

City of McMinnville

Budget Overview



**For the Fiscal Year
2016 - 2017**

**Martha Meeker
Budget Officer
City Manager**

Overview

- **Budget is balanced & within property tax limitations**
- **Focus Areas:**
 - **Continue Last Year's Investment in Employees**
 - **Rebuild Core Services Cut during Recession**
 - **Streamline**
- **Effect: Controlled spend down from 34% to 32% General Fund Reserve levels (remains well above 25% Reserve policy)**



Revenues / Assumptions

➤ Tax Rate

- Tax rate = \$6.1079 per thousand of assessed value (down from \$6.2084)

➤ Forecast Taxable Assessed Value Growth 2017 = 4.0%

- Cautious optimism, continued near-term low revenue growth

2006	6.60%	2009	7.80%	2012	1.60%	2015	2.90%
2007	6.70%	2010	4.90%	2013	2.00%	2016	4.02%
2008	7.30%	2011	3.60%	2014	2.30%	2017*	4.00%

➤ Reserves

Year	Spend Down	Forecast Savings	Reserve
2013/14:	\$376K	\$300K	49%
2014/15:	\$609K	\$600K	46%
2015/16:	\$253K	\$1M	34%



General Fund Reserves

Reserve % - Actual Comparison

	Forecast	1st year	2nd year
2016-17	2016-17	Forecast	Forecast
Reserve %	32%	29%	25%
Savings	\$1.3 million		

	Actual	1st year	2nd year
2012-13	2012-13	Forecast	Forecast
Reserve %	48%	26%	18%
Savings	\$2.1 million		

	Estimated	1st year	2nd year
2015-16	2015-16	Forecast	Forecast
Reserve %	34%	30%	28%
Savings	\$1.6 million		

	Actual	1st year	2nd year
2011-12	2011-12	Forecast	Forecast
Reserve %	48%	23%	n/a
Savings	\$2.0 million		

	Actual	1st year	2nd year
2014-15	2014-15	Forecast	Forecast
Reserve %	40%	34%	22%
Savings	\$1.8 million		

	Actual	1st year	2nd year
2010-11	2010-11	Forecast	Forecast
Reserve %	45%	n/a	n/a
Savings	\$2.2 million		

	Actual	1st year	2nd year
2013-14	2013-14	Forecast	Forecast
Reserve %	49%	29%	22%
Savings	\$1.9 million		

General Fund Reserves
NLT 25% for 2nd Year Forecast



Expenditures – Workforce

- **Employee Compensation (71% of General Fund expenditures)**
 - **0.3% COLAs for General Service / 2.0% Union Employees**
 - **Salary Survey market adjustments Continue for General Service**
 - **2.5% per year until within 5% of median**
 - **68 Employees Affected for FY16/17**
 - **Medical insurance, 4.5% premium increase**
 - **Changes to General Services health insurance plan**
 - **2016: Copay C, 100% VEBA**
 - **2017: Copay C, 50% VEBA**



Expenditures – Workforce

➤ Staffing Levels

Additions

- 2.0 FTE for Parks Maintenance / 1.0 for Admin (HR / Legal Assist)
- 1.42 Part Time Plus for Amity Ambulance Partnership
- Contract help for Planning
- Reinstate Saturday Morning Library Hours (Sep 2017)

Cuts

- County Contract for IT Supervisory Services
- Permanent cut of Assistant Fire Chief

Budget Neutral

- 1.0 FTE for Fire offsetting Overtime Costs
- 0.5 FTE for Fire Department Mechanic (costs shifted to M&S)

