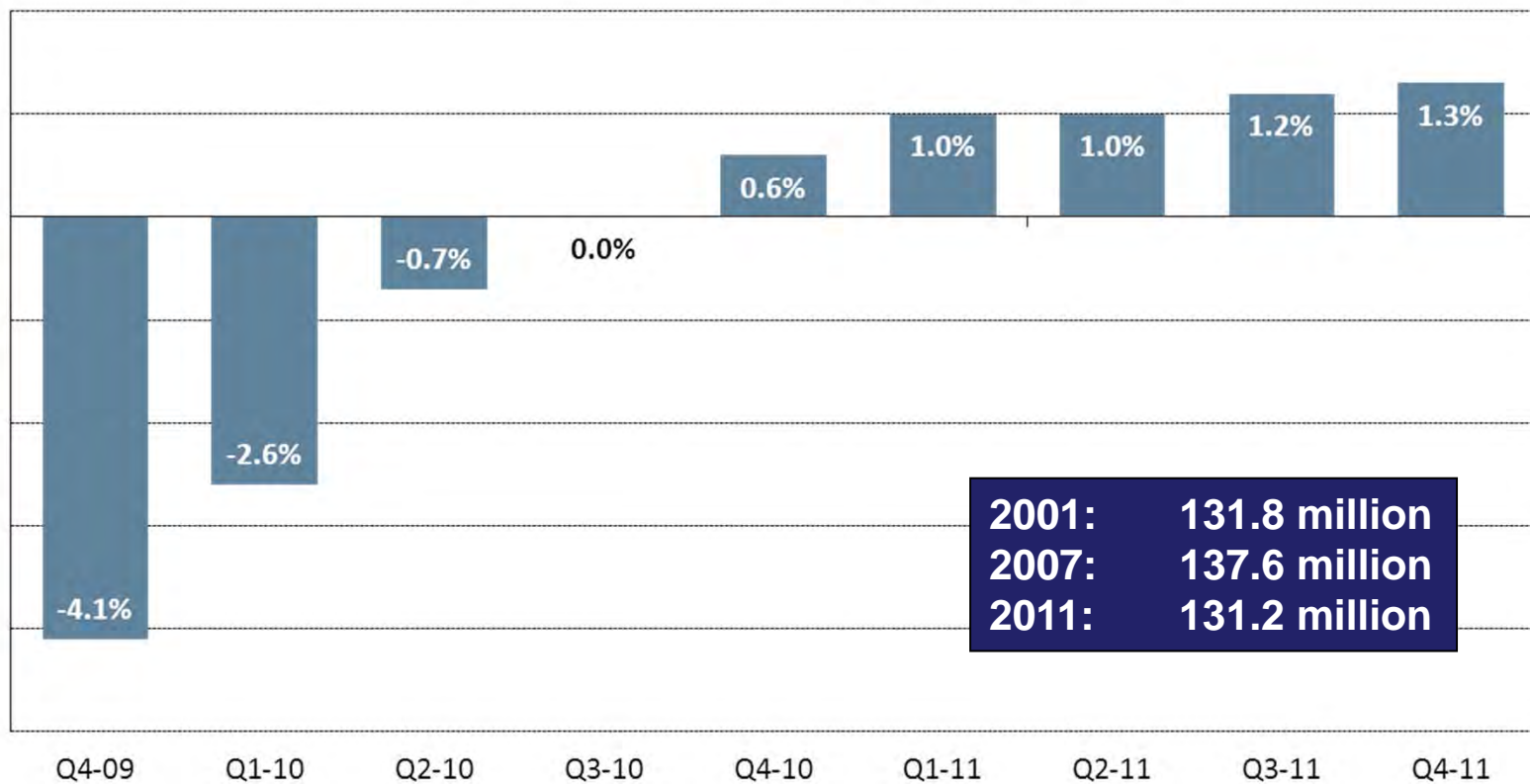
Source: BEA; TXP

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National Economy

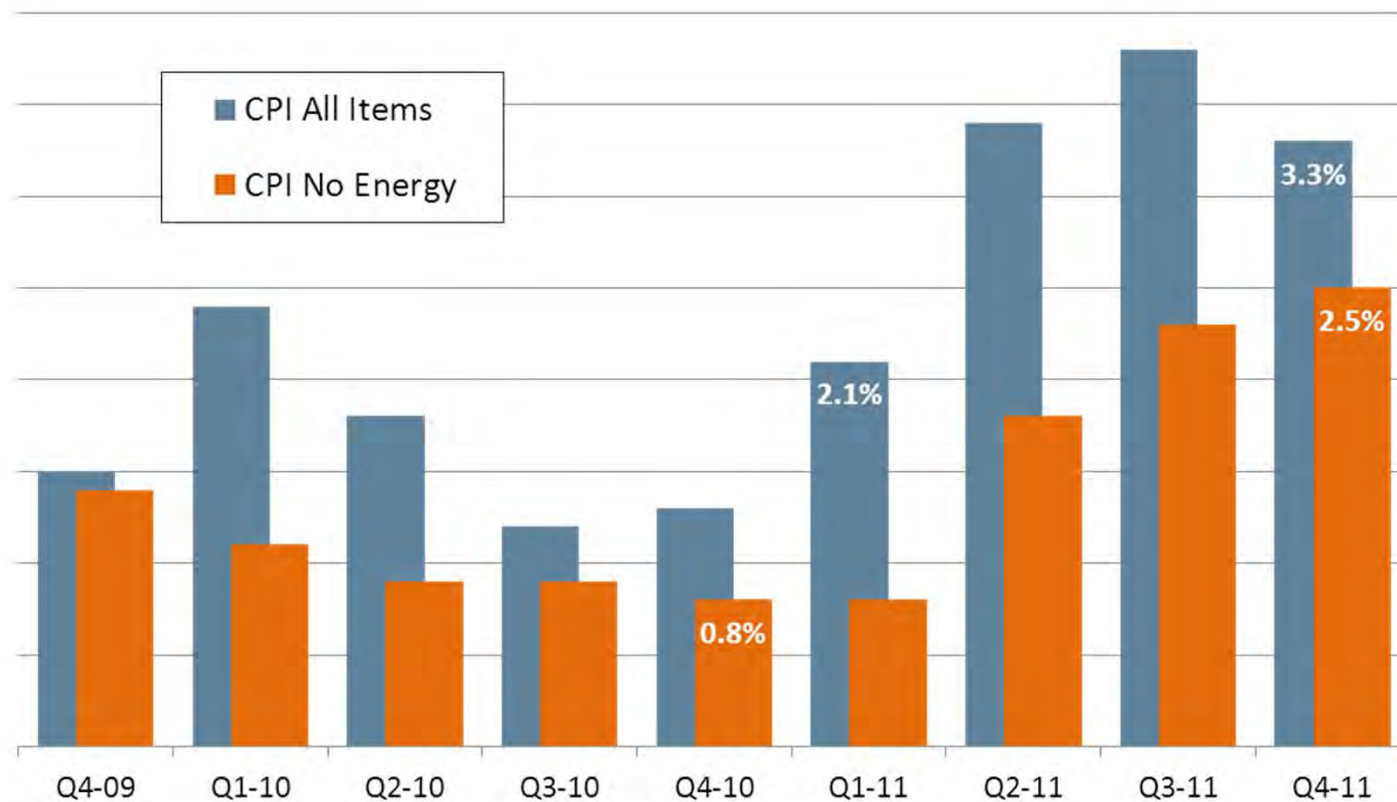
Total Employment (12-Month Change)



Source: BLS; TXP

National Economy

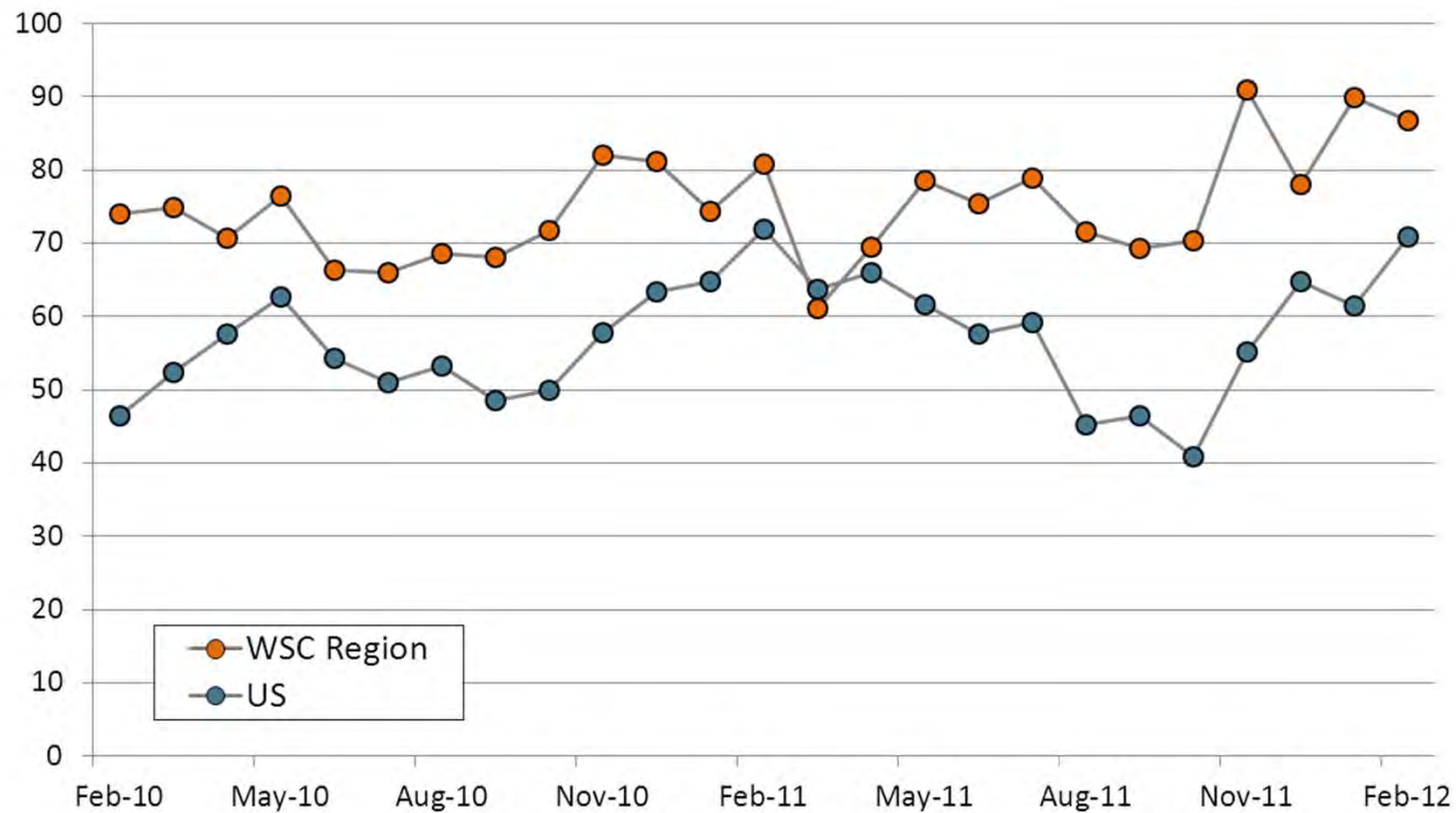
Consumer Price Index (12-Month Change)



Source: BLS; TXP

National Economy

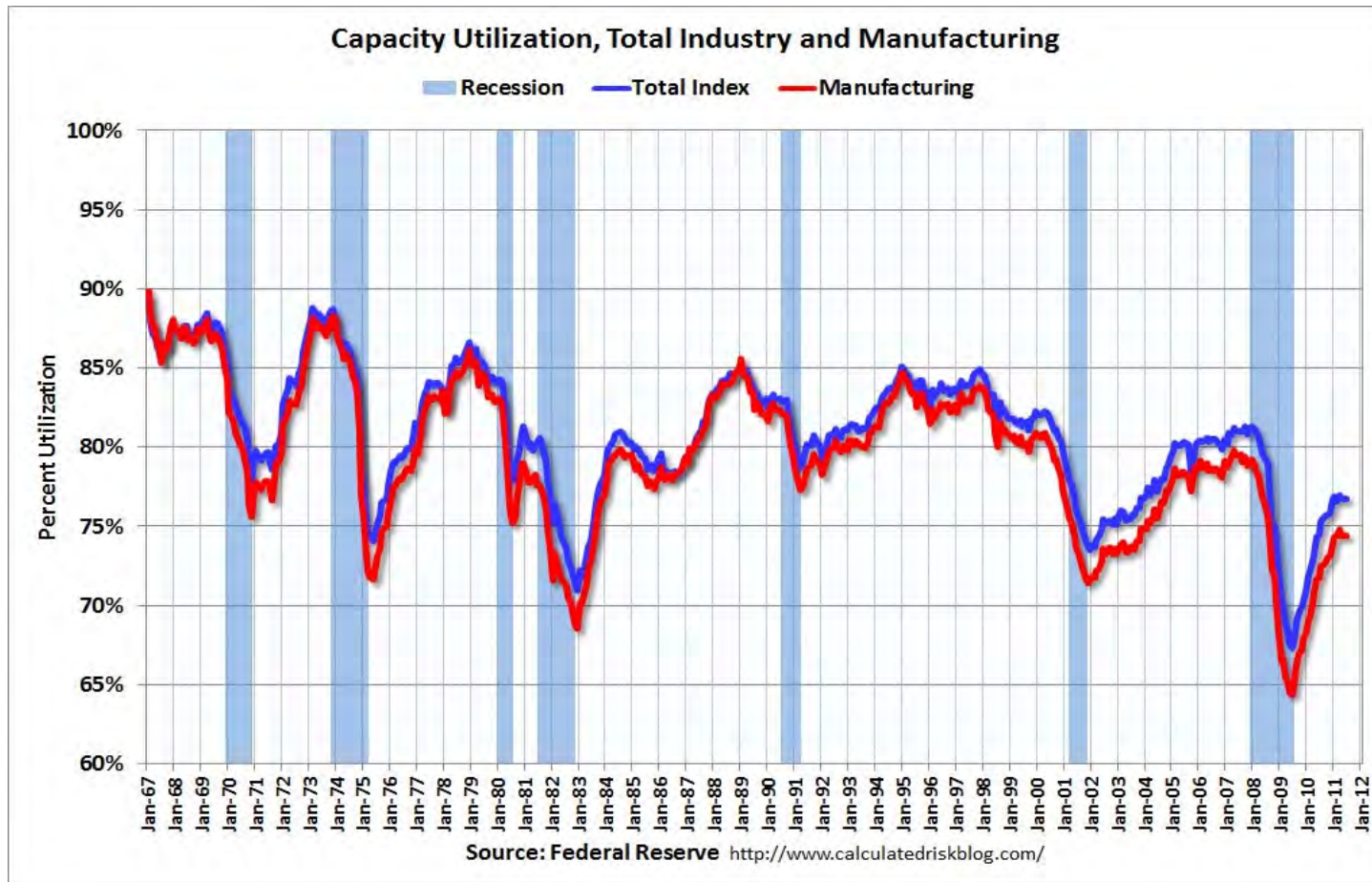
Consumer Confidence (1982 = 100)



