

2016 BUDGET PRESENTATION



2016 Budget Presentation

- Financial Overview
- General Fund
- Transit Fund
- Fleet Maintenance Fund
- Equipment Replacement Fund
- Town Center West

2016 Budget Process

- Future Council Meetings
 - October 27 – Review Water Fund, Community Enhancement Fund, Affordable Housing Fund, Debt Service Fund and Capital Projects Fund Budgets and CIP 5-Year Plan
 - Public Hearing and Budget Adoption – December 8
 - Mill Levy Certification – December 8

Budget Process

Budget Adoption

- ❑ TOA Operating Fund Budgets
- ❑ TOA Capital Projects Fund Budget
- ❑ TOA Long-Range CIP Plan
- ❑ Avon Urban Renewal Authority

Mill Levy Certification

- ❑ General Operating
- ❑ Debt Service
- ❑ Avon General Improvement District

General Fund Revenues

- Total Operating Revenues - \$14,959,672

- Property Taxes
 - ▣ 2015 A/V Increase – 17.1% or \$28.5 million
 - ▣ New Growth - \$3.95 million
 - ▣ General Fund Revenue Increase - \$254,057
 - ▣ Levy rate for general operating revenues remains at 8.956 mills

- Sales Taxes
 - 2016 Projected Increase – 4%
 - 2015 YTD Increase – 9.97%
 - Amount YTD Over Original 2015 Budget - \$466,877