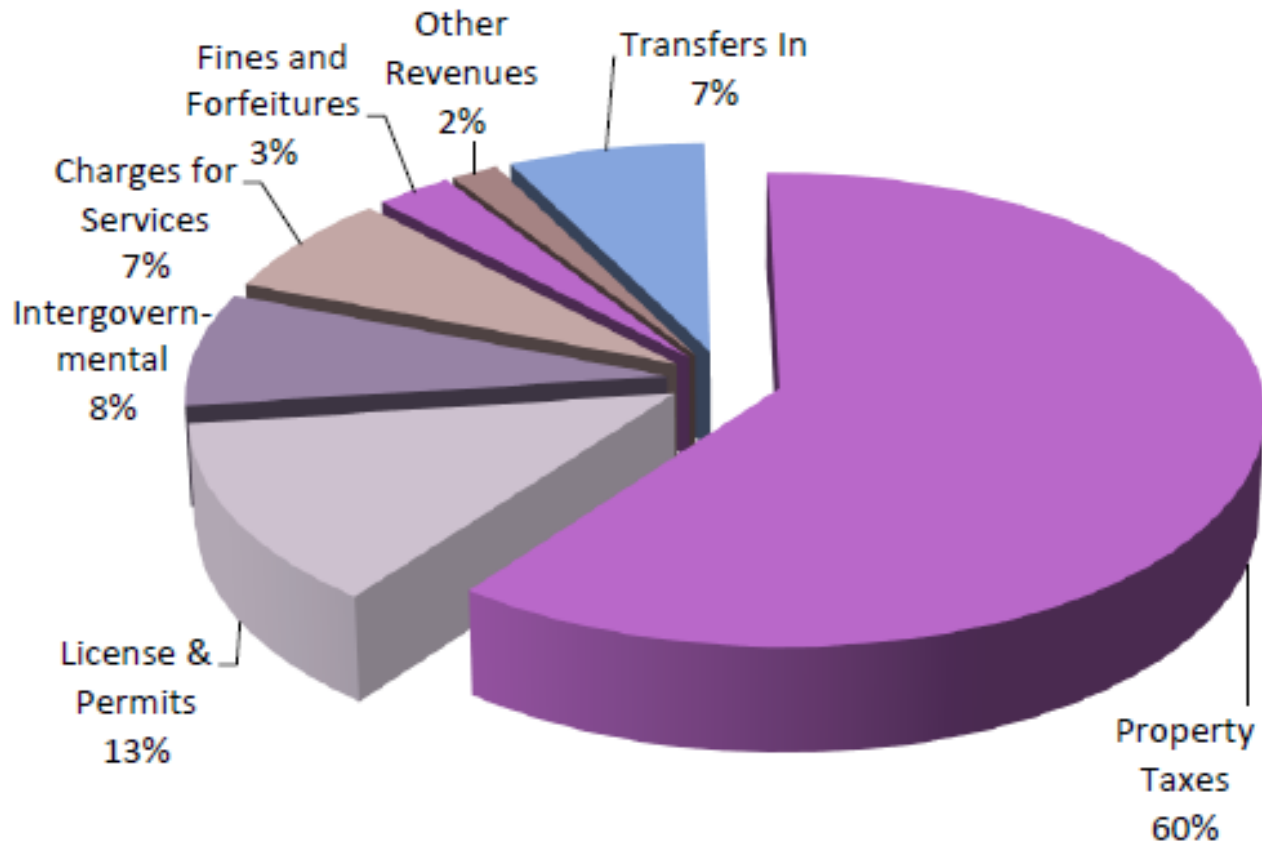


Expenditures – Department

- **Fire & Emergency Medical Services**
 - **Ambulance Fund subsidy = \$800K (down from \$1.15M)**
 - **\$60K for Design Work on Fire Station Remodel**
- **Police: Two cruisers (Patrol Vehicles – 100,000 mile limit)**
- **Parks & Rec: \$1.55M for NW Park Construction (\$560K outside funds) Exhausts 2002 Park System Improvement Bond**
- **Public Works: \$200K for 1st Principal Payment for Newberg/Dundee Bypass**
- **Airport: \$3M for Runway Reconstruction**
- **WasteWater / Sewer**
 - **\$2.1M for Cook School Sanitary Sewer Rehab**
 - **\$492K for Tertiary Tank at Waste Water**
- **Community Block Grants: \$156K for Housing Rehabilitation for Low / Moderate Incomes**

