



CITY OF CONCORD

DATE: May 7, 2015

TO: Honorable Mayor James Bouley and the Concord City Council

FROM: Thomas J. Aspell, Jr., City Manager

SUBJECT: Fiscal Year 2016 Budget Transmittal Letter

Herewith, I respectfully submit to you the City of Concord Operating Budget and Capital Improvement Program for the fiscal year July 1, 2015 through June 30, 2016.

As the City Council reviews this proposed budget, consideration should be given to the slow economic recovery since the Great Recession, the continued decreases in State funding and the annual downshifting of costs. The City Council and City Administration have taken a strategic and long-term approach towards budgeting which has allowed the community to take many steps forward in creating a sustainable economic climate. This proposed budget continues that approach by strengthening core services and investing in initiatives that will improve the quality of life for our residents, businesses and visitors.

Through long-term planning, conservative spending and the making of sound investments, the City has made progress on many important fronts, while at the same time maintaining high quality services. This organization has seen many accomplishments during Fiscal Year 2015, including:

- Construction of the Main Street/Downtown Complete Streets project
- Acquisition of the New Hampshire Employment Security site
- Final phases of the Route 3 North Project in Penacook
- Hiring of a new Library Director, Police Chief, Water Treatment Plant Superintendent, Golf Pro
- Final cleanup of the former Allied Leather Tannery site
- Completion of a Parking Strategic Plan
- Receipt of a \$483,516 grant from the Federal Emergency Management Agency for the purchase of new protective breathing equipment for firefighters
- Creation of a Problem Oriented Policing (POP) Unit to respond to neighborhood and downtown concerns
- Successful public-private partnership to develop 31,000 square feet of retail and build a new leg to the D'Amante Drive/Old Loudon Road intersection
- Implementation of new City Council Agenda Software

The City has focused on improving communications and has provided considerable public input opportunities on a wide array of policy topics and projects. The success of the “Report a Concern” page on the City’s website, the dramatic increase in social media engagement, planning design workshops associated with major capital projects and street improvements, and the numerous speaking engagements undertaken by City staff, all point to a local government fully engaged with its community.

Fiscal Year 2016 Budget

This proposed budget focuses on six overarching objectives which will continue the process of creating a more sustainable and economically viable community.

A Safe City – Public safety is the foremost responsibility of City government. All Concord residents deserve to be secure in their homes, safe in their neighborhoods and able to explore their city without threat or intimidation. To help achieve this goal, the proposed budget includes greater investments in both the Concord Police Department and the Concord Fire Department as highlighted below:

- Fully funded Problem Oriented Policing Program (POP)
- Replacement of Engine #5 Apparatus
- Replacement of Fire Department Communications Equipment
- Addition of a part-time Victim Witness Advocate position in the Legal Department

A Vibrant City – The City’s vibrancy depends on the complementary roles of the business community providing employment opportunities for a workforce of diverse skills, and the residential neighborhoods offering attractive places for individuals and families to build their lives. For example, fostering livable, walkable, mixed use neighborhoods and nearby parks are the strategies needed to support growth in Concord’s neighborhoods. At the same time, action by the City can also help support growth among the City’s businesses, both large and small. This proposed budget includes several investments designed to protect and enhance Concord’s vibrancy as highlighted below:

- Increased debt service funding for Downtown Complete Streets and Route 3 North Projects
- Replacement of the Rolfe Park Pool
- Heights Community Center Improvements
- Dredging of the Boat Ramp on the Merrimack River at Kiwanis Park

An Interconnected City – The investments included in the Fiscal Year 2016 Proposed Budget move toward an improved overall transportation system, while at the same time “taking care of basics,” including funding for repair and maintenance of the road system, and greater emphasis on the needs of individual neighborhoods. The proposed budget includes \$6.8 million for the Annual Highway Improvement Program for Fiscal Year 2016 and 2017 capital budgets combined. This more than triples the Fiscal Year 2016 and 2017 planned appropriation of \$2.2 million. Significant projects include:

- Enhanced Annual Neighborhood Paving Program
- Exit 16/Mountain Road/Shawmut Street Roundabout
- Pleasant Street/Concord Hospital Signalization Project
- Phased Rehabilitation of the Airport’s Main Runway
- Phased Replacement of Concord Area Transit Buses

An Innovative City – To ensure that government keeps pace with the innovation drive within the private sector, the Proposed Budget enhances the resources available to the Information Technology Department both in terms of staffing and work space. Significant projects include:

- Addition of an Information Technology Systems Administrator II Position
- Renovation and Expansion of Work Space for the Information Technology Department
- Implementation of an Enterprise Wide Payroll Time Keeping System
- Installation of an Accessible Voting System Program for Municipal Elections
- Installation of Credit Card Chip Readers to Improve Fraud Protection

