



City of Austin Financial Forecast

General Fund

May 2011

C2



Today's Presentation

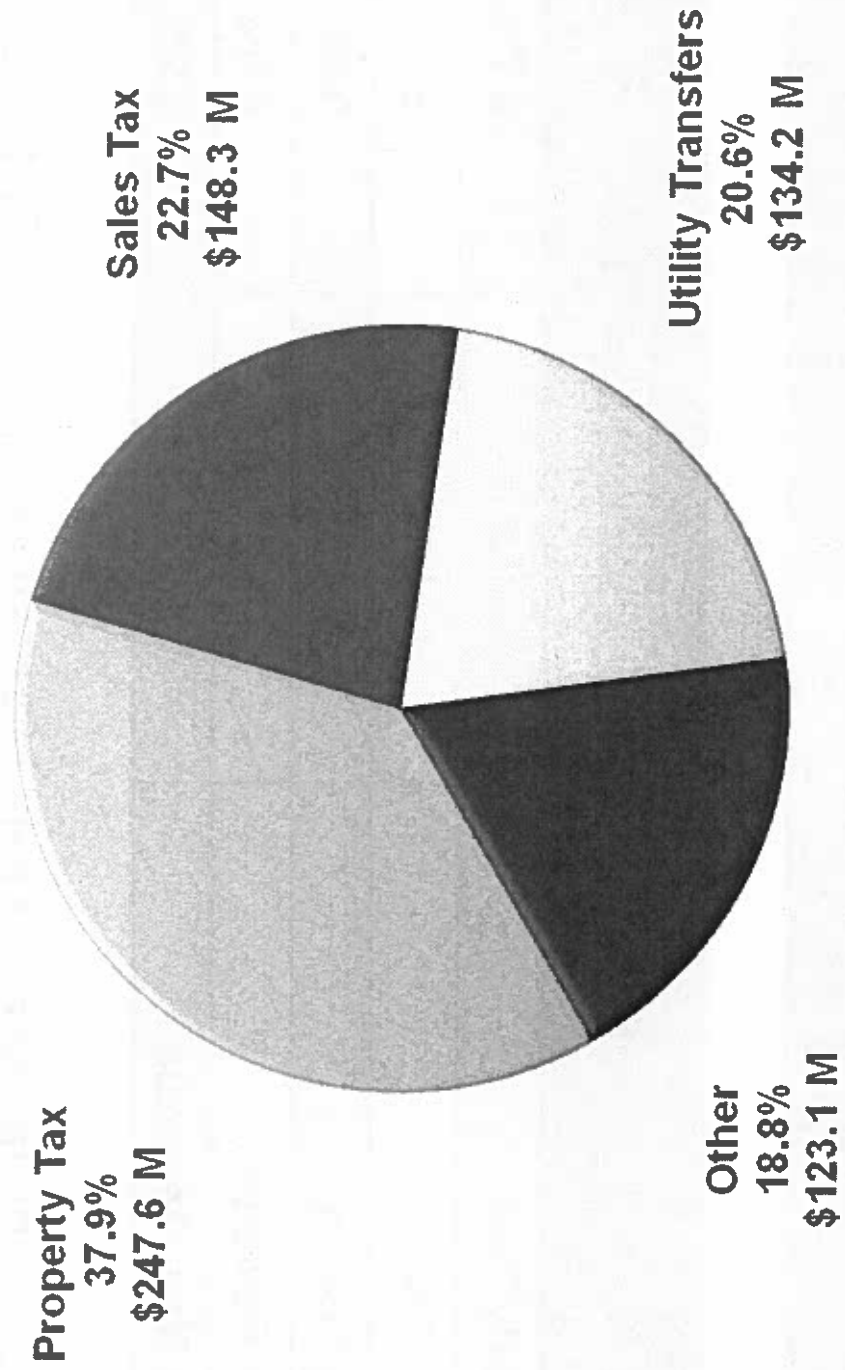
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- **Financial Forecast – General Fund**
 - revenue
 - expenditures
 - 2012 cost drivers
- **Other Factors**
 - revenue uncertainty
 - unmet service demands
- **Budget Timeline & Next Steps**



