

# City of Mesa

## Medium and Long Range Forecasts

December 20, 2007

Presented by the Budget & Research Office



# Forecast Model Includes

- Based on the Current Level of Staffing (CLS)
- Utility rate adjustments of 3% in FY 2008/09 for all utilities, except Electric. From 2009/10 forward all utilities include a 3% rate increase. The Electric Utility will be reviewed on January 24<sup>th</sup>.

# Forecast Model Includes

- Annual growth in medical benefit costs of 10.6%.
- Housing program subsidies are discontinued in FY 2008/09.
- The General Fund balance goal of 10% is not sustained after FY 2009/10 (without any adjustments to revenues or expenditures).

# General Fund Forecast Negative Impacts

- General Fund Sales Tax revenues are expected to be lower than the adopted budget by \$4.6 M in FY 2007/08 and \$8.2 M in FY 2008/09.
- Shared State Sales Tax revenues reflect the local downward trend.
- State Urban Revenue Sharing (income tax) revenue down-turn will be realized in two years.

# General Fund Forecast Negative Impacts

- Significant increases in police (35%) and fire (29%) retirement contributions have been announced for FY 2008/09. The expected City cost increase is \$4.3 M annually in the General Fund (a \$539 K annual increase in the Quality of Life expenses).
- Inflation indexes indicate higher levels than previously expected. The Consumer Price Index (CPI) was 4.3% in November 2007.

# General Fund Forecast Positive Impacts

- Civilian retirement contribution rates will be reduced by 1.6% in FY 2008/09, producing a General Fund savings of \$730 K.
- General Fund personal services costs will be reduced by \$2 M in FY 2008/09 (prior to the PSPRS increase). The savings are primarily due to increased retirements and lower salaried replacements.

# General Fund Forecast Positive Impacts

- Tentative Pinal County land sales may be higher than previously scheduled (\$26 M over 5 years). Upon receipt, the proceeds will be applied to debt service and/or capital acquisition. These tentative sales do not affect the current forecast.
- Employee Benefit Trust Fund balance continues to show improvement.

# Summary Forecast Results and Actions

- General Fund forecast indicates:
  - \$12.5 M reduction of ongoing expenses is required in FY 2008/09 to maintain the General Fund balance at 10% through FY 2010/11. This is a 3.7% reduction in the General Governmental Operations and Maintenance budget (refer to Attachment 1 & 3).
  - The General Fund will be continuously reviewed to adjust to continuing changes in revenues.

# Summary Forecast Results and Actions

- All restricted funds will be adjusted as necessary to reflect changes in the revenue forecast.
- The Combined Enterprise Fund sustains fund balance targets throughout the forecast (refer to Attachment 2).

# Forecast Adjustment Actions/Considerations

- Maximize FY 2007/08 Savings to Minimize Out-year Reductions:
  - Currently, all vacant positions are being evaluated prior to recruitment (refer to Attachment 6).
  - All capital expenditures are receiving additional review.
- All non-enterprise/non-restricted departments will be instructed to develop a reduction plan including related service impacts for FY 2008/09.

# Forecast Adjustment Actions/Considerations

- The annual review of fees and charges is underway.
- All departments are reviewing current program offerings to ensure interest and participation.
- The utility transfer targets are being reviewed.
- All personal service costs Citywide are being evaluated including overtime, merit increases, and cost-of-living adjustments.
- All construction activity will be evaluated to ensure support for any ongoing expenditures.

# Major Forecast Assumptions

	<u>2009/10</u>	<u>2010/11</u>	<u>2011/12</u>	<u>2012/13</u>	<u>2013/14</u>	<u>2014/15</u>
<b>Expenditure Categories:</b>						
Personal Services (1)	5.42%	4.69%	4.73%	4.71%	4.75%	4.78%
Other Services (2)	3.08%	2.99%	2.95%	2.82%	2.74%	2.67%
Commodities (2)	3.08%	2.99%	2.95%	2.82%	2.74%	2.67%
Capital (2)	3.08%	2.99%	2.95%	2.82%	2.74%	2.67%
<b>(1) Personal Services:</b>						
Merits	1.10%	1.10%	1.10%	1.10%	1.10%	1.10%
Cost of Living Adjustments*	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Retirement Contributions*	4.69%	4.74%	4.74%	3.80%	3.80%	3.80%
Public Safety Pension*	34.12%	4.74%	4.74%	3.80%	3.80%	3.80%
Hospital & Life Insurance*	10.60%	10.60%	10.60%	10.60%	10.60%	10.60%
Long-term Disability - Police & Fire	-19.90%	4.10%	4.10%	4.10%	4.10%	4.10%
Stability	-29.00%	-7.80%	-8.70%	-8.80%	-11.70%	-16.70%
Uniform Allowances	3.08%	2.99%	2.95%	2.82%	2.67%	2.60%
Industrial Insurance (WC)	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
<b>(2) Municipal Cost Index</b>	3.08%	2.99%	2.95%	2.82%	2.74%	2.67%

\* These personal service expenditure items have significant impacts on the Personal Service category percentage.