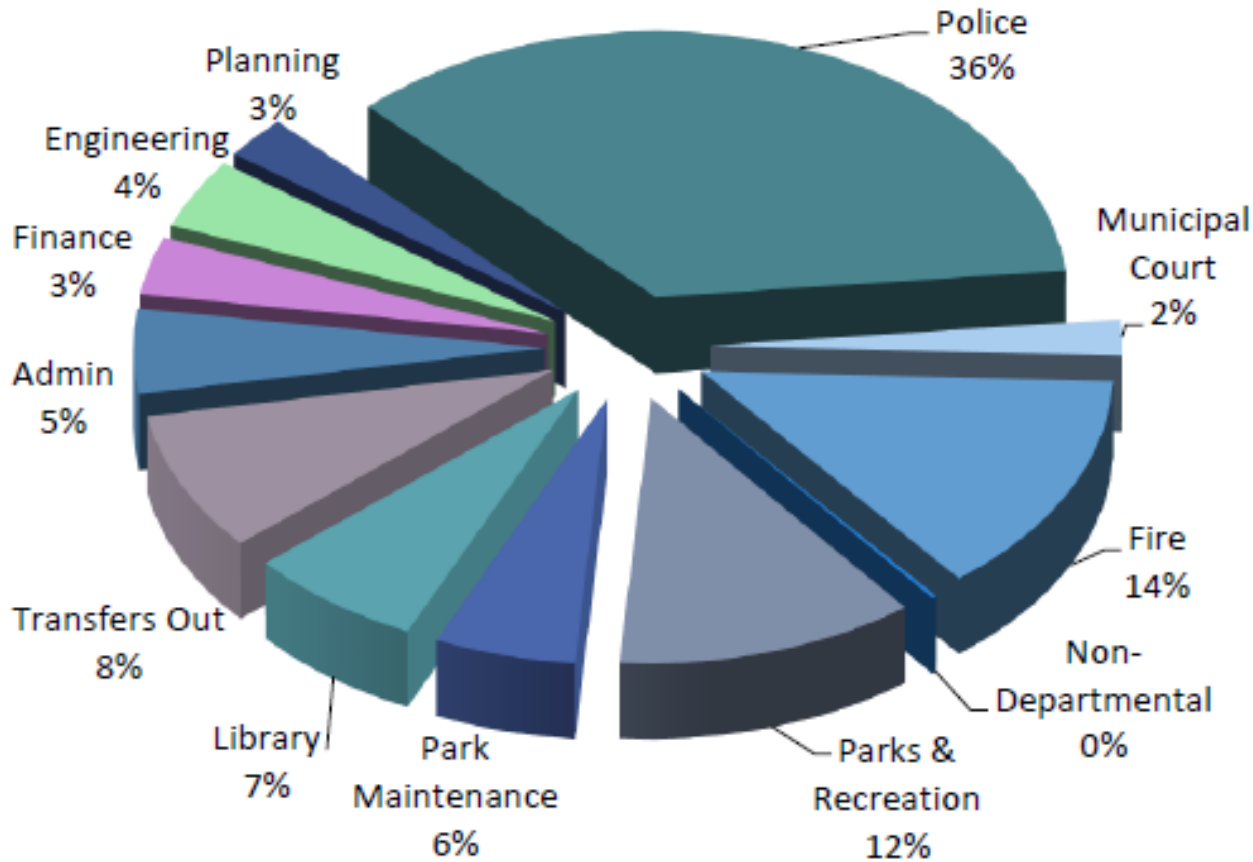


General Fund Revenues by Type



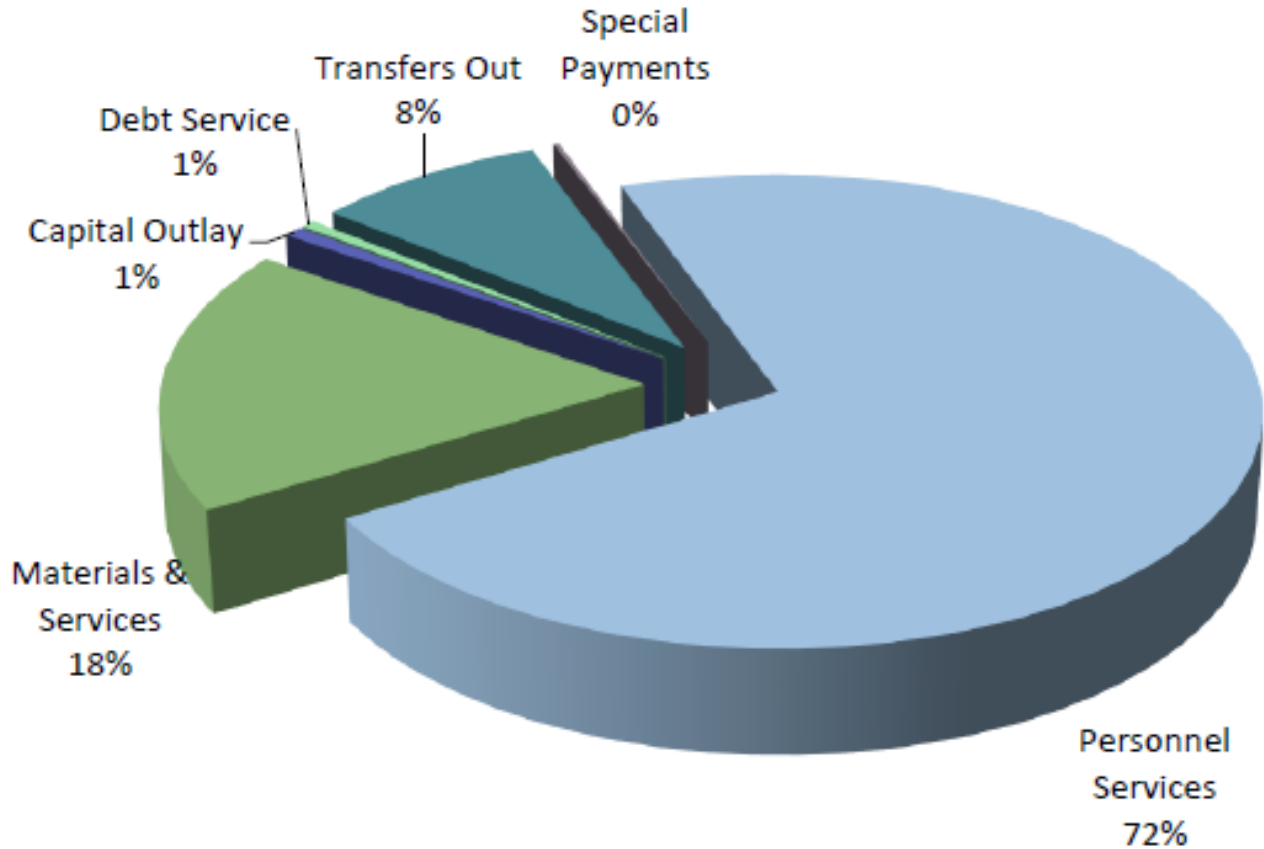