A Communications and Customer-focused City – To serve residents better, the City itself must be ready to innovate and change. Customer service and communications is a critical element of the City's role in providing basic services like water and sewer, and in issuing permits and licenses associated with an array of regulatory activities. For many residents and businesses, these are the reasons they interact with local government most frequently. To help improve these interactions, the proposed budget funds:

- Additional Hours for City Clerk Administrative Position for Vital Records
- Internet-based Dog Licensing Program
- New Building Permit Tracking System

A Well Maintained City – To ensure that city government provides good stewardship to the physical assets entrusted to the governing body, the Proposed Budget dedicates available resources to appropriately maintain the existing building infrastructure. Projects include:

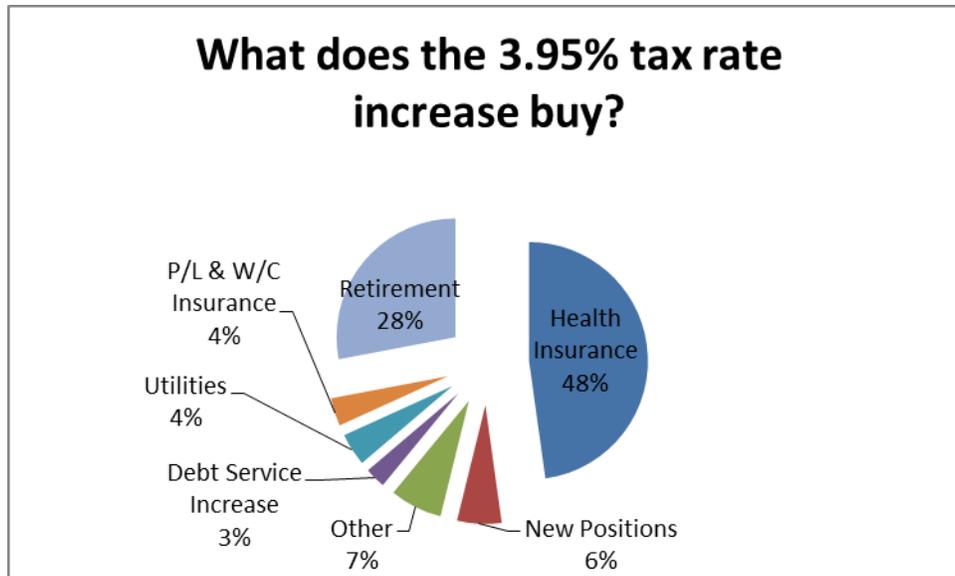
- City Hall Complex Conversion to Natural Gas
- Combined Operations Maintenance Facility Roof & HVAC
- Concord Public Library Roof Replacement
- Storm Water Improvements
- Water Main Replacement & Construction
- Repairs to the Parking Infrastructure
- Urban Weed Control Program

Budget Details

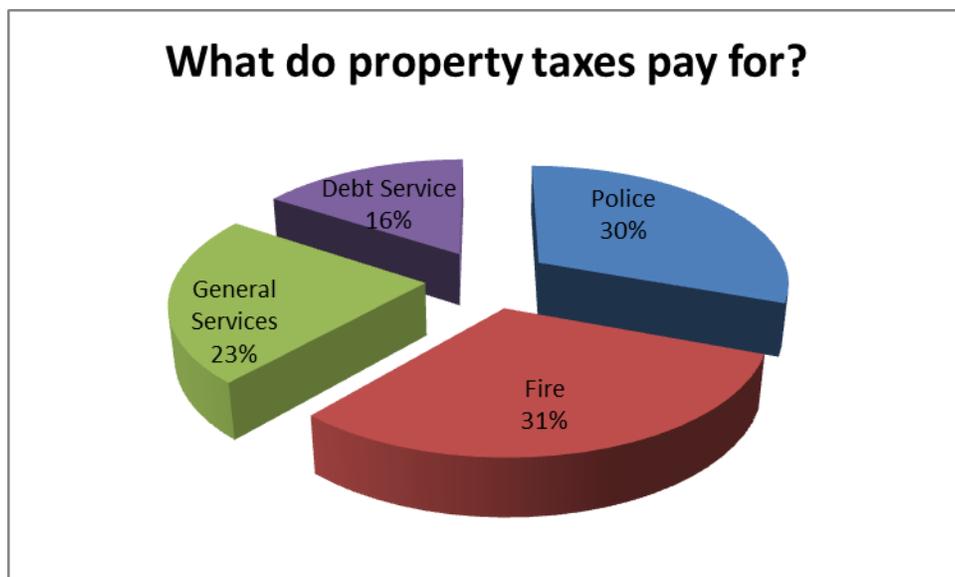
This budget is presented with a 3.95% proposed tax rate increase. The additional revenue derived from this increase will go entirely to support:

- \$53,200 in increased workers comp and property/liability insurances costs
- \$389,500 in increased retirement costs
- \$665,600 in health insurance rate increase for employees and retirees; first increase since FY2013
- \$51,900 in utility cost increases
- \$57,400 in debt service cost increases
- \$43,300 for the addition of a new Systems Administrator II position in the Information Technology Department
- \$40,800 for the increase of a part-time Data Technician in the City Clerk's Office to full-time
- \$90,800 for all other items

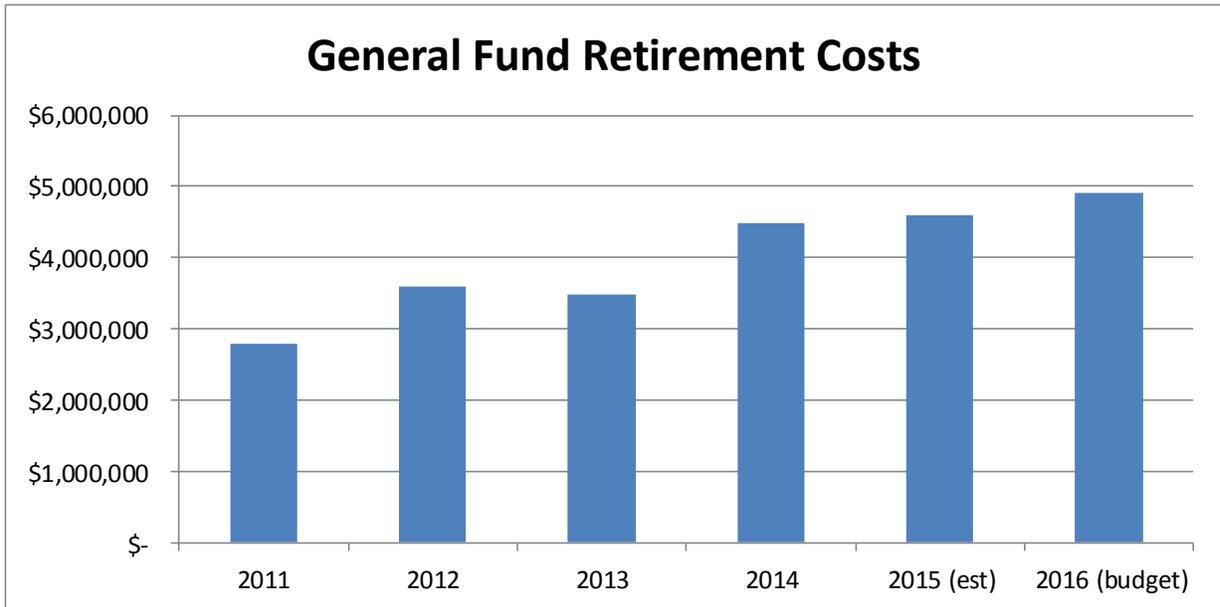
With this budget, the City continues to achieve its fiscal goal of maintaining debt service under the Council's fiscal goal of 10% of expenses.



