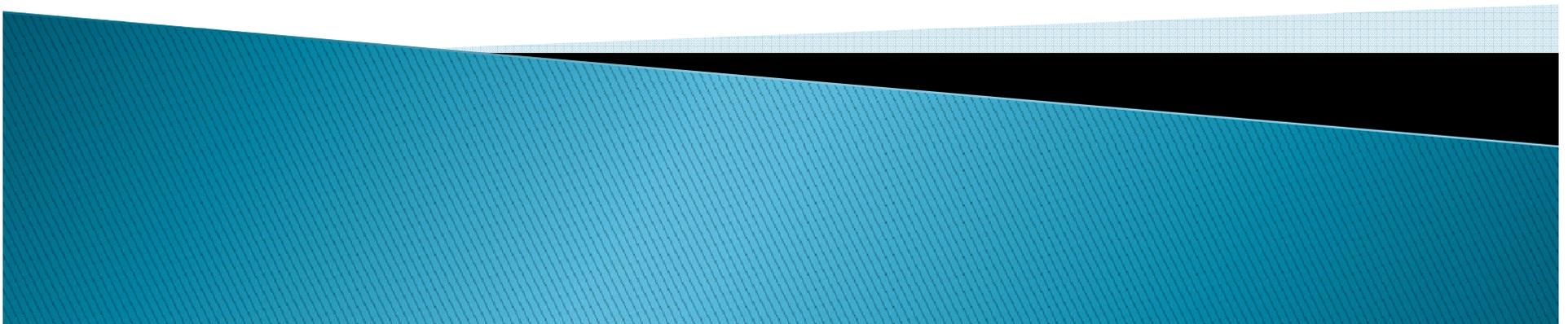


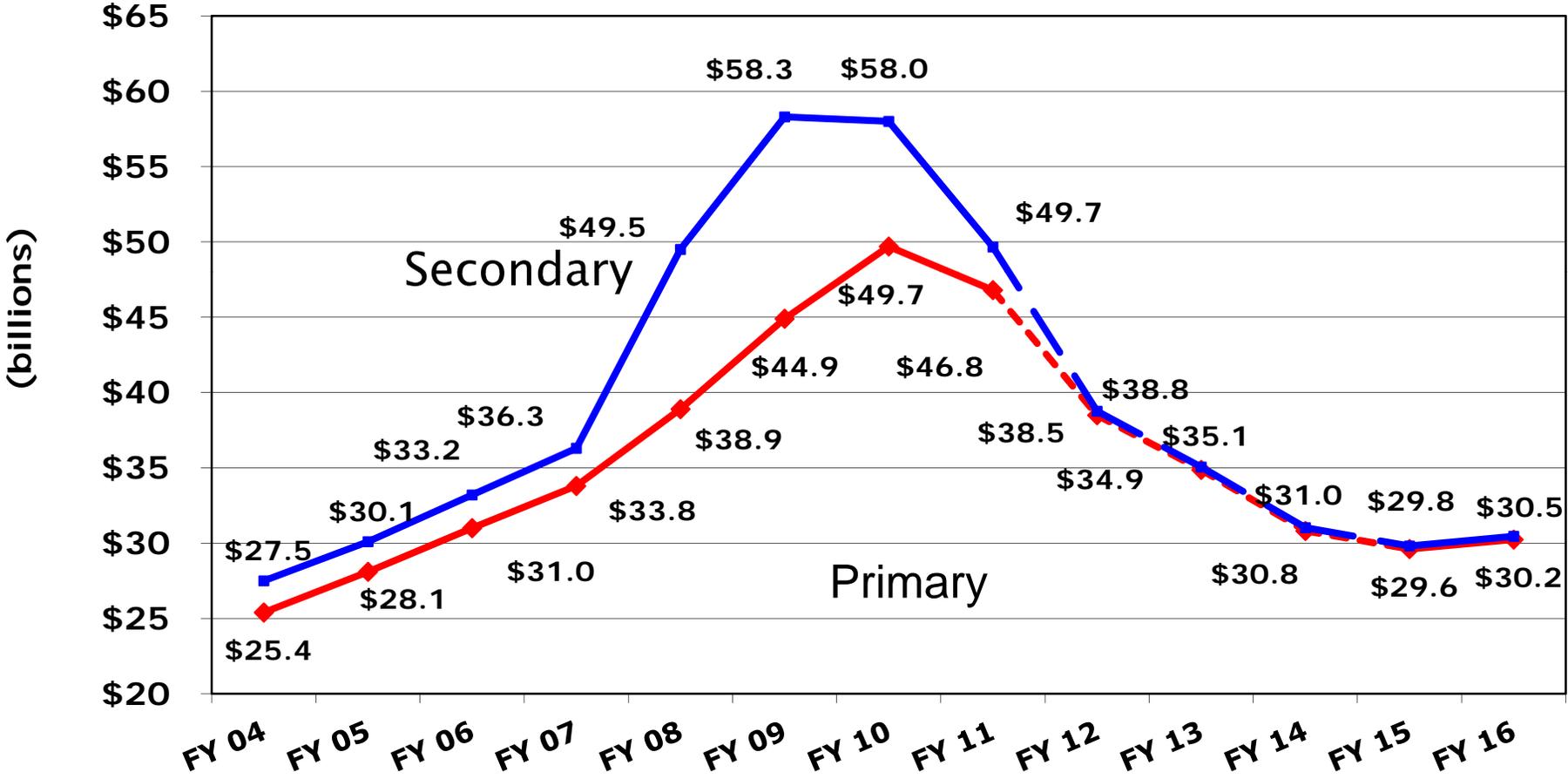
# FY 2013 Budgeting for Results Guidelines and Priorities