General Fund Expenditures By Department

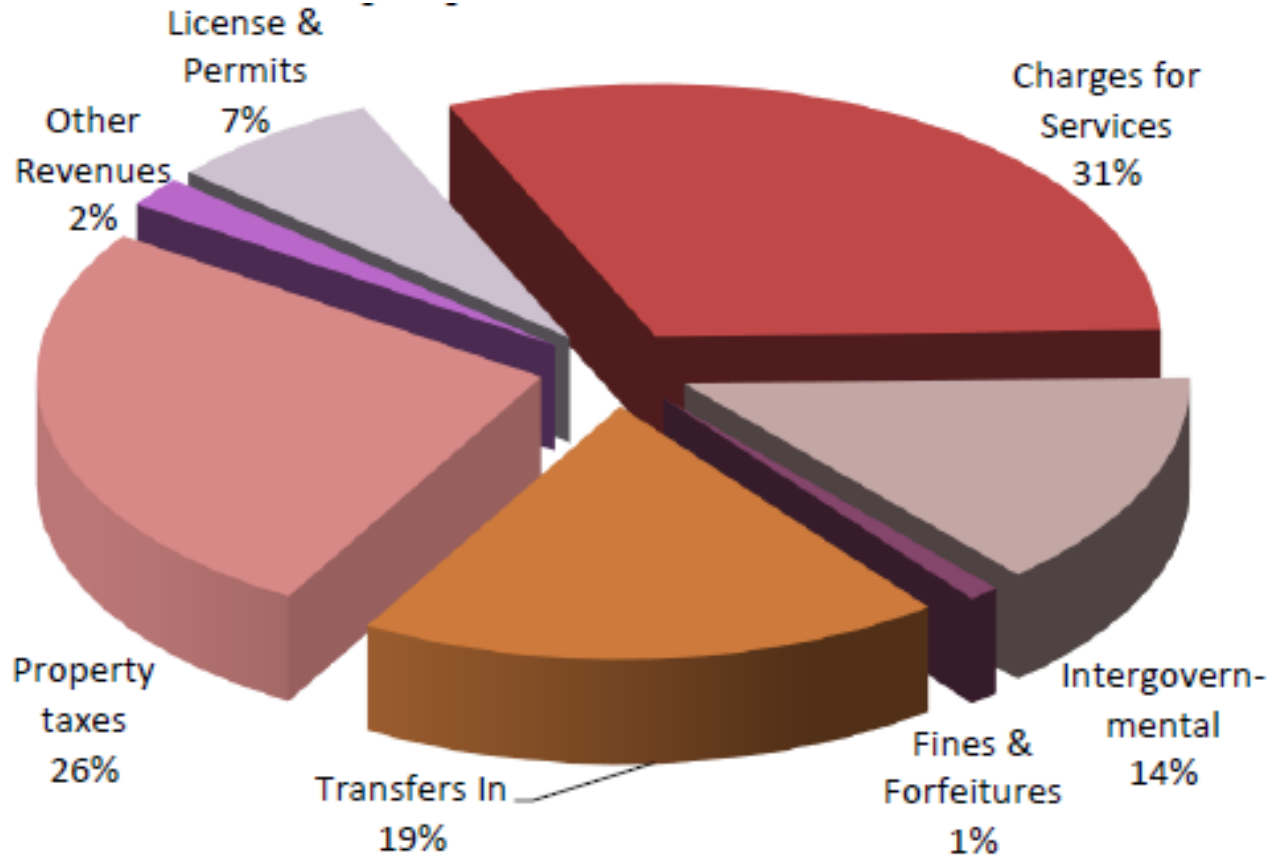