Source: Conference Board; TXP

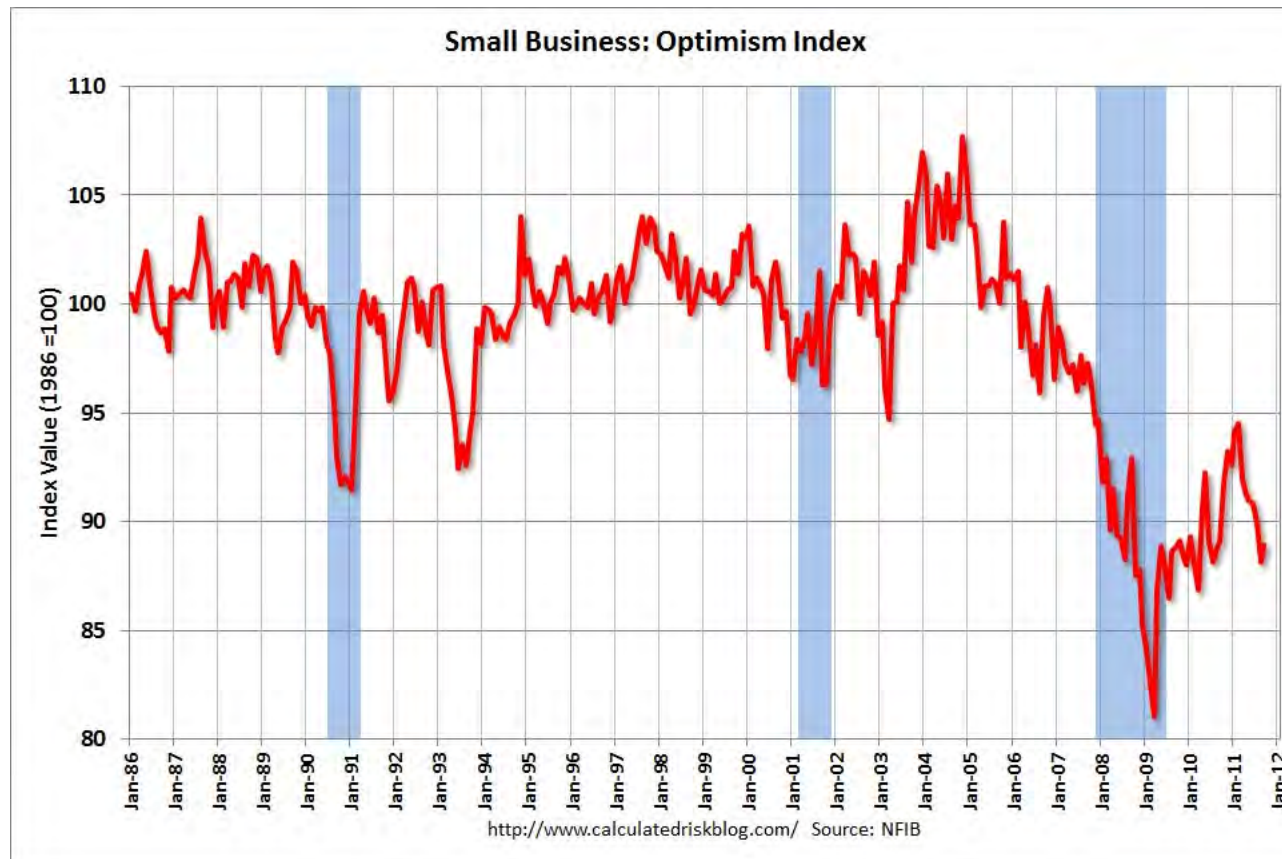
National Economy

Industrial Capacity Utilization



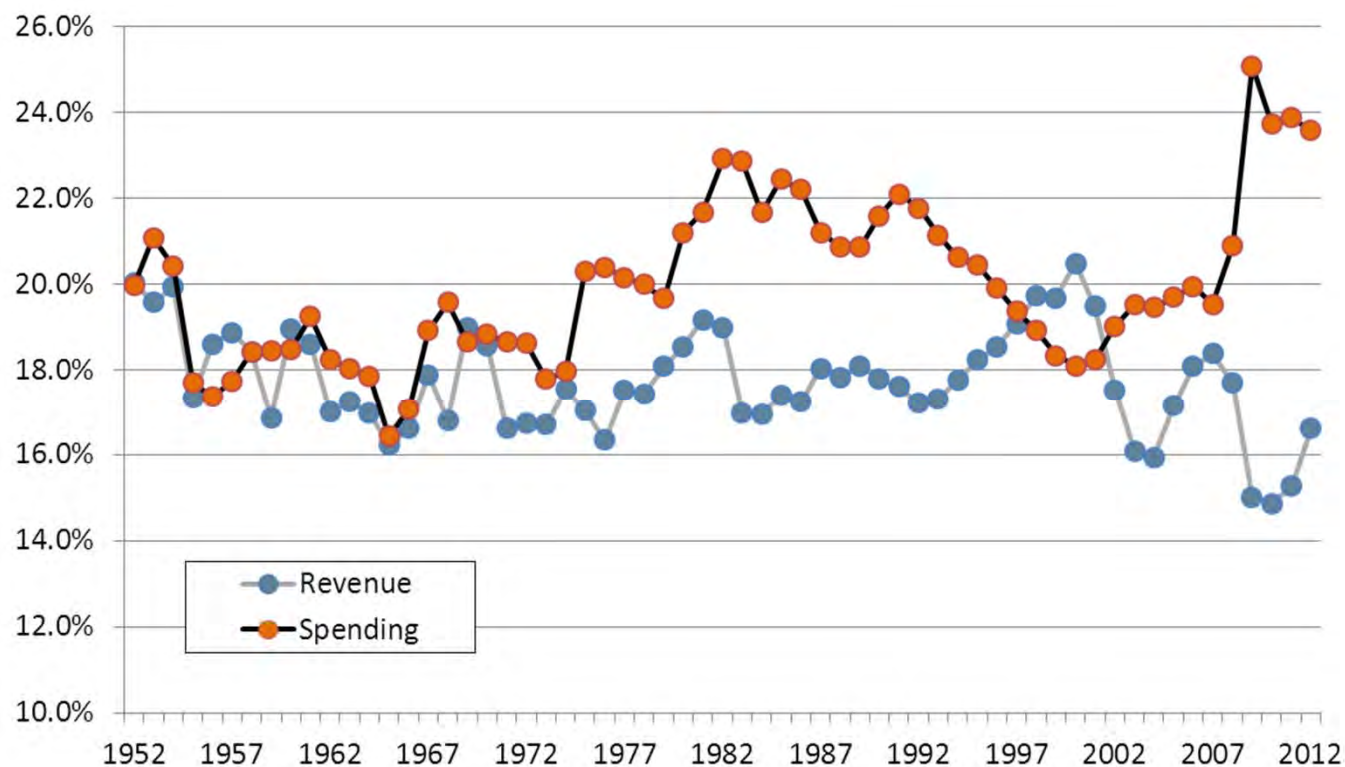
National Economy

Small Business Optimism Index



National Economy

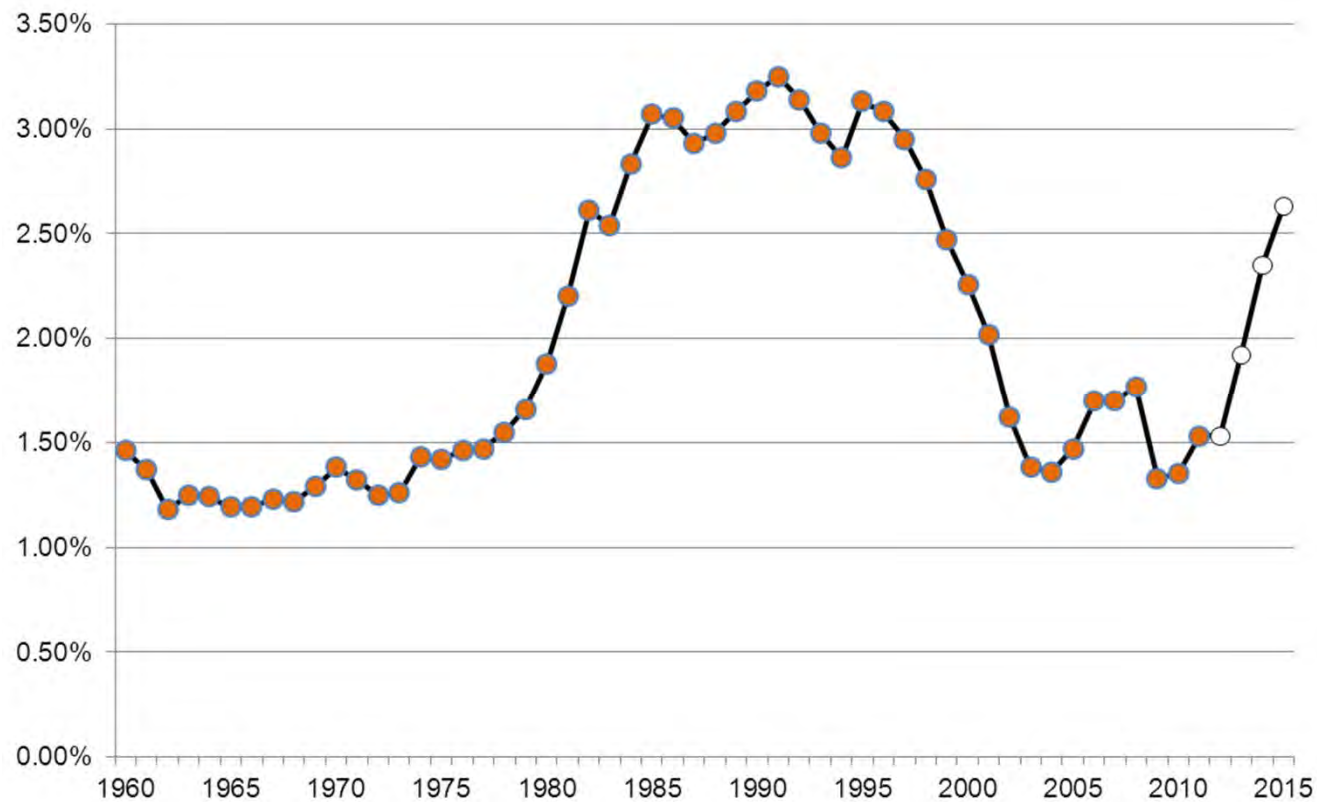
Federal Spending & Revenues as % of GDP



Source: usgovernmentspending.com; TXP

National Economy

Federal Interest Payments as a % of GDP



Source: usgovernmentspending.com; TXP

National Economy

Outlook

- GDP will remain positive in 2012 (2 to 2.5%), but rate won't approach potential until the following are resolved.
 - Current uptick in prices (energy and food showing signs of accelerating), but interest rates/monetary policy unlikely to change significantly until recovery is firmly in place. Nothing changes in an election year.
 - Structural imbalance of the federal government; tax codes out of sync with modern economy in many parts of the nation
 - Global economic trends and foreign conflicts will shape outlook – surprises likely to be negative
- Longer-Term Outlook (Next Five Years)
 - Best Case – U.S. sets path toward systemic deficit/debt reduction while resolution of global issues leads to export-driven growth that allows job creation and creates overseas markets for investment. Value of dollar is a plus, as well as perception of the U.S. as the world's "safe harbor."
 - Worst Case – global crisis of some type goes viral; debt yields inflation, causing interest rates to rise sharply and growth to be stifled.



Austin Area Economy

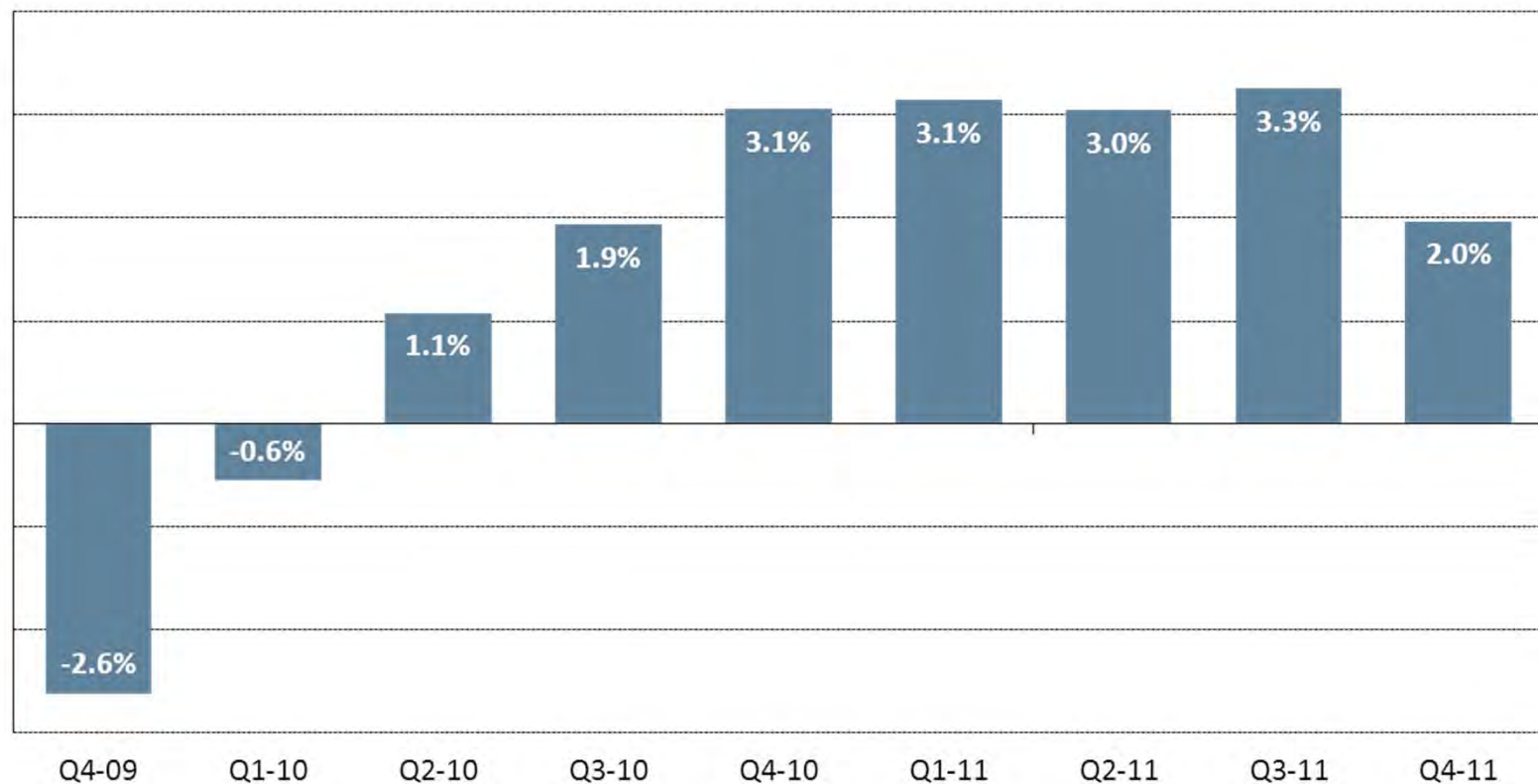
Overview

- Solid signs of life in the job base, as almost 22,000 net new jobs added during 2011. Private sector is now the engine of local growth, with a gain of about 24,000 net new jobs last year.
- Composition of growth is also encouraging, as every major sector but development (including manufacturing) showed a rise in payroll employment over the course of 2011. Public sector is not as negative as originally feared (at least to this point).
- Consumer spending shows improvement. Spending (and sales tax) back to long-term trend levels.
- Multi-family looks to be first sector coming out of real estate recession. As demand picks up, rents have increased, while occupancy remains very solid. Home prices remain fairly balanced, especially compared to rest of the country.
- Venture capital also up significantly.
- Tourism remains a positive element - 2011 a record year for hotel revenue.



Austin Area Economy

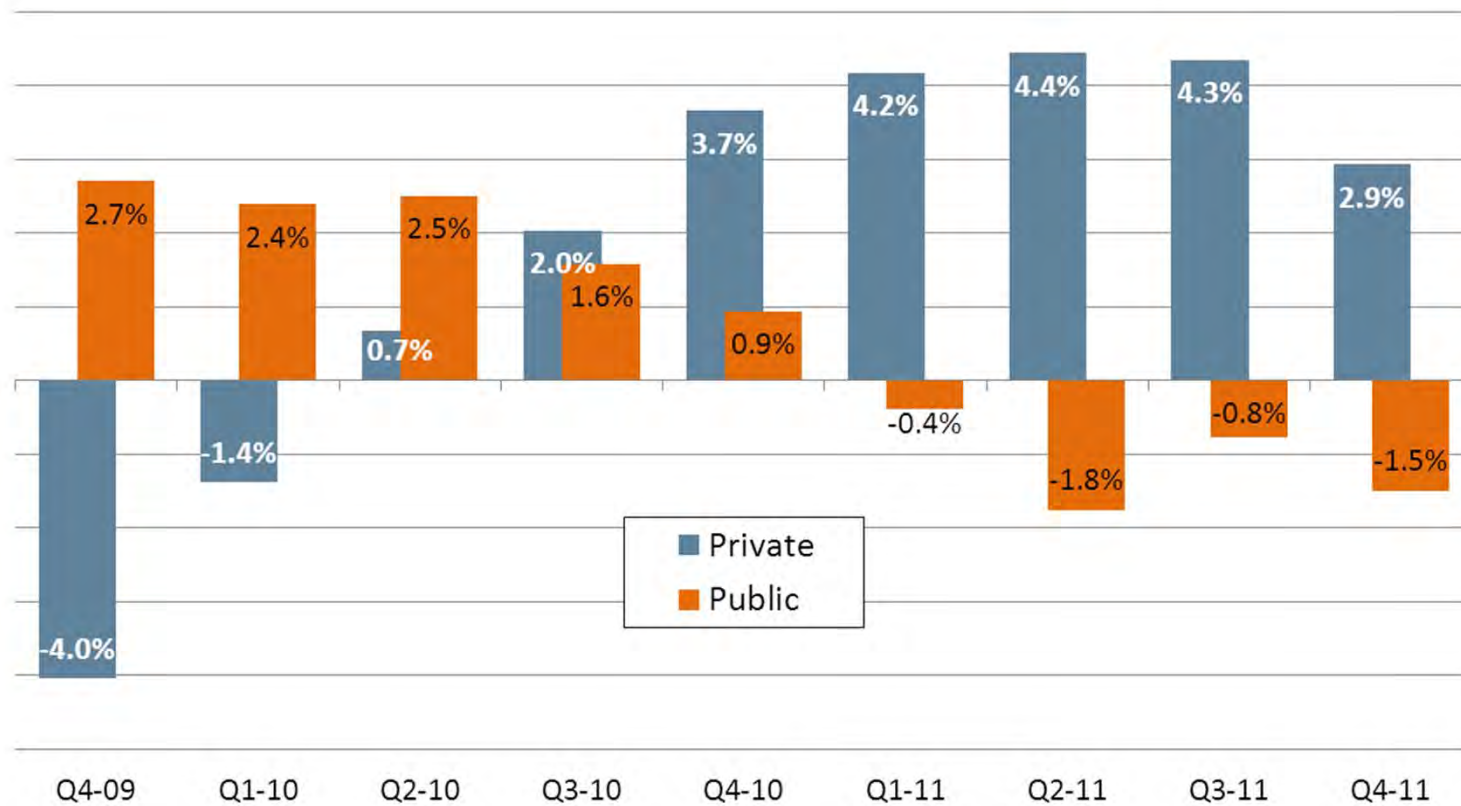
Austin MSA Total Employment (12-Month Change)



Source: BLS; TXP

Austin Area Economy

Austin MSA Employment (12-Month Change)



Source: BLS; TXP



Austin Area Economy

Austin MSA Employment by Sector

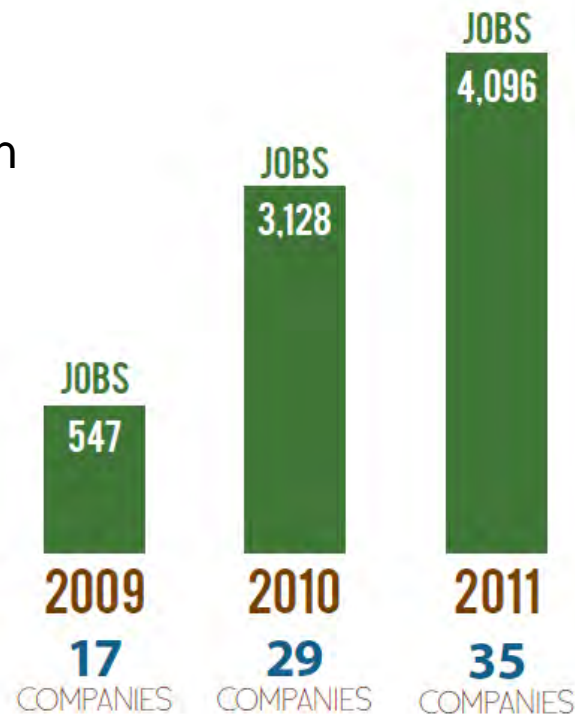
	Employment (000s)			Change (Actual)		Change (%)	
	2006	2010	2011	06-'11	10-'11	06-'11	10-'11
Natural Resources/Construction	44.6	40.0	39.5	-5.1	-0.5	-11.4%	-1.3%
Manufacturing	58.9	47.6	49.9	-9.0	2.3	-15.3%	4.8%
Trade, Transportation, & Utilities	127.4	135.2	139.1	11.7	3.9	9.2%	2.9%
Information	21.8	19.5	20.1	-1.7	0.6	-7.8%	3.1%
Financial Activities	43.3	42.5	44.1	0.8	1.6	1.8%	3.8%
Professional & Business Services	99.6	109.4	116.3	16.7	6.9	16.8%	6.3%
Educational & Health Services	73.8	87.4	90.9	17.1	3.5	23.2%	4.0%
Leisure & Hospitality	74.3	84.8	89.9	15.6	5.1	21.0%	6.0%
Other Services	27.7	33.1	33.5	5.8	0.4	20.9%	1.2%
Total Private	571.4	599.5	623.3	51.9	23.8	9.1%	4.0%
Government	152.0	170.0	168.1	16.1	-1.9	10.6%	-1.1%
<i>Total Employment</i>	<i>723.4</i>	<i>769.5</i>	<i>791.4</i>	<i>68.0</i>	<i>21.9</i>	<i>9.4%</i>	<i>2.8%</i>

Source: BLS; TXP

Austin Area Economy

Economic Development

Opportunity Fund reports 8,035 direct jobs with \$568.8 million in direct wages of new and expanded operations in Austin MSA last year



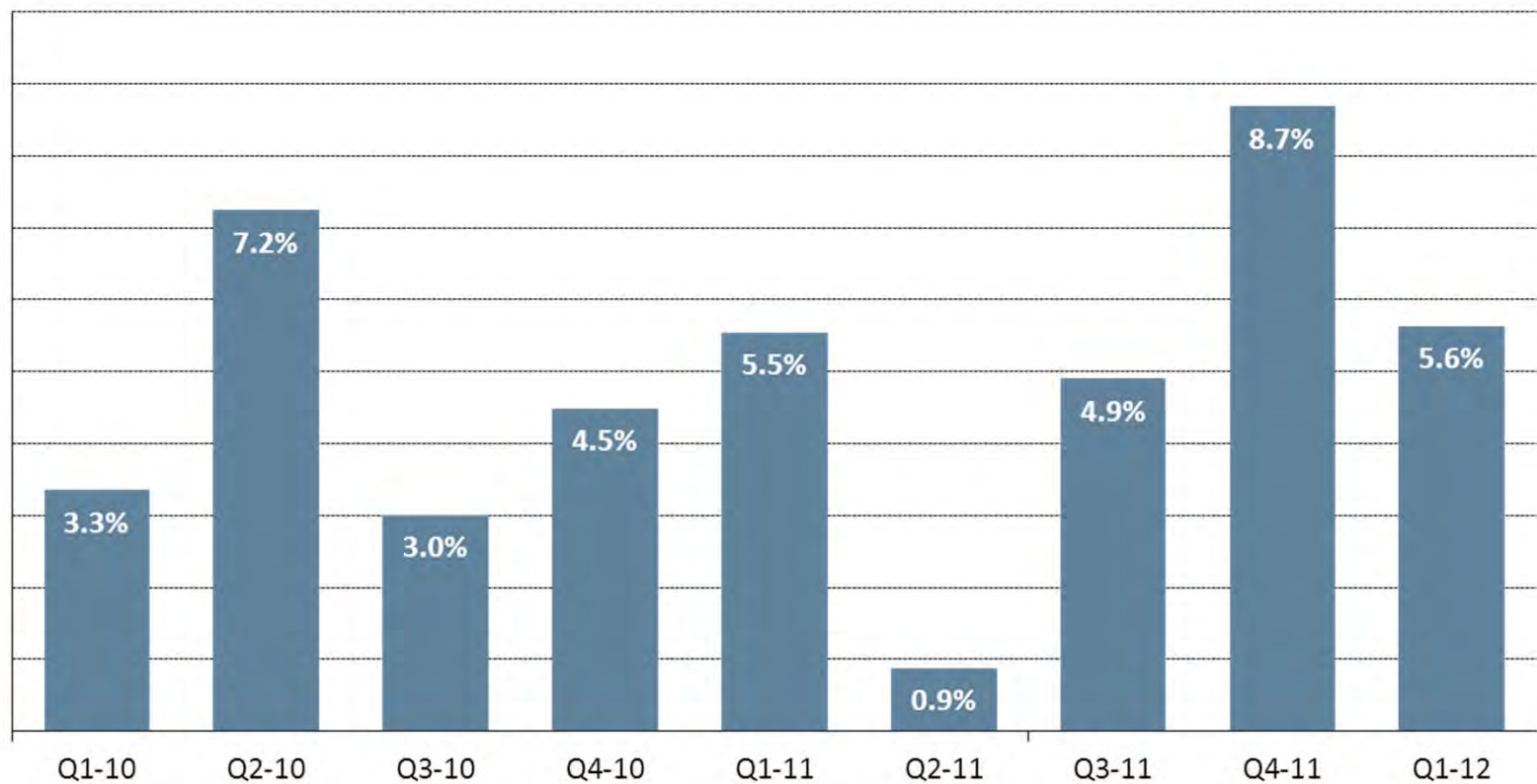
2011 RELOCATIONS BY INDUSTRY SECTOR

Clean Tech	3
Data Center	2
Digital Media	6
HQ/Regional Office	1
Medical Device/Bioscience	1
Semiconductor	1
Software	6
Wireless	7
Other IT	3
Other	5
TOTAL	35

Source: Greater Austin Chamber Opportunity Fund 2011 Annual Report

Austin Area Economy

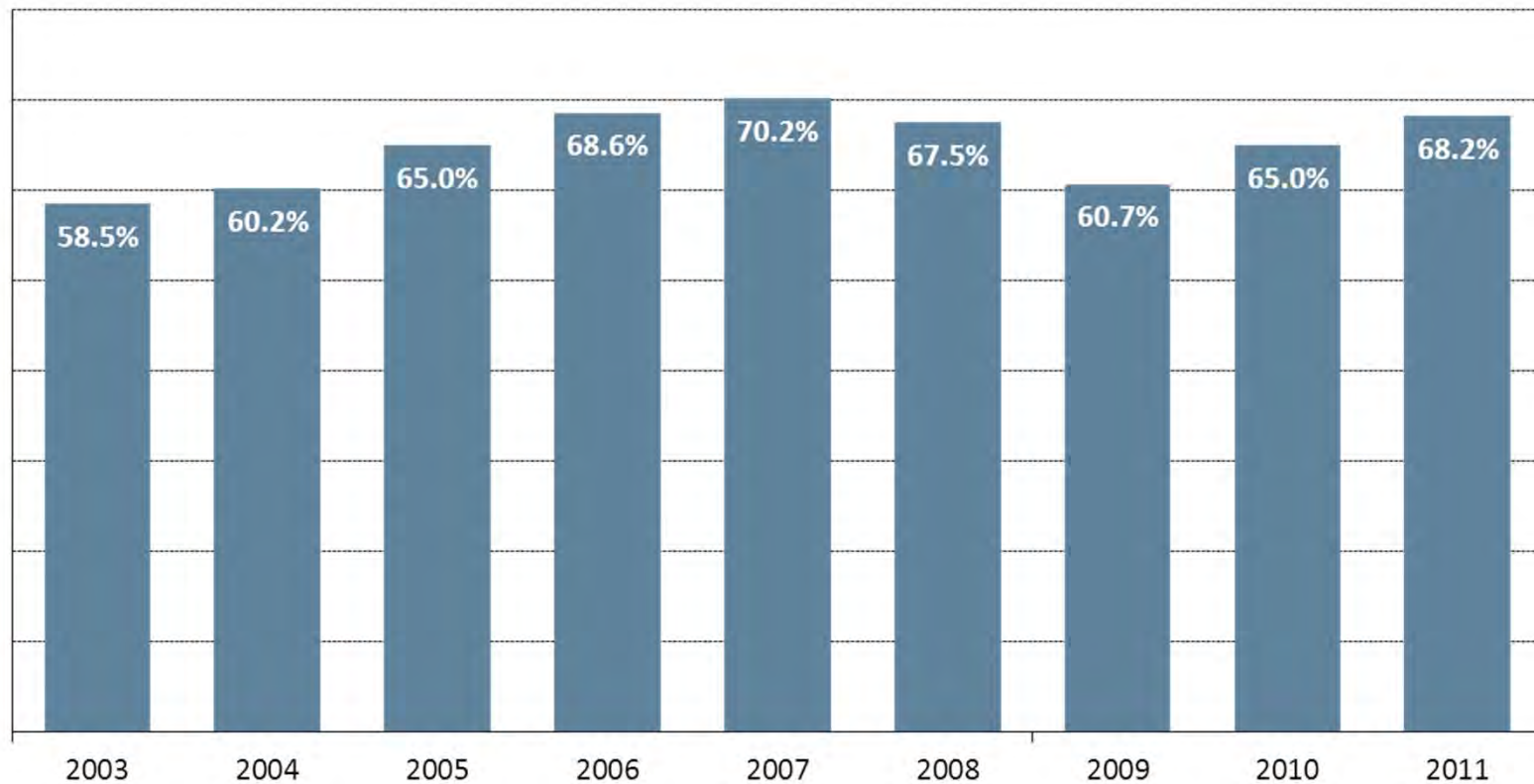
City of Austin Sales Tax (12-Month Change)



