

FY15 Budget Discussion

May 12, 2014

Spartanburg City Council

Budget Adoption Process

- May 12th Council Meeting - Workshop – Overview presentation and informal discussion; Q&A
- May 19th (no meeting) – Staff distributes its detailed proposed budget document for your review.
- May 26th Council Meeting – public hearing followed by first reading. At first reading, Councilmembers should propose, debate, and act upon any desired amendments to staff's recommendation. (You also have the option of proposing amendments prior to finalizing second reading.)
- June 9th Council Meeting – Second reading/final adoption.
- We can, if necessary, postpone second reading to the Council meeting on the 23rd if Council feels more discussion or information is necessary.

Recent Revenue Performance

	<u>FY09</u>	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>	<u>FY13</u>	<u>FY14*</u>	<u>FY15*</u>
Property Taxes	13,515,536	13,590,827	13,410,459	13,426,953	13,256,662	13,765,332	13,856,367
Business Licenses	5,000,797	4,850,303	5,038,354	5,318,441	5,286,909	5,340,000	5,475,161
Franchise Fees	6,572,185	6,686,455	6,852,560	6,697,250	7,040,380	6,900,000	7,110,000
State Local Government Fund	1,273,314	1,091,766	881,044	688,658	799,823	815,000	911,127
Commission of Public Works	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,200,000	1,100,000
Other	<u>7,134,638</u>	<u>6,169,424</u>	<u>5,194,919</u>	<u>4,794,080</u>	<u>4,712,241</u>	<u>4,632,552</u>	<u>4,604,498</u>
Totals	34,896,470	33,788,775	32,777,336	32,325,382	32,496,015	32,652,884	33,057,153

General Fund								
<u>Total Positions</u>	<u>FY09</u>	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>	
Full Time Positions	463	449	407	408	377	377	377	
Part Time Positions	<u>91</u>	<u>89</u>	<u>108</u>	<u>126</u>	<u>121</u>	<u>88</u>	<u>82</u>	
Totals	554	538	515	534	498	465	459	

Proposed Personnel Cost Changes

Mandated increase in employer contributions to SC Retirement System	\$99,950
Absorbing projected increase in medical plan costs	\$131,352
Cost-of-living compensation adjustment of 1.5% (results in net increase of 1.0%)	\$163,653

Other Proposed Expenditure Increases

Increase in Equipment Replacement Reserve Funding	\$150,000
Necessary upgrades to technology infrastructure	\$147,778
Departmental increase: Police	\$155,000
Departmental increase: Fire	\$30,000
Risk management: property & general liability	\$71,498
Risk management: worker's comp	\$61,912

Total projected expenditure increase less than 3%

Inflationary Revenue Rate Adjustments

- \$0.50/month increase in Solid Waste Service Fees (garbage, recycling, bulk waste, green waste)
- Up to 1.9% increase in millage rate
- Multi-phase incremental increases in workday garage parking rates

Alternatives

- Adjust personnel costs
- Delay capital program
- Defer building maintenance and equipment costs
- Adjust pension contribution
- Reduce service levels

Questions/Discussion