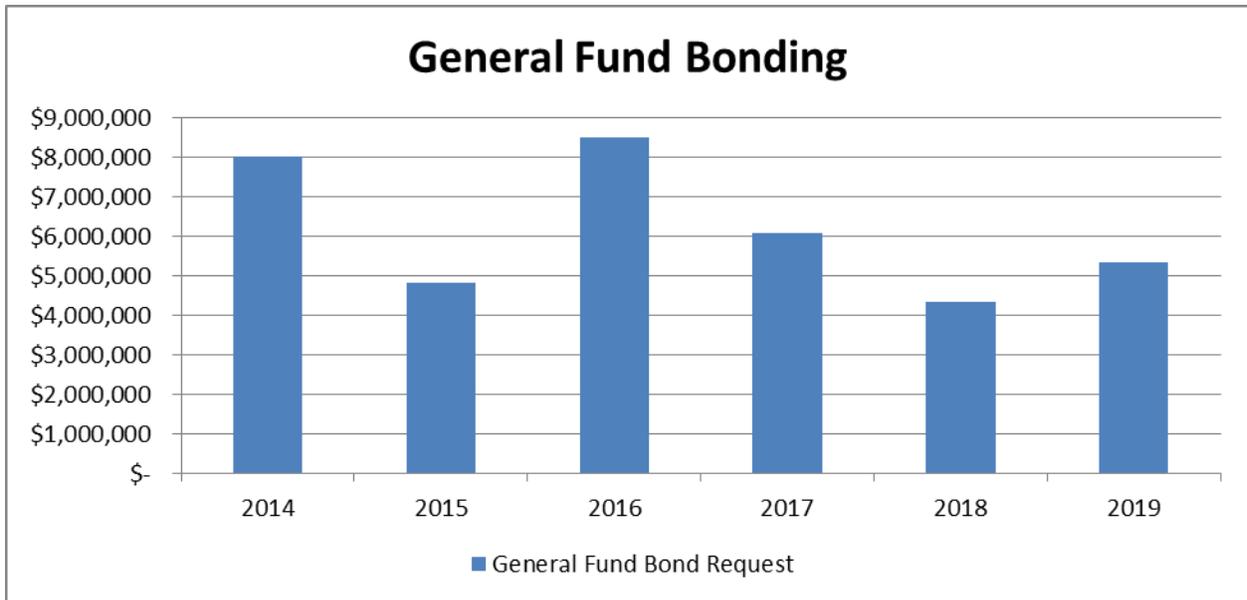
The total Fiscal Year 2016 General Fund Operating budget is \$57,908,808. The amount to raise in taxation, excluding overlay and veterans credits, is \$36,289,335. This amount essentially supports Police, Fire and General Services operations (less associated revenues) plus debt service, totaling \$34,880,805.



Due to State funding changes in the Retirement System, the City's Retirement expense has grown considerably in the past few years and now consumes 8.5% of the overall General Fund budget and just over \$4.9 million for Fiscal Year 2016.



For Fiscal Year 2016, the General Fund CIP budget presents total bonding needs of \$8.492 million. This amount includes a \$4 million bond for the annual highway improvement program, funding for the Exit 16/Mountain Road/Shawmut Street Roundabout; City Hall Renovations; Fire Department Apparatus Replacement; Storm Water Improvements; continued General Services Vehicle and Equipment Replacement Program; Citywide Recreation Facility Improvements, including replacing the pool at Rolfe Park; Combined Operations & Maintenance Facility improvements; Fire Department Communications Equipment and other smaller projects. The graph below illustrates the bond projections from Fiscal Years 2014 through 2019.



The City of Concord has been successful in maintaining a stable budget while continuing to provide very high quality services. However, the recent budget deliberations at the State Legislature illustrate the continued pressure on the State's finances. It is uncertain what the Legislature's next move will be to balance the State's budget in the coming years and what costs may again be passed down to local municipalities.

Balanced Budget Financial Position and Improved Services

This is the seventh year in a row of proposing a balanced budget to the Concord City Council without using Unassigned Fund Balance. A truly balanced budget continues to improve the City's overall fiscal health. The strongest indication is the 2014 Fiscal Year End Unassigned Fund Balance of \$9.9 million dollars or 19.3% of expenditures, which is ahead of the City Council's goal of 17.5%.

Despite the difficult economic environment of the past years, Concord continues to maintain and improve City services and programs. Addressed in this budget document are the priorities of the City Council: a balanced budget; expansion of the tax base; increased use of public information and communications; and increased effort for the Neighborhood Street Improvement Program. Specific projects identified in the priorities are: Downtown Complete Streets Project; Citywide Multi-Generational Community Center; Opportunity Corridor Development Initiatives, including South Main Street, Downtown 2nd & 3rd Floor Redevelopment, and North Central Opportunity Corridor and Storrs Street Connections. The Council priorities also include completion of the ongoing initiatives that the City has underway.

The City's financial policies have paid dividends in the form of a very high credit rating. Standard and Poor's affirmed the City's AA+ rating in January 2015, citing "Very strong management conditions, very strong budget flexibility, and very strong liquidity."

Concord remains in a better financial position than most other communities in New Hampshire, the State government, and the nation. However, significant challenges remain ahead. These challenges include unfunded post-employment liabilities (OPEB), benefit costs associated with an underfunded State retirement system, ever increasing health insurance costs, and ongoing capital needs primarily in public buildings and properties, neighborhood streets, water, wastewater and storm water systems.

Changes in Employee Positions and Improved Operating Efficiency

The Fiscal Year 2016 budget recommends the following staffing changes.

