
FY2021 TENTATIVE BUDGET

CITY OF CASA GRANDE
PRESENTATION AND DISCUSSION
JUNE 15, 2020





Mission

To Provide a Safe,
Pleasant Community For All Citizens

Vision

We will leverage the current economic climate, new opportunities and our strong community to improve quality of life, civic pride and quality jobs. Casa Grande's strategic location and strongly motivated City Leadership will honor diversity and provide opportunities for all residents to be successful. By building a sustainable and attractive community we can create a place where people can safely live, work and play.



We are Committed to Service

Serve Casa Grande through a variety of City Services designed to promote quality of life.

Ensure the safety of the community through aggressive public safety efforts and programs.

Respond to the needs of the community by promoting communications and accessibility.

Value the tax dollar and maintain a fiscal policy that keeps taxes low.

Incorporate safeguards to assure fairness and equitable treatment of all citizens.

Continue to evaluate our services and ourselves to ensure quality.

Endeavor to hire the best people we can find and help them develop their abilities.

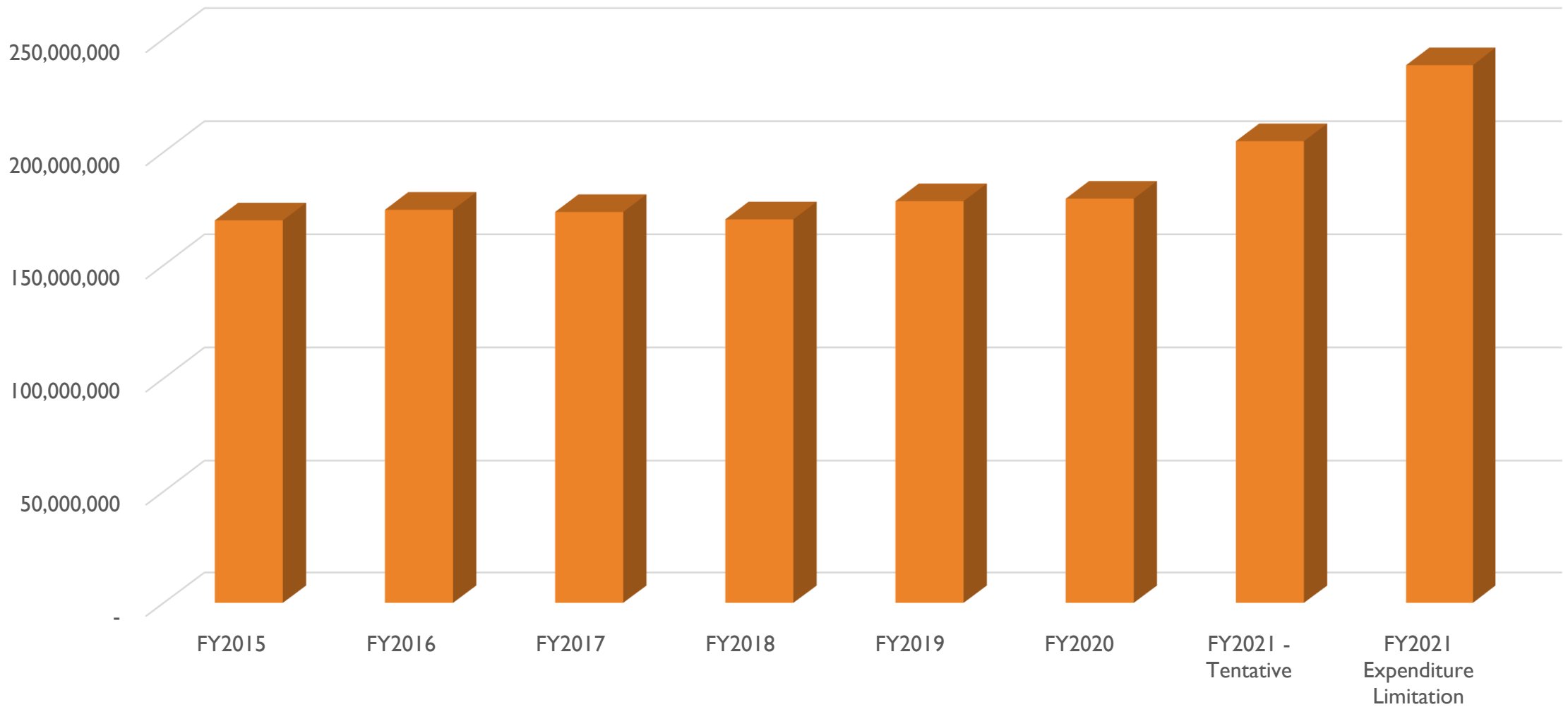
HIGHLIGHTS

- Recommending a tentative budget of \$204,808,497 (including transfers)
- FY2021 Expenditure Limitation of \$238,376,420 (Economic Estimates Commission of the Department of Revenue)
- Maintains current levels of services, with the consideration of internal reallocations to accommodate changes in programs
- NO INCREASES IN TAXES
 - Primary Levy of \$4,270,004 is maximum not requiring a Truth In Taxation Hearing
- Continues \$782,000 dedicated to PSPRS paydown
- Personnel assumptions include merit increases, net increases in Public Safety Personnel and Arizona State Retirement (employer) contributions
- Staffing assumptions include a net increase of ten (10) new partially grant-funded positions (Fire SAFER)
- Seven (7) vacant positions remain authorized, but are not funded (increase of 2 FTE from FY20)
- Includes proposed funding of capital improvement projects totaling \$70.3M
- Assumes downward pressure on most revenue streams due to economic impacts of COVID-19