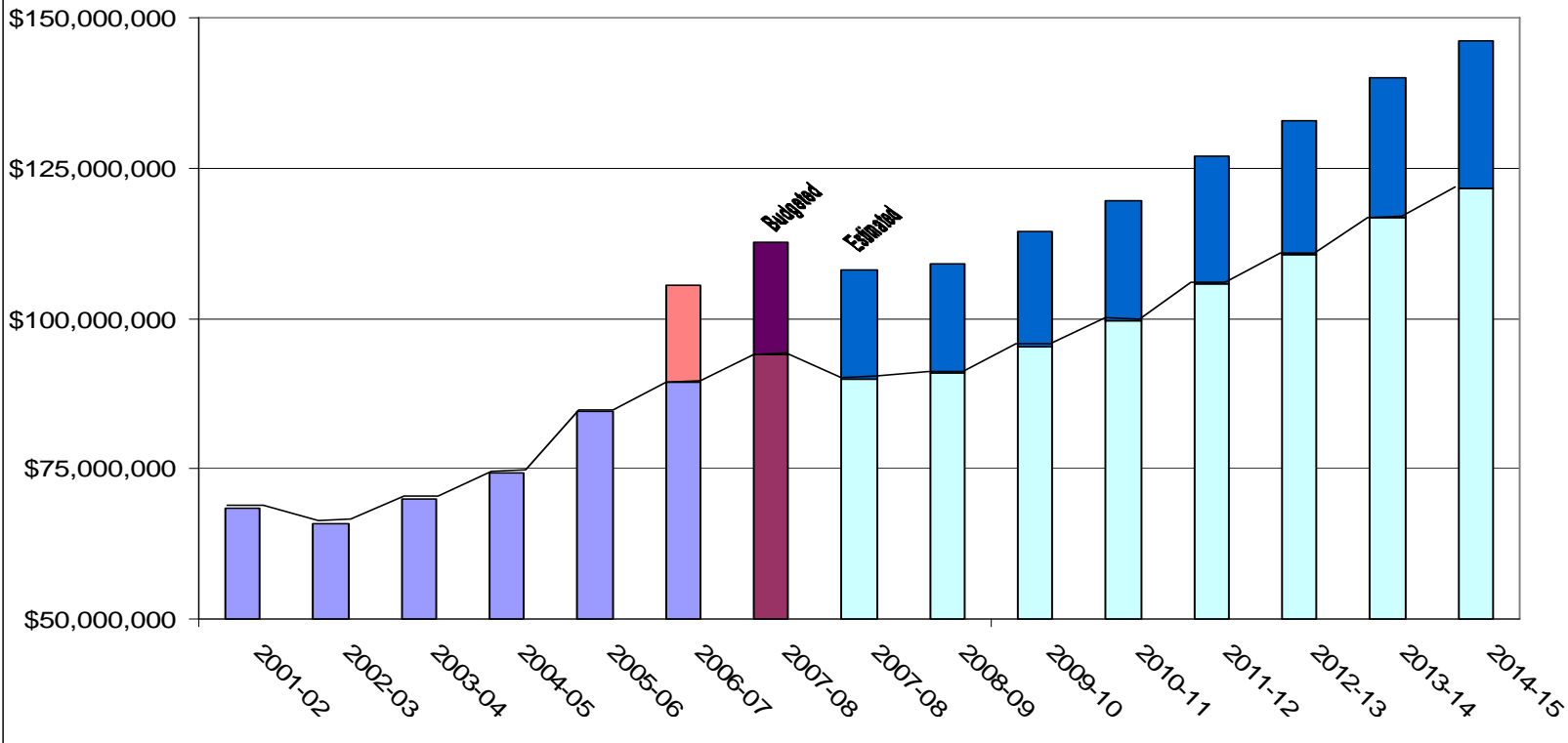
# Major Revenue Forecast Assumptions

	<u>FY 07/08</u>	<u>FY 08/09</u>	<u>FY 09/10</u>	<u>FY 10/11</u>	<u>FY 11/12</u>	<u>FY 12/13</u>	<u>FY 13/14</u>	<u>FY 14/15</u>
City Sales Tax	1.3%	1.0%	5.0%	4.5%	6.1%	4.6%	5.5%	4.3%
State Sales Tax	1.2%	1.5%	4.0%	7.5%	-5.7% <sup>2</sup>	7.7%	6.7%	5.9%
Vehicle License Tax	2.4%	3.4%	3.7%	5.9%	7.4%	7.6%	6.7%	6.4%
Urban Revenue Sharing	21.5%	6.3%	-9.6% <sup>1</sup>	1.9%	-2.4% <sup>2</sup>	18.7%	16.3%	14.3%

1. The decrease is due to 2 factors a) The legislature appropriated a “hold” harmless percentage that was higher than what would normally be distributed. b) FY 09/10 is the first year the income tax cuts impact the cities.

2. The decrease is a result of the fact that the City of Mesa will not continue grow at the same rate as other cities in Arizona and the 2010 Decennial Census Distribution numbers will be used.

## General Fund Sales Tax



2001/02 through 2006/07 average percentage change 4.9%

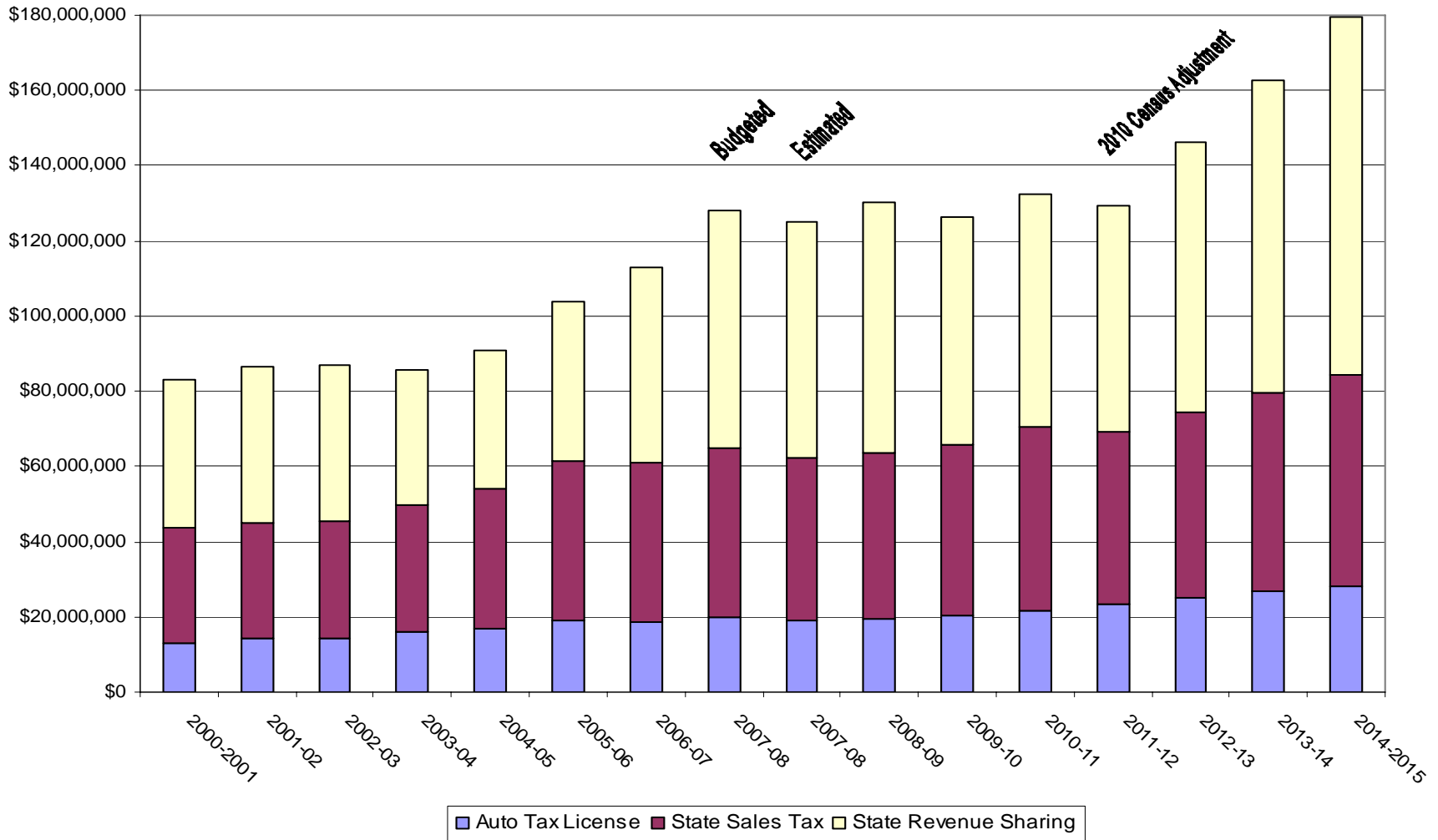
2007/08 Budgeted	\$112,695,000**	5.2%*
2007/08 Forecast	\$107,929,000**	1.3%*
2008/09 Forecast	\$109,007,000**	1.0%
2009/10 Forecast	\$114,456,000**	5.0%
2010/11 Forecast	\$119,608,000**	4.5%
2011/12 Forecast	\$126,904,000**	6.1%
2012/13 Forecast	\$132,741,000**	4.6%
2013/14 Forecast	\$140,042,000**	5.5%
2014/15 Forecast	\$146,064,000**	4.3%

\*Percentage changes reflect change in taxable sales and not the change in the Sales Tax rate

\*\*Total revenue estimates do reflect the change in the Sales Tax rate.

