

2012-2013

Preliminary Budget

Highlights

Adopted June 26, 2012

Preliminary Budget Assumptions

- Change in ASRS contribution rates from 50%-47% back to 50%-50% which is a raise of 1.28% for employer contributions.
- 5% health insurance premium increase.
- Workers Compensation Experience Modification increased from 1.75 to 2.22 and included an additional 1.25% rating factor in their final premium with a budget impact of \$42,000.00. Their total premium is \$93,173.

Preliminary Budget Assumptions

- Annual contribution rate of the Public Safety Personnel Retirement System for Police Officers rose from 16.80% to 20.16% with a budget impact of \$13,830.00.
- Elimination by the State of the ADWR fee with a budget impact of \$5,303.00.
- Sanitation Capital Fund transfer to Street Fund with a budget impact of \$40,000.00.
- Holding the Personal Property Tax Levy at the same level as in 2011-2012.

Preliminary Budget Assumptions

- 21% Increase in State Shared Income Tax - \$72,658.
- 1.71% Increase in Motor Vehicle Tax .
- 13.43% Increase in State Sales Tax. - \$39,740 with 2% buffer.
- 10.59% Increase in HURF Tax - Elimination of transfer from HURF State revenues to the Motor Vehicle Division with a budget impact of going from a 3.18% increase to 10.59% = \$16,903.00 , total increase \$27,000 with 3% buffer.
- 21.17% Increase in Local Sale Tax.
- 120% Increase in Construction Tax.
 - Construction tax funding of Capital Projects Fund leaves a fund balance of \$17,000 for future projects.

Percentage of increase based upon budget to budget number.

Strategic Planning Goals

The Strategic Planning workshop held on March 15, 2012 had a targeted theme: Ensuring Financial Sustainability for the Town of Clarkdale.

- The three “Stages of Financial Recovery”– Bridging, Reforming and Transforming were the focus of the discussion which spanned a period from 1 to 5 years.
- The Town Council identified the following three priority focus areas:
 - Workforce/Human Capital
 - Deferred Maintenance
 - Economic Development

Strategic Planning Goals

- Attract and Retain a Qualified and Competent Workforce in Order to Provide High Quality Services to Residents.
- Reinstate portions of 2009 furlough
 - 10% salary reinstatement for all eligible non-exempt, certified PD employees.
 - 5% salary reinstatement for all eligible exempt employees.
 - 5% salary reinstatement for all eligible non-exempt employees (keeping workweek at 36 hours).
 - Reclassify selected job positions to reflect current assignments.

Strategic Planning Goals

- Maintain the Value of our Capital & Factor True Costs Into Asset Management Practices (Deferred Maintenance, Depreciation, etc.)
 - Deferred Maintenance - Server and 12 computer stations (1/3 of rotation) purchased from proposed 2012 fund balance - \$48,000.
 - Deferred Maintenance – Additional budgeting of \$7,000 for buildings in 2013 budget.
 - Deferred Maintenance - Budget 5% Local Sales Tax for PD equipment/maintenance = \$41,500 from \$28,350.
 - Depreciation – Additional budgeting of \$40,000 for water surcharge for depreciation along with \$135,000 with designated funds, depreciation at end of FY will be \$450,000

Strategic Planning Goals

- Deferred Maintenance - Propose transfer of 75% of 2012 general fund remaining fund balance to Streets for 2013 projects.

■ Budgeted Street Improvements	\$120,345
■ Designated Funds from 2011 & 2012	<u>\$111,641</u>
■ Project Revenues for 2012-2013	\$231,986
■ Possible General Fund balance transfer	\$ 75,000
■ Clarkdale Parkway Designated Funds	\$ 67,500
■ Broadway and Main Designated Funds	\$ 82,000
■ Total Project Revenues for 2012-2013	\$456,486

