

BUDGET IN BRIEF

Introductory Comments and Budgeting 101

Investing in the public services that our community cares about is the priority of our annual budget process. This budget in brief section will provide readers with a snapshot view of the various departments included in the budget, their funding sources and uses, and highlights of significant changes in the FY 2018 budget.

The FY 2018 budget covers the time period of October 1, 2017 through September 30, 2018. Our city's population is estimated to be 122,368 during FY 2018 (up from 119,996 for FY 2017) and our city government workforce will include 1,497.90 permanent positions (up 9.00 FTE).

The City of Columbia is considered to be a full-service city which means that we provide the basic city services of police, fire, street maintenance, health, and parks and recreation, as well as other services (such as water, electric, sewer, solid waste, airport, and bus) which many cities do not provide.

The City prepares four separate financial documents which include the Budget, Comprehensive Annual Financial Report (CAFR), Capital Improvement Plan (CIP), and the Ten Year Trend Manual. The City's budget looks ahead one year and provides the next year's funding for each of the departments. The CAFR looks back one year and provides information on the actual revenues and expenditures for the past year. The CIP looks ahead ten years and identifies all capital and infrastructure needs the city has for streets and sidewalks, public safety, parks and recreation, water, electric, sewer, solid waste, parking, storm water, transit, and airport. The Ten Year Trend Manual provides a look back at the past ten year's of actual financial data, provides an analysis, and identifies trends and warning signs. The city's budget has been awarded the Government Finance Officers Association (GFOA) Budget Award for 21 years and the CAFR is reviewed by external auditors each year and has been awarded the GFOA Excellence in Financial Reporting for 36 years. The City utilizes the information in the CAFR, CIP, and Ten Year Trend Manual as input during the budget process.

Our overall city budget contains 52 separate budgets which are accounted for in seven different types of funds (General Fund,

Capital Projects Fund, Debt Service Funds, Enterprise Funds, Internal Service Funds, Special Revenue Funds, and Trust Funds). A definition of each of these types of funds can be found in the glossary section at the end of the budget document.

The City must follow governmental accounting standards. These standards require the City to separate different activities into different types of departments and funds so that the funding sources and uses are kept separate and reported in a particular manner.

In an effort to make the information more easy to understand and locate, the City divides the 52 budgets into seven focus areas. The chart at the bottom of the page illustrates the focus areas and the budgets contained in each area.

Of the various types of funds, there is a lot of focus on the General Fund. It consists of 19 budgets that provide the services that most people associate with local government such as police, fire, health, and street maintenance.

Our budget process is detailed in the General Information Section on page 68. The City Manager delivers a proposed budget to the City Council and public by the end of July. The Council holds three public hearings on the budget which allow citizens to give their input on the budget. The budget is adopted by the City Council at the second Council meeting in September and a final budget document is prepared at the end of September.

What information can be found in the budget document? Within each department, the reader will find key information about that department including a description, objectives, highlights/significant changes, budgets by category, authorized personnel, debt, capital projects, rate information, fees, fines, and charges associated with the department as well as ten year trend information on total revenues, total expenses, net change in position, funding equity, cash and available resources, and employees per thousand population. In addition, the document contains five year forecasts for the utility, transportation, supporting activities, and parks related funds.

City of Columbia - 52 Budgets - 7 Focus Areas



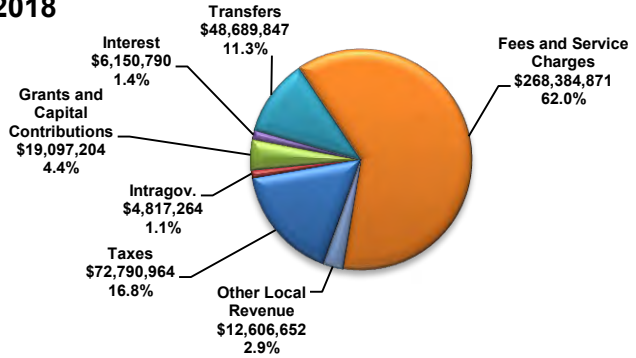
A general information section at the beginning of the document provides an overall organizational chart, city profile, fund structure, vision statements, and fiscal policies. An overall summary section provides a variety of revenue and expenditure summaries as well as summaries for capital projects, debt service, authorized positions, the General Fund, and major revenue trends.

Readers will note that the FY 2018 total funding sources of \$432,537,592 are lower than financial uses of \$455,718,617. Funds outside of the General Fund are allowed to have expenditures above revenues so that accumulated balances are used in accordance with our budget strategies and guidelines. A common practice in these other funds is to accumulate cash over a few years and then use down that cash to pay for a capital project.

Total City Funding Sources - Where the Money Comes From

FY 2018

| | |
|----------------------------------|------------------------------------|
| Taxes | \$72,790,964 |
| Intragovernmental | \$4,817,264 |
| Grants and Capital Contributions | \$19,097,204 |
| Interest | \$6,150,790 |
| Transfers | \$48,689,847 |
| Fees and Service Charges | \$268,384,871 |
| Other Local Revenue | \$12,606,652 |
| Lease/Bond Proceeds | \$0 |
| Appropriated Fund Balance | \$0 |
| | <u><u>\$432,537,592</u></u> |



Inc/(Dec) from Estimated FY 2017 \$3,326,998 0.8%

The City has a wide variety of funding sources; however not all of the sources can be allocated to any department budget. For example, the rates charged by a particular utility, such as the electric utility, can only be used to fund the electric department's expenses. Among the taxes the City charges, some are dedicated for a particular purpose (capital improvement sales tax, transportation sales tax, and parks sales tax) and can only be allocated to certain department budgets (capital projects, streets, transit, airport, and parks). Other taxes (property taxes, and the one percent general sales tax) can be allocated to any department (police, fire, health, streets, finance, parks, etc.).

Fees and Service Charges is the largest funding source and includes the rates which are charged to our citizens for the services we provide (utilities, transit, recreation, etc.) as well as the amounts our supporting activity departments charge to the other City departments for services they provide (custodial, fleet, computers, etc.). For FY 2018, this revenue source reflects an increase of \$8.0 million or 3.1% over Estimated FY 2017. For our residential utility customers, there are residential rate increases for Water (4% operating), Sewer (1% voter approved and 5% operating), Storm Water (25% voter approved) and Solid Waste (4% operating). We estimate the average monthly customer impact to be \$3.24.

In the Solid Waste budget, there are also increases for commercial services and landfill fees. The Solid Waste utility completed a cost of service study in FY 2015 and the major focus in the next five years will be to follow a rate path to reach a cost recovery on each of the various services provided as well as looking for lower cost options to provide those services.

In the Sewer budget, there are increases in sewer connection fees and hauled liquid waste fees in addition to the residential fee increases.

In the Recreation Services Fees, there are increases in golf fees (greens fees, weekday plan, season passes, golf cart rentals).

Taxes are the second largest source of revenue for the City. Taxes include property taxes (\$0.41/\$100 assessed value), sales taxes (1% general, 1/4% capital improvement, 1/4% parks, and 1/2% transportation), gross receipts taxes (including the hotel/motel tax), and other local taxes (cigarette tax, gasoline tax, and motor vehicle taxes). For FY 2018, total sales taxes are projected at a 1.0% increase, or \$0.5 million above Estimated FY 2017. In the general fund, sales taxes are projected to increase \$237,296 over Estimated FY 2017. FY 2018 property taxes are projected to increase 1.7% from Estimated FY 2017 with no change in the city's property tax rate of \$0.41 per \$100 assessed valuation. The growth in gross receipts taxes as well as other local taxes are projected at a minimal 1.7% increase while hotel/motel taxes are projected at 3% growth from Estimated FY 2017.

Other Local Revenues include license and permit fees, fines, and fees in the General Fund, development fees in the Public Improvement Fund, and miscellaneous revenues in all departments. For FY 2018 these revenues are projected to decrease \$2.6 million or (16.9%) from Estimated FY 2017. These revenues can vary significantly from year to year based on the number of capital projects, auction revenue from vehicles being replaced, etc. A significant decrease occurred in the Electric Fund (\$1.5 million) due to the sale of the Sutter property to the organic dairy company.

Grants and Capital Contributions, which include both operating grants and capital grants, are projected to decrease by (\$2.4 million) or (11.0%) from Estimated FY 2017. This decrease is primarily due to lower funding in airport capital projects (\$4.6 million).

Total City Funding Sources - Where the Money Comes From (continued)

Transfers occur between funds for several reasons. The majority of transfers occur to move accumulated funds from special revenue funds (such as Parks Sales Tax, Capital Improvement Sales Tax, and Transportation Sales Tax) to the Capital Projects Fund to fund specific projects. For FY 2018, transfers into funds are projecting a decrease of \$7,889 from Estimated FY 2017. Increases are shown in the Capital Projects Fund for funding of projects from the Capital Improvement Sales Tax (\$4.7 million) primarily for the north police precinct/municipal service center.