Source: Texas State Comptroller; TXP

Austin Area Economy

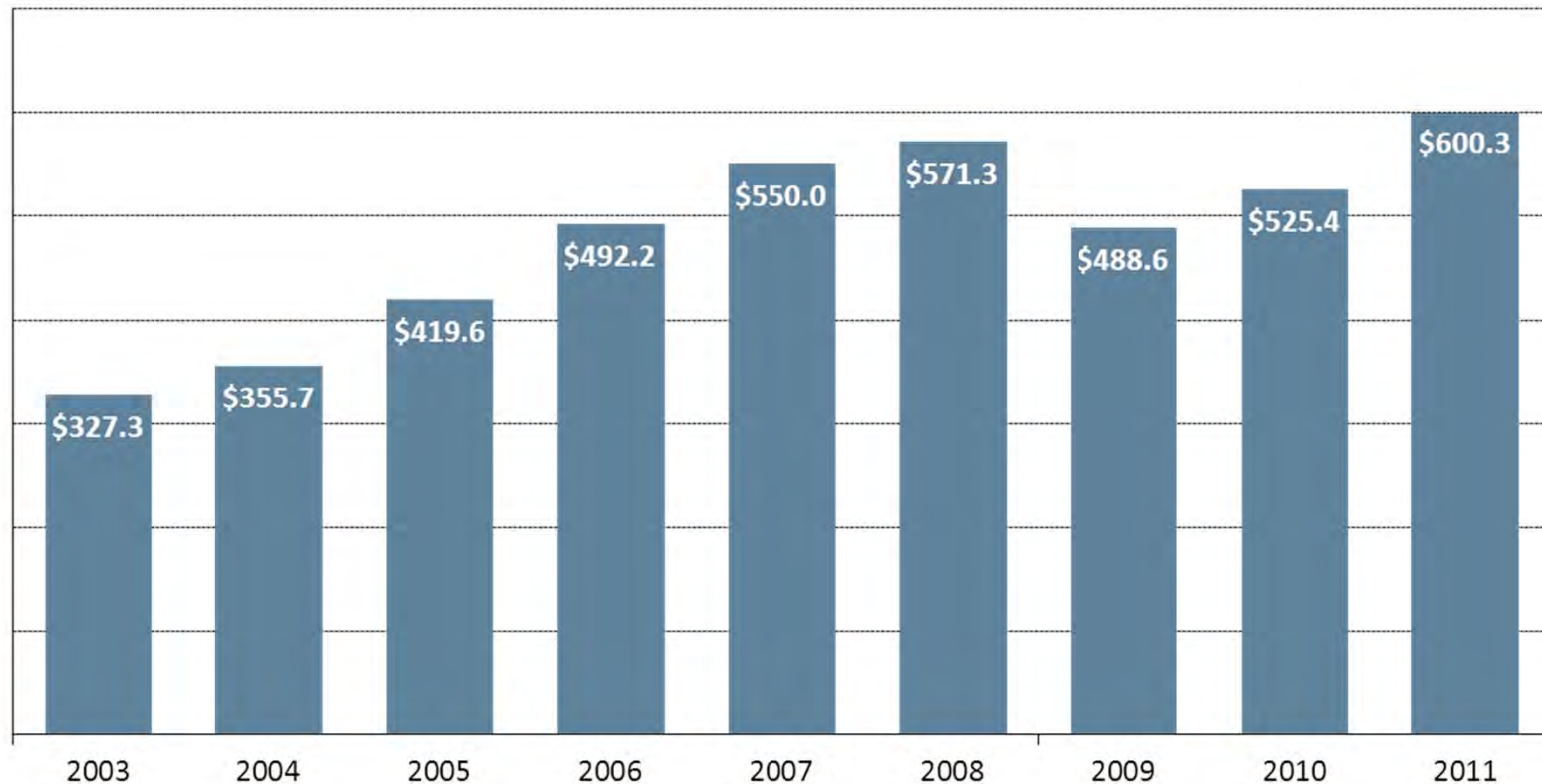
City of Austin Hotel Occupancy



Source: Governor's Office of Economic Development; TXP

Austin Area Economy

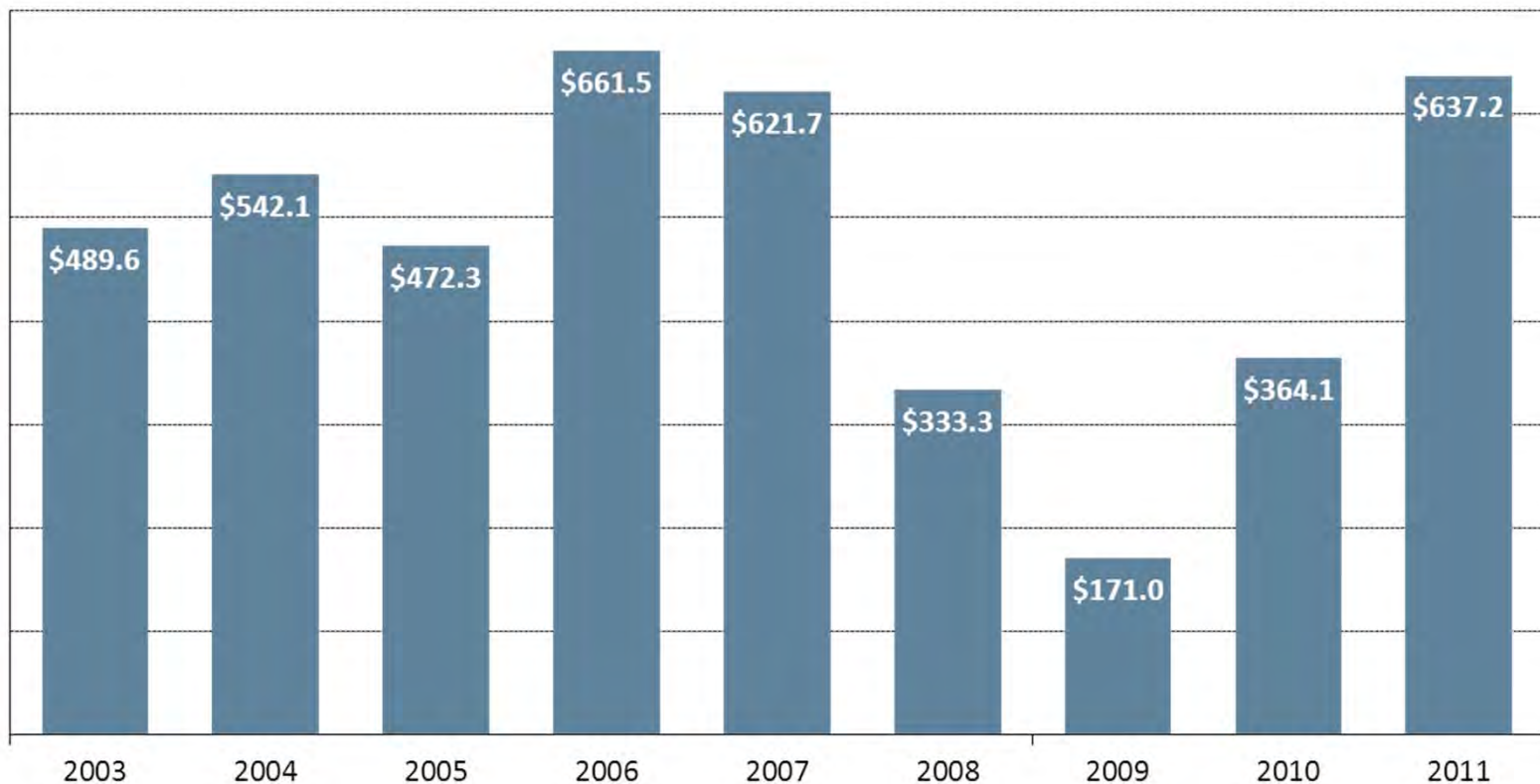
City of Austin Hotel Revenue (\$Millions)



Source: Governor's Office of Economic Development; TXP

Austin Area Economy

Venture Capital Invested (\$Millions)



Source: PWC MoneyTree Survey; TXP



Austin Area Economy

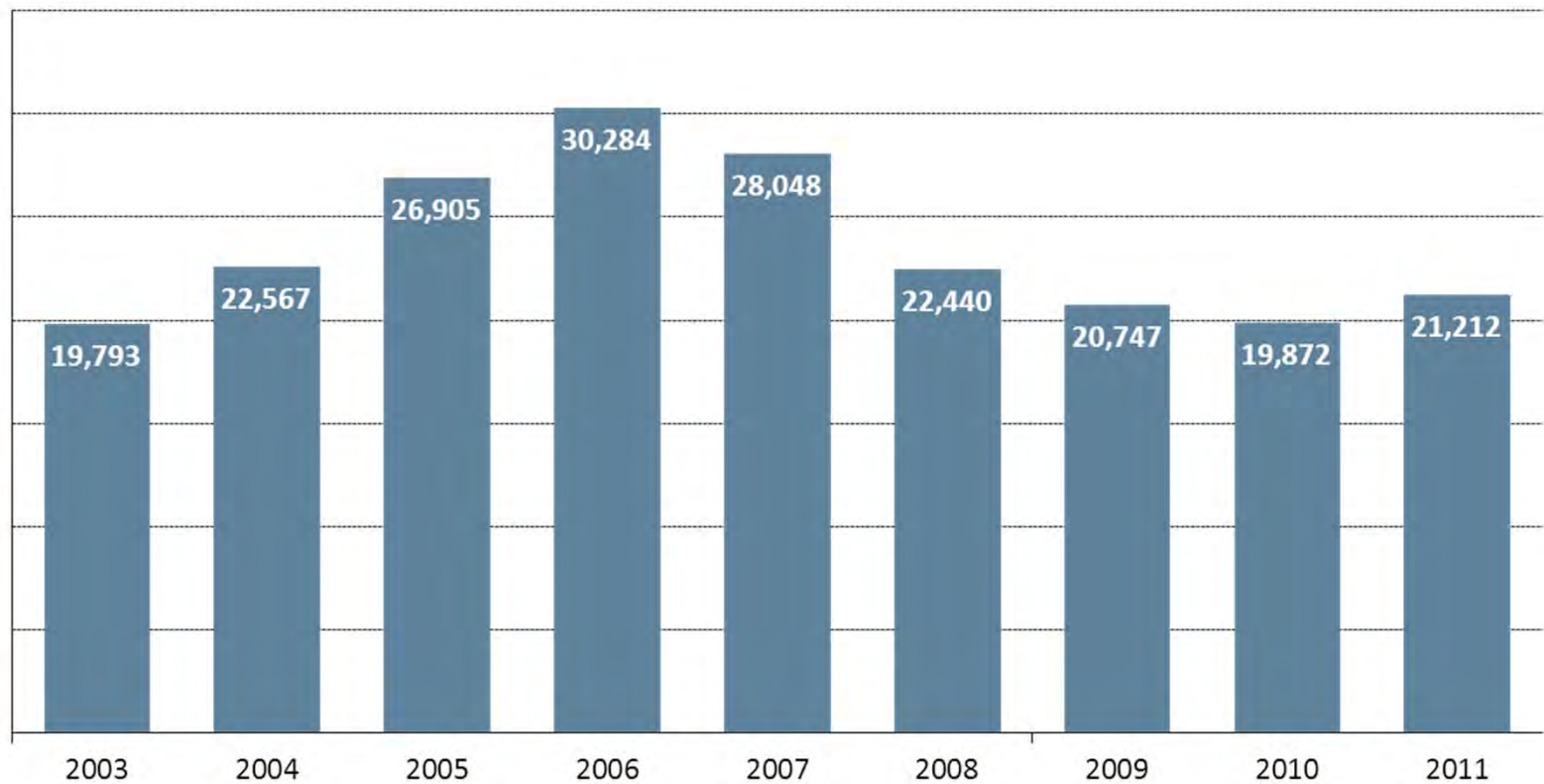
Average Home Prices (\$000)

	2007	2008	2009	2010	2011	07 - '11	10 - '11
Austin	\$183.7	\$188.6	\$187.4	\$193.6	\$193.1	5.1%	-0.3%
Boston	\$395.6	\$361.1	\$332.6	\$357.3	\$346.2	-12.5%	-3.1%
Chicago	\$276.6	\$245.6	\$199.2	\$191.4	\$176.5	-36.2%	-7.8%
Dallas-Ft Worth	\$150.9	\$145.8	\$140.5	\$143.8	\$148.9	-1.3%	3.5%
Denver	\$245.4	\$219.3	\$219.9	\$232.4	\$231.4	-5.7%	-0.4%
Houston	\$152.5	\$151.6	\$153.1	\$155.0	\$155.7	2.1%	0.5%
Las Vegas	\$297.7	\$220.5	\$142.9	\$138.0	\$124.7	-58.1%	-9.6%
Miami	\$365.5	\$285.1	\$211.2	\$201.9	\$181.1	-50.5%	-10.3%
Minneapolis	\$225.2	\$202.0	\$177.7	\$170.6	\$154.7	-31.3%	-9.3%
New York	\$469.7	\$437.9	\$437.2	\$450.0	\$442.6	-5.8%	-1.6%
Phoenix	\$257.4	\$191.3	\$137.0	\$139.2	\$115.5	-55.1%	-17.0%
Portland, OR	\$295.2	\$280.1	\$244.1	\$237.3	\$219.5	-25.6%	-7.5%
Sacramento	\$342.8	\$216.7	\$180.5	\$184.2	\$167.1	-51.3%	-9.3%
San Antonio	\$153.2	\$152.8	\$149.3	\$151.0	\$152.5	-0.5%	1.0%
San Diego	\$588.7	\$385.6	\$359.5	\$385.7	\$370.3	-37.1%	-4.0%
San Francisco	\$804.8	\$622.0	\$493.3	\$525.6	\$483.4	-39.9%	-8.0%
Seattle	\$386.9	\$357.2	\$306.2	\$295.7	\$285.0	-26.3%	-3.6%
Tampa	\$214.9	\$173.0	\$140.7	\$134.2	\$127.8	-40.5%	-4.8%
Tucson	\$244.8	\$204.3	\$172.5	\$156.6	\$134.5	-45.1%	-14.1%
Washington	\$430.8	\$343.4	\$308.6	\$325.3	\$325.4	-24.5%	0.0%

