

Budget Highlights

Total Budget: \$76,726,000 up \$7,489,800 from the amended 2015 budget due to water and sewer capital projects and the widening of 2nd East to the north interchange.

Operating Budget is \$25,941,700 down \$452,200 from last year. The **General Fund** has a **\$133,400 Contingency** for unforeseen items. (pg. 2)

Street maintenance, reconstruction, and new construction totals \$4,768,600, including additional gas tax of \$244,300.

Major street projects: reconstruct 5th West from 1st S to 4th S, and the widening of 2nd East, by reimbursement from the Urban Renewal Agency. (pg. 2)

Property tax revenues increase about \$312,300 to a total of **\$4,000,600**, mostly due to new construction. The current City property tax levy rate is at **\$417 per \$100,000 of taxable value**, which is still one of the lowest for most cities in southeast Idaho and other similar size cities. (pg. 4)

Six new full-time personnel are funded in: public works, police (2), human resources, customer service, and arts.

Increases in utility rates will be about 2.3% for the average homeowner, or about \$1.90 per month, due to increased operating costs. (pg. 4)

Major construction projects: (pg.3)
Water facilities: \$9,196,000 funded by operating reserves and a loan from the Department of Environmental Quality;
Wastewater treatment plant: \$3,000,000, funded with current operating and capital reserves;
Baseball/softball fields: \$800,000, adding to the Community Fields;
Community Safety Lighting improvements: \$221,300.

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



2016 Budget in Brief

October 2015 through September 2016

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 86 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 \$77 million budget, most of the flexibility in spending occurs only with the City's \$10.4 million General Fund budget.

EXPENDITURES & REVENUES - CITYWIDE

EXPENSES

Public Works

The Public Works Departments account for 49.5% (\$38 million, most of which is for capital projects) of the City's total budget. This budget funds 39 full-time positions. The main tasks of Public Works include: offering safe transportation by maintaining streets and pathways; offering high-quality drinking water 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 4.3% (3.4 million) of the City's total budget. This budget funds 24 full-time positions. The administrative departments include: Mayor & Council (the Council is part-time), Customer Service, Financial Management, Human Resources, 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 2.2% (\$1.7 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 5.0% (\$3.8 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 11.2% (\$8.6 million) of the City's total budget. This budget funds 40 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 24.95% of the total goes to fund the services provided by the City. See page 4.

Fund Balance Carryovers include \$3.8 million in sewer funds, \$2.3 million in water funds, and \$1.3 million in street funds that will all be spent on new water wells and storage tanks, water and sewer line extensions, sewer treatment plant improvements, and the repair and construction of streets. These funds are invested safely until used.

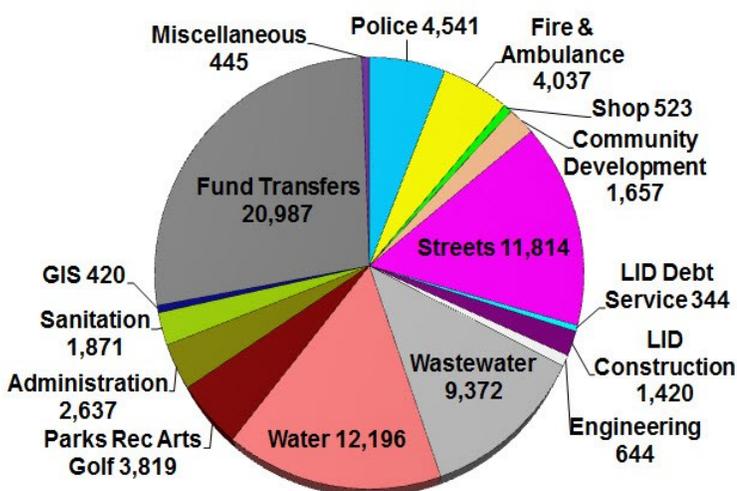
State Shared Revenue is money that comes from the State of Idaho as a share of sales tax, gas tax, and liquor tax. The City's share is calculated on a different formula for each type of tax, using population, property valuations, and other factors.

FUND TRANSFERS & SUBSIDIES

Fund Transfers/Subsidies are the transfers from one fund to another. For example, the Wastewater Capital Reserve Fund will transfer money to a construction fund to do a sewer project. Transfers must be budgeted, but are not a cash increase or decrease overall.

