

2015

Budget Overview

After two separate work sessions, two Board meeting presentations and many hours of staff preparation, we are pleased to present our proposed financial plan for 2015. Overall, our future fiscal condition continues to trend in a positive direction.

Our Capital Improvement Plan for 2015 calls for extensive reliance on grant funding. The golf course irrigation project is contingent upon receipt of a \$525,000 Municipal Parks grant. The Henry Road resurfacing, Ries and Ramsey culvert work are dependent upon 80% Federal reimbursement. The TIF budget allocation and the Pointe mechanical systems financing are based on commitments that were made as a result of prior legal obligations. The Pointe debt will be paid in full in February 2017, while the TIF obligation continues until 2022. We expect to end this year with a capital fund balance of \$493,006. We will need to apply \$294,532 from this fund balance to achieve budget balance in 2015.

The Federal Asset Seizure fund includes \$86,463 for high definition in-car cameras and support hardware for police patrol vehicles, requiring an application of \$88,400 from fund balance. Software, installation and training expenses associated with the camera systems are included in the Operating budget. The Sewer Lateral fund also relies on a minor supplement from reserves to achieve balance in 2015.


On the Operating side, next year we are projecting a 3.5% revenue increase over our 2014 amended budget. Sales tax estimates reflect a conservative 2% uptick. Utility gross receipts are our second biggest generator and mixed results are expected. Electric continues to climb while telephone remains in a steady decline thanks to the popular trend of eliminating land lines. Most other revenue sources look to be trending in a slightly positive direction.

Expenditures are anticipated to increase over the original 2014 budget by 3.4%, and by 5.3% over the amended budget, excluding the transfer of \$1,975,326 in

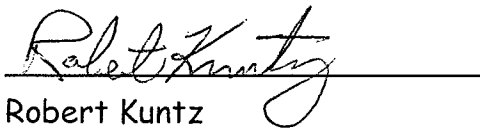
2014 to Capital for the Pointe mechanical systems. We have plugged in a 3% merit pay potential and \$69,000 for compression adjustments but there are no other changes in terms of number of employees or benefits. Based on recent experience, we were forced to budget a higher amount for road salt in 2015. A new brine application process should have a positive impact, over time, in reducing salt usage and overtime pay but it was not taken into account for our 2015 calculations. Similarly, we used 2014 budget unit pricing as the basis for our 2015 fleet fuel consumption rather than current pump prices.

Our only cause for concern is that expenditure commitments for the recreation facility operations are starting to outpace income. This is primarily caused by an aging infrastructure coupled with more intense competition. We will strive to be more creative with marketing and continue to explore energy conservation and operational efficiencies.

In conclusion, 2015 Operating revenues are projected to be \$18,895,555 compared with expenditures totaling \$18,913,764. This will require a small supplement from reserves. The primary reason that positive impact could not be achieved was because a \$140,000 funding commitment was added to reconstruct the New Ballwin Road intersection at Manchester. On a positive note, we estimate a year end surplus of \$415,696. This will boost our unassigned fund balance to \$6,135,800 after we transfer \$1,207,848 to establish a restricted fund for future Government Center improvements.



