



# City of Austin Financial Forecast

## General Fund

May 2011



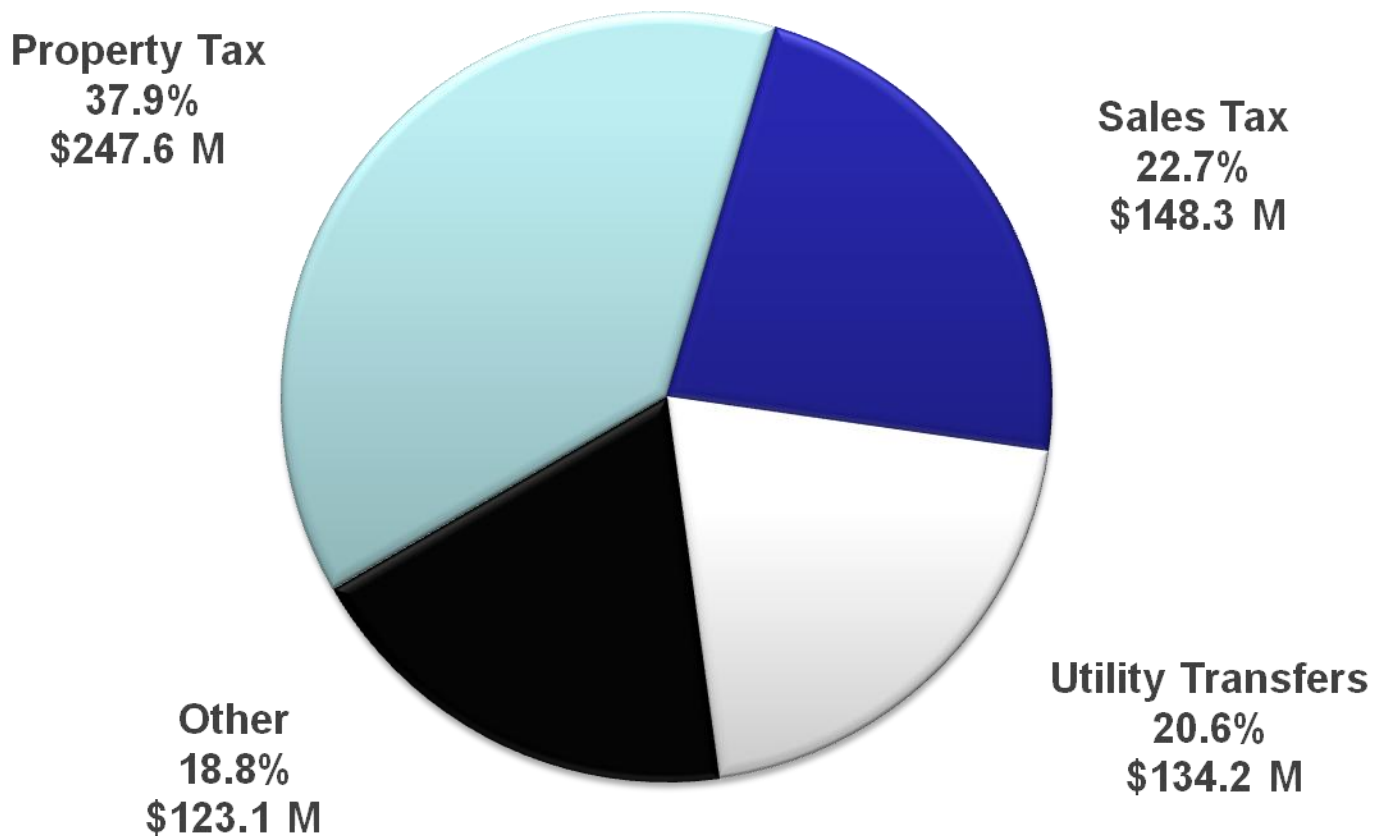
# Today's Presentation

- Financial Forecast – General Fund
  - revenue
  - expenditures
  - 2012 cost drivers
  
