PROPOSED BUDGET OVERVIEW
FISCAL YEAR 2019/20

APRIL 1, 2019
CITY OF MESA

Presented by:
Candace Cannistraro, Management and Budget Director
Brian Ritschel, Deputy Management and Budget Director
The FY 19/20 Proposed Budget continues the City’s effort to create and maintain a great place to live, work and play.

The key to financial sustainability is the balance between meeting the needs of today and preparing for the growth and opportunities of tomorrow.
Innovation

• Data Driven Decisions to ensure effective, efficient, and sustainable services
  • FY19/20 proposed budget includes:
    • Information Technology Engineers
    • Information Technology Analysts
    • Crime Analyst
    • GIS Specialists/Technicians

• Innovation Studios Building Remodel Design
Community Safety - Police

General Governmental
- Crime Scene Supervisors (2)
- Training Coordinator (1)
- Information Technology Analyst (1)
- Police Officer (4)*
- Risk management support (1)*
- Media Relations Specialist*
- 911 Operator/Dispatcher (5)*

Public Safety Sales Tax
- Sworn positions (17)
- Civilian positions (8)

*Implemented mid-year FY 18/19
Community Safety - Fire and Medical

General Governmental
- GIS Technician (1)
- Fire Recruit Academy ($800,000)
- $1.5M placeholder for training/coverage
- Medic Units/Transport (8)*
- Parts & Supply Assistant (1)*

Public Safety Sales Tax
- 2 Medical Response Units (MRUs) (16 positions)*

*Implemented mid-year FY 18/19
Transforming Neighborhoods

• Neighborhood leadership program
  • Provide neighborhood leaders/residents education on various resources

• Identification and removal of illegal dumping on City property or right-of-way
  • 2 new positions and related equipment in Transportation Department
  • Work in conjunction with the Code Compliance Office
• Streets
  • LED Street lights

• Facilities
  • Cooperative Energy Management Program

• Utilities
  • Advance Metering Infrastructure (AMI)

• Public Safety
  • Real-time Crime Center
  • Fire Service Analytics
March – April 2020 Self Response Begins and Postcards Mailed to Homes

April 1, 2020: Census Day

May – July 2020: Enumerators Visit Non-Responsive Homes

August – October 2020: Mesa’s Taskforce Disbands, Final Report to Council
MAG Census Regional Marketing Campaign ($106,700)

Census Track Force, marketing, education, and community outreach ($50,000)
Fiscal Year 2018/19
General Governmental Funds Budget by Department $445.4M*
## FY 19/20 Proposed Budget

### General Governmental Funds

**City of Mesa**

*Updated 3/28/2019*

<table>
<thead>
<tr>
<th></th>
<th>Actuals FY 17/18</th>
<th>Budget FY 18/19</th>
<th>Projected FY 18/19</th>
<th>Forecast FY 19/20</th>
<th>Forecast FY 20/21</th>
<th>Forecast FY 21/22</th>
<th>Forecast FY 22/23</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning Reserve Balance</td>
<td>$100.9</td>
<td>$92.3</td>
<td>$100.4</td>
<td>$86.2</td>
<td>$78.3</td>
<td>$68.7</td>
<td>$55.6</td>
</tr>
<tr>
<td>Total Sources</td>
<td>$425.0</td>
<td>$432.5</td>
<td>$440.4</td>
<td>$445.7</td>
<td>$450.8</td>
<td>$456.3</td>
<td>$465.3</td>
</tr>
<tr>
<td>Total Uses</td>
<td>$422.5</td>
<td>$447.3</td>
<td>$451.6</td>
<td>$452.6</td>
<td>$460.4</td>
<td>$469.4</td>
<td>$485.7</td>
</tr>
<tr>
<td>Net Sources and Uses</td>
<td>$2.6</td>
<td>($14.7)</td>
<td>($11.2)</td>
<td>($6.9)</td>
<td>($9.6)</td>
<td>($13.1)</td>
<td>($20.4)</td>
</tr>
<tr>
<td>Future Economic Correction</td>
<td>($3.0)</td>
<td>($3.0)</td>
<td>($3.0)</td>
<td>($1.0)</td>
<td>$0.0</td>
<td>$0.0</td>
<td>$7.0</td>
</tr>
<tr>
<td>Ending Reserve Balance</td>
<td>$100.4</td>
<td>$74.6</td>
<td>$86.2</td>
<td>$78.3</td>
<td>$68.7</td>
<td>$55.6</td>
<td>$42.2</td>
</tr>
<tr>
<td>Ending Reserve Balance Percent*</td>
<td>22.1%</td>
<td>16.4%</td>
<td>19.0%</td>
<td>17.0%</td>
<td>14.6%</td>
<td>11.4%</td>
<td>8.4%</td>
</tr>
</tbody>
</table>