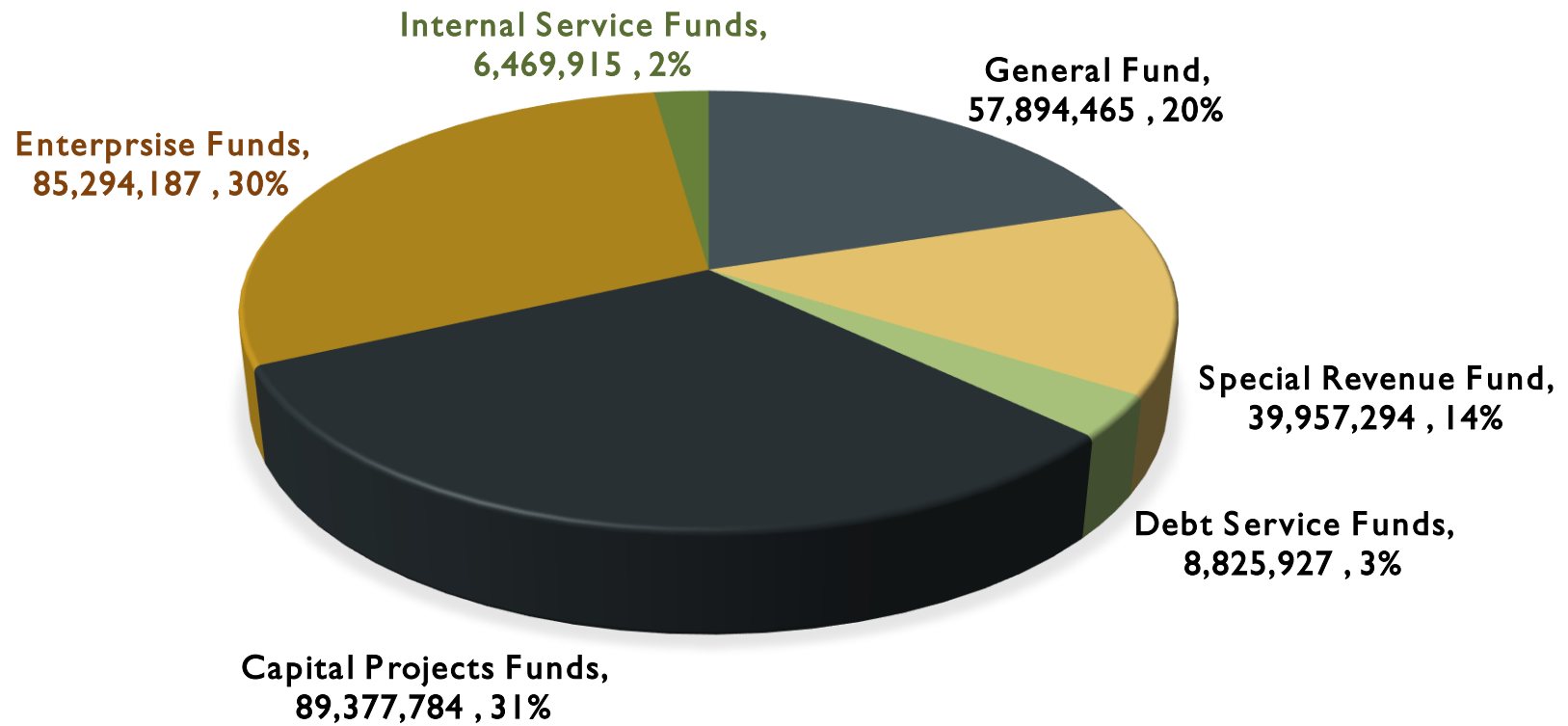
SUMMARY SCHEDULE OF ESTIMATED REVENUES AND EXPENDITURES / EXPENSES

Fiscal Year	S c h	FUNDS									
		General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Permanent Fund	Enterprise Funds Available	Internal Service Funds	Total All Funds		
2020	Adopted/Adjusted Budgeted Expenditures/Expenses*	E	1	49,313,940	22,939,759	6,584,977	63,475,618	0	27,084,689	9,989,211	179,388,194
2020	Actual Expenditures/Expenses**	E	2	39,883,900	5,712,800	3,386,400	5,394,300	0	10,941,800	7,405,600	72,724,800
2021	Fund Balance/Net Position at July 1***		3	37,083,064	15,336,465	3,666,227	62,196,060	0	65,835,400	1,405,074	185,522,289
2021	Primary Property Tax Levy	B	4	4,270,004							4,270,004
2021	Secondary Property Tax Levy	B	5			1,108,799					1,108,799
2021	Estimated Revenues Other than Property Taxes	C	6	45,873,157	25,415,902	70,000	27,181,724	0	20,747,769	5,064,841	124,353,393
2021	Other Financing Sources	D	7	0	0	0	0	0	0	0	0
2021	Other Financing (Uses)	D	8	0	0	0	0	0	0	0	0
2021	Interfund Transfers In	D	9	2,423,007	1,973,504	3,980,901	0	0	0	0	8,377,412
2021	Interfund Transfers (Out)	D	10	4,319,853	2,768,577	0	0	0	1,288,982	0	8,377,412
2021	Reduction for Amounts Not Available:		11								
LESS:	Amounts for Future Debt Retirement:										0
	Maintained Fund Balance for Financial Stability			27,434,914							27,434,914
2021	Total Financial Resources Available		12	57,894,465	39,957,294	8,825,927	89,377,784	0	85,294,187	6,469,915	287,819,572
2021	Budgeted Expenditures/Expenses	E	13	54,869,828	31,290,770	6,508,951	83,123,077	0	23,658,473	5,357,399	204,808,497