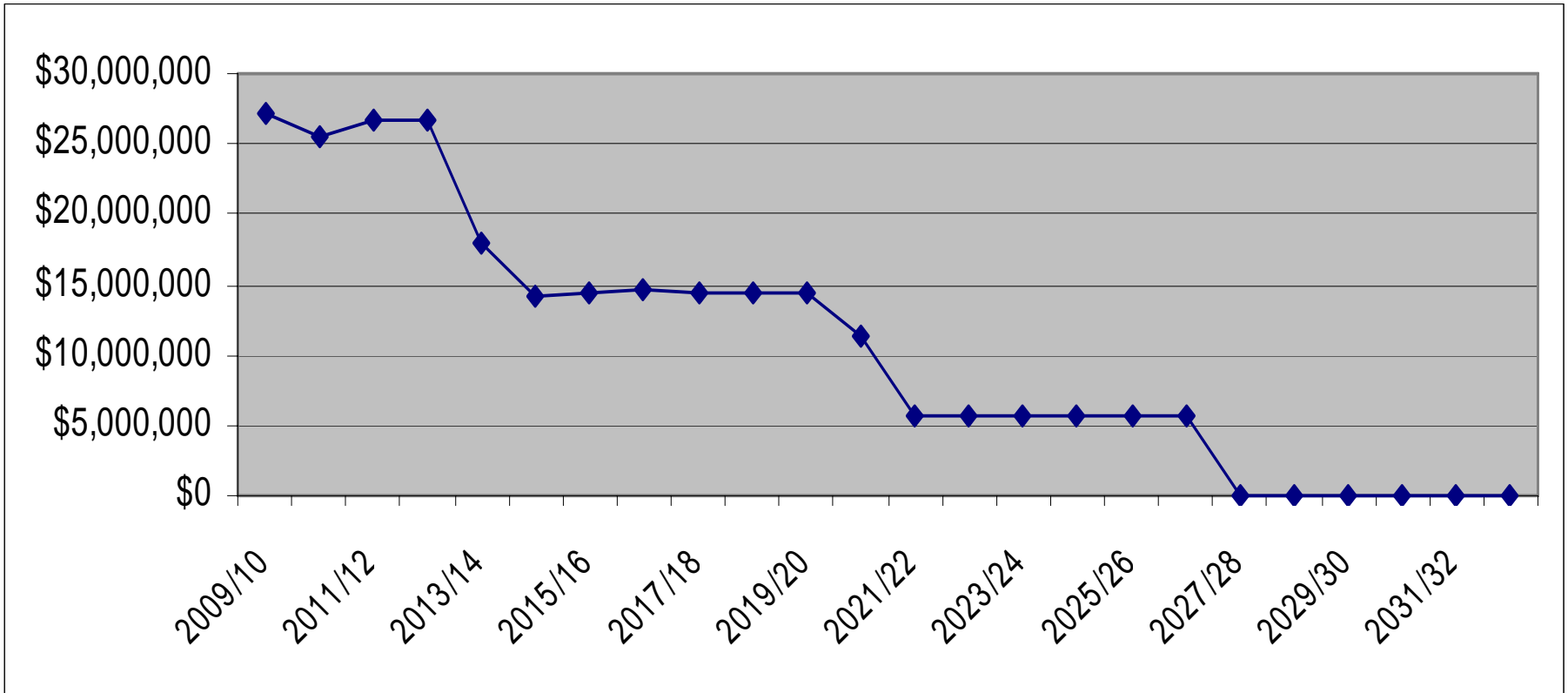
# State Shared Revenues

Auto License Tax    State Sales Tax    State Revenue Sharing

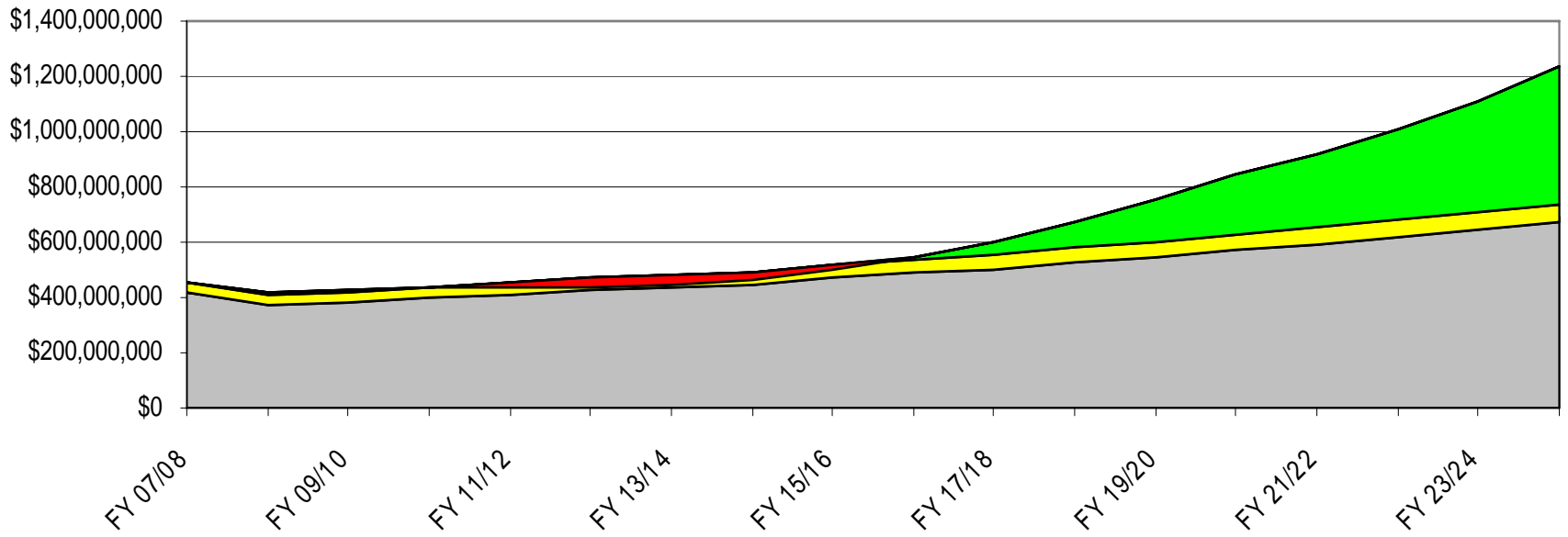


Mesa's share of the allocations will decline at the next decade census as other political subdivisions will continue to grow at a faster rate than the City of Mesa. (See page 11 for individual forecast percentage increases.)

# Existing General Obligation Debt Service



## General Fund Forecast



# Other Impacts/Issues

- Home Rule Election
- Proposed November 2008 bond package totaling \$408.8 M.
  - Total Operations and Maintenance included in the bond package for Public Safety totaling \$11.8 M in FY 2013/14. These costs will need to be considered at the time of individual project approval and will require a secondary property tax levy to offset debt service costs.
  - Future General Obligation (GO) bond debt authorizations to be offset with a corresponding secondary property tax levy.