Source: National Association of Realtors; TXP

Austin Area Economy

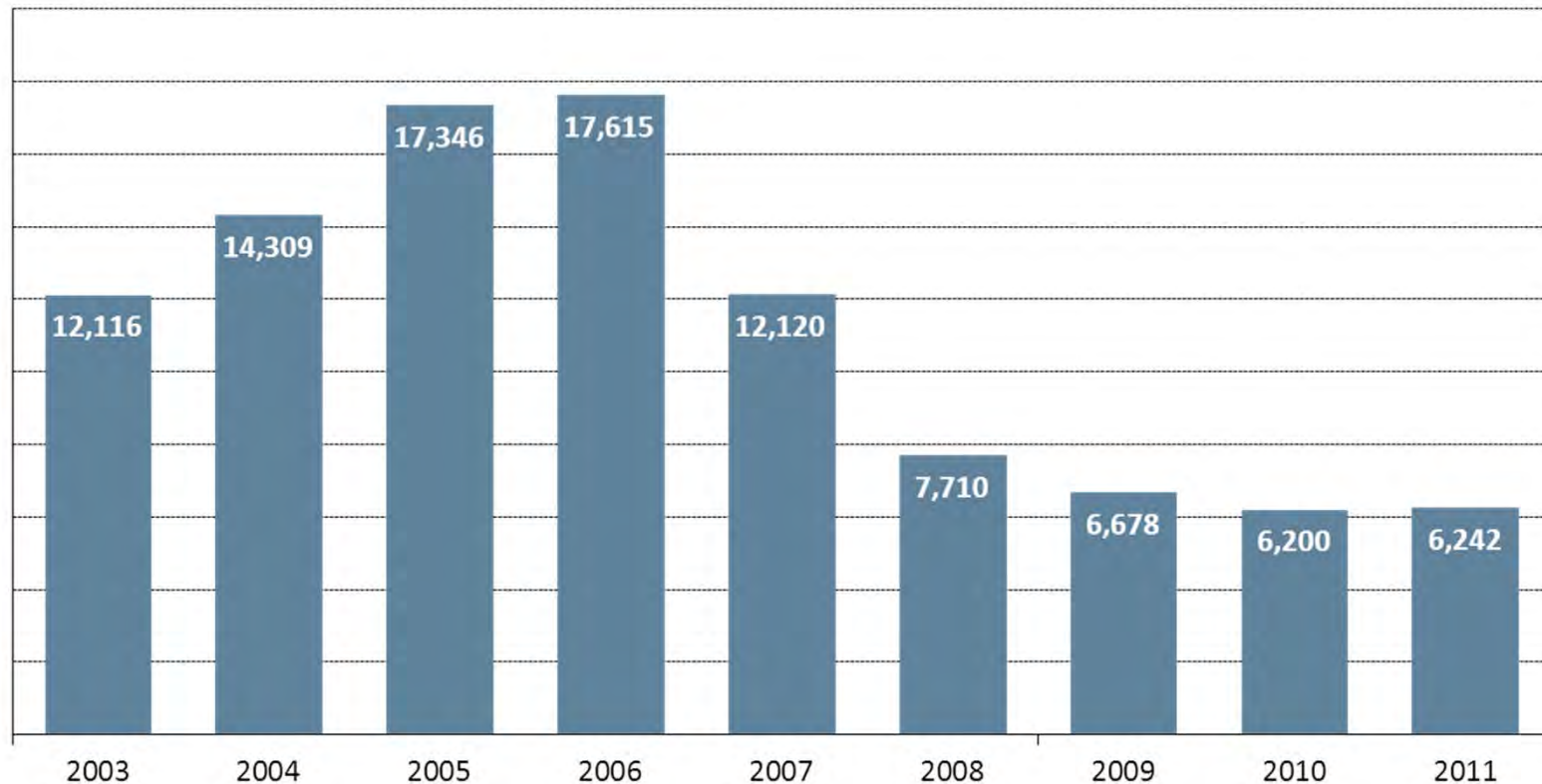
MSA Home Sales



Source: Texas A&M Real Estate Research Center; TXP

Austin Area Economy

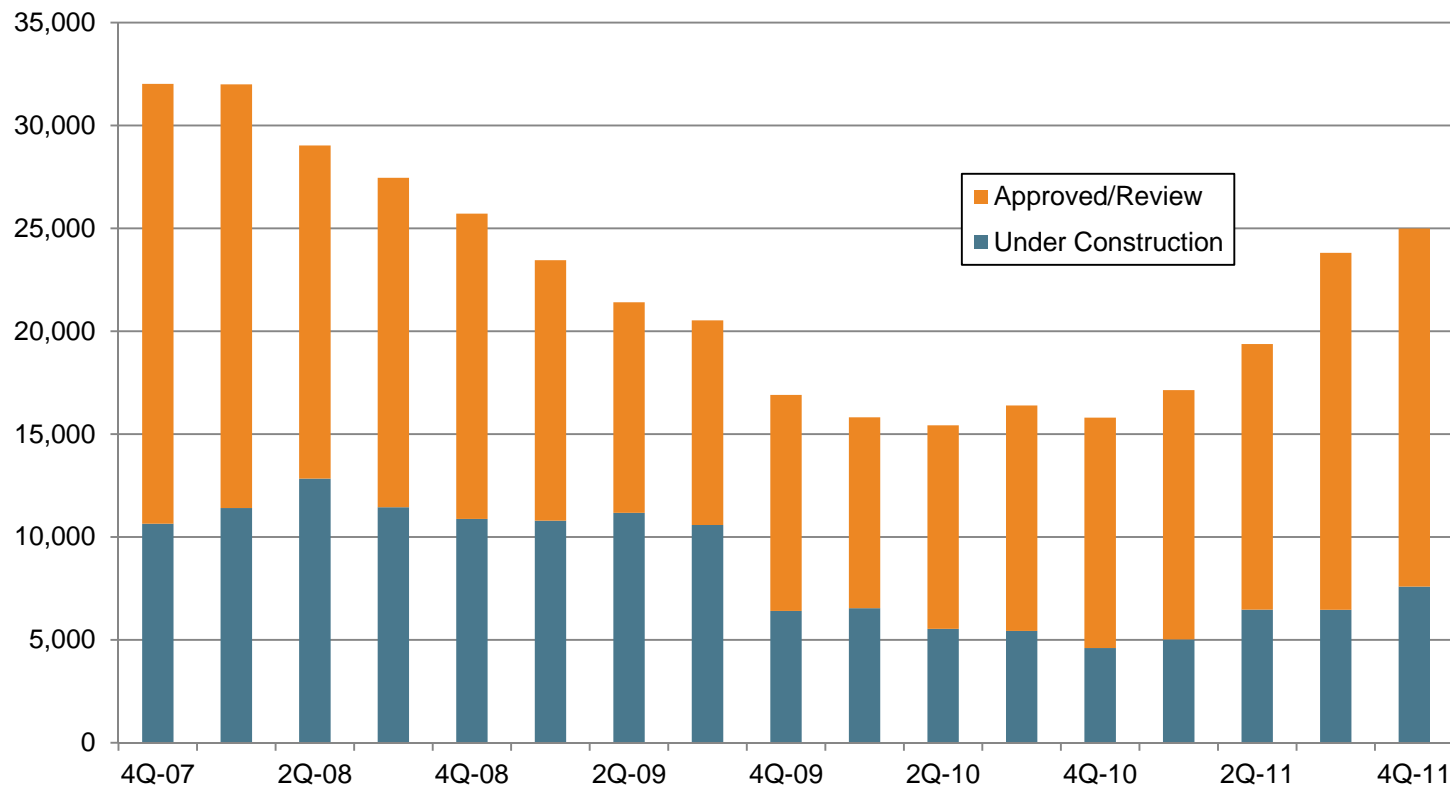
MSA Single-Family Building Permits



Source: Texas A&M Real Estate Research Center; TXP

Austin Area Economy

City of Austin Multi-Family Units



Source: City of Austin; TXP



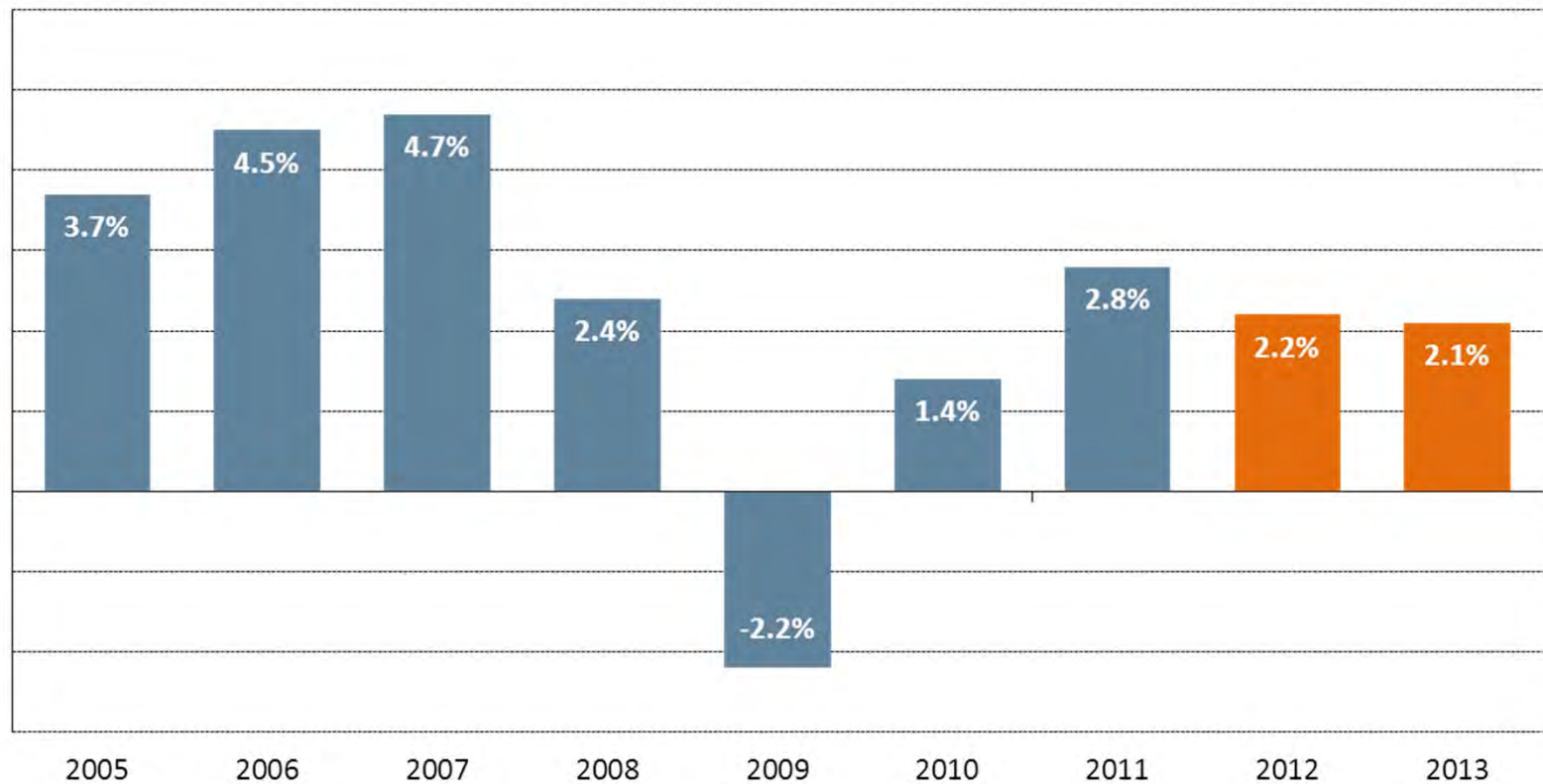
Austin Area Economy

Forecast

- The Austin area economy suffered relatively less during the recession than most other metro regions on the nation, and has emerged at a much faster pace. Economic performance should be fairly stable over the next two years; slightly slower growth rates mostly reflect some continued shakeout in the public sector, as well as measurement against an improved base.
- Forecast is for the overall creation of 17,300 net new jobs in 2012, followed by 16,700 during 2013. Personal income should continue to expand in the 5 to 6% range.
- Assuming the national economy continues to recover at reasonable pace (i.e., GDP growth above 2%), the private sector is projected to create 20,800 net new jobs this year, followed by 20,000 more the next year. Manufacturing is projected to add another 1,500 net jobs next year, with all major segments showing growth except government.
- Other measures of the economy also should stay on track, with tourism and venture investment continuing to grow. Real estate should also improve, as job growth creates demand for commercial space.

Austin Area Economy

MSA Employment Growth Forecast



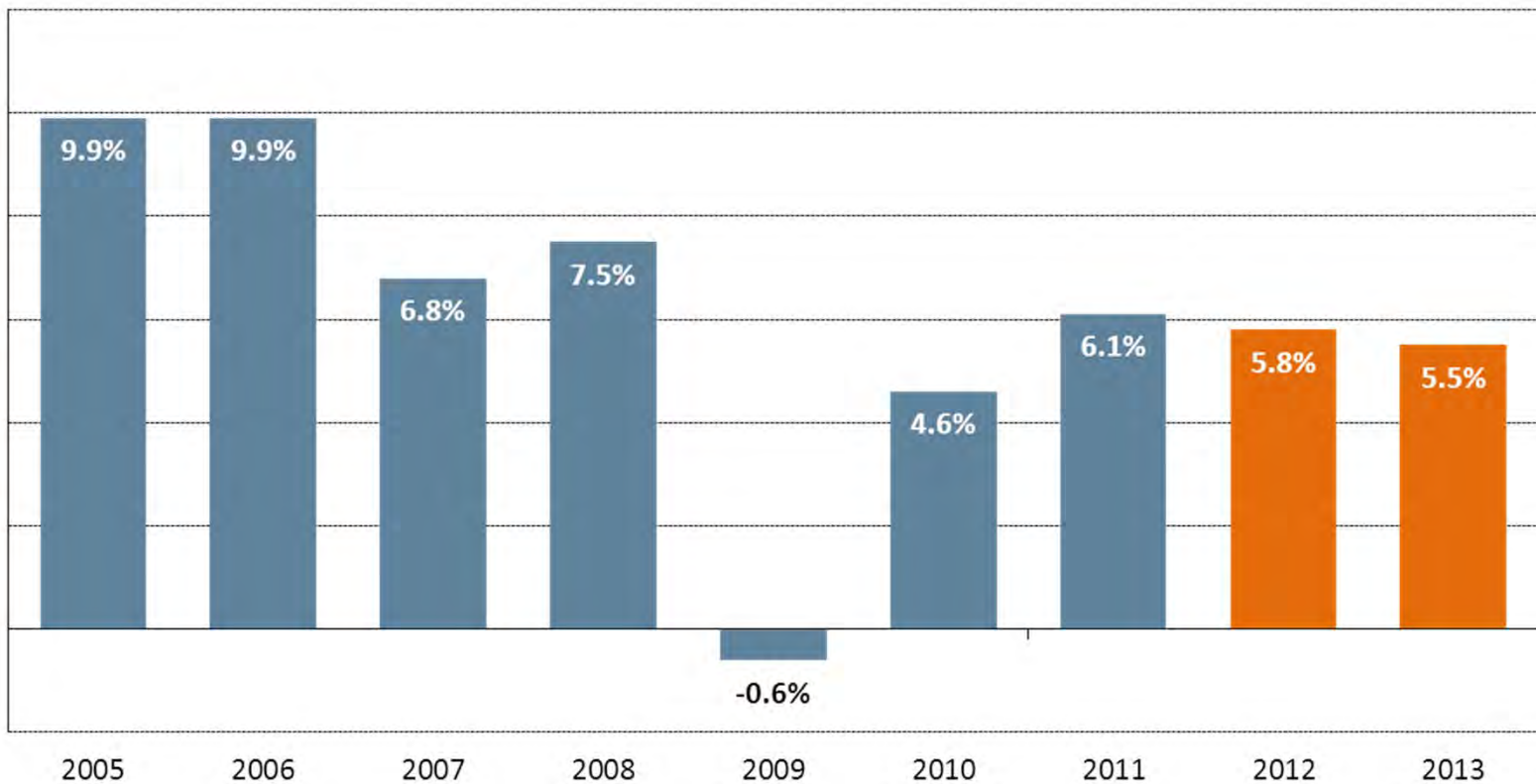
Source: TXP

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Austin Area Economy

MSA Personal Income Growth Forecast



Source: TXP

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Austin Area Economy

Detailed Austin MSA Employment Forecast

	Employment (000s)						
	2010	2011	2012	2013	2014	2015	2016
Natural Resources/Construction	40.0	39.5	39.9	40.5	41.1	41.8	42.5
Manufacturing	47.6	49.9	51.5	53.0	54.4	55.9	57.2
Trade, Transportation, & Utilities	135.2	139.1	142.4	145.6	148.7	151.8	154.7
Information	19.5	20.1	20.8	21.5	22.2	22.8	23.5
Financial Activities	42.5	44.1	45.5	46.8	48.1	49.3	50.5
Professional & Business Services	109.4	116.3	121.4	126.2	130.7	134.9	138.7
Educational & Health Services	87.4	90.9	94.2	97.3	100.3	103.3	106.1
Leisure & Hospitality	84.8	89.9	94.2	98.3	102.1	105.8	109.5
Other Services	33.1	33.5	34.2	34.9	35.6	36.3	37.1
Total Private	599.5	623.3	644.1	664.1	683.2	701.9	719.8
Government	170.0	168.1	164.6	161.3	161.3	162.2	163.4
<i>Total Employment</i>	769.5	791.4	808.7	825.4	844.5	864.1	883.2

Source: TXP

Austin Area Economy

COA Sales Tax and Employment Growth

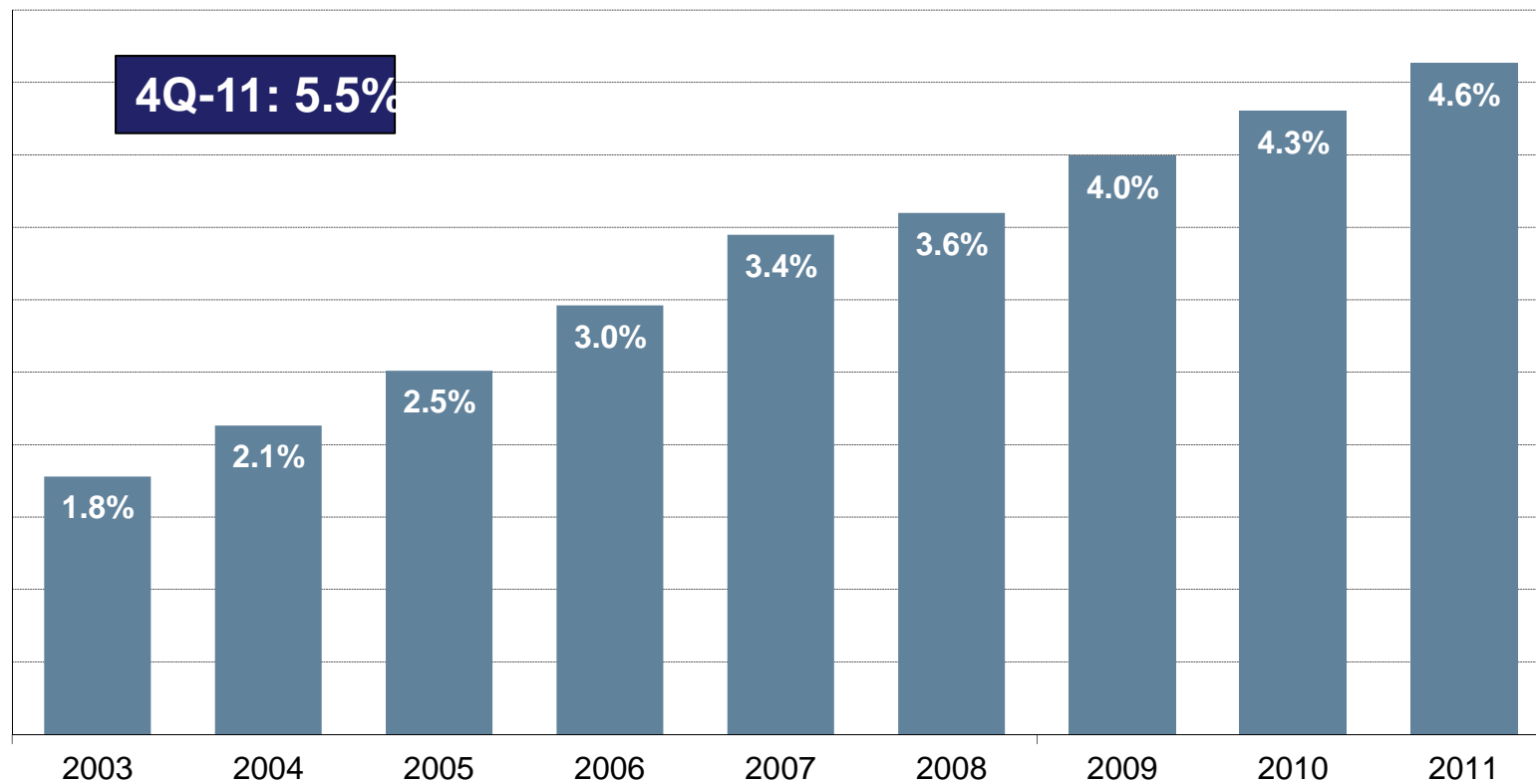


Source: Texas Comptroller's Office; TXP



Austin Area Economy

E-Commerce as a Share of Total Retail Sales



Source: Census Bureau; TXP

Austin Area Economy

Sales Tax Outlook

- Sales tax tends to track job growth – history would suggest 3x relationship, but there have been unusual factors in the recent boom, bust and recovery cycle:
 - Rising property values associated with boom yields easy home equity credit and spending capacity;
 - Bust flips equation on its head.
- Additional factors to consider in the recovery:
 - Strong population growth is bolstering aggregate spending levels;
 - Rising prices for food & energy puts pressure on disposable income;
 - Internet share continues to grow – e-commerce now around 5.5% of national total, up from 1% ten years ago;
 - Shift from consumption to debt reduction/investment;
 - Impact of public sector reductions likely to influence wages (furloughs, etc.), in addition to overall job figures
- Translation is slightly better growth for fiscal 2012 (5-6% range); slight slowdown (4-5% growth) in fiscal 2013. Policy projections typically would be somewhat more conservative.

The 2012 Austin Area Forecast

Economic



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City of Austin Financial Forecast

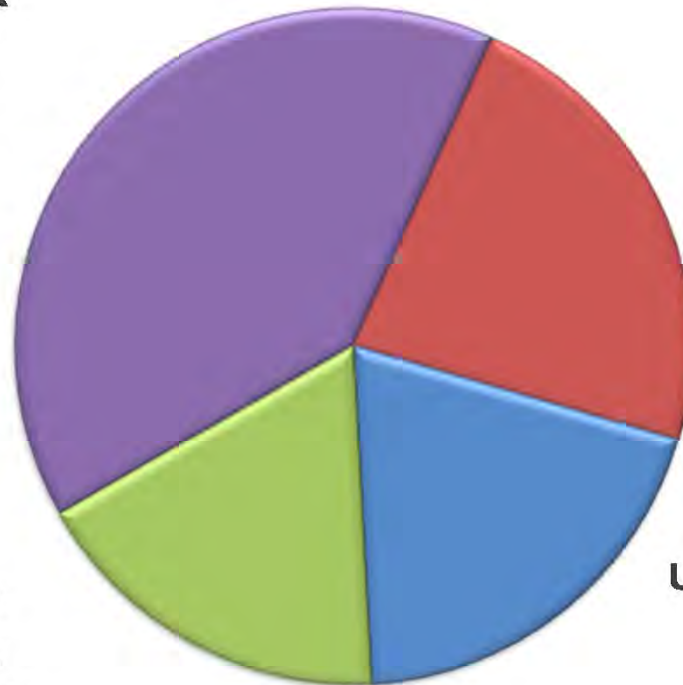
General Fund Revenue



General Fund – Sources of Funds

FY 2012 Estimated General Fund Revenue \$697.2 Million

Property Tax
40.1%
\$279.4 M



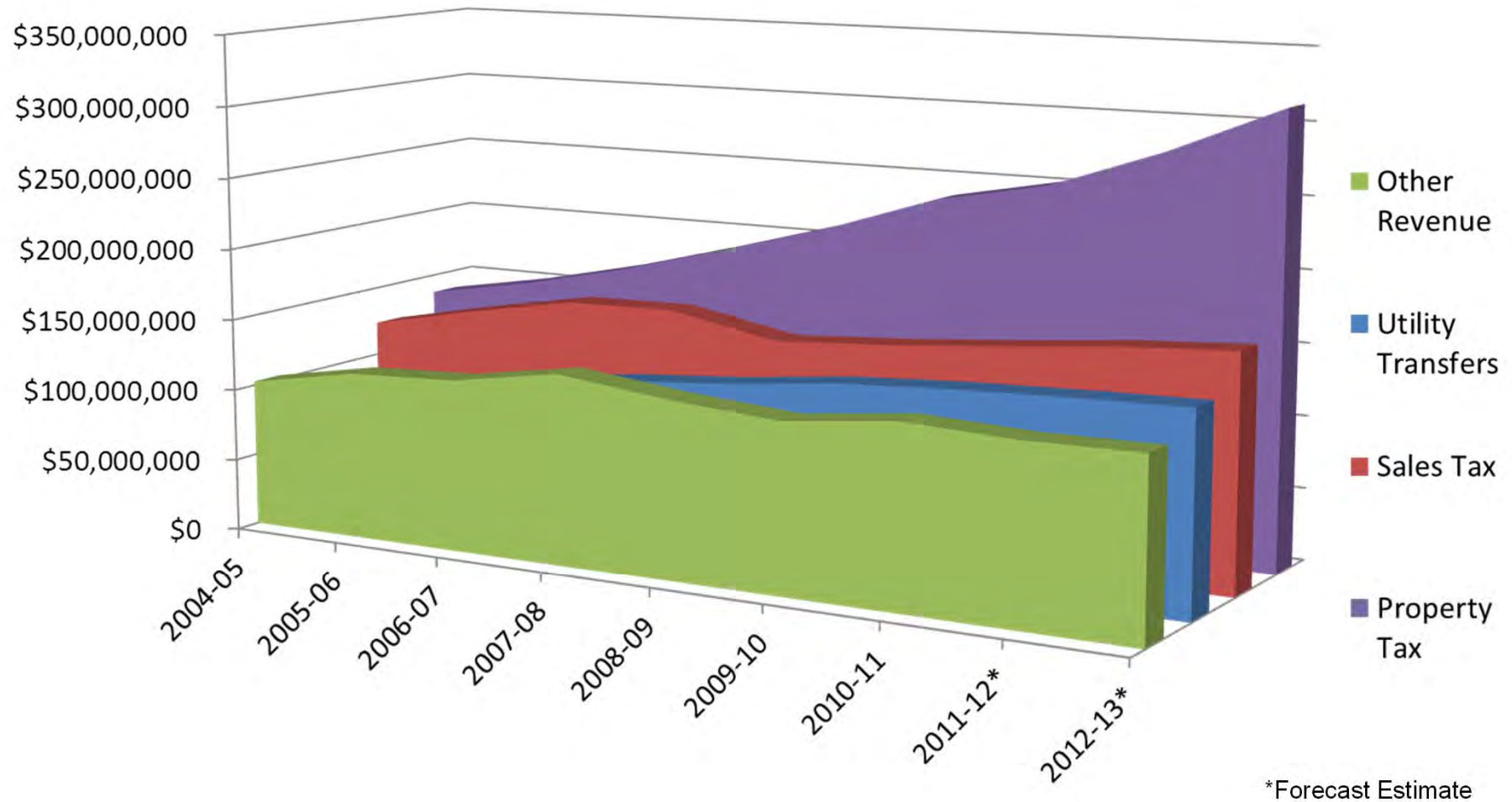
Sales Tax
22.8%
\$158.7 M

Utility Transfers
19.6%
\$136.9 M

Other
17.5%
\$122.2 M



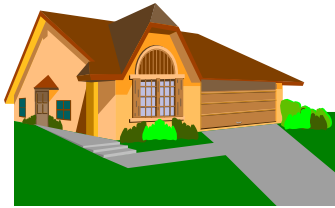
General Fund – Revenue Component Growth





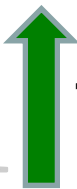
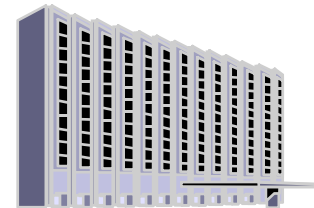
Projected Tax Roll by Property Type