Intragovernmental Revenues are revenues for the General Fund that come from other departments. General and administrative fees are charged to departments outside of the

General Fund for services that General Fund departments provide (such as payroll, accounts payable, human resources, legal, etc.). For FY 2018, general and administrative fees are up \$68,514 or 1.4%.

Appropriated Fund Balance is the amount of funds in excess of reserve requirements that the City can use to support General Fund operations and capital projects.

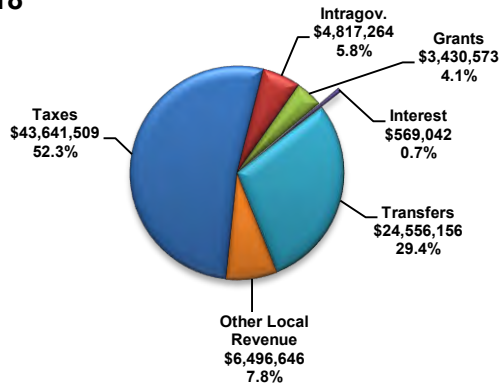
The City's General Fund balance is projected to be 43% for FY 2018 which is above the City's 20% fund balance policy guideline.

General Fund Sources - Where the Money Comes From

FY 2018

| | |
|---------------------------|-----------------------------------|
| Taxes | \$43,641,509 |
| Intragovernmental (G&A) | \$4,817,264 |
| Grants | \$3,430,573 |
| Interest | \$569,042 |
| Transfers | \$24,556,156 |
| Other Local Revenue | \$6,496,646 |
| Appropriated Fund Balance | \$0 |
| | <u><u>\$83,511,190</u></u> |

Inc/(Dec) from Estimated FY 2017 (\$312,900) (0.4%)



Taxes - In the General Fund, the primary source of revenue (52.2%) is taxes, which includes a portion of the 1% general sales tax, property taxes, gross receipt taxes (on telephone, natural gas, electric, and Cable Franchise Fees), and other local taxes (cigarette, gasoline, motor vehicle license, and motor vehicle sales tax). With the exception of gasoline taxes and motor vehicle license fees which are dedicated for transportation purposes, the rest of the taxes are considered to be general sources and can be used to support any of the twenty General Fund departments. Due to the growth of internet sales which do not collect local sales taxes, this funding source has not kept pace with population growth and inflation. This has limited the City's ability to add critical positions in police and fire as well as all of the other General Fund departments. We estimate that departments are about 30% understaffed due to our limited resources. Sales Taxes are estimated to increase \$237,296 or 1% over Estimated FY 2017 and Property Taxes will remain at \$0.41 per \$100 assessed value.

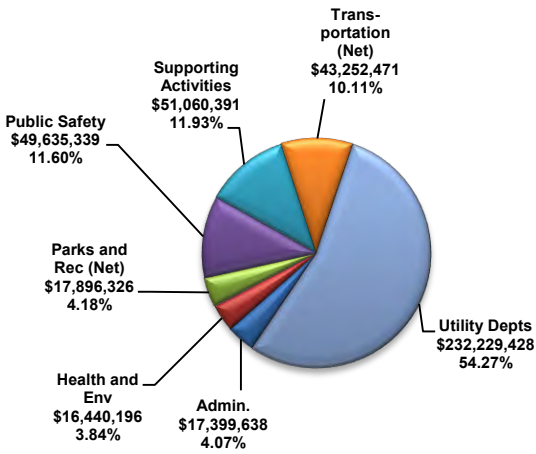
Intragovernmental Revenue - General and Administrative Fees - The City charges proportionately for all services performed by General Fund departments for enterprise and other City funds (i.e. bids, purchase orders issued, investments, payroll functions, budget, etc.). The fee includes a payment-in-lieu-of-taxes from some of our other City-owned utilities (Sewer, Solid Waste, and Storm Water) equal to the amount they would pay in property taxes. G&A Fees are projecting a \$68,514 or 1.4% increase from Estimated FY 2017.

Grants are received primarily in the Health and Public Safety budgets. The Health Department receives federal, state, and county grants which fund nearly 38% of their budget. FY 2018 reflects a (\$31,914) or (0.9%) decrease from Estimated FY 2017. There will no longer be any revenues or expenses associated with the Public Safety Joint Communications (PSJC) operation reflected in the City budget as this operation has been completely transitioned over to the County. The FY 2017 amount of revenues for PSJC was \$286,179.

Transfers
The growth in Transfers is projected to be \$122,666 or 0.5% over Estimated FY 2017. The largest transfers are PILOT (Payment-In-Lieu-Of-Taxes) from the Water and Electric Funds and reflect an amount substantially equivalent to the gross receipts taxes and property taxes which would be paid if the utilities were owned privately. P.I.L.O.T. payments are projected to increase \$372,081 or 2.4% from Estimated FY 2017 based upon modest growth trends and a 4% operating rate increase in Water in FY 2018. P.I.L.O.T. revenue is highly weather dependent. Transfers from Transportation Sales Tax of \$5,998,276 will continue to help fund street, engineering and traffic costs and Parks Sales Tax of \$1,746,684 will continue to help fund parks and recreation costs in the General Fund.

Other Local Revenues: The decrease in Other Local Revenues is projected to be (\$334,741) or (4.9%) from Estimated FY 2017. Most of this decrease is due to a Tracfone settlement received in FY 2017.

Total City Budget Financial Uses - Where the Money Goes (By Function)



FY 2018

| | |
|----------------------------------|------------------------------------|
| Administrative | \$17,399,638 |
| Health and Environment | \$16,440,196 |
| Parks and Recreation (Net) | \$17,896,326 |
| Public Safety | \$49,635,339 |
| Supporting Activities | \$51,060,391 |
| Transportation (Net) | \$43,252,471 |
| Utilities | <u>\$232,229,428</u> |
| Total Actual Net Spending | <u>\$427,913,789</u> |
| Other Special Revenue Fds * | <u>\$27,804,828</u> |
| Total Budgeted | <u><u>\$455,718,617</u></u> |

Inc/(Dec) under FY 2017 Net Budget (\$10,108,202) (2.31%)

* Other Special Revenue Funds include Parks Sales Tax, Transportation Sales Tax, Capital Improvement Sales Tax, Public Improvement Fund, and Stadium TDD Fund which transfer funds into various Parks and Transportation departments.

Total City Financial Uses - Explanations and Significant Changes

When looking at increases and decreases in financial uses (expenditures), the City compares the amount projected for next year to the last year's adjusted budget amount. The adjusted budget amount is the original budget that has been adjusted to reflect any additional appropriations or transfers that have occurred during the current fiscal year. Encumbered items that have been carried forward from the last fiscal year are not included.

For FY 2018, total net financial uses are \$10.1 million lower than the FY 2017 net adjusted budget primarily in the area of capital project funding (Airport, Electric, and Sewer).

Utility Departments include Water, Electric, Sewer, Solid Waste, Mid-Missouri Solid Waste Management District, and Storm Water. In total, utility departments are projected to decrease \$3.7 million, or 1.6% from the FY 2017 adjusted budget. There is a 8.65 FTE net increase in positions primarily due to the addition of positions in the various utility departments.

Highlights for utility departments include:

- Electric reflects a \$5.2 million decrease due to a one time transfer to Transload and a mid-year appropriation for repairs at the Columbia Energy Center. One Engineer/Engineering Specialist was added due to the amount of capital projects planned in the next five years.
- Water reflects a \$0.7 million increase. There is a 4% operating rate increase for FY 2018. Two positions were added to assist in the development of water flushing program.
- Sewer reflects a \$1.9 million decrease primarily due to lower capital project funding for FY 2018. There is a 6% rate increase for FY 2018 (1% voter approved and 5% operating). A Jet Lead Operator was added to meet regulatory requirements and Integrated Management Plan recommendations.
- Solid Waste reflects a \$1.7 million increase primarily due to higher capital project funding and reassignment of refuse collector positions. There is a 4% residential rate increase for FY 2018 along with commercial and landfill rate increases. Two Senior Refuse Collector positions were added to cover the apartment recycling route and growing demand for roll off service routes. In addition, one Custodian position was added for the new Admin and Collection building at the Landfill.

- Storm Water reflects a \$965,299 increase due to higher capital project funding. There is a 25% voter approved rate increase included. An Engineer/Engineering Specialist was added to help with the increase in capital projects, along with an additional Storm Water MS4 Technician for support related to the Integrated Management Plan.

Transportation Departments include Public Works Streets and Engineering, Non-Motorized Grant, Parking Enforcement and Traffic Control, Transit, Airport, Parking, Railroad, Transload, transportation-related capital projects, and special revenue funds that fund the capital projects including the one-quarter cent capital improvement sales tax, one-half cent transportation sales tax, Public Improvement Fund, and the Stadium TDD Fund. There is a 2.05 net decrease in positions. Net transportation department budgets are projected to decrease \$8.1 million or 15.7% from the FY 2017 adjusted budget.

