

City of Oak Ridge

By: Mark S. Watson, Oak Ridge City Manager

June 1, 2015

Budget FY16

CHARTER OF THE CITY OF OAK RIDGE, TENNESSEE

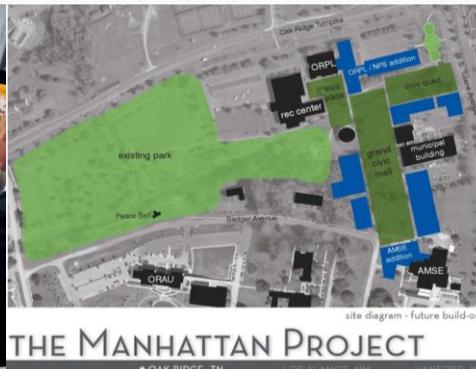
Section 10. Manager to prepare budget -- Contents.

After one or more council meetings devoted to guidance to the city manager with respect to the budget to be submitted, as determined by the council, on or before a date fixed by the council, the manager shall submit to the council a proposed budget for the next fiscal year. The budget shall present a complete financial plan for the ensuing year, including at least the following information:

- (a) Detailed estimates of all proposed expenditures for each department, board, officer or other agency of the city, showing in addition the expenditures for corresponding items for the last preceding fiscal year, appropriations and anticipated expenditures for the current fiscal year, and reasons for recommended departures from the current expenditures pattern.
- (b) Statements of the bonded and other indebtedness of the city, including the debt redemption and interest requirements, the debt authorized and unissued, and the condition of the sinking funds.
- (c) Detailed estimates of all anticipated revenues of the city from all sources including current and delinquent taxes, non tax revenues and proceeds from the sale of any bonds, with a comparative statement of the amounts received by the city from each of such sources for the last preceding fiscal year, the current fiscal year, and the coming fiscal year.
- (d) A statement of the estimated balance or deficit, as of the end of the current fiscal year.
- (e) Such other supporting schedules as the council may request, or are otherwise required by law.

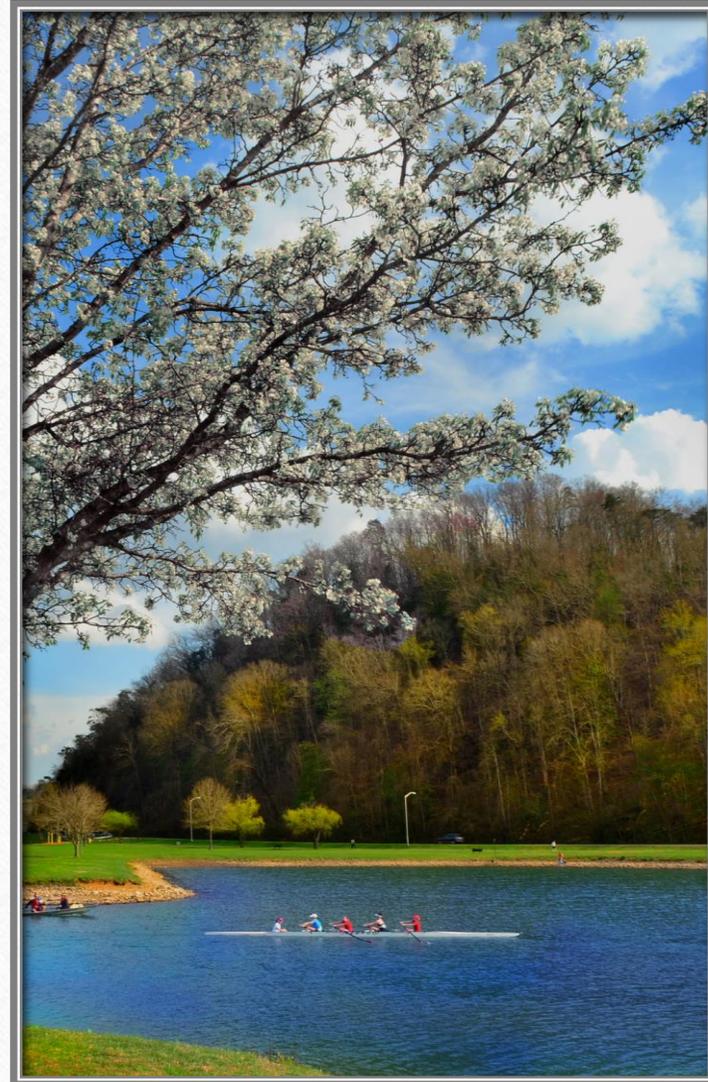
Environmental Scan

- Economic regional activity levels improving.
- Long term goal of the Manhattan Project National Historical Park recognized.
- EPA administrative order – final projects addressed and under contract.
- Continued efforts to reduce, rehabilitate or remove dilapidated housing.
- School needs for Pre-K resolution.
- Reduced sales tax in Roane County (primarily generated at ORNL).



Proposed Budget

➤ General Fund	\$ 25,218,403
➤ Waterworks Fund	\$ 19,579,503
➤ Electric Fund	\$ 55,169,197
➤ Other Funds	\$ 19,002,091
➤ School Request	\$ 59,591,614
☐ Total (including school request)	\$ 178,560,808



Strategic Views of Proposed and Future Budgets

