

City of Richardson, Texas  
2011-2012 Proposed Budget

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# *Keeping the Focus*

City Council Public Hearing  
FY 2011-2012 Budget  
Monday, August 29, 2011





# *A Focus on....*

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- City Council Goals
- Recent Election Directions
  - 2010 Bond Election
  - General Election
- Ongoing Planning Efforts
- Organizational Values
- Strategic Opportunities
- Indicators of Future Trends

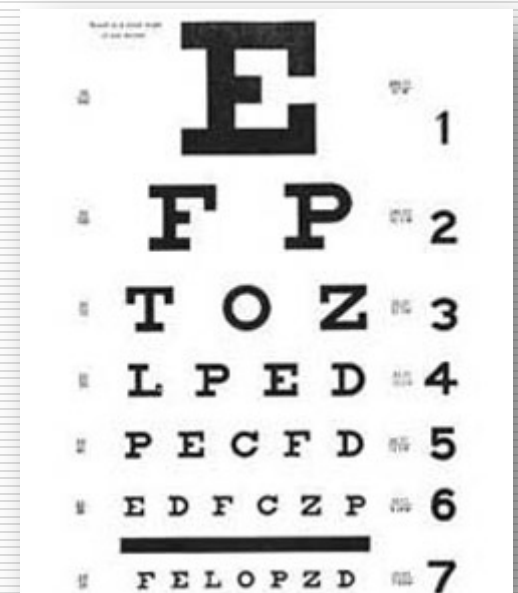


# *Keeping the Focus*

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□ The City of Richardson's strong bond rating position and fiscal management success has been focused with a **Goals-Driven Budget process** and the continued adherence to the our financial policies.

■ As examples, staffing and resource levels in Police, Fire, Code/Neighborhood Services, Parks & Recreation, Communications, Convention & Visitors Services, Information Technology Services, and Capital Engineering are directly related to recent policy direction by the City Council.



# *Keeping the Focus: A 10-year City Services Comparison*

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- The following are **program additions or enhancements** made in the last 10 years.
  - Eisemann Center/Galatyn Plaza
  - Transit Oriented Development
  - Tax Increment Financing Districts
  - Volunteers in Policing (V.I.P.S)
  - Neighborhood Crime Watch Patrols
  - Neighborhood Police Officer Program
  - Volunteer Assistance Program
  - Home Improvement Incentive Program
  - Neighborhood Vitality Program
  - Neighborhood Leadership/Realtors Workshop
  - West Spring Valley Reinvestment Plan
  - Rental Registration Program
  - Public Services Response Center (SCADA/4111)
  - Convention & Visitors Bureau
  - Storm Water Management
  - Library Programming
  - Emergency Management
  - In-house Recycling
  - Transparency Initiatives
  - Communications

# *Keeping the Focus: A 10-year City Services Comparison*

- Even as this FY 2011-2012 budget holds the line on new staffing and operational cost, ongoing changes in service demands place added pressures.

<b>Key Indicators of Workload</b>	<b>FY 2000-2001</b>	<b>FY 2010-2011</b>	<b>% Change</b>
Ambulance Calls	5,115	6,060	18%
Fire Alarms	2,258	2,450	9%
Total Park Acres Maintained	847.5	1,597	88%
Total Playgrounds Maintained	25	28	12%
Recycled Materials (tons)	4,500	5,000	11%
BABIC Requests	49,567	71,000	43%
Signalized Intersections	92	125	36%
Number of Signs	18,500	19,600	6%
HOAs	~30	56	87%
Court Citations Processed	37,000	41,000	24%
Fleet Service Requests	8,400	10,200	21%
PCs Supported	700	900	29%
Utility Bills Processed	310,500	384,000	11%

# *Keeping the Focus: A 10-year City Services Comparison*

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- Additional work load indicators comparing FY 2000-2001 to FY 2010-2011.
  - 70% increase in library circulation
  - 44% increase in irrigation zones maintained
  - Over 150 matching fund beautification projects added to maintenance schedules
  - 55% increase in facility square footage maintenance
  - 14% increase in animal services calls
  - 22% increase in food inspections
  - 45% increase in environmental inspections
  - Increased trail maintenance: Prairie Creek Trail, Lookout Trail, University Trail, Central Trail, and Glenville Trail
  - US75 Landscaping Enhancement maintenance
  - Two new Sports Complexes at Breckinridge and Huffhines

# Budget Development Objectives

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- The City's budget development process conforms to a variety of guidance features:
  - City Council Goals
  - State & Federal Laws
  - City Charter
  - City Financial & Investment Policies
  - Fund Accounting Standards
  - Bond Rating Criteria



# Key Budget Highlights for FY2011-2012: Property Tax

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- Since our Budget Retreat on July 18, we have received the FY 2011-2012 Certified Tax Roll
- We are pleased to see a 0.4% increase in the overall certified tax base (1.0% after factoring in Values in Dispute and Tax Increment Financing)
- **No tax rate change is proposed.** The current \$0.63516 rate was used in this budget development.
- With no significant upward pressure in residential property values, the Senior Exemption's current \$55,000 value amount will maintain a 31% protection for FY 2011-2012, above the 30% target level.
- Property taxes provide about 37% of the entire General Fund resources.

# Key Budget Highlights for FY 2011-2012: Rates & Fees

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- No residential rate change is proposed at this time for **Water/Sewer Utility and Solid Waste**. Interim uses of available Rate Stabilization reserves are included to allow for a timely review during the next Fiscal Year for any required rate considerations.
  - Water rates were last adjusted in FY 2007-2008.
  - The last sewer rate adjustment occurred in FY 2008-2009.
  - The Utility Fund has been able to postpone this rate adjustment to this next FY 2011-2012, even as the regional providers (NTMWD, DWU, Garland) have made periodic rate changes to Richardson for the wholesale price of these services.
    - During the period since our last adjustment(2008-2009), NTMWD's wholesale water rate has increased by \$0.19 per thousand gallons – a 16% change to date, with an additional projected increase of \$0.14 or 10.2% change planned for FY 2011-2012.

# Key Budget Highlights for FY 2011-2012: Rates & Fees (more)

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- A residential solid waste rate change may be recommended during this next fiscal year. (These rates were last adjusted in FY 2008-2009.) An exact plan will be related to the results of the currently-active Solid Waste service study, with a Spring/Summer 2012 completion. Commercial rates are proposed for market-based adjustment.
- A market-based commercial solid waste rate is proposed for adjustment.

# Key Budget Highlights for FY 2011-2012: Rates & Fees (more)

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- We are proposing to implement the **Drainage Utility Fee** that was introduced for review in 2008 during this 2011-2012 fiscal year. Richardson is one of 2 of the major cities in the DFW area that has not established this fee, even as our General Fund has absorbed the mandates of the State's Stormwater Quality Management regulations.
- Formal adoption is tentatively scheduled for this Fall, with billings to begin after the new year in 2012. Key features from prior briefings would include:
  - About \$1.15 million of current General Fund expenses related to this drainage program (engineering, enforcement, inspection, etc.) will be redirected and assigned to a new Drainage Utility Fund. Additionally, about \$1.5 million in annual stormwater/drainage capital improvements will be funded.
  - An average residential rate impact is tentatively set at \$3.75/month or \$45/year. A commercial property equivalent rate of about \$0.10/100 sf of impervious surface (roofs & parking) is under evaluation.

# Key Budget Highlights for FY 2011-2012: Rates & Fees (more)

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- Selected fees and rates are proposed for adjustment:
  - Several building permit, rental registration and inspection fees are proposed for adjustment. Based on City Council discussion at the Budget Worksession on August 15, the proposed rental registration fee will be removed prior to budget adoption.
  - Ambulance fees are also proposed to be adjusted.
- A rate adjustment is proposed for the Golf Course. This is the first adjustment since 2002.
  - A range of \$2 to \$4 per round depending on time of day/day of week.

# Key Budget Highlights for FY 2011-2012: New Community Enhancement

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□ Responding to the City Council Goals & Near Term Action Items that focus on continued Community Enhancement, this FY 2011-2012 budget initiates a new \$600,000 in funding:

- \$500,000 in our annual C.O. program to provide **Community Enhancement** projects that will augment the 2010 G.O. Bond program
- \$100,000 in General Fund operations funding for new **Community Enhancement** strategies



# Key Budget Highlights for FY 2011-2012: Staffing & Compensation

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- Personal Services comprise the largest expense category of the General Fund. Staff continues to hold vacant positions and to understaff to assist in managing these expenses. Overall staffing remains below the employment level of FY 2001-2002 by 49 positions or a 5% reduction.
- Currently, 18 positions are frozen for FY 2011-2012.
- Significant revisions in the City's retirement benefit program will result in a reduction in the annual TMRS contribution rate and the long term liability for this program. Beginning Jan. 2012, the rate will be 14.79% of payroll, a reduction from the current year's rate of 19.31%. This change lowered the city's unfunded liability by \$29.6 million from \$75.7 million to \$46.1 million.
- Adjustments in the City's employee health insurance funding are required. An increase in City funding for this program is proposed, reflecting a participation ratio similar to other area municipal entities.

# Key Budget Highlights for FY 2011-2012: Staffing & Compensation

- Funding is proposed for step pay plan merit increases (for about 50% currently topped out) and a 2% merit increase for those topped out more than a year.

Employees at Top of Salary Range			
Selected Departments			
Department	Current	Number at	Percent at
	Employees	Top of Range	Top of Range
Police	233	107	46%
Fire	154	109	71%
Parks - Maintenance	48	30	63%
Streets	33	23	70%
Information Services	21	14	67%
Facilities Services	26	14	54%
Library	30	16	53%
Traffic and Transportation	25	13	52%
Engineering – Capital Projects	21	11	52%
Fleet Services	22	11	50%
Eisemann Center	25	9	36%
Solid Waste - Residential	28	8	29%
Water Operations	15	7	47%
Animal Control	10	3	30%



# Key Budget Highlights for FY 2011-2012: Staffing & Compensation

	2001-2002 ACTUAL	2002-2003 ACTUAL	2003-2004 ACTUAL	2004-2005 ACTUAL	2005-2006 ACTUAL	2006-2007 ACTUAL	2007-2008 ACTUAL	2008-2009 ACTUAL	2009-2010 ACTUAL	2010-2011 ESTIMATED	2011-2012 BUDGET
# of Employees Budgeted All Funds	1,023	971	955	951	955	975	991	994	986	992	974
CPI	3.8	2.07	2.31	1.24	2.46	4.2	0.83	4.97	-1.51	1.4	3.31
Steps	Partial Steps	Steps	Steps	Steps	Steps	Steps	Steps	Steps	-	Steps	Steps
Merit	2%	-	-	-	-	-	-	2% Merit	-	-	2% for those that are at top of range/50%
Market Adjusment	General Government	Public Safety	-	General Government and Public Safety	-	General Government and Public Safety	General Government and Public Safety	-	-	-	-
One Time Pay	-	-	-	One time pay for top of range - 5%	-	-	-	-	-	-	-
CORPlan Employee/Retiree Premium Changes	Premium Changes	Premium Changes	Premium Changes	Premium Changes	Premium Changes	Premium Changes	-	Premium Changes	-	-	-
TMRS Benefit Changes	-	-	-	-	-	-	-	-	-	COLA and Updated Service Credits	-

# Key Budget Highlights for FY 2011-2012: Staffing & Compensation

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## World at Work 2011-2012 Salary Budget Survey

- Even with speculation of a second dip in the economy, the recovery for pay increases continues for most organizations.
- Fewer companies are freezing pay
- Average total salary budget increases are on the rise
- More organizations are budgeting for pay increases in the 3% to 4% range—something employees had come to expect in prerecessionary years.
- 2,256 U.S. respondents
- Local companies – BCBSTX, Ericsson, Verizon, Rockwell, and Lennox

# Key Budget Highlights for FY 2011-2012: Staffing & Compensation

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## **Mercer's 2011/2012 US Compensation Planning Survey**

- ❑ 97% of organizations are planning to award base pay increases in 2012.
- ❑ Average increase in base pay is expected to be 3.0% in 2012, up slightly from 2.9% in 2011 and 2.7% in 2010
- ❑ Half (50%) of organizations that report higher 2012 pay increases than those granted in 2011 cited greater competition for workforce and anticipated labor shortages as the main reasons.
- ❑ Survey responses are from more than 1,200 mid-size and large employers across the US and reflects pay practices for more than 12 million workers.
- ❑ Local companies – AT&T and Verizon

## **Aon Hewitt - US SIS Preliminary Results 2011-2012**

- ❑ Indicates 3% increases are the norm at this time

## **Wage Trend Indicator™ (WTI) by BNA**

- ❑ The overall rate of annual pay increases for wage and salary workers is expected to accelerate to around 2.0 percent