FY 2013 PROJECTED VALUES



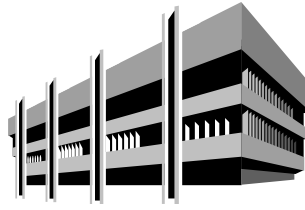
1 %

Single Family Residential
\$40,344 M 48.0 %



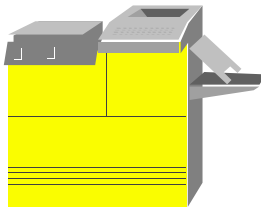
14 %

Multi-Unit Residential
\$11,299 M 13.4 %



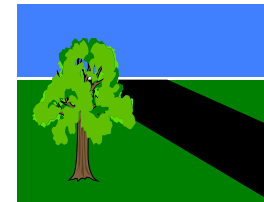
19 %

Commercial
\$22,474 M 26.7 %



4 %

Personal Property
\$8,667 M 10.3 %



21 %

Land
\$1,301 M 1.5 %

TOTAL PROPERTY VALUE \$84,085 M 5.0%



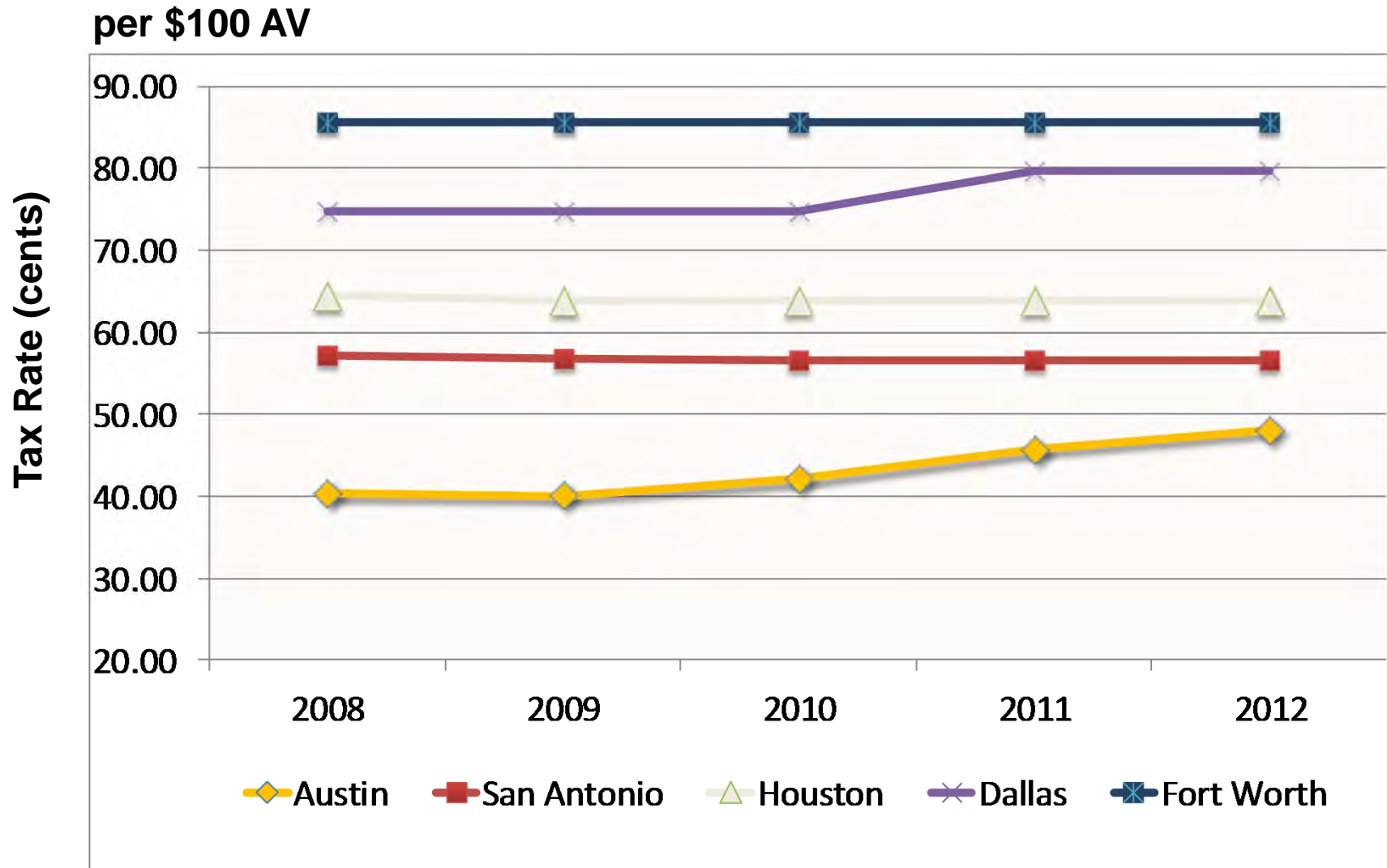
Property Tax Assumptions

Fiscal Year	Taxable Value Growth Rate	Total Taxable Value	Projected Tax Rate*	O&M Tax Revenue
FY 2012	3.9%	\$80.1 b	0.4811	\$277.4 m
FY 2013	5.0%	\$84.1 b	0.4995	\$311.4 m
FY 2014	4.5%	\$87.9 b	0.5068	\$336.1 m
FY 2015	5.2%	\$92.4 b	0.5102	\$361.9 m
FY 2016	3.2%	\$95.4 b	0.5170	\$382.8 m
FY 2017	3.2%	\$98.4 b	0.5221	\$403.1 m

- tax rates calculated to keep revenue in balance with projected growth in built-in cost drivers
 - 1.8 cent increase in tax rate projected for FY 2013
 - average annual increase of 0.8 cents projected over forecast horizon
- projected tax rates and revenues are highly sensitive to assumptions about property values and new construction

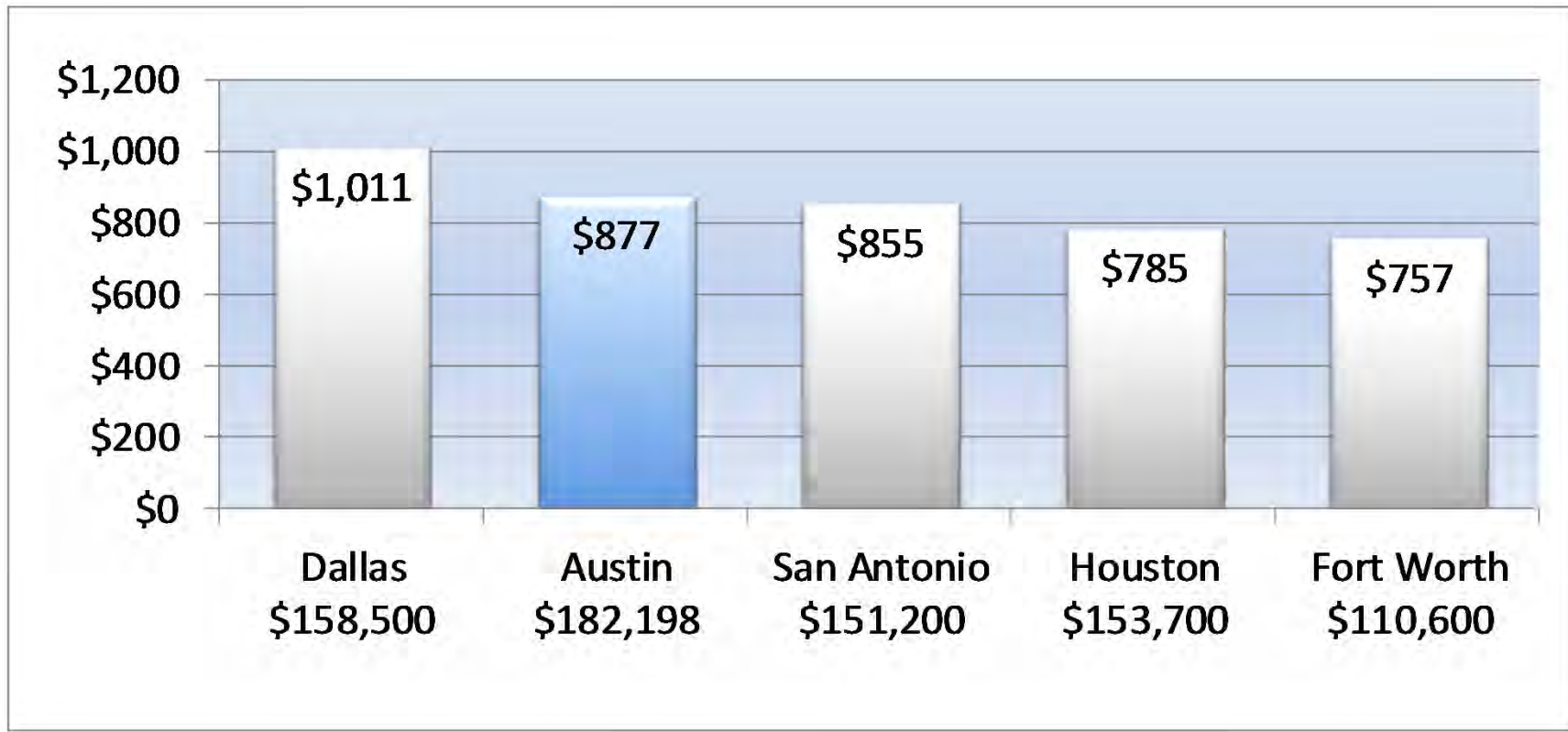


Property Tax Rate Comparison





Property Tax Bill Comparison



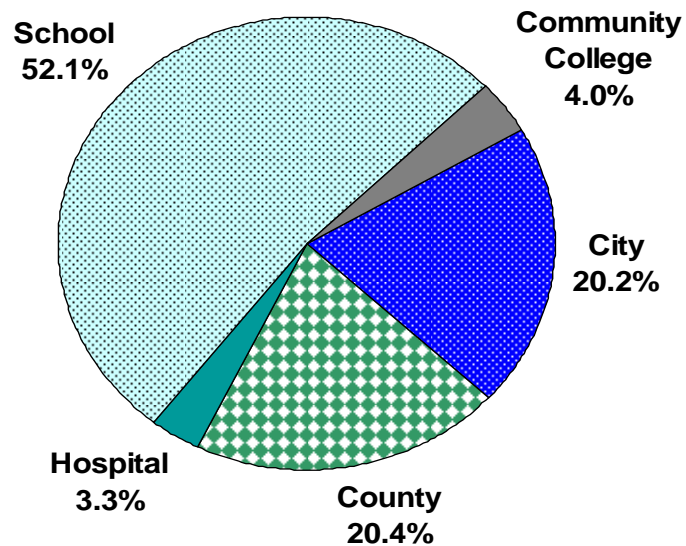
2011 Median Home Value

- Median sales price used as a proxy for median home value in jurisdictions other than Austin



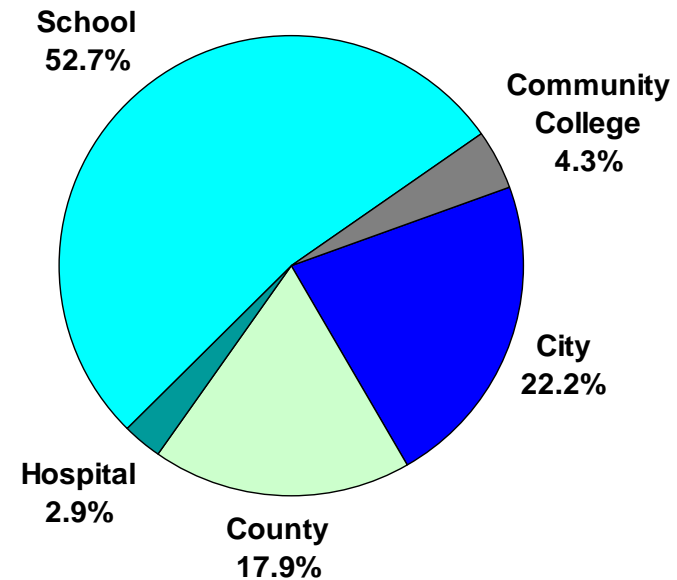
Overlapping Property Tax

TAX RATE



Jurisdiction	Austin	Share
City	0.4811	20.2%
County	0.4855	20.4%
Hospital	0.0789	3.3%
School	1.2420	52.1%
Community College	0.0948	4.0%
Total Tax Rate	2.3823	

TAX BILL \$182,198 HOME

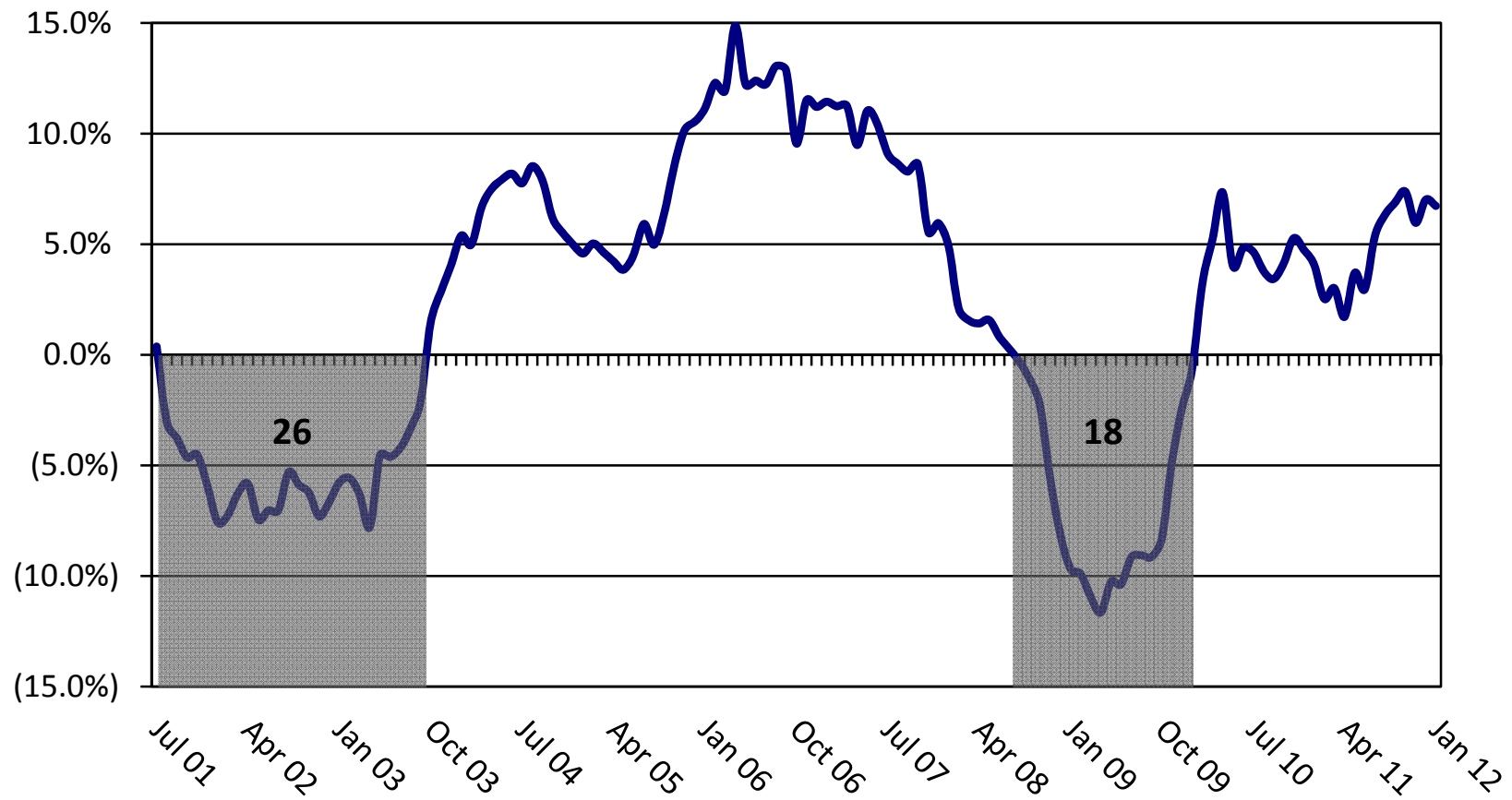


Jurisdiction	Austin	Share
City	\$877	22.2%
County	\$708	17.9%
Hospital	\$115	2.9%
School	\$2,077	52.7%
Community College	\$168	4.3%
Total Tax Bill	\$3,944	



Sales Tax Trend

6-month rolling average of monthly changes in sales tax revenue





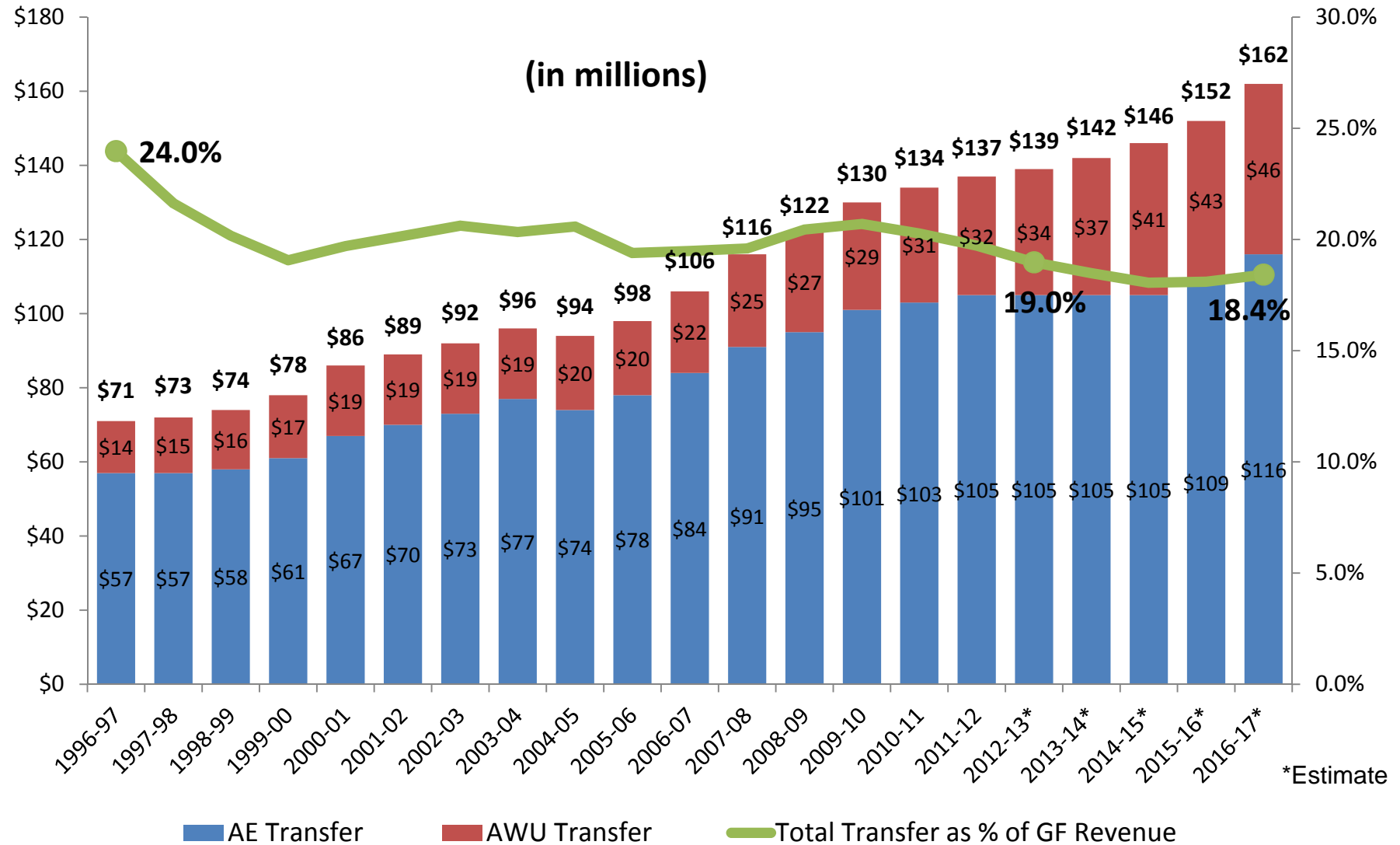
Sales Tax Assumptions

Fiscal Year	Growth Rate	Total Revenue	Change
FY 2012	5.0%	\$158.7 m	\$7.6 m
FY 2013	3.0%	\$163.4 m	\$4.8 m
FY 2014	3.0%	\$168.3 m	\$4.9 m
FY 2015	3.0%	\$173.4 m	\$5.1 m
FY 2016	3.0%	\$178.6 m	\$5.2 m
FY 2017	3.0%	\$184.0 m	\$5.4 m

- year-to-date growth FY 2012 = 7.3%
- projections for 2012 and 2013 on conservative end of economic forecast – will reevaluate at proposed budget
- average annual growth over prior 10-year period = 2.5%