- \$43,300 for a New Systems Administrator II position, starting in January 2016, in the Information Technology Department. This position will help to meet the ever growing demands of the City's technology needs and applications, spyware and malware challenges and assist the IT Department in responding to growing helpdesk requests for service.
- \$40,800 to change a Part-time Data Technician to Full-Time in the City Clerk's Office. This will help to improve customer service in the department, improve on duties and deadlines associated with elections, and allow more time for management to focus on priority items.
- \$10,000 for a Victim Witness Advocate for the Legal Department – for non-domestic violence related cases. The existing Victim Witness Advocate, through Americorp, supports victims of domestic violence. This new position will enable compliance with RSA 21-M:8-k.
- \$7,200 for the addition of a Permanent Part-time Arena Supervisor. – This position will help provide continuity of staff supervision, and better customer service. It will also decrease temporary wages and overtime hours currently needed to cover hours of operation in the Arena.

- \$7,100 for the addition of a Part-time Custodian at the Green Street Community Center. With the investment in the new gym floor, it is necessary to maintain the facility at a higher level which will extend the performance and longevity of the floor.
- (\$28,100) due to the elimination of a Permanent Part-time Fiscal Technician III in the Finance Department. The responsibilities of this position have been taken over by other employees in the Department and the City Manager's Executive Assistant.
- (\$38,500) as the result of a net staffing reduction in Parking Enforcement due to the elimination of a Full-time and a Part-time position and the addition of a Permanent Part-time position.
- Downtown Maintenance Crew "Red Carpet Team" – this new program, in the amount of \$176,300, is not funded in the Fiscal Year 2016 proposed budget, as City Council has not yet determined the scope of service for year-round downtown maintenance. Instead it is presented in Appendix C as a Program Change Request. This crew will deliver an exceptional base level of service to the downtown area. This proposal is structured to allow the City Council the option to augment this program as phases of the Downtown Complete Streets Project are completed. The northern section of the project, both the east and west sides of the street, will be completed by November 2015 and will require winter maintenance and an ongoing effort to protect the City's investment. As a starting point, this program will fund one full-time supervisor starting in October 2015, and two winter temporary positions for a total of twenty weeks from late fall to early spring. It also includes a one-ton pickup truck with a plow and sander, fuel, supplies (salt/sand, mulch, fertilizer), as well as uniforms and safety equipment for the staff. Funding this program will ensure that the investment the City is making with the Downtown Complete Streets Project will remain clean, safe and vital for many years.

Fiscal Resources

Although fiscal resources continue to be scarce, some non-tax revenue sources are showing signs of improvement. Motor Vehicle Registrations improved for Fiscal Year 2015 and are anticipated to be ahead for Fiscal Year 2016. Ambulance service charges are projected to increase for Fiscal Year 2016. Rooms and Meals revenue is expected to remain level for Fiscal Year 2016.

The Federal Funds rate continues to be at historically low levels. For Fiscal Year 2015, interest income revenue is expected to be slightly higher and Fiscal Year 2016 is the first time in several years that the City is projecting a small increase.

Demand for Services and Use of Resources

Total service calls for Public Safety over the past year have increased by approximately 2%, following a 5% overall decrease the previous fiscal year. In Fiscal Year 2016, the volume of service calls is anticipated to remain at current levels. The demand for Human Services remains steady and the City continues to monitor the impact of changes by other governmental entities very closely. Interest in recreation activities is increasing and the Parks and Recreation Department continues to explore changes to meet demands. Library circulation is down slightly, however, the demand for Library services and access to personal computers continues to increase.

It is anticipated that long-term energy costs will continue to increase as the economy improves. The City anticipates continued increases in electricity rates, and year over year costs are expected to increase by 2%. Energy improvements at the Fire Stations have resulted in a reduction of electricity expenses of 2%. Natural gas costs are anticipated to decrease by approximately 8%.

General Fund Highlights

Summary of Fiscal Year 2016 General Fund Budget Appropriations, Revenues and Tax Rate – Compared to the adopted Fiscal Year 2015 budget. For Fiscal Year 2016, after adjusting for a change in accounting of General Fund “Allocated Accounts (\$737,230)” General Fund gross appropriations increased by \$2,166,559 or 3.94% of spending.

**General Fund Budget Comparison Summary
 FY2015 Adopted Budget to
 FY2016 Manager's Recommended Budget**

Revenues				
Description	FY 2015	FY 2016	Difference	%
All Other Revenues	\$20,257,054	\$21,619,473	\$1,362,419	6.7%
Property Taxes	\$34,747,965	\$36,289,335	\$1,541,370	4.4%
Total Sources	\$55,005,019	\$57,908,808	\$2,903,789	5.3%

Appropriations				
Description	FY 2015	FY 2016	Difference	%
All Expenses	\$55,005,019	\$57,908,808	\$2,903,789	5.3%
Total Use of Funds	\$55,005,019	\$57,908,808	\$2,903,789	5.3%

