

Budget Highlights

Total Budget: \$59,896,100 up \$8,832,700 from the original 2014 budget. **Operating Budget** is approximately \$27.5 million of the total, up from approximately \$26.2 million from last year. **General Fund** has a **\$103,700 Contingency** for unforeseen increases in expenditures or reductions in revenues, funded by carryover reserves. (pg. 2)

Street Operations for maintenance, reconstruction, and new streets, is \$2,687,000, up \$33,300. A major street project we anticipate completing in 2015 is the reconstruction of 2nd North from Center to 2nd East. (pg. 2)

Property Tax revenues will increase about \$383,200, mostly due to new construction. The current City property tax levy rate is at \$406 per \$100,000 of taxable value, which is the lowest for most like cities in Idaho. (pg. 4)

No new **full-time personnel** positions are scheduled to be funded this budget year.

Utility rate increases will be .7% for the average home, or about \$.62 per month, in garbage service. There was no increase for Wastewater and Water services. (pg. 4)

Major construction projects: **Fire Station** addition being funded by multiple entities (see Page 3 for funding details); \$1.0 million **Shop Building**; \$9.5 million **Water Well and Lines**; \$3.0 million **Wastewater Treatment Plant** improvements; \$641,000 **Airport Apron** reconstruction; \$410,000 **Riverside Park Parking** and access; \$800,000 **Baseball/Softball Quad** at Community Fields; \$258,800 **Community Safety Lighting**. (pg. 3)

Large Equipment Capital purchases include a \$100,000 backhoe in streets. In finance, \$80,000 to savings to purchase a new financial package. (pg. 3)

Mission Statement

As employees of the City of Rexburg, our goal is to **improve** the community.

We **serve** the citizens by striving to understand their needs and by responding with **quality work**.



CITY OF
REXBURG
America's Family Community



2015 Budget in Brief

October 2014 through September 2015

BUDGET PROCESS

Mayor's Recommended Budget

April through May

The Mayor recommends funding levels for employee wage and benefit cost increases to the City Council to base the new budget on with help from the Chief Financial Officer and staff. The Mayor holds budget review meetings where three members of the Council are invited to participate with each Department Head and applicable Supervisors in the preliminary approval and cost cutting in their departments. If necessary, after all departments are reviewed, the Mayor meets with all Department Heads in a final review of the General Fund in order to prepare a recommended list of cuts in expenditures, so that the total expenditures equal the estimated revenue to be available in that fund.

City Council Budget Review and Development

June through August

The City Council discusses the Mayor's recommended budget and recommends changes. The City Council then approves the Tentative Budget and Estimated Revenues, including recommended utility fee increases, and sets a date and time for the public hearing on the budget and fee increases, which are then advertised in the local newspaper. The budget and fee increases are then presented at the hearings and further decreases (not increases) in the budget amounts can be made at that time or until the budget is approved. The fee increases are usually approved at the hearing, but usually are not effective until the beginning of the new fiscal year, which starts October 1.

City Council Budget Adoption

September

The final budget is approved by the City Council upon the third reading and adoption of the Appropriation Ordinance, which must be completed by the first week in September.

THE CITY'S FUNDS

The accounts of the City are organized into funds. A fund is a group of related accounts used to control money that has been earmarked by the City Council or by State law for specific activities or objectives. About 82 percent of the City's revenue is dedicated for a specific use. That means, for example, that the city may not raise water bills to pay for Recreation Programs. This also means that, of the City's nearly \$60 million budget, most of the flexibility in spending occurs only with the City's \$10.3 million General Fund budget.

EXPENDITURES & REVENUES - CITYWIDE

EXPENSES

Public Works

The Public Works Departments account for 63.2% (\$37.8 million, most of which is for capital projects) of the City's total budget. This budget funds 36 full-time positions. The main tasks of Public Works include: offering safe transportation to residents by maintaining streets and pathways; offering high-quality drinking water to residents and visitors by managing the water and sewer systems in the city; collecting and disposing of garbage and recycling, and overseeing various city construction projects. Public Works includes the Sanitation, Water, Wastewater, Streets, Shop, and Engineering Departments.