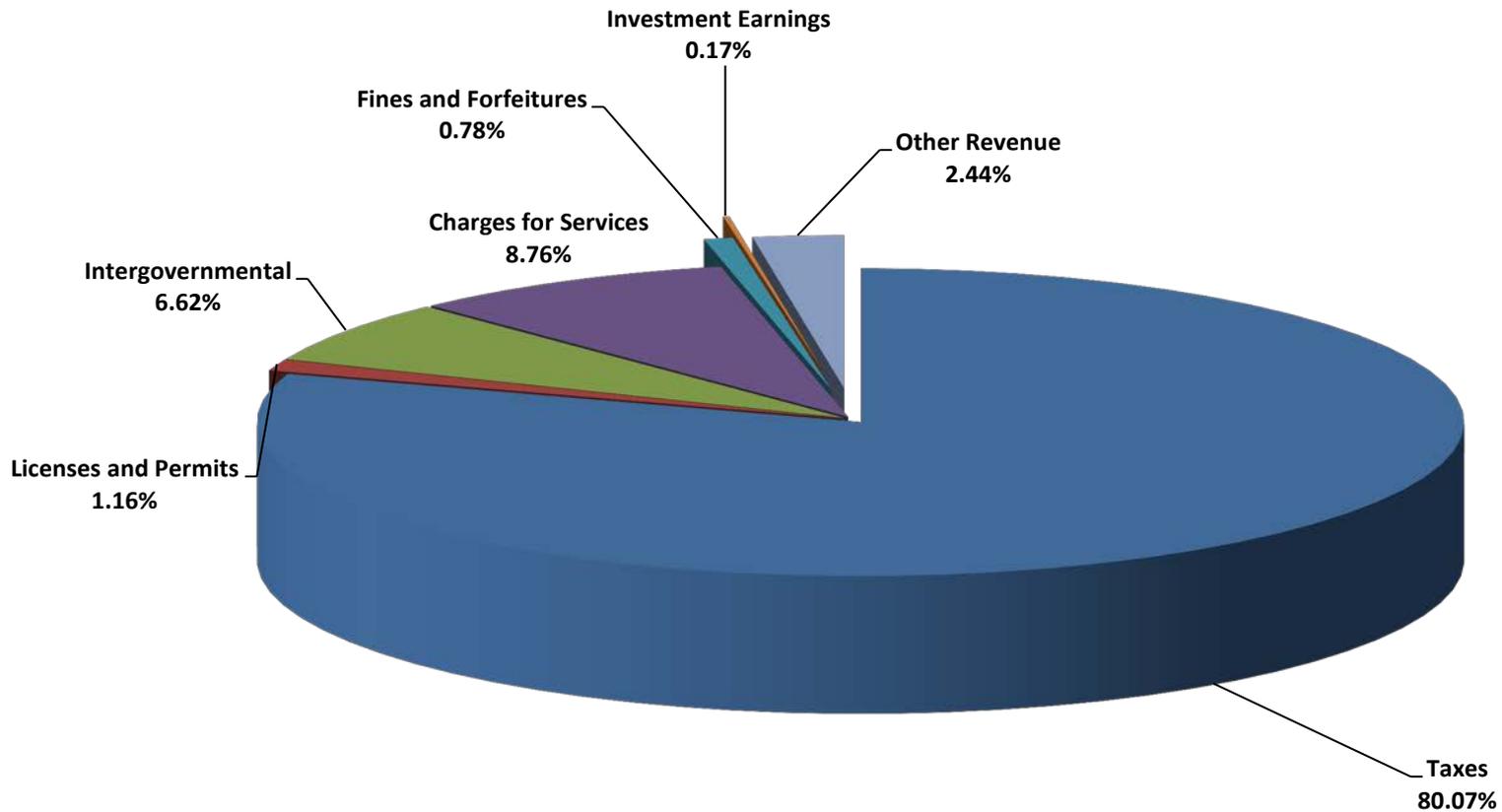
General Fund Revenues

- Accommodation Taxes
 - 2016 Projected increase – 4%
 - 2015 YTD Increase – 12.98%
 - Amount YTD Over Original 2015 Budget - \$95,956