Tax Base Growth

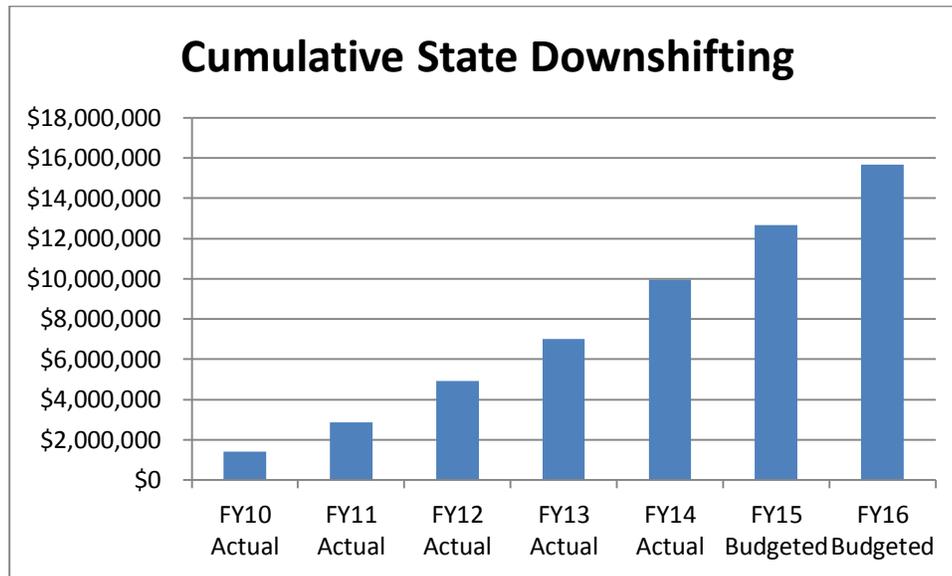
This budget reflects a \$16 million real growth increase to the \$3.764 billion City tax base used in calculating property tax revenue. This increase is net of abatements and elderly/blind exemptions. Market value change is not included in the target tax rate calculation.

Use of General Fund Surplus

This budget does not include the use of any General Fund surplus to offset the tax rate.

State Funding Impacts

The ability to maintain a stable tax rate in the City is challenged regularly due to continued reduction in funds and the downshifting of obligations by the State of New Hampshire. Including the Fiscal Year 2016 budget, if State revenues to the City and New Hampshire State Retirement rates had remained stable since 2009, the City would have recognized an additional \$7.6 million in revenue and \$8.1 million less in retirement costs. The graph below depicts the total cumulative impact since Fiscal Year 2009 for both revenues and retirement costs.



- **State Revenues** – This budget reflects the permanent reduction from the State for shared revenues, level funding for Meals and Rooms Tax, and a continued \$108,000 reduction in Highway Block Grant funding. Any additional revenue that may be included in the State budget from the Highway Block Grant to the City would be proposed to be transferred to the Highway Reserve Fund for paving purposes and is not included in this budget.
- **Meals and Rooms Tax revenue** – it is important to note that the City is disadvantaged in two ways when it comes to the distribution of this revenue source. First, the distribution formula does not recognize that the funds are generated as a function of economic activity and not according to relative population size. Second, the State has not achieved the legally mandated level of revenue distribution to the municipalities. The law was initially intended to have the State return 40% of the collection to municipalities and keep the remaining 60%. However, the State has not yet reached that level of revenue distribution. The distribution to municipalities is at 25% and not the legislatively mandated 40%.
- **State Expenses** – This budget reflects Concord contributing the full State retirement contribution for Group II employees, with no additional revenue from the State; and a continued substantial increase in the retirement rates for both Group I and II employees.

Tax Increment Finance (TIF) Districts

Currently the City has three tax increment finance districts: the North End Opportunity Corridor TIF (NEOCTIF), the Sears Block TIF, and the Penacook Village TIF. Since 1998, the City has invested a combined \$29.9 million in infrastructure improvements in these three districts. This investment has yielded total new development valued at \$79.9 million. The NEOCTIF and Sears Block TIFs have exceeded expectations. While still in its infancy, the Penacook Village TIF, enacted in 2010, is performing well, despite limited development activity, and is well positioned to support the impending redevelopment of the remaining Allied Leather Tannery site.

Continuing in Fiscal Year 2016, the Sears Block TIF District (SBTIF) will make financial contributions to the General Fund and Parking Fund for debt service reimbursements. Specifically, the SBTIF will make a contribution for debt service of \$366,490 to the General Fund in Fiscal Year 2016. Of this total, \$85,850 will reimburse the General Fund for debt service payments it supported from 2005 to 2013 for the Capital Commons Project. These reimbursements will continue through Fiscal Year 2027. An additional \$155,640 represents debt service payments which will be paid by the SBTIF, rather than the General Fund, for non-TIF supported bonds previously issued to support the Capital Commons Project in 2005 and 2007, and the remaining \$125,000 will support the Complete Streets bond.