Administrative Departments

The Administrative Departments account for 6.6% (4 million) of the City's total budget. This budget funds 22 full-time positions. The administrative departments include: Mayor & Council (the Council is part-time), Customer Service, Financial Management, Technology Coordination Services, Economic Development, Legal, Geographic Information Systems and Mayor's Youth Advisory Board. The general fund contingency and other miscellaneous budgeted amounts are also included in this total budget.

Community Development

The Community Development Department accounts for about 2.6% (\$1.5 million) of the City's total budget. This budget funds 8 full-time positions. Community Development services all planning, zoning, building permits, and inspections.

Parks, Recreation, Golf and Arts Operations

The Parks, Recreation, Golf and Arts Departments account for 7.6% (\$4.5 million) of the City's total budget. This budget funds 5 full-time positions and includes some budget for construction of facilities.

Police, Fire, and Ambulance

The Police, Fire and Ambulance Departments account for 19.0% (\$11.4 million) of the City's total budget. This budget funds 38 full-time Police officers and staff, and 17 Fire and Ambulance personnel. Madison County Ambulance District and the Madison County Fire Protection District share in the funding of the Fire and Ambulance services with the City of Rexburg, which provides some of the most efficient and effective funding of these services in the State of Idaho.

REVENUES

Property tax is a major source of revenue for the City. Of the total property tax bill you pay each year, only 24.85% of the total goes to fund the services provided by the City. See the section on the back page titled "Property Tax Breakdown and Comparisons."

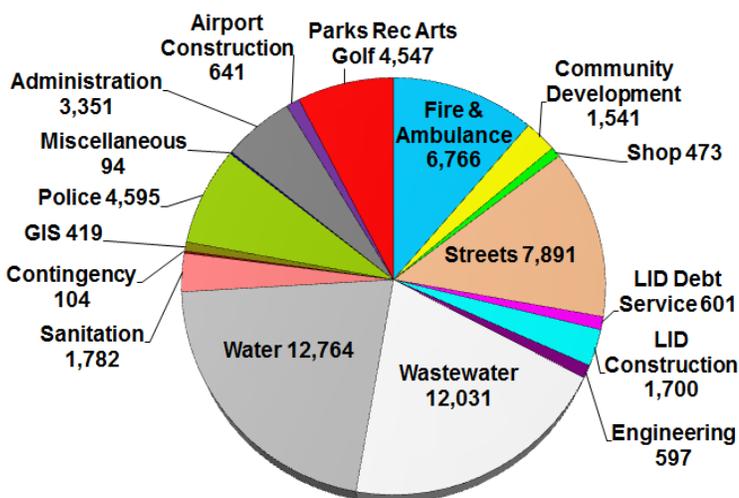
Fund Balance Carryovers include \$1 million in sewer bond proceeds that will be spent this year, and \$2.1 million in water and sewer capital reserve funds that will all be spent on new water wells, water line extensions, sewer treatment plant improvements, and sewer line extensions. These funds are invested safely until used.

State Shared Revenue is money that comes from the State of Idaho as a share of sales tax, gas tax, and liquor tax. The City's share is calculated on a different formula for each type of tax, using population, property valuations, and other factors.

Fund Transfers/Subsidies are the transfers from one fund to another. For example, the Wastewater Capital Reserve Fund will transfer money to a particular construction fund to do a sewer project.

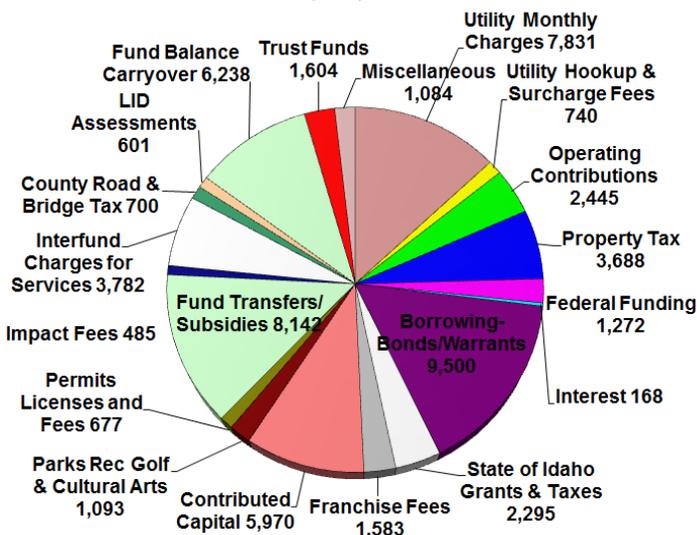
Total Expense Budget

FY 2015 Total: \$59,896,100 (below in thousands)