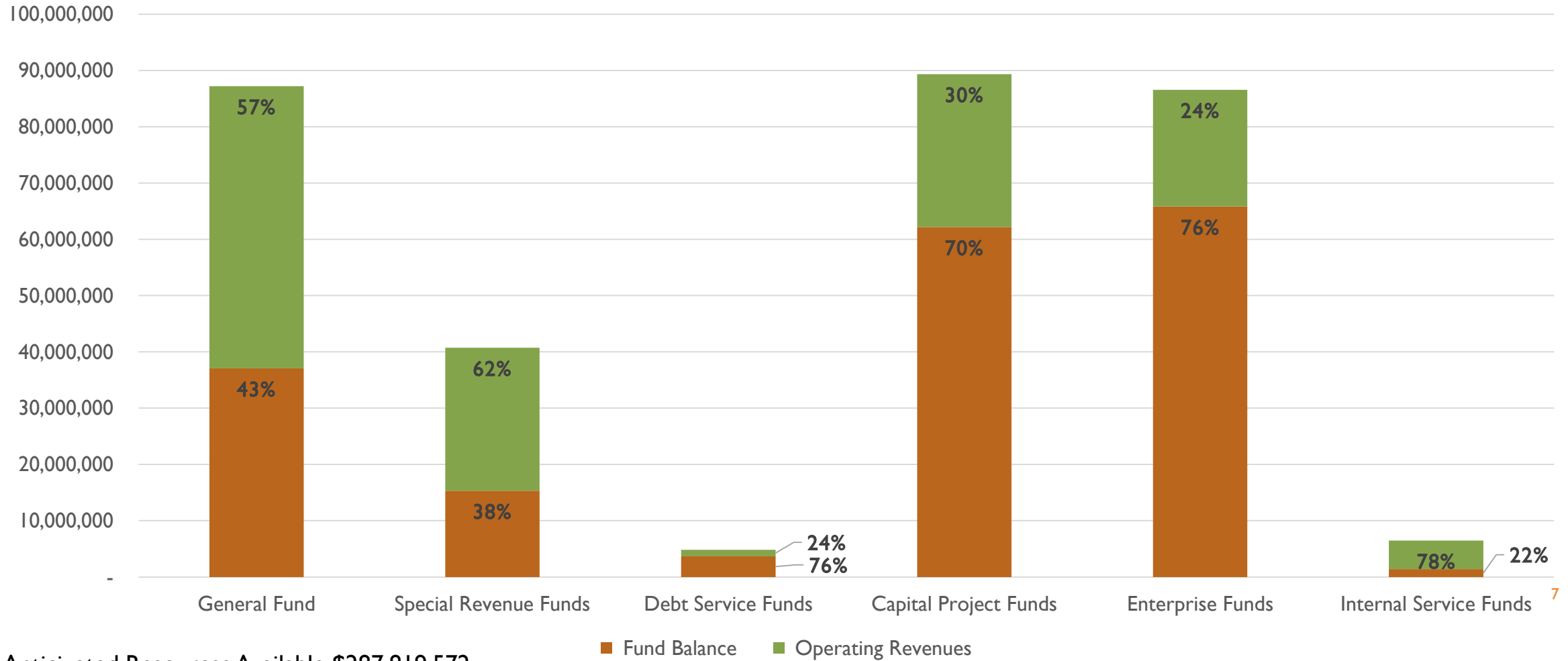
7-YEAR EXPENDITURE BUDGET COMPARISON



TOTAL RESOURCES AVAILABLE

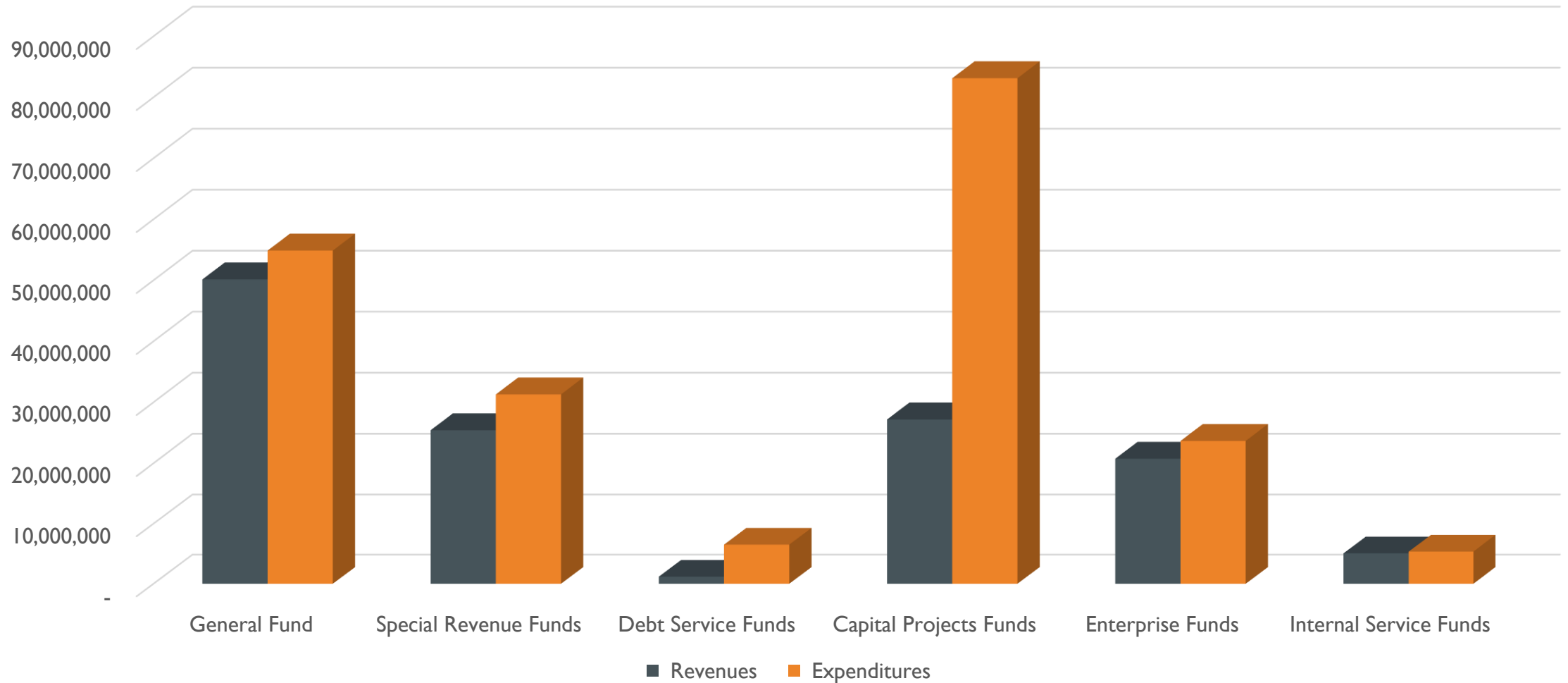


AVAILABLE RESOURCES BY TYPE

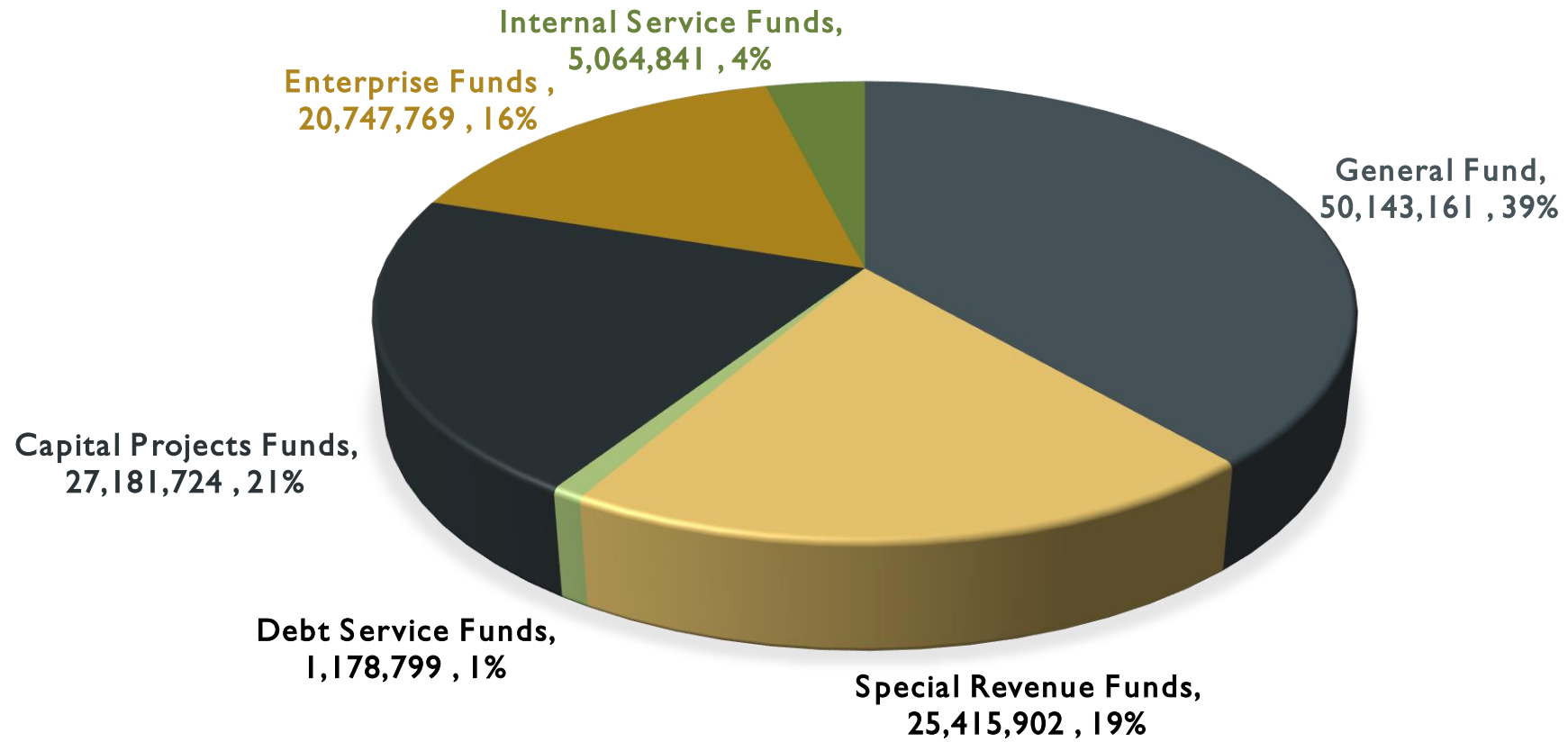


Total Anticipated Resources Available \$287,819,572