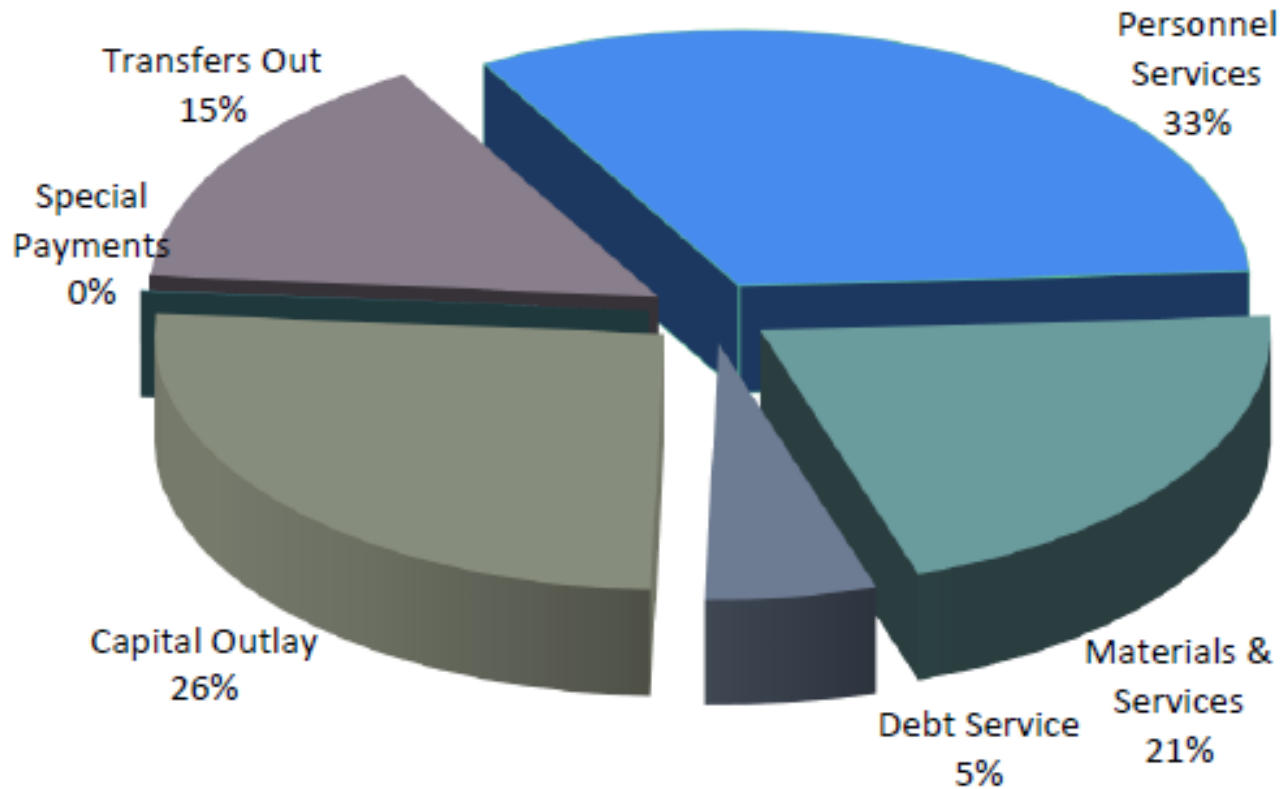
General Fund Expenditures By Classification