Total Revenue Budget

FY 2015 Total: \$59,896,100 (below in thousands)

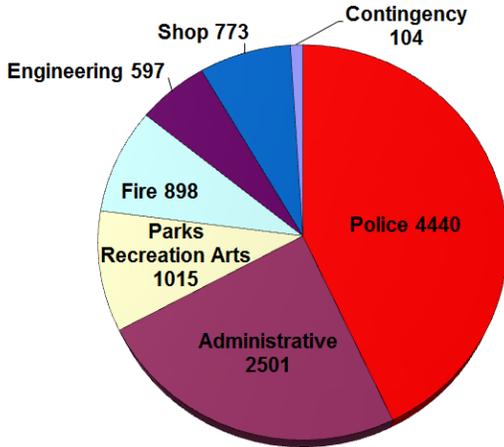


GENERAL FUND

The fund where the City has the most discretion in spending is the General Fund. The major sources of funding include property tax, state shared sales tax, franchise fees, and administrative charges to other funds. The General Fund Budget is \$10.3 million, which is about 17% of the citywide budget. Below is a more detailed look at the General Fund. All revenues are generally very limited; therefore, increasing funding on one project or department will usually require reducing funding for others.

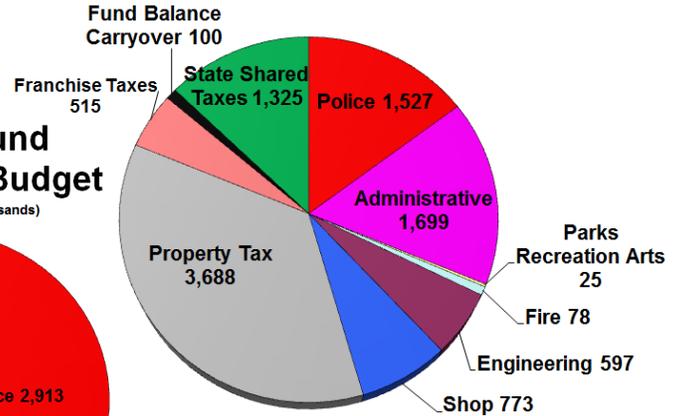
General Fund Expense Budget

FY 2015 \$10,327,800 (below in thousands)



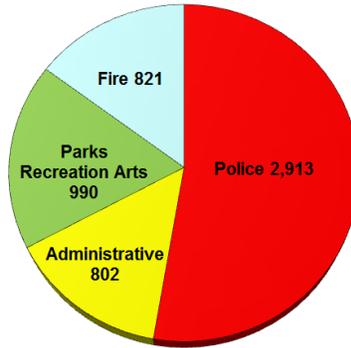
General Fund Taxes & Departmental Revenue Budget

FY 2015 \$10,327,800 (below in thousands)



General Fund Tax Subsidy Budget

FY 2015 (below in thousands)

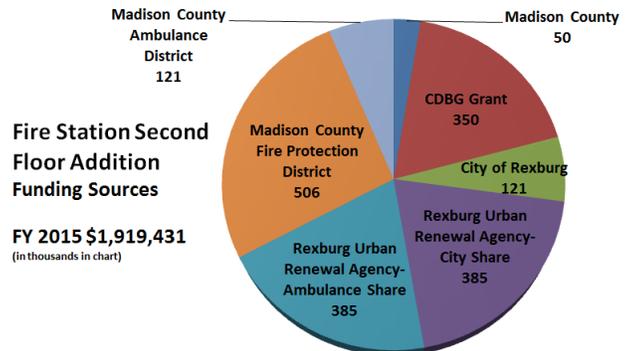


CAPITAL IMPROVEMENT PLAN

Every year, the City adopts a plan for capital improvements for the next five years. Capital improvements include any one-time expenditure over \$5,000 in the form of equipment or construction.