OPERATING REVENUES VS. (ALL) EXPENDITURES BY FUND TYPES

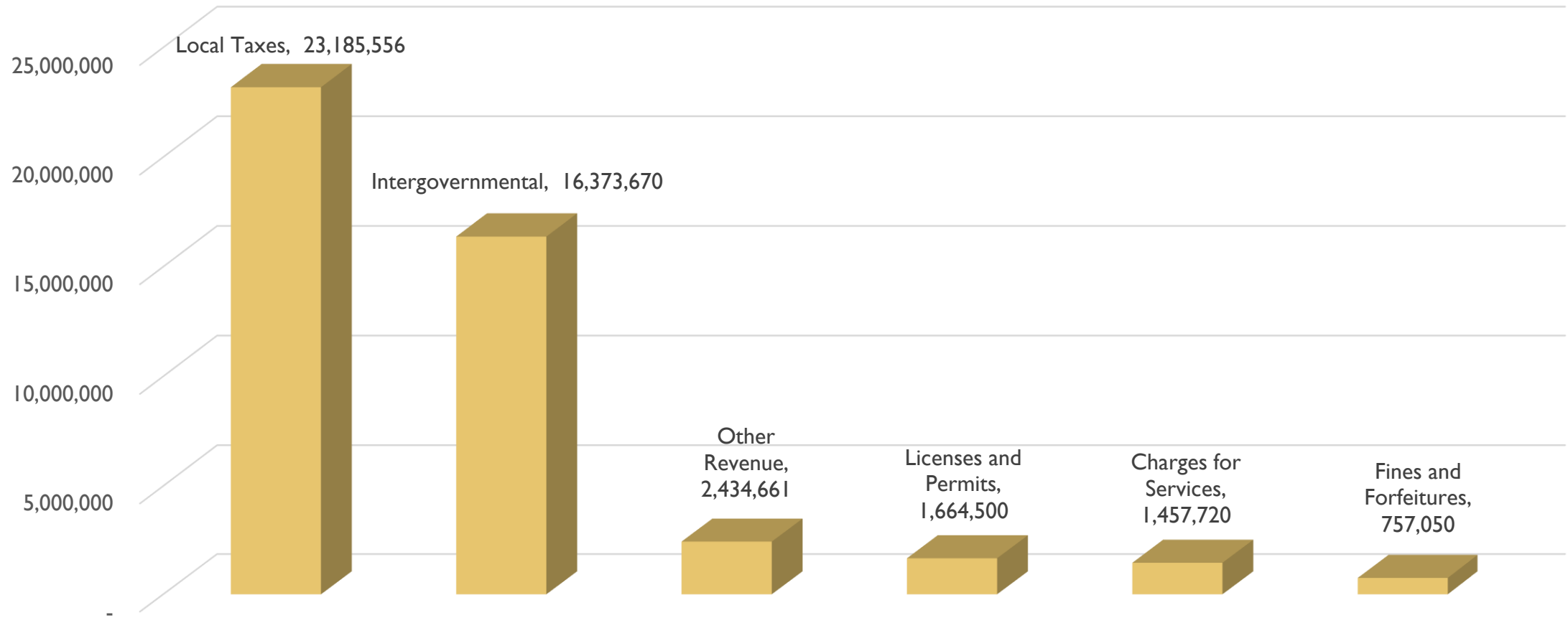


OPERATING REVENUES

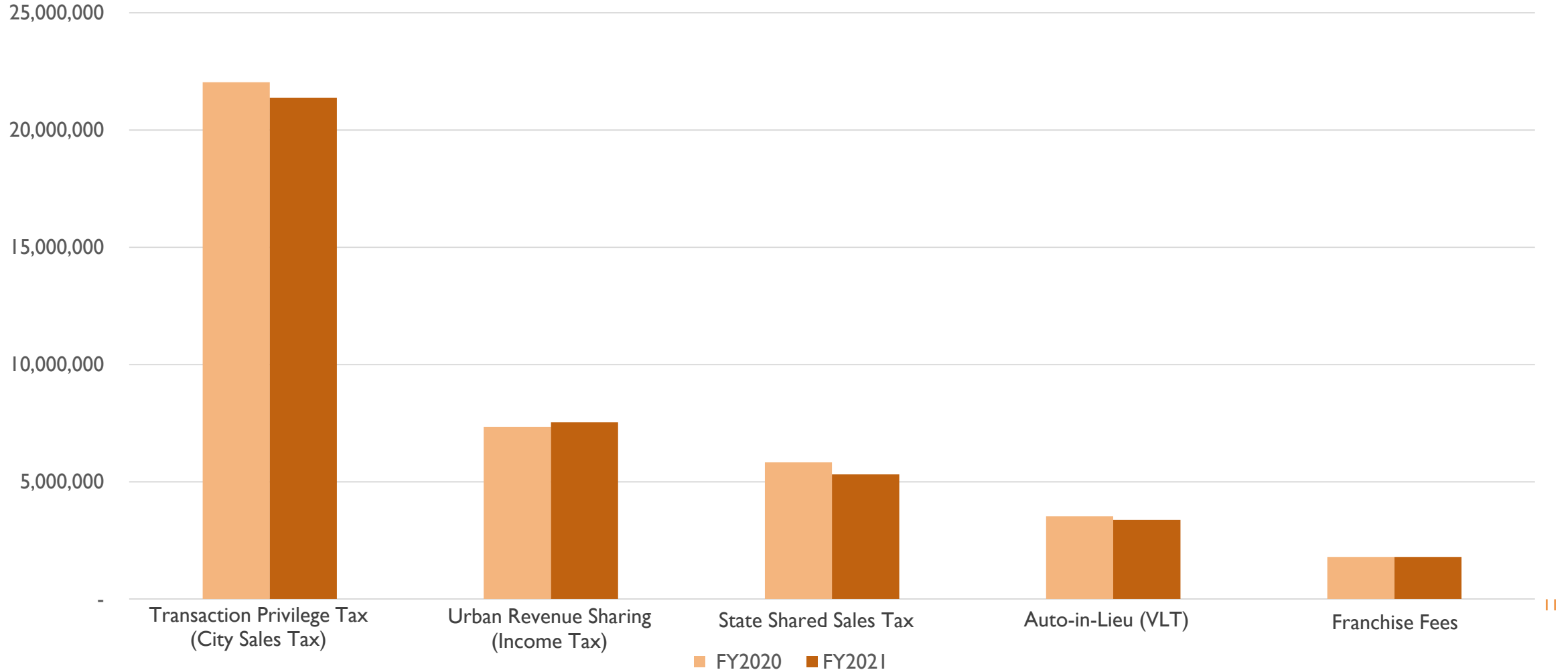


Total Anticipated Operating Revenues \$129,732,196

GENERAL FUND REVENUE BY SOURCE (OTHER THAN PROPERTY)