*As a % of all Next Year's uses of funding

Note: Includes economic correction beginning FY 20/21

Dollars in Millions
## Enterprise Net Sources and Uses

### FY 19/20 Proposed Budget

<table>
<thead>
<tr>
<th></th>
<th>FY 17/18 Actuals</th>
<th>FY 18/19 Budget</th>
<th>FY 18/19 Projected</th>
<th>FY 19/20 Forecast</th>
<th>FY 20/21 Forecast</th>
<th>FY 21/22 Forecast</th>
<th>FY 22/23 Forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>WATER</td>
<td>$12.0</td>
<td>($3.8)</td>
<td>$2.7</td>
<td>($4.8)</td>
<td>($2.6)</td>
<td>($9.5)</td>
<td>($11.4)</td>
</tr>
<tr>
<td>WASTEWATER</td>
<td>$2.4</td>
<td>($1.6)</td>
<td>$4.0</td>
<td>$0.9</td>
<td>($0.7)</td>
<td>$3.7</td>
<td>$5.8</td>
</tr>
<tr>
<td>SOLID WASTE</td>
<td>$2.6</td>
<td>($0.9)</td>
<td>($0.2)</td>
<td>($0.9)</td>
<td>($0.1)</td>
<td>($0.1)</td>
<td>$1.3</td>
</tr>
<tr>
<td>ELECTRIC</td>
<td>$2.7</td>
<td>$0.9</td>
<td>$2.3</td>
<td>$1.2</td>
<td>$0.3</td>
<td>($0.5)</td>
<td>($0.6)</td>
</tr>
<tr>
<td>NATURAL GAS</td>
<td>$2.8</td>
<td>$1.4</td>
<td>$3.8</td>
<td>$2.4</td>
<td>$1.9</td>
<td>($1.1)</td>
<td>($1.0)</td>
</tr>
<tr>
<td><strong>Subtotal: Utilities</strong></td>
<td>$22.5</td>
<td>($4.0)</td>
<td>$12.6</td>
<td>($1.2)</td>
<td>($1.2)</td>
<td>($7.5)</td>
<td>($6.0)</td>
</tr>
<tr>
<td>DISTRICT COOLING</td>
<td>$0.4</td>
<td>$0.4</td>
<td>$0.4</td>
<td>$0.3</td>
<td>$0.3</td>
<td>$0.2</td>
<td>$0.2</td>
</tr>
<tr>
<td>CONVENTION CENTER</td>
<td>($1.5)</td>
<td>($2.0)</td>
<td>($2.0)</td>
<td>($1.9)</td>
<td>($1.3)</td>
<td>($1.6)</td>
<td>($1.8)</td>
</tr>
<tr>
<td>GOLF</td>
<td>($0.3)</td>
<td>($1.0)</td>
<td>($0.7)</td>
<td>($1.2)</td>
<td>($0.8)</td>
<td>($1.0)</td>
<td>($0.8)</td>
</tr>
<tr>
<td>CUBS SPRING TRAINING</td>
<td>($0.7)</td>
<td>($1.6)</td>
<td>($1.3)</td>
<td>($1.2)</td>
<td>($1.5)</td>
<td>($1.3)</td>
<td>($1.3)</td>
</tr>
<tr>
<td>HOHOKAM-FITCH</td>
<td>($1.6)</td>
<td>($1.2)</td>
<td>($1.2)</td>
<td>($1.2)</td>
<td>($1.2)</td>
<td>($1.3)</td>
<td>($1.3)</td>
</tr>
<tr>
<td><strong>Subtotal: Other Enterprises</strong></td>
<td>($3.7)</td>
<td>($5.3)</td>
<td>($4.8)</td>
<td>($5.1)</td>
<td>($4.6)</td>
<td>($5.0)</td>
<td>($5.0)</td>
</tr>
<tr>
<td><strong>TOTAL NET SOURCES AND USES</strong></td>
<td>$18.8</td>
<td>($9.3)</td>
<td>$7.9</td>
<td>($6.3)</td>
<td>($5.8)</td>
<td>($12.4)</td>
<td>($11.0)</td>
</tr>
</tbody>
</table>

**Beginning Reserve Balance**

|                     | $92.7            | $111.5         | $111.5           | $119.4           | $131.1           | $107.3           | $94.8            |

**Ending Reserve Balance**

|                     | $111.5           | $102.3         | $119.4           | $113.1           | $107.3           | $94.8            | $83.8            |

**Ending Reserve Balance Percent**

|                     | 29.9%            | 25.9%          | 30.3%            | 27.9%            | 25.3%            | 21.6%            | 18.5%            |

*As a % of Next Fiscal Year's Expenditures

Dollars in millions
Budget Process Calendar

- **April 2**: FY 18/19 Proposed Budget Overview
- **April 4**: FY19/20 CIP Overview
  - Fire and Medical
- **April 11**: Police
- **April 15**: Environmental Management & Sustainability
  - Development Services
- **April 18**: Water Resources
  - Energy Resources
- **April 25**: Code Compliance
  - Transportation
  - Transit
  - PRCF
Budget Process Calendar Continued

- **May 2**
  - Community Services
  - Library
  - Arts and Culture

- **May 7**
  - Introduction of Utility Rate Ordinances

- **May 20**
  - Adoption of Five-Year Capital Improvement Program
  - Tentative Adoption of Annual Budget

- **June 3**
  - Public Hearing on Annual Budget and Secondary Property Tax Levy
  - Final Adoption of Annual Budget

- **June 17**
  - Adoption of Secondary Property Tax Levy