General Fund

Expenditure Category	2011-2012		2012-2013	Change
	Projected YE	Budget	Budget	%
LOCAL EXPENSES				
Contingency	\$154,891.80	\$457,945.80	\$490,440.85	7.10%
Administration	\$263,524.73	\$257,044.99	\$244,507.08	-4.88%
Town Clerk	\$77,729.00	\$74,075.83	\$95,375.82	28.75%
Human Resources	\$53,290.70	\$44,341.64	\$62,340.40	40.59%
Town Wide	\$308,191.00	\$287,972.92	\$292,561.44	1.59%
Community Services	\$80,391.00	\$98,991.93	\$108,962.42	10.07%
Library	\$58,612.00	\$57,763.25	\$61,738.85	6.88%
Community Dev.	\$226,744.60	\$224,151.05	\$270,473.25	20.67%
Parks & Recreation	\$4,960.00	\$5,050.00	\$5,000.00	-0.99%
Pool	\$7,950.00	\$7,950.00	\$7,950.00	0.00%
Court	\$92,170.91	\$90,901.78	\$96,321.82	5.96%
Police	\$779,695.00	\$794,711.26	\$811,196.68	2.07%
Public Works	\$380,374.00	\$358,503.85	\$385,182.24	7.44%
Department Totals	\$2,488,524.74	\$2,759,404.30	\$2,932,050.84	6.26%

General Fund Revenues

Revenue Category	2010-2011	2011-2012		2012-2013	Change %
	Actual	Projected	Budget	Budget	
LOCAL REVENUES					
Local Sales Tax (except const.)	\$705,764.79	\$790,000.00	\$685,000.00	\$830,000.00	21.17%
Construction Sales Tax	\$30,900.79	\$52,000.00	\$25,000.00	\$55,000.00	120.00%
Property Tax	\$408,227.58	\$412,395.00	\$412,395.00	\$412,391.02	0.00%
Administration Fee	\$188,901.36	\$193,889.00	\$190,302.64	\$157,500.58	-17.24%
Miscellaneous	\$200,290.89	\$234,845.39	\$572,137.70	\$483,844.85	-15.43%
Total Local Revenues	\$1,534,085.41	\$1,683,129.39	\$1,884,835.34	\$1,938,736.45	2.86%
COUNTY REVENUES					
Motor Vehicle Licenses	\$207,076.44	\$210,000.00	\$205,000.00	\$208,500.00	1.71%
Yavapai County Library	\$29,155.00	\$30,613.00	\$27,765.00	\$30,613.00	10.26%
Total County Revenues	\$236,231.44	\$240,613.00	\$232,765.00	\$239,113.00	2.73%
STATE REVENUES					
State Sales Tax	\$280,240.64	\$317,758.00	\$296,000.00	\$335,740.00	13.43%
State Income Tax Sharing	\$358,184.59	\$345,804.00	\$345,804.00	\$418,462.00	21.01%
Total State Revenues	\$638,425.23	\$663,562.00	\$641,804.00	\$754,202.00	17.51%
Total Expenses	\$2,190,174.61	\$2,488,524.74	\$2,759,404.30	\$2,932,050.84	6.26%
Total Revenues	\$2,408,742.08	\$2,587,311.07	\$2,759,404.34	\$2,932,050.84	6.26%

Property Tax

- 18% Decrease in Net Assessed Values.
- \$37,661,550 in 2011 to \$30,930,102 in 2012.
- 2012 Property Tax Levy was \$412,395.
- 2012 Allowable Levy Limit is \$448,486 – 1.45 Rate.
- Proposed 2012 Levy is \$412,391.
- Tax Rate will increase to \$1.3333 from \$1.095.
- Truth In Taxation Rate is 1.3428 which we fall under so we don't have to comply with process