Major construction projects: **Fire Station Second Floor Addition** is being funded by the Madison Fire Department, a joint venture between the City of Rexburg, the Madison County Ambulance District, and the Madison County Fire Protection District. After receiving the bids for this project in October 2014 at an amount closer to **\$1.9 million**, which was over the estimated cost of approximately \$1.5 million, all of the joint venture entities motioned to amend the budget for their share of the costs and move forward with the project. This project will also be funded by the Rexburg Urban Renewal Agency, Madison County, and a Community Development Block Grant (CDBG). See the Graph below for the funding totals by entity; **\$1.0 million shop building** funded by contributions from several city departments and the sale of the old shop to the Police Department for equipment storage; **\$9.5 million water well and lines** funded mostly by Idaho State grants and loans which project will be defined by the completion of the current Water Capacity Study that is underway; **\$3.0 million Wastewater Treatment Plant improvements** funded by the remaining Bond proceeds issued in 2010; **\$641,000 Airport apron reconstruction and the airport relocation master plan study** funded mostly by State and Federal grants; **\$410,000 Riverside Park parking and access** funded mostly by the Rexburg Urban Renewal Agency; **\$800,000 baseball/softball quad at Community Fields** funded by the Rexburg Urban Renewal Agency and Parks Impact Fees; **\$258,800 Community Safety Lighting** funded by Community Safety Lighting Fees.

Large Equipment Capital purchases include a **\$100,000 backhoe** in streets. In finance, **\$80,000 is budgeted to be put to savings to purchase a new financial package**, which is expected to be required in the next five years or less.



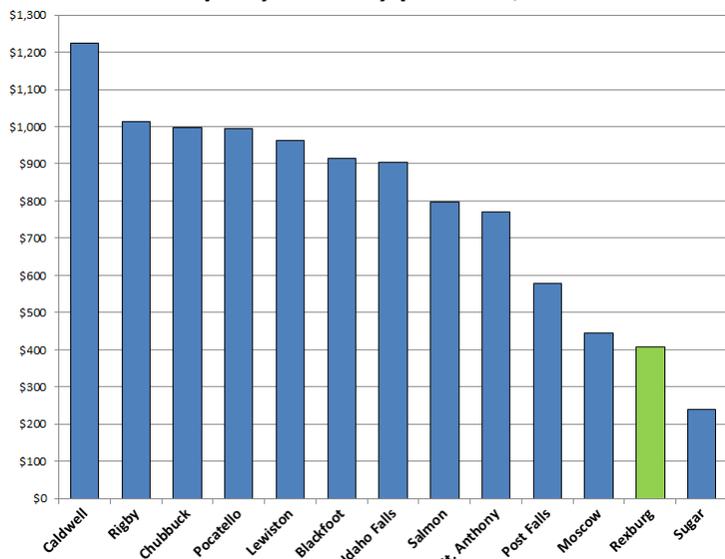
DEBT SERVICE AND BONDS

Currently the City has no general obligation bonds outstanding. In December of 2010, it sold \$10 million in Sewer Revenue Bonds at an average 3.2% interest rate, which will be paid back over 15 years from monthly sewer user revenues and new construction capacity fees (hookup fees). The City also has \$505,000 in Local Improvement District (LID) Warrants, which are not a general obligation of the City, but are a lien on individual properties for improvements that have been made on or next to those properties. The City usually creates an LID each year to support private improvements along a street that needs improvement and sells LID warrants of \$100,000-\$500,000 to cover that LID.