December 12, 2011

Office of Management and Budget



# Total Net Assessed Value



Forecasts – Elliott D. Pollack pessimistic scenario, October 2011

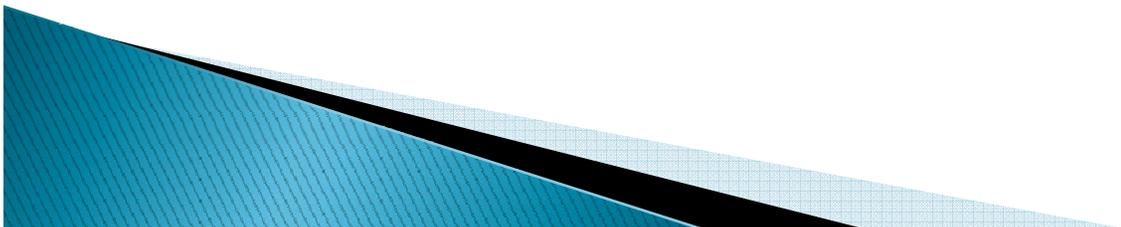
# Property Tax

	Primary	Secondary Library	Secondary Flood*
<b>Assessed Value - FY 2013</b>	\$ 34,867,472,747	\$ 35,056,119,363	\$ 31,715,105,086 *
<b>Assessed Value - FY 2012</b>	\$ 38,492,098,635	\$ 38,760,296,714	\$ 35,056,838,356
<b>Change in Assessed Value</b>	<b>\$ (3,624,625,888)</b>	<b>\$ (3,704,177,351)</b>	<b>\$ (3,341,733,270)</b>
<b>RATE</b>	\$ 1.2407	\$ 0.0492	\$ 0.1780
<b>LEVY - FY 2013</b>	\$ 432,600,734	\$ 17,247,611	\$ 56,452,887
<b>LEVY - FY 2012</b>	\$ 477,571,468	\$ 19,070,066	\$ 62,401,172
<b>Change in Levy</b>	<b>\$ (44,970,733)</b>	<b>\$ (1,822,455)</b>	<b>\$ (5,948,285)</b>
<i>1-Cent of Tax Rate= Levy</i>	\$ 3,486,747	\$ 3,505,612	\$ 3,171,511

\* from Feb. 2011 NAV estimate

# Sales Tax/Jail Tax and Internet Sales

- ▶ Estimate that Maricopa County experiences about a 5% loss in sales tax revenue due to e-commerce sales
  - \$20 million in State Shared Sales Tax
  - \$5 million in Jail Tax
- ▶ DOR:
  - No official data source for Arizona / Maricopa County internet sales



# FY 2013 Tax Forecast

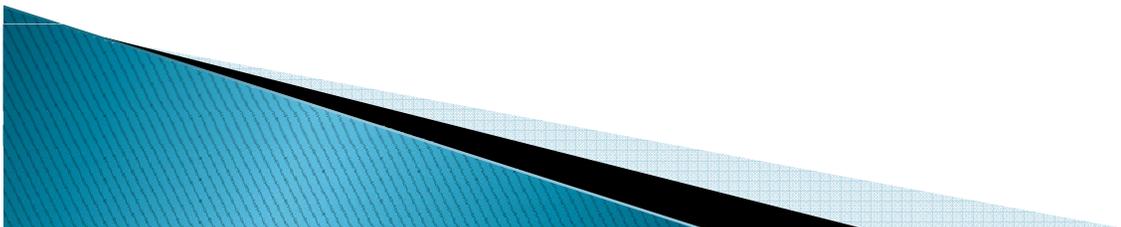
	<b>FY 2012 Budget</b>	<b>OMB FY 2012 Forecast</b>	<b>FY 2013 Forecast*</b>	<b>Variance FY 2012 Budget to FY 2013 Forecast</b>
Sales Tax	\$ 369,740,752	\$ 387,211,948	\$ 405,798,122	\$ 36,057,370
VLT	\$ 111,119,076	\$ 109,405,101	\$ 110,499,152	\$ (619,924)
Jail Tax	\$ 109,584,249	\$ 117,734,769	\$ 123,386,038	\$ 13,801,789