It should be noted that because of governmental accounting standards, the City must accumulate and pay out sources that are legally restricted for a particular purpose in separate funds. In the transportation functional group, these restricted funding sources include the Transportation Sales Tax, Capital Improvement Sales Tax, development fees, the capital portion of the general sales tax, and the Stadium TDD funds.

As such, a total budget number for Transportation would include both these special revenue funds and use of these dedicated sources in the Streets and Sidewalks, Transit, and Airport budgets. This would result in a total that is higher than the actual dollars that are available. Therefore, the Transportation functional group reflects the actual amount available for spending instead of the total with those special revenue funds included.

- Street maintenance funding will decrease \$351,000 due to one time funding from County Road Tax Rebate funds in FY 2017.
- Airport budget is decreasing \$4.3 million. Major projects include design of new terminal complex, design of Runway 2-20 and Taxiway A north extension, and Runway 2-20 isolated pavement remediations
- Transportation Sales Tax funding will be utilized to fund Transit operations \$2.5 million, Airport operations \$1.9 million and provide local match funding for capital projects of \$0.3 million in Transit and \$0.7 million in Airport.

- Parking reflects a decrease of \$0.7 million due to fewer capital projects in FY 2018. Parking permit rates, both regular and reserved, will increase by \$25 per month in the 8th/Cherry and Plaza garages. Of this increase, \$20 per month will be used to fund maintenance projects in those garages. The remainder (\$5 per month) will be used to begin funding for the development of the Residential Parking by Permit Only (RPPO) program. Parking permit rates for all other garages and lots will be increased by \$5 per month to begin funding for the RPPO. There are no meter rate increases proposed.

Public Safety Departments include Police, Fire, Public Safety Capital Projects, Municipal Court, and Public Safety Joint Communications (PSJC). The total public safety departments reflect a \$5.9 million increase or 13.4% for FY 2018 primarily due to funding for the North Police Precinct/Municipal Service Center capital project.

- The Police budget reflects a \$215,286 increase due to health insurance and pension increases. Three civilian permanent positions and one temporary position will be added for FY 2018. These positions cost approximately one-half the cost of officer positions and will effectively free up the time of four officers to return to duties that require police powers.
- The Fire budget reflects a \$0.4 million increase primarily due to increases in pension costs.
- Public safety capital projects reflect a \$5.3 million increase due to funding required for FY 2018 to construct the North Police Precinct/Municipal Service Center.

Parks and Recreation includes general operations, Recreation Services, capital projects, and the Parks Sales Tax Special Revenue Fund. It should be noted that the Parks Sales Tax Fund is a special revenue fund that is used to account for the receipt and transfer of the parks sales tax to the General Fund parks operations, Recreation Services, and Capital Projects. Therefore, while the FY 2018 budget amount is \$24.9 million for all of the parks related funds, it is more appropriate to look at the net amount of \$17.9 million which subtracts out the Parks Sales Tax Fund since the expenditures in the Parks Sales Tax Fund are reflected as revenues in the General Fund, Recreation Services fund, and the Capital Projects fund.

For FY 2018, there is an increase of \$0.9 million which includes higher capital project funding. There are also several golf fee increases included for FY 2018.

Health and Environment departments include Health and Human Services, Community Development, Economic Development, Cultural Affairs, Convention and Visitors Bureau, Office of Sustainability, Community Development Block Grant (CDBG) Fund, and the Contributions Fund. For FY 2018, these budgets reflect a total decrease of \$1.7 million.

- Convention and Visitors Bureau expenses are down \$0.9 million due to the one time expense of tourism development funds in FY 2017 to help construct the Sports Field House in Parks and Recreation. In August 2016 voters approved a temporary 1% lodging tax increase to help construct the new airport terminal project. The City began receiving these funds in January, 2017. In FY 2018 a transfer of \$190,571 will be made to the Airport Fund to provide some of the funding for the design of the new terminal complex.

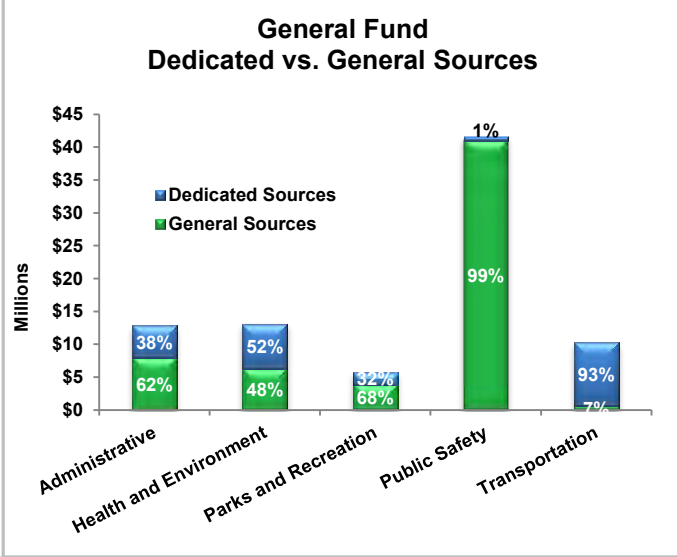
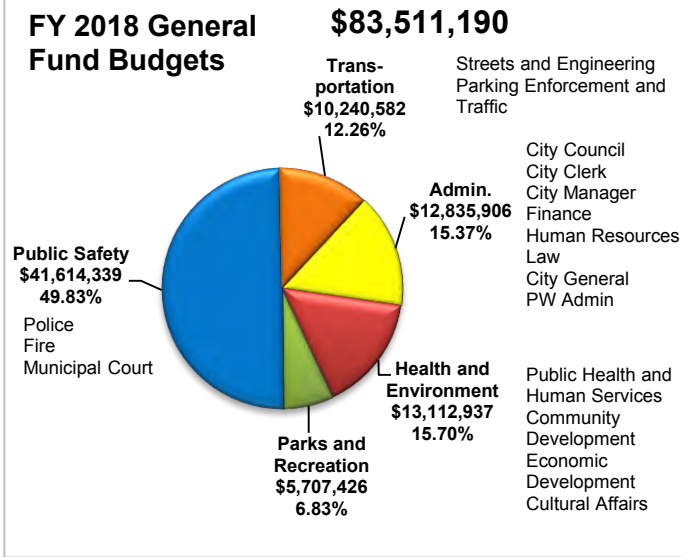
Supporting Activity Departments include the Employee Benefit Fund, Self Insurance Fund, Custodial and Building Maintenance Fund, Fleet Operations Fund, Information Technology Fund, Community Relations Fund, and the Utility Customer Services Fund. These departments are classified as internal service funds that set fees in order to recover the cost of their operation from other city departments.

- Self Insurance Fund reflects a \$0.5 million decrease due to lower insurance premiums and damage claims.
- Employee Benefit Fund reflects an increase of \$0.6 million due to increases in claims costs.
- Custodial and Building Maintenance reflects a decrease of \$0.5 million due to budget constraints and cuts that were implemented. A Building Maintenance Mechanic and (2) Custodian positions were eliminated in FY 2018.

Administrative Departments include City Council, City Clerk, City Manager, Finance, Human Resources, Law, City General, Public Works Administration, General Government Debt, and Other General Government Capital Projects. Total Administrative Departments are down \$2.7 million.

- The City Manager's budget reflects a decrease of \$0.5 million due to the one time payment of excess general fund balance to the Boys and Girls Club in FY 2017.
- Other General Government capital projects are down \$2.3 million due to the one-time purchase of land for the Flat Branch extension downtown on Providence Road, and the Grissum building expansion.

General Fund Budget Financial Uses - Where the Money Goes (By Function)



General Fund Financial Uses - Explanations and Significant Changes

Public Safety Departments receive the most funding of all areas within the general fund (49.83%). The public safety departments include Police, Fire, Public Safety Joint Communications (PSJC), and Municipal Court. Total general fund public safety departments reflect a \$450,502 increase or 4.1% for FY 2018. The transition of PSJC to their new building is complete, so there will no longer be a City budget for this function. Excluding PSJC, general fund public safety budgets increased \$0.6 million or 1.4%.

In the City's last citizen survey, public safety concerns moved to the top of the list of items the citizens want the City to focus on. The newly adopted strategic plan, which covers the years FY 2016 to FY 2019, has one of the five priorities dedicated to public safety with an emphasis on helping people feel safe wherever they live, work, learn and play.