# Key Budget Highlights for FY 2011-2012: Staffing & Compensation

<b>Representative Salaries</b>				
<b>Position</b>	<b>Pay Range Starting Step</b>	<b>Pay Range Final Step</b>	<b>Pay Range New Final Step</b>	<b>Difference</b>
Accountant II	\$43,656	\$61,440	\$62,669	\$1,229
Administrative Secretary II	\$26,916	\$37,932	\$38,691	\$759
Assistant Municipal Court Clerk	\$30,648	\$43,164	\$44,027	\$863
Building Inspector	\$43,128	\$57,936	\$59,095	\$1,159
Code Enforcement Officer	\$39,096	\$55,176	\$56,280	\$1,104
Custodian	\$21,276	\$31,404	\$32,032	\$628
Driver/Loader - Solid Waste	\$25,248	\$36,396	\$37,124	\$728
Environmental Health Specialist	\$43,176	\$60,732	\$61,947	\$1,215
Fire Captain	\$79,884	\$86,016	\$87,736	\$1,720
Firefighter/Paramedic	\$45,456	\$64,032	\$65,313	\$1,281
Heavy Equipment Operator	\$31,416	\$44,244	\$45,129	\$885
IT Support Specialist II	\$53,448	\$71,628	\$73,061	\$1,433
Librarian	\$40,968	\$57,624	\$58,776	\$1,152
Maintenance Helper I	\$27,156	\$34,656	\$35,349	\$693
Police Lieutenant	\$83,724	\$92,412	\$94,260	\$1,848
Police Officer	\$47,724	\$67,164	\$68,507	\$1,343
Projects Engineer	\$66,456	\$93,492	\$95,362	\$1,870
Public Safety Telecommunicator I	\$32,880	\$46,296	\$47,222	\$926

# Key Budget Highlights for FY 2011-2012: Staffing & Compensation

## Apprentice Fire Fighter

City	City Title	Min	Max
McKinney	Firefighter / EMT Basic	3932	5130
Frisco	Firefighter/EMT	3741	4986
Plano	Fire Recruit	4337	4337
Garland	Fire Recruit	3825	4016
<b>Richardson (Current)</b>	<b>APPRENTICE FIRE FIGHTER</b>	<b>3599</b>	<b>3599</b>
Dallas	Fire & Rescue Officer Trainee	3474	3474
Ft Worth	Fire Trainee	3104	3104
Arlington	Firefighter Trainee	2860	2860
Allen	No Match		
Carrollton	No Match		
Grand Prairie	No Match		
Irving	No Match		
Mesquite	No Match		

## Fire Fighter

City	City Title	Min	Max
Frisco	Firefighter/Paramedic	4258	5686
Dallas	Fire & Rescue Officer	3474	5657
Mesquite	Firefighter	4383	5594
Plano	Fire Rescue Specialist	4680	5519
<b>Richardson (Proposed 2%)</b>	<b>FIRE FIGHTER</b>	<b>3788</b>	<b>5443</b>
Garland	Firefighter	4257	5431
McKinney	Fire – Fighter/EMT/Paramedic	4139	5400
Irving	Firefighter	3837	5399
<b>Richardson (Current)</b>	<b>FIRE FIGHTER</b>	<b>3788</b>	<b>5336</b>
Grand Prairie	Firefighter – 56 hrs	3877	5326
Arlington	Firefighter	3731	5254
Allen	Firefighter	4329	5190
Ft Worth	Firefighter	4039	5155
Carrollton	Firefighter	4185	5038

## Driver/Engineer

City	City Title	Min	Max
Dallas	Fire Driver - Engineer	3572	6237
Plano	Fire Apparatus Operator	6153	6153
<b>Richardson (Proposed 2%)</b>	<b>DRIVER/ENGINEER</b>	<b>5603</b>	<b>6004</b>
Mesquite	Fire Driver-Engineer	5984	5984
Irving	FIRE EQUIPMENT OP	5634	5916
Garland	Fire Driver	5620	5901
Carrollton	Apparatus Operator	5373	5899
<b>Richardson (Current)</b>	<b>DRIVER/ENGINEER</b>	<b>5603</b>	<b>5886</b>
Grand Prairie	FIRE ENGINEER	5790	5790
Allen	Driver/Operator/Engineer	4817	5756
Ft Worth	FIRE ENGINEER	5399	5670
Arlington	Fire Apparatus Operator	5352	5619
McKinney	FIRE - DRIVER/OP	4139	5400
Frisco *	No match		

## EMS Lieutenant

City	City Title	Min	Max
Plano	Fire Lieutenant	6838	6838
Dallas	Fire Lieutenant	4103	6830
Frisco	Fire Lieutenant/Para	6074	6732
Mesquite	Fire Lieutenant	6673	6673
<b>Richardson (Proposed 2%)</b>	<b>EMS LIEUTENANT</b>	<b>6181</b>	<b>6624</b>
Irving	Fire Lieutenant	5995	6610
Garland	Fire Lieutenant	6294	6608
<b>Richardson (Current)</b>	<b>EMS LIEUTENANT</b>	<b>6181</b>	<b>6494</b>
Grand Prairie	Fire Lieutenant	6140	6447
Arlington	Fire Lieutenant	6013	6313
Ft Worth	Fire Lieutenant	5985	6285
Allen	No Match		
Carrollton	No Match		
McKinney	No Match		

## Captain-Fire

City	City Title	Min	Max
Plano	Fire Captain	7660	7660
Frisco	Fire Captain/Para	6930	7541
Dallas	Fire Captain	4502	7481
Mesquite	Fire Captain	7461	7461
Garland	Fire Captain	6985	7335
Irving	Fire Captain	6641	7322
<b>Richardson (Proposed 2%)</b>	<b>CAPTAIN – FIRE</b>	<b>6657</b>	<b>7311</b>
Carrollton	Fire Captain	6669	7287
Arlington	Fire Captain	6881	7226
Grand Prairie	Fire Captain - 56 hrs	6846	7188
<b>Richardson (Current)</b>	<b>CAPTAIN - FIRE</b>	<b>6657</b>	<b>7168</b>
McKinney	Fire - Captain	6612	7120
Allen	Fire Captain	6433	7102
Ft Worth	Fire Captain	6706	7041

## Battalion Chief

City	City Title	Min	Max
Plano	Battalion Chief	8708	9447
<b>Richardson (Proposed 2%)</b>	<b>BAT FIRE CHIEF</b>	<b>8136</b>	<b>8937</b>
<b>Richardson (Current)</b>	<b>BAT FIRE CHIEF</b>	<b>8136</b>	<b>8762</b>
Mesquite	Fire Deputy Chief	8573	8573
Frisco	Battalion Chief	7918	8500
Garland	Fire Battalion Chief	8011	8412
McKinney	Fire – Ops Bat C.	7644	8394
Irving	Fire Bat Chief	7510	8279
Arlington	Fire Battalion Chief	7876	8270
Grand Prairie	Fire Bat Chief	7826	8217
Dallas	Fire Bat/Sect Chief	4940	8210
Carrollton	Battalion Chief	7495	8190
Allen	Battalion Chief	7307	8085
Ft Worth	Fire Bat Chief	7699	8084

# Key Budget Highlights for FY 2011-2012: Staffing & Compensation

## Apprentice Police Officer

City	City Title	Min	Max
Frisco	Police Officer Cadet	3741	4986
Plano	Police Recruit	4373	4373
Garland	Police Recruit	4009	4009
Allen	Police Officer I	3973	3973
McKinney	Police Recruit	3858	3858
<b>Richardson (Current)</b>	<b>APPRENTICE POLICE OFFICER</b>	<b>3765</b>	<b>3765</b>
Dallas	Police Officer Trainee I	3474	3474
Ft Worth	Police Trainee	3115	3115
Arlington	No Match		
Carrollton	No Match		
Grand Prairie	No Match		
Irving	No Match		
Mesquite	No Match		

## Police Officer

City	City Title	Min	Max
Plano	Police Officer	4719	6197
Ft Worth	Police Officer	4212	6093
Carrollton	Police Officer	4174	5770
<b>Richardson (Proposed 2%)</b>	<b>POLICE OFFICER</b>	<b>3977</b>	<b>5709</b>
Garland	Police Officer	4209	5699
Frisco	Police Officer	4258	5686
Irving	Police Officer	4241	5684
Dallas	Police Officer	3474	5657
<b>Richardson (Current)</b>	<b>POLICE OFFICER</b>	<b>3977</b>	<b>5597</b>
Mesquite	Police Officer	4383	5594
Grand Prairie	Police Officer	4053	5568
Arlington	Police Officer	3929	5531
McKinney	Police Officer - Certified	4139	5400
Allen	Police Officer	4172	5187

## Sergeant

City	City Title	Min	Max
Ft Worth	Police Sergeant	6386	7405
Plano	Police Sergeant	6704	6962
Frisco	Police Sergeant	6171	6881
Dallas	Police Sergeant	4103	6830
Irving	Police Sergeant	5883	6810
Mesquite	Police Sergeant	6786	6786
<b>Richardson (Proposed 2%)</b>	<b>SERGEANT-POLICE</b>	<b>5876</b>	<b>6777</b>
Carrollton	Police Sergeant	5985	6769
<b>Richardson (Current)</b>	<b>SERGEANT-POLICE</b>	<b>5876</b>	<b>6644</b>
Grand Prairie	Police Sergeant	5959	6570
McKinney	Police Sergeant	5892	6492
Allen	Sergeant	5550	6405
Arlington	Police Sergeant	5738	6326
Garland	No Match		

## Lieutenant

City	City Title	Min	Max
Frisco	Police Lieutenant	7268	8162
Ft Worth	Police Lieutenant	7393	8161
Plano	Police Lieutenant	7484	7933
<b>Richardson (Proposed 2%)</b>	<b>LIEUTENANT-POLICE</b>	<b>6977</b>	<b>7855</b>
Carrollton	Police Lieutenant	7345	7792
Irving	Police Lieutenant	7027	7747
<b>Richardson (Current)</b>	<b>LIEUTENANT-POLICE</b>	<b>6977</b>	<b>7701</b>
Mesquite	Police Lieutenant	7679	7679
McKinney	Police Lieutenant	6724	7638
Grand Prairie	Police Lieutenant	6908	7616
Dallas	Police Lieutenant	4502	7481
Arlington	Police Lieutenant	6896	7240
Allen	Lieutenant	6428	7239
Garland	No Match		

## Captain

City	City Title	Min	Max
Plano	Police Captain	8528	9039
Ft Worth	Police Captain	8356	9001
Mesquite	Police Captain	8885	8885
<b>Richardson (Proposed 2%)</b>	<b>CAPTAIN-POLICE</b>	<b>8087</b>	<b>8882</b>
Irving	Police Captain	7938	8752
<b>Richardson (Current)</b>	<b>CAPTAIN-POLICE</b>	<b>8087</b>	<b>8708</b>
Garland	Police Captain	8270	8684
McKinney	Police Captain	7644	8394
Allen	Captain	7392	8324
Dallas	Police Captain	4940	8210
Arlington	No Match		
Carrollton	No Match		
Frisco	No Match		
Grand Prairie	No Match		

# Key Budget Highlights for FY 2011-2012: Debt & Capital Program

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- Following the approval of the \$66 million 2010 G.O. Bond program and related debt-assigned \$0.06 tax rate change, the current focus is on active implementation of the program.
- Debt service requirements now reflect these recently added obligations, and are handled in 2011-2012 through the multi-year debt plan that was developed.
- For 2011-2012, **\$ 7.645 million** across all funds is proposed for the Series 2012 C.O. debt program. This will cover the annual capital replacement requirements and the Utility Fund C.I.P. needs:
  - \$2.900 million for General Fund capital equipment
  - \$0.750 million for Fire Equipment
  - \$0.995 million for Solid Waste equipment
  - \$3.000 million for Utility Fund C.I.P.

# **City of Richardson, Texas**

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## **Combined Fund Summaries**



# FY 2011-2012 Combined Budget

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<b>Combined Budget</b>				
	<b>2010-2011 Estimated</b>	<b>2011-2012 Budget</b>	<b>Est./Bud.</b>	<b>%</b>
<b>Beginning Fund Balances</b>	\$40,571,154	\$38,653,358	(\$1,917,796)	-4.7%
<b>Revenues</b>	\$181,789,992	\$186,906,381	\$5,116,389	2.8%
<b>Expenditures</b>	\$183,707,788	\$188,561,154	\$4,853,366	2.6%
<b>Ending Fund Balances</b>	\$38,653,358	\$36,998,585	(\$1,654,773)	-4.3%

# FY 2011-2012 Combined Budget

<b>Classification of Combined Operating Fund Expenditures</b>		
	<b>Proposed 2011-2012 Budget</b>	<b>Percent of Total</b>
<b><u>Operating Expenditures</u></b>		
Personal Services	\$88,277,002	46.82%
Professional Services	8,384,975	4.45%
Maintenance	34,706,126	18.41%
Contracts	29,171,549	15.47%
Supplies	10,867,178	5.76%
Capital	718,048	0.38%
<b><u>Total Operating Expenditures</u></b>	<b>\$172,124,878</b>	<b>91.28%</b>
Transfers Out	\$8,549,705	4.53%
<b><u>Total Operating Expenditures and Transfers Out</u></b>	<b>\$180,674,583</b>	<b>95.82%</b>
Debt Service Payments	\$33,638,888	17.82%
Less Interfund Transfers	\$(25,752,317)	-13.64%
<b><u>Net Appropriations</u></b>	<b>\$188,561,154</b>	<b>100.00%</b>

# FY 2011-2012 Fund Balance Strategies

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- Four of the Five major operating funds and their related debt service funds have a Council approved financial policy that states the minimum number of “days” each is to have and maintain in fund balance. All required fund balance mandates are met or exceeded in this proposal.
  - A day in fund balance represents one day of operating expenses held in reserve.
    - General Fund 60 days of expenditures
    - General Debt Service Fund 30 days of expenditures
    - Water and Sewer Fund 90 days of expenditures
    - Utility Debt Service Compliance with bond covenants
    - Golf Fund 30 days of expenditures, building towards 60 days
    - Solid Waste Fund 60 days of expenditures, building towards 90 days

# FY 2011-2012 Fund Balance Strategies

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- There are times when it's appropriate and acceptable to utilize excess fund balance. When this happens, planned expenditures will exceed planned revenues, but the fund balance is still positive.
  - In a utility fund, excess fund balance may be used to allow time for completion of an operational analysis, or absorb what would have been a rate increase to citizens.
  - In special revenue funds, both the revenues in and expenditures from these funds are strictly limited in their use. Building excess fund balance in these fund types is only necessary when there is an upcoming expenditure of a type and style appropriate for the fund.
- The following slides outline the proposed uses of fund balance for the 2011-2012 budget. In all cases, total fund balance in every fund remains positive.

