

PROPOSED BUDGET OVERVIEW FISCAL YEAR 2018/19

APRIL 2, 2018
CITY OF MESA

Presented by:

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The FY 18/19 Proposed Budget continues the City's effort to create and maintain a great place to live, work and play.

The key to financial sustainability is the balance between meeting the needs of today and preparing for the growth and opportunities of tomorrow.

Emphasis on Public Safety

Public Safety continues to be a high priority in the budget



2nd Critical Response Team (4 sworn)
Civilian patrol support positions (4)
Evidence technicians (3)
Detention officers (5) and detention
support (1)*
Forensic Scientist (1)*



\$1.5M personnel placeholder for
implementation of
emergency medical response
staffing model
Fire Inspectors/Investigators (2)*

**Implemented mid-year FY 17/18*

Emphasis on Service

Mesa is a service organization that strives to provide high quality interactions with residents, businesses and visitors

Quality services require skilled professional employees

In order to recruit and retain the best employees, the city periodically conducts a salary study comparing city pay to comparable positions in other municipalities

During the last review, some positions were found to be below the local market and have been adjusted accordingly

Employees at the maximum of their pay range last July were not eligible for step pay at that time.

Step pay was approved retroactively to *January 1, 2018* for positions affected by the salary range adjustments

Public Safety Salary Range Adjustments



Civilian Salary Range Adjustments

Employees in the impacted positions who were at the maximum of the pay range in *July 2017* will now be eligible for step pay in *July 2018*



Emphasis on Growth Response/Management

- Development Services Department
 - Transition of temporary personnel to 5 permanent positions and addition of a customer support position (6)
- Parks, Recreation and Community Services
 - Park Ranger (1)
 - Additional personnel to supervise Eagles Community Center and Field (2, multiple part-time)
 - Increased cost of park operations and maintenance
- Water Resources
 - Meter Reader (1)
 - Wastewater maintenance crew (3)
 - Increased cost of water and chemicals



Proactive Code Compliance

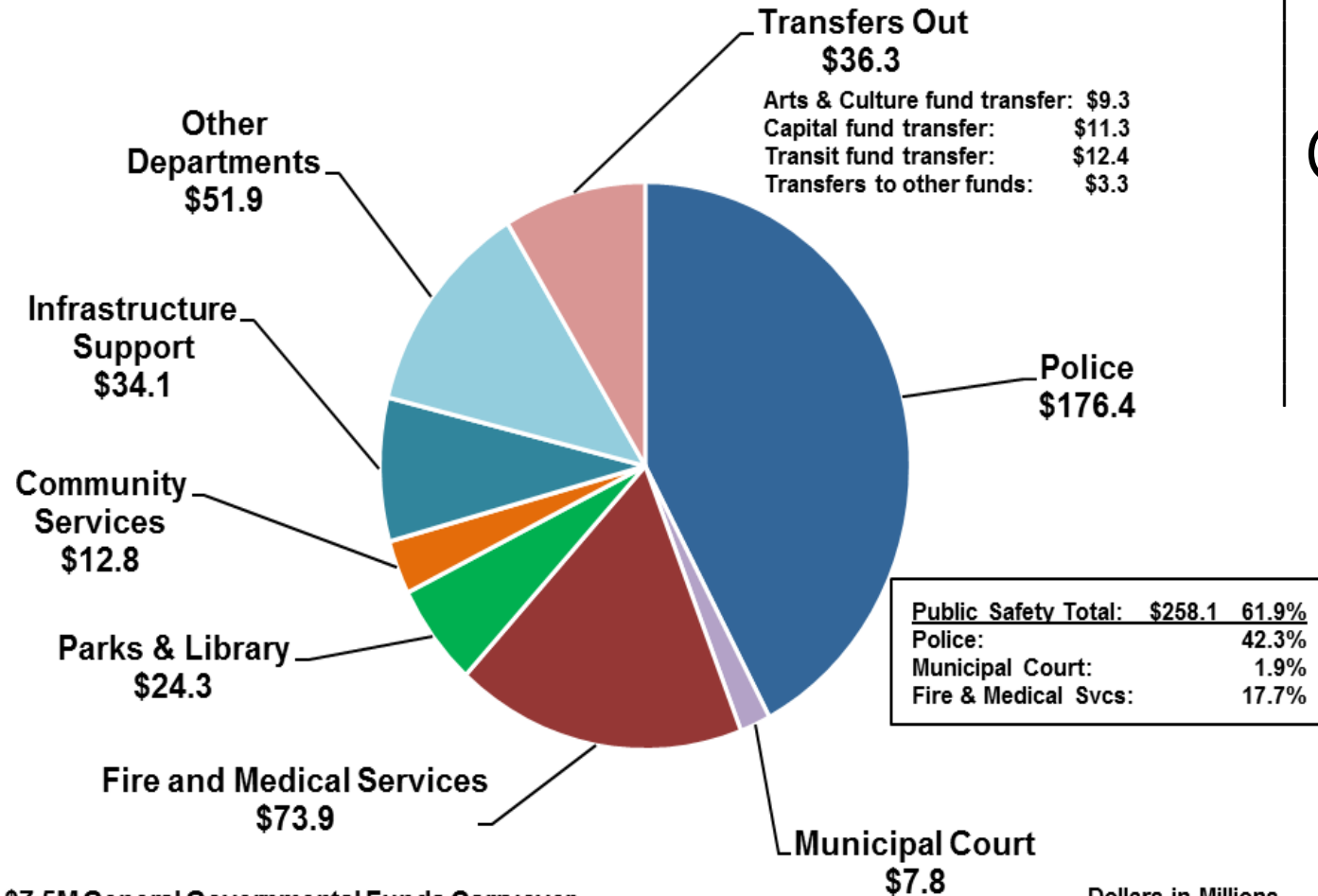
Based on City Council interest, a proactive code compliance program is included in the proposed budget