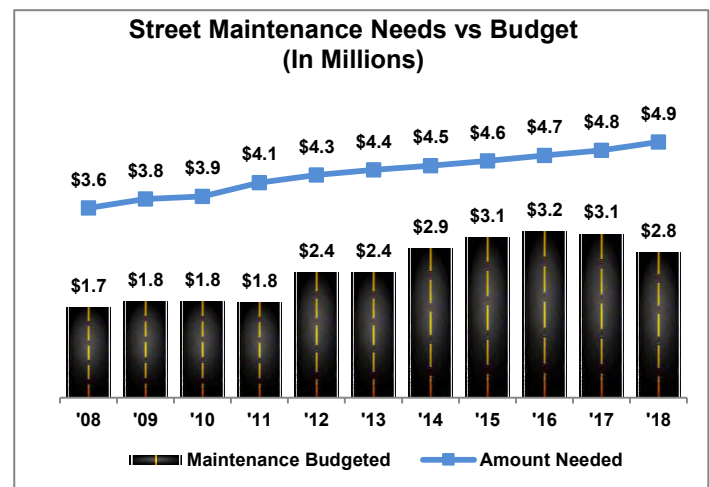
- The Police budget reflects a \$215,286 increase due to the addition of four police officers with the COPS grant mid-year FY 2017 as well as pension and health insurance increases. There are three additional civilian permanent positions and one temporary civilian position added for FY 2018 which will effectively allow four police officers to return to duties that require police powers. The Police budget receives 98% of its funding from general sources such as taxes.
- The Fire budget reflects a \$0.4 million increase primarily due to increases in pension costs. The Fire budget receives 99.7% of its funding from general sources.
- The PSJC budget is \$0 for FY 2018 as the operation has completed their transition over to their new building and no expenses will run through the City books.

Parks and Recreation reflects an increase of \$57,473 for FY 2018 due to a pension and health insurance increases. The CARE program funding is \$489,787 with part of the funding being used to fund three apprenticeship positions for CARE graduates to get two years of employment, mentoring, and skill development in City jobs that don't require advanced degrees. These positions will be reserved for CARE graduates from the strategic plan neighborhoods.

Transportation Departments include Public Works Streets and Engineering, and Parking Enforcement and Traffic Control. These departments are primarily funded (93%) by dedicated sources which come from the transportation sales tax, gas tax, and motor registration fees.

- The Streets and Engineering budget will decrease \$0.7 million for FY 2018. Street maintenance funding will decrease \$351,000 for FY 2018 due to one time funding from County Road Tax Rebate funds in FY 2017. The graph below shows the street maintenance funding at \$2.8 million which is \$2.1 million lower than the amount needed to adequately fund street maintenance. Due to budget constraints, there are no fleet replacements budgeted for next year.

At the current funding levels, it will take 48.44 years to resurface 1,338 lane miles within the City. On the annual citizen survey, street maintenance funding remains one of the top issues citizens want to see improvement in. We need to work to identify additional funding sources in order to get the funding level up to the required level.



Administrative Departments include City Council, City Clerk, City Manager, Finance, Human Resources, Law, City General, and Public Works Administration. For FY 2018, there is a \$379,930 decrease or 2.9% decrease.

- The City Council budget reflects an increase of \$18,039 or 7.1% for FY 2018. This is primarily due to the movement of all Council appointed boards and commissions into the City Council budget.
- The City Manager's budget reflects a \$459,280 or 24.2% decrease from adjusted FY 2017 budget. The Council voted to provide a one time \$500,000 contribution of excess general fund balance to the Boys and Girls Club gym project in FY 2017.
- The Finance Department budget reflects an increase of \$112,908 or 2.5% from the adjusted FY 2017 budget. The budget reflects funding for an Assistant Controller position that was added during FY 2017. Due to budget constraints the Pension Administrator position will remain as authorized, but not funded in FY 2018.
- Human Resources reflects a decrease of \$69,116 or 5.6% primarily due to lower intragovernmental charges. An additional 0.50 FTE HR Technician position is approved to address capacity issues for increased payroll setup and documentation, employee record administration requirements, and maintenance of the performance management system. The cost of this position is completely offset by other cost reductions in their budget and by G&A fees charged to budgets outside the general fund.
- The Law Department budget reflects a decrease of \$55,646 or 2.8% for FY 2018 primarily due to employee turnover and lower intragovernmental charges.

Health and Environment departments include Health and Human Services, Community Development, Economic Development, Cultural Affairs, and the Office of Sustainability. For FY 2018, these budgets decreased \$1.7 million or 9.4%.

- The Health and Human Services budget reflects a decrease of \$194,031 or 2.5%. This decrease is mainly in miscellaneous contractual due to grants ending for HEAL and FDA.
- The Cultural Affairs (OCA) budget decreased \$14,134 or 2.6% from the adjusted FY 2017 budget due to 0.25 FTE Senior Administrative Support Assistant position being moved to the City Manager budget. This budget will continue to coordinate the property management agreements between the John William "Blind" Boone Heritage Foundation and the Boone County Historical Society regarding the curation of the Blind Boone Home and the Maplewood House respectively. CAT TV funding of \$35,000 is included for FY 2018.
- The Economic Development budget increased \$7,987 or 1.6% from the adjusted FY 2017 budget. The primary reason for the increase is intragovernmental charges and placing the department's computers on an automatic replacement schedule.
- The Community Development budget reflects an increase of \$37,794 or 0.9% primarily in the area of intragovernmental charges.

Property Taxes

There are no proposed City property tax increases for FY 2018. The property tax rate will remain at \$0.41 per \$100 assessed valuation.

Gross Receipts Taxes

There are no increases proposed over the 7% current rate.

Sales Taxes

There are no city sales tax increases proposed. The current total sales tax rate is 7.975% in all areas of the City except those located in transportation development districts (TDDs) and community improvement districts (CIDs).

City's Sales Tax Rate Breakdown

(No Changes for FY 2018)

| | |
|--|--------|
| General Sales Tax - funds basic government services | 1.000% |
| Capital Sales Tax - restricted for capital related uses only - expires December 31, 2025 | 0.250% |
| Transportation Sales Tax - restricted for transportation uses | 0.500% |
| Permanent Parks Sales Tax - restricted for park purposes | 0.125% |
| Temporary Parks Sales Tax - restricted for park purposes - expires March 31, 2022 | 0.125% |

Total City Sales Tax Rate 2.000%

Residential Utility Rate Changes

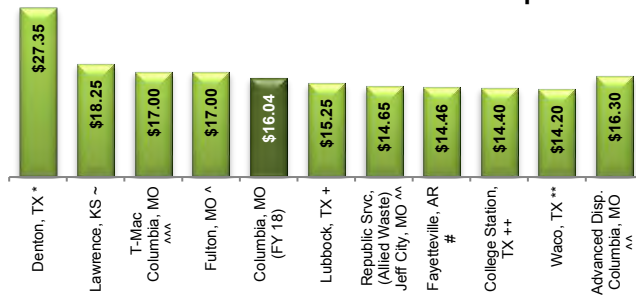
Average Monthly Customer Impact of Rate Increases

| | |
|---|-----------------------------|
| Water - 4% operating increase | \$0.90 |
| Sewer - 6% increase (1% ballot & 5% operating increase) | \$1.39 |
| Solid Waste - 4% operating increase | \$0.62 |
| Storm Water - 25% increase * | \$0.33 |
| | <u><u>\$3.24</u></u> |

* Based on customers having a main floor area from 750 sq. ft to 1,250 sq. ft.

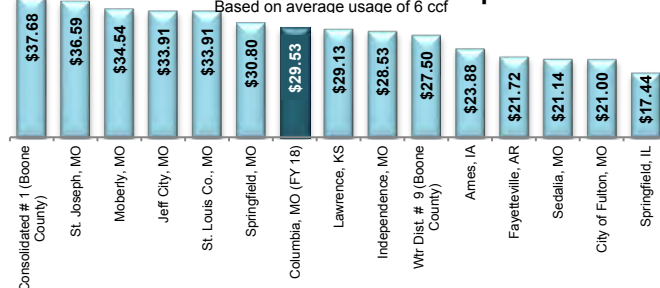
Our utility rates will remain competitive with comparable entities as is reflected on the graphs.

Solid Waste Residential Rate Comparison

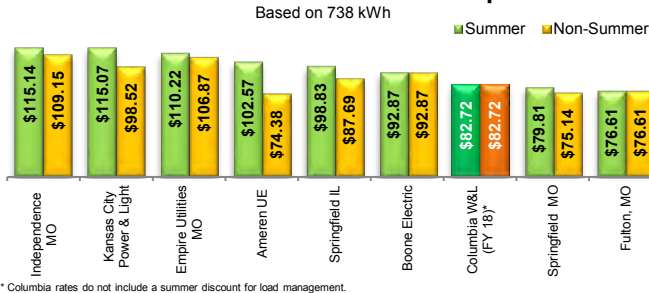


* 64 gal trash roll cart and 64 gal recycle roll cart
 +64 gallon trash roll cart, no curbside recycling, yard waste can be mixed with refuse.
 # 64 gal roll cart is \$14.46, 32 gal roll cart is \$94.7, 96 gal roll cart is \$20.52/month; 2 free recycling bins included, yard waste must be bagged separately from trash and recycling. \$6.20 per additional bag; if lid has any gap, extra bag fee assessed.
 ^^ 65 gal trash roll cart, 65 gal recycling roll cart
 ~ 65 gal roll cart. Separate Yard Waste Service. Curbside recycling is bi-weekly
 ++ 70 gal roll cart, an additional \$10.10 for 70 gal roll cart for recycling or yard waste.
 ** Includes 3 - 95 gal roll carts (trash, yard waste, and recycling). Trash is collected weekly, yard waste and recycling collected on alternating weeks.
 ^ 90 gal roll cart, \$17/month for each additional roll cart. Services include weekly pick-up of recycling and yard waste; add'l. \$1 for recycling container.
 ^^ Curbside pickup of bags only, no recycling option.