# FY 2011-2012 Fund Balance Strategies

CITY OF RICHARDSON  
CONSOLIDATED FUND SUMMARY

	General	Water and	Solid Waste	Hotel/Motel	Golf	Internal	Special	General Debt	Water and Sewer Debt	Solid Waste Debt	Golf Debt	Less Interfund	
	Fund	Sewer Fund	Services Fund	Tax Fund	Fund	Services Funds	Revenue Funds	Service Fund	Service Fund	Service Fund	Service Fund	Transfers	Grand Total
<b>Beginning</b>													
<b>Fund Balance</b>	\$ 15,861,235	\$ 12,097,322	\$ 3,391,849	\$ 651,471	\$ 176,689	\$ 1,487,382	\$ 2,237,891	\$ 2,182,169	\$ 426,156	\$ 85,090	\$ 56,104	\$ -	\$ 38,653,358
<b>Operating</b>													
<b>Revenues</b>	97,102,573	46,447,459	12,912,633	5,679,850	2,182,447	11,796,380	2,881,340	26,598,573	5,306,972	1,208,228	542,243	(25,752,317)	186,906,381
<b>Total</b>													
<b>Available Funds</b>	<u>\$ 112,963,808</u>	<u>\$ 58,544,781</u>	<u>\$ 16,304,482</u>	<u>\$ 6,331,322</u>	<u>\$ 2,359,136</u>	<u>\$ 13,283,762</u>	<u>\$ 5,119,231</u>	<u>\$ 28,780,742</u>	<u>\$ 5,733,128</u>	<u>\$ 1,293,318</u>	<u>\$ 598,347</u>	<u>\$(25,752,317)</u>	<u>\$ 225,559,739</u>
<b>Operating</b>													
<b>Expenditures</b>	97,015,461	46,941,302	13,072,043	5,740,289	2,177,400	12,306,660	3,421,428	26,595,193	5,297,480	1,193,985	552,230	(25,752,317)	188,561,154
<b>Ending</b>													
<b>Fund Balance</b>	<u>\$ 15,948,347</u>	<u>\$ 11,603,479</u>	<u>\$ 3,232,439</u>	<u>\$ 591,033</u>	<u>\$ 181,736</u>	<u>\$ 977,102</u>	<u>\$ 1,697,803</u>	<u>\$ 2,185,549</u>	<u>\$ 435,648</u>	<u>\$ 99,333</u>	<u>\$ 46,117</u>	<u>\$ -</u>	<u>\$ 36,998,585</u>
<b>Revenue</b>													
<b>Over/(Under)</b>	\$ 87,112	\$ (493,843)	\$ (159,410)	\$ (60,439)	\$ 5,047	\$ (510,280)	\$ (540,088)	\$ 3,380	\$ 9,492	\$ 14,243	\$ (9,987)	\$ -	\$ (1,654,773)

# FY 2011-2012 Fund Balance Strategies

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- **Water and Sewer Fund** - FY 2011-12 fund balance drawdown of \$493,843
  - FY 2010-11 - \$998,952 in additional revenue (without using rate stabilization) and (\$271,429) in expenditure savings has allowed the year-end fund balance to grow to 98.88 days.
  - Instead of sweeping out the addition funds at year-end, the decision has been made to roll it forward into FY 2011-12.
  - FY 2011-12 - The planned use of \$1.8 million of rate stabilization and the (\$493,843) fund balance drawdown to 90.22, which is still above the Council policy of 90.00 days, allows us to postpone a water rate increase. A rate review is scheduled for mid-year.
  
- **Solid Waste Services Fund** - FY 2011-12 fund balance drawdown of \$159,410
  - FY 2009-10 - Better than anticipated expenditure saving in FY 2009-10 allowed the fund to finish the year with 111.18 days of fund balance.
  - FY 2010-11 - The stronger FY 2009-10 year-end position allowed us to delay the planned use of rate stabilization (\$410,000) in FY 2010-11 by allowing us to drawdown fund balance by \$190,844 and still finishing the year at 99.66 days.
  - FY 2011-12 - The planned use of \$410,000 of rate stabilization, a slight increase to commercial rates and the (\$159,410) fund balance drawdown to 90.26 day allows us to postpone a larger rate increase until the HDR study is complete.

# FY 2011-2012 Fund Balance Strategies

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- **Hotel/Motel Tax Fund** - FY 2011-12 fund balance drawdown of \$60,439
  - FY 2009-10 - Better than anticipated revenues and greater expenditure saving in FY 2009-10 allowed the year-end fund balance to grow to 662,451 (no Council policy on days of fund balance)
  - FY 2010-11 - The stronger FY 2009-10 year-end position and revenue growth in FY 2010-11 allowed us to add the G&A charge of \$250,000 (Maximus study calculated almost \$1.3 million) and increase the funds CVB support, but did include a (\$10,980) drawdown.
  - FY 2011-12 - Despite the (\$60,439) drawdown, we continue the G&A charge of \$250,000 (Maximus study calculated almost \$1.3 million) and increased CVB support. Year-end fund balance will remain at a comfortable \$591,033.
  
- **Internal Service Funds** - FY 2011-12 fund balance drawdown of \$510,280
  - The Central Service Fund (Mail, Records, Warehouse and Stationary) is being drawdown by \$110,544. The fund has no prescribed fund balance is supported fully by the operating funds. With that being said, there is no real reason to maintain a fund balance.
  - The Insurance Fund (CORPlan) is being drawdown by \$399,736. In an effort to delay any impact on employees, the fund is being drawdown close to the fund's minimum fund balance (the IBNR reserve of \$700,000).

# FY 2011-2012 Fund Balance Strategies

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- **Special Revenue Funds** - FY 2011-12 fund balance drawdown of \$540,088
  - Special Revenue Funds have strict guidelines that govern their uses and have no minimum fund balance requirement. The drawdown in these funds is in accordance to their specific usage guidelines.
    - **Judicial Efficiency Fund** - A drawdown of \$11,184. Funds come from Municipal Court revenues and are to be used to improve efficiency of the court.
    - **Court Technology Fund** - A drawdown of \$8,865. Funds come from Municipal Court revenues and are to be used to buy and maintain various pieces of technology for the court.
    - **Special Police Fund** - A drawdown of \$44,600. Fund accounts for proceeds from seizures and confiscations awarded to the City by the courts and from court fees from violations in school crossing zones. Using fund to support school crossing guards in General Fund (\$50,000)



# FY 2011-2012 Fund Balance Strategies

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- **Special revenue Funds continued**

- **Wireless 911 Fund** - A drawdown of \$29,763. Fund accounts for fees received from cellular providers. Using fund to support 911 Telecommunicators in General Fund (\$450,000)
- **Traffic Safety Fund** - A drawdown of \$255,491. Fund accounts for revenue from red light cameras. State law outlines specifies uses of the funds and will fund various traffic safety programs, equipment and supplies.
- **TIF Fund** - A drawdown of \$113,694. TIF fund began collecting taxes in FY 2007-08 in support of various projects in the TIF zone and \$150,000 is G&A charges.
- **Franchise PEG Fund** - A drawdown of \$19,794 in accordance with the specific guidelines that govern the fund.

# City of Richardson, Texas

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## General Fund



# FY 2011-2012 General Fund

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<b>General Fund Budget</b>				
	<b>2010-2011 Estimated</b>	<b>2011-2012 Budget</b>	<b>Est./Bud.</b>	<b>%</b>
<b>Beginning Fund Balances</b>	\$15,854,175	\$15,861,235	\$7,060	0.0%
<b>Revenues</b>	\$94,879,675	\$97,102,573	\$2,222,898	2.3%
<b>Expenditures</b>	\$94,872,615	\$97,015,461	\$2,142,846	2.3%
<b>Ending Fund Balances</b>	\$15,861,235	\$15,948,347	\$87,112	0.5%

FY 2007-2008 Budget                      \$91,596,711  
 FY 2011-2012 Budget                      \$97,015,461  
 Increase from 2007-2008                \$ 5,418,750

- 5.9% budget increase over 5 years
- 8.3% CPI increase over 5 years

# FY 2011-2012

## General Fund Expenditures

<b>Classification of General Fund Expenditures</b>		
<b><u>Operating Expenditures</u></b>	<b>Proposed Budget</b>	<b>Percent of Total</b>
Personal Services	\$ 73,628,229	75.89%
Professional Services	5,483,734	5.65%
Maintenance	3,019,312	3.11%
Contracts	5,631,781	5.81%
Supplies	8,276,157	8.53%
Capital	-	0.00%
<b><u>Total Operating Expenditures</u></b>	<b>\$ 96,039,213</b>	<b>98.99%</b>
Transfers Out (Street Rehabilitation)	\$976,248	1.01%
<b><u>Total Operating Expenditures and Transfers</u></b>	<b>\$ 97,015,461</b>	<b>100.00%</b>

# FY 2011-2012

## General Fund Revenue Overview

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- \$2,223,000 or 2.3% increase
  - Property Taxes increase \$1,479,000
    - 0.4% Property Value Increase
  - Franchise Fees increase \$240,000
  - Sales Tax decrease (\$801,000)
    - 3.25 decline forecasted
  - License and Permits \$119,000 – fee increase
  - Recreation and Leisure \$168,000
  - General & Administrative (G&A) increases \$835,000
    - Includes \$1.1M in “Drainage Fee Operating Support”
  - Remaining Revenues \$182,000
    - Ambulance fee increase

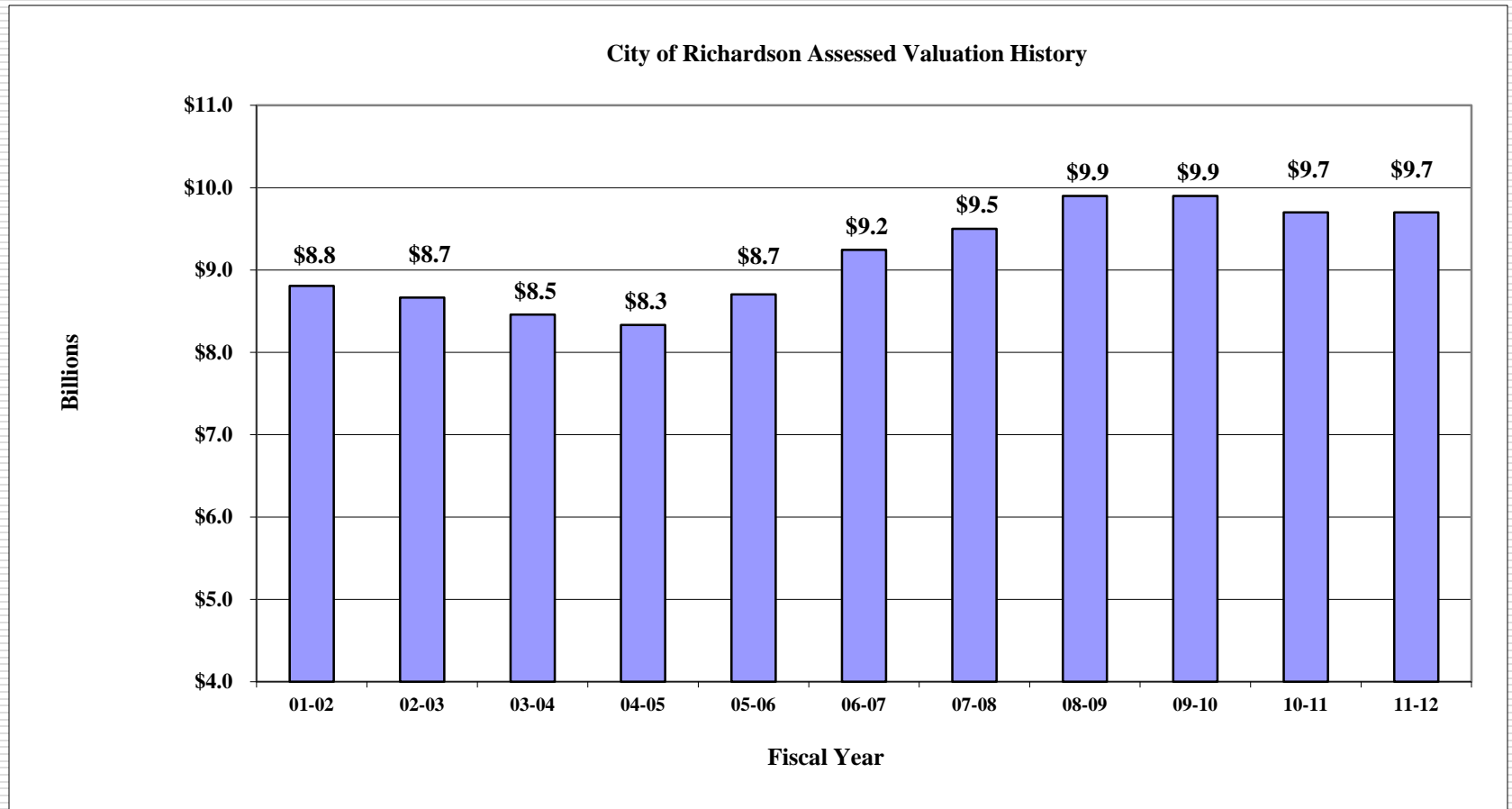
# Assessed Valuation

- Total assessed valuation assumes a 0.4% increase in certified assessed valuation plus \$81.7 Million of "Values in Dispute", that could be added to the certified roll once the cases have been finalized and allows for deduction of the Tax Increment Finance District values of \$65.7 million