Property Tax Comparisons

Tax Rate	Assessed Value Divided by 100	Town Levy	Tax Rate Increase	Residential Home Value			Commercial Value (23%)		
				\$100,000	\$200,000	\$300,000	\$100,000	\$200,000	\$300,000
				Town Levy Value Per Rate			Town Levy Per Rate		
1.09500	309,301	\$ 338,684.60		\$109.50	\$219.00	\$328.50	\$251.85	\$503.70	\$755.55
1.15000	309,301	\$ 355,696.15	0.05500	\$115.00	\$230.00	\$345.00	\$264.50	\$529.00	\$793.50
1.20000	309,301	\$ 371,161.20	0.10500	\$120.00	\$240.00	\$360.00	\$276.00	\$552.00	\$828.00
1.30000	309,301	\$ 402,091.30	0.20500	\$130.00	\$260.00	\$390.00	\$299.00	\$598.00	\$897.00
1.33330	309,301	\$ 412,391.02	0.23830	\$133.33	\$266.66	\$399.99	\$306.66	\$613.32	\$919.98
1.34200	309,301	\$ 415,081.94	0.24700	\$134.20	\$268.40	\$402.60	\$308.66	\$617.32	\$925.98
1.40000	309,301	\$ 433,021.40	0.30500	\$140.00	\$280.00	\$420.00	\$322.00	\$644.00	\$966.00
1.40100	309,301	\$ 433,330.70	0.30600	\$140.10	\$280.20	\$420.30	\$322.23	\$644.46	\$966.69
1.45000	309,301	\$ 448,486.45	0.30000	\$145.00	\$290.00	\$435.00	\$333.50	\$667.00	\$1,000.50
				\$ 23.83	\$ 47.66	\$ 71.49	\$ 54.81	\$ 109.62	\$ 164.43

Current Tax Levy is \$412,395

Proposed Tax Levy is \$412,391

Current Tax Rate is 1.095

Proposed Tax Rate is 1.3333

General Fund Budget Summary

2012-2013 Proposed Budget Summary	2011-2012 Budget	2011-2012 Projected YE	2012-2013 Budget	Change	Notes
General Fund Total Expenses	\$2,759,404.30	\$2,488,524.74	\$2,932,050.84	6.26%	
General Fund Total Revenues	\$2,759,404.34	\$2,587,311.07	\$2,932,050.84	6.26%	Wage reinstatement, reclassification, workers comp, health, retirement increases
Designated Funds Included in Budget	\$259,340.85		\$151,940.85		

HURF Fund Budget Summary

2012-2013 Proposed Budget Summary	2011-2012 Budget	2011-2012 Projected YE	2012-2013 Budget	Change	Notes
HURF Fund Total Expenses	\$724,378.01	\$507,510.65	\$680,783.10	-6.02%	
HURF Fund Total Revenues	\$724,378.00	\$537,638.00	\$680,783.10	-6.02%	Street sweeper paid, less DF
Designated Funds Included in Budget	\$383,283.00		\$265,783.00		

WW Fund Budget Summary

2012-2013 Proposed Budget Summary	2011-2012 Budget	2011-2012 Projected YE	2012-2013 Budget	Change	Notes
Wastewater Operation & Maintenance Expenses	\$328,700.00	\$329,849.82	\$334,431.23	1.74%	6 months of \$5 increase for debt service+ 6 months of \$10 increase
Wastewater Operation & Maintenance Revenues	\$328,700.00	\$408,412.00	\$476,976.58	45.11%	
WW Plant & Equipment Improvement Expenses	\$1,861,200.00	\$1,502,000.00	\$6,708,345.35	260.43%	WWTP Borrowing for construction = \$4,500,000 and debt service = \$220,045
WW Plant & Equipment Improvement Revenues	\$1,861,200.00	\$1,513,243.00	\$6,565,800.00	252.77%	
Designated Funds Included in Budget	\$1,826,200.00		\$1,826,200.00		