# Other Impacts/Issues

- Utility rates adjustments continue to lag behind the inflation rates. Cost increases and pressures within the Combined Enterprise Fund, may necessitate additional rate increases.
- “Baby Boomers” account for only 33% of the current national labor force. About 50% of the City’s employees are of the Baby Boomer generation or older, which means higher than normal retirement rates in the next few years.

# Next Steps

- Budget Kickoff meeting with City staff – 1<sup>st</sup> week in January
- Electric Utility status discussion – January 24<sup>th</sup>
- Budget status update to Council – late March
- Budget issue discussions during Study Sessions – April/May
- Tentative budget approval – June 2<sup>nd</sup>
- Final budget adoption – June 23<sup>rd</sup>

Questions?

# Attachments

# General Fund

## Forecast - Reduced Ongoing Expenditures by \$12.5M

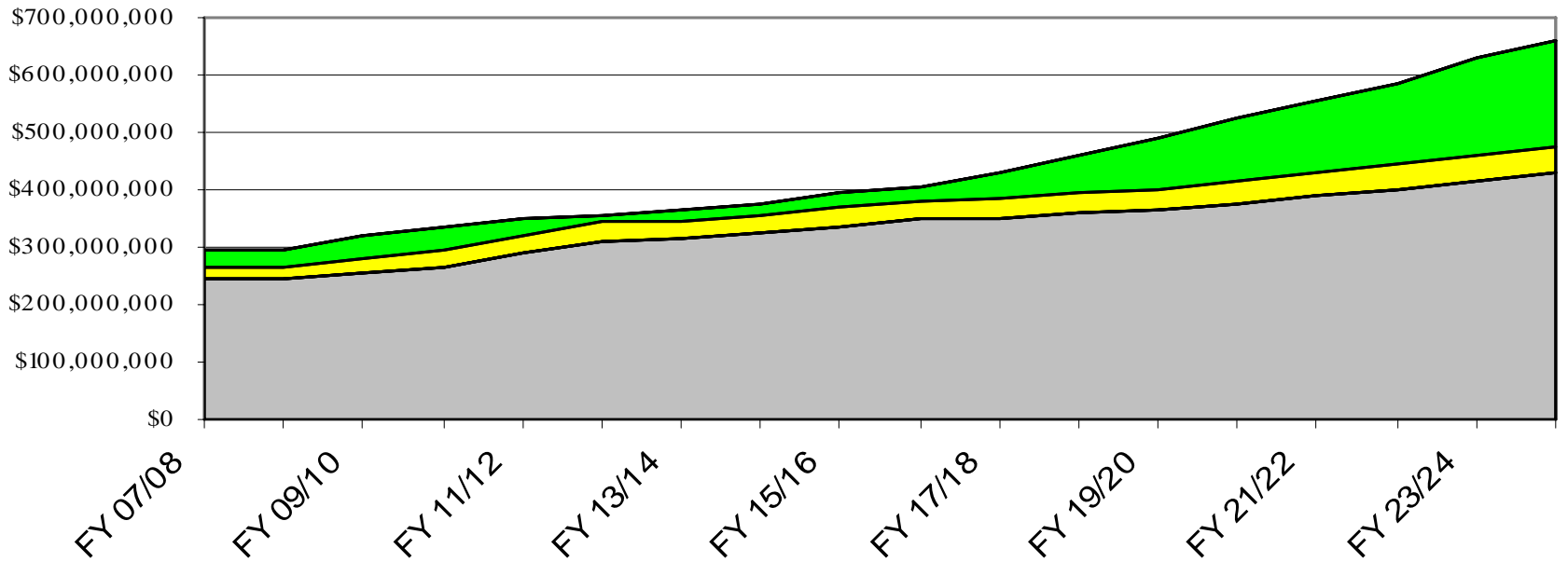
	<i>Estimated</i>	<i>Adjusted</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>
	<i>FY 07/08</i>	<i>FY 08/09</i>	<i>FY 09/10</i>	<i>FY 10/11</i>	<i>FY 11/12</i>	<i>FY 12/13</i>	<i>FY 13/14</i>	<i>FY 14/15</i>
<b>Beginning Fund Balance</b>	\$59,342,239	\$43,303,923	\$45,488,368	\$47,741,698	\$36,127,023	\$20,162,166	\$6,023,422	\$7,316,676
Revenues (CLS)	\$319,026,000	\$305,052,000	\$304,192,613	\$317,553,958	\$324,787,578	\$349,894,660	\$376,623,795	\$401,981,972
Revenues (CIP)	\$0	\$0	\$6,696,170	\$5,955,366	\$368,168	\$0	\$0	\$0
<b>Total Revenues</b>	<b>\$319,026,000</b>	<b>\$305,052,000</b>	<b>\$310,888,783</b>	<b>\$323,509,324</b>	<b>\$325,155,746</b>	<b>\$349,894,660</b>	<b>\$376,623,795</b>	<b>\$401,981,972</b>
<b>Total Resources</b>	<b>\$378,368,239</b>	<b>\$348,355,923</b>	<b>\$356,377,151</b>	<b>\$371,251,022</b>	<b>\$361,282,769</b>	<b>\$370,056,826</b>	<b>\$382,647,217</b>	<b>\$409,298,648</b>
Operation & Maint. (CLS)	\$350,505,201	\$348,491,693	\$362,946,667	\$379,133,541	\$393,447,333	\$409,621,412	\$427,001,880	\$445,257,000
Operation & Maint. (BAR)	\$0	\$0	\$0	\$375,349	\$215,048	\$397,319	\$0	\$419,104
Operation & Maint. (CIP)	\$712,799	\$1,406,416	\$2,743,419	\$2,504,539	\$2,571,633	\$2,644,290	\$2,977,664	\$3,027,992
<b>Total Operation &amp; Maint</b>	<b>\$351,218,000</b>	<b>\$349,898,109</b>	<b>\$365,690,086</b>	<b>\$382,013,429</b>	<b>\$396,234,014</b>	<b>\$412,663,021</b>	<b>\$429,979,544</b>	<b>\$448,704,096</b>
Reduced O&M		(\$12,500,000)	(\$13,018,000)	(\$13,599,000)	(\$14,112,000)	(\$14,692,000)	(\$15,315,000)	(\$15,970,000)
New/Expanded O&M		\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total New/Expanded O&amp;M</b>	<b>\$0</b>	<b>(\$12,500,000)</b>	<b>(\$13,018,000)</b>	<b>(\$13,599,000)</b>	<b>(\$14,112,000)</b>	<b>(\$14,692,000)</b>	<b>(\$15,315,000)</b>	<b>(\$15,970,000)</b>
<b>Existing/CIP Commitments - Debt Service Payments</b>	<b>\$23,811,000</b>	<b>\$22,201,134</b>	<b>\$25,202,343</b>	<b>\$23,686,184</b>	<b>\$24,400,209</b>	<b>\$24,288,360</b>	<b>\$15,831,644</b>	<b>\$12,067,801</b>
Purchased Capital (CLS)	\$6,627,279	\$3,944,937	\$3,441,275	\$4,265,386	\$5,471,380	\$5,435,023	\$4,770,353	\$4,052,733
Capital Expenditures (BAR)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Expenditures (CIP)	\$33,249,721	\$7,092,690	\$829,198	\$0	\$0	\$0	\$0	\$0
<b>Total Capital</b>	<b>\$39,877,000</b>	<b>\$11,037,627</b>	<b>\$4,270,473</b>	<b>\$4,265,386</b>	<b>\$5,471,380</b>	<b>\$5,435,023</b>	<b>\$4,770,353</b>	<b>\$4,052,733</b>
<b>Total Net Results</b>	<b>(\$95,880,000)</b>	<b>(\$65,584,870)</b>	<b>(\$71,256,119)</b>	<b>(\$72,856,675)</b>	<b>(\$86,837,857)</b>	<b>(\$77,799,744)</b>	<b>(\$58,642,746)</b>	<b>(\$46,872,658)</b>
<b>Summary of Net Transfers in the General Fund:</b>								
Transfer In - Pinal Co. Land Sales	\$6,000,000	\$0	\$10,000,000	\$0	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000
Enterprise Fund Operating Transfer	\$83,485,000	\$72,595,000	\$71,172,000	\$69,211,000	\$69,211,000	\$62,372,000	\$59,025,000	\$55,000,000
Transfer Out - MAC Enterprise	(\$1,577,000)	(\$1,624,000)	(\$1,671,000)	(\$1,718,000)	(\$1,764,000)	(\$1,810,000)	(\$1,857,000)	(\$1,905,000)
Transfer Out - Internal Service - Capital	(\$207,000)	(\$7,000)	\$0	\$0	\$0	\$0	\$0	\$0
Transfer Out - Local Transportation Assist.	(\$4,179,000)	(\$2,145,000)	(\$3,587,000)	(\$3,794,000)	(\$4,019,000)	(\$4,244,000)	(\$4,468,000)	(\$4,695,000)
Transfer Out - Housing	(\$350,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Transfer Out - Vehicle Replacement Program	(\$4,689,000)	(\$1,050,000)	(\$2,383,000)	(\$2,457,000)	(\$2,555,000)	(\$2,657,000)	(\$2,764,000)	(\$2,875,000)
Transfer Out - Cemetery Perpetual Care	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Transfer Out - Trust Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Net General Fund Transfers</b>	<b>\$78,483,000</b>	<b>\$67,769,000</b>	<b>\$73,531,000</b>	<b>\$61,242,000</b>	<b>\$70,873,000</b>	<b>\$63,661,000</b>	<b>\$59,936,000</b>	<b>\$55,525,000</b>
Restricted Amounts	\$ (1,358,684)	\$ (315.11)	\$21,551	\$0	\$0	\$0	\$0	\$0
<b>Unrestricted Ending Fund Balance</b>	<b>\$43,303,923</b>	<b>\$45,488,368</b>	<b>\$47,741,698</b>	<b>\$36,127,023</b>	<b>\$20,162,166</b>	<b>\$6,023,422</b>	<b>\$7,316,676</b>	<b>\$15,969,018</b>
<b>Beginning Fund Bal. to Appropriations of Current FY</b>	<b>14.3%</b>	<b>11.7%</b>	<b>11.9%</b>	<b>12.0%</b>	<b>8.8%</b>	<b>4.7%</b>	<b>1.4%</b>	<b>1.6%</b>

