

Morrisville

Live connected. Live well.

Town Council Annual Retreat

Budget Update/Fund Balance

January 27 – 28, 2017

Overview

- Budget Update
 - Mid-Year Snapshot
 - Base Budget
 - Looking Ahead
- Fund Balance
 - Analysis
- Wrap-Up

Budget Update

Mid-Year Snapshot * Trends & Forecast

Mid-Year Snapshot

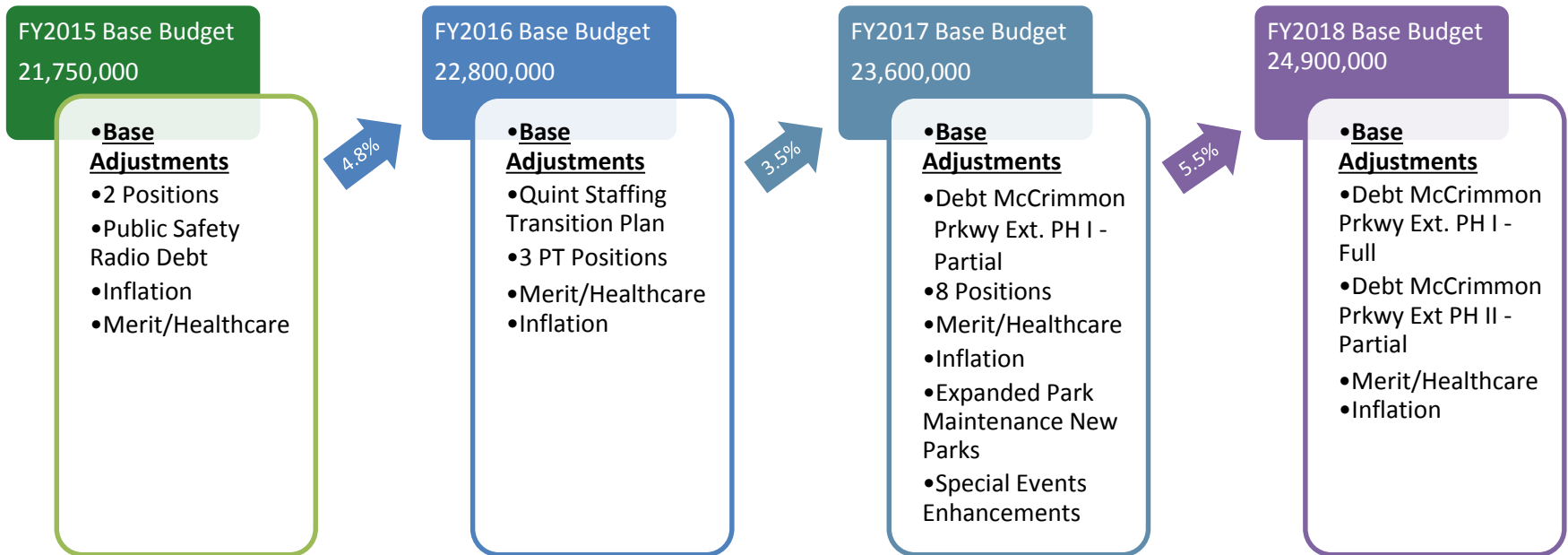
Current Year Estimate	FY2017 Original Budget	FY2017 Estimated Actual
Revenues	\$ 29,621,000	\$30,355,000
<u>Fund Balance</u>	<u>2,305,000</u>	<u>0</u>
Total	\$ 31,926,000	\$30,355,000
	% Change Less Fund Balance	3%
Expenditures	\$31,926,000	\$29,290,000
	% Change	-8%
	Estimated Net Change in Fund Balance	\$1,065,000

Major Influences on Assumptions:

- Actual spending generally ranges between 85% - 95% of budget
- Positive economy
- Tax Base growth trending above estimate
- Sales Tax holding steady
- High Commercial Permits/Residential down
- Vacancies & Recruitment
- Potential for Carryover Items
- Projecting no use of Fund Balance

*Includes Interfund Transfers and/or Proceeds
 General Fund & Stormwater Fund combined for illustrative purposes
 All numerical data is rounded up for purposes of illustration and comparison
 These are considered preliminary estimates based on 2nd Qtr snapshot and therefore do not represent a budget.

Base Budget Comparison



- Base Budget = Routine Basic Service Levels
- New Routine Operations/Programming Added Annually
- Base Budget Adjustments
- Inflation Variances
- Natural Attrition
- Debt Retirement
- Revalidate Base Budget Annually

FY2018 Looking Ahead

Base Budget Comparison	FY17 Base Budget Original	FY18 Base Budget
Revenues	\$28,990,000	\$29,996,000
	Growth as Compared to FY17 Base Budget	3.5%
Expenditures	\$23,600,000	\$24,900,000
	Growth as Compared to FY17 Base Budget	5.5%
Net Available for Key Initiatives	\$5,390,000	\$5,100,000

Major Influences on Assumptions:

- Positive economy
- Tax Base growth 3%
- Sales Tax growth 5%
- Commercial/Residential Permits fluctuating
- Adjusted Base Budget from FY17 additions

*Includes Interfund Transfers and/or Proceeds.
General Fund & Stormwater Fund combined for illustrative purposes.
All numerical data is rounded up for purposes of illustration and comparison.
These are considered preliminary estimates based on 2nd Qtr snapshot and therefore do not represent a budget.

Budget Update

Fund Balance & Cash Flow Considerations

Fund Balance

Fund Balance Analysis

	June 30, 2016
General Fund Expenditures	\$23,121,319
Unassigned Fund Balance	\$15,257,586
Unassigned Fund Balance % of Expenditures	65.9%
\$ above 45% Policy	\$4,850,000

- FY2017 Appropriated \$2.3M
- Last time Fund Balance Decreased FY2010 - CRF

Other Fund Balances

Fund Balance Analysis

	Parkland PIL	Streets PIL
Balance as of June 30, 2016	\$2,295,455	\$1,563,938
Additions FY2017 YTD	305,713	\$167,353
Net Balance	\$2,601,168	\$1,731,291

Wrap-Up

Discussion/Comments



FY2018 Budget Preparation

Budget Timeline

Long Version



- May 9 Budget Presentation
- May 11 or 16 Work Session
- May 23 Public Hearing
- May 30 or June 6 Work Session
- June 13 Public Hearing Continued – Proposed Revisions Reviewed
- June 20 Work Session (as Needed)
- June 27 Vote
- CIP Work Session TBD

Short Version



- May 9 Budget Presentation
- May 11 or 16 Work Session
- May 23 Public Hearing
- May 30 or June 6 Work Session
- June 13 Vote

Famous BK Slogan...

HAVE IT YOUR WAY[®]

Key Initiatives

Council Needs



Mini-Work
Sessions

Process

How do you want your Budget Burger served?