City of Mesa

FY 14/15 Final Budget Summary

May 19, 2014

Presented by the Office of Management and Budget
The FY 14/15 Budget is Balanced

Forecasted expenditures are within forecasted resources

The final budget continues the City of Mesa’s commitment to providing quality services to residents in a fiscally responsible manner

The City continues to prioritize public safety, quality service, investment in City employees and investment in the community
Final Budget Summary

The final budget total for the City of Mesa is $1.340B

The operating portion of the budget is $997,315,000
  Includes $64,501,000 in contingency
  Includes $48,957,000 in carry-over

The Capital Improvement Program is $342,685,000
  Includes carry-over of $117,277,000
The FY 14/15 budget holds the line set by the budget adopted in FY 13/14 but areas in need were still able to be addressed

- Assistance to Human Services funding was increased $100,000
- A utilities payment assistance program will be started providing $50,000 to Mesa residents in need
- Departments realigned existing resources to fully utilize positions, contracts and programs resulting in additional positions with no increase to the budget and creating greater flexibility in use of resources
- Increased cost of positions and inflationary pressures in contracts and vehicle usage are included
## Positions

<table>
<thead>
<tr>
<th>FY 13/14</th>
<th>FY 14/15</th>
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<tbody>
<tr>
<td></td>
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<tr>
<td>Adopted</td>
<td>3,709.6</td>
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<tr>
<td>Mid-Yr</td>
<td>14.1</td>
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<td>Adjusted Total</td>
<td>3,723.7</td>
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Measured in FTE (full-time equivalents)

11.5 new positions were added in 13/14 in response to increased construction activity (offset by additional revenues)

6 new School Resource Officers added in 14/15 (offset by grant)

2 new Code Compliance Officers scheduled for January 2015

8.9 equivalent positions associated with new park and pool improvements (2012 Parks Bond package)

5 new Public Safety Dispatchers in 14/15 (offset by savings)

1.6 equivalent positions for miscellaneous needs throughout the City
Proactive Management

Health insurance rates scheduled to remain at current levels due to cost containment strategies put in place previously.

Employee Wellness Center scheduled to open in Fall 2014 providing benefit to the employees and their families, encouraging preventative healthcare and diverting future medical claim costs.

Investment in body cameras for Police Officers to improve incident recording and decrease future filing of claims.

Solid Waste modification of service delivery model to decrease driving time and transition to compressed natural gas to save cost.

Alignment of rates, fees and charges to cost of providing service.
Investment in Mesa

Continued construction of new and enhanced parks as approved by Mesa voters in 2012

Light Rail expansion through downtown Mesa with additional plans to continue to Gilbert Rd.

Continued commitment to spring training resulting in the addition of a second major league team

Inclusion in the Capital Improvement Program the capacity to service new utility customers in the growth area of southeast Mesa
The first year of the 5 year Capital Improvement Program (CIP) is included in the FY 14/15 annual budget.

The CIP is a plan of identified projects with associated funding sources.

The City is not obligated to a project by inclusion within the CIP. Each project is considered individually by the City Council during the year.

Projects brought individually before City Council have funding identified sufficient to cover the entire project regardless of the length of time for completion.
Dedicated Capital Funding

Major construction projects are typically funded with dedicated resources like:

- Utility Revenue Bonds – Approved by voters and repaid through rates applied to customers using the services

- General Obligation Bonds – Approved by voters and repaid through a secondary property tax
  - FY 13/14 levy was $22.1M
  - Mesa voters approved additional projects in 2013 resulting in a FY 14/15 levy of $33.4M

- Regional Funding

- Grant Funding
The FY 14/15 budget does not allow the City to address the backlog of needs considered to be lifecycle or infrastructure replacements

- The contributions to the vehicle replacement fund do not address the full annual need nor do they allow for a reserve balance to mitigate future years where needs may spike
- The aging of buildings, technology, equipment etc. requires scheduled upgrades/replacement

The City will continue to prioritize the various needs throughout the departments and will utilize funding as it becomes available
Always Looking Forward

During the year, the City will continue to monitor available resources as well as project expenditure requirements.

Care is given to manage on-going expenditures with on-going resources while maintaining sufficient reserve balances.

The City has successfully addressed fluctuations in the economy previously and will continue to be proactive in the future.

The City’s commitment to Performance Excellence continues, ensuring the effective and efficient use of available resources while achieving the goals of the City.