



Coffee With Council

FY13



Major Budget Events Calendar

City Manager and Staff Only

Budget Kickoff: Monday, January 9, 10:00 - noon

Citywide PAC Meeting: Wednesday, January 25, 6:30 pm-8:00 pm

Boards, Committees and Commissions Meeting: Wednesday, February 15, 12:30 pm - 1:30 pm

Community Engagement Workshop

Saturday, March 3rd, 10:00am –1:00pm - Holton Career and Resource Center

Quarterly Financial Update (regular City Council work sessions)

November 22, 2011 (1st Quarter FY12)

February 10, 2012 (2nd Quarter FY12 presented at the Budget Retreat)

May 24, 2012 (3rd Quarter FY12)

August 23, 2012 (4th Quarter FY12 – Preliminary)

City Council Budget Retreats

Financial Projections/Economic Outlook/Strategic Plan: Friday, February 10, 8:30 am – 5 pm

Durham Technical Community College, Phail Wynn Jr. Student Center, 1637 Lawson Street

Budget Guidelines/Citizen Survey: March 2, 8:30am – 5pm

Durham Technical Community College, Phail Wynn Jr. Student Center, 1637 Lawson Street



Major Budget Events Calendar

Coffees with Council (All meetings are open to all Durham residents.)

PAC 4 - Saturday, February 11 10:00 am – 12:00 noon

Campus Hill Recreation Center, 2000 S. Alston Avenue

PAC 1 - Saturday, February 18 9:30 am – 11:30 am

Holton Career and Resource Center, Child Care Center, 2nd Floor, 401 North Driver Street

PAC 5 - Thursday, March 8 5:30 pm – 7:30 pm

City Hall - Council Committee Room, (*Spanish translation*)

PAC 3 - Saturday, March 10 10:00 am – 12:00 noon

Lyon Park Community Family Life and Recreation Center, 1309 Halley Street

PAC 2 - Monday, March 12 6:00 pm – 8:30 pm

Durham Public Schools Resource Center, 2107 Hillandale Road

Budget Public Hearings (regular City Council meetings)

Monday, March 5

Monday, June 4

Council work sessions on the budget (Committee Room, City Hall):

Wednesday, May 30 – Friday, June 1

(Flagged items / Follow-up items for City Council)

Other Budget Milestones at City Council Meetings

City Manager presents budget to City Council: Monday, May 21

Council adopts budget, CIP and related fee schedules: Monday, June 18



Community Engagement Meeting

- This meeting will be held on March 3rd at 10:00 am at Holton School.
- The purpose is to update and engage the community on Budget priorities and alignment to the Strategic Plan goals and initiatives.
- This workshop will be in addition to the Coffees with Council and will be more interactive.
- All citizens will be asked to pre-register for this event.