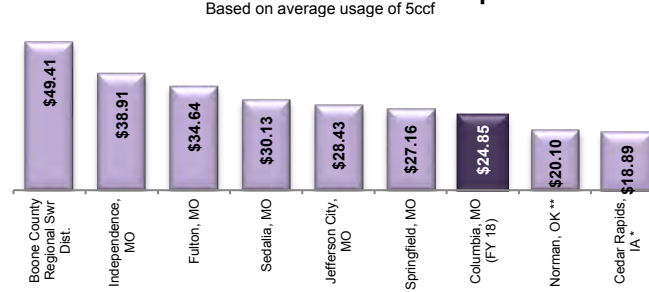
Water Residential Rate Comparison



Electric Residential Rate Comparison



Sewer Residential Rate Comparison



* First two CCFs are included in the base charge
 ** Users are billed eighty (80) percent of the average monthly water billed during the previous December, January and February into the sanitary sewer system for treatment

Financial Impact of the Budget on Citizens - continued
Other Fee Changes

Food Establishments (Annual inspection fee)

@ Annual Gross Receipts less than \$250,000: \$185 to \$205
 @ Annual Gross Receipts of \$250,000 - \$750,000: \$260 to \$285
 @ Annual Gross Receipts more than \$750,000: \$480 to \$530

~~ Administrative service fee per inspection for the second and subsequent reinspections required to correct violations noted during the inspection process. \$100 to \$110

~~ Persons conducting a temporary food event (an event lasting less than fifteen (15) days)
 - One to Three-day event: \$30 to \$35
 - Four to Fourteen-day event: \$60 to \$65

~~ Plan Review Fee
 - Facilities classified as low risk: \$100 to \$130
 - Facilities classified as medium risk: \$150 to \$200
 - Facilities classified as high risk: \$300 to \$400

Recreation Services: Golf Courses (Green fees for 18-holes)

Adult (18-59) and Senior (60 & older):
Monday-Friday Rate; excludes holidays
 # Adult 18-hole weekday play from \$19 to \$20
 # Senior 18-hole weekday play from \$16 to \$17

Saturday, Sunday and holiday rate
 # Weekend and holiday play from \$24 to \$26

Twilight rate for 18-holes 2:00 p.m. to close (Mar 1- Oct 31)
 # Twilight 18-hole weekday play from \$16 to \$17
 # Twilight 18-hole weekend and holiday play from \$20 to \$22

Super twilight rate - 6:00 p.m. to close (Mar 1- Oct 31)
 # Super twilight weekday play from \$13 to \$14
 # Super twilight weekend and holiday play from \$13 to \$14

Winter Fee- (Nov 1- Feb 28)
 # Weekday play from \$16 to \$17
 # Weekend and holiday play from \$20 to \$22

Junior (17 & under):
Monday-Friday rate
 # Weekday play from \$9.50 to \$10

Saturday, Sunday and holiday rate
 # Weekend and holiday play from \$12 to \$13

Recreation Services: Golf Courses (Green fees for 9 holes) Adult (18-59) and Senior (60 and older):

Monday-Friday rate; excludes holidays
 # Adult 9-holes weekday play from \$13.50 to \$14
 # Senior 9-holes weekday play from \$11.50 to \$12

Twilight Rates for 9- holes 2:00 p.m. to close (Mar 1 - Oct 31)
 # Twilight 9- hole weekday play from \$11.50 to \$12
 # Twilight, 9-hole weekend & holiday play \$14 to \$15

Winter Green Fees (Nov 1- Feb 28)
Monday - Friday Rate:
 # Winter weekday play from \$13.50 to 14

Recreation Services: Golf Courses (Season Pass) Adult plus one season pass for both courses

Any day play from \$1,264 to \$1,361
 # Monday-Friday play from \$1,102 to \$1,167
 # Adult Plus 1 Any day play additional person from \$249 to \$287
 # Adult Plus 1 M-F play additional person from \$209 to \$247

Adult (30-59) season pass, both courses

Any day play from \$740 to \$797
 # Monday-Friday play from \$645 to \$683

Young Adult (18-29) season pass, for both courses

Any day play from \$593 to \$638
 # Monday-Friday play from \$517 to \$547

Junior season pass (17 and under), for both courses

Any day play from \$259 to \$275
 # JR Limited play (May 1- August 31) from \$157.25 to \$171.25

- + New fee being established
- ++ Fees haven't increased since 1994
- ~ Fees increased in FY 2011
- ~~ Fees increased in FY 2012
- @ Fees increased in FY 2013
- ^ Fees increased in FY 2014
- * Fees increased in FY 2015
- ^^ Fees increased in FY 2016
- # Fees increased in FY 2017
- ** Fees eliminated

**Financial Impact of the Budget on Citizens - continued
Other Fee Changes**

Recreation Services: Golf Courses (Season Pass) -continued

Senior Pass (60 and older), for both courses
Any day play from \$593 to \$638

Monday-Friday play from \$517 to \$547

Senior Family Season Pass (both 60 and older)
Any day play from \$946 to \$1,019

Monday-Friday play from \$824 to \$873

Punch Passes (good both courses, no expiration)
10 Punch Card from \$198 to \$216
10 Punch Card with cart from \$318.60 to \$336.60

Recreation Services: Golf Cart Fees (Private owned)
Daily Trail Fee for Private Carts from \$11.90 to \$13.40

Parking permit fees

8th & Cherry Reserved

- ^ Monthly from \$115 to \$140
- ^ Quarterly from \$345 to \$420
- ^ Yearly from \$1,380 to \$1,680

8th & Cherry Covered

- ^ Monthly from \$75 to \$100
- ^ Quarterly from \$220 to \$295
- ^ Yearly from \$825 to \$1,100

Plaza Uncovered and Covered

Fourth floor, third floor the NE and SW sections, and the north 1/2 of the bottom tier

- ^ Monthly from \$75 to \$100
- ^ Quarterly from \$220 to \$285
- ^ Yearly from \$825 to \$1,100

Plaza Reserved

- ^ Monthly from \$115 to \$140
- ^ Quarterly from \$345 to \$420
- ^ Yearly from \$1,380 to \$1,680

5th/Walnut, 6th/Cherry, 10th/Cherry, Short Street Garages (covered and uncovered)

- ^ Monthly from \$75 to \$80
- ^ Quarterly from \$220 to \$235
- ^ Yearly from \$825 to \$880

5th/Walnut, 6th/Cherry, 10th/Cherry, Short Street Garages (reserved)

- ^ Monthly from \$115 to \$120
- ^ Quarterly from \$345 to \$360
- ^ Yearly from \$1,380 to \$1,440

Surface Lots

- ^^ Monthly from \$70 to \$75
- ^^ Quarterly from \$205 to \$220
- ^^ Yearly from \$770 to \$825

*** Water Tap Fee**

Meter size:
1" from \$750 to \$1,000
1 1/2" - 2" or 1" commercial from \$250 to \$335

Water rates inside city limits - residential/commercial multiple-family facilities

Minimum charge per month
Meter size:
5/8" to 3/4" from \$8.85 to \$9.75
1" from \$10.52 to \$14.04
1 1/2" from \$17.09 to \$28.25
2" from \$18.51 to \$42.00
3" from \$34.01 to \$147.00
4" from \$50.42 to \$325.00
6" from \$96.95 to \$700.00

Water Fees: Commercial

Minimum charge per month
Meter size:
5/8 and 3/4" from \$8.85 to \$9.75
1" from \$10.52 to \$14.04
1 1/2" from \$17.09 to \$28.25
2" from \$18.51 to \$42.00
3" from \$34.01 to \$147.00
4" from \$50.42 to \$325.00
6" from \$96.95 to \$700.00

Water Fees: Large Commercial

Minimum charge per month
Meter size:
1" from \$10.52 to \$14.04
1 1/2" from \$17.09 to \$28.25
2" from \$18.51 to \$42.00
3" from \$34.01 to \$147.00
4" from \$50.42 to \$325.00
6" from \$96.95 to \$700.00

+ 8" \$1,200

Water Fees: Temporarily supplied by adjoining water district

Minimum charge per month
Meter size:
5/8 and 3/4" from \$8.85 to \$9.75
1" from \$10.52 to \$14.04
1 1/2" from \$17.09 to \$28.25
2" from \$18.51 to \$42.00
3" from \$34.01 to \$147.00
4" from \$50.42 to \$325.00
6" from \$96.95 to \$700.00