	<b>2010</b>	<b>2011</b>	<b>% Difference</b>
<b>Certified</b>	\$9,711,158,368	\$9,746,482,430	0.4%
<b>Values In Dispute</b>	\$20,185,613	\$81,652,836	305.0%
<b>TIF</b>	(\$34,568,816)	(\$65,654,139)	90.0%
<b>Total Taxable Value</b>	<b>\$9,696,775,165</b>	<b>\$9,762,481,127</b>	<b>1.0%</b>

<b>Property Tax Rate</b>		
	<b>2010-2011</b>	<b>2011-2012</b>
Operations & Maintenance (O & M)	\$0.36281	\$0.36281
Debt Service	\$0.27235	\$0.27235
<b>Total</b>	<b>\$0.63516</b>	<b>\$0.63516</b>

# FY 2011-2012 Assessed Valuation



# Tax Roll Increase

Roll Increase – Taxable Values								
	Residential	% Change	Commercial	% Change	BPP	% Change	Total	% Change
<b>2001</b>	<b>\$3,556,206,861</b>	<b>7.9%</b>	<b>\$3,110,180,887</b>	<b>10.2%</b>	<b>\$2,141,535,354</b>	<b>17.9%</b>	<b>\$8,807,923,102</b>	<b>11.0%</b>
2002	\$3,820,030,932	7.4%	\$3,089,714,225	-0.7%	\$1,755,517,943	-18.0%	\$8,665,263,100	-1.6%
2003	\$4,169,788,247	9.2%	\$2,827,745,763	-8.5%	\$1,460,920,007	-16.8%	\$8,458,454,017	-2.4%
2004	\$4,311,934,417	3.4%	\$2,663,396,379	-5.8%	\$1,356,666,064	-7.1%	\$8,331,996,860	-1.5%
2005	\$4,529,783,318	5.1%	\$2,755,659,510	3.5%	\$1,418,623,768	4.6%	\$8,704,066,596	4.5%
2006	\$4,578,470,728	1.1%	\$3,271,227,051	18.7%	\$1,394,937,977	(1.7%)	\$9,244,635,756	6.2%
2007	\$4,712,070,464	2.9%	\$3,386,900,716	3.5%	\$1,437,536,180	3.1%	\$9,536,507,360	3.2%
2008	\$4,742,302,167	0.6%	\$3,605,732,317	6.5%	\$1,566,813,227	9.0%	\$9,914,847,711	4.0%
2009	\$4,699,651,917	-0.9%	\$3,525,971,862	-2.2%	\$1,658,474,266	5.9%	\$9,884,098,045	-0.3%
2010	\$4,753,636,539	1.2%	\$3,272,140,875	-7.2%	\$1,685,380,954	1.6%	\$9,711,158,368	-1.7%
<b>2011</b>	<b>\$4,684,107,745</b>	<b>-1.5%</b>	<b>\$3,294,460,395</b>	<b>0.7%</b>	<b>\$1,767,914,290</b>	<b>4.9%</b>	<b>\$9,746,482,430</b>	<b>0.4%</b>
Change in Values From 2001 to 2011								
	\$1,127,900,884	31.7%	\$184,279,508	5.9%	(\$373,621,064)	(17.4%)	\$938,559,328	10.7%



# Top Ten Taxpayers

Top Ten Taxpayers		
	Taxable Value	% of Total Taxable Value
1. Cisco Systems	\$196,789,462	2.02%
2. AT&T	\$164,239,373	1.68%
3. Bank of America	\$163,098,524	1.67%
4. Verizon	\$132,836,500	1.36%
5. EMC Corporation	\$104,452,637	1.07%
6. Texas Instruments	\$100,465,287	1.03%
7. Fujitsu	\$94,203,170	0.97%
8. IBM	\$79,799,744	0.82%
9. Oncor	\$53,504,285	0.55%
10. Equastone	\$52,377,407	0.54%
<b>Total</b>	<b>\$1,141,766,389</b>	<b>11.71%</b>
<b>Total 2011 Taxable Value</b>	<b>\$9,746,482,430</b>	

# Change In Residential Valuations

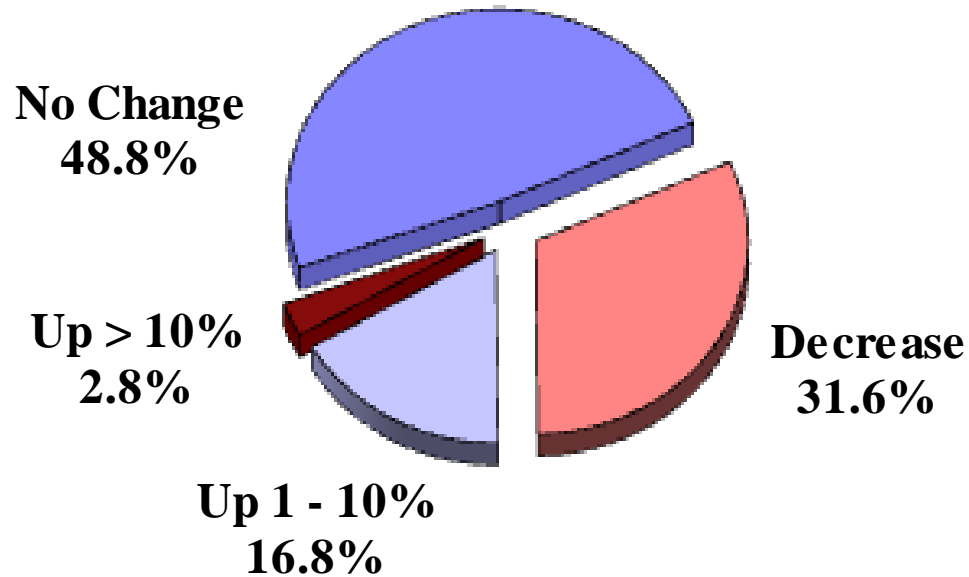
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<b>Number Residential Properties Affected by Valuation</b>				
	<b>2010-2011</b>		<b>2010-2011</b>	
<b>Impact</b>	<b># Properties</b>	<b>% of Total Res. Properties</b>	<b># Properties</b>	<b>% of Total Res. Properties</b>
<b>No Change</b>	8,357	29.7%	13,632	48.8%
<b>Decrease</b>	13,215	47.0%	8,813	31.6%
<b>Up 1-10%</b>	5,583	19.9%	4,692	16.8%
<b>Up&gt;10%</b>	960	3.4%	791	2.8%
<b>Total Res. Properties</b>	<b>28,115</b>	<b>100.0%</b>	<b>27,928</b>	<b>100.0%</b>

# Change In Residential Valuations

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## Effect of 2011 Values on Residential Property



# Average Senior Home Value

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<b>Average Senior Home Value Statistics</b>				
<b>Tax Year</b>	<b>Senior Exempt.</b>	<b>Avg. Sr. Home Mkt. Value (1)</b>	<b>% Change From Year to Year</b>	<b>% of Total Val</b>
2002	\$30,000	\$146,315	9.54%	20.50%
2003	\$30,000	\$151,997	3.88%	19.74%
2004	\$30,000	\$155,650	2.40%	19.27%
2005	\$30,000	\$163,726	5.19%	18.32%
2006	\$50,000	\$168,609	2.98%	29.65%
2007	\$50,000	\$173,581	2.95%	28.80%
2008	\$55,000	\$178,094	2.60%	30.88%
2009	\$55,000	\$178,961	0.49%	30.73%
2010	\$55,000	\$178,079	(0.49%)	30.89%
2011	\$55,000	\$178,788	0.40%	30.76%

# Senior Exemption

- The number of senior property tax exemptions (for persons 65 and older, disabled persons, and surviving spouses) increases by 203 for 2011-2012. The revenue impact of the \$55,000 exemption for 2010-2011 is \$2.4 Million

<b>Senior Citizen Exemptions</b>			
<b>Year</b>	<b>Number</b>	<b>Total Residential Properties</b>	<b>% of Total</b>
<b>2002-2003</b>	5,479	27,456	20.0%
<b>2003-2004</b>	5,617	27,458	20.5%
<b>2004-2005</b>	5,630	27,453	20.5%
<b>2005-2006</b>	5,737	27,625	20.8%
<b>2006-2007</b>	5,923	27,749	21.3%
<b>2007-2008</b>	6,095	27,947	21.8%
<b>2008-2009</b>	6,302	27,904	22.6%
<b>2009-2010</b>	6,563	27,762	23.6%
<b>2010-2011</b>	6,769	28,115	24.1%
<b>2011-2012</b>	6,972	27,928	25.0%

# Franchise Fees

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- Franchise Fees are projected at \$12.9 million for 2011-2012, an increase of \$240,000 or 1.9% over estimated year-end.
  - All Franchise Fees reflect a re-estimate based on actuals through July.
  - The Electric Franchise reflects normal growth in kw hours sold as well as the recent Rate Settlement Agreement calling for a rate increase per kw hour of 5%.
  - The natural gas fee reflects an expected rise in prices as the market recovers from record low pricing during this past winter.
  - The only decline in fees is expected in the water and sewer amount saw those sales return to an average sales year.

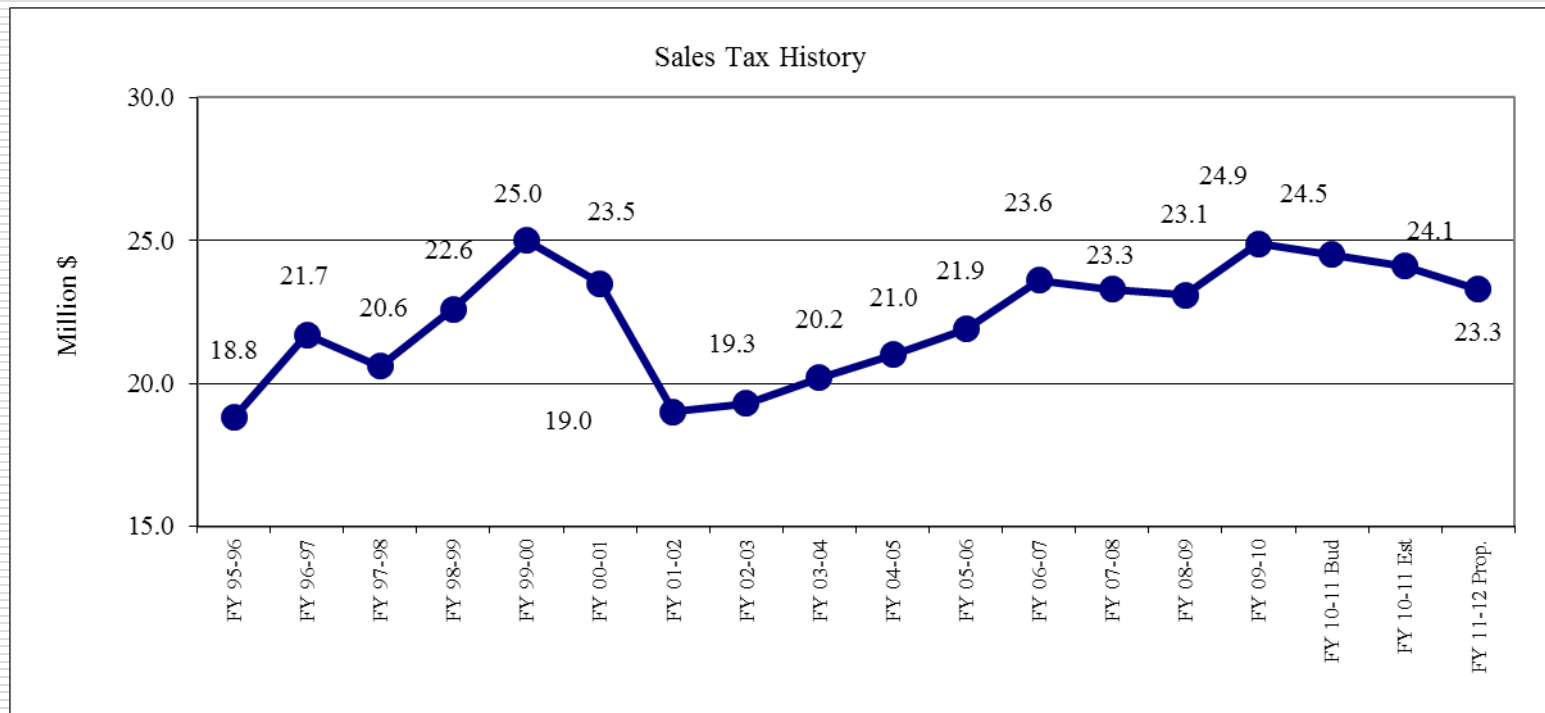
# Sales and Other Business Taxes

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- Sales and Other Business Taxes are projected at \$23.7 Million for next year reflecting a decrease of (\$801,000) or -3.3% from estimated year-end revenues.
- Our top 20 remitters account for 33.3% of total receipts this year, down from the 38.2% last year. The majority of this decline is due to large one time sales last year in the wholesale sector industry.
- Mixed Beverage receipts are anticipated to drop (\$40,000), or -11.0% as a result of legislative changes in Austin while the Bingo tax is proposed at a 3% growth or \$1,600 over year-end. Sales Tax, the largest of the three in this category, is projected to decrease (\$764,000) or -3.1% from year-end estimates based on current trends and expectations of flat “base to base” activity. Year-end 2010-2011 estimate includes \$764,000 in non-recurring audit adjustments. Those adjustments are not included in the forecast for next year, only the “base” collection.