Denise Keller
Finance Officer



Robert Kuntz
City Administrator

City of Ballwin

Operating Fund

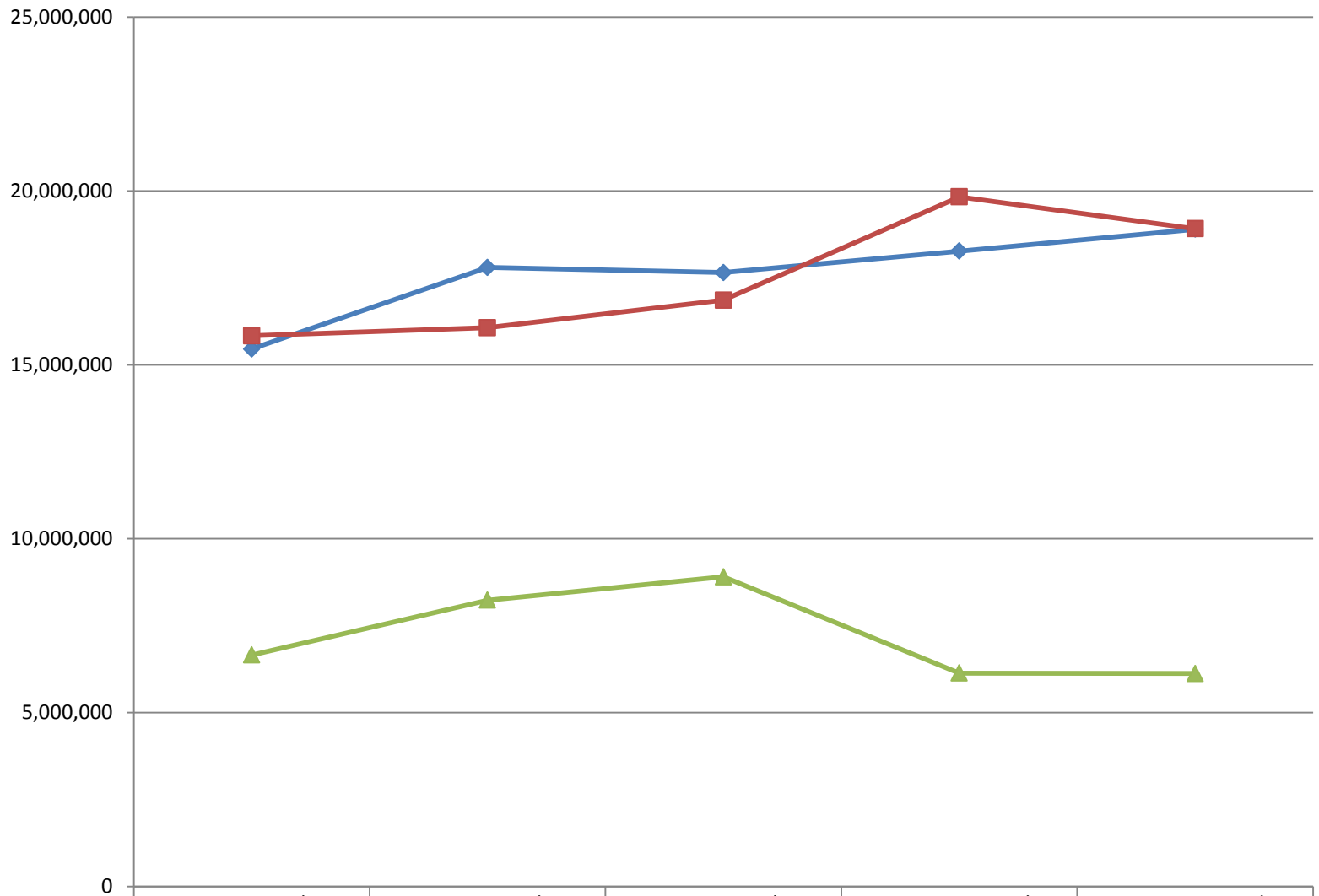
	2013 Actual Amount	2014 Amended Budget	2014 Estimated Amount	2015 Proposed Budget
Revenues	\$ 17,652,240	\$ 18,249,705	\$ 18,267,614	\$ 18,895,555
Expenses:				
Administration	\$ 2,821,579	\$ 4,891,820	\$ 4,866,426	\$ 3,057,212
Public Works	\$ 4,292,866	\$ 4,858,305	\$ 4,844,413	\$ 5,262,429
Police	\$ 5,403,827	\$ 5,615,085	\$ 5,588,670	\$ 5,931,091
Parks and Recreation	\$ 4,340,306	\$ 4,571,655	\$ 4,527,735	\$ 4,663,032
Totals	<u>\$ 16,858,578</u>	<u>\$ 19,936,865</u>	<u>\$ 19,827,244</u>	<u>\$ 18,913,764</u>
Net Surplus/ (Deficit)	\$ 793,662	\$ (1,687,160)	\$ (1,559,630)	\$ (18,209)

Capital Fund

	2013 Actual Amount	2014 Amended Budget	2014 Estimated Amount	2015 Proposed Budget
Revenue Totals	\$ 1,687,855	\$ 3,493,324 *	\$ 3,493,324 *	\$ 1,162,000
Expenses:				
Administration	\$ 420,360	\$ 57,500	\$ 56,903	\$ 28,000
Public Works	\$ 71,451	\$ 583,000	\$ 583,504	\$ 165,500
Parks and Recreation	\$ 943,328	\$ 2,511,564	\$ 2,511,237	\$ 1,263,032
Totals	<u>\$ 1,435,139</u>	<u>\$ 3,152,064</u>	<u>\$ 3,151,644</u>	<u>\$ 1,456,532</u>
Net Surplus/ (Deficit)	\$ 252,716	\$ 341,260	\$ 341,680	\$ (294,532)

