

# 2013 BUDGET DEVELOPMENT



Committee of the Whole



# Goals



- Unified Budget Development Approach
- Confirm Principles and Parameters
- Identify long-term risks and strategy

# Timeline for Budget Development

Apr 18	Budget Principles and Parameters Discussion
Apr-May	Committee Level Discussions
Jun 27	Preliminary Operating Budget Presentation
Jul-Aug	Committee Review/Refine Division Budgets
Jul 25	Council - Adopt Wastewater Rates
Aug 22	Council - Adopt Preliminary Operating Budget & Levies
Oct 24	Council - Adopt Public Comment Drafts
Dec 12	Council - Adopt Final Budget

# Budget Development Principles



- Represent the Council's mission, priorities and policies
- Consistent with Regional Development Framework
- Legal/Regulatory Compliance & Financial Integrity

# Budget Development Principles

- Preserve & Rehabilitate our Infrastructure
- Maintain Service quality and efficiency
- Reasonable Levies, Rates, Fares
  - representative of service value, needs and cost
- Competitive Employer

# Budget Parameters & Guidelines



- Current Law & MMB  
Forecast for Revenues
  - Budget 95% of MVST February Forecast
- Target Operating Reserve Balances
- Salaries & Benefits
  - Existing contracts & negotiating parameters



# Budget Parameters & Guidelines

- Property Tax Levy Strategy
- Transit Fare Policy
  - No Fare increase until July 2013
  - Maintain current service (with harvest/reinvest)
- Wastewater Rate Policy
  - Operating and Capital needs
  - Wastewater/SAC shift

# Budget Parameters & Guidelines



- Transportation Bonding Authority
  - Annual Authorization
  - 2011 Request \$35.8M
  - Increase by \$400K annually



# Budget Parameters & Guidelines

- Parks Bonding Authority
  - Revolving \$40M authorization
  - Issue & retire \$7M annually; \$20M outstanding
  - \$2 Council bonding match to \$3 of State bonding

# Council Priorities & Initiatives



- Transit Oriented Development
- Start up of Green and Red Lines
- Housing Policy Plan
- Energy Savings
- Workforce Planning

# Challenges

- Funding 21<sup>st</sup> Century Transportation System
- Workforce: Retire, Replace, Increasing demands upon
- SAC Reserve Pressures
- Uncertainty of Federal & State Funding
- Fuel Costs
- Regulatory – PFOS, Phosphorus/Nitrogen, Emerging Contaminants