**Footnotes:**

1. The Forecast includes; a) Current Levels of Staffing (CLS), as defined by the Proposed 2008/09 Budget, b) Pinal Co. land sales of \$6M in 2007/08, \$ fiscal years 2011/12 through 2020/21 and c) a COLA of 3% as of July 1, 2008.
2. The Forecast reduces O&M costs by \$12.5M in 2008/09. General Fund balances are below 10% beginning in 2011/12 and do not exceed 10% until 2022/23 and 2024/25. Census expenditures are included in 2009/10 and 2019/20.
3. The Forecast includes all existing GO Bond debt service requirements and GO Bond issuances against current authorizations necessary to complete ie. the Police Technical Services Building, City Court, etc.
4. Operation & Maint. (BAR) - Forecasted Budget Adjustment Requests (BAR) included in the forecast for elections in 2010/11, 2012/13, 2014/15, 2016/17, 2018/19, 2020/21, 2022/23 and 2024/25. Census expenditures are included in 2009/10 and 2019/20.

<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Accumulated Total</i>
<i>FY 17/18</i>	<i>FY 18/19</i>	<i>FY 19/20</i>	<i>FY 20/21</i>	<i>FY 21/22</i>	<i>FY 22/23</i>	<i>FY 23/24</i>	<i>FY 24/25</i>	<i>FY 08/09 to 24/25</i>
\$55,409,997	\$95,776,152	\$142,732,743	\$203,855,665	\$277,785,303	\$326,508,393	\$389,524,574	\$470,370,498	
\$ 491,879,378	\$ 521,933,447	\$ 554,775,984	\$ 590,105,511	\$ 585,485,681	\$ 622,945,998	\$ 663,032,857	\$ 705,658,756	\$7,998,167,913
\$491,879,378	\$521,933,447	\$554,775,984	\$590,105,511	\$585,485,681	\$622,945,998	\$663,032,857	\$705,658,756	\$13,019,704
\$547,289,375	\$617,709,599	\$697,508,728	\$793,961,177	\$863,270,984	\$949,454,392	\$1,052,557,431	\$1,176,029,254	\$8,011,187,617
\$ 503,294,000	\$ 524,275,000	\$ 546,130,000	\$ 568,897,000	\$ 592,613,000	\$ 617,317,000	\$ 643,051,000	\$ 669,858,000	\$8,378,305,526
\$3,422,000	\$ 493,481	\$ 3,714,000	\$ 535,483	\$ 323,525	\$ 581,058	\$ 4,373,000	\$ 630,513	\$4,425,656
\$506,716,000	\$528,333,481	\$549,844,000	\$573,301,483	\$596,966,525	\$622,096,058	\$647,424,000	\$675,043,513	\$56,040,953
(\$18,052,000)	(\$18,805,000)	(\$19,589,000)	(\$20,406,000)	(\$21,257,000)	(\$22,143,000)	(\$23,066,000)	(\$24,028,000)	(\$300,518,000)
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(\$18,052,000)	(\$18,805,000)	(\$19,589,000)	(\$20,406,000)	(\$21,257,000)	(\$22,143,000)	(\$23,066,000)	(\$24,028,000)	(\$300,518,000)
\$10,711,223	\$11,731,374	\$12,079,062	\$12,336,391	\$12,460,066	\$12,708,760	\$12,859,933	\$12,838,060	\$276,701,513
\$ 4,428,000	\$ 4,561,000	\$ 4,698,000	\$ 4,839,000	\$ 4,984,000	\$ 5,134,000	\$ 5,288,000	\$ 5,447,000	\$79,233,087
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,921,888
\$4,428,000	\$4,561,000	\$4,698,000	\$4,839,000	\$4,984,000	\$5,134,000	\$5,288,000	\$5,447,000	\$87,154,975
(\$11,923,845)	(\$3,887,409)	\$7,743,922	\$20,034,638	(\$7,667,910)	\$5,150,180	\$20,526,925	\$36,358,183	(\$490,923,006)
\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000	\$0	\$0	\$0	\$0	\$110,000,000
\$53,000,000	\$52,000,000	\$55,000,000	\$56,000,000	\$69,000,000	\$71,000,000	\$74,000,000	\$76,000,000	\$1,081,586,000
(\$2,153,000)	(\$2,243,000)	(\$2,337,000)	(\$2,434,000)	(\$2,535,000)	(\$2,641,000)	(\$2,751,000)	(\$2,866,000)	(\$36,360,000)
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$7,000)
(\$5,307,000)	(\$5,528,000)	(\$5,758,000)	(\$5,998,000)	(\$6,248,000)	(\$6,508,000)	(\$6,779,000)	(\$7,062,000)	(\$86,126,000)
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(\$3,250,000)	(\$3,385,000)	(\$3,526,000)	(\$3,673,000)	(\$3,826,000)	(\$3,985,000)	(\$4,151,000)	(\$4,324,000)	(\$52,976,000)
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$52,290,000	\$50,844,000	\$53,379,000	\$53,895,000	\$56,391,000	\$57,866,000	\$60,319,000	\$61,748,000	\$1,016,117,000
\$95,776,152	\$142,732,743	\$203,855,665	\$277,785,303	\$326,508,393	\$389,524,574	\$470,370,498	\$568,476,681	
11.0%	18.2%	26.1%	35.8%	46.8%	52.9%	60.6%	70.3%	

