

# **Budget for 2012/2013**

City of Auburn

May 17, 2012

# Auburn has a Structural Deficit

- Structural deficit issues can only be addressed by explicit and direct government policies: reducing spending, increasing the tax base, and/or increasing tax rates. It can be described as more "chronic" or long-term in nature hence needing government action to remove it.

# General Fund Comparisons

- Expenditure budget FY11/12 \$33,607,775
- Proposed budget FY12/13 \$36,103,225
- Change 7% increase
  
- Revenue budget FY11/12 \$34,107,775
- Revenue forecast FY 12/13 \$33,003,225
- Change 3% decrease

# Staffing change requests

- Planning: CD Planner to Sr. Planner
- Codes: Secretary to Sr. Account Clerk/ Keyboard Specialist
- Police: 1 Sergeant to Lieutenant
- Landfill: Add 2 permanent PT laborers
- Mayor: Secretary to equal Corporation Counsel/CM Secretary classification
- Engineering: Sr. Account Clerk to Sr. Account Clerk/ Keyboard Specialist
- City Clerk: Clerk to Account Clerk
- DPW: Laborer and MEO (new)

# Capital requests

- \$914,200 Total
- Backhoe
- Mowers
- Truck
- Trailer mounted pump
- DPW Fleet replacements

City of Auburn  
 2012-13 Budget  
Draft Scenario #1

Total Revenues	31,255,953	<u>Current Fund Balance</u>	
		Reserved	1,200,570
		Unreserved/unappropriated	5,708,700
Total Expenditures	<u>36,603,225</u>	Total General Fund Balance	6,909,270
Deficit	(5,347,272)	Minimum Fund Balance Target (10% of Budget)	<u>3,660,323</u>
		Available (Maximum)	<u><u>3,248,948</u></u>

Budget Scenario #1

Use \$3.4M additional state aid along with fund balance to close the budget gap

Total Revenues	31,255,953		
	+	3,400,000	additional state aid
	+	<b>1,947,272</b>	use of fund balance (within target)
Revised Revenues	<u><u>36,603,225</u></u>		
Total Expenditures	<u><u>36,603,225</u></u>		

City of Auburn  
 2012-13 Budget  
Draft Scenario #2

Total Revenues	31,255,953	<u>Current Fund Balance</u>	
		Reserved	1,200,570
Total Expenditures	<u>36,603,225</u>	Unreserved/unappropriated	<u>5,708,700</u>
		Total General Fund Balance	<u>6,909,270</u>
Deficit	(5,347,272)	Minimum Fund Balance Target	<u>3,908,903</u>
		(10% of Budget)	
		Available (Maximum)	<u><u>3,000,368</u></u>

Budget Scenario #2  
 Use \$3.4M additional state aid for non-recurring expenses only and close budget gap with fund balance

Total Revenues	31,255,953	<u>Non-recurring items:</u>	
		Equipment Purchases included in budget	914,200
		Additional Debt Payments not budgeted	<u>2,485,800</u>
Revised Revenues	<u>39,089,025</u>	additional state aid	<u><u>3,400,000</u></u>
Total Expenditures	36,603,225		
Revised Expenditures	<u><u>39,089,025</u></u>		

City of Auburn  
 2012-13 Budget  
Draft Scenario #3

Total Revenues	31,255,953
Total Expenditures	<u>36,603,225</u>
Deficit	(5,347,272)

<u>Current Fund Balance</u>	
Reserved	1,200,570
Unreserved/unappropriated	<u>5,708,700</u>
Total General Fund Balance	6,909,270
Minimum Fund Balance Target (10% of Budget)	<u>3,738,903</u>
Available (Maximum)	<u><u>3,170,368</u></u>

Budget Scenario #3

Use \$1.7M of additional state aid for operational costs and \$1.7M for non-recurring expenses; Close the budget gap with fund balance.

Total Revenues	31,255,953		
	+ 3,400,000	additional state aid	
	+ <u>2,733,072</u>	use of fund balance (within target)	
Revised Revenues	<u><u>37,389,025</u></u>		
Total Expenditures	36,603,225		
	+ <u>785,800</u>	additional debt repayments	
Revised Expenditures	<u><u>37,389,025</u></u>		

Non-recurring items:

Equipment Purchases included in budget	914,200
Additional Debt Payments not budgeted	785,800
additional state aid	<u><u>1,700,000</u></u>

City of Auburn  
 2012-13 Budget  
Draft Scenario #4

Total Revenues	31,255,953	<u>Current Fund Balance</u>	
		Reserved	1,200,570
		Unreserved/unappropriated	5,708,700
Total Expenditures	<u>36,603,225</u>	Total General Fund Balance	<u>6,909,270</u>
Deficit	(5,347,272)	Minimum Fund Balance Target (10% of Budget)	<u>3,908,903</u>
		Available (Maximum)	<u><u>3,000,368</u></u>

Budget Scenario #4

Increase tax levy by \$300,000; use \$3.4M additional state aid for non-recurring expenses only and close budget gap with fund balance

Total Revenues	31,255,953		
	+ 300,000	increased tax levy	
	+ 3,400,000	additional state aid	914,200
	+ <b>4,133,072</b>	use of fund balance (exceeds target)	<u>2,485,800</u>
Revised Revenues	<u><u>39,089,025</u></u>		<u><u>3,400,000</u></u>
Total Expenditures	36,603,225		
	+ 2,485,800	additional debt repayments	
Revised Expenditures	<u><u>39,089,025</u></u>		

City of Auburn  
 2012-13 Budget  
Draft Scenario #5

Total Revenues	31,255,953	<u>Current Fund Balance</u>	
		Reserved	1,200,570
Total Expenditures	<u>36,603,225</u>	Unreserved/unappropriated	5,708,700
		Total General Fund Balance	<u>6,909,270</u>
Deficit	(5,347,272)		

	Minimum Fund Balance Target (10% of Budget)	<u>3,495,595</u>
	Available (Maximum)	<u><u>3,413,675</u></u>

Budget Scenario #5

Increase tax levy by \$300,000; use \$3.4M additional state aid for non-recurring expenses only and close budget gap by cutting expenditures based on City Council input. (No use of fund balance)

Total Revenues	31,255,953	<u>Non-recurring items:</u>	
	+ 300,000 increased tax levy	Equipment Purchases included in budget	914,200
	+ 3,400,000 additional state aid	Additional Debt Payments not budgeted	<u>2,485,800</u>
Revised Revenues	<u><u>34,955,953</u></u>	additional state aid	<u><u>3,400,000</u></u>

Total Expenditures	36,603,225
	+ 2,485,800 additional debt repayments
	- (4,133,072) budget cuts (based on Council input)
Revised Expenditures	<u><u>34,955,953</u></u>

# Fee based Garbage Collection

- Potential to remove \$1.4 M from General Fund
- Refuse Collection \$784,755
- Bulk Collection \$525,000
- Capital reserves at 5% \$ 65,487
- Total \$1,375,242
  
- Based on 11,000 collection stops \$125/yr