Revenues All City Funds



Expenditures All City Funds



Budget Document

- **Considerable supplemental information**
- **Charts and graphs supporting the budget information**
- **Personnel Services tab contains information regarding reductions, volunteer rosters and salary schedules.**
- **Budget Summaries and Highlights**



Challenges Ahead

- **PERS / Transition Liability**
- **Police / Planning - Manning**
- **Deferred Maintenance**





General Fund Grant Requests

Requests

- **Community Mediators: \$26,885**
- **Homeward Bound Pets: \$25,000**
- **Zero Waste: \$10,000**
- **Gospel Rescue Mission: \$50,000**

Total Requested	\$111,885
Budgeted	\$ 30,000

Offsets

- \$6,000 Reduce Grants to 2014 Lvl
- \$8,000 Cancel MWVCOG* (2017 – ½ yr)
- \$12,000 Library Sat Hrs Delayed (Jan17)
- \$24,000 HR/Legal Delayed (Oct 16)
- \$50,000 0.25% Reserves

*W&L Cut Support

➤ Recommendation:

- **Community Mediators / Homeward Bound / Zero Waste: Cap at 2015 Lvl**
- **Gospel Rescue: Delay Library Hrs / Delay HR, Legal / \$14K Reserves = \$50,000**

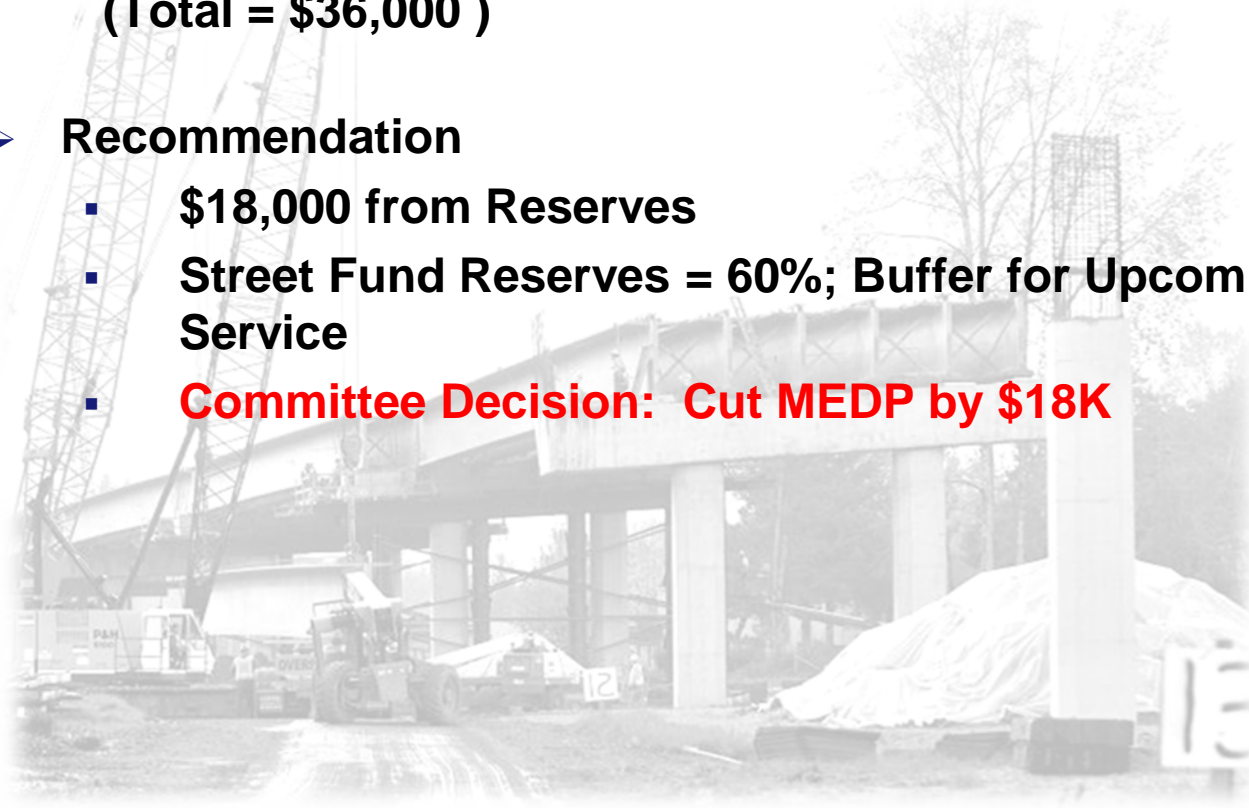
Committee Decision: Cut Gospel Rescue to \$25K - fund by Delaying Library Saturday hours until Jan 2017, Cut MWVCOG and take \$5K from Reserves