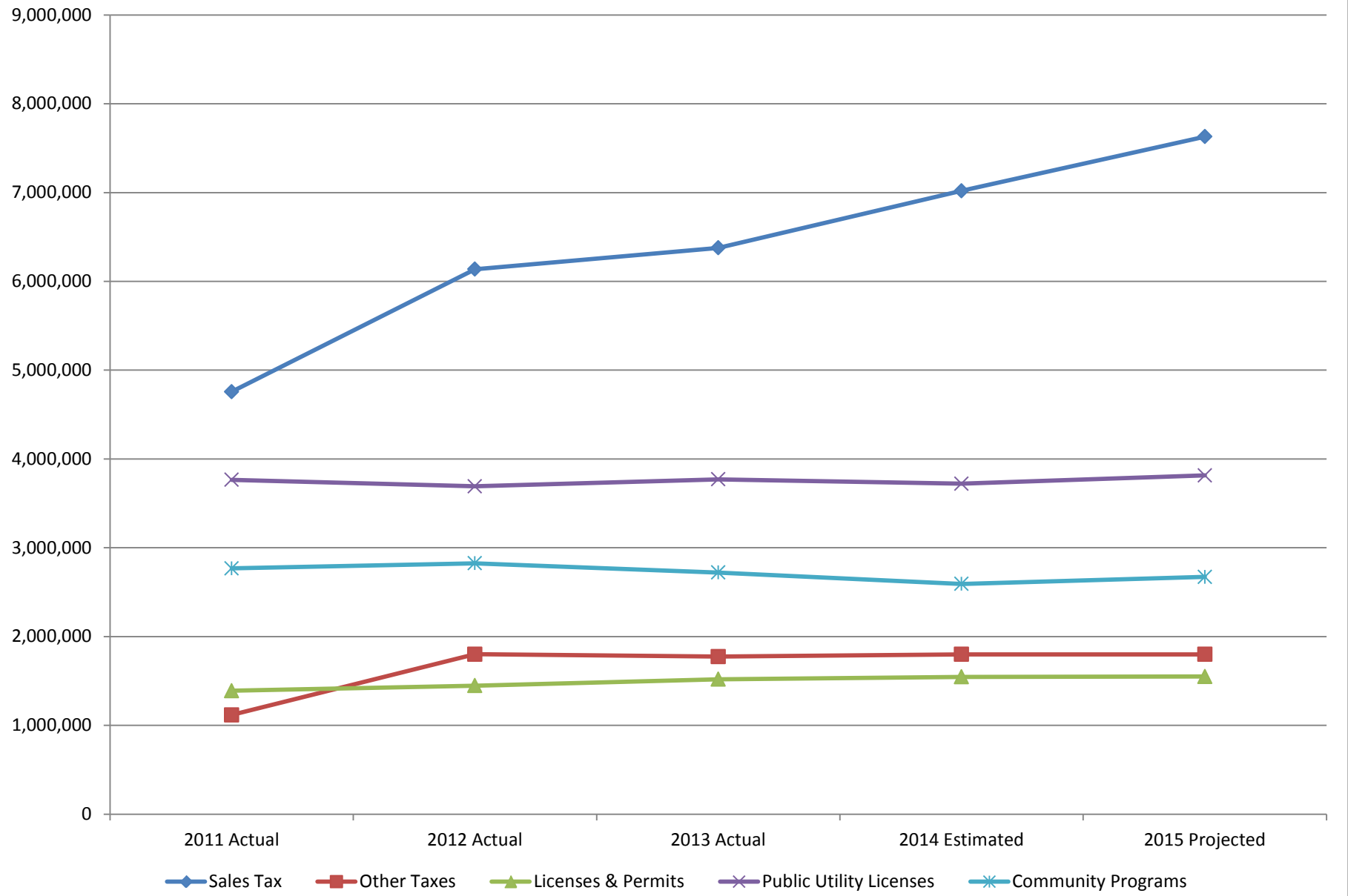
* Includes the transfer of \$1,975,326 from operating fund reserves.