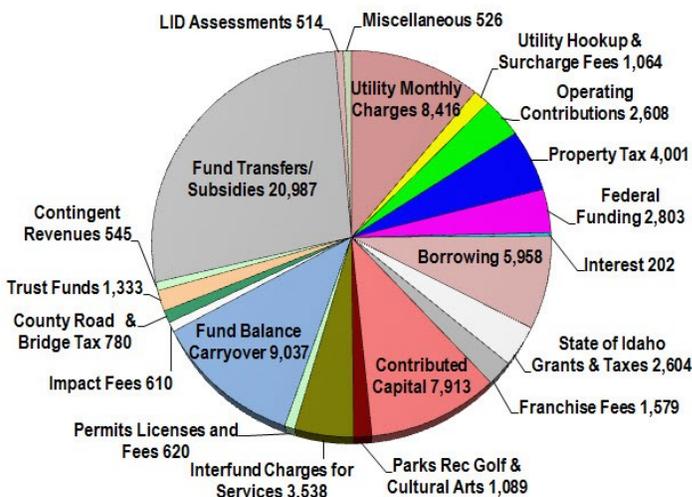
Total Expense Budget

FY 2016 Total: \$76,726,000 (below in thousands)



Total Revenue Budget

FY 2016 Total: \$76,726,000 (below in thousands)

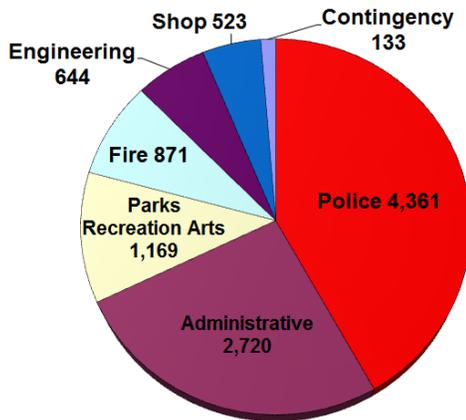


GENERAL FUND

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 \$10.4 million, which is about 14% 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.

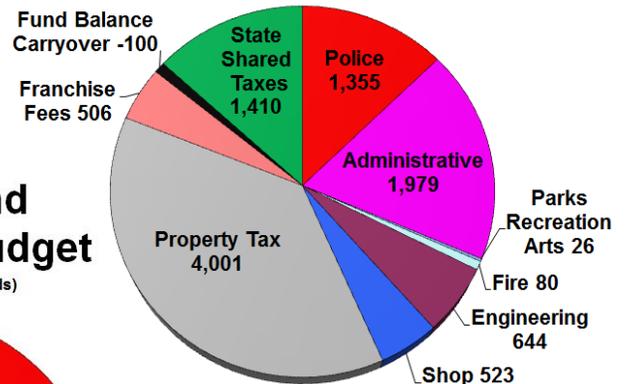
General Fund Expense Budget

FY 2016 \$10,422,100 (below in thousands)



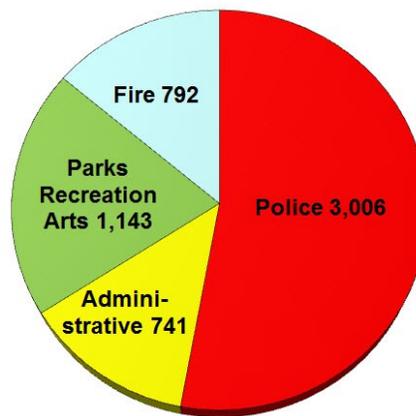
General Fund Taxes & Departmental Revenue Budget

FY 2016 \$10,422,100 (below in thousands)



General Fund Tax Subsidy Budget

FY 2016 (below in thousands)



CAPITAL IMPROVEMENT PLAN

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

Major utility construction projects include a **major upgrade to our water facilities** and a **final phase of improvements over two years to the wastewater treatment plant** to eliminate odors, add new capacity, and help with the disposal of the bio-solids. The water project will provide needed production, storage, and delivery capacity to meet the current water demands and future water demands as our population grows. The water upgrades will be funded with a combination of **operating reserves** and a **loan from the Department of Environmental Quality (DEQ) of up to \$11,100,000**, which includes **principal forgiveness of up to \$2,211,300**.

The City has budgeted \$800,000 to continue constructing a **new baseball/softball quad** at Community Fields and the projected completion date of this project is 2017.

Major street projects include the **reconstruction of 5th West from 1st S to 4th S**, which includes the **addition of a Storm Sewer Line** and the **widening 2nd East all the way to the North Highway 20 Interchange** with , which is budgeted to be reimbursed by urban renewal contributions.