	2010	2011	2012	2013	2014	2015
Community Mediators	\$6,750	\$7,500	\$10,000	\$13,600	\$16,000	\$21,000
Homeward Bound Pets	n/a	n/a	\$1,500	\$2,000	\$3,000	\$4,000
Zero Waste	n/a	n/a	n/a	n/a	n/a	\$5,000
Total	\$6,750	\$7,500	\$11,500	\$15,600	\$19,000	\$30,000



Transportation Fund Grant Requests

- | | Request | Offsets |
|---|----------|---|
| ➤ Parkway Committee
Doubles lobbying dollars
Newberg Dundee Bypass
(Total = \$36,000) | \$18,000 | \$18,000 0.74% Street Fund Reserves
\$60,000 MEDP (\$20K Increase) |
| ➤ Recommendation | | |
| ▪ \$18,000 from Reserves | | |
| ▪ Street Fund Reserves = 60%; Buffer for Upcoming Bypass Debt Service | | |
| ▪ Committee Decision: Cut MEDP by \$18K | | |



Acknowledgements

- **City Management Team and the Staff**
- **Team Finance - Director Marcia Baragary**
- **Everyone! For their hard work, patience and steadfastness**



Questions??

Respectfully Submitted

Martha A. Meeker

Budget Officer

City Manager

City of McMinnville

Urban Renewal Budget Overview



**For the Fiscal Year
2016 - 2017**

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Economic Environment

- **Urban Renewal District's Second Year**
 - Established in July 2013 to foster economic growth and revitalization
 - 175 acre area including historic downtown and neighboring property to the northeast
- **Revenue on projected tax increment funding = \$178,500**
 - Forecast 3% growth in taxable assessed value
 - \$14.8 million increase over "frozen" 2012-2013 base of \$86,331,273
 - Tax rate of \$13.885 per \$1,000; 8% uncollectable

- **Urban Renewal Cost Summary**

	2014-15 Actual	2015-16 Amended Budget	2016-17 Proposed Budget	Budget Variance
Revenue	82,213	341,550	2,244,230	1,902,680
Materials & Services	-	219,100	164,330	(54,770)
Capital Outlay	-	5,000	1,900,000	1,895,000
Debt Service	5,000	66,500	251,855	185,355
Total Expenditures	5,000	290,600	2,316,185	2,025,585
Net Expenditures	77,213	50,950	(71,955)	122,905

- **First Major Project in Alpine Expansion**



Questions??

McMinnville Urban Renewal Area

Respectfully Submitted

*Martha A. Meeker
Budget Officer
City Manager*