# Sales and Other Business Taxes (cont.)

FY 10-11 Base Estimate	Projected Growth Rate	FY 11-12 Budget
\$ 23,319,067	0.00%	\$23,319,067





# License and Permits

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- License and Permits is projected to increase \$119,000 from the year-end estimate of \$1.7 million and includes increases in several building inspection fees including apartment inspections.

# Fines and Forfeits

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- Fines and Forfeits are expected to increase \$26,000 or 0.6% from the 2010-2011 estimated year-end position of \$4.4 Million. The revenue in this category is received through the Municipal Court and Library with the majority of the growth expected in Court activity.

# Revenue from Money and Property

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- Interest earnings are expected to show modest recoveries next year as the investment market continues to stabilize. Bookings at the Civic Center continue to reflect the communities need for affordable meeting space. Both areas combine for an additional \$30,000 or a 7.9%.

# Recreation and Leisure

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- Recreation and Leisure Services revenues are budgeted at \$3.5 Million, an increase of \$168,000 over 2010-2011 year-end estimates and includes modest growth across all categories except season swim passes and pool revenue. These two areas will be affected by the construction on the Heights Pool. Swim program shows normal growth as PARD expects that program to move to other facilities and continue as normal.

# Other Revenue

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- Projected at \$4.3 million or \$126,000 above estimated year-end for 2010-2011. The increase is primarily due to the new contract and fee increases for ambulance service.
  - Under the new contract, all collected fees come to the City. We then cut a check to the billing service. Under the old contract, the billing service fees were retained by the agency before the proceeds were sent to the City.
- The Fire Department also proposes raising the transport fees from \$575 for residents and \$650 for non-residents to \$675 and \$775 respectively.
  - According to survey work completed by the fire department, this proposal will place Richardson below the average and near the median for comparative cities. Along with the new billing procedures, these two changes are expected to generate \$200,000 in additional fees.
  - Medicare reimburses the City \$342 to \$588 per covered transport depending on level of care given.

# Other Revenue (cont.)

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- The \$160,000 annual cable access fee is eliminated this year and replaced by a new 1% franchise fee known as Public, Education and Government (PEG) Fees. These fees have to be segregated in a separate fund for use in providing facility and capital support for our C.I.T.V. department. The other revenue sources are expected to see minimal growth next year.

# General and Administrative

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- Total revenue from G & A Transfers is projected at \$9.4 million, an increase of \$835,000 from FY 2010-2011.
- In addition to a reactivation of the Child Safety Fund Transfer to offset school crossing guards, the recently completed indirect cost analysis realigned our G&A transfers to reflect the level of work the General Fund does in the administration of the other operating funds.
  - While the G&A from the Golf Fund increases, the Solid Waste and Water and Sewer G&A decrease under the new study. The G&A from the capital projects fund will also decrease (\$249,000).

# General and Administrative (cont.)

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- The CVB transfer will offset its \$405,000 budget this year.
- The Wireless Fund will continue the \$450,000 transfer from the Wireless Fund. That transfer is used to help offset the cost of 911 telecommunicators in the Police Department.
- The following slide discusses the new Drainage Fund Operational Support Transfer.



# General and Administrative (cont.)

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- Transfer – Drainage Fee Operational Support
  - With a Proposed Mid-Year implementation, approximately \$1,150,000 in General Fund expenses would be offset by the Drainage Fee.
    - These expenses include several employees who spend a majority of their time working on drainage issues. Other expenses will include engineering services devoted to drainage issues as well as key contractual services such as street sweeping.
    - A thorough explanation of these expenses will follow later in the year as the proposal is brought forward.

# FY 2011-2012

## General Fund Expenditures

<b>Classification of General Fund Expenditures</b>		
<b><u>Operating Expenditures</u></b>	<b>Proposed Budget</b>	<b>Percent of Total</b>
Personal Services	\$ 73,628,229	75.89%
Professional Services	5,483,734	5.65%
Maintenance	3,019,312	3.11%
Contracts	5,631,781	5.81%
Supplies	8,276,157	8.53%
Capital	-	0.00%
<b><u>Total Operating Expenditures</u></b>	<b>\$ 96,039,213</b>	<b>98.99%</b>
Transfers Out (Street Rehabilitation)	\$976,248	1.01%
<b><u>Total Operating Expenditures and Transfers</u></b>	<b>\$ 97,015,461</b>	<b>100.00%</b>

# FY 2011-2012

## General Fund Expenditures

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- \$2,142,846 or 2.3% increase
  - Personal Services increases \$2.1 million and include,
    - Step Pay Plan
      - (\$475,000) - Approximately 52% of all city personnel are at the top of their pay range. The remaining 48% have room to grow within their approved pay plan ranges. Historically the annual movement has been on a 5% growth step that can be earned for each year service until the top of the pay range is reached, usually within a 4-5 year period, which is a consistent pay plan program utilized in public safety across the Dallas-Fort Worth Metroplex.

# FY 2011-2012

## General Fund Expenditures

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- TMRS contribution reduction of \$1.3 million.
- 2.0% for employees at top of pay range and who've received no pay adjustment for at least one year.
  - (\$516,000) A merit based pay increase for the 50% of employees at the top of their pay range prior to 09/30/2010.
- 18 frozen positions and 5 understaffed positions.
  - Police – 1 Detention Officer, 1 Police Specialist (frozen)
  - Police – 5 Police Officers (understaffed but allowed to fill)
  - Traffic and Transportation – 1 Signs and Markings Supervisor
  - Facility Services – 1 Sr. Custodian, 1 Sr. Maintenance Technician.
  - PARD – 1 Maintenance Helper II, 5 maintenance Helper I
  - Library – 1 Librarian, 2 Library Clerks, 2 Sr. Library Clerks, 1 Administrative Secretary I
  - Community Services – 1 Building Inspector

# FY 2011-2012

## General Fund Expenditures

<b>5% Steps</b>		<b>General Fund</b>	<b>Water and Sewer Fund</b>	<b>Solid Waste Services Fund</b>	<b>Hotel/Motel Tax Fund</b>	<b>Golf Fund</b>	<b>Internal Services Fund</b>	<b>Total</b>	<b>Percentage</b>
Police	138.0	\$ 192,607	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 192,607	32%
Fire	41.0	82,173	-	-	-	-	-	82,173	14%
General Government	266.0	204,429	54,243	52,489	13,395	3,426	1,944	329,926	55%
	<b>445.0</b>	<b>\$ 479,209</b>	<b>\$ 54,243</b>	<b>\$ 52,489</b>	<b>\$ 13,395</b>	<b>\$ 3,426</b>	<b>\$ 1,944</b>	<b>\$ 604,706</b>	<b>100%</b>

<b>2% Merit</b>		<b>General Fund</b>	<b>Water and Sewer Fund</b>	<b>Solid Waste Services Fund</b>	<b>Hotel/Motel Tax Fund</b>	<b>Golf Fund</b>	<b>Internal Services Fund</b>	<b>Total</b>	<b>Percentage</b>
Police	104.0	\$ 148,186	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 148,186	26%
Fire	106.0	169,230	-	-	-	-	-	169,230	29%
General Government	98.0	198,663	21,839	14,261	11,866	8,926	1,886	257,441	45%
	<b>308.0</b>	<b>\$ 516,079</b>	<b>\$ 21,839</b>	<b>\$ 14,261</b>	<b>\$ 11,866</b>	<b>\$ 8,926</b>	<b>\$ 1,886</b>	<b>\$ 574,857</b>	<b>100%</b>

<b>Total</b>		<b>General Fund</b>	<b>Water and Sewer Fund</b>	<b>Solid Waste Services Fund</b>	<b>Hotel/Motel Tax Fund</b>	<b>Golf Fund</b>	<b>Internal Services Fund</b>	<b>Total</b>	<b>Percentage</b>
Police	242.0	\$ 340,793	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 340,793	29%
Fire	147.0	251,403	-	-	-	-	-	251,403	21%
General Government	364.0	403,092	76,082	66,750	25,261	12,352	3,830	587,367	50%
	<b>753.0</b>	<b>\$ 995,288</b>	<b>\$ 76,082</b>	<b>\$ 66,750</b>	<b>\$ 25,261</b>	<b>\$ 12,352</b>	<b>\$ 3,830</b>	<b>\$ 1,179,563</b>	<b>100%</b>

# FY 2011-2012

## General Fund Expenditures

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- Adjustment to City contribution to CORPlan.
  - Sensitive to the economic environment of the last couple of years, the City has not adjusted employee contributions to the CORPlan despite rising costs for providing health care and no adjustment to employee or retiree contributions are proposed this year. Current claims patterns do require an increase in funding however. The City has not altered its contribution rate for employee and retiree premiums since 2008-2009, while also recognizing the constraints on employee salaries. For 2011-2012, the City will increase its contributions to CORPlan by \$2.0 Million, moving to the DFW major cities average of 25% employee/75% employer expenditure split. No increase to premiums paid by employees

# FY 2011-2012

## General Fund Expenditures

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- Non-Personal Services operating line items account for \$22.4 million or 23.3% of the operating budget for the General Fund.

# FY 2011-2012

## General Fund Expenditures (cont.)

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- Professional Services increase \$420,000
  - \$100,000 for Planning Special Area Study
  - \$200,000 increase to PARD maintenance Contracts.
  - \$200,000 increase to Chamber Economic Development Partnership for International Business Program
- Maintenance Services increase \$88,000
  - \$111,000 for increased computer software and hardware maintenance support
- Contracts increase \$32,000
  - \$100,000 for the Community Enhancement Program
- Supplies increase \$133,000
  - \$50,000 increase for Older Adult Trips (offset by revenue)
  - \$60,000 increase for PARD botanical
  - \$60,000 increase for Light and Power
- Transfers decrease (\$488,000)
  - No Debt Service Fund or Golf transfers.



# Parks

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- A total of \$1.3 million of park improvements, maintenance projects and equipment/vehicle replacements are planned using \$737,100 of our \$2.9 million annual CO's and \$568,288 of operating funds for routine maintenance throughout the park system.

# Parks (cont.)

	CO's	Operating Budget
Botanical		\$181,292
Irrigation System Maintenance		136,801
Electrical System Maintenance		110,000
Plumbing Systems Repair		64,195
Land		40,000
Building and Facility Improvements		36,000
Heights Fitness Equipment	\$141,750	
Chipper Truck - Replacement	72,000	
Cottonwood Erosion Project	60,000	
Hydraulic Irrigation System - Heights Park	45,000	
Filter Replacement - Cottonwood	44,750	
Matching Fund Beautification	40,000	
Prairie Creek Park Erosion Project	40,000	
Crew Cab Pickup with 2 Yard Dump Body	39,000	
City Hall Fountain Copper Ring	38,000	
Water Cannon - Replacement	38,000	
Spring Creek Nature Area Trail Renovation / Drainage	35,000	
Filter Replacement – Glenville	31,200	
3/4 Ton Extended Cab Pickup – New	29,000	
Playground Safety Surface - (Custer Park and Galatyn Preserve)	25,000	
Pit Foam - Gymnastics	20,000	
Trampolines - Gymnastics (6)	13,200	
Shade Structure	8,000	
Spring Flooring - Gymnastics	7,200	
Trench Bar - Gymnastics	5,000	
Pool Furniture	5,000	
<b>Totals</b>	<b>\$737,100</b>	<b>\$568,288</b>

# Parks (cont.)

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## □ Contracted Services for 2011-2012

	<b>Budget 2010-2011</b>	<b>Proposed 2011-2012</b>
Street Sweeping Contract	\$200,000	\$240,000
Median Beautification Maintenance Contract	\$379,500	\$331,169
Landscape Maintenance	\$451,280	\$593,862
Arboricultural Services	\$24,000	\$ 11,500
Parks Restroom Cleaning	\$57,500	\$57,500
Street Banner Program	\$27,720	\$25,000
<b>Total</b>	<b>\$1,140,000</b>	<b>\$1,259,031</b>

# Public Safety Enhancements

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## □ Police Department

- Vehicles – the department will replace 12 patrol units with Chevrolet Tahoes at a cost of \$490,764.
- Tactical - \$12,100 of body armor replacement is included in the \$72,000 uniform purchase in the operations fund.