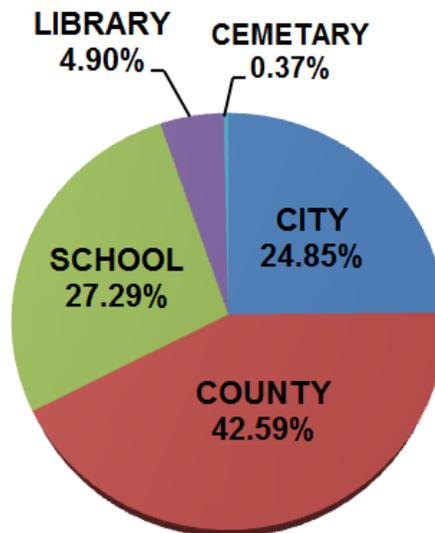
PROPERTY TAX BREAKDOWN & COMPARISONS

Your property tax dollars paid to the City of Rexburg are generally dedicated to Police and Fire services, because they are less than the budgets of those departments. The total estimated property tax revenue for the City in this fiscal year is \$3,688,300, which equals 24.85% of each city resident's total tax bill. Here are some comparisons of 2013 levies (received in FY 2014) with other entities. This year's levies are very similar in comparison.

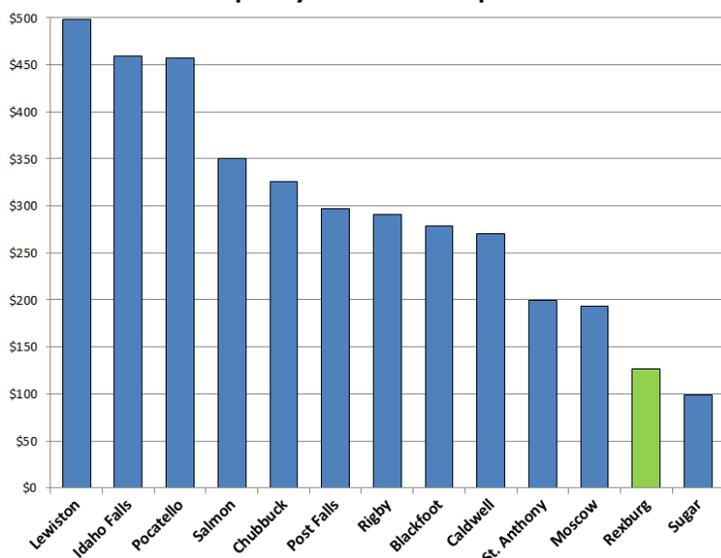
2013 Property Tax Levy per \$100,000 Value



2013 Property Tax Levy %

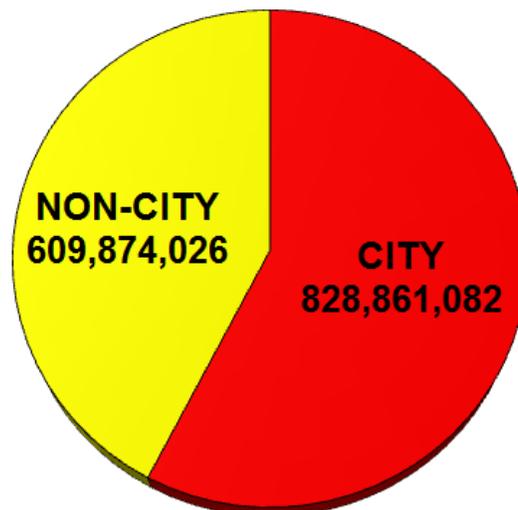


2013 Property Tax Dollars per Person



2013 County Assessed Value

Total \$1,438,735,108



UTILITY RATES

The City charges for the following utilities: water, sewer, garbage/recycling and community safety lighting. In this budget, utility rates for an average home will increase 0.7%, effective October 1, 2014, which will be an increase of \$0.62 per month for the average home.

REXBURG RESIDENTS - SAMPLE BILL					
	AVERAGE	OLD	NEW	INCREASE	INCREASE
SEWER	(10 th. gal)	49.14	49.14	0.00	0.0%
WATER	(10 th. gal)	19.15	19.15	0.00	0.0%
GARBAGE	(90 gal)	19.53	20.15	0.62	3.2%
LIGHTING		1.65	1.65	0.00	0.0%
TOTAL		89.47	90.09	0.62	0.7%

If you have any questions about any of the material presented in this brochure, please call the Mayor or Chief Financial Officer at 208-359-3020 or finance@rexburg.org or visit or write us at 35 North 1st East, Rexburg, Idaho 83440.

For more information you can also visit us online at www.rexburg.org