- Other Factors
  - revenue uncertainty
  - unmet service demands
  
- Budget Timeline & Next Steps



# General Fund – Sources of Funds

**FY 2011 Estimated General Fund Revenue \$653.2 Million**





# Projected New Revenue

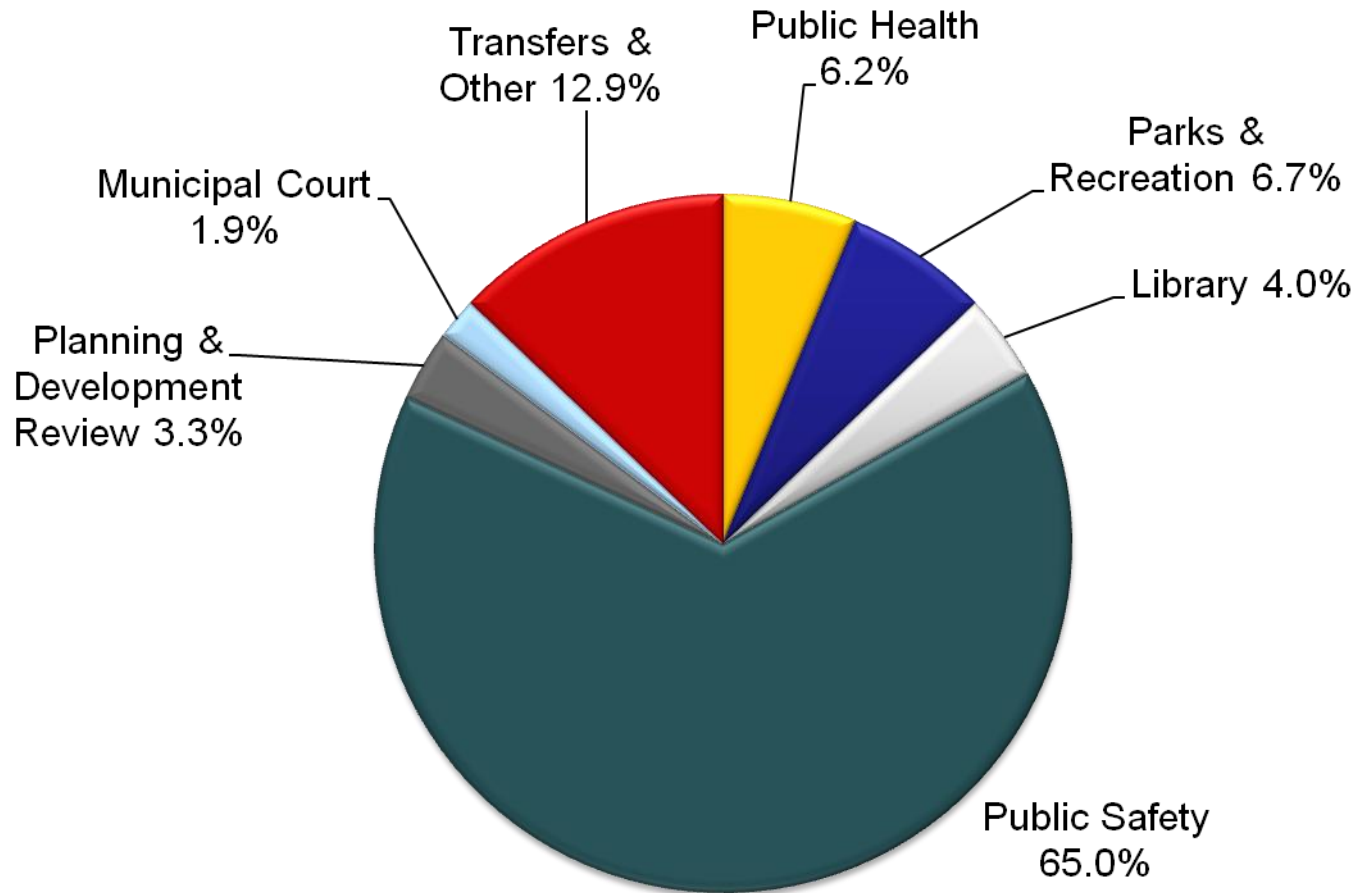
Category	Projected Increase (from 2011 budget)	Growth Rate
Property Tax	23.9 m	9.7%
Sales Tax	4.4 m	3.0%
Utility Transfer	0.6 m	0.5%
Other Revenue	4.9 m	4.0%
<b>Total New Revenue</b>	<b>33.8 m</b>	<b>5.2%</b>