WW Fund Budget Summary

2012-2013 Proposed Budget Summary	2011-2012 Budget	2011-2012 Projected YE	2012-2013 Budget	Change	Notes
Sludge Removal Expenses	\$30,333.63	\$0.00	\$40,649.23	34.01%	Large project in 2011 left negative DF now building fund balance again
Sludge Removal Revenues	\$30,333.63	\$30,300.00	\$40,649.23	34.01%	
Designated Funds Included in Budget	-\$29,470.92		\$10,349.23		
WW Line Replacement Expenses	\$393,008.92	\$0.00	\$427,925.84	8.88%	Additional Revenue for DF
WW Line Replacement Revenues	\$393,008.92	\$30,800.00	\$427,925.84	8.88%	
Designated Funds Included in Budget	\$362,642.58		\$397,125.84		
WW Development Project Expenses	\$552,401.61	\$0.00	\$395,608.87	-28.38%	50 new homes not, 100 budgeted for
WW Development Project Revenues	\$552,401.61	\$19,415.00	\$395,608.87	-28.38%	
Designated Funds Included in Budget	\$325,136.74		\$345,008.87		
WW Lift Station Replacement Expenses	\$52,337.00	\$0.00	\$52,502.89	0.32%	
WW Lift Station Replacement Revenues	\$52,337.00	\$50.00	\$52,502.89	0.32%	
Designated Funds Included in Budget	\$52,337.44		\$52,452.89		

Water Fund Budget Summary

2012-2013 Proposed Budget Summary	2011-2012 Budget	2011-2012 Projected YE	2012-2013 Budget	Change	Notes
Water Operation & Maintenance Expenses	\$1,380,200.00	\$1,264,263.51	\$1,376,089.30	-0.30%	
Water Operation & Maintenance Revenues	\$1,380,200.00	\$1,312,190.00	\$1,376,089.30	-0.30%	
Water Capital Improvement Total Expenses	\$1,435,809.76	\$612,435.00	\$1,349,334.55	-6.02%	Water Bond funds spent, less
Water Capital Improvement Total Revenues	\$1,435,809.76	\$707,602.00	\$1,349,334.55	-6.02%	DF
Designated Funds Included in Budget	\$1,511,730.83		\$1,129,674.55		

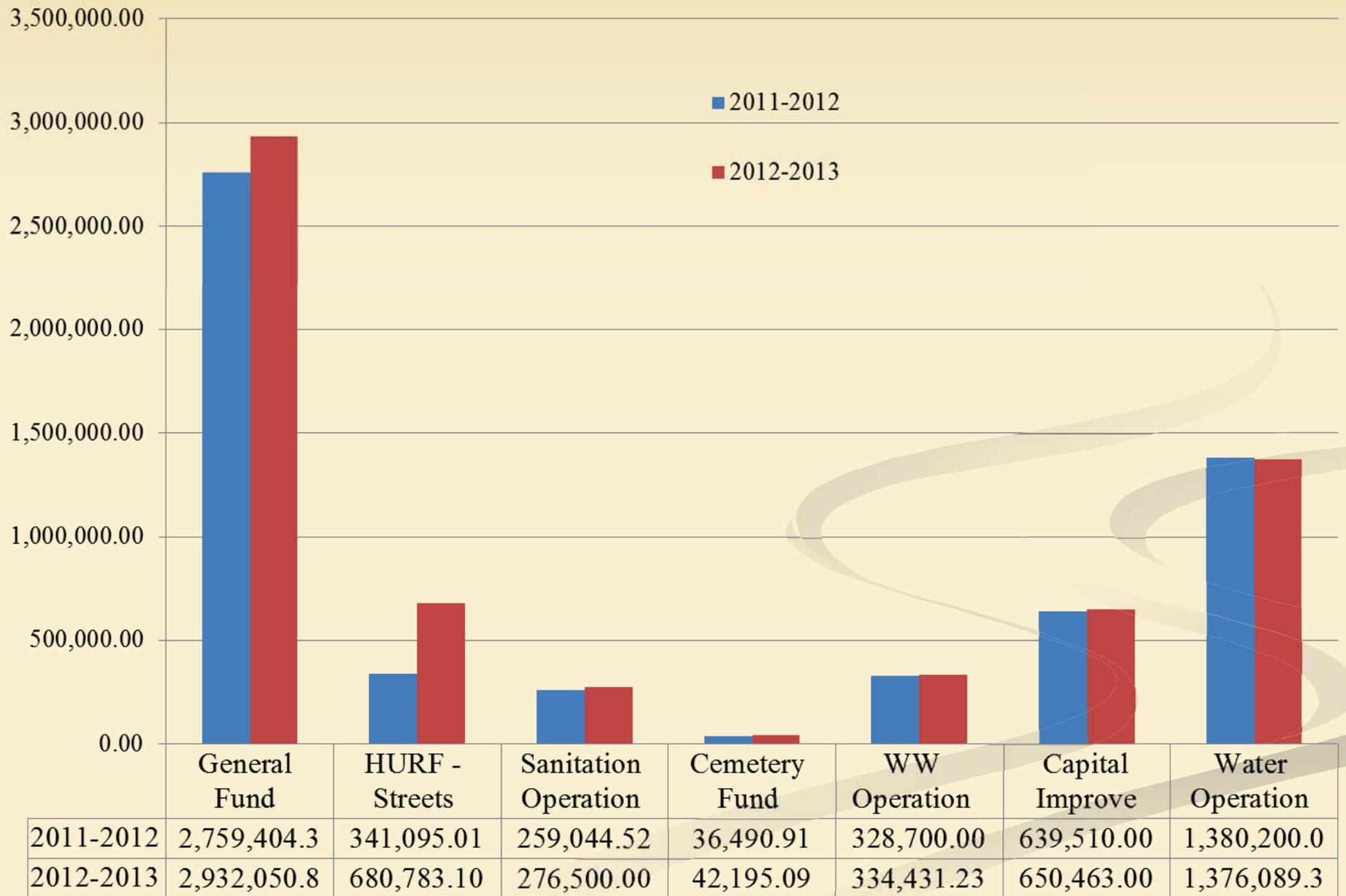
Sanitation & Cemetery Funds Budget Summary