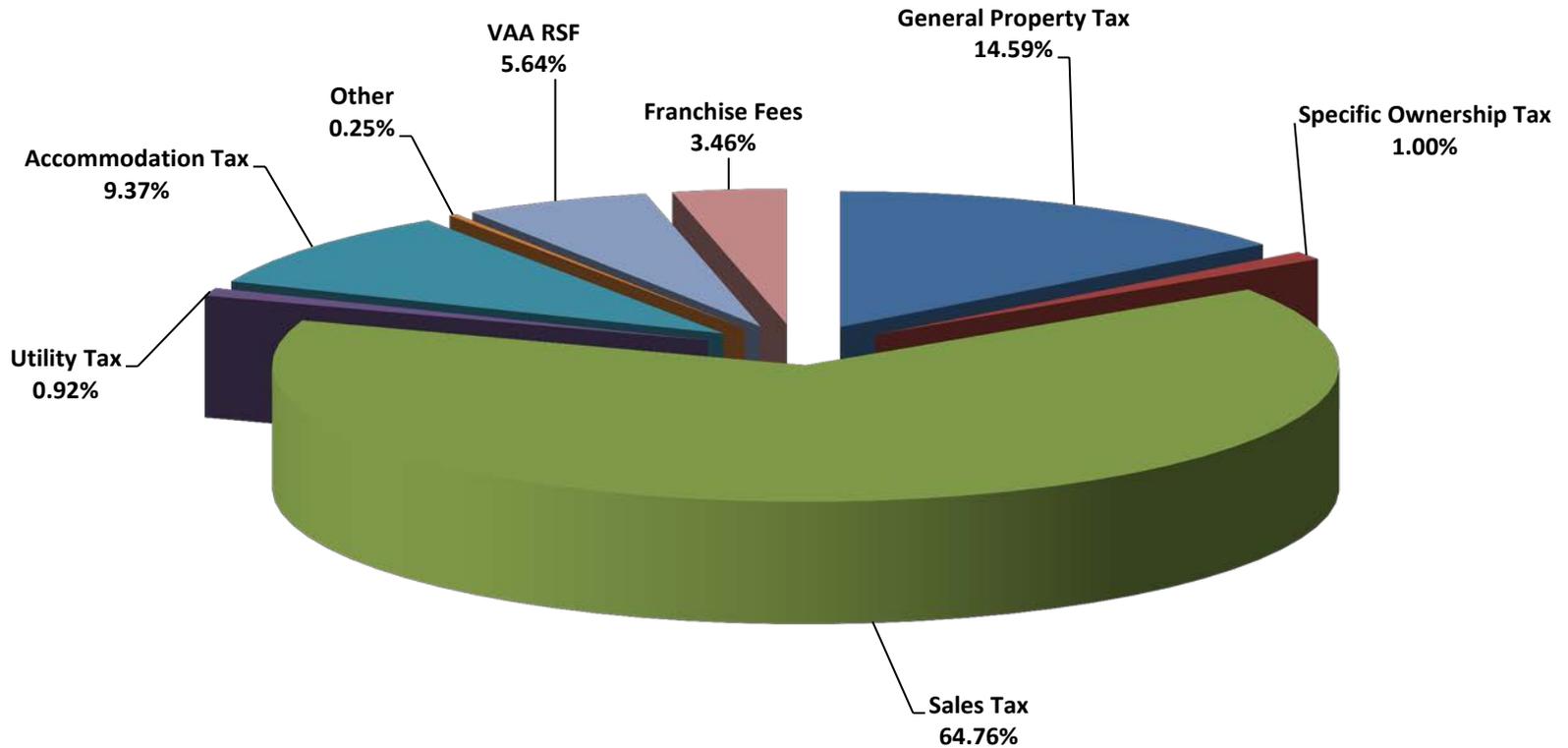
- Building Fees – Same level as 2014

- Recreation Fees – No change to membership and admission fees

General Fund Operating Revenues



General Fund Taxes



Personnel

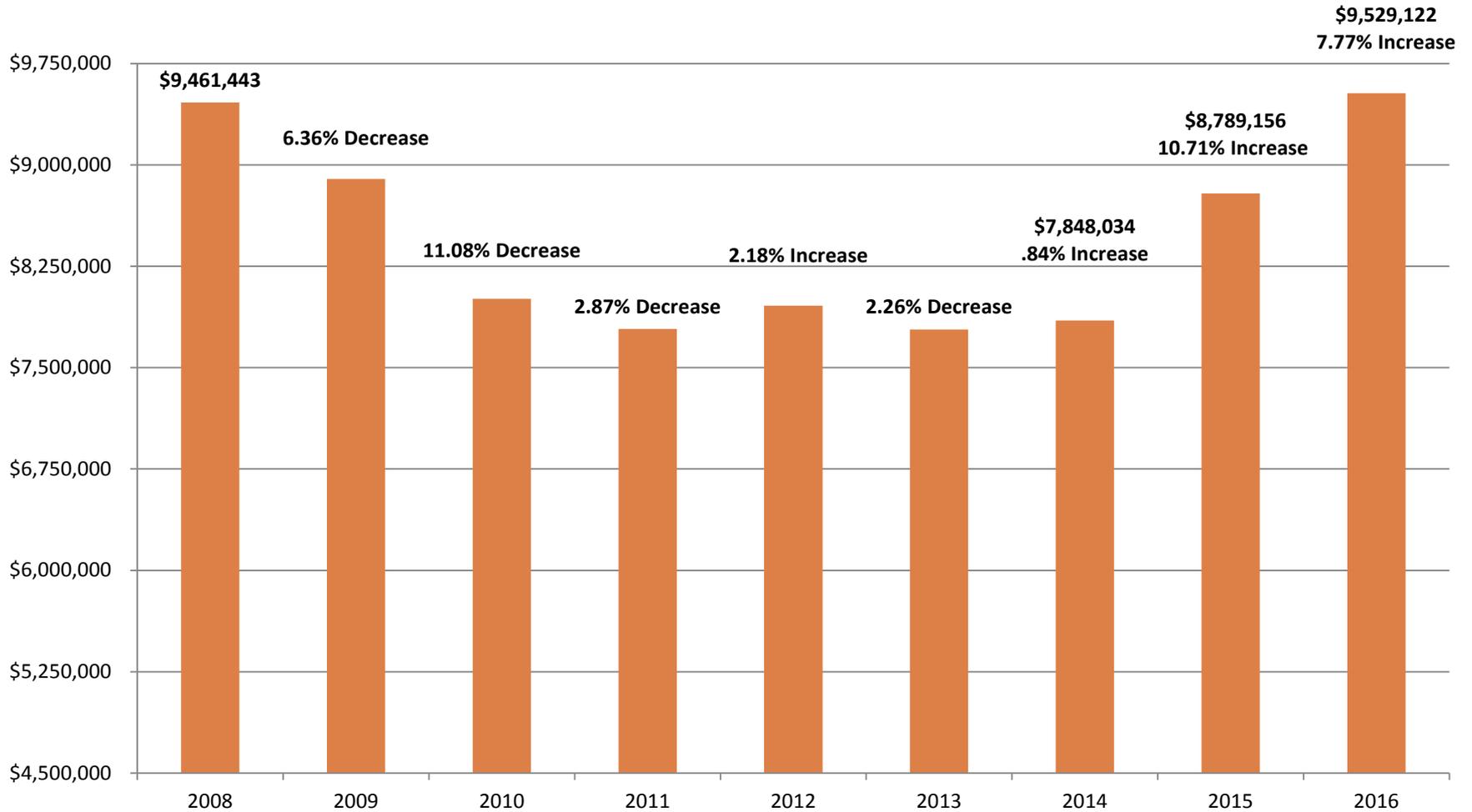
- Total FTEs – 83.75

- Market salary range increase - 3.54% average

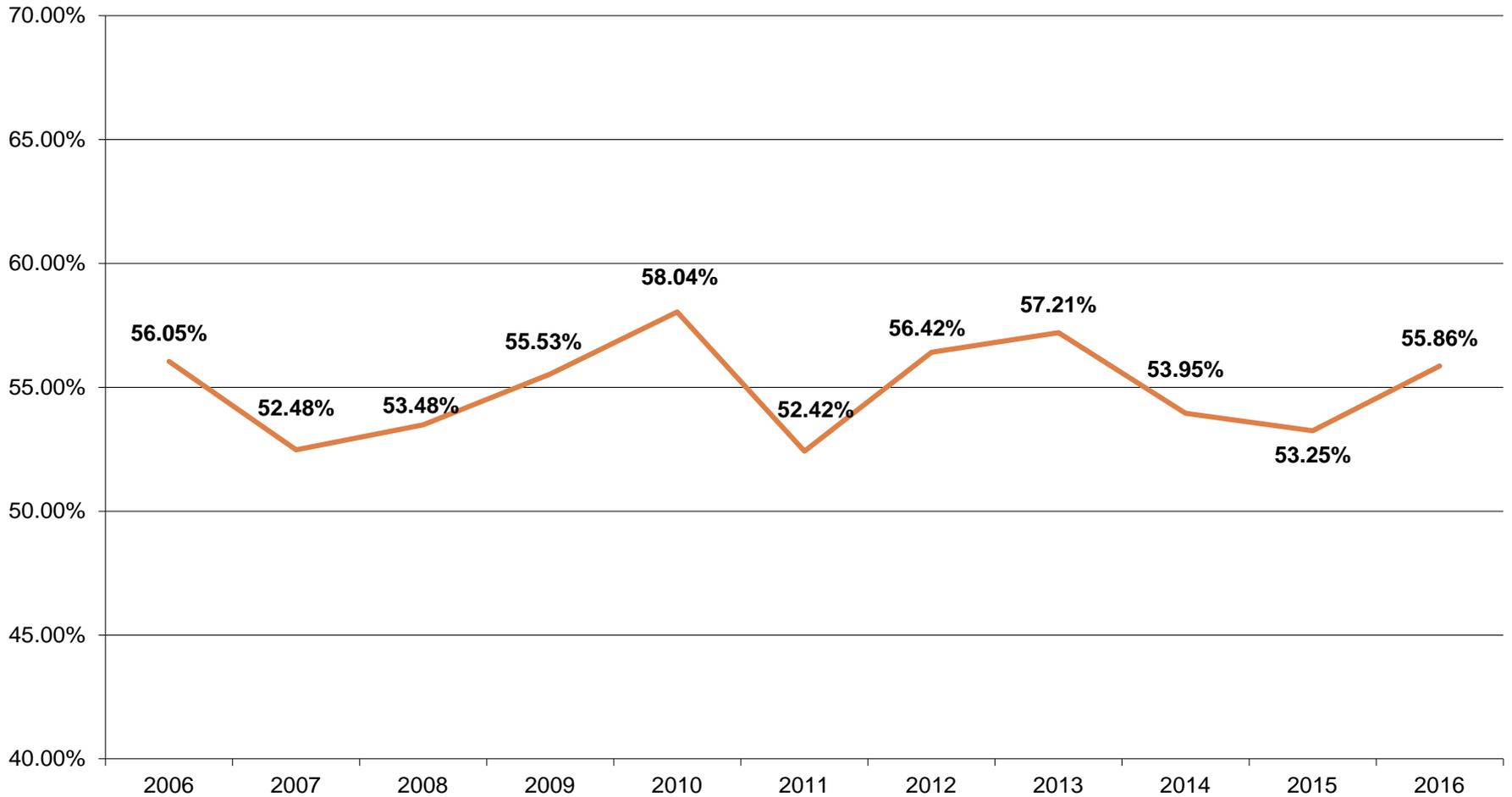
- Projected 2016 medical trends for PPO plans
 - Western Region – 9.8%
 - Hospitals – 8.2% (Utilization 1.4%, Inflation 6.8%)
 - Physicians – 5.5% (Utilization 2.0%, Inflation 3.5%)
 - Rx – 11.2% (Utilization 1.4%, Inflation 9.8%)
 - Health benefits – no anticipated change in plan coverages. Employee contribution and deductible levels may increase to limit Town contribution increase to 9.8%.