- property tax rate – 3 cent increase assumed for FY 2012
- sales tax – YTD growth = 3.4%
- utility transfer policies – electric 9.1%; water 8.2%
- other revenue – largest increases due to extended hours of downtown parking and higher EMS collections



# General Fund – Uses of Funds

## Fiscal Year 2011 Amended Budget – \$651.6 Million



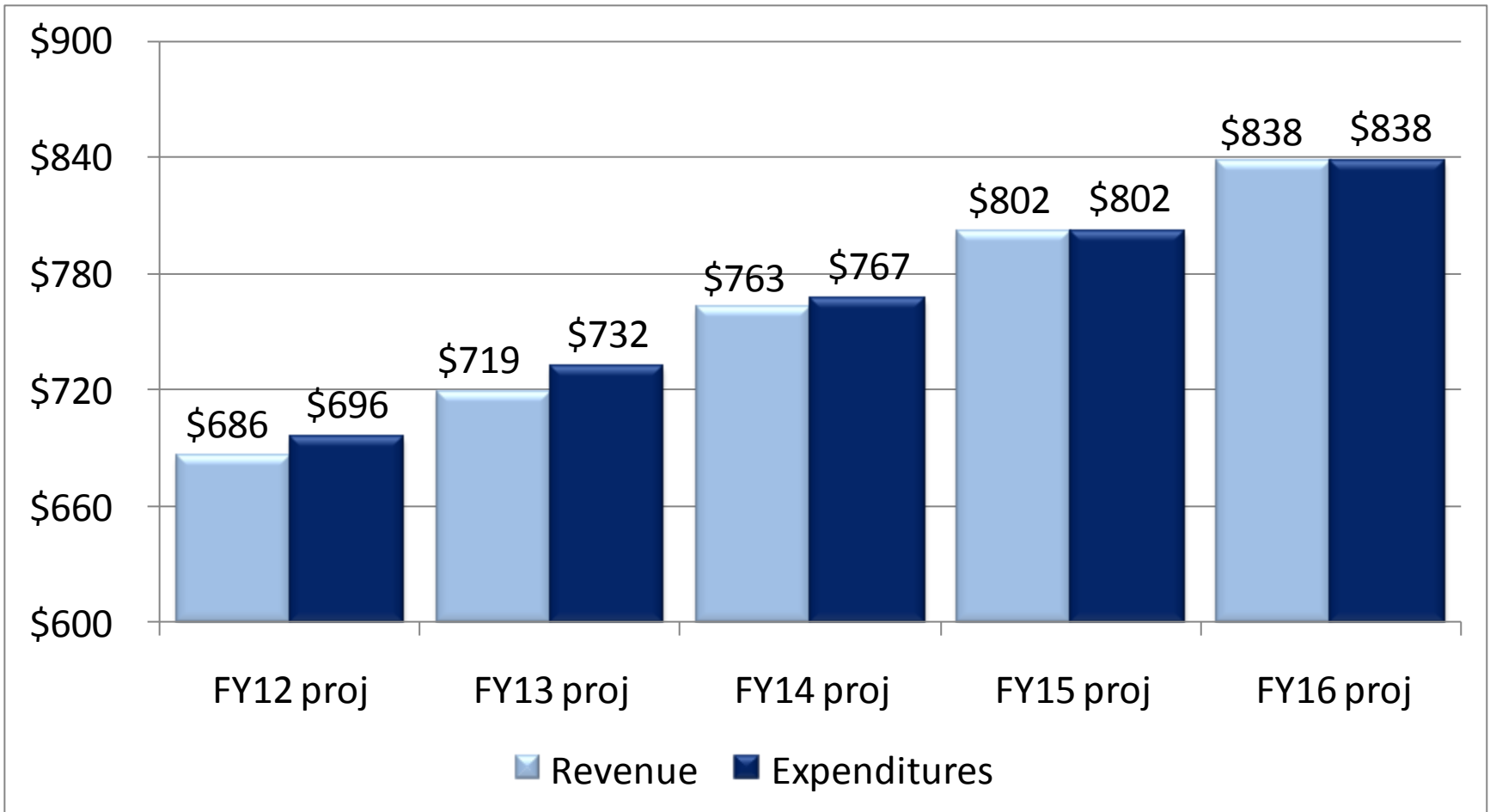


# FY 2012 Cost Drivers

<u>Category</u>	<u>Estimated Increases</u>	<u>Justification</u>
Uniformed Personnel	\$22.5	<ul style="list-style-type: none"> <li>* police, fire &amp; EMS contracts / provisions</li> <li>* police &amp; fire step / longevity</li> <li>* 2.0 officers per 1000 - police</li> <li>* annualized costs of positions added FY 2011</li> <li>* health insurance</li> </ul>
Non-Uniformed Personnel	\$9.6	<ul style="list-style-type: none"> <li>* civilian wage adjustments</li> <li>* supplemental pension funding</li> <li>* implementation of live outcomes/no kill plan</li> <li>* health insurance</li> </ul>
Other Departmental Costs	\$4.5	<ul style="list-style-type: none"> <li>* outside contract increases</li> <li>* opening of new animal care facility</li> <li>* fleet fuel and maintenance</li> <li>* implementation of dvv project</li> <li>* other miscellaneous commodities</li> </ul>
Transfers / Other Requirements	\$7.4	<ul style="list-style-type: none"> <li>* support services fund</li> <li>* communication &amp; technology</li> <li>* supplemental retirement</li> <li>* economic incentives</li> <li>* new central library book budget</li> </ul>
<b>Totals</b>	<b>\$44.0</b>	



# Revenue to Expenditures





# Other Factors – Revenue Uncertainty

- S.B. 720 – caps growth in O&M tax rate at 5%
  - exceptions for public safety