### Combined Enterprise Fund Forecast



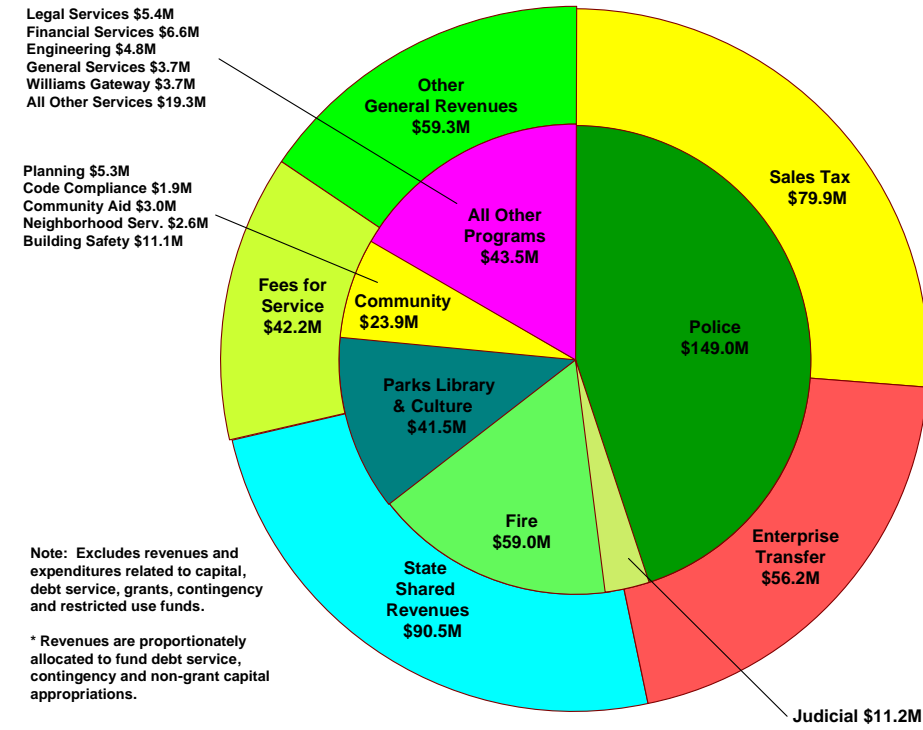
# Combined Enterprise Fund

## Forecast

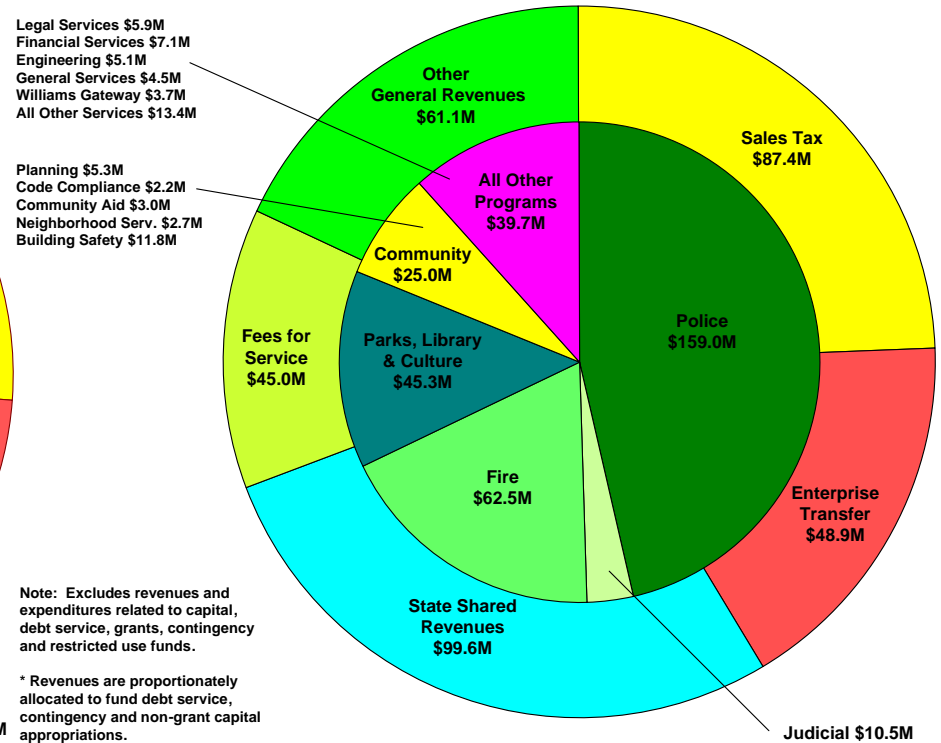
	<i>Estimated FY 07/08</i>	<i>Projected FY 08/09</i>	<i>Forecast FY 09/10</i>	<i>Forecast FY 10/11</i>	<i>Forecast FY 11/12</i>	<i>Forecast FY 12/13</i>	<i>Forecast FY 13/14</i>	<i>Forecast FY 14/15</i>
<b>Beginning Fund Balance</b>	\$51,968,342	\$50,309,717	\$53,185,399	\$62,530,844	\$69,428,497	\$62,792,159	\$45,673,436	\$48,360,492
Revenues (CLS)	\$313,992,000	\$319,225,000	\$333,323,447	\$340,756,364	\$348,907,847	\$354,634,236	\$376,992,238	\$384,813,320
Revenue-Pinal Co. Land Sales	\$6,000,000	\$0	\$10,000,000	\$0	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000
Revenues (CIP)	\$0	\$0	\$3,830,941	\$2,380,084	\$4,090,629	\$3,446,226	\$0	\$0
<b>Total Revenues</b>	<b>\$319,992,000</b>	<b>\$319,225,000</b>	<b>\$347,154,388</b>	<b>\$343,136,448</b>	<b>\$362,998,476</b>	<b>\$368,080,462</b>	<b>\$386,992,238</b>	<b>\$394,813,320</b>
<b>Total Resources</b>	<b>\$371,960,342</b>	<b>\$369,534,717</b>	<b>\$400,339,787</b>	<b>\$405,667,292</b>	<b>\$432,426,973</b>	<b>\$430,872,621</b>	<b>\$432,665,674</b>	<b>\$443,173,812</b>
Operation & Maint. (CLS)	\$165,607,000	\$174,170,542	\$180,274,513	\$186,241,819	\$192,620,841	\$199,031,557	\$205,575,250	\$212,263,105
Operation & Maint. (BAR)	\$0	\$0	\$238,369	\$252,191	\$203,478	\$317,311	\$392,288	\$399,680
Operation & Maint. (CIP)	\$0	\$222,486	\$474,111	\$677,369	\$700,064	\$6,193,057	\$3,051,026	\$3,150,143
<b>Total Operation &amp; Maint</b>	<b>\$165,607,000</b>	<b>\$174,393,028</b>	<b>\$180,986,993</b>	<b>\$187,171,379</b>	<b>\$193,524,383</b>	<b>\$205,541,925</b>	<b>\$209,018,564</b>	<b>\$215,812,928</b>
New/Expanded O&M			\$0	\$0	\$0	\$0	\$0	\$0
New/Expanded O&M			\$0	\$0	\$0	\$0	\$0	\$0
<b>Total New/Expanded O&amp;M</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Debt Service Payments</b>	<b>\$53,251,000</b>	<b>\$59,451,269</b>	<b>\$69,700,451</b>	<b>\$74,644,037</b>	<b>\$90,352,428</b>	<b>\$101,324,967</b>	<b>\$104,009,662</b>	<b>\$106,897,586</b>