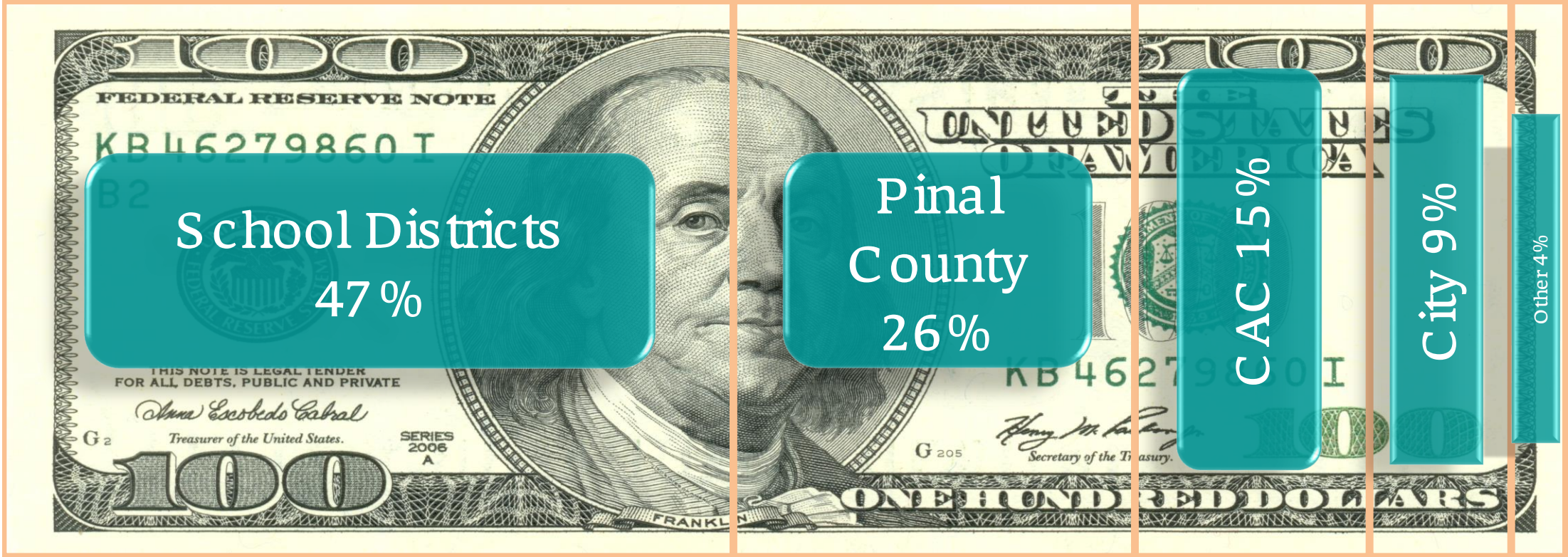
LOCAL TAXES AND INTERGOVERNMENTAL REVENUES



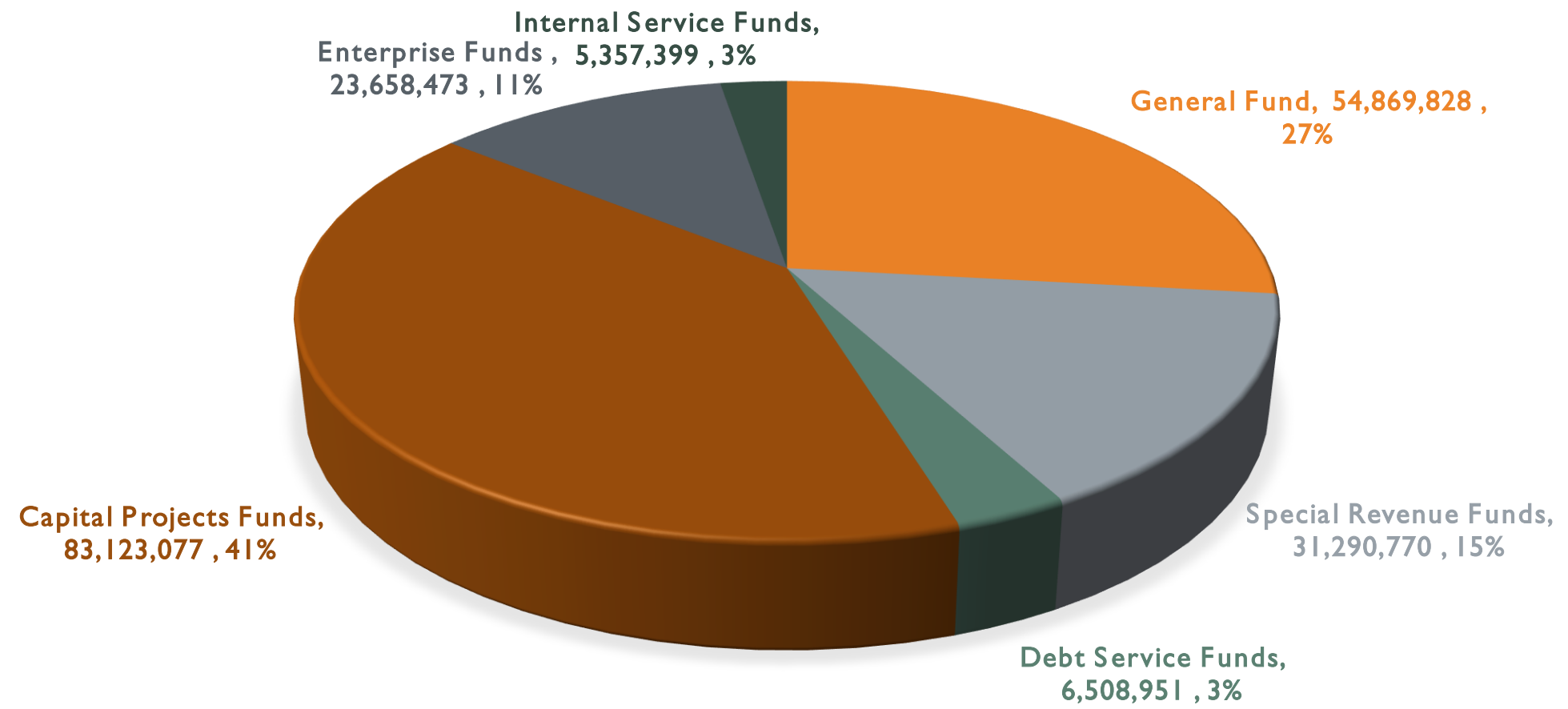
COMBINED PROPERTY TAX RATES

	FY19 (%)	FY20 (%)	FY21 (%)
Primary Property Tax	.9905	1.0606	1.0598
Secondary Property Tax	.6010	.2752	.2752
Total	1.5915	1.3358	1.3350
Combined property tax levy on a home valued at \$100K	159.15	133.58	133.50
Primary Property Tax Levy	3,572,996	4,140,493	4,270,004
Secondary Property Tax Levy	2,130,500	1,074,261	1,108,799
Total	\$5,703,496	\$5,214,754	\$5,378,803