- Personnel Staffing Changes
 - Human Resources Director
 - Transit Operations Supervisor
 - Transit Wash-bay Operator
 - Eliminated Economic Initiatives Director position

Total Personnel Costs



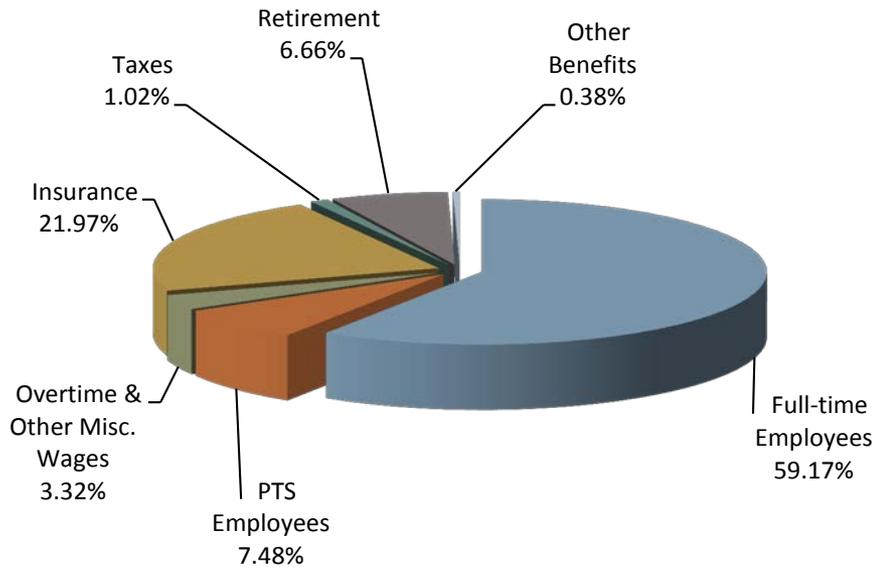
Ratio of Personnel Costs to Operating Costs



Personnel Costs

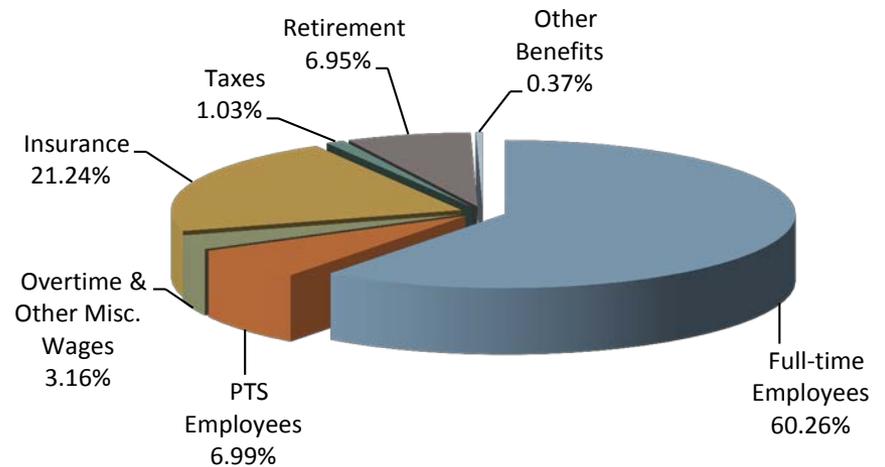
2015 Revised Budget

2015 Personnel Expenditures



2016 Proposed Budget

2016 Personnel Expenditures



Outside Funding Requests

- Summary of 2016 Community Grants
 - Economic Development:
 - Regional Programs - \$45,400
 - Special Events: Outside Producers - \$7,500
 - Special Events: Sporting Events - \$65,500
 - Regional Environmental Programs - \$22,500
 - Health and Human Services - \$64,250
- TOTAL - \$205,150