Operating Budget Trends



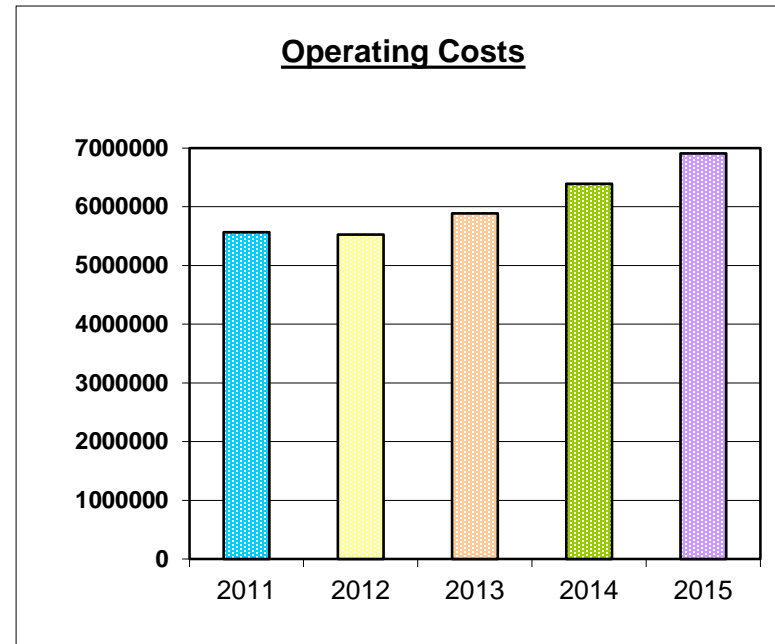
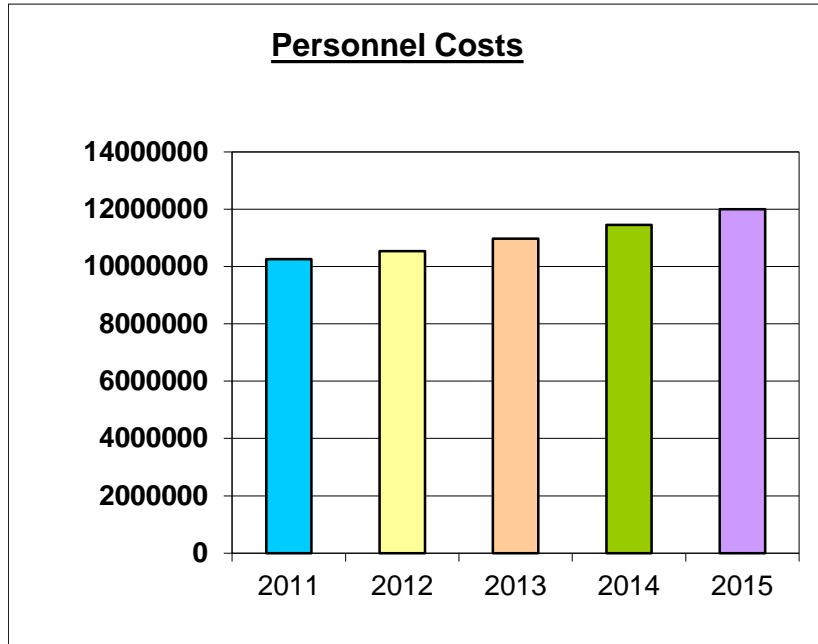
	2011 Actual	2012 Actual	2013 Actual	2014 Estimated	2015 Projected
◆ Revenues	15,455,481	17,799,579	17,652,240	18,267,614	18,895,555
■ Expenses	15,832,590	16,066,143	16,858,578	19,827,244	18,913,764
▲ Unassigned Fund Balance	6,653,674	8,230,761	8,903,281	6,135,803	6,121,785

Operating Revenue Trends



Operating Budget

Five Year Operating History



Year	Fulltime Employee Count	Personnel Costs (Incl P/T)	Percent of Budget	Other Operating Costs	Percent of Budget	Total Budget	
2011	142	\$10,265,936	65%	\$5,566,654	35%	\$15,832,590	Actual
2012	142	\$10,539,397	66%	\$5,526,746	34%	\$16,066,143	Actual
2013	142	\$10,970,768	65%	\$5,887,810	35%	\$16,858,578	Actual
2014	143	\$11,460,000	64%	\$6,391,918	36%	\$17,851,918	Budgeted
2015	143	\$12,004,525	63%	\$6,909,239	37%	\$18,913,764	Budgeted

2015 Budget By Fund

FUND	REVENUES	EXPENSES	TRANSFERS IN/(OUT)	SURPLUS (DEFICIT)	FUND BALANCE 12/31/15
General	18,895,555	18,913,764	0	(18,209)	6,121,785
Capital	1,028,200	1,456,532	133,800	(294,532)	198,474
TIF	1,090,885	0	(1,090,885)	0	0
TDD	128,006	9,850	(118,156)	0	0
Sewer Lateral	296,000	298,500	0	(2,500)	302,113
Federal Asset Seizure	13,100	101,500	0	(88,400)	45,433
P.O.S.T.	7,070	5,000	0	2,070	90,504
All Funds	21,458,816	20,785,146	(1,075,241)	(401,571)	6,758,309