BREAKDOWN – PINAL COUNTY PROPERTY TAX BILL



EXPENDITURES BY FUND TYPE



Total Anticipated Expenditures \$204,808,497

NOTABLE GENERAL FUND IMPACTS

Reductions

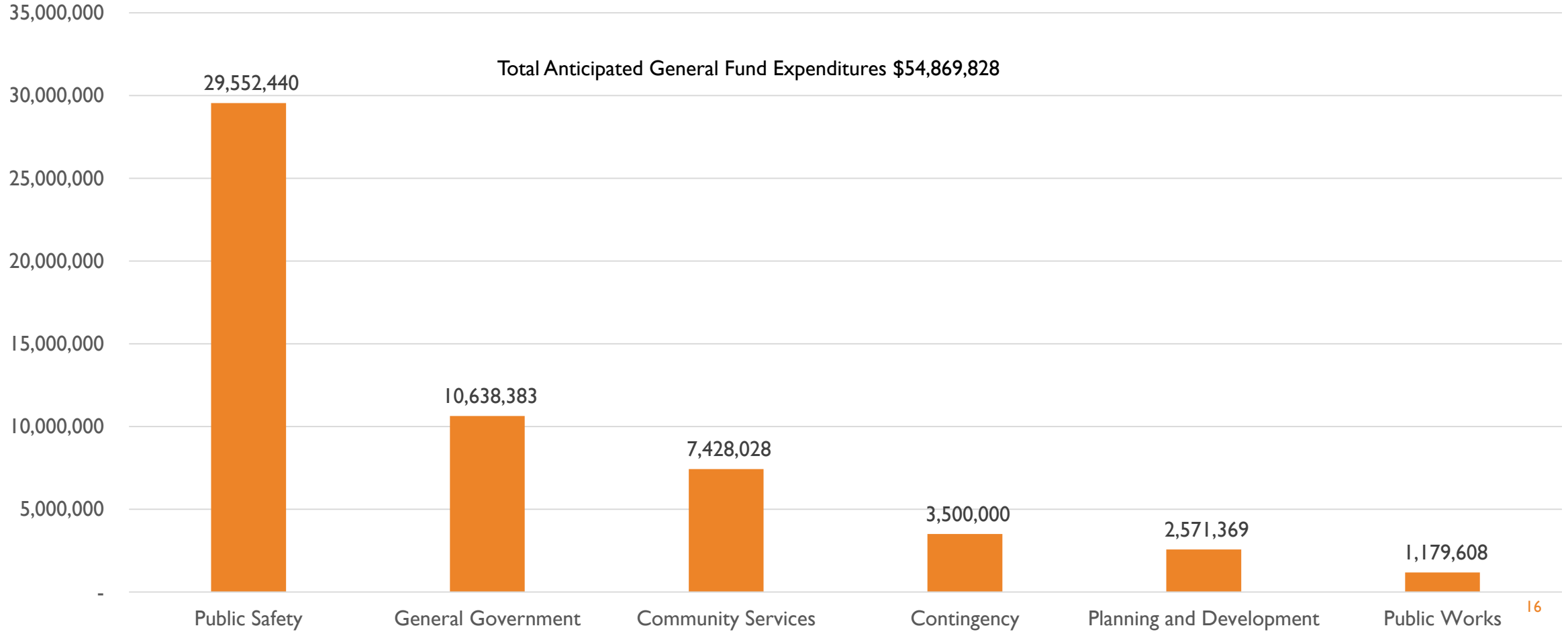
- 49% - Minor Equipment/Computers
- 43% - Consulting (Lower Cost Class/Comp Study)
- 25% - Conferences/Travel/Business Meetings/Food
- 19% - Jail Costs
- 5% - Non-Sworn Wages (7 Vacancies Unfunded)

Increases

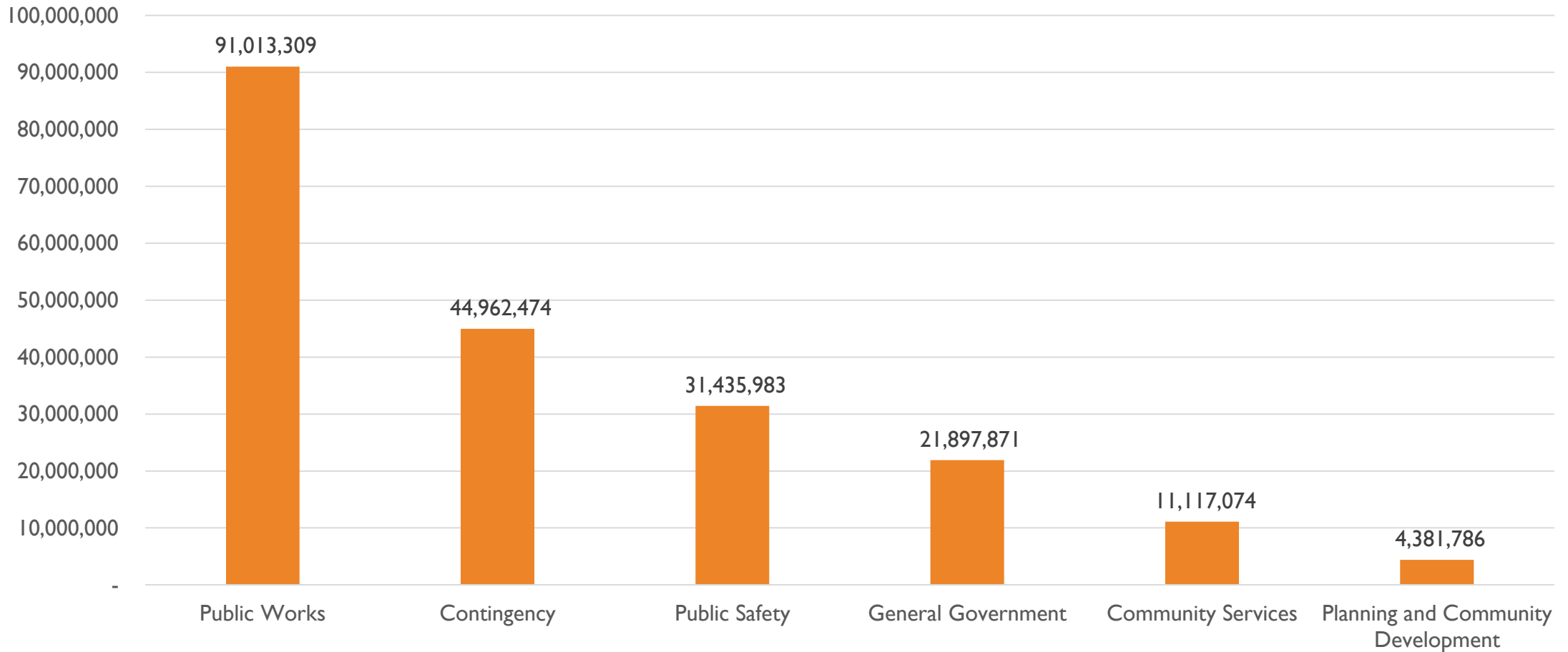
- 175% - PPE
- 85% - Consulting
 - General Plan – 3rd Party Plans Review – Election Expense
- 60% - One-Time Expense (Turnouts)
- 33% - Computer Licensing (O&M transition from CIP)
- 19% - PSPRS Pension
- 8% - Sworn Wages (SAFER Positions)