Purchased Capital (CLS)	\$7,502,408	\$1,869,989	\$0	\$0	\$0	\$0	\$0	\$0
Capital Expenditures (BAR)	\$413,284	\$0	\$0	\$199,101	\$0	\$0	\$223,961	\$0
Capital Expenditures (CIP)	\$15,922,308	\$6,887,005	\$4,851,795	\$4,332,835	\$5,442,114	\$4,865,947	\$911,887	\$936,235
<b>Total Capital</b>	<b>\$23,838,000</b>	<b>\$8,756,994</b>	<b>\$4,851,795</b>	<b>\$4,531,936</b>	<b>\$5,442,114</b>	<b>\$4,865,947</b>	<b>\$1,135,848</b>	<b>\$936,235</b>
<b>Total Net Results</b>	<b>\$77,296,000</b>	<b>\$76,623,709</b>	<b>\$91,615,149</b>	<b>\$76,789,096</b>	<b>\$73,679,551</b>	<b>\$56,347,623</b>	<b>\$72,828,164</b>	<b>\$71,166,571</b>
<b>Summary of Transfers to General Fund:</b>								
Transfer of Pinal Co. Land Sales	(\$6,000,000)	\$0	(\$10,000,000)	\$0	(\$10,000,000)	(\$10,000,000)	(\$10,000,000)	(\$10,000,000)
Enterprise Fund Operating Transfer	(\$83,485,000)	(\$72,595,000)	(\$71,172,000)	(\$69,211,000)	(\$69,211,000)	(\$62,372,000)	(\$59,025,000)	(\$55,000,000)
<b>Total Fund Transfer</b>	<b>(\$89,485,000)</b>	<b>(\$72,595,000)</b>	<b>(\$81,172,000)</b>	<b>(\$69,211,000)</b>	<b>(\$79,211,000)</b>	<b>(\$72,372,000)</b>	<b>(\$69,025,000)</b>	<b>(\$65,000,000)</b>
Restricted Amounts	\$ (10,530,375)	\$ 1,153,027	\$ 1,097,704	\$ 680,442.63	\$ 1,104,889.23	\$ 1,094,345.85	\$ 1,116,108	\$ 1,046,949
Unrestricted Ending Fund Balance	\$50,309,717	\$53,185,399	\$62,530,844	\$69,428,497	\$62,792,159	\$45,673,436	\$48,360,492	\$53,480,114
<b>Total Ending Fund Balance</b>	<b>\$39,779,342</b>	<b>\$54,338,426</b>	<b>\$63,628,548</b>	<b>\$70,108,940</b>	<b>\$63,897,048</b>	<b>\$46,767,782</b>	<b>\$49,476,600</b>	<b>\$54,527,063</b>
<b>Fund Balance Percentage</b>	<b>21.4%</b>	<b>20.7%</b>	<b>20.8%</b>	<b>23.5%</b>	<b>24.0%</b>	<b>20.1%</b>	<b>14.5%</b>	<b>14.9%</b>
<b>Fund Operating Transfer as a Percentage of Revenues (CLS)</b>	<b>26.6%</b>	<b>22.7%</b>	<b>21.4%</b>	<b>20.3%</b>	<b>19.8%</b>	<b>17.6%</b>	<b>15.7%</b>	<b>14.3%</b>