General Fund – Sources of Funds

FY 2011 Estimated General Fund Revenue \$653.2 Million





Projected New Revenue

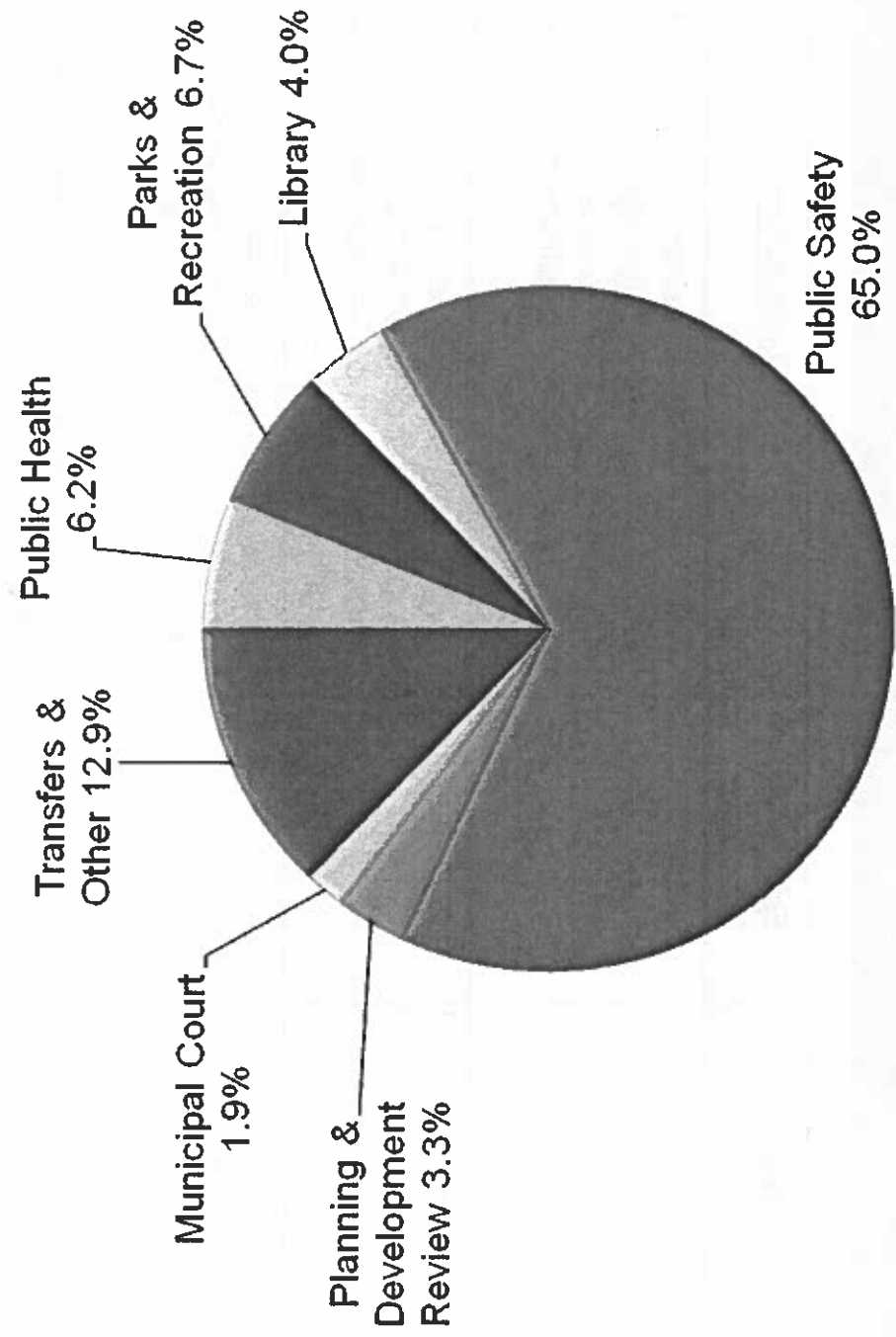
Category	Projected Increase (from 2011 budget)	Growth Rate
Property Tax	23.9 m	9.7%
Sales Tax	4.4 m	3.0%
Utility Transfer	0.6 m	0.5%
Other Revenue	4.9 m	4.0%
Total New Revenue	33.8 m	5.2%