2012-2013 Proposed Budget Summary	2011-2012 Budget	2011-2012 Projected YE	2012-2013 Budget	Change	Notes
Sanitation Fund Expenses	\$275,500.00	\$255,417.54	\$276,500.00	0.36%	
Sanitation Fund Revenues	\$275,500.00	\$279,500.00	\$276,500.00	0.36%	
Sanitation Capital Fund Expenses	\$137,145.82	\$40,000.00	\$137,698.98	0.40%	
Sanitation Capital Fund Revenues	\$137,145.82	\$153,042.00	\$137,698.98	0.40%	
Designated Funds Included in Budget	\$137,109.12		\$121,109.12		
Cemetery Fund Expenses	\$40,140.00	\$43,776.00	\$42,195.09	5.12%	Wage reinstatement
Cemetery Fund Revenues	\$40,140.00	\$48,825.00	\$42,195.09	5.12%	t
Perpetual Care Fund Expenses	\$195,643.54	\$15,500.00	\$71,985.00	-63.21%	Large transfer in 2011 so less DF
Perpetual Care Fund Revenues	\$195,643.54	\$2,000.00	\$71,985.00	-63.21%	
Designated Funds Included in Budget	\$191,093.00		\$67,485.00		

Budget Summary

2012-2013 Proposed Budget Summary	2011-2012 Budget	2011-2012 Projected YE	2012-2013 Budget	Change	Notes
Grant Fund Expenses	\$16,654,775.63	\$697,922.00	\$9,926,819.00	-40.40%	No SRO & less ARRA Grants budgeted
Grant Fund Revenues	\$16,654,775.63	\$439,285.18	\$9,926,819.00	-40.40%	
Designated Funds Included in Budget	\$186,384.89		\$62,091.00		
Impact Fee Fund Expenses	\$977,390.18	\$0.00	\$34,278.16	-96.49%	Only Designated Funds Budgeted
Impact Fee Fund Revenues	\$951,464.40	\$25,376.10	\$34,278.16	-96.40%	
Designated Funds Included in Budget	\$25,869.19		\$34,278.16		
Donation Fund Expenses	\$328,313.55	\$25,918.30	\$702,937.95	114.11%	Larger General Donation budgeted
Donation Fund Revenues	\$328,313.55	\$14,743.70	\$702,937.95	114.11%	
Designated Funds Included in Budget	\$73,813.55		\$55,437.95		