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- ^ Fees increased in FY 2014
- * Fees increased in FY 2015
- ^^ Fees increased in FY 2016
- # Fees increased in FY 2017
- ** Fees eliminated

Financial Impact of the Budget on Citizens - continued
Other Fee Changes

Sanitary Sewer Fees: Sewer service charge rates

- # Residential Base charge from \$11.56 to \$12.25
- # Non-residential Base charge (Water meter size)
 - 3/4" from \$17.35 to \$18.39
 - 1" from \$28.91 to \$30.64
 - 1 1/2" from \$57.80 to \$61.27
 - 2" from \$92.48 to \$98.03
 - 3" from \$184.97 to \$196.07
 - 4" from \$289.01 to \$306.35
 - 6" from \$578.03 to \$612.71
 - 8" from \$924.84 to \$980.33
 - 10" from \$1,329.46 to \$1,409.22
 - 12" from \$2,485.51 to \$2,634.64
- # Volume charge from \$2.38/Ccf to \$2.52/Ccf
- # Extra strength charge from \$0.303 to \$0.321
- # Unit charge for suspended solids in dollars per pound from \$0.208 to \$0.220

Sanitary Sewer Fees: Connection Fees

- # Water meter size:
 - 5/8" from \$2,000 to \$2,400
 - 3/4" from \$3,000 to \$3,600
 - 1" from \$5,000 to \$6,000
 - 1 1/2" from \$10,000 to \$12,000
 - 2" from \$16,000 to \$19,200
 - 3" from \$32,000 to \$38,400
 - 4" from \$50,000 to \$60,000
 - 6" from \$100,000 to \$120,000
 - 8" from \$160,000 to \$192,000
 - 10" from \$230,000 to \$276,000
 - 12" from \$430,000 to \$516,000

Sanitary Sewer Fees: Hauled Liquid Waste

- # Waste activated sludge from package wastewater treatment plants and stabilization pond sludge from \$0.045/gallon to \$0.048/gallon
- # Portable/chemical toilet, domestic holding tank, septic tank, and other wastewater from \$0.086 to \$0.091
- # Treatment service availability from \$11.56/load to \$12.25/load

Solid Waste Residential Customers:

- ~ Residences, per month, per residential unit (single-family, duplex, apartment up to four (4) units) from \$15.42 to \$16.04
- ~ Residences, per month, per residential unit when property is vacant and owner has requested discontinuance of a metered service from \$4.90 to 50% of residences, per month, per residential unit.
- ~ Grouped residential units having centralized collection containers, per unit, per month from \$14.67 to \$15.26

Solid Waste Fees: Landfill and disposal areas

- # Per ton, or any fraction thereof from \$45.76 to \$52
- # Minimum fee from \$20.80 to \$25.00
- # Grease trap wastes disposed at Landfill \$24.80/ton
- ^^ Appliances equipped for use of refrigerants, per appliance from \$20.31 to \$22.75
- ^^ Appliances not requiring refrigerant, per appliance from \$13.54 to \$15.19

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- ++ *Fees haven't increased since 1994*
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- ~~ *Fees increased in FY 2012*
- @ *Fees increased in FY 2013*
- ^ *Fees increased in FY 2014*
- * *Fees increased in FY 2015*
- ^^ *Fees increased in FY 2016*
- # *Fees increased in FY 2017*
- ** *Fees eliminated*

Financial Impact of the Budget on Citizens - continued
Other Fee Changes

Solid Waste: Commercial Services (Front Loader)

Cubic Yards/# of Collections per Week

- ** Eliminate all 1 cu yard collections
- # 2 cu yard/1 collection per week from \$82.04 to \$86.87
 2 cu yard/2 collections per week from \$124.11 to \$139.62
 2 cu yard/3 collections per week from \$174.45 to \$204.79
 2 cu yard/4 collections per week from \$233.07 to \$282.37
 2 cu yard/5 collections per week from \$299.97 to \$372.37
 2 cu yard/6 collections per week from \$378.14 to \$474.78
- + 2 cu yard/extra collection (each) \$100
- ** Eliminate all 3 cu yard collections
- # 4 cu yard/1 collections per week from \$96.34 to \$100.72
 4 cu yard/2 collections per week from \$163.35 to \$180.55
 4 cu yard/3 collections per week from \$244.16 to \$281.07
 4 cu yard/4 collections per week from \$338.76 to \$402.28
 4 cu yard/5 collections per week from \$447.16 to \$544.19
 4 cu yard/6 collections per week from \$569.33 to \$706.75
- + 4 cu yard/extra collection (each) \$160.00
- # 6 cu yard/1 collection per week from \$114.56 to \$118.80
 6 cu yard/2 collections per week from \$204.02 to \$221.95
 6 cu yard/3 collections per week from \$310.03 to \$349.93
 6 cu yard/4 collections per week from \$432.57 to \$502.72
 6 cu yard/5 collections per week from \$571.69 to \$680.36
 6 cu yard/6 collections per week from \$727.36 to \$882.83
- + 6 cu yard/extra collection (each) \$202.00
- # 8 cu yard/1 collection per week from \$131.69 to \$135.81
 8 cu yard/2 collections per week from \$247.48 to \$268.10
 8 cu yard/3 collections per week from \$385.31 to \$433.47
 8 cu yard/4 collections per week from \$545.23 to \$631.97
 8 cu yard/5 collections per week from \$727.22 to \$863.57
 8 cu yard/6 collections per week from \$931.27 to \$1,128.27
- + 8 cu yard/extra collection (each) \$265.00
- ** Eliminate Extra collection (each) \$53.97

Solid Waste: Commercial Services (Rear Loader Collection)

Cubic Yards/# of Collections per Week

- ** Eliminate all 1 cu yard collections
- # 2 cu yard/1 collection per week from \$91.70 to \$101.35
 2 cu yard/2 collections per week from \$136.52 to \$158.24
 2 cu yard/3 collections per week from \$189.62 to \$227.55
 2 cu yard/4 collections per week from \$251.00 to \$309.27
 2 cu yard/5 collections per week from \$320.65 to \$403.40
 2 cu yard/6 collections per week from \$398.58 to \$509.95
- + 2 cu yard/extra collection (each) \$106.00
- ** Eliminate all 3 cu yard collections
- # 4 cu yard/1 collections per week from \$105.10 to \$113.86
 4 cu yard/2 collections per week from \$176.25 to \$199.89
 4 cu yard/3 collections per week from \$261.20 to \$306.62
 4 cu yard/4 collections per week from \$359.94 to \$434.04
 4 cu yard/5 collections per week from \$472.47 to \$582.15
 4 cu yard/6 collections per week from \$598.78 to \$750.93
- + 4 cu yard/extra collection (each) \$168.00
- # 6 cu yard/1 collection per week from \$123.75 to \$132.59
 6 cu yard/2 collections per week from \$224.20 to \$252.22
 6 cu yard/3 collections per week from \$345.33 to \$402.88
 6 cu yard/4 collections per week from \$487.13 to \$584.56
 6 cu yard/5 collections per week from \$649.65 to \$797.30
 6 cu yard/6 collections per week from \$832.86 to \$1,041.07
- + 6 cu yard/extra collection (each) \$244.00
- # 8 cu yard/1 collection per week from \$139.93 to \$148.16
 8 cu yard/2 collections per week from \$268.10 to \$299.03
 8 cu yard/3 collections per week from \$423.84 to \$491.27
 8 cu yard/4 collections per week from \$607.18 to \$724.90
 8 cu yard/5 collections per week from \$818.12 to \$999.92
 8 cu yard/6 collections per week from \$1,056.64 to \$1,316.32
- + 8 cu yard/extra collection (each) \$317.00

- + *New fee being established*
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- ^ *Fees increased in FY 2014*
- * *Fees increased in FY 2015*
- ^^ *Fees increased in FY 2016*
- # *Fees increased in FY 2017*
- ** *Fees eliminated*

Financial Impact of the Budget on Citizens - continued
Other Fee Changes

Solid Waste: Commercial Services (Rear Loader Collection) (continued)-

- # Roll cart - 1 collection per week from \$22.92 to \$25.34
- + Roll cart - 2 collection per week \$39.56
- Roll cart - 3 collection per week \$56.89
- Roll cart - 4 collection per week \$77.32
- Roll cart - 5 collection per week \$100.85
- Roll cart - 6 collection per week \$127.49
- Roll cart - extra collection (each) \$27.00
- ** Eliminate Extra collection (each) from \$62.99

Solid Waste : Commercial (Front Loading Construction dumpsters)

- # Set fee from \$89.76 to \$91.08
- # Minimum monthly charge from \$67.39 to \$134.78

Solid Waste: Commercial (Roll Off containers)