  - potential impact: \$9.2 million
- H.B. 1 – reduces cities share of mixed beverage tax
  - estimated impact: \$1.4 million
- State and Federal budget deficits create uncertainty at the local level – potential loss of State and Federal grant funds
  - CDBG – FY 2011 allocation = \$8.2 million
  - CSBG – FY 2011 allocation = \$0.9 million
  - Loan Star Libraries – FY 2011 allocation = \$0.3 million
- Will continue to monitor and report back to Council as more information becomes available





# Other Factors – Unmet Service Demands

- Department requests total \$15 million and 165 FTEs
- Highlights include:
  - maintenance of parks and park facilities
  - operations of the animal services center
  - enhanced security at City parks and libraries
  - police department support staffing
  - inspections of fire personal protective equipment
  - fire prevention activities
  - 911 call takers
  - emergency medical services downtown demand unit
  - staffing needs related to an increasing Municipal Court workload
  - staffing of the one stop shop



# Budget Timeline & Next Steps

<b>May 11</b>	Menu of Potential Budget Reductions
<b>May-June</b>	City Council Budget Work Sessions
<b>May-June</b>	Boards and Commissions Budget Meetings schedule at <a href="http://www.AustinTexas.gov/finance">www.AustinTexas.gov/finance</a>
<b>May-June</b>	Online Input and Budget Development
<b>July 27</b>	Proposed Budget Presented to City Council
<b>August 17, 24</b>	Budget Work Sessions
<b>August 25/Sept 1</b>	Budget & Tax Rate Hearings
<b>September 12-14</b>	Budget & Tax Rate Adoption



# Questions / Comments

more information available at:

[www.AustinTexas.gov/finance](http://www.AustinTexas.gov/finance)