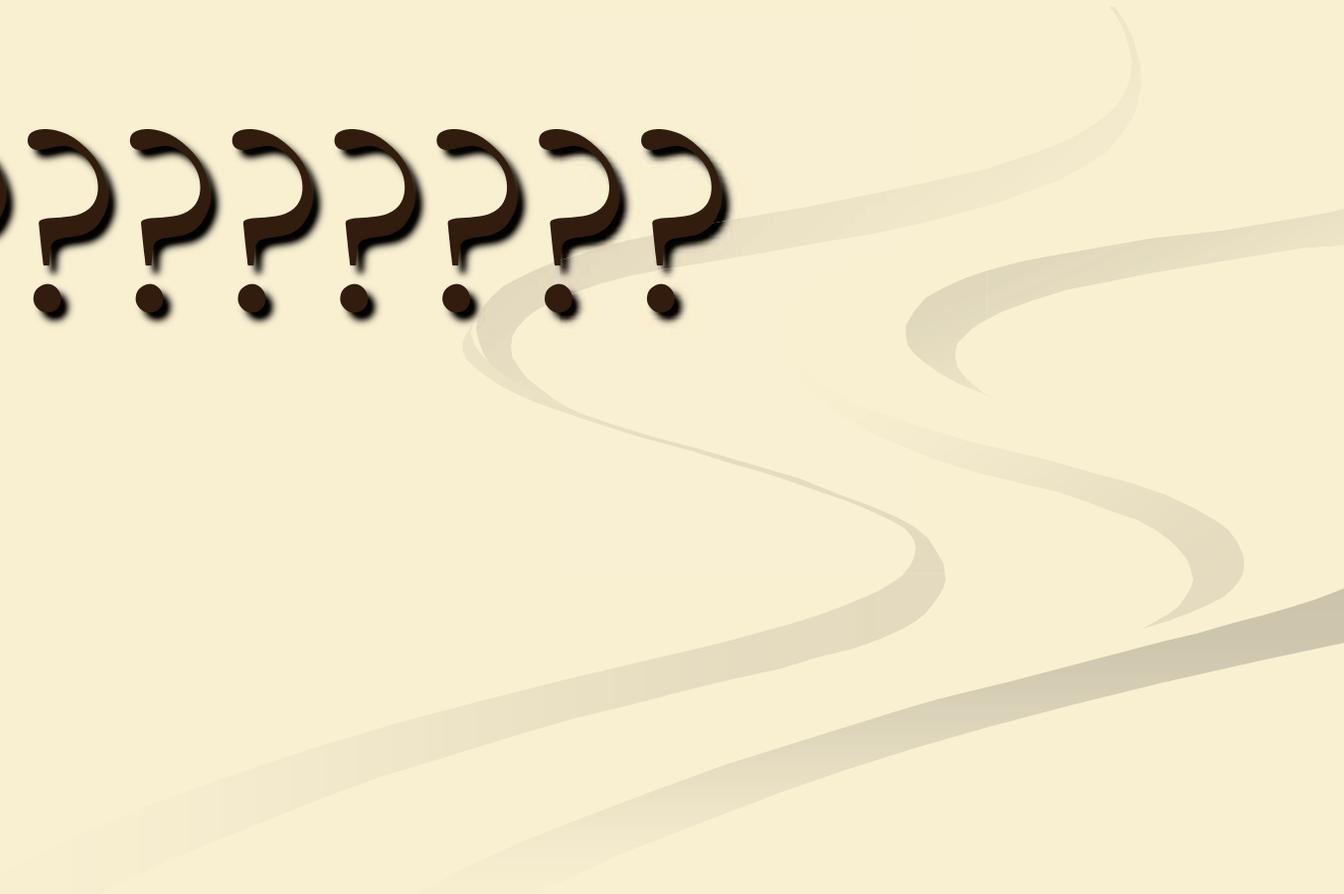
Operating Funds Expense/Revenue



- Designated Funds - Preliminary Spreadsheet
 - State Summary Schedule for FY 2013
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QUESTIONS

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