- # Full sized compactor style roll-off containers; per collection from \$94.23 + \$45.76/ton to \$98.51 + \$52.00/ton
- # Minimum monthly charge from \$94.23 to \$98.51
- # Full sized non-compacted roll-off containers; per collection from \$94.23 + \$45.76/ton to \$98.51 + \$52.00/ton
- # Minimum monthly charge from \$94.23 to \$98.51
- # Mini-sized compactor style roll-off from \$66.99 + \$45.76/ton to \$70.03 + \$52.00/ton
- # Minimum monthly charge from \$66.99 to \$70.03
- # Mini-sized non-compacted style roll-off containers per collection from \$66.99 + \$45.76/ton to \$70.03 + \$52.00/ton
- # Minimum monthly charge from \$66.99 to \$70.03

Storm Water utility charges:

- # Multiple-family buildings having more than four units; single-family residences having a main floor area less than 750 sq. ft. \$1.02 per unit to \$1.28 per unit
- # Multiple-family buildings having more than four units; single-family residences having a main floor area from 750 sq. ft to \$1,250 sq. ft \$1.33 per unit to \$1.66 per unit
- # Single-family residences having a main floor area from 1,251 sq. ft to 2,000 sq. ft \$1.80 per unit to \$2.25 per unit
- # Single-family residence having a main floor area more than 2,000 sq. ft \$2.11 per unit to \$2.64 per unit
- # All non-residential uses of developed land \$6.25 or \$0.063 per 100 sq. feet impervious area, whichever is greater to \$7.81 or \$0.078 per 100 sq. feet impervious area, whichever is greater
 - + *New fee being established*
 - ++ *Fees haven't increased since 1994*
 - ~ *Fees increased in FY 2011*
 - ~~ *Fees increased in FY 2012*
 - @ *Fees increased in FY 2013*
 - ^ *Fees increased in FY 2014*
 - * *Fees increased in FY 2015*
 - ^^ *Fees increased in FY 2016*
 - # *Fees increased in FY 2017*
 - ** *Fees eliminated*

For a complete listing of all fees, fines, and charges, refer to the schedule at the end of each department's budget, or to the Fees, Fines, and Charges Manual.

- No layoffs or furloughs in FY 2018 (eliminated five vacant positions)
- Continue 45 day hiring delay for General Fund and Internal Service Fund positions

Employee Pay Package Changes:

- No across the board or merit pay increase.

Classification and Compensation Plan Implementation:

The City is in the fifth year of implementation of the classification and compensation plan adopted in FY 2014:

- 59 classifications reviewed as part of annual plan maintenance.
- There were 0 changes as a result of the maintenance review.
- 8 reorganization requests reviewed.
- No funding available in FY 2018 for time in classification adjustments toward the pay range midpoint.

Health/Dental/Voluntary Insurance Options:

- Health insurance increase of 7% to gross premiums with cost sharing between City and employees
- Dental insurance will move to a fully insured plan with Delta Dental. The City will continue to pay the employee only premium. Dependent premiums will be reduced by an average of 4.7%.

- \$750 PPO plan may be eliminated beginning 1/1/2019.

- No plan design changes to medical plan or prescription plan

- Vision plan will move to SunLife, Life insurance and long-term disability will move to Lincoln Financial, Worksite voluntary benefits will move to All State. These changes will result in lower costs for employees and the City.

- City will continue to pay the full cost of employee only health insurance premiums in the High Deductible Health Plan (HDHP). The Internal Revenue Service minimum allowable deductible for HDHPs in 2018 will increase from \$2,600 to \$2,700. The City is required to comply with IRS requirements. The City HDHP 2018 deductibles will increase from \$2,600 single/\$5,200 family to \$2,700 single/\$5,400 family. Out-of-pocket maximums will not be increased in 2018.

- City contributions to Health Savings Accounts (HSAs) under the HDHP will remain at \$125/month for employee only coverage, and \$250/month for family coverage.

- All employees continue to pay a portion of their health insurance premiums for the \$750 and \$1,500 deductible plans. Employees can save in premiums by moving to the \$1,500 co-pay plan or the HDHP.

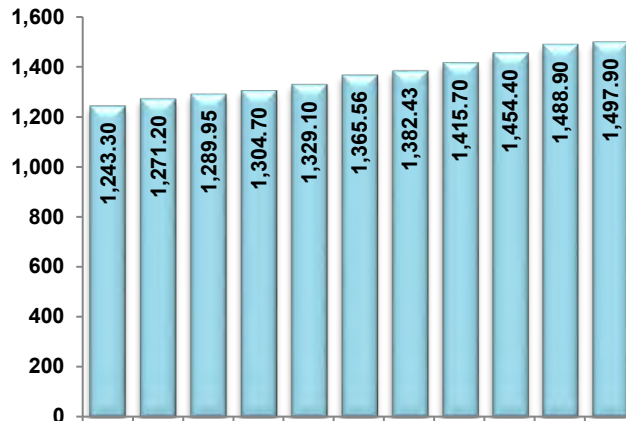
- Pre-65 retiree health premium rates will increase 7% in FY 2018.

- Post-65 retiree health premium rates are expected to reflect a general premium increase under the fully insured plan.

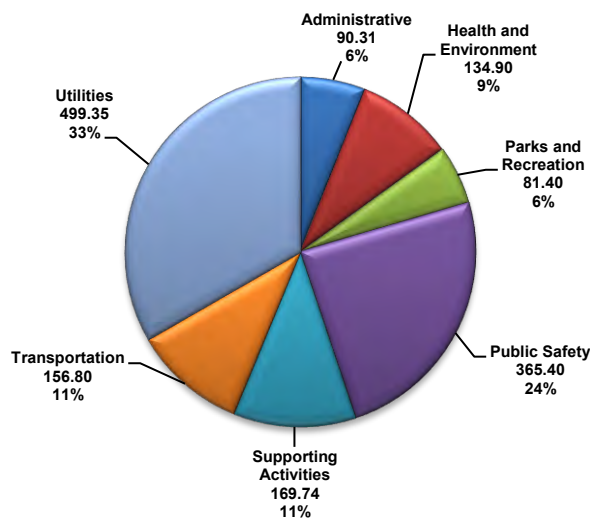
Other Pay Related Changes:

- Tuition reimbursement will remain the same at \$50,000 for college coursework and will continue to be centralized and funded in the City University.
- Increase in stand by pay from \$13/weekday to \$15/weekday and \$16/weekend to \$20/weekend
- Increase in Fire meal allowance from \$13/day to \$14/day
- Increase in Airport public safety meal allowance from \$8.66/day to \$9.33/day

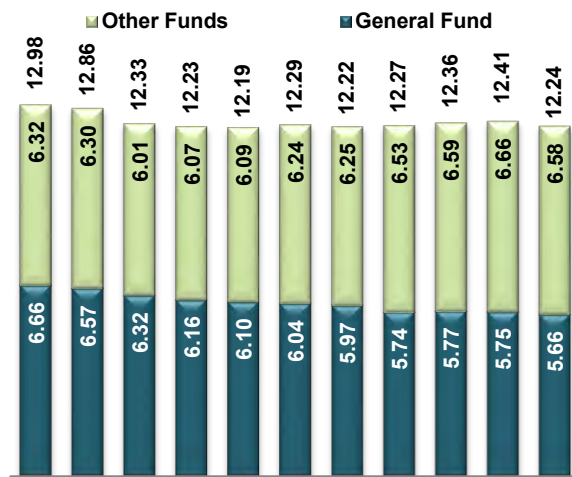
Total Authorized Positions



Total Number of Positions By Functional Group



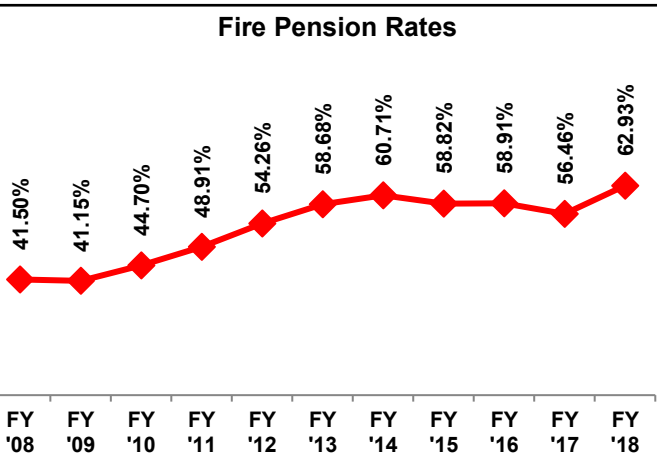
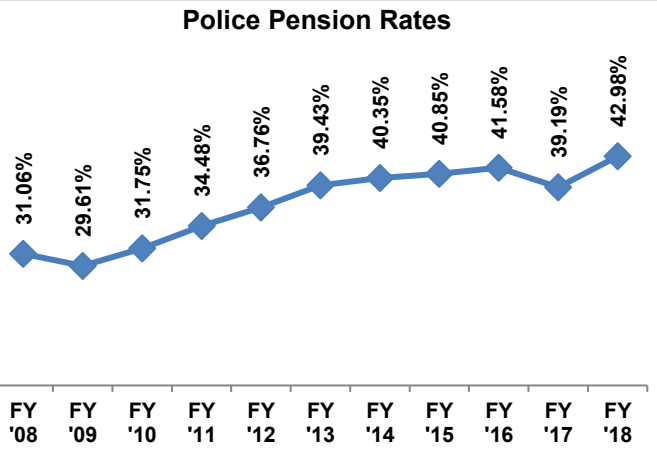
Employees Per Thousand Population