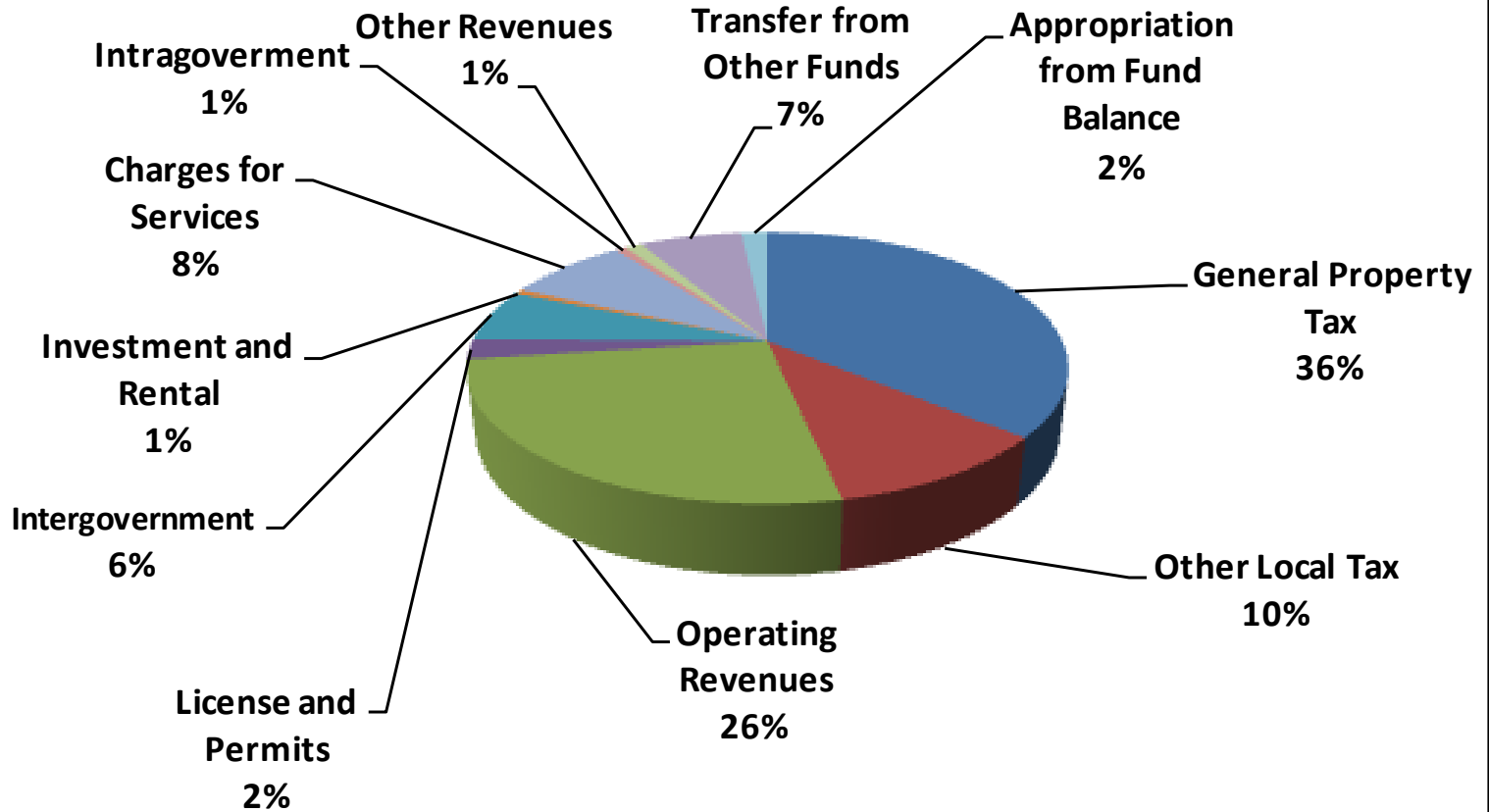
Fiscal Year 2011-12 Budget

- Total Budget \$362.5 million
 - General Fund \$182.8 million
 - 59% Property Taxes
 - 20% Sales Taxes and Hotel Tax
 - 11% State Shared Revenues
 - Water & Sewer Fund \$81.9 million
 - All other Funds \$97.8 million
(Solid Waste Fund, Risk Fund, Stormwater Fund, Transit)
- Property tax rate increased by 0.56 (cents per \$100) for debt service.
 - A penny on the tax rate = \$2.3 million
 - Tax Rate 55.75 (cents per \$100)
 - GF Operations = 40.03
 - Debt = 12.49
 - Transit = 3.23