# Public Safety Enhancements

## □ Fire Department

- Vehicles – the department will utilize \$750,000 in 8 year CO's for the replacement purchase of Rescue/CAFS Pumper and an ambulance.
- Tactical - In addition to the standard hose and wellness equipment replacements, the department will replace 7 thermal imagers using 4 year CO's

	<b>4 Year CO's</b>	<b>8 year CO's</b>
Rescue/Pumper with CAFS System - Replacement (1)		\$595,000
Ambulance - Replacement (1)		\$155,000
Thermal Imagers (7)	\$108,024	
Wellness Equipment - Various Stations	16,000	
Fire Hose Replacement	10,000	
<b>Total</b>	<b>\$134,024</b>	<b>\$750,000</b>

# Street Repair and Rehabilitation

- The Street Rehabilitation Program continues for the fifteenth year. This funding allows for the continued crack sealing, city wide concrete repair contract and “clean sweep” projects.
- Funding of \$1.4 million includes,
  - \$976,000, or one penny of the tax rate.
  - \$375,000 in operations funding

	<b>Actual 2009-2010</b>	<b>Estimated 2009-2010</b>	<b>Proposed 2010-2011</b>
<b>Street Rehabilitation Fund</b>	<b>\$991,361</b>	<b>\$969,678</b>	<b>\$976,248</b>
<b>Operating Budget</b>			
Misc. Street & Alley Concrete Repairs	\$163,893	\$230,000	\$240,000
Misc. Asphalt Overlay Projects	\$94,308	\$124,950	\$125,000
Screening Fence repairs	\$9,060	\$20,185	\$10,461
<b>Subtotal Operating Budget</b>	<b>\$267,261</b>	<b>\$375,135</b>	<b>\$375,461</b>
<b>Total Street Rehab and Operating</b>	<b>\$1,258,622</b>	<b>\$1,344,813</b>	<b>\$1,351,709</b>

# Traffic Safety Fund

- For FY 2010-2011, the Traffic Safety Fund is able to absorb \$545,000 of expenses from the Police and Traffic Departments that would otherwise have to be funded in the General Fund
- These items include signs, markings, signal and video camera maintenance, as well as overtime and supplies for traffic safety emergency issues for the Police Department.

	<b>Operations</b>	<b>Traffic Safety Fund</b>
Traffic Signs	\$37,500	\$37,500
System Design and Traffic Counts	5,000	30,000
Signal System and Lights Main.	60,000	60,000
Street Light Maintenance	10,000	50,000
Video Cameras/Maintenance	10,000	20,000
Barricades	10,000	7,500
Police Traffic Enforcement Supplies	0	8,160
Police Traffic Overtime	0	78,828
Markings	25,000	225,000
Crash Incident Software	0	19,000
Professional Training	4,500	8,800
<b>Total</b>	<b>\$162,000</b>	<b>\$544,788</b>

# Capital Equipment Purchase

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- In addition to the expenditures proposed in the base operating budget for the General Fund, \$2.9 Million of 4 year and \$750,000 of 8 year public property Certificates of Obligation (CO's) are proposed to fund major General Fund infrastructure maintenance, technology, equipment purchases and replacements, and community enhancement projects for 2011-2012.

<b>Proposed Short-term CO's - Series 2012</b>		
<b>Amount</b>	<b>Length</b>	<b>Initiatives Funded</b>
\$2,900,000	4-year	Infrastructure maintenance, technology, equipment purchases and replacements, and community enhancement projects
\$750,000	8-year	Ambulance and CAFS Pumper Replacement



# City of Richardson, Texas

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## Water and Sewer Fund



# FY 2011-2012

## Water and Sewer Fund

<b>Water &amp; Sewer Fund</b>				
	<b>Actual</b>	<b>Budget</b>	<b>Estimated</b>	<b>Proposed</b>
	<b>2009-2010</b>	<b>2010-2011</b>	<b>2010-2011</b>	<b>2011-2012</b>
<b>Beginning Fund Balance</b>	<b>\$10,779,732</b>	<b>\$9,679,837</b>	<b>\$11,716,649</b>	<b>\$12,097,322</b>
<b>Total Revenues</b>	<b>\$42,883,902</b>	<b>\$44,035,684</b>	<b>\$45,034,636</b>	<b>\$46,447,459</b>
Total Funds Available	\$53,663,634	\$53,715,521	\$56,751,285	\$58,544,781
Operating Expenditures	\$31,208,882	\$33,642,814	\$33,287,327	\$35,274,243
Operating Transfers.	\$6,307,203	\$6,362,148	\$6,446,206	\$6,361,087
Debt Service Transfer	\$4,430,900	\$4,920,430	\$4,920,430	\$5,305,972
<b>Total Expend. &amp; Transfers</b>	<b>\$41,946,985</b>	<b>\$44,925,392</b>	<b>\$44,653,963</b>	<b>\$46,941,302</b>
Ending Fund Balance	\$11,716,649	\$8,790,129	\$12,097,322	\$11,603,479
<b>Days in Fund Balance</b>	<b>99.64</b>	<b>71.42</b>	<b>98.88</b>	<b>90.22</b>

# FY 2011-2012

## Water and Sewer Fund Expenditures

<b>Classification of Water and Sewer Fund Expenditures</b>		
	<b>Proposed Budget</b>	<b>Percent of Total</b>
<b><u>Operating Expenditures</u></b>		
Personal Services	\$6,097,760	12.99%
Professional Services	621,646	1.32%
Maintenance	26,394,475	56.23%
Contracts	7,003,599	14.92%
Supplies	1,174,772	2.50%
Capital	343,078	0.73%
<b><u>Total Operating Expenditures</u></b>	<b>\$ 41,635,330</b>	<b>88.70%</b>
Transfers Out (Debt Service)	\$ 5,305,972	11.30%
<b><u>Total Operating Expenditures and Transfers</u></b>	<b>\$ 46,941,302</b>	<b>100.00%</b>

# FY 2011-2012

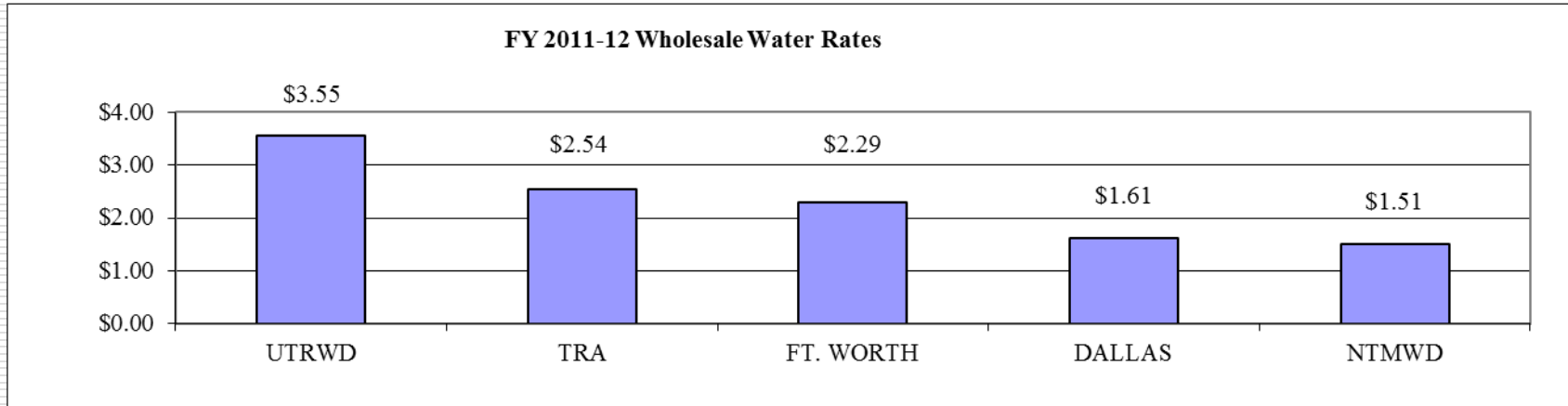
## Water and Sewer Fund Revenues

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- \$1.4 million or 3.1% increase
  - Projection based on a 5 year average of water and sewer sales.
  - Water Sales projected to decrease 1.0%
  - Sewer sales projected to decrease 1.0%
  - Possible utilization of \$1.8 million in rate stabilization
  - Remaining revenues will see slight increases
  - Off season multi-year financial plan and rate analysis.

# FY 2011-2012

## Water and Sewer Fund Revenues



Fiscal Year	01-02	02-03	03-04	04-05	05-06	06-07	07-08	08-09	09-10	10-11	<i>11-12</i>
NTMWD/1,000 gal.	\$ 0.80	\$ 0.87	\$ 0.92	\$ 0.97	\$ 0.97	\$ 1.02	\$ 1.08	\$ 1.18	\$ 1.25	\$ 1.37	\$ 1.51
<b>% Increase</b>	<b>11.30%</b>	<b>8.80%</b>	<b>5.85%</b>	<b>5.40%</b>	<b>0.00%</b>	<b>5.20%</b>	<b>5.90%</b>	<b>9.25%</b>	<b>5.90%</b>	<b>9.60%</b>	<b>10.20%</b>
Mid-Year Adjustment											<i>TBD</i>
<b>City Rates</b>											<i>TBD</i>
Minimum	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00	\$ 6.00	\$ 7.00	\$ 7.00	\$ 7.00	\$ 7.00	\$ -
0-11,000 gallons	\$ 1.91	\$ 1.91	\$ 2.23	\$ 2.23	\$ 2.55	\$ 2.55	\$ 2.95	\$ 2.95	\$ 2.95	\$ 2.95	\$ -
11,001-20,000	\$ 2.07	\$ 2.07	\$ 2.41	\$ 2.41	\$ 2.76	\$ 2.76	\$ 3.19	\$ 3.19	\$ 3.19	\$ 3.19	\$ -
20,001-40,000	\$ 2.16	\$ 2.16	\$ 2.52	\$ 2.52	\$ 2.88	\$ 2.88	\$ 3.33	\$ 3.33	\$ 3.33	\$ 3.33	\$ -
40,001-60,000	\$ 2.51	\$ 2.51	\$ 2.92	\$ 2.92	\$ 3.35	\$ 3.35	\$ 3.87	\$ 3.87	\$ 3.87	\$ 3.87	\$ -
Over 60,000	\$ 2.63	\$ 2.63	\$ 3.07	\$ 3.07	\$ 3.51	\$ 3.51	\$ 4.05	\$ 4.05	\$ 4.05	\$ 4.05	\$ -
<b>% Increase</b>	<b>9.70%</b>	<b>0.00%</b>	<b>16.50%</b>	<b>0.00%</b>	<b>14.50%</b>	<b>0.00%</b>	<b>15.50%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>

# FY 2011-2012

## Water and Sewer Fund Expenditures

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- \$2.3 million or 5.1% increase
  - 84% of that increase is due to increased wholesales costs from water and sewer service providers
    - Wholesale water increases \$0.14/1000 to \$1.51/1000 gallons or \$1.5 million or 10% increase over last year.
    - Sewer Treatment costs increase \$378,000 to \$9.8 million
  - Personal Services increases \$209,317 and includes,
    - Step Pay Plan
    - Adjustment to City contribution for CORPlan
    - 2.0% for employees at top of pay range and who've received no pay adjustment for at least one year
  - Professional Services increase \$54,000
    - Increases in meter testing and Inflow and Infiltration inspections.

# FY 2011-2012

## Water and Sewer Fund Expenditures

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- Maintenance increases \$2.0 million due to NTMWD water contract and sewer service provider increases.
- Contracts increase \$69,000
  - \$17k for water quality mailer as required by TCEQ
  - \$12k increase for equipment and general liability insurance
- Supplies decrease (\$164,000)
  - 2010-2011 prior year encumbrances
- Debt Service increases \$386,000
- Capital includes \$343,000 in “pay as you go” equipment.