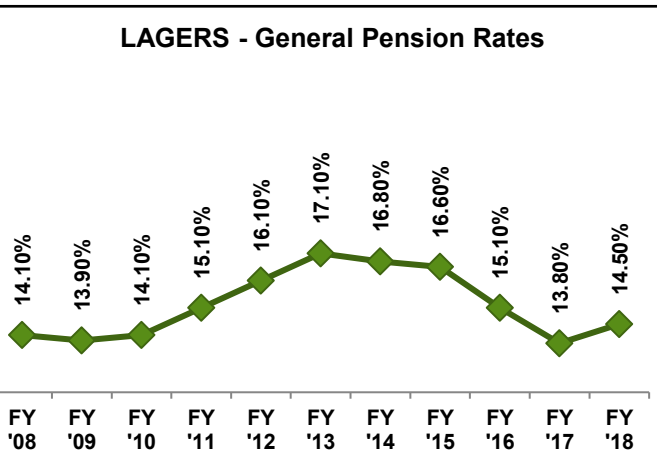
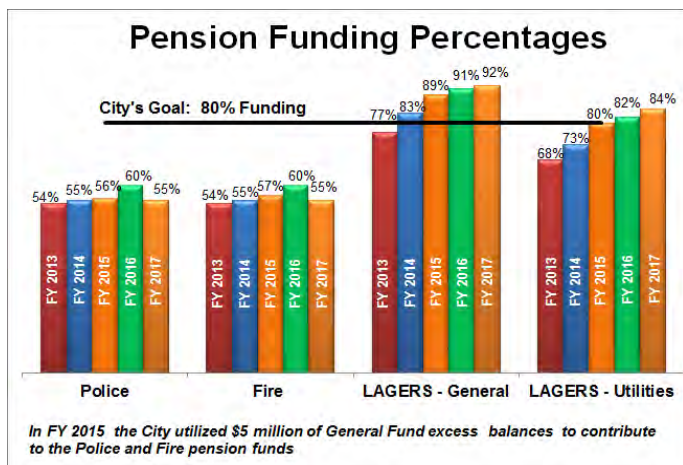
Reorganizations

The FY 2018 budget will approve three major reorganizations.

- Mid Missouri Solid Waste Management District (MMSWMD) will be moved to the Sustainability department.
- Solid Waste created a level that gives them the ability to hire an applicant with a CDL permit as an Refuse Collector I and then promote to Refuse Collector II when they receive and maintain their CDL license for 6 months. In addition, refuse collectors assigned to container maintenance perform significantly different duties that require a different skill set.
- The GIS budget was moved back into the Information Technology fund.



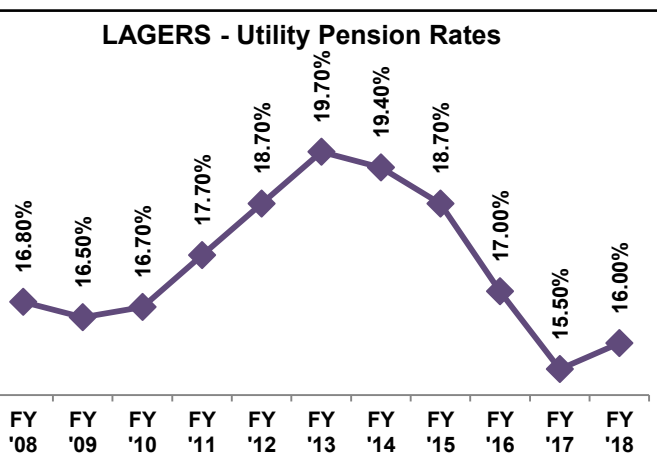
Pension Rates



In FY 2013, the City changed many elements of its pension plans to adjust to the recession and unsustainable benefit levels. The chart above shows the progress we have made. The financial industry considers a pension plan healthy if 80% of its liabilities are funded. We've met our goal with LAGERS, the plan in which most City employees are enrolled, but we are still far from the 80% target for Police and Fire plans.

In FY 2015 we used \$5 million in excess General Fund balance to contribute to the Police and Fire plans, and the result was the Police plan increased from 56 percent to 60 percent and the Fire plan increased from 57 percent to 60 percent funded as of the last actuarial valuation; however due to assumption changes Police and Fire have decreased in FY 2017

The graphs to the right show the pension rate changes over the past ten years. Police and Fire Pension rates increased significantly and this has hindered the City's ability to add new employees to keep up with population growth and workload increases. The City has also not been able to increase the wages of the existing employees in a way that keeps pace with marketplace wage changes or fully implement our classification plan.



Authorized Position Changes Overall there is a 9.00 net FTE increase in positions for FY 2018 with a net of 2.45 FTE positions added in the General Fund and a net of 6.55 FTE positions added in other funds.

Administrative Net 0.75 FTE Positions Added

- (0.50) FTE HR Technician (Human Resources) - position added to address capacity issues for increased payroll set up and documentation, employee record administration requirements, and maintenance of the performance management system. Position is completely offset in fees and budget reductions.
- (0.25) FTE Administrative reallocations - reallocated 0.25 FTE Sr Administrative Support Assistant in Cultural Affairs to the City Manager's budget to provide additional clerical support to that department.

Health and Environment Net (0.25) FTE Positions

- (0.25) FTE Health and Environment reallocations - reallocated 0.25 FTE Sr Administrative Support Assistant in Cultural Affairs to the City Manager's budget to provide additional clerical support to that department.

Parks and Recreation Net 1.00 FTE Positions Added

- 1.00 FTE Parks and Recreation reallocations - reallocated 0.50 FTE Planner from Non-motorized Grant Fund back to general fund Parks and Recreation and reallocated 0.50 FTE from Airport concessions back to Recreation Services as Airport personnel will now manage the concessions.

Public Safety Net 2.00 FTE Positions Added

- (1.00) FTE Administrative Support Assistant (*Municipal Court*) - position will be eliminated and funds moved to temporary positions.
- 1.00 FTE Police Trainer/Recruiter (*Police*) - civilian position added to free up sworn police officer to return to duties requiring police power.
- 1.00 FTE Community Relations Specialist (*Police*) - civilian position added to free up sworn police officer to return to duties requiring police power.
- 1.00 FTE Evidence Unit Supervisor (*Police*) - civilian position added to free up sworn police officer to return to duties requiring police power.

Supporting Activities Net (1.10) FTE Positions

- 1.00 FTE Community Relations Specialist (*Community Relations*) - position will be funded by City Utilities
- (1.00) FTE Maintenance Mechanic (*Building Maintenance*) - position will be eliminated due to budget cuts.
- (2.00) FTE Custodians (*Custodial Services*) - positions will be eliminated cuts.
- 0.50 FTE HR Technician (Employee Benefit Fund) - position added to address capacity issues for increased payroll set up and documentation, employee record administration requirements, and maintenance of the performance management system.
- 0.40 FTE Supporting Activities reallocations

Transportation Net (2.05) FTE Positions

- (1.00) FTE Engineering Technician (*Non-Motorized Grant*) - position will be eliminated.
- (1.05) FTE Transportation reallocations

Utilities Net 8.65 FTE Positions Added

- 2.00 FTE Water Distribution Operator (*Water*) - assist in the development of a unilateral flush program.
- 1.00 FTE Engineering Specialist/Engineer (*Electric*) - additional design work needed for CIP projects
- 1.00 FTE Jet Lead Operator-773 (*Sewer*) - to meet regulatory requirements and Integrated Management Plan recommendations
- 1.00 FTE Sr Refuse Collector (*Solid Waste*) - to cover the apartment recycling route that is proposed for FY 2018
- 1.00 FTE Sr Refuse Collector (*Solid Waste*) - for growing demand for roll off service routes
- 1.00 FTE Custodian (*Solid Waste*) - provide custodial services for the Solid Waste facilities at the landfill.
- 1.00 FTE Engineer/Engineering Specialist (*Storm Water*) - to meet regulatory, infrastructure and CIP needs
- 1.00 FTE Storm Water MS4 Technician (*Storm Water*) - to meet regulatory, infrastructure and CIP needs, in addition to the Integrated Management Plan has identified needs to support the MS4 permit.
- (0.35) FTE Utility reallocations