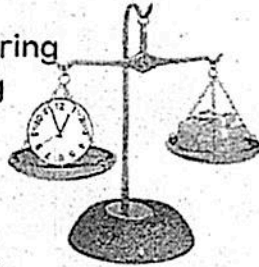


# Town of Mammoth

## FY2018-2019

Budget & Property Tax Hearing  
Special Council Meeting

July 17, 2019



Pat Walker  
Pat Walker Consulting LLC

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## Agenda



**A LOOK**  
*at the*  
**BUDGET**

- Introduction/Overview
- 2018-2019 Estimate
- 2019-20 Proposed Budget
- Next steps
- Questions/Discussions

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TOWN OF MAMMOTH FY2019-2020 BUDGET

FUND	Adopted 2018-19 Budget	Estimated 2018-19 Expenditures	Proposed 2019-20 Budget	% increase (-decrease)
GENERAL	\$ 843,239	\$ 739,940	\$ 868,408	2.98%
HIGHWAY USERS	\$ 249,497	\$ 141,047	\$ 1,000,000	300.81%
TRANS. EXCISE TAX	\$ 70,000	\$ -	\$ 100,900	44.14%
WATER	\$ 226,700	\$ 286,610	\$ 438,508	93.43%
SEWER	\$ 138,900	\$ 131,868	\$ 179,920	29.53%
SANITATION	\$ 150,000	\$ 88,250	\$ 117,857	-21.43%
CEMETARY	\$ 30,400	\$ 2,516	\$ 30,400	0.00%
GRANTS	\$ 1,250,000	\$ -	\$ 1,295,000	3.60%
<b>TOTAL ALL FUNDS</b>	<b>\$ 2,958,736</b>	<b>\$ 1,390,251</b>	<b>\$ 4,030,993</b>	<b>36.24%</b>

## Funds

- General Fund
- Special Revenue Funds
- Capital Projects
- Enterprise Funds

## Revenues



## Property Taxes

- Primary tax rate can be used for any municipal purpose
- Secondary rate can only be used for payment of debt service (principal and interest) on bonds approved by voters
- 60 day notice required if property tax rate increases (not the levy)

## Assessed Values

- FY 16 - \$2,339,756
- FY 17 - \$2,157,115
- FY 18 - \$2,201,133
- FY 19 - \$2,256,119
- FY20 - \$2,319,716

As a result of assessed value going up in the Town, the property tax rate can be reduced from \$2.2667 to \$2.2045 per \$100 of Assessed Value, while keeping the levy the approximately the same at \$51,210

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## State Shared Revenues Increase over FY19 Budget

- State Sales tax - Increase of \$9,368
- Income tax - Increase of \$18,284
- Auto Lieu - Increase of \$5,118
- Highway User Revenue - \$196,991

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## Fund Balances

- “Net” funds at end of fiscal year
- Example: Town started out with \$1 million in FY20 (FY19), added revenues, subtracted out expenditures to come up with “fund balance” which could be a positive or a deficit.



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## Fund Balances

- Difference between fund balance and cash.
- **Example:** At the beginning of the year you have \$1,000 in your savings account. You are paid on a monthly basis, so you add \$1,000 so you have \$2,000. You pay your house payment and other bills for the month and use up the \$1,000 but your fund balance is still \$1,000.

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## Fund Balances

- **Cont'd Example:** However, your car breaks down and you need to spend \$500 so your fund balance goes down to \$500. The next month you make your \$1,000 in pay, your electricity bill went down by \$500 so your expenses are \$500 less, moving your fund balance back to \$1,000.

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## Fund Balances

- One checking account all funds go into  
INCLUDING RESTRICTED FUNDS
- Cash goes up and down but at the end of the year, as long as revenues meet budget collections and exp. don't exceed budget, the Town still has their fund balance amount they started out with at the beginning of the fiscal year.

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## General Fund Balance

- FY15 (\$1,135,765)
- FY16 (\$948,574)
- FY17 (\$809,132)
- FY18 (\$742,539)
- FY19 (\$611,227)

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## HURF Fund & Excise Tax

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## HURF Fund

- FY18 Audited Rev. - \$130,217
- FY19 Estimated Revenue - \$127,497
- FY20 Estimated HURF Revenue - \$126,686
- FY20 State allocation - \$197,802
- FY20 Payback from GF \$45,000

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## Transportation Excise Fund

- FY18 Audited Revenue- \$72,004
- FY19 Est. Revenue - \$78,011
- FY20 Proposed Budget - \$79,000

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## HURF/Excise Tax FB

- FY15 - \$1,282,354
- FY16 - \$1,285,450
- FY17 - \$1,288,963
- FY18 - \$1,331,955
- FY19 - \$1,321,225

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## HURF/EXCISE Cash in Bank

- FY 16 - \$205,429
  - FY 17 - \$401,997
  - FY18 - \$440,206
- Due From Other Funds:
- FY16 - \$1,072,158
  - FY17 - \$878,449
  - FY18 - \$874,883

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## Water Fund

- FY 16 Unrestricted fund balance - \$(410,717)
- FY17 Unrestricted fund balance - \$(414,818)
- FY18 Unrestricted fund balance - \$(498,339)
- FY19 Unrestricted Fund Balance - \$(653,891)
- FY20 - Need to generate over \$307K additional revenue or 235.7% increase in revenues

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## Sewer Fund

- FY16 Unrestricted Fund Balance - \$14,938
- FY17 Unrestricted Fund Balance- \$0
- FY18 Unrestricted Fund Balance \$15,615
- FY19 Projected unrestricted FB - \$(26,695)
- FY20 Proposed Budget \$89,446 more in fund balance or 98.86% increase

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## Sanitation & Cemetery Fund

- FY17 Audited Rev. = \$124,414
- FY18 Adopted Budget = \$150,000
- FY18 Estimated Rev. = \$124,552
- FY19 Proposed Budget = \$150,000

### Cemetery:

- FY17 Audited Rev = \$27,468
- FY18 Adopted Budget = \$30,400
- FY18 Estimated Rev. = \$19,923
- FY19 Proposed Budget = \$30,400

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## Budgeting in Arizona

- Must adopt a balanced budget
- Tentative budget must be adopted by third Monday in July
- No requirement for final budget unless City/Town has property tax
- Property Tax must be adopted by 3<sup>rd</sup> Monday in August but 14 days after final budget adoption
- Various restrictions on funds – HURF, Impact Fees

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## Budgeting in Arizona

- Tentative budget is required to be itemized per Auditor General Forms
- Published once a week for two consecutive weeks
- Notice of hearing date for final budget
- Both tentative and final must be published on City/Town website 7 business days after adoption
- Must remain posted for 60 months (five years)

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## Next Steps

- Public Hearings and Final Budget Adoption  
July 17, 2019
- August 1, 2019 - Adoption of Property Tax  
Levy

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