Addition of four code compliance officers



Fiscal Year 2017/18
General Governmental Funds Budget by Department \$417.5M*

FY 2017/18 General Governmental Expenses



Budget By Category

72.7% Personal Services
 15.1% Other Services
 8.7% Transfers to Other Funds
 3.5% Commodities

*Excludes \$7.5M General Governmental Funds Carryover

Dollars in Millions

FY 17/18 Tentative Budget (last May)

City of Mesa General Governmental Funds (updated 05/15/2017)

2017/18 Tentative Budget	Projected FY 16/17	Proposed FY 17/18	Forecast FY 18/19	Forecast FY 19/20	Forecast FY 20/21
Beginning Reserve Balance	\$ 92.1	\$ 92.7	\$ 83.5	\$ 66.3	\$ 55.4
Total Sources	\$ 402.5	\$ 415.9	\$ 421.4	\$ 436.1	\$ 450.7
Total Uses	\$ 401.9	\$ 425.1	\$ 438.6	\$ 447.0	\$ 460.6
Net Sources and Uses	\$ 0.6	\$ (9.2)	\$ (17.2)	\$ (10.9)	\$ (9.9)
Ending Reserve Balance	\$ 92.7	\$ 83.5	\$ 66.3	\$ 55.4	\$ 45.5
Ending Reserve Balance Percent*	21.8%	19.0%	14.8%	12.0%	9.6%

Dollars in Millions

FY 17/18 Includes \$7.5M of carryover in both Total Sources and Total Uses

Does not include an economic correction

*As a % of uses of funding of the the following year

FY 18/19 Forecast Budget

2018/19 Forecast Budget	Actual FY 16/17	Budget FY 17/18	Projected FY 17/18	Forecast FY 18/19	Forecast FY 19/20	Forecast FY 20/21	Forecast FY 21/22	Forecast FY 22/23
Beginning Reserve Balance	\$93.6	\$92.7	\$100.9	\$91.1	\$79.4	\$71.7	\$59.7	\$49.9
Total Sources	\$405.7	\$415.9	\$418.6	\$421.1	\$432.8	\$436.7	\$447.0	\$455.3
Total Uses	\$398.4	\$425.0	\$425.4	\$429.8	\$437.5	\$448.7	\$456.8	\$472.9
Net Sources and Uses	\$7.3	(\$9.1)	(\$6.8)	(\$8.7)	(\$4.7)	(\$12.0)	(\$9.8)	(\$17.6)
Future Economic Correction	\$0.0	\$0.0	(\$3.0)	(\$3.0)	(\$3.0)	\$0.0	\$0.0	\$6.0
Ending Reserve Balance	\$100.9	\$83.6	\$91.1	\$79.4	\$71.7	\$59.7	\$49.9	\$38.3
Ending Reserve Balance Percent*	23.7%	19.1%	21.2%	18.1%	16.0%	13.1%	10.6%	8.0%

Dollars in Millions

Note: Includes an economic correction beginning FY 20/21

*As a % of uses of funding of the the following year

FY 18/19 Proposed Budget

City of Mesa

General Governmental Funds

(updated 03/29/2018)

2018/19 Proposed Budget	Actual FY 16/17	Budget FY 17/18	Projected FY 17/18	Forecast FY 18/19	Forecast FY 19/20	Forecast FY 20/21	Forecast FY 21/22	Forecast FY 22/23
Beginning Reserve Balance	\$93.6	\$92.7	\$100.9	\$91.9	\$74.9	\$69.3	\$59.9	\$50.9
Total Sources	\$405.7	\$415.9	\$419.4	\$426.6	\$435.2	\$438.8	\$449.1	\$456.0
Total Uses	\$398.4	\$425.0	\$425.4	\$440.6	\$437.8	\$448.2	\$458.1	\$472.2
Net Sources and Uses	\$7.3	(\$9.1)	(\$6.0)	(\$14.0)	(\$2.6)	(\$9.4)	(\$9.0)	(\$16.2)
Future Economic Correction	\$0.0	\$0.0	(\$3.0)	(\$3.0)	(\$3.0)	\$0.0	\$0.0	\$4.0
Ending Reserve Balance	\$100.9	\$83.6	\$91.9	\$74.9	\$69.3	\$59.9	\$50.9	\$38.7
Ending Reserve Balance Percent*	23.7%	19.1%	20.9%	17.1%	15.5%	13.1%	10.8%	8.0%

Dollars in Millions

Note: Includes an economic correction beginning FY 20/21 (Urban Revenue Sharing impact is in FY 22/23)

*As a % of uses of funding of the the following year

Scheduled Budget Presentations



April 2 FY 18/19 Proposed Budget Overview



April 5 Utility related CIP
Environmental Management & Sustainability
Energy Resources
Water Resources



April 12 Police



April 16 Fire and Medical



April 19
Transportation
Transit
Parks, Recreation & Community Facilities



April 26 Non-Utility related CIP
Development Services
Arts and Culture
Library
Community Services



May 3 Budget Wrap Up

Budget Process Calendar



May 7

Introduction of Utility Rate Ordinances



May 21

Public Hearing on Utility Rate Adjustments

Adoption of Utility Rate Ordinances

Adoption of Five-Year Capital Improvement Program

Tentative Adoption of Annual Budget



June 4

Public Hearing on Annual Budget and Secondary Property
Tax Levy

Public Hearing on Home Rule Election

Final Adoption of Annual Budget



June 18

Adoption of Secondary Property Tax Levy