Relative to the Parking Fund, the SBTIF will transfer a total of \$258,145 to the parking fund in Fiscal Year 2016. The TIF will make the third installment of four annual payments intended to reimburse the Parking Fund's equity contribution of \$550,000, plus interest, for the Capital Commons Garage in 2005 and 2007. The Fiscal Year 2016 payment is \$96,000. In 2016, the TIF will start transferring a portion of the Parking Lease bond costs and this transfer will continue until 2021. The amount for Fiscal Year 2016 is \$103,510. The SBTIF will also transfer \$7,035 to support plowing of the New Hampshire Employment Security building parking lot and \$51,600 towards the purchase of additional new kiosks in the district for the Complete Streets Project.

Lastly, in accordance with standard practice implemented in Fiscal Year 2005, this budget includes the release of a portion of the captured tax revenues generated by new incremental development which has been constructed in the NEOCTIF District since it was enacted in 1997. In total, \$886,436 of tax revenues shall be released, which equates to tax revenues associated with \$33,063,624 in captured assessed value (or approximately 66% of all new incremental assessed value created within the District).

Enterprise Funds

Parking Fund

The Parking Fund continues to struggle. While a transfer-in from the Sears Block Tax Increment Finance District of \$258,145 is anticipated in the Fiscal Year 2016 budget, the inclusion of necessary maintenance and debt service costs due to major capital improvements add significant stresses to this fund. Financial models project that this fund will lose almost \$163,800 in Fiscal Year 2016, with an ending working capital position of (\$65,600), and will lose another \$181,000 in 2017. A strategic plan for the Parking System was conducted in Fiscal Year 2015. The results of this study, together with recommendations from the Parking Committee and City Administration, will be presented to the City Council in the summer of 2015 for implementation in Fiscal Year 2016.

Golf Fund

Funding of \$20,500 is included in the General Fund budget to support clubhouse debt service, and the bond will be fully repaid in Fiscal Year 2017. This fund anticipates a loss of \$9,700 for Fiscal Year 2015 and is anticipating a similar loss in FY 2016. The 2015 golf season welcomes a new Golf Pro to the Pro Shop and a new food service vendor in the restaurant now called the 19th Hole at Beaver Meadow.

Wastewater and Water Funds

For Fiscal Year 2016, the contribution to the overhead in the General Fund increased by \$10,920 for Water and by \$4,479 for Wastewater. Additionally, right-of-way maintenance contributions from the Water and Wastewater Funds increased to \$200,000 and \$120,000. These amounts are significantly more than the annual contributions made since Fiscal Year 2011 and are on par with the amounts contributed

prior to Fiscal Year 2010. Fiscal Year 2015 remained solid for both utility funds, although water usage has been declining.

The Fiscal Year 2016 projected Wastewater rate increase is 4.25%. The projected Water rate increase is 3%. The Water rate increase is lower than the Fiscal Year 2015 pro forma projection and Wastewater is higher than the Fiscal Year 2015 pro forma projection. In both funds, the driving factor in increasing rates is the need for necessary capital investments. Regular rate increases will be required in future years in order to maintain the solvency of these funds.

Solid Waste Fund

This is the sixth year of the Pay-As-You-Throw (PAYT) program. Although the new contract with Casella Resource Solution for both collection and disposal of municipal solid waste and recycling will again decrease expenses in Fiscal Year 2016, the fund will not remain solvent without a price increase for PAYT purple bags and containerized dumpsters. The City's Solid Waste Advisory Committee undertook an extensive review of all of the revenues and expenses in this fund and researched comparable programs. When the PAYT program was first instituted, the stated goal was to manage the program in such a way as to not require an increase in bag costs for a period of five years. This goal was achieved last year. The Fiscal Year 2016 budget projection includes a recommended 25% increase in PAYT prices, effective July 1, 2015. The revenue projection of \$1,187,500 is conservatively lowered to \$950,000 to account for potential behavioral changes by residents (i.e. pre-purchasing, overstuffing bags). Full recognition of increased PAYT revenues will occur in Fiscal Year 2017. With this increase, it is anticipated that the Solid Waste Fund will remain solvent at least through Fiscal Year 2021.

Fiscal Year 2016 Budget Preparation

A presentation was made to the Fiscal Policy Advisory Committee (FPAC), and subsequent report to City Council in April 2015, which outlined the main budgetary challenges for Fiscal Year 2016. FPAC again recommended that the City Manager bring a responsible budget to the City Council that is in keeping with the Council's priorities and goals and cognizant of the continued downshifting of costs from the State.