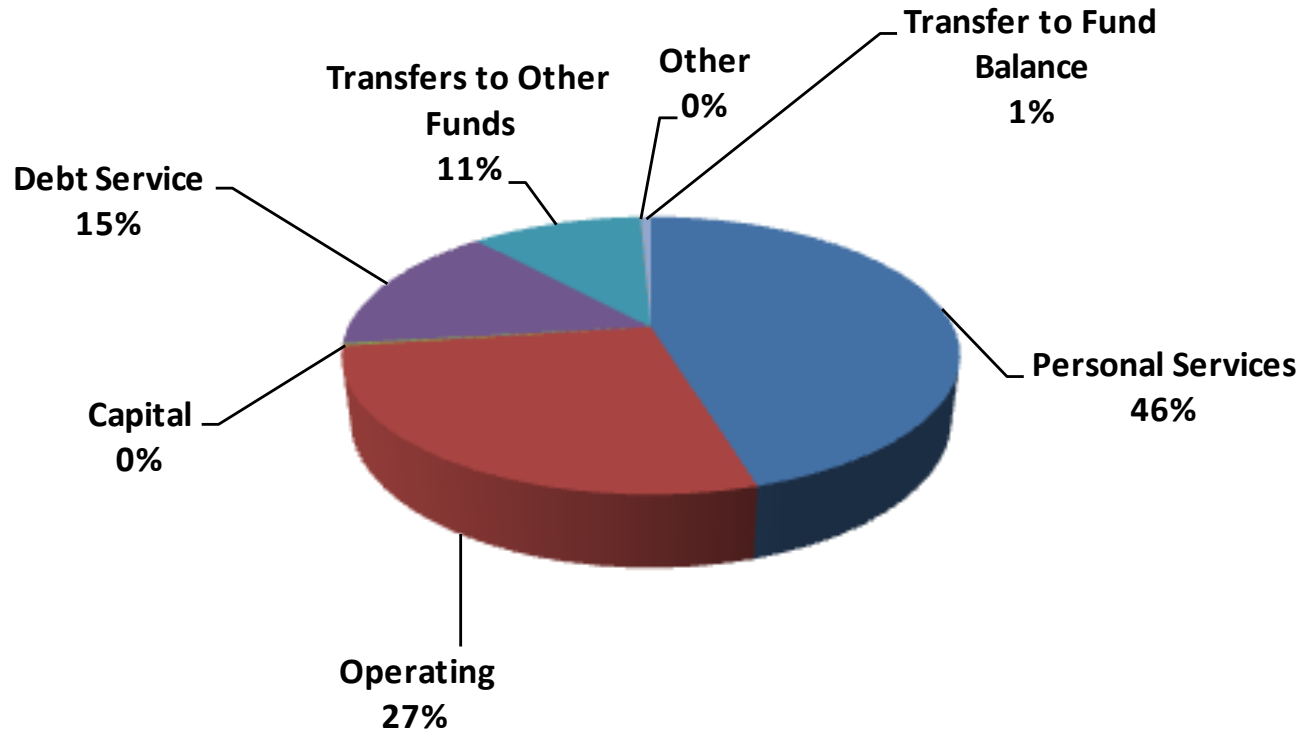




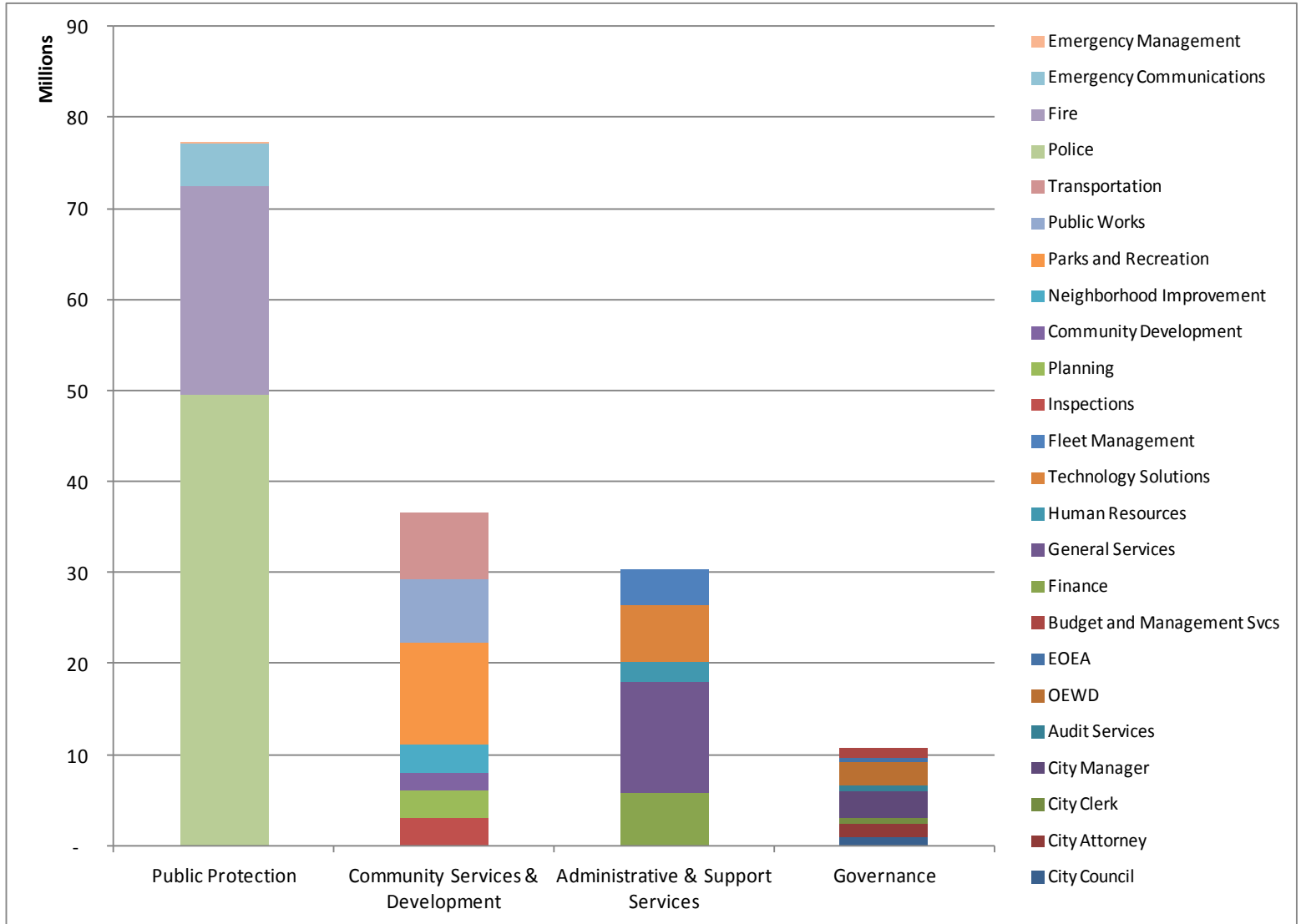
Summary of Revenues – All Funds



Summary of Expenditures – All Funds



GF Expenditures – Budget Group





FY 2013 Budget Outlook

- The initial expenditure forecast indicates that we begin the development of the proposed budget with a \$2.6 million gap.
- FY12 End Of Year projections will impact FY13 budget.
- Department target budgets were not initially reduced.
- Departments were asked to submit budget reduction plans of 3%.
- To close the gap we need to add revenues or decrease anticipated expenditures.

Capital Projects



- Vehicle replacement, fundable CIP, and new capital projects will continue to be a challenge in FY13.
- We will continue to fund priority capital needs such as deferred maintenance and street resurfacing.
- Focus on Fundable CIP and a comprehensive strategy for capital assets.



Capital Projects

- Approximately 20 general fund capital projects are competing for limited funding resources.
- Exceptions are projects with a dedicated funding source (W&S, Stormwater, etc).
- Focus on Fundable CIP and a comprehensive strategy for capital assets.



What We Know...

- Balancing the budget will be less difficult than the last 2 years.
- Economy is still presenting some challenges but revenues are stabilizing.
- Fund balance will still not be a source of funding.
- Program expansions are not likely without additional revenues or savings from program / service reductions.
- Pay and benefit restoration will continue to be a priority.



We will continue to....

- Prioritize programs and services based on the Strategic Plan
- Revise processes for better results (efficiency and effectiveness)
- Inform and engage our citizens in prioritizing programs and services
- Evaluate programs based on need/demand for service and cost/benefit
- Make data-driven decisions



Strategic Plan Update

- Strategic Plan includes 51 initiatives and was refreshed for FY13
- Priority initiatives aligned to all five City goals
- 10 priority initiatives identified as a focus in FY12
- 7 priority initiatives completed in FY12
- 13 initiatives are more than 50% completed
- 12 initiatives are less than 50% completed
- 19 initiatives have been added and will be phased in over the next 2-3 years



City Council Goals

1. Strong and Diverse Economy
2. Safe and Secure Community
3. Thriving Livable Neighborhoods
4. Well Managed City
5. Stewardship of City's Physical Assets