General Government

- ▣ Estimated \$25,000 reduction in legal fees
- ▣ Laserfiche workflow module - \$13,495
- ▣ Council chambers furniture - \$16,500

Administration and Finance



- Separate Department of Human Resources created
- Position of HR Director added
- HR Director will report directly to Town Manager

Community Development

- Eliminated position of Economic Initiatives Director
- GIS services continue to be contracted through Eagle County
- Contract long-range planning services - \$50,000
- Special event seed funding - \$50,000
- Winter Wondergrass support - \$40,000

Police

- Part-time Admin. Asst. continued at 20 hrs./wk.
- Computer support fees increasing due to body camera implementation in 2015 and planned implementation of digital ticketing in 2016
- 800 MHz radio and radar replacements included in capital outlay

Public Works

- Public Works department includes Roads and Bridges division and Parks and Grounds division
- R&B Superintendent reclassified to Public Works Director
- Large line items include crosswalk brick repairs (\$43,500) streetscape light painting (\$32,400) recreational trail repairs (\$25,000), LED holiday lights (\$19,000), and West Avon Preserve contracted maintenance (\$16,000)

Engineering

- Engineering includes the budget for the Town Engineer and the budget for the division of Buildings and Facilities.
- Large one-time line items include a work-order software application and mobile devices (\$19,250) and LED bulb conversion net of rebates (\$30,000)
- A new van for the Town Electrician is included in capital outlay - \$32,000

Recreation Department

- Eliminated Cabin budget due to outsourcing
- Capital improvements in 2015 anticipated to improve programming and membership in the future.

General Fund Reserves - 2016

- 3% TABOR Emergency Reserve (Required by State Constitution)
- Assigned
 - ▣ Special Events - \$310,000
 - ▣ Capital Improvements - \$250,000
- Unassigned
 - ▣ 25% Minimum Fund Balance Reserve
 - ▣ Undesignated, Unreserved

Transit Fund

- Total budget - \$1,941,469
- General Fund operating subsidy \$1.2 million, up from \$1,000,000 in 2015
- \$410,000 capital outlay for new bus
- FTA bus grant – \$328,000
- General Fund capital subsidy - \$82,000

Transit Fund

- New Transit Operations Supervisor position
- New Transit Wash-bay Operator position
- Expanded service for summer restaurant shuttle
– 225 hours
- Expanded service hours for Red and Blue lines
- 1,946 hours

Fleet Maintenance Fund

- Total budget - \$1,785,969
- Shop rate changes for 2016
 - ▣ Light duty increase from \$102/hr. to \$107/hr.
 - ▣ Heavy duty increase from \$110/hr. to \$116/hr.
- Increase in parts markup from 15% to 20%
- General Fund subsidy - \$300,000
- Subsidy generally covers capital cost of Fleet facility
- 60% of revenues is from third-party contracts

Equipment Replacement Fund

- Established fund in 1999
- Annual rentals are paid into the fund by each department for the equipment originally purchased and used based on the estimated useful life of the equipment and the estimated cost of replacement
- Accumulating a portion of the funds needed to replace an asset each year is more manageable for departmental budgets than requiring them to fund the entire cost of an asset at the time of purchase

Equipment Replacement Fund

- Assets Under Replacement Schedules
 - Vehicles - \$2,760,124
 - Heavy Equipment - \$1,634,652
 - Recreational Equipment - \$1,965,457
 - Computers and Office Equipment - \$880,341
 - Machinery and Other - \$273,156
 - Heat Recovery - \$1,898,093
 - Regional Transit Facility - \$847,850

- **TOTAL ASSETS - \$10,259,673**

Equipment Replacement Fund

- Rental revenues - \$589,967
- Total Equipment Replacement Purchases - \$239,669
- Fire District loan of \$717,989 made in 2015.
Repayments of one-tenth every six months begin in
December 2015

Town Center West Maintenance Fund

- Fund used to account for maintenance within the Town Center West plan area
 - ▣ Primarily Lake Street, Mall, Avon Station
- Previously, revenues from Avon URA TIF used to fund the costs
- Slowly, over past 4 years, subsidy has been moved to General Fund
 - ▣ 2016 Subsidy - \$50,000 Avon URA
 - ▣ 2016 Subsidy – \$250,000 General Fund