General Fund – Utility Transfer History





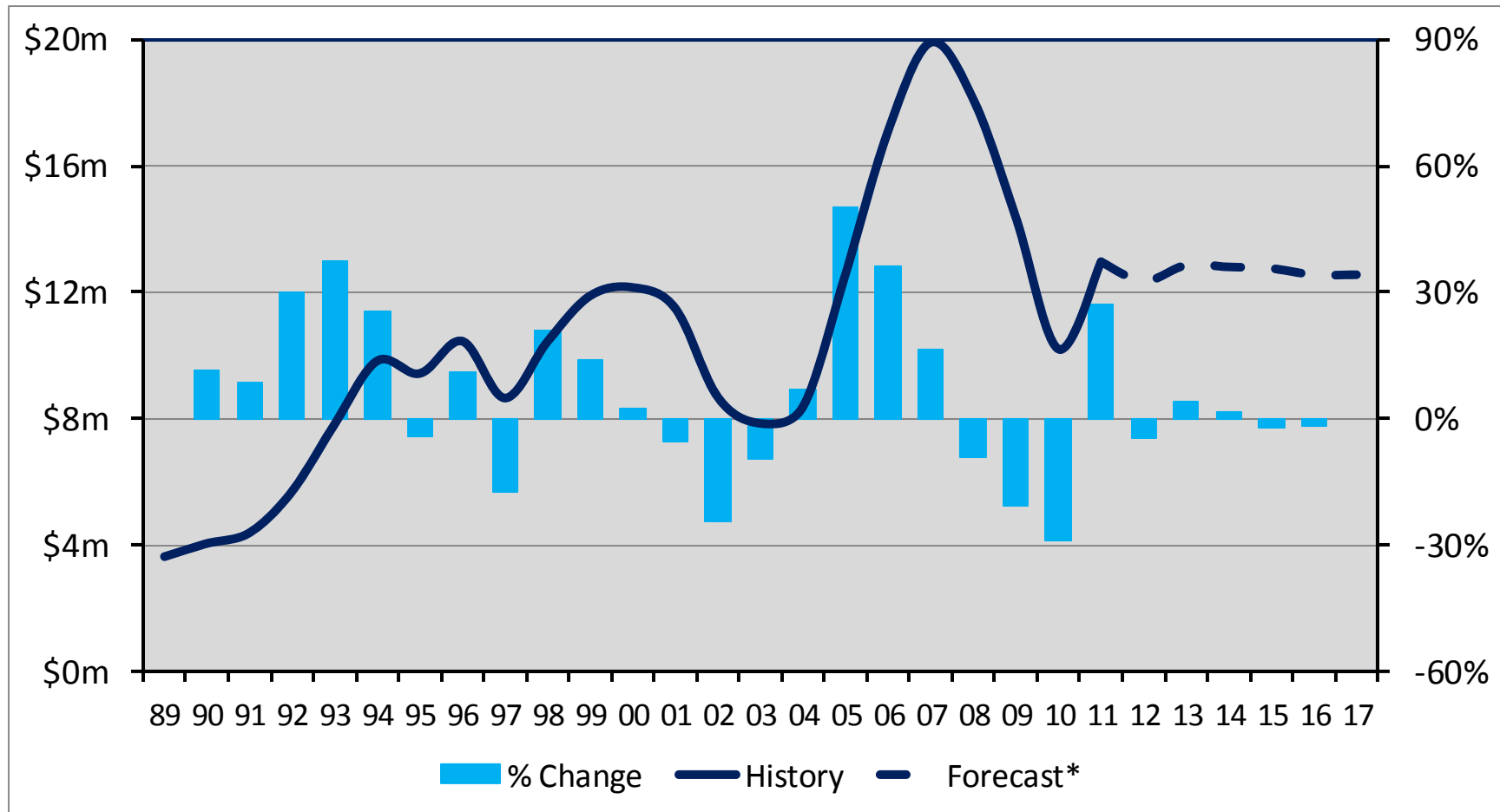
Utility Transfer

Fiscal Year	AE Transfer	Change	AWU Transfer	Change
FY 2012	\$105.0 m	\$2.0 m	\$31.9 m	\$0.7 m
FY 2013	\$105.0 m	\$0.0 m	\$33.8 m	\$1.9 m
FY 2014	\$105.0 m	\$0.0 m	\$37.3 m	\$3.5 m
FY 2015	\$105.0 m	\$0.0 m	\$40.5 m	\$3.2 m
FY 2016	\$109.0 m	\$4.0 m	\$43.3 m	\$2.8 m
FY 2017	\$116.0 m	\$7.0 m	\$46.1 m	\$2.8 m

- AE transfer forecast calculated at 12% of non-fuel revenue
 - floor set at \$105 million
 - reflects a change from prior policy of 9.1% of total revenue
 - transfer policy being evaluated as part of rate review
- AWU forecast maintains transfer policy of 8.2% of gross revenue



Development Revenue Trend



* Forecast does not include anticipated outcomes of Planning and Development Review fee analysis.



Other Revenues

➤ Development Revenue

- FY 2011 = \$13.0 M
- FY 2012 estimate = \$12.4 M
- FY 2013 forecast = \$12.9 M

➤ Charges for Services

- primarily emergency medical services, parks and recreation, and health and human services
- FY 2011 = \$44.5 M
- FY 2012 estimate = \$43.5 M
- FY 2013 forecast = \$43.9 M

➤ Franchise Fees

- telecommunications, cable and gas franchise agreements
- FY 2011 = \$32.9 M
- FY 2012 estimate = \$32.8 M
- FY 2013 forecast = \$33.1 M



Other Revenues

➤ Fines and Penalties

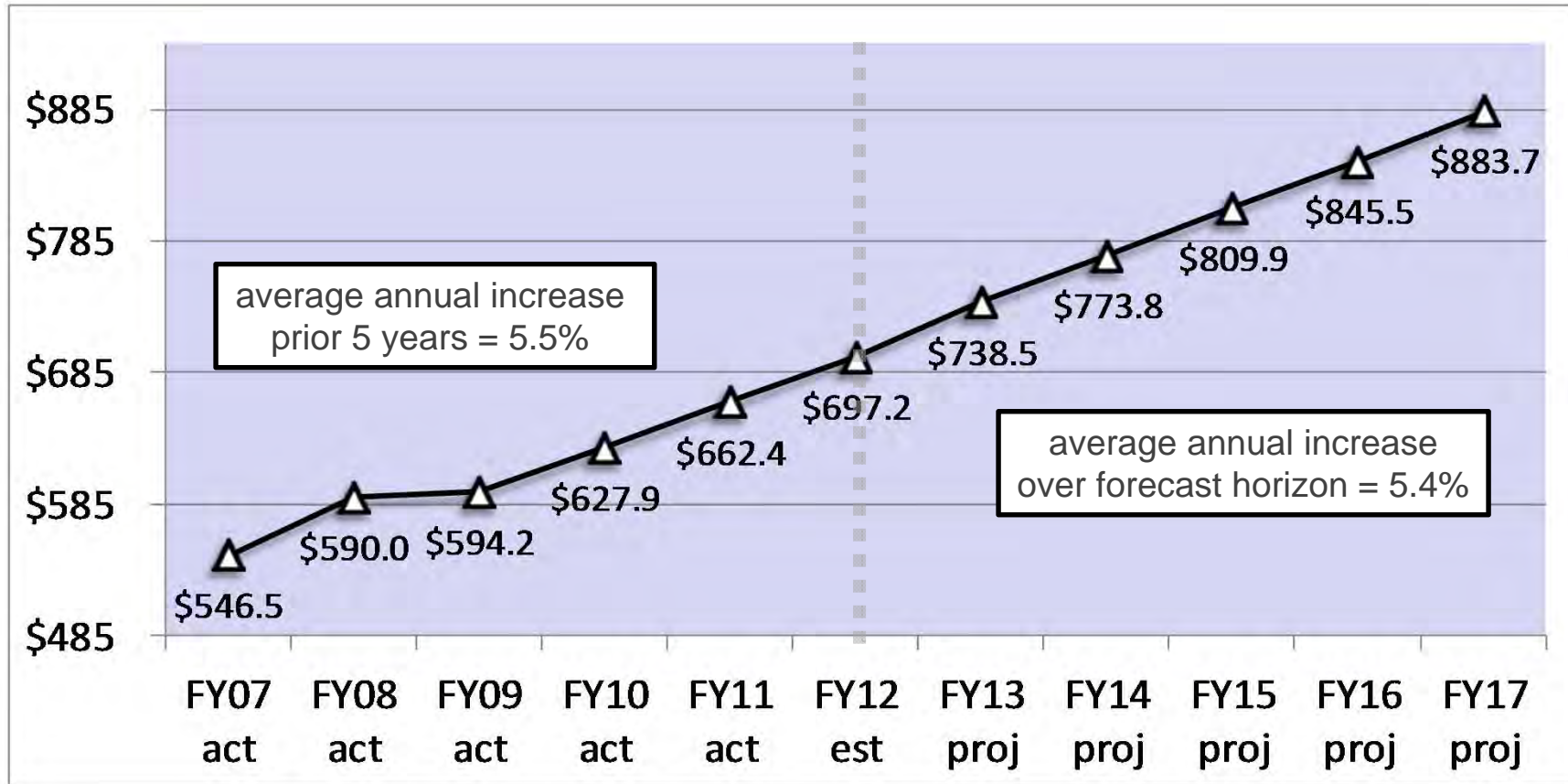
- traffic fines and parking violations; court and arrest fees; penalties for violations of City ordinances; library fines
- decline in revenue due to fewer traffic citations issued
- FY 2011 = \$18.1 M
- FY 2012 estimate = \$17.2 M
- FY 2013 forecast = \$17.4 M

➤ Interest and Other

- interest earnings and use of property
- steady decline in interest earnings continues in FY 2012
- FY 2011 = \$3.9 M
- FY 2012 estimate = \$2.9 M
- FY 2013 forecast = \$3.0 M



Revenue Forecast





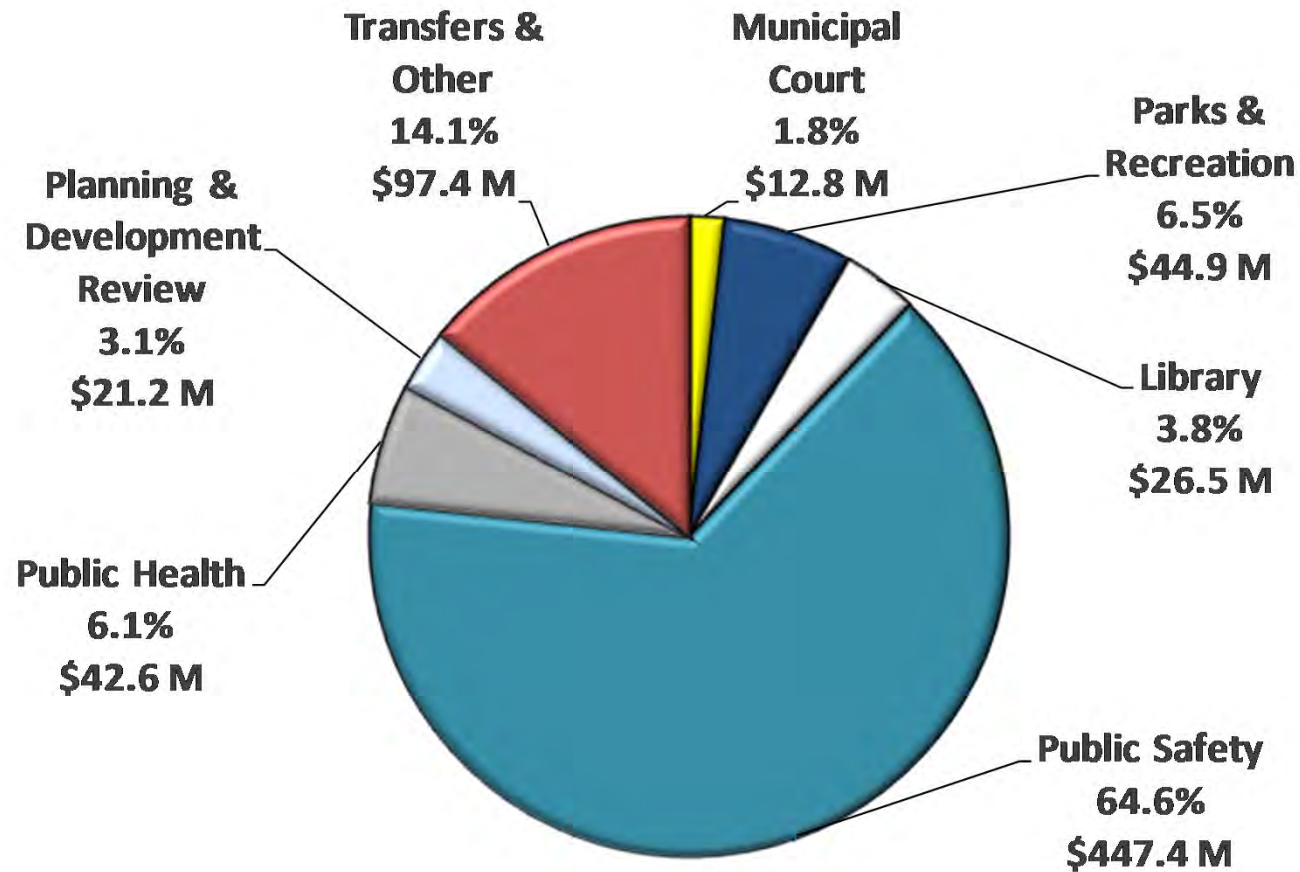
City of Austin Financial Forecast

General Fund Expenditures



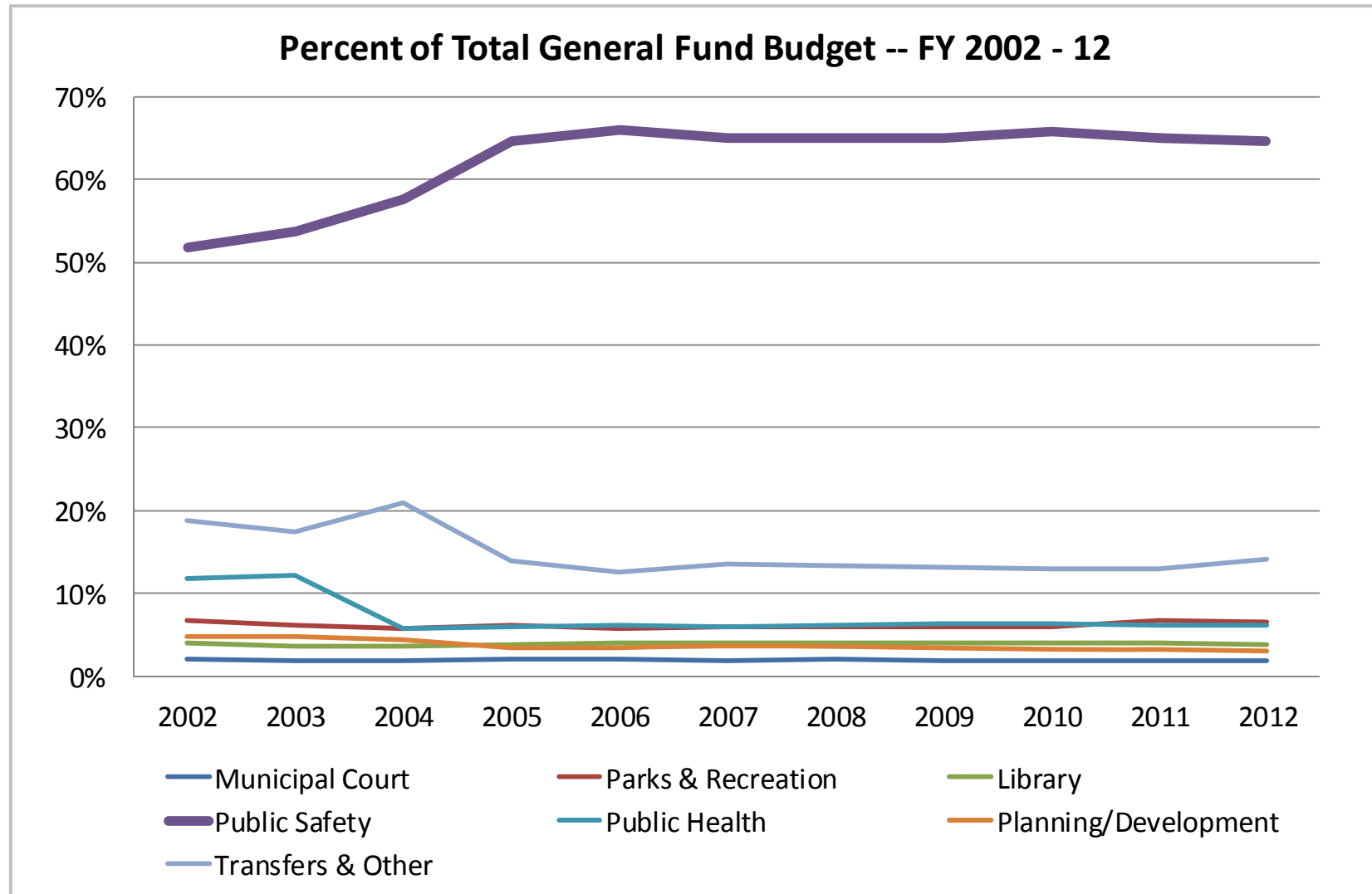
General Fund – Uses of Funds

Fiscal Year 2012 Amended Budget – \$692.8 Million





Budget Forecast





Expenditure Assumptions

- Basic expenditure projections
 - forecast assumes existing programs and service levels maintained
- Funding for all currently authorized FTEs
 - personnel costs have been reduced to reflect anticipated vacancy savings resulting from normal attrition
- Employee wage increases
 - 3.0% annually for sworn police, fire, and EMS employees
 - 3.0% annually for civilian employees
- Funding for employee retirement systems
 - 1% increase in 2013 for sworn police
 - 1% increase in 2013 for sworn fire; additional 1% September 2013
 - 2% increase in 2013 for civilian employees; final year of planned incremental increases



Expenditure Assumptions

- Increases in City health insurance costs
 - 7% in FY 2013; 10% in FYs 2014-2017
- Inflationary increases for fuel and other commodities
- Annualized cost of positions added in FY 2012
- Continuation of Council staffing guidelines
 - 2.0 officers per 1,000 (22 officers in FY 2013)
 - 4-person staffing (4 fire fighters in FY 2013)
- Annualized cost for markets implemented in April 2012 for civilian employees
- Ongoing annualized funding for Austin Travis County Integral Care contract per Council resolution

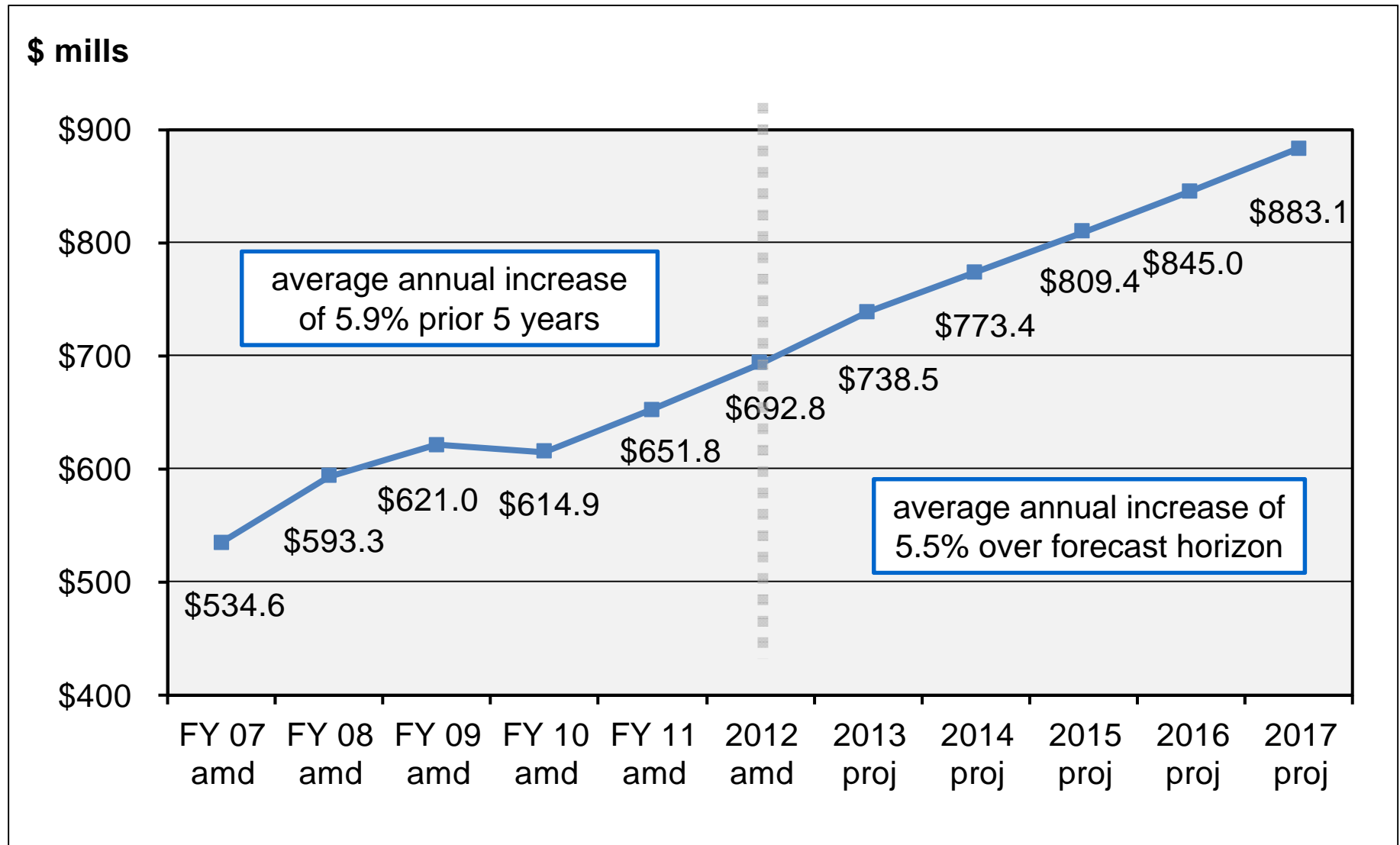


FY 2013 Cost Drivers

<u>Category</u>	<u>Estimated Increases</u>	<u>Justification</u>
Uniformed Personnel	\$20.4	<ul style="list-style-type: none"> * police, fire & EMS contracts / provisions * police & fire step / longevity * 2.0 officers per 1000 - police * 4-person staffing - fire * overtime * annualized costs of positions added in FY 2012 * health insurance
Non-Uniformed Personnel	\$10.7	<ul style="list-style-type: none"> * civilian wage adjustments * pension funding * health insurance * ftes related to Asian American Resource Center & Genealogy Center at Carver Museum
Other Departmental Costs	\$3.4	<ul style="list-style-type: none"> * outside contract increases * facility openings * ATCIC funding * fleet fuel and maintenance * personal protective equipment inspections - fire
Transfers / Other Requirements	\$11.2	<ul style="list-style-type: none"> * workers compensation, accrued payroll, liability reserve * support services fund * communication & technology management * economic incentive reserve fund * reduced transfer to transportation fund & code compliance
Totals	\$45.7	