Overall a \$5.6M increase, inclusive of \$3.5M in Contingency Allocation

GENERAL FUND EXPENDITURES BY SERVICE AREA



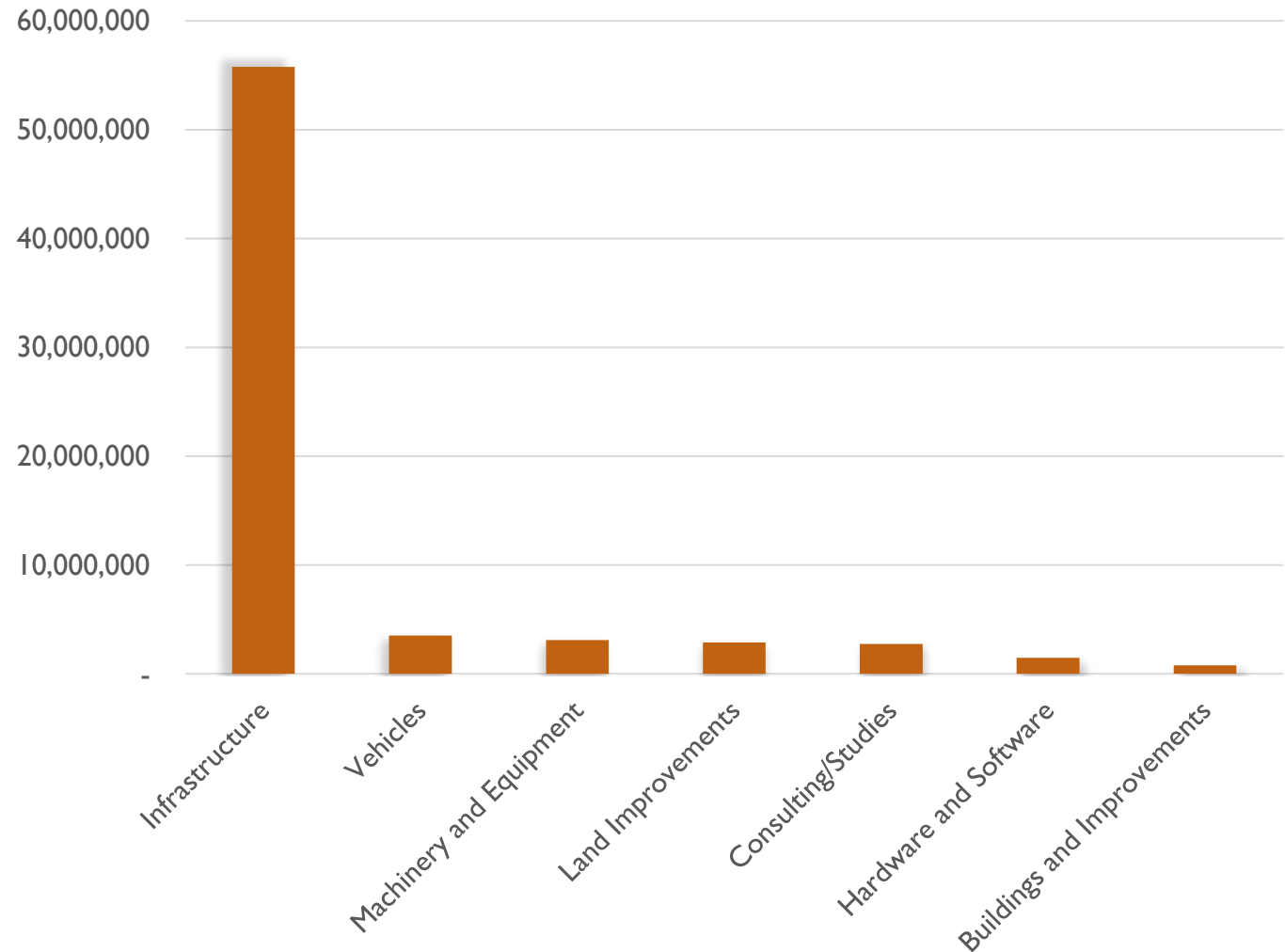
EXPENDITURES BY SERVICE AREA – ALL FUNDS



Total Anticipated Expenditures \$204,808,497

CAPITAL IMPROVEMENT PROJECT HIGHLIGHTS - \$70M PROGRAM

- Thornton Road Widening (36M)
- Multiple Road Improvements (10.2M)
- Sewer Improvements/Expansion (8M)
- Neighborhood Parks/Urban Trails (1.1M)
- Renovation of Vacant Lots – Main (480K)
- Union Pacific Railroad Art Project (85K)
- Evidence Bay Expansion (350K)
- Radio Replacement (410K)
- Patrol Vehicle Cameras (270K)
- Vehicles (3.5M)
- Landfill Machinery and Equipment (950K)
- Financial/HR System Replacement (683K)



AUTHORIZED POSITIONS BY FISCAL YEAR

Department	FY18-19	FY19-20	FY20-21	Change
Mayor and City Council	7.00	7.00	7.00	0.00
City Manager	7.00	7.00	7.00	0.00
City Clerk	5.00	5.00	5.00	0.00
Legal	9.00	9.00	9.00	0.00
Finance and Information Technology	22.00	23.00	23.00	0.00
Human Resources and Risk Management	5.00	5.00	5.00	0.00
Economic Development	2.50	2.50	2.50	0.00
Public Works	103.00	103.00	103.00	0.00
Planning and Community Development	20.00	21.00	21.00	0.00
Community Services	101.6	101.6	101.6	0.00
Communications	19.00	19.00	19.00	0.00
Police	107.50	107.5	107.5	0.00
Fire	62.00	63.00	73.00	10.00
City Court	8.79	8.79	8.79	0.00
Total Funded Positions	479.39	482.39	492.39	10.00

- No New Positions
- Minimal Staff Movements to Facilitate Operations
- Full Year's Cost for SAFER Grant Positions
- 7 FTE Authorized and not funded.
 - All Non-Sworn

PENSION COSTS AND MERIT INCREASES

Public Safety Pension Retirement	Police	Fire
Funded Status	43.50%	52.70%
FY21 Contribution Rate (Tier I and II)	64.49%	47.09%
FY20 Contribution Rate (Tier I and II)	57.00%	46.20%
Increase/Basis Points (%)	7.49%	0.89%
Increase (Decrease) (\$)	\$257,299	\$20,892