\*The following FY 2013 growth rates were applied to the FY 2012 OMB Forecast baselines:

- Sales: 4.8% (Pollack Most Likely)
- VLT: 1.0 % (Pollack Pessimistic)
- Jail: 4.8% (Pollack Most Likely)

# Summary of Impacts

	General Fund Operating Budget			Detention Fund Operating Budget		
	FY 2012	Impacts	FY 2013	FY 2012	Impacts	FY 2013
<b>Revenues</b>	\$ 1,057,943,588	\$ (12,533,287)	\$ 1,045,410,301	\$ 309,887,527	\$ 16,678,503	\$ 326,566,030
<b>Expenditures</b>	\$ 1,057,943,588	\$ (16,987,624)	\$ 1,040,955,964	\$ 309,887,527	\$ 23,880,735	\$ 333,768,262
<b>Net</b>	<u>\$ -</u>	<u>\$ 4,454,337</u>	<u>\$ 4,454,337</u>	<u>\$ -</u>	<u>\$ (7,202,232)</u>	<u>\$ (7,202,232)</u>



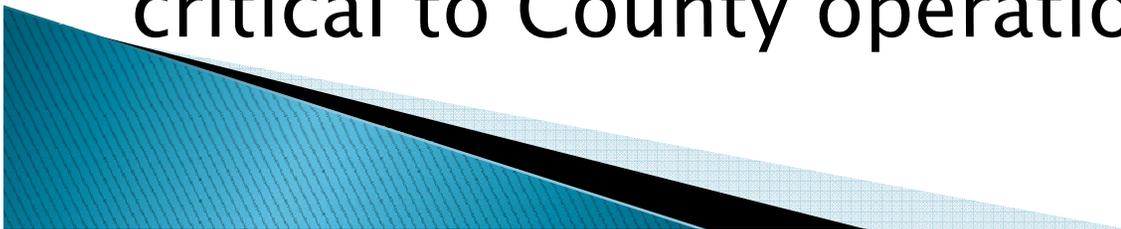
# FY 2013 Guidelines and Priorities

- ▶ Direction from the Board to develop a sustainable, structurally-balanced budget that achieves, within available resources, the County's mission and strategic goals
- ▶ Base budget to assume that property tax rate will remain flat, resulting in an estimated \$45 million reduction to the property tax levy
- ▶ No funding anticipated for pay increases



# FY 2013 Guidelines and Priorities (cont.)

- ▶ No requests for additional funding
- ▶ Use of fund balance consistent with policy and structurally-balanced budget
- ▶ Capital Improvement Program update
- ▶ New IT projects considered if ROI with direct benefits of three years or less or if critical to County operations



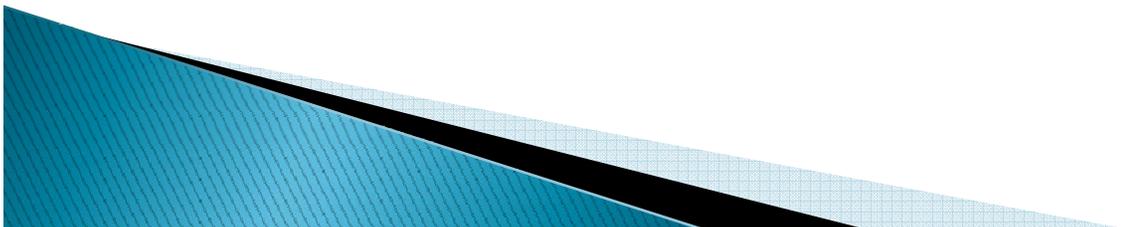
# FY 2013 Guidelines and Priorities (cont.)

- ▶ Target Adjustments
  - Annualization of FY 2012 adjustments
  - Annualization of other items approved by the Board
  - Adjustments required by State law
  - Adjustments for change in hours from 2088 to 2080
- ▶ Submit within target
- ▶ No backfill for lost grants



# FY 2013 Guidelines and Priorities (cont.)

- ▶ No call for reductions, but be prepared to submit up to 5% of operating budget to retain structural balance
- ▶ State Contribution to be paid from Special Revenue fund balances
- ▶ Allocate ISF charges to all funds