Budget Forecast





City of Austin Financial Forecast

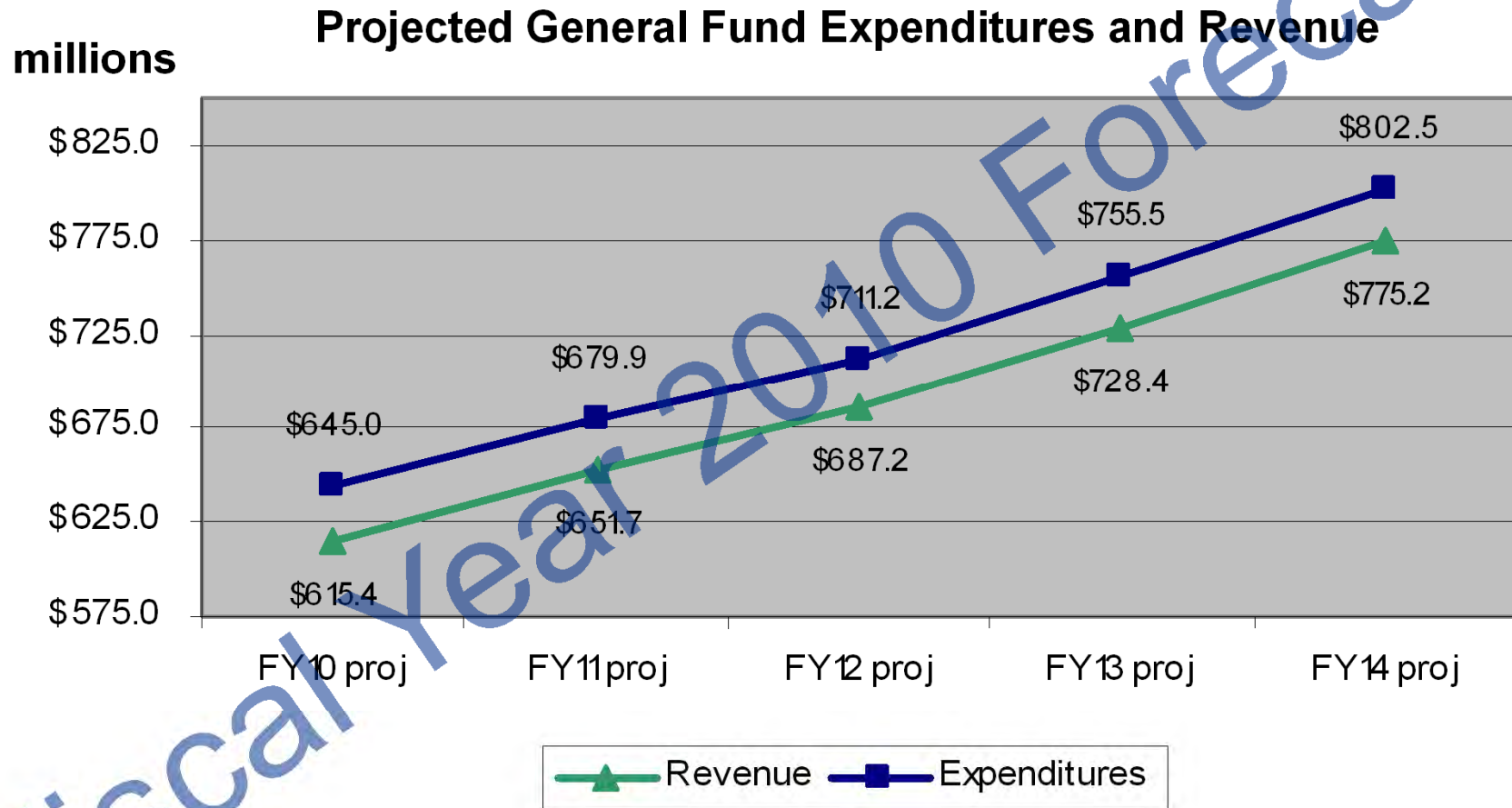
Conclusions



Conclusions

- Basic expenditure projections
 - forecast assumes existing programs and service levels maintained
 - staffing increases limited to annexations, opening of new facilities, 4-person staffing, and 2.0 officers per 1,000 population
- Slower overall expenditure growth projected over forecast horizon than in past years
- 1.8 cent increase in the tax rate projected for FY 2013 to maintain a balanced, structurally sound budget
 - projected shortfall of \$15.1 million with no rate increase
- \$24.6 million of unmet service demands not included in forecast

Revenue to Expenditures



* FY2009-14 revenue projections show rollback property tax rate.



Summary of Positions Cut

105 Positions Cut to Balance Budget

- ☐ General Fund: 41 positions
- ☐ Support Services: 45 positions
- ☐ Other Fund: 19 positions
- ☐ No filled positions cut
- ☐ No frontline Public Safety positions cut
- ☐ Majority of recommended cuts are to support and management positions

Employee Give Backs

- ☐ FY09 Pay for Performance Capped at 2.5%
- ☐ FY09 Market Study Postponed
- ☐ FY10 Pay for Performance Eliminated
- ☐ FY10 Market Study Postponed
- ☐ ~~Suspension of Service Incentive Pay~~
- ☐ Deferral of Police and EMS Pay Raise

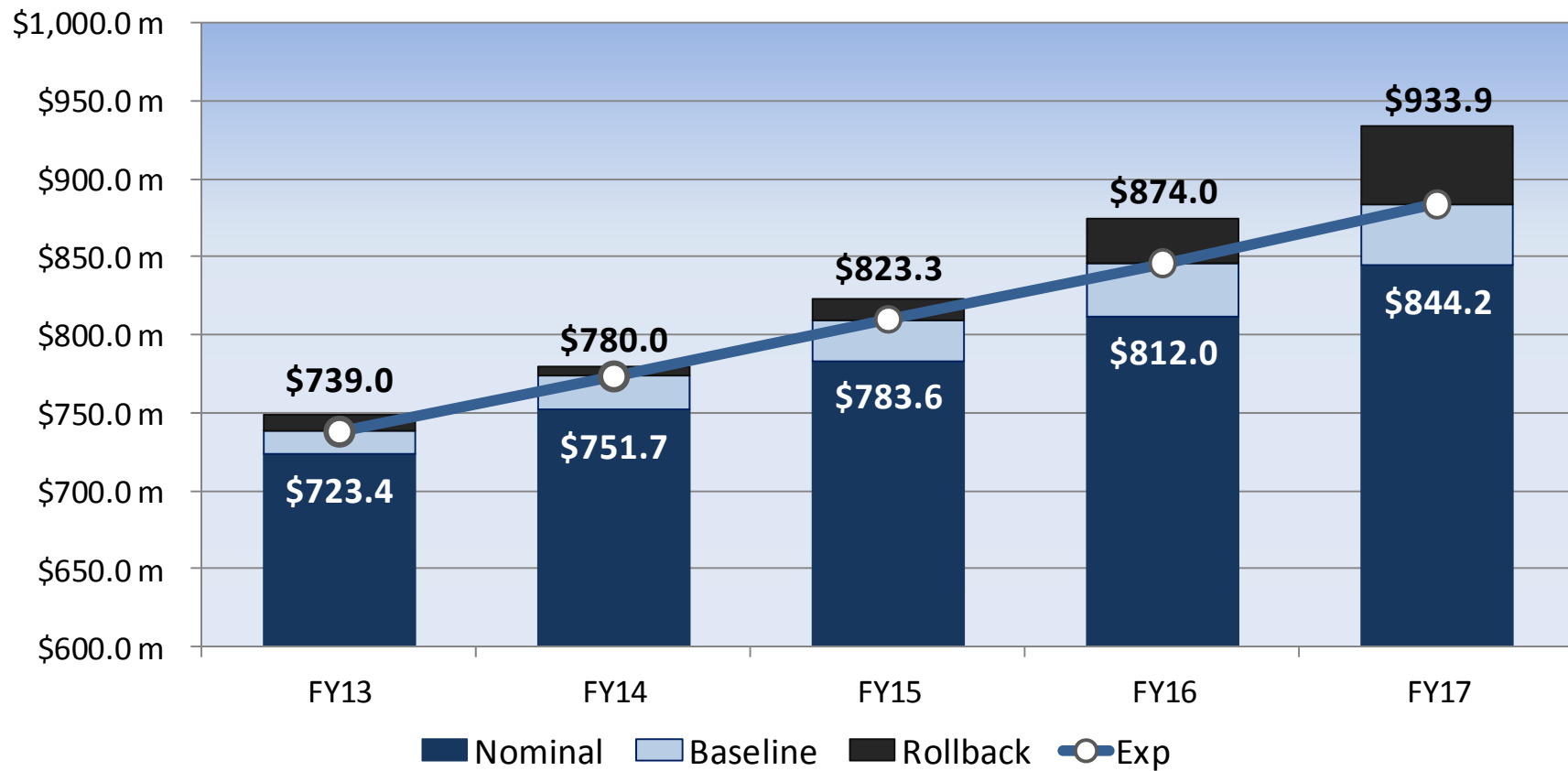
FY10 General Fund Savings: (\$10.5 million)

FY10 All Funds Savings: (\$26.8 million)



Revenue Forecast Scenarios

Projected Baseline Expenditures vs. Revenues





Other Factors – Unmet Service Demands

- Department requests total \$24.6 million and 222 positions
- Highlights include:
 - funding to offset reduction in CDBG/HOME grants
 - funding for expiring grant positions in health & human services
 - 911 call takers and additional communications support staff
 - additional staffing for the one stop shop
 - maintenance of parks and park facilities
 - animal services center staffing
 - library services staffing
 - fire prevention activities
 - support services staffing for public safety departments
 - emergency medical services demand units



Budget Timeline & Next Steps

April 18, 25, May 2	Department Forecast Presentations
May 11	Publication of Revised Menu of Potential Budget Reductions
May - June	Public Engagement and Budget Development
August 1	Proposed Budget Presented to City Council
August 15, 22	Budget Work Sessions
August 23, 30	Budget, Tax Rate and Utility Rate Public Hearings
September 10-12	Adoption of Budget & Tax Rate



Questions / Comments

more information available at:

www.cityofaustin.org/finance

Planning & Development Review Department

**FY13 Financial Forecast
April 18, 2012**



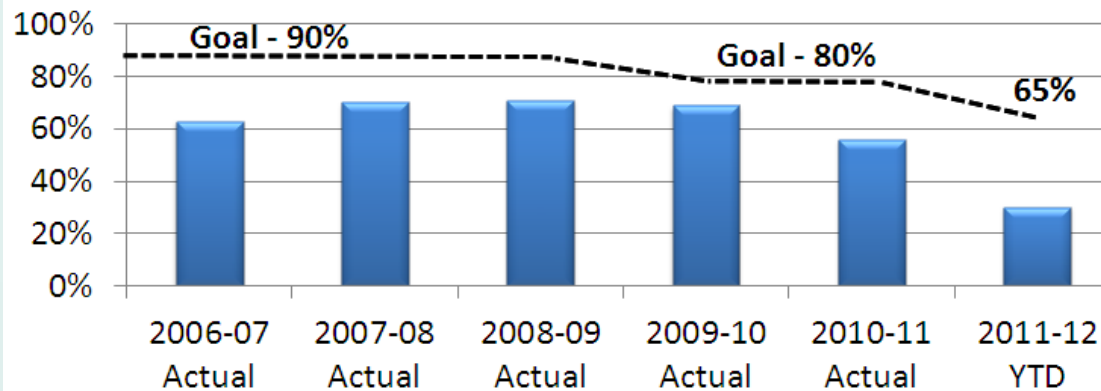
2011 Major Accomplishments

- ✓ **IMAGINEAUSTON** Participation
- ✓ Downtown Austin Plan
- ✓ 166,000 Building Inspections
- ✓ 96,000 Permits Issued
- ✓ Streetscape Improvement Projects Completed
 - Brazos Street
 - East 7th Street
 - IH-35 Makeover
 - South Congress Avenue
- ✓ Heritage Hills and Windsor Hills Neighborhood Plans

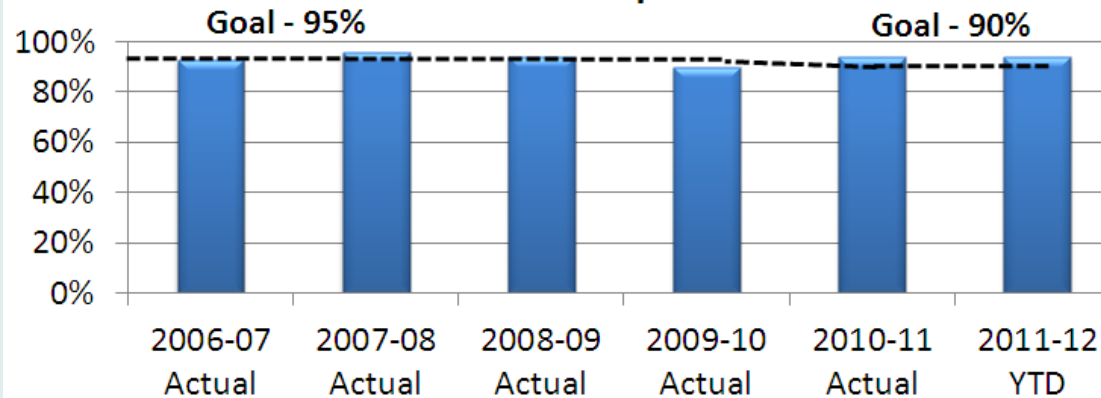


Key Performance Measures

**Percent of Initial Commercial Building Plan
Reviews completed Within Land Development
Code Mandated Time of 21 Days**



**Percent of Inspections Performed Within 24
Hours of Request**



Forecast Highlights

	FY 12 Budget	FY 13 Forecast	Variance
Revenue	\$9,342,235	\$12,323,000	\$2,980,765
FTEs	314	313	-1
Requirements	\$21,180,575	\$22,055,914	\$959,183

Includes

- Civilian Wage Adjustments - \$715K
- Health Insurance – \$225K
- Fuel and Maintenance – \$42K
- Transfer Music FTE to EGRSO – (\$68K)

Total \$875K

Horizon Issues: Progress

Implement Imagine Austin

- Imagine Austin Comprehensive Plan Adoption
- Update Land Development Code



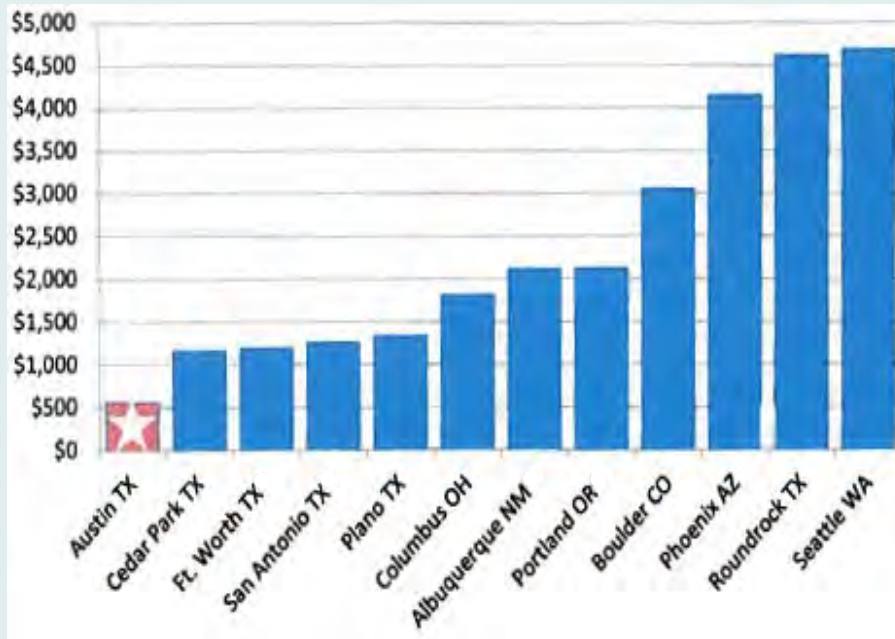
Information Technology Support

- Increase Online & Mobile Capability

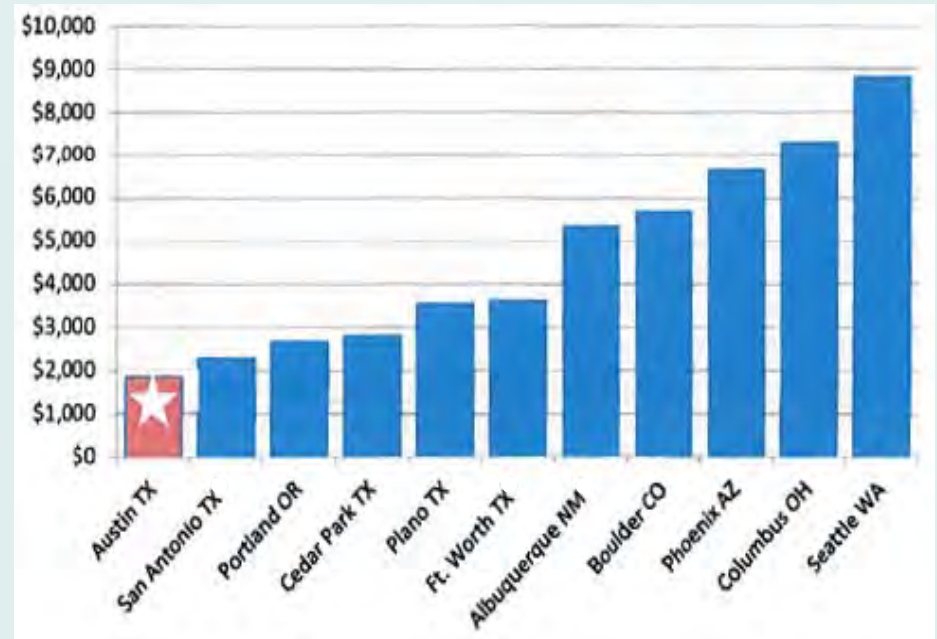
Horizon Issues

Fee Study

- Implement Phase 1 of Fee Study
- Initiate Phase 2 - Site & Subdivision



Total Permit: New Residential Construction
\$300,000 Home, 3,000 SF



New Commercial Construction
\$500,000 VAL, 6,500 SF

Unmet Needs

One Stop Shop Related

- Commercial Plan Review	3 FTEs, \$216K
- Building Inspection	3 FTEs, \$319K
- Information Technology	2 FTEs, \$196K
- Development Assistant Center	1 FTEs, \$84K
- Land Use Review	1 FTEs, \$60K
- Site/Subdivision	2 FTEs, \$118K



New Commercial
Submissions
Awaiting Review
(Right)



Implementation Related

- Comprehensive Planning	2 FTE, 175K
--------------------------	-------------

CIP

New Project Request:

- Land Development Code Update

Existing Projects:

- Airport Boulevard Form-based Code
- Second Street District Streetscape, Phase 3
- Downtown Wayfinding Master Plan
- Continue Great Streets Reimbursement Program

Austin Police Department



Art Acevedo, Chief of Police



MAJOR ACCOMPLISHMENTS

- Real Time Crime Center opened
- Cameras added in crime hotspots
- Digital Mobile Audio Video (DMAV) implementation began
- Crime rates for violent and property crimes dropped



**Austin Police
Department**



PERFORMANCE MEASURE HIGHLIGHTS

APD Key Measures

- **Violent crime rate**
 - Improved from 4.76 in 2010 to 4.49 in 2011
- **Property crime rate**
 - Improved from 57.55 in 2010 to 54.33 in 2011
- **Percent of Part 1 crimes cleared**
 - Increased from 12.1% in 2010 to 13.6% in 2011
- **Total response time for emergency calls**
 - Improved from 6:53 minutes in 2010 to 6:27 in 2011

**Numbers above are for fiscal year; not calendar year*



**Austin Police
Department**



PERFORMANCE MEASURE OUTCOMES

2011 Citizen Survey Results

- **Satisfaction with overall quality of police services**
 - Increased from 74% in 2010 to 76% in 2011
 - (citizen survey national average is 68%)
- **Austin residents reported feeling safer**
 - downtown at night (36%, up four points)
 - downtown during the day (81%, up two points)
 - neighborhoods at night (73%, up two points)
 - neighborhoods during the day (89%, up two points)



**Austin Police
Department**



BUDGET DATA



**Austin Police
Department**

	<i>Current Fiscal Year 2012</i>	<i>Proposed Fiscal Year 2013</i>	<i>Variance</i>
<i>Budget Amount</i>	<i>\$267.2 million</i>	<i>\$282.5 million</i>	<i>\$15.3 million</i>
Sworn FTEs	1,718.00	1,740.00	22.00
Civilian FTEs	626.25	627.25	1.00



FORECAST HIGHLIGHTS



**Austin Police
Department**

- **Population increases - 2.0 Officers per 1,000 residents**
 - 22 new officers-Start April 2013 \$1,187,932
 - Sworn step and longevity \$2,000,000
 - Annualized funding for new officers in FY2012 \$1,706,018
- **Employee pay and retirement increases**
 - Meet and Confer Sworn increases \$6,383,605
 - Civilian Wage Adjustment \$ 753,547
- **Health insurance premium increases** \$1,572,465
- **Vehicle fuel and maintenance** \$ 888,892
- **Travis County booking increase** \$ 634,555



HORIZON ISSUES

Progress Made:

- Proactively responding to crime trends
- Upgrading technology to meet demands for service

Ongoing Challenges:

- Addressing the support services workload
- Reducing risk by enhancing training of police employees
- Ensuring employees have access to equipment and reliable vehicles
- Improving facilities to support the efficient provision of services and encourage community access to police operations



**Austin Police
Department**



UNMET NEEDS



**Austin Police
Department**

1.	Detective upgrades	\$195,982
2.	Austin Regional Intelligence Center Sustainability	\$216,201
3.	Conversion of grant funded positions	\$1,136,345
4.	Communications staffing	\$1,417,516
5.	Maintenance of new equipment and software	\$46,478
6.	Increase firearms training and supplies funding	\$306,678
7.	Replacement training funds	\$130,000
8.	Crisis Intervention stipends	\$33,600
9.	Paid Police Internship Program	\$120,000
10.	Civilian Support Staff	<u>\$1,959,450</u>
	TOTAL	\$5,562,250

Questions?