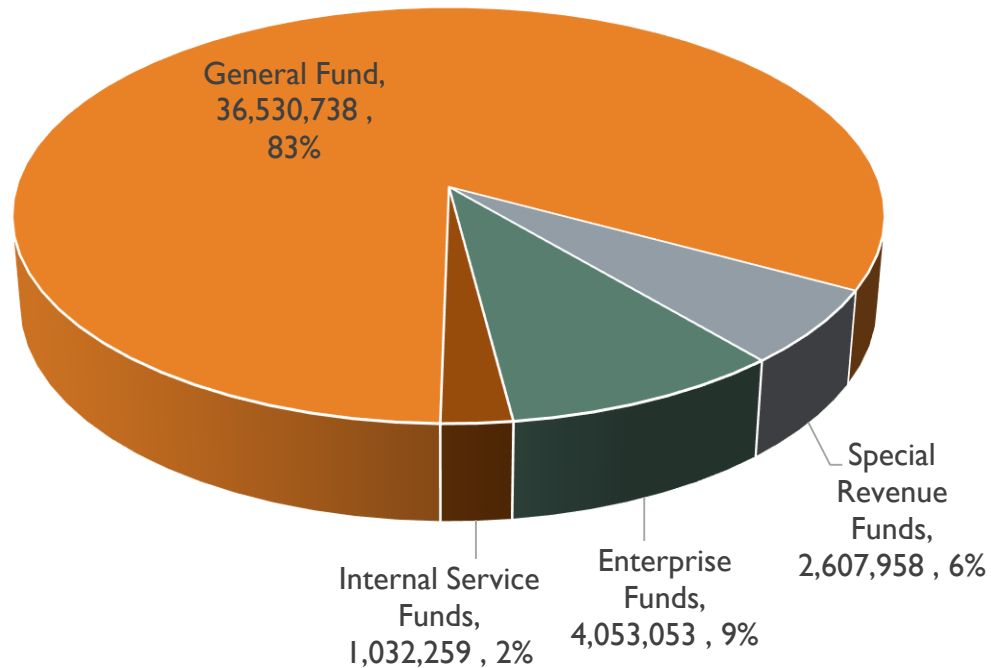
NOTE: FY20 Budgeted at older rate, thus an additional increase from FY20 to FY21 is approx. \$645K.

Arizona State Retirement	Rate
FY21 Contribution Rate	12.22%
FY20 Contribution Rate	12.11%
Increase (%)	0.11%
Increase (\$)	\$33,978

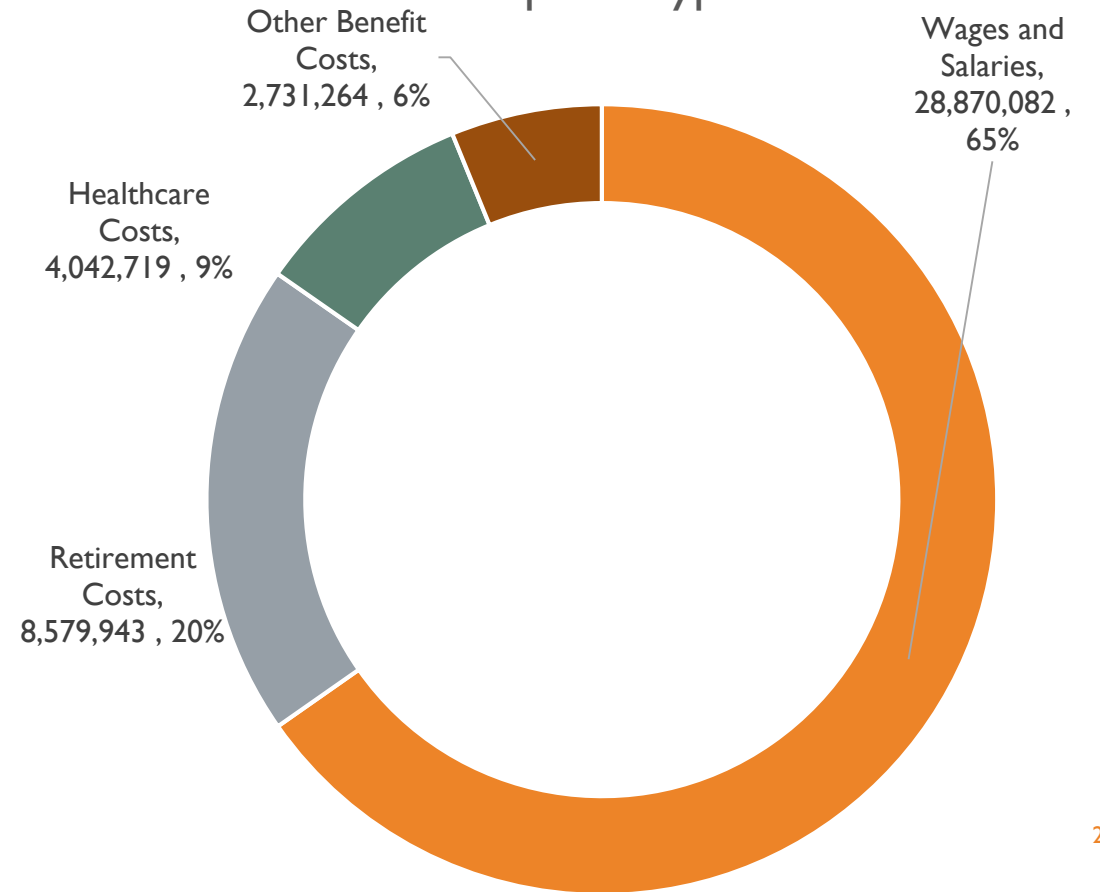
Category	Merit Increase
Wages and Salaries	\$596,596
Pension	179,166
Social Security and Workers Comp	49,248
Total	\$825,010

PERSONNEL EXPENSES

Personnel Expense by Fund Type



Expense Type



Total Anticipated Personnel Costs \$42,946,880

KEY DATES

- Tentative Budget – June 15, 2020 (posted to the City’s Website – June 19, 2020)
- Publication of the FY21 Tentative Budget, Property Tax Levies, and Notice of Public Hearings
 - First Publication - June 19, 2020
 - Second Publication - June 26, 2020
- Public Hearing on FY21 Budget and Property Tax Levy – July 6, 2020
- Special Meeting to Adopt the FY20 Budget – July 6, 2020 (posted to City Website – before July 13, 2020)
- Adopt Property Tax Levy
 - First Reading – July 20, 2020
 - Final Reading – August 3, 2020

CHIEF FISCAL OFFICER DESIGNATION

- State Statutes Requires Council Designation of a Chief Fiscal Officer
 - Necessary to Submit Expenditure Limitation Report
- Request the Appointment of Angele Ozoemelum, Casa Grande Finance Director
 - Appointment Continues Until Council Appoints a new CFO

STAFF'S RECOMMENDATION

- Adopt Resolution 5329 to:
 - Adopt FY2021 Tentative Budget per the attached schedules
 - Direct Staff to publish Notices for purposes of budget/tax levy hearing and budget adoption
 - Authorize Action for Contingency Expenditures
 - Appoint a Chief Fiscal Officer, as required by State Statute