# FY 2013 Budget Calendar\*

12/12/2011	Board Approves FY 2013 Budgeting for Results
12/13/2011	Budget Kick-Off for Departments
12/16/2011	OMB Issues Department Budget Targets, Internal Charges, Forms and Instructions
Early Jan - Late Feb	Departments Submit Budget Requests
Late Jan - Early Mar	OMB Analyzes Department Budgets, Develops Recommendations
2/10/2012	Assessed Values and Levy Limits Reported by Assessor
<i>March</i>	<i>Elected Official and Judicial Branch Budget Presentations to the Board of Supervisors</i>
3/9/2012	Departments Submit Final CIP Budgets
March	OMB and Departments Review Budget
April	OMB Consolidates Budget, Prepares Budget Document
5/21/2012	FY 2013 Recommended Budget Presentation <b>Tentative Adoption of FY 2013 Budget</b>
May - June	Publication of Tentative Budget and Truth in Taxation
6/18/2012	<b>Final Adoption of FY 2013 Budget</b>
8/20/2012	<b>Adoption of the FY 2013 Property Tax Levy</b>

\* All dates subject to change



**Office of Management & Budget**



# FY 2013 Flood Control District Guidelines and Priorities

- ▶ Direction from the Board to develop a sustainable, structurally-balanced budget that achieves, within available resources, the District's mission and strategic goals
  - ▶ Base budget to assume that property tax rate will remain flat, resulting in a \$5.9 million reduction to the property tax levy
  - ▶ Use of fund balance consistent with policy and structurally-balanced budget
  - ▶ No funding anticipated for pay increases
  - ▶ No requests for additional funding
  - ▶ Capital Improvement Program update
  - ▶ New IT projects considered if ROI with direct benefits of three years or less or critical to operations
- 

# FY 2013 Flood Control District Guidelines and Priorities (cont.)

- ▶ Target Adjustments
    - Annualization of FY 2012 adjustments
    - Annualization of other items approved by the Board
    - Adjustments for change in hours from 2088 to 2080
  - ▶ Submit within target
  - ▶ No call for reductions, but be prepared to submit up to 5% of operating budget to retain structural balance
  - ▶ State Contribution to be paid from Special Revenue fund balances
  - ▶ Allocate ISF charges to all funds
- 

# FY 2013 Library District Guidelines and Priorities

- ▶ Direction from the Board to develop a sustainable, structurally-balanced budget that achieves, within available resources, the District's mission and strategic goals
  - ▶ Base budget to assume that property tax rate will remain flat, resulting in a \$1.8 million reduction to the property tax levy
  - ▶ Use of fund balance consistent with policy and structurally-balanced budget
  - ▶ No funding anticipated for pay increases
  - ▶ No requests for additional funding
  - ▶ Capital Improvement Program update
  - ▶ New IT projects considered if ROI with direct benefits of three years or less or critical to operations
- 

# FY 2013 Library District Guidelines and Priorities (cont.)

- ▶ Target Adjustments
    - Annualization of FY 2012 adjustments
    - Annualization of other items approved by the Board
    - Adjustments for change in hours from 2088 to 2080
  - ▶ Submit within target
  - ▶ No call for reductions, but be prepared to submit up to 5% of operating budget to retain structural balance
  - ▶ State Contribution to be paid from Special Revenue fund balances
  - ▶ Allocate ISF charges to all funds
- 

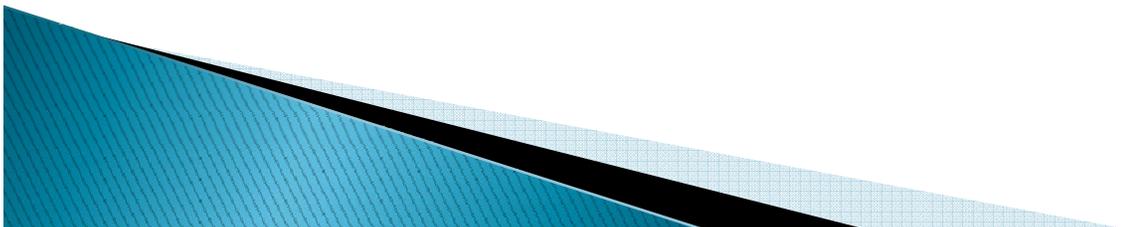
# FY 2013 Stadium District Guidelines and Priorities

- ▶ Direction from the Board to develop a sustainable, structurally-balanced budget that achieves, within available resources, the District's mission and strategic goals
- ▶ Use of fund balance consistent with policy and structurally-balanced budget
- ▶ No funding anticipated for pay increases
- ▶ No requests for additional funding
- ▶ Capital Improvement Program update
- ▶ New IT projects considered if ROI with direct benefits of three years or less or critical to operations



## FY 2013 Stadium District Guidelines and Priorities (cont.)

- ▶ Target Adjustments
  - Annualization of FY 2012 adjustments
  - Annualization of other items approved by the Board
  - Adjustments for change in hours from 2088 to 2080
- ▶ Submit within target
- ▶ No call for reductions, but be prepared to submit up to 5% of operating budget to retain structural balance
- ▶ Allocate ISF charges to all funds





**Office of Management & Budget**