<i>Forecast FY 17/18</i>	<i>Forecast FY 18/19</i>	<i>Forecast FY 19/20</i>	<i>Forecast FY 20/21</i>	<i>Forecast FY 21/22</i>	<i>Forecast FY 22/23</i>	<i>Forecast FY 23/24</i>	<i>Forecast FY 24/25</i>	<i>Accumulated Total FY 08/09 to 24/25</i>
\$59,397,494	\$81,234,267	\$96,594,250	\$127,028,186	\$145,624,595	\$166,532,402	\$184,833,218	\$210,502,416	
\$ 424,099,681	\$ 429,516,858	\$ 450,876,627	\$ 452,429,937	\$ 481,416,078	\$ 492,580,032	\$ 517,713,217	\$ 528,524,581	\$7,044,978,273
\$ 10,000,000	\$ 10,000,000	\$ 10,000,000	\$ 10,000,000					\$110,000,000
								\$13,747,880
<b>\$434,099,681</b>	<b>\$439,516,858</b>	<b>\$460,876,627</b>	<b>\$462,429,937</b>	<b>\$481,416,078</b>	<b>\$492,580,032</b>	<b>\$517,713,217</b>	<b>\$528,524,581</b>	<b>\$7,168,726,153</b>
<b>\$493,497,176</b>	<b>\$520,751,126</b>	<b>\$557,470,877</b>	<b>\$589,458,123</b>	<b>\$627,040,673</b>	<b>\$659,112,433</b>	<b>\$702,546,434</b>	<b>\$739,026,997</b>	<b>\$8,744,747,458</b>
\$ 236,101,000	\$ 244,628,000	\$ 253,463,000	\$ 262,617,000	\$ 272,101,000	\$ 281,928,000	\$ 292,110,000	\$ 302,659,000	\$3,943,585,627
\$557,000	\$616,000	\$679,000	\$746,000	\$818,000	\$894,000	\$975,000	\$1,061,000	\$9,099,317
\$3,529,000	\$3,665,000	\$3,807,000	\$3,954,000	\$4,107,000	\$4,266,000	\$4,431,000	\$4,602,000	\$53,499,256
<b>\$240,187,000</b>	<b>\$248,909,000</b>	<b>\$257,949,000</b>	<b>\$267,317,000</b>	<b>\$277,026,000</b>	<b>\$287,088,000</b>	<b>\$297,516,000</b>	<b>\$308,322,000</b>	<b>\$4,006,184,200</b>
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>\$104,419,478</b>	<b>\$108,724,865</b>	<b>\$102,580,400</b>	<b>\$105,741,661</b>	<b>\$109,287,079</b>	<b>\$111,134,944</b>	<b>\$115,020,270</b>	<b>\$119,092,185</b>	<b>\$1,704,479,510</b>
\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,869,989
\$252,000		\$267,000		\$283,000		\$300,000		\$1,763,062
\$3,428,893	\$3,569,654	\$3,716,194	\$3,868,750	\$4,027,568	\$4,192,906	\$4,365,031	\$4,544,222	\$66,398,521
<b>\$3,680,893</b>	<b>\$3,569,654</b>	<b>\$3,983,194</b>	<b>\$3,868,750</b>	<b>\$4,310,568</b>	<b>\$4,192,906</b>	<b>\$4,665,031</b>	<b>\$4,544,222</b>	<b>\$70,031,572</b>
<b>\$85,812,310</b>	<b>\$78,313,339</b>	<b>\$96,364,033</b>	<b>\$85,502,527</b>	<b>\$90,792,432</b>	<b>\$90,164,182</b>	<b>\$100,511,916</b>	<b>\$96,566,174</b>	<b>\$1,388,030,871</b>
(\$10,000,000)	(\$10,000,000)	(\$10,000,000)	(\$10,000,000)	\$0	\$0	\$0	\$0	(\$110,000,000)
(\$53,000,000)	(\$52,000,000)	(\$55,000,000)	(\$56,000,000)	(\$69,000,000)	(\$71,000,000)	(\$74,000,000)	(\$76,000,000)	(\$1,081,586,000)
<b>(\$63,000,000)</b>	<b>(\$62,000,000)</b>	<b>(\$65,000,000)</b>	<b>(\$66,000,000)</b>	<b>(\$69,000,000)</b>	<b>(\$71,000,000)</b>	<b>(\$74,000,000)</b>	<b>(\$76,000,000)</b>	<b>(\$1,191,586,000)</b>
\$ 975,537	\$ 953,357	\$ 930,097	\$ 906,118	\$ 884,625	\$ 863,366	\$ 842,718	\$ 823,063	
\$81,234,267	\$96,594,250	\$127,028,186	\$145,624,595	\$166,532,402	\$184,833,218	\$210,502,416	\$230,245,527	
<b>\$82,209,804</b>	<b>\$97,547,607</b>	<b>\$127,958,283</b>	<b>\$146,530,713</b>	<b>\$167,417,027</b>	<b>\$185,696,584</b>	<b>\$211,345,134</b>	<b>\$231,068,590</b>	
17.1%	22.5%	26.5%	33.7%	37.3%	41.4%	44.3%	48.7%	
12.5%	12.1%	12.2%	12.4%	14.3%	14.4%	14.3%	14.4%	

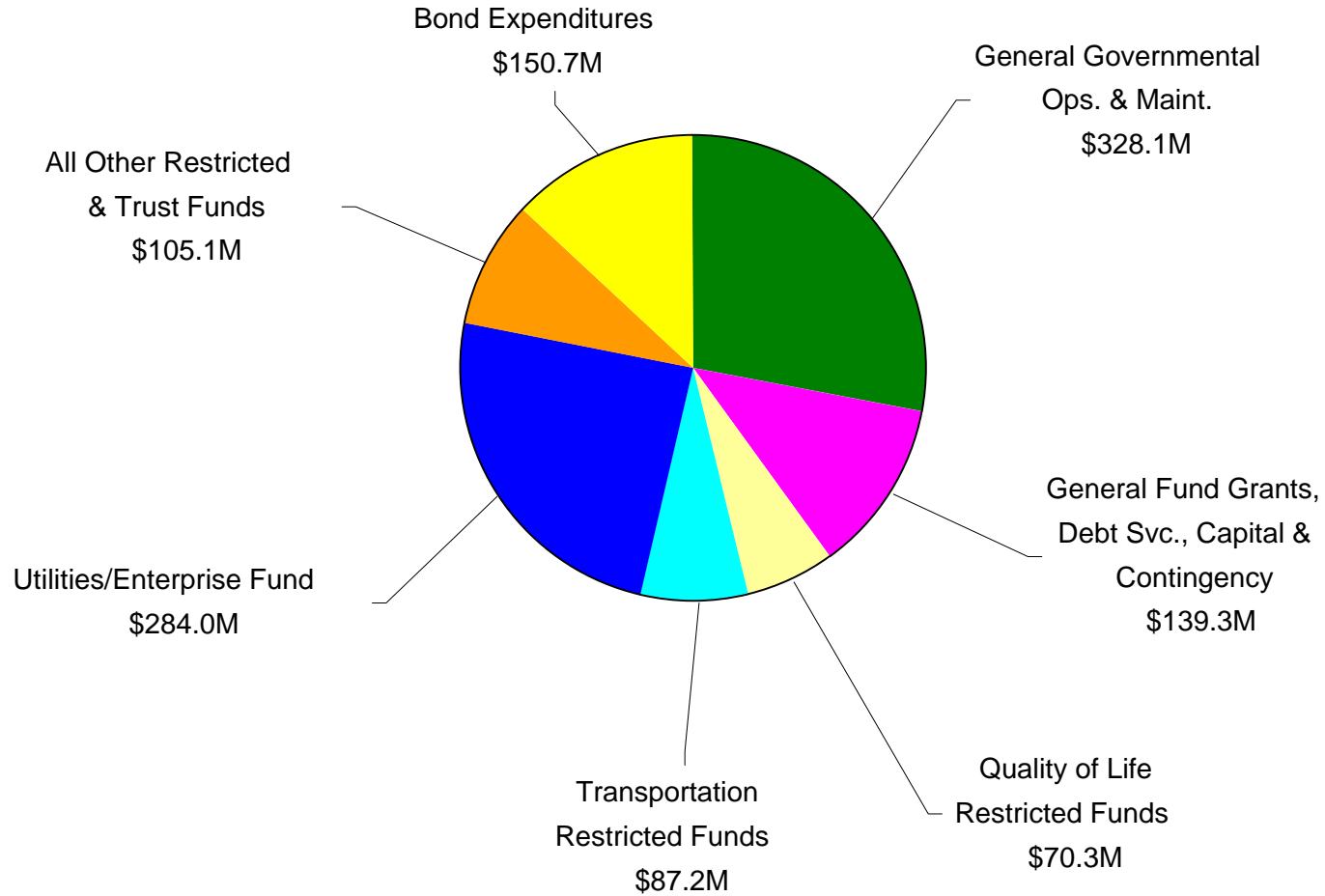
**Fiscal Year 2007/08 General Governmental Operations & Maintenance  
Adopted Budget \$328.1M**



**Fiscal Year 2008/09 General Governmental Operations & Maintenance  
Recommended Budget \$342.0M**



Total City of Mesa FY 2007/08 "All Funds" Adopted Budget \$1.165B



# Average Homeowner's Charges Survey

<b>City</b>	<b>Annual Total</b>	<b>Percentage of Charges</b>
Mesa	\$1,418	100%
Chandler	\$1,476	104%
Gilbert	\$1,400	99%
Glendale	\$2,031	143%
Phoenix	\$1,845	130%
Scottsdale	\$1,552	110%
Tempe	\$1,550	109%

# Vacancy History