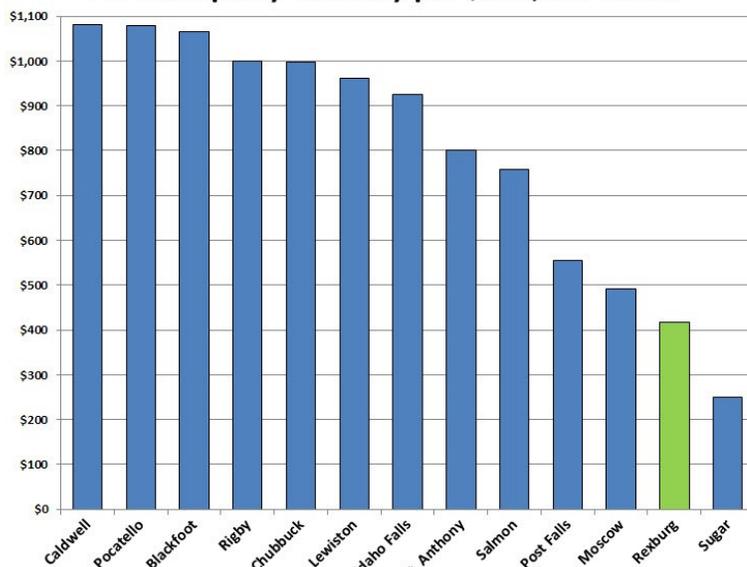
DEBT SERVICE AND BONDS

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. **The current balance owed is \$7,145,000**. The City also has **\$410,000 in Local Improvement District (LID) Warrants**, which are not a general obligation of the City, but are a lien on individual properties for needed improvements that have been made on or next to those properties. The City usually creates an LID each year to support needed private improvements, such as sidewalks and curb and gutter, along a street that needs other public improvements and periodically sells interest bearing warrants to cover that LID. As mentioned above, the City is expecting to receive in 2016 a **DEQ loan for water upgrades** at an interest rate of 1.75% for up to 30 years and a **total repayment obligation of up to \$8,888,750**.

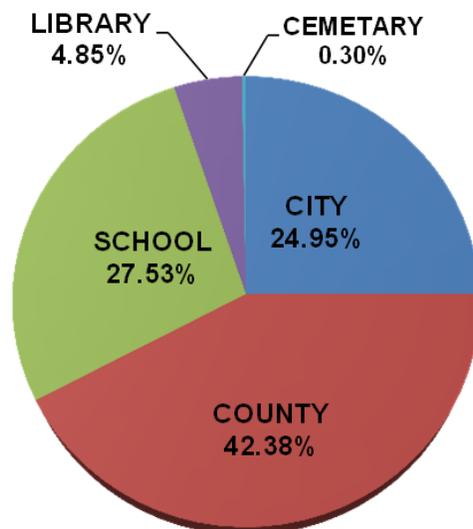
PROPERTY TAX BREAKDOWN & COMPARISONS

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 for the City in this fiscal year is \$4,000,600, which equals 24.95% of each city resident's total tax bill. Here are some comparisons of 2014 levies (received in FY 2015) with other entities. This year's levies are very similar in comparison.

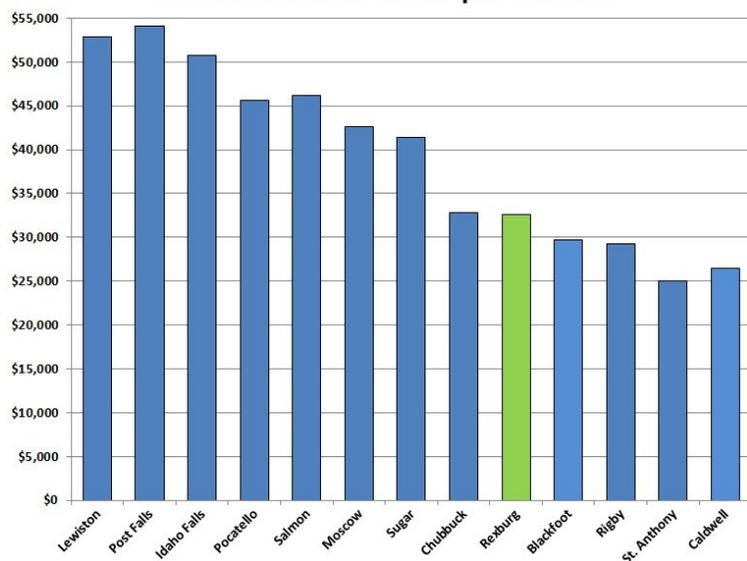
2014 Property Tax Levy per \$100,000 Value



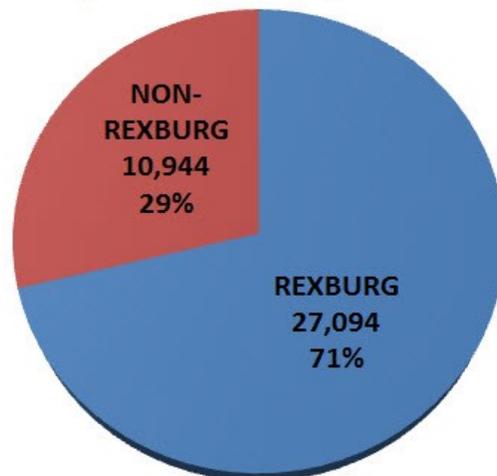
2014 Property Tax Levy %



2014 Assessed Value per Person



2014 County Population per Census 38,038



UTILITY RATES

The City charges for utilities: water, sewer, garbage/recycling and community safety lighting. In this budget, utility rates for an average home will increase 2.3%, effective October 1, 2015, which will be an increase of \$1.90 per month for the average home.

REXBURG RESIDENT -SAMPLE BILL

3/4 Inch Meter	AVERAGE	OLD	NEW	INCREASE	INCREASE
SEWER (Gallons x 1000)	6	34.82	35.06	0.24	0.7%
WATER (Gallons x 1000)	19	26.53	27.80	1.27	4.8%
GARBAGE	90 G Weekly	20.15	20.54	0.39	1.9%
LIGHTING	1	1.65	1.65	0.00	0.0%
TOTAL		83.15	85.05	1.90	2.3%

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 email us at 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.