# FY 2011-2012

## Water and Sewer Fund Expenditures

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<b>NTMWD Water Purchases</b>				
	<b>2008-2009</b>	<b>2009-2010</b>	<b>2010-2011</b>	<b>2011-2012</b>
Minimum Purchase	11.0 billion	11.0 billion	11.0 billion	11.0 billion
Projected Sales	7.3 billion	7.3 billion	7.3 billion	7.5 billion
Actual Purchase	8.3 billion	7.9 billion	9.2 billion	N/A
Purchase as a % of Contract	76%	72%	84%	N/A
Wholesale Cost	\$11,538,591	\$13,774,139	\$15,096,456	\$16,639,160
Rebate per 1,000 Gals.	\$0.53	\$0.44	N/A	N/A
Total Rebate	\$1,464,195	\$1,355,631	N/A	N/A
Rebate as a % of Total Cost	12.7%	9.8%	N/A	N/A
NTMWD Rate per '000 gallons	\$1.18	\$1.25	\$1.37	\$1.51
Effective Rate / '000 gallons	\$1.40	\$1.56	N/A	N/A



# Capital Equipment

<b>Department / Item Description</b>	<b>Request</b>	<b>Operations</b>	<b>Certificates of Obligation</b>
Sanitary Sewer Reconstruction Material	\$ 355,310	\$ -	\$ 355,310
Jet Truck - Replacement (Upgrade of type)	328,000	-	-
Creek Annual Repair Program	150,000	150,000	-
12 Yard Dump Truck - Replacement (Current truck has low hours)	136,500	-	-
Water Mains Replacement Materials	68,107	68,107	-
Hybrid SUV - Replacement	32,000	32,000	-
New Meters and Settings	26,000	26,000	-
Service Connections	16,000	16,000	-
Service Connection Material	14,781	14,781	-
Service Connection Material	14,000	14,000	-
Table Top Folding Machine	8,250	8,250	-
4 Inch Water Trash Pump (2)	5,000	5,000	-
2 Inch Water Pumps (2)	3,400	3,400	-
Line Locators	2,500	2,500	-
3/4 Inch Root Saw Kit	2,040	2,040	-
Submersible Pump	1,000	1,000	-
<b>Total Water and Sewer Fund Capital Requests</b>	<b>\$ 1,162,888</b>	<b>\$ 343,078</b>	<b>\$ 355,310</b>

# Infrastructure Maintenance

## – CO Funded

<b>Water, Sewer, &amp; Erosion Maintenance Projects 2011-2012</b>	
<b>Paving Cuts Program</b>	<b>\$200,000</b>
<b>Sewer Projects</b>	
300 Centennial	\$187,000
1200 W. Beltline	108,000
100 Hyde Park	30,000
Manhole Rehabilitation	50,000
<b>Total Sewer Projects</b>	<b>\$375,000</b>
<b>Water Line Replacements</b>	
803-901 Willowcrest Dr.	\$ 44,093
309-313 Ridgeview Dr.	44,093
2414-2420 Fairway Dr.	47,186
1501-1509 Willowcrest Dr.	47,380
500-516 Cambridge Dr.	92,300
601-641 Rorary Dr.	71,500
1214-1228 Cypress Dr.	71,500
401-423 Georgetown Dr.	93,693
3001-3005 North Springs Dr.	51,895
<b>Total Water Lines</b>	<b>\$563,640</b>

# FY 2011-2012

## Water and Sewer Fund CIP

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- The Utility CIP program proposes a \$3.0 million C.O. issue to fund Water & Sewer System improvements and replacements.

<b>Water and Sewer Series 2012 CIP</b>	
Water Line Replacement	\$1,650,000
Utility Pavement Repair	\$400,000
Sewer Line Replacement (inline)	\$375,000
Utility Paving Cuts	\$200,000
Water Meter Replacement	\$200,000
2012 G&A	\$175,000
<b>Total</b>	<b>\$3,000,000</b>

# City of Richardson, Texas

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## Solid Waste Services Fund



# FY 2011-2012

## Solid Waste Fund

<b>Solid Waste Services Fund</b>				
	<b>Actual</b>	<b>Budget</b>	<b>Estimated</b>	<b>Proposed</b>
	<b>2009-2010</b>	<b>2010-2011</b>	<b>2010-2011</b>	<b>2011-2012</b>
Beginning Fund Balance	\$3,007,711	\$3,318,641	\$3,582,693	\$3,391,849
<b>Total Revenues</b>	<b>\$12,330,589</b>	<b>\$12,842,285</b>	<b>\$12,232,098</b>	<b>\$12,912,633</b>
Total Funds Available	\$15,338,300	\$16,160,926	\$15,814,791	\$16,304,482
Total Expenditures	\$8,444,217	\$9,134,473	\$8,703,671	\$9,266,830
Total Operating Transfers. Out	\$2,677,490	\$2,704,328	\$2,691,576	\$2,597,228
Total Other Transfers	\$633,900	\$1,027,695	\$1,027,695	\$1,207,985
<b>Total Expend. &amp; Transfers</b>	<b>\$11,755,607</b>	<b>\$12,866,496</b>	<b>\$12,422,942</b>	<b>\$13,072,043</b>
Ending Fund Balance	\$3,582,693	\$3,294,430	\$3,391,849	\$3,232,439
<b>Days in Fund Balance</b>	<b>111.18</b>	<b>93.46</b>	<b>99.66</b>	<b>90.26</b>

# FY 2011-2012

## Solid Waste Fund Expenditures

<b>Classification of Solid Waste Services Fund Expenditures</b>		
<b><u>Operating Expenditures</u></b>	<b>Proposed Budget</b>	<b>Percent of Total</b>
Personal Services	\$4,249,630	32.51%
Professional Services	15,550	0.12%
Maintenance	4,542,835	34.75%
Contracts	2,852,583	21.82%
Supplies	203,460	1.56%
Capital	-	0.00%
<b><u>Total Operating Expenditures</u></b>	<b>\$11,864,058</b>	<b>90.76%</b>
Transfers Out (Debt Service)	\$1,207,985	9.24%
<b><u>Total Operating Expenditures and Transfers</u></b>	<b>\$13,072,043</b>	<b>100.00%</b>

# FY 2011-2012

## Solid Waste Fund Revenues

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- \$681,000 or 5.6% increase.
  - Residential Collections projected to decrease (\$26,000) or -0.5%.
    - Continued increases in the Sr. Discount program.
    - Senior Rate of \$13.30/month represents a 26% discount in monthly bill. It provides \$265,000 of savings to the 4,722 of the 26,865 customers (17.6%)
  - Commercial collections projected at 4.5% or \$280,000 increase.
    - Includes a proposed 5% increase in Commercial haul fees (based on market averages and fuel increases)

# FY 2011-2012

## Solid Waste Fund Revenues

- Possible utilization of \$410,000 in rate stabilization.
- Last residential rate change in FY 2008-2009.
- \$1.85/month increased monthly rate to \$18.00 with a true cost of service provision at \$23.42/month.

<b>Residential Cost Breakdown</b>				
	<b>Actual</b>	<b>Budget</b>	<b>Estimate</b>	<b>Budget</b>
	<b>FY 2009-10</b>	<b>FY 2010-11</b>	<b>FY 2010-11</b>	<b>FY 2011-12</b>
Operating Cost	\$7.49	\$7.99	\$7.64	\$7.84
Disposal Costs	4.29	5.17	4.61	4.96
BABIC	2.35	2.19	2.28	2.34
Recycling	1.77	1.61	1.73	1.68
G&A and Fran. Fees	4.72	4.99	4.74	4.55
Debt	1.08	1.12	1.75	2.06
	<u>\$21.70</u>	<u>\$23.08</u>	<u>\$22.75</u>	<u>\$23.42</u>

- Commercial subsidizes each residential account \$65.00 per year.



# FY 2011-2012

## Solid Waste Fund Expenditures

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- \$649,000 or 5.2% increase.
  - NTMWD Disposal Fee and projected tonnage increases account for \$248,000 of the increase.
  - Personal Services increase \$251,000 and include the Step Pay, City share of CORPLan, and understaffing of 3 full time positions.
  - Remaining operational expenditure categories combine to increase \$15,000.
  - Change in G&A Transfer reflects the recently revised indirect cost analysis.
  - Debt Service increases \$180,000.

# FY 2011-2012

## Solid Waste Fund Expenditures

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### □ BABIC - \$783,000 Cost

- 2007-2008 / 70,900 stops
- 2008-2009 / 71,182 stops
- 2009-2010 / 71,569 stops
- 2010-2011 / 64,500 stops (YTD) (est. 77,400 stops)
- 7 Knuckleboom Trucks (1 truck – 1992 start)

### □ Recycling - \$558,000 Cost

- 30% participation
- 4,868 tons collected
- \$200,000 annual savings (in house operations / March 2008)

# FY 2011-2012

## Solid Waste Fund Expenditures

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- Capital Equipment Replacement/Purchase
  - Fleet and major equipment purchases will be handled through the issuance of \$995,000 in 8 year Certificates of Obligation.
  - Replace 4 Rearloader Trucks in Residential
  - Standard replacement of Commercial containers and compactor power units

# Capital Equipment

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<u>Item Description</u>	<u>8 Year Debt Financed</u>
Rearloaders - Replacement (4)	\$ 808,000
8 Yard Frontload Containers (60)	57,000
Compactor Power Units (10)	45,000
34 Yard Compactors (2)	42,000
30 Yard Open Top Containers (5)	30,000
4 Yard Frontload Containers (20)	13,000
<b>Total Solid Waste Services Fund Capital Requests</b>	<u><u>\$ 995,000</u></u>

# Solid Waste Fund Master Plan Update

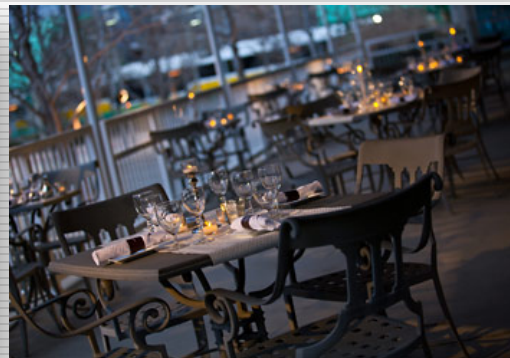
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- Solid Waste Master Plan update – HDR Study.
  - Evaluation of existing collection systems/route optimization,
  - Defining future solid waste management needs and identification of new programs and implementations,
  - Program Options like yard waste, composting, apartment and commercial recycling collection, etc.,
  - Program refinements and cost impacts to implement each at right times and,
  - Expected completion early Summer 2012

# City of Richardson, Texas

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## Hotel/Motel Tax Fund



# FY 2011-2012

## Hotel/Motel Tax Fund

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<b>Hotel Motel Tax Fund</b>				
	<b>Actual</b>	<b>Budget</b>	<b>Estimated</b>	<b>Proposed</b>
	<b>2009-2010</b>	<b>2010-2011</b>	<b>2010-2011</b>	<b>2011-2012</b>
Beginning Fund Balance	\$382,522	\$347,494	\$662,451	\$651,471
<b>Total Revenues</b>	<b>\$4,863,230</b>	<b>\$5,325,660</b>	<b>\$5,515,203</b>	<b>\$5,679,850</b>
Total Funds Available	\$5,245,752	\$5,673,154	\$6,177,654	\$6,331,322
<b>Total Expend. &amp; Transfers</b>	<b>\$4,583,301</b>	<b>\$5,341,692</b>	<b>\$5,526,183</b>	<b>\$5,740,289</b>
Ending Fund Balance	\$662,451	\$331,462	\$651,471	\$591,033

# FY 2011-2012

## Hotel/Motel Tax Fund Expenditures

<b>Classification of Hotel/Motel Tax Fund Expenditures</b>		
	<b>Proposed</b>	<b>Percent</b>
<b><u>Operating Expenditures</u></b>	<b><u>Budget</u></b>	<b><u>of Total</u></b>
Personal Services	\$1,883,579	32.81%
Professional Services	987,336	17.20%
Maintenance	96,112	1.67%
Contracts	2,039,994	35.54%
Supplies	733,268	12.77%
Capital	-	0.00%
<b><u>Total Operating Expenditures</u></b>	<b><u>\$5,740,289</u></b>	<b><u>100.00%</u></b>
Transfers Out	\$ -	0.00%
<b><u>Total Operating Expenditures and Transfers</u></b>	<b><u>\$5,740,289</u></b>	<b><u>100.00%</u></b>



# FY 2011-2012

## Hotel/Motel Tax Fund Revenues

Hotel Property	Actual 2009-2010	Budget 2010-2011	Estimated 2010-2011	Budget 2011-2012
Como Motel	\$18,030	\$18,808	\$20,466	\$18,505
Continental Inn	\$ 20,067	\$20,824	\$20,321	\$20,524
DoubleTree Hotel	\$289,201	\$290,706	\$427,653	\$440,483
Econo Lodge	\$28,996	\$29,783	\$39,107	\$34,201
Hampton Inn	\$126,245	\$138,853	\$170,547	\$153,358
Hawthorne Suites	\$88,623	\$42,291	\$39,011	\$33,952
Hilton Garden Inn	\$220,085	\$200,662	\$242,958	\$247,817
Holiday Inn	\$189,170	\$188,590	\$192,823	\$196,679
Homestead Suites	\$60,700	\$62,511	\$79,521	\$70,051
Hyatt Regency	\$429,388	\$450,479	\$512,712	\$522,966
Hyatt Summerfield	\$130,927	\$134,899	\$203,727	\$185,806
Mariott Courtyard - Galatyn	\$163,959	\$172,732	\$182,945	\$188,433
Marriott Courtyard - Spring Valley	\$138,094	\$141,673	\$160,435	\$166,852
Marriott Renaissance	\$597,841	\$611,995	\$555,615	\$572,284
Residence Inn	\$142,756	\$158,476	\$158,973	\$162,152
Super 8	\$38,255	\$40,344	\$42,930	\$38,304
<b>TOTAL</b>	<b>\$2,682,337</b>	<b>\$2,703,626</b>	<b>\$3,049,744</b>	<b>\$3,052,367</b>



# FY 2011-2012

## Hotel/Motel Fund Revenues

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- \$165,000 or 3.0% increase
  - Hotel occupancy tax receipts projected flat from year-end estimate.

