

Budget Committee Meeting Notes
March 1, 2016

Attendees:

Committee members: Mayor Steve Young; Mayor Pro Tem Don Britain and Councilmember Greg Jones

Staff: Marie Mosley, Dan Legard

Media: None

Visitors: None

Absent: None

1. Sales Tax Update:

Dan Legard provided an update on sales tax receipts for February of 2016. Receipts in February were up 5.7% from February of 2015. For the year, sales tax receipts were up 6.5% through February. Year to date figures are heavily influenced by new construction, which makes up about 1.5% of the overall increase. Dan reminded the Committee that the projections for 2016 discussed during the mid-biennium review reflected a 3% increase relative to *projected* 2015 results, after backing out the sales tax the City received in 2015 related to construction of the new Trios M.O.B. Because actual 2015 results were higher than anticipated, the net result of all of these factors is that the City can actually experience a 1.6% decrease in sales tax in 2016 compared to actual results for 2015 and still meet its projections.

2. Criminal Justice Sales Tax Update:

Dan Legard provided a report outlining the City's revenue from criminal justice sales tax through January as well as expenditures through this same period. The intent of the report is to post it on the City's website for the public's information. The County will also provide a link from its site and criminal justice sales tax page to the City's site.

Mayor Young asked about the budget comparisons on the report, specifically if the budget information is for a full 2 years (biennium). Mayor Young stated that his concern is that a comparison of 11 months' worth of activity to a two-year budget can be misleading and difficult to interpret. Councilmember Jones voiced a similar concern. Further discussion ensued amongst the committee about the report, after which the Committee asked Dan Legard to work on a more reader friendly report.

Dan Legard commented that he will work with the Police Department on a new report in a less technical format.

3. LRF Update:

Dan Legard provided an overview of the information reported to the State Department of Revenue (DOR) on activity within the City's Southridge Local Revitalization Area during 2015. The City is required to prepare an annual report that is submitted to DOR by March 1st each year. The report contains information on the City's investment in the area, as well as data on sales and property tax increments resulting from that investment. The report also provides economic development statistics on the number of businesses and jobs created in the area.

4. Proclamation Policy:

Dan Legard indicated to the Committee that City staff has been evaluating a policy regarding City proclamations. In the interest of time, Dan Legard notified the Committee that this item would be added to the next full council committee update at a workshop. Staff is planning to recommend that the City continue its current practices with regard to the issuance of proclamations.

5. Y.E. Overview – General and Street Funds:

Dan Legard provided an overview of the 2015 year-end financial review presentation that he will be providing at the March 29th workshop. The presentation includes an overview of 2015 results for the General & Street Funds (Operating Funds), the City's capital funds, and the City's 6 enterprise funds. Additionally, the presentation will include a summary of the spring 2016 budget adjustment, which will be presented for Council's formal consideration at the April 5, 2016 council meeting.

6. Next Meeting Date:

The next meeting for the Budget & Administrative Committee is currently scheduled for April 5, 2016.