Below are the major changes that helped to balance the budget

- \$120,000 Police Department reduction to manage vacancies through attrition
- \$20,000 General Services reduction to manage vacancies through attrition
- \$28,100 Finance eliminated a Permanent Part-time Fiscal Technician III position
- \$17,500 City Hall Complex reduced funding for steam heat
- \$300,000 Increase in Finance Motor Vehicle registration revenue
- \$28,200 Increase in Finance Interest Costs and Penalties revenue
- \$50,000 Increase in Fire Department Ambulance Service Charges

Closing Notes on Fiscal Year 2015

Fiscal Year 2015 experienced very heavy snowfall resulting in 30 weather events that required plowing or salting and sanding, and nearly half of those events occurred on a weekend or holiday. As of this writing, General Services Snow and Ice Control expenses are estimated to be \$380,400 overspent. After factoring in a \$100,000 transfer from contingency, and a supplemental appropriation of \$236,000, the account will still be overspent by \$44,350, virtually all of which will be made up in other under-expended Highway and Utilities Division full-time wage accounts. Other budgetary items that are putting pressure on the Fiscal Year 2015 budget are the cost of expert witnesses to settle abatement cases, an additional \$59,000; unexpected repairs to the Police Department's radio tower, an additional \$21,800; very tight budgeting of Police Department wages in Fiscal Year 2015, and a higher than expected number of officers on temporary alternate duty; and building permit revenue not materializing as strongly as expected.

On a positive note, the City has realized savings in the cost of gasoline and diesel fuels; electricity costs at the Fire Department and for City street lights are lower than anticipated for this time of year; and motor vehicle revenue is 5% ahead of projections or approximately \$280,000 better than expected for this time of year. Additionally, ambulance service charges are ahead of projections by 11% or approximately \$150,000. It is expected that at the close of the fiscal year operational results will exceed expectations; however, there may not be enough additional revenue to make up all of the use of assigned fund balance to support transfers to reserves and other supplemental appropriations (\$50,000 for Concord 250 and \$17,015 for the Photovoltaic energy assessment project) from fund balance during the course of the year.

Conclusion

The economy is improving in the country, state and in Concord. New construction and improved economic activities are beginning to take hold, and in Fiscal Year 2016 the City is estimating \$16 million in real growth compared to zero in Fiscal Year 2015 and \$2 million in Fiscal Year 2014. As such, this recommended budget reflects moderate growth estimates that will enable us to maintain existing levels of service. Within this constrained financial environment, this budget provides for significant progress in areas important in sustaining and improving the quality of life in Concord.

The City of Concord has established a history of achieving balanced budgets through an extremely difficult economic period. City management places a high priority on adhering to comprehensive financial policies and long-range planning strategies, as well as continuing to exercise strong fiscal discipline. These practices ensure the City's ability to preserve budgetary balance, maintain essential services and address future budget challenges.

The City Council's top priorities, including needed strategic investments, are reflected in this budget. The Fiscal Year 2016 budget is balanced in both the fiscal and policy sense, to ensure Concord's bright future.

Thank you

I wish to recognize the employees that helped bring the many parts of this endeavor together into one document for the City Council and this great community. All Department Heads and their immediate staff have provided creative leadership in shaping their budgets and various alternatives.

I recommend this budget to the City Council.

Special Note on FY 2016 Budget Book Revisions

The Fiscal Year 2016 budget book is presented in a different format than in previous years and is working to achieve the following goals:

- Make it simple for the reader - there is sufficient information in the first four sections of the budget so that the reader will have a strong understanding of the City's Fiscal Year 2016 budget, including any significant changes.
- Report budgets at department or fund levels – this will provide consistency in all the departments/funds and give the reader the departmental/fund picture of the budget. Three supplemental reports are included for Snow and Ice Control, Conservation and Forestry.
- Bring non departmental budget items together in one new section “General Overhead” – items that were previously in several sections of the book easily consolidated into one; Transfers, Special Programs, Debt Service, Risk and Insurance, Contingency, Comp Adjustment, Street Lighting and Social Service Agencies.
- To comply with the Government Finance Officers Association budget award criteria – explanation of how budget revenues are calculated, the inclusion of fiscal goals, and an organizational chart for the full organization.
- Two smaller, easy to handle books instead of one large binder – operating budgets in one book and detailed capital budget in another.

This new format will make the budget process more efficient and continue discussions on the most important aspects of the budget. Additionally, for Fiscal Year 2017, we will be working on a budget presentation that will be compatible with the City Council's i-Pads.