	2010	Through June 2011
<b>Average Daily Rate</b>	<b>\$79.84</b>	<b>\$84.32</b>
<b>Occupancy</b>	<b>58%</b>	<b>63%</b>
<b>Rev/PAR</b>	<b>\$46.28</b>	<b>\$53.97</b>

# FY 2011-2012

## Hotel/Motel Fund Revenues

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- Eisemann Center revenues are projected at \$2.4 Million reflecting a \$150,000 or 6.6% increase from estimated year-end.
  - Operations revenue is estimated based on performance levels similar to FY 2010-2011 levels with some recovery in rental fees. The majority of the revenue increase is due to the Eisemann Center Presents Series for FY 2011-2012 reflecting a normal ticket revenue model after the three shows last year fell below expectations
- Parking Garage fees increase \$10,000 based on minor volume growth.
- Interest improves slightly based on cash flow.

# FY 2011-2012

## Hotel/Motel Fund Expenditures

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- \$214,000 or 3.9% increase.
  - Eisemann Center expenditures increase \$170,000.
    - Operations increase \$29,000
    - Eisemann Center Presents Series increase \$140,000 and is offset by matching revenue.
  - Parking Garage Expenditures increase 6.9% or \$34,000 based on the parking garage services agreement. The City budgets the maximum allowable by contract.

# FY 2011-2012

## Hotel/Motel Fund Expenditures

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- The Transfer to General Fund – CVB of \$405,000 supports that department's hotel/motel marketing initiatives.
- Arts grant funding continues at \$300,000
- The recently completed indirect cost analysis supports a General and Administrative Transfer to the General Fund of almost \$1.0 million.
  - As with year-ending 2010-2011, the fund will send a G&A Transfer of \$250,000 to the General Fund to help offset the indirect costs associated with the Hotel/Motel fund which are currently hosted in the General Fund.

# City of Richardson, Texas

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## Golf Fund



# FY 2011-2012

## Golf Fund

<b>Golf Fund</b>				
	<b>Actual</b>	<b>Budget</b>	<b>Estimated</b>	<b>Proposed</b>
	<b>2009-2010</b>	<b>2010-2011</b>	<b>2010-2011</b>	<b>2011-2012</b>
Beginning Fund Balance	\$268,382	\$184,061	\$192,719	\$176,689
<b>Total Revenues</b>	<b>\$2,232,120</b>	<b>\$2,140,555</b>	<b>\$2,095,301</b>	<b>\$2,182,447</b>
Total Funds Available	\$2,500,502	\$2,324,616	\$2,288,020	\$2,359,136
Total Expenditures	\$1,607,599	\$1,514,761	\$1,481,504	\$1,550,419
Total Transfers Out	\$700,184	\$629,827	\$629,827	\$626,981
<b>Total Expend. &amp; Transfers</b>	<b>\$2,307,783</b>	<b>\$2,144,588</b>	<b>\$2,111,331</b>	<b>\$2,177,400</b>
Ending Fund Balance	\$192,719	\$180,028	\$176,689	\$181,736
<b>Days in Fund Balance</b>	<b>30.27</b>	<b>30.64</b>	<b>30.55</b>	<b>30.46</b>

# FY 2011-2012 Golf Fund

<b>Classification of Golf Fund Expenditures</b>		
<b><u>Operating Expenditures</u></b>	<b>Proposed Budget</b>	<b>Percent of Total</b>
Personal Services	\$993,626	45.63%
Professional Services	30,183	1.39%
Maintenance	94,008	4.32%
Contracts	158,833	7.29%
Supplies	358,750	16.48%
Capital	-	0.00%
<b><u>Total Operating Expenditures</u></b>	<b>\$1,635,400</b>	<b>75.11%</b>
Transfers Out (Debt Service)	\$542,000	24.89%
<b><u>Total Operating Expenditures and Transfers</u></b>	<b>\$2,177,400</b>	<b>100.00%</b>



# FY 2011-2012

## Golf Fund Revenue

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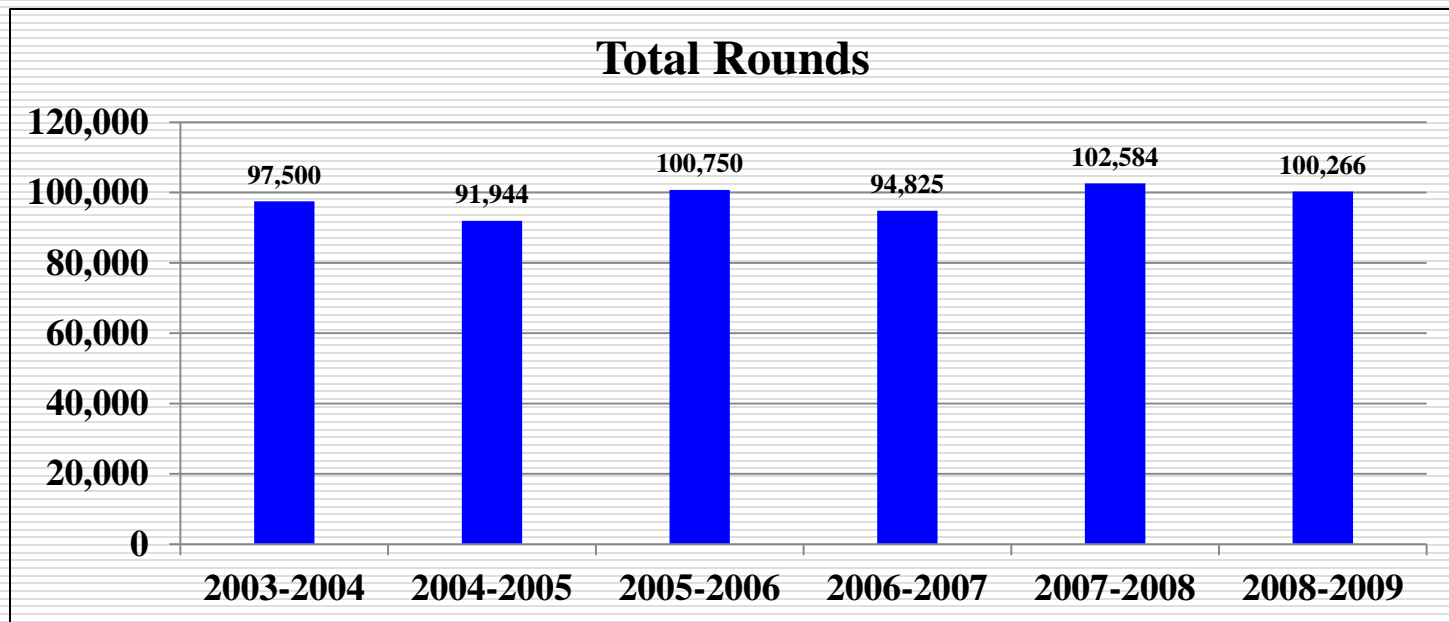
- Revenues are projected at \$2.2 Million for FY 2011-2012 representing a 4.2% growth in anticipated revenues over year-end estimates.
  - Based on rounds at 100,000
  - The budget includes a proposed green fee increase of \$4 for the weekend and weekday rack rate and a \$2 increase for all other green fee rates.
  - No General Fund subsidy for 2011-2012 Budget.

# FY 2011-2012

## Golf Fund Revenue

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- Estimating rounds at 100,000 anticipates a solid year of play. The six year history of rounds, excluding 2009-10, shows an average of 98,000 rounds. Of the six years, three of them were over 100,000.



# FY 2011-2012 Golf Fund Revenue

- Sherrill Park established current green fees in 2001 following the Course #2 renovation and have not increased rates in the last 10 years.
- The resident punch card pricing is proposed to remain the same.
  - Senior Punch Card \$100 (10 to 15 rounds)
  - Resident Punch Card \$200 (10 to 15 rounds)

		Current	Proposed	Proposed w/ Cart
#1 Weekend	Regular Rate	\$34	\$38	\$47
	1 <sup>st</sup> Twilight	\$24	\$26	\$35
	2 <sup>nd</sup> Twilight	\$18	\$20	\$29
	Super Twilight	\$14	\$16	\$25
#1 Weekday	Regular Rate	\$24	\$26	\$35
	1 <sup>st</sup> Twilight	\$18	\$20	\$29
	2 <sup>nd</sup> Twilight	\$16	\$18	\$27
	Super Twilight	\$12	\$14	\$23
	Sr./Jr.	\$16	\$18	\$27
#2 Weekend	Regular Rate	\$28	\$32	\$41
	1 <sup>st</sup> Twilight	\$18	\$20	\$29
	2 <sup>nd</sup> Twilight	\$14	\$16	\$25
	Super Twilight	\$10	\$12	\$21
#2 Weekday	Regular Rate	\$20	\$22	\$31
	1 <sup>st</sup> Twilight	\$14	\$16	\$25
	2 <sup>nd</sup> Twilight	\$12	\$14	\$23
	Super Twilight	\$8	\$10	\$19
	Sr./Jr.	\$14	\$16	\$25

# FY 2011-2012 Golf Fund Revenue

- The green fee survey of area comparable courses shows there is room to increase rates and still remain a good value for golfers.

	Weekday						Weekend				
	Rack	1 <sup>st</sup>	2 <sup>nd</sup>	Super	Sr.	Jr.		Rack	1 <sup>st</sup>	2 <sup>nd</sup>	Super
<i>SP Course 1 (Proposed)</i>	\$35	\$29	\$27	\$23	\$27	\$18		\$47	\$35	\$29	\$25
<i>SP Course 2 (Proposed)</i>	\$31	\$25	\$23	\$19	\$26	\$16		\$41	\$29	\$25	\$21
Firewheel (Old& Lakes)	\$39	\$33	\$28	\$26	\$26	\$13		\$47	\$40	\$30	\$28
Firewheel (Bridges)	\$51	\$45	\$35	\$23.5	\$31			\$57	\$47	\$41	\$23.5
Chase Oaks	\$39	\$29		\$19	\$25			\$49	\$32		\$22
Indian Creek (Creeks)	\$53	\$43	\$33		\$37	\$18		\$63	\$53	\$33	
Indian Creek (Lakes)	\$43	\$33	\$28		\$31	\$18		\$52	\$42	\$31	
Grapevine	\$45	\$34			\$31	\$16		\$50	\$36		
Iron Horse	\$44	\$34	\$24		\$34	\$16		\$54	\$44	\$29	
Tenison Highlands	\$48	\$37		\$30	\$33	\$20		\$56	\$42		\$35
Average	\$43	\$34	\$28	\$23	\$30	\$17		\$52	\$40	\$31	\$26

# FY 2011-2012

## Golf Fund Expenditures

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- Expenditures Increase - \$66,069
  - Personal Services will increase \$70,093 and includes:
    - Step Pay Plan
    - Merit based 2.0% increase for employees who've been at the top of their range and have received no adjustment in at least one year.
    - City contribution to CORPlan
    - Increase in part-time workers for continued course maintenance.
  - Professional Services increases \$1,533
  - Maintenance increases \$1,508
  - Contracts increases \$10,595
  - Supplies increase \$4,645
  - Capital decreases (\$19,459)
  - Debt Service of \$542,000
    - General Fund debt support is provided in Allen, Garland, Grapevine, Grand Prairie, and Plano

# History of DMN Rankings

2011	Course #1	#1 in the state in the economy priced course category
	Course #2	#8 in the state in the economy-priced course category
2010	Course #1	#10 in the state in the mid-priced course category
	Course #2	#10 in the state in the economy-priced course category
2009	Course #1	#6 in the state in mid-priced course category Ranked in the top 100 golf course in the state (public and private) Ranked #38 in top 50 public courses in the state
	Course #2	#7 in the state in economy-priced course category
2008	Course #1	#89 in the top 100 golf courses in the state (public and private) #32 in the state for non-private golf courses #4 in the state in the Mid-Priced Course Category
	Course #2	#4 in the state in the Economy-Priced Course Category
2007	Course #1	#8 in the state in the Mid-Priced Course Category
	Course #2	#12 in the state in the Economy-Priced Course Category
2006	Course #1	#7 in the state in the Economy-Priced Course Category 5 <sup>th</sup> best "bang for your buck" in the DFW area 13 <sup>th</sup> best daily fee course in DFW
	Course #2	#22 in the state in the Economy-Priced Course Category 4 <sup>th</sup> best "bang for your buck" in the DFW area
2005	Course #1	#9 in the state in the Economy-Priced Course Category
	Course #2	#22 in the state in the Economy-Priced Course Category
2004	Course #2	#9 in the state in the Economy-Priced Course Category
2003	Course #1	#4 in the state in the Municipal Category
2002	Course #1	#5 in the state in the Municipal Category

# 2011-2012 Budget

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## Closing Comments and Next Steps

# Closing Comments

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- The pace of economic change continues to be forecasted as a gradual, multi-year effort.
  - Our local pace and expectations will need to be managed accordingly.
  - Budgetary adjustments need to be prudent and strategic
- We continue to use this economic climate to reinforce our Richardson advantages:
  - Articulate community goals, plans and mission focus
  - Stable local government with credible, financial soundness reflected in our AAA Bond Rating.
  - Quality & reliable public services and committed public workforce
  - Progressive municipal goals supporting renewal and enhanced neighborhood and commercial investment
  - Supportive and attentive economic development efforts



# Next Steps

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- Further opportunities to provide access and to gain public input are scheduled before final adoption.
  - City Council Budget Retreat, July 19-20, 2011 – Web/Cable Access
  - Council Budget Work Session, August 15, 2011 – Web/Cable Access
  - Web, City Secretary & Library copies of the filed budget provided
  - Budget Public Hearing-August 29, 2011
  - Adoption on September 12, 2011

## □ *Stay Focused*