- 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



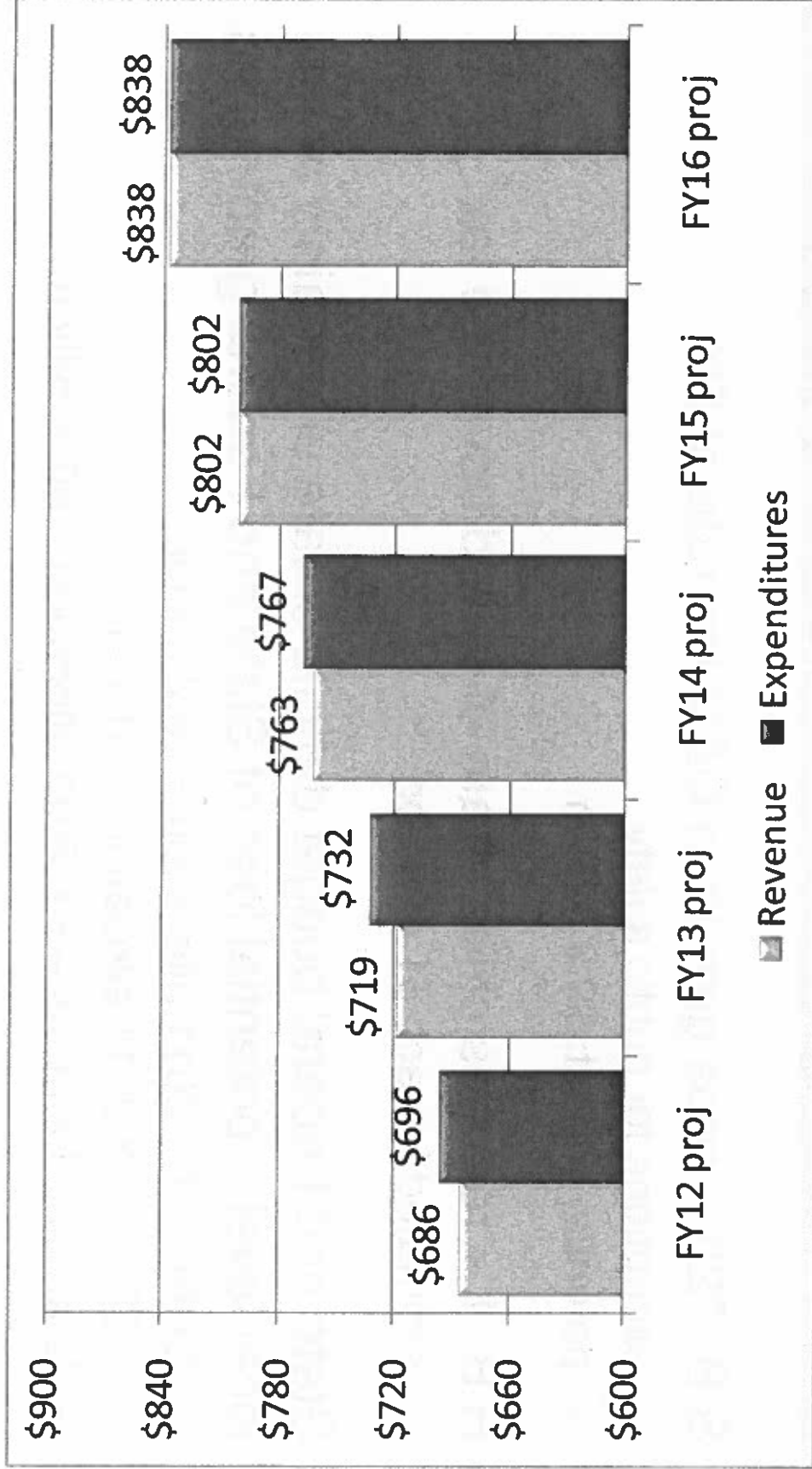


FY 2012 Cost Drivers

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



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

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



Questions / Comments

more information available at:

www.AustinTexas.gov/finance