For more information, please contact:

Austin Police Department

715 East 8th Street

Austin, Texas 78701

Main: (512) 974-5030

Austin-Travis County EMS

Financial Forecast Presentation

*City of Austin Vision:
We want Austin to be the most livable city in the country.*



Austin-Travis County EMS

Preserve Life – Improve Health – Promote Safety

KEY FOCUS

People Driven
Patient Focused

PILLARS OF SUCCESS

People
Service
Quality
Finance

CORE RESULTS AREAS

Patients
Practice
Outcomes

CITY OF AUSTIN VALUES

Public Service & Engagement
Responsibility & Accountability
Innovation & Sustainability
Diversity & Inclusion
Ethics & Integrity



Major Accomplishments in FY 2011 and FY 2012

- Implemented new ambulance units both in the City of Austin and in Travis County
- Developed an EMS Strategic Plan
- Improved billing processes resulting in a \$5.4 million billing revenue increase over the prior year
- Began to implement changes in the staffing configuration of ambulances
- Started building the Community Health Paramedic Program



Austin-Travis County EMS

Preserve Life – Improve Health – Promote Safety



EMS Key Performance Indicators

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Measure Name	FY 2011 Goal	FY 2011 Actual
Total number of EMS responses	113,000	122,701
Percent of calls answered by EMS Communications in less than 10 seconds	95.00%	96.00%
Percent of patients with cardiac arrest from cardiac causes delivered to an appropriate medical facility with a pulse	33.00%	31.90%
Percent of patients with cardiac arrest from cardiac causes discharged from the hospital alive	8.70%	12.90%
Percent of potentially life threatening calls responded to by EMS on-scene in less than 10 minutes (urban)	90.00%	92.00%



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Budget Data for Fiscal Year 2012 and Fiscal Year 2013

	FY 2012 Amended Budget	FY 2013 Forecast
Expenses	\$49.0 million	\$52.0 million
Revenue	\$29.4 million	\$30.5 million
FTEs	526.5	526.5

- Major revenue source is patient billing, with an estimate of \$18.0 million for FY 2012

Major Cost Increases for FY 2013:

- Uniformed Employees wage increases per Meet and Confer \$779,000
- National Curriculum stipend implementation per Meet and Confer \$274,000
- Civilian Employees wage increases \$171,000
- Employee health insurance cost increases \$308,000
- Annualize funding for the new EMS Mueller Station Unit \$640,000
- Increases in fuel, fleet maintenance, and medical supplies \$380,000



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Horizon Issues and Other Major Issues

- Need for additional stations, demand units, staff, and equipment to meet growing demand and to maintain existing performance levels
- Aging population will require changes in the manner of patient care
- Constant evaluation and improvements in the method of service delivery
- Develop partnerships with other organizations to collaborate and improve services and patient care
- Address needs in support service areas
- Continue to focus on quality and strive to become an industry leader
- Challenges in healthcare reimbursement due to potential changes at the federal and state levels
- Civil Service status impacts



Austin-Travis County EMS

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Unmet Needs – Budget Requests to City for Fiscal Year 2013

1. 12-hour demand unit for EMS Unit 5 on North Lamar Blvd	\$ 887,000
2. 12-hour demand unit for EMS Unit 14 on Berkman Drive	\$ 887,000
3. Additional resources to expand continuing education training	\$ 172,000
4. Additional resources for Employee Wellness Program	\$ 86,000
5. Additional support staff for Electronic Patient Care Reporting (ePCR) system and warehousing	\$ 300,000
Capital Outlay	
• Replacement of cardiac monitors	\$1,760,000



Austin-Travis County EMS

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Unmet Needs – Budget Requests to Travis County for Fiscal Year 2013

- | | |
|---|-------------|
| 1. 24-hour unit in the Pflugerville area | \$1,428,000 |
| 2. 24-hour unit at 969/Austin Colony area | \$1,428,000 |
| 3. Additional staffing to convert Bee Caves Unit from 12-hour unit to 24-hour unit | \$ 541,000 |
| 4. Additional staffing to convert Kelly Lane Unit from 12-hour unit to 24-hour unit | \$ 541,000 |

Austin Fire Department FY13 Forecast

Fire Chief Rhoda Mae Kerr



2011 Major Accomplishments

- Wildfire response and subsequent public education campaign: Pinnacle, Pedernales, Steiner, Bastrop
- Firefighter Wellness program ranked as a benchmark for all fire departments
- Business intelligence to front-line managers provides operational performance metrics and budget information
- Cost-saving flu shot program to all City employees



2011 Key PM Outcomes

Exceeded FY11 targets

Measure	FY11 Target	Actual	FY12 CYE
Return of spontaneous circulation after CPR and/or AED	40%	43%	43%
Emergency response within 8 minutes	85%	86%	86%
Customer satisfaction	90%	91%	91%

Additional resources needed

Measure	FY11 Target	Actual	FY12 CYE
Percent of plan reviews completed on time	75%	50%	50%



Budget Summary

	Amount	FTEs
FY 12 Budget	\$131,102,226	1083 sworn 67 civilian
FY 13 Forecast	\$137,699,217	+4 sworn +4 civilian

- Transition one (of three) remaining companies to full four-person ladder staffing
- Continued high cost of overtime due to compounding vacancies; openings will drop below 40 in FY14
- Responding to unfunded mandates from Texas Commission on Fire Protection (TCFP)



2013 Forecast Highlights

- Increases due to Collective Bargaining Agreement (CBA), cadet academies, backfill for remaining vacancies
- Baseline funding for uniform and PPE programs, including civilians and cost of equipment
- Increases in TCFP certification fees
- Increases for specialty training (HazMat, technical rescue, water, wildland firefighting)



Horizon Issues: Progress

- **Civil Service Staffing:** Recruiting and hiring process now on a standard cycle. Adding a four-person staffing position in FY13
- **Non-Civil Service Staffing:** Adding four positions in FY13
- **Infrastructure:** AFD included in city-wide building condition assessment; 14 station HVAC replacements scheduled
- **Growth and Planning:** Exploring options for regional fire service delivery; six of 13 ESDs with automatic aid agreements
- **Safety:** PPE now funded in baseline. One-time capital funding of air cylinders, automated external defibrillators (AEDs)



Horizon Issues: Challenges

- **Civil Service Staffing:** Continued high vacancies through FY13; four-person staffing for remaining two ladder units and three rescue units
- **Non-Civil Service Staffing:** Continued need for “catch up” civilians to address increased demand for services and programs
- **Infrastructure:** Assessment of 25 stations (out of 45 total):
 - 21 rated “poor” condition—the lowest category
 - 4 rated “fair” condition
- **Growth and Planning:** Preparing for annexations; developing a Standard of Coverage for changes in growth and density
- **Protecting Capital Assets:** Need enterprise software for inventory, asset management



Unmet Needs

1. **Accelerated Four-Person Staffing**—two remaining ladder companies, FY13 \$104K
 - Positions filled after August 2013 cadet class graduates; covers final four pay periods of FY13
 - Estimated annual cost FY14 \$675K



Unmet Needs (cont'd)

2. **Prevention Engineers** —add three engineers to meet increased demand for plans reviews: \$288K
3. **Community Outreach Coordinator** —oversees annual diversity recruiting strategy, serves as fire and life safety liaison between the community and AFD: \$71K
4. **Admin. Specialist in Payroll**—to assist current staff in completing accurate and timely payroll: \$60K
5. **Account Tech in Purchasing**—to improve turnaround on vendor payments: \$53K



Unmet Needs (cont'd)

6. **Special Events Captain and civilian Admin. Sr.**—for citywide one-stop special events: \$168K
7. **Four Prevention Lts.**—for increased demand due to growth and adoption of 2009 International Fire Code (IFC): \$417K
8. **Austin Regional Intelligence Center (ARIC) Captain**—\$114K



Capital Improvement Program

- Locker Room Project
 - Phase 4: Seven stations, nearly complete
 - Phase 5: Six stations, design phase



Other Department Issues

- Time and attendance: current system is unsustainable, doesn't meet AFD needs
- Wildland Urban Interface (WUI): Resiliency in our community (“fire adaptive”)
- Regional Service Delivery Model



Other Department Issues

- Continue to address diversity representation

April 2012 Applications Received

Ethnicity	FY10	FY10 %	FY12	FY12 %
White	2,556	51%	1,915	40.3%
Hispanic	1,317	27%	1,628	34.3%
African-American	480	10%	734	15.5%
Asian/Pac Islander	95	2%	120	2.5%
American Indian	52	1%	38	0.8%
Other/Not Disclosed	466	9%	314	6.6%
TOTAL	4,966	100%	4,749	100%

Gender	FY10	FY10 %	FY12	FY 12 %
Male	4,541	92%	4,169	87.8%
Female	306	6%	546	11.5%
Not Disclosed	119	2%	34	0.7%
TOTAL	4,966	100%	4,749	100%





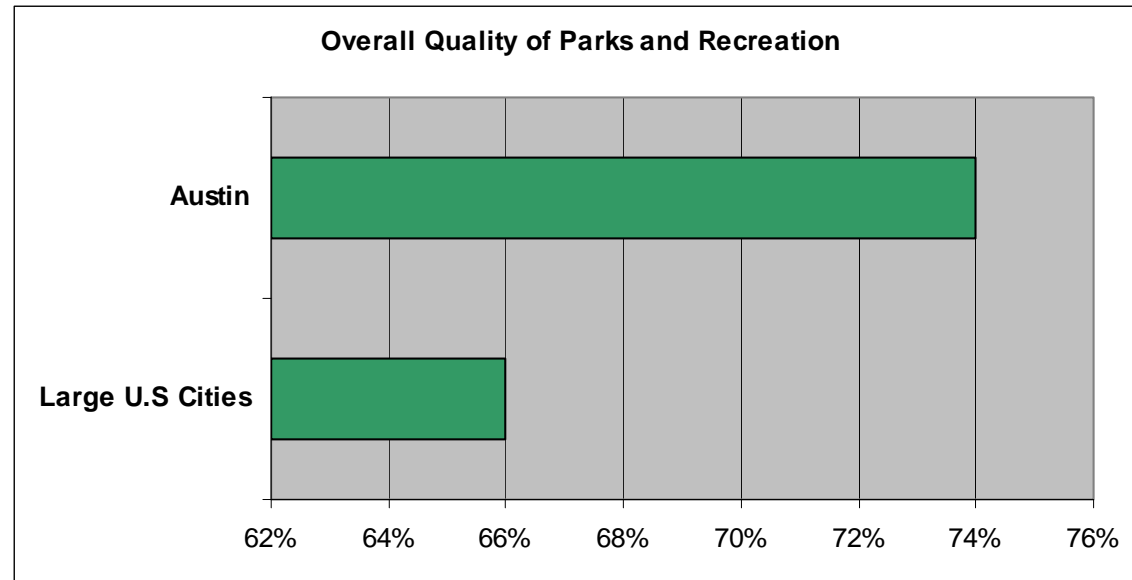
FY 2013 Financial Forecast

Parks and Recreation Department

April 18, 2012

Major Accomplishments

Parks and Recreation is #1 (Annual Citizen Survey)



National Comparisons:

	Austin	Comparison
• Quality of Youth Athletic Programs offered by City	54%	52%
• Number of Walking/Biking Trails	68%	58%
• Number of City Parks	75%	71%
• Overall Satisfaction with City Swimming Pools	59%	47%
• Appearance of Park Grounds in Austin	69%	65%
• Quality of Outdoor Athletic Fields	58%	60%
• Quality of Adult Athletic Programs Offered by City	52%	48%
• Quality of Park Facilities	62%	58%

Key Measures

PARKS AND RECREATION KEY MEASURES				
Measure Name	2010-11 Goal	2010-11 Actual	2011-12 Goal	2011-12 CYE
Citizen Satisfaction rating of the appearance of park grounds in Austin	No Goal	69%	85%	70%
Number of park acres per 1,000 population	21.8	23.8	23.8	23.6
Percent of CIP projects completed	95%	68%	95%	70%
Percent of participants who indicate an increase of environmental awareness	95%	95%	95%	95%
Percent of users satisfied with recreation services	70%	70%	73%	73%
Ratio of developed and undeveloped total park acres per grounds maintenance FTE	162	174	161	174
Ratio of parks recreational staff per recreational facility	3.5	4.3	4.3	4.3

FY 2013 Financial Forecast

Budget

FY 2012 Amended Budget

- Requirements
- FTEs

\$45M
542.25

FY 2013 Forecasted Budget

- Requirements
- FTEs

\$48M
554.25

FY 2013 Forecasted Increments

- Budget: 7%
- FTEs: 2%

\$3M
12.00



Forecast Highlights



Employee Insurance	\$394k
Employee Wage Adjustment	\$1.4M

Asian American Resource Center: 6.00 FTEs

- On schedule for April 2013
- Positions
 - 3 Cultural Arts and Education Coordinator, Specialists, Manager
 - 1 Events Coordinator
 - 1 Administrative Specialist
 - 1 Building and Grounds Assistant
- Total Cost: \$632k

Facility includes language book library, classrooms, activity center and cultural exhibition space

Forecast Highlights

Northwest District Parks Grounds Maintenance: 2.00 FTEs

- Southern Walnut Creek Trail (8 miles)
- Alderbrook Park (2 acres)
- Yett Creek Park (40 acres)
 - Care includes mowing, mulching, trees, picnic areas, restrooms, playgrounds, trash removal, and irrigation
- Total Cost: \$157k

Northeast District Parks Grounds Maintenance: 1.00 FTE

- FM 969 Park (65 acres)
- Copperfield Park (9 acres)
 - Care includes walking trails, picnic areas, trash removal, playgrounds, drinking fountains, basketball courts, restrooms, mowing and tree care
- Total Cost: \$80k

Forecast Highlights

South District Parks Grounds Maintenance: 1.00 FTE

- Parker Lane (2 acres)
- Del Curto Pocket Parks (2 acres)
 - Care includes walking trails, picnic areas, trash removal, playgrounds, drinking fountains, basketball courts, restrooms, mowing and tree care
- Total Cost: \$73k

Krieg Field Facility Expansion:

- Addition includes:
 - 4 Volleyball fields
 - 1 Multipurpose field
 - Care includes Maintenance for turf management, seeding, fertilization, sodding, field preparation
- Total Cost: \$15k

Forecast Highlights

Genealogy Center: 2.00 FTE

- Renovation of the Historic Carver, Austin's first public library
- Opening January 2013
 - The Center will serve as the physical resource to the community on genealogy research and preservation focusing on, but not limited to, persons of African descent.
- Total Cost: \$139k



Horizon Issues

Aging Facilities/Infrastructure

- Approximate cost needed to update: \$500 million
- Aquatics: Average Age of Pools: 44 Years
- Restrooms, HVAC, Boilers, Irrigation

Insufficient Staffing

- Mexican American Cultural Center
- Contract Management
- History Arts & Nature
- Park Maintenance
- Planning & Development
- Occupational Health & Safety

Austin Cemeteries

- \$4+ million needed to repair infrastructure
- Master Plan
 - Establish goals and improvements



Total Unmet Needs: \$4.9M & 42 FTEs

- **Maintenance** \$2.7M
- **Community Services** \$1.4M
- **Contract Compliance & Department Administration** \$483k
- **Planning & Development** \$355k

Top 10 Priority

- | | | | |
|-----------|--|-----------|---|
| 1. \$74k | Facility Improvements Coordinator | 6. \$169k | Contract Administration |
| 2. \$595k | Facility Preventative Maintenance | 7. \$875k | Roving Leaders Program |
| 3. \$277k | MACC Staff - Latino Artist Program | 8. \$355k | Planning and Development Division |
| 4. \$268k | Athletic Field Maintenance | 9. \$863k | Grounds Maintenance |
| 5. \$570k | Fire Reduction and Invasive Species Removal | 10. \$79k | Occupational Health & Safety Program |

Capital Improvement Program

Major Accomplishments

- BMX and Skate Park
- Northwest Recreation Center Renovation/Expansion
- Fannie Davis Gazebo at Auditorium Shores Renovation
- McBeth Recreation Center Renovation
- Roy G Guerrero Colorado River Park

FY 2012 – 2017 (Projects in Progress)

- Conley-Guerrero Senior Activity Center Renovation
- North Austin Recreation Center with YMCA
- Southern & Northern Walnut Creek Trail
- Morris Williams Golf Course and Clubhouse
- Deep Eddy, Bartholomew and West Enfield Pools
- Republic Square Phase II Improvements
- Del Curto, Copperfield and Armadillo Neighborhood Parks



Cultural Places, Natural Spaces

Questions?

www.austintexas.gov/parks



GENERAL FUND

The General Fund is the general operating fund for the City of Austin. It includes eight departments that provide direct programs, activities and services to the citizens of Austin as well as to surrounding communities. These departments include Municipal Court, Planning and Development Review, Police, Fire, Emergency Medical Services, Health & Human Services, Parks & Recreation and Library.

REVENUE SUMMARY

The General Fund collects 84% of its funding from four sources: property tax, sales tax, transfers in, and development. Property taxes are a result of the tax rate per \$100 of property valuation. Sales tax collections are 1% of the sale of taxable goods and services in the City of Austin. Transfers into the General Fund are received from the electric and water utilities. Development revenue results from single and multi-family residential and commercial building activity. The remaining 17% is comprised of franchise fees, fines, forfeitures, penalties, licenses, permits, inspections, charges for services and interest.

REVENUE ASSUMPTIONS

- Property tax revenue projections assume the following:

Tax Rates

Fiscal Year	Tax Rate	Tax Rate Assumption
2012-13	49.95 cents	0.05 cents below Rollback
2013-14	50.68 cents	0.68 cents below Rollback
2014-15	51.02 cents	0.72 cents below Rollback
2015-16	51.70 cents	1.48 cents below Rollback
2016-17	52.21 cents	1.95 cents below Rollback

Property tax valuation increases 5.0% in FY 2013 decreasing to 4.5% in FY 2014 increasing to 5.2% in FY 2015 and dropping to 3.2% in FY 2016 – FY 2017.

- Sales tax growth of 3% is assumed for all 5 years of the forecast.
- Utility transfers for FY 2013 - FY 2017 are based on utility revenue trends and transfer rates of 12% of non-fuel revenue for the Electric Utility and 8.2% for the Water Utility.
- Development revenue is projected to increase \$0.5 million in FY 2013 and \$0.2 million in FY 2014, decrease \$0.3 million in FY 2015 and \$0.2 million in FY 2016 with no change in FY 2017.

EXPENDITURES SUMMARY

Forecast projections show that expenditure requirements will meet revenue projections. Personnel costs continue to be the main base requirement driving the increase in total expenditures and make up 77% of the total current year General Fund Budget. The main factors impacting personnel costs are public safety contracts, including step and longevity, 2.0 officers per 1000 population, four person staffing for fire and health insurance.

Other base requirements in the five year forecast period include the annualized cost of items added in FY 2012 such as 18 paramedic positions added for Mueller and Harris Branch, 47 police positions for 2.0 per 1000 population and staff for the new Asian American Resource Center.

Finally, the forecast includes other expenditure increases for obligations such as cost increases for the jail contract and other miscellaneous contracts. Requirements for transfers out to other funds such as workers' compensation, liability reserve, accrued payroll, Support Services Fund and Communications & Technology Management Fund are also included.

EXPENDITURE ASSUMPTIONS

BASE BUDGET

- Maintain funding to meet current service levels
 - Public Health & Safety
 - Parks Programs & Library Services
 - Permitting, Review & Inspection
 - Planning & Zoning

BASE INCREASES

- Outside contract increases
- Annualized costs of items added in FY 2012
- Other miscellaneous adjustments to commodities

PERSONNEL INCREASES

- Includes funding for Police, Fire & EMS contracts @ 3% each year
- Includes Police & Fire 1% annual increase to retirement systems
 - Adds additional 1% September 2013 for Fire
- Includes funding for all other employees 3.0% each year
- Annualized funding for market adjustments implemented April 2012
- Health insurance increase of 7% each year
- Additional 2% pension funding in FY 2013

General Fund Five Year Forecast

(millions)

	Amended 2011-12	Estimated 2011-12	2012-13	2013-14	2014-15	2015-16	2016-17
BEGINNING BALANCE	0.0	0.0	0.0	0.0	0.0	0.0	0.0
REVENUE							
Property Tax	279.4	279.4	313.3	338.0	363.8	384.7	405.0
Sales Tax	152.7	158.7	163.4	168.3	173.4	178.6	184.0
Franchise Fees	33.8	32.8	33.1	33.4	33.7	34.1	34.3
Development Fees	9.6	12.4	12.9	13.1	12.8	12.6	12.6
Other Revenue	78.2	74.7	75.9	77.5	79.5	82.1	84.6
TOTAL REVENUE	553.6	558.0	598.6	630.3	663.2	692.0	720.4
Transfers In	139.2	139.2	140.0	143.5	146.7	153.5	163.3
TOTAL AVAILABLE FUNDS	692.8	697.2	738.5	773.8	809.9	845.5	883.7
REQUIREMENTS							
Administrative Services	12.8	12.6	13.4	13.8	14.3	14.9	15.5
Urban Growth Management	21.2	21.2	22.1	23.0	24.0	24.8	25.5
Public Safety	447.4	448.0	472.2	493.9	517.6	539.5	562.3
Heath & Human Services	42.6	42.6	43.6	44.4	45.3	47.5	49.9
Public Recreation & Culture	71.5	72.0	76.1	78.9	81.7	85.0	88.5
TOTAL DEPARTMENT EXPENDITURES	595.5	596.3	627.4	654.1	682.9	711.6	741.6
TOTAL TRANSFERS OUT	60.6	61.8	70.7	74.7	80.1	84.6	90.6
TOTAL OTHER REQUIREMENTS	36.8	32.2	40.5	44.9	47.0	49.3	51.5
TOTAL REQUIREMENTS	692.8	690.4	738.5	773.8	809.9	845.5	883.7
EXCESS (DEFICIENCY) OF TOTAL AVAILABLE FUNDS							
OVER TOTAL REQUIREMENTS	0.0	6.8	0.0	0.0	0.0	0.0	0.0
ENDING BALANCE	0.0	0.0	0.0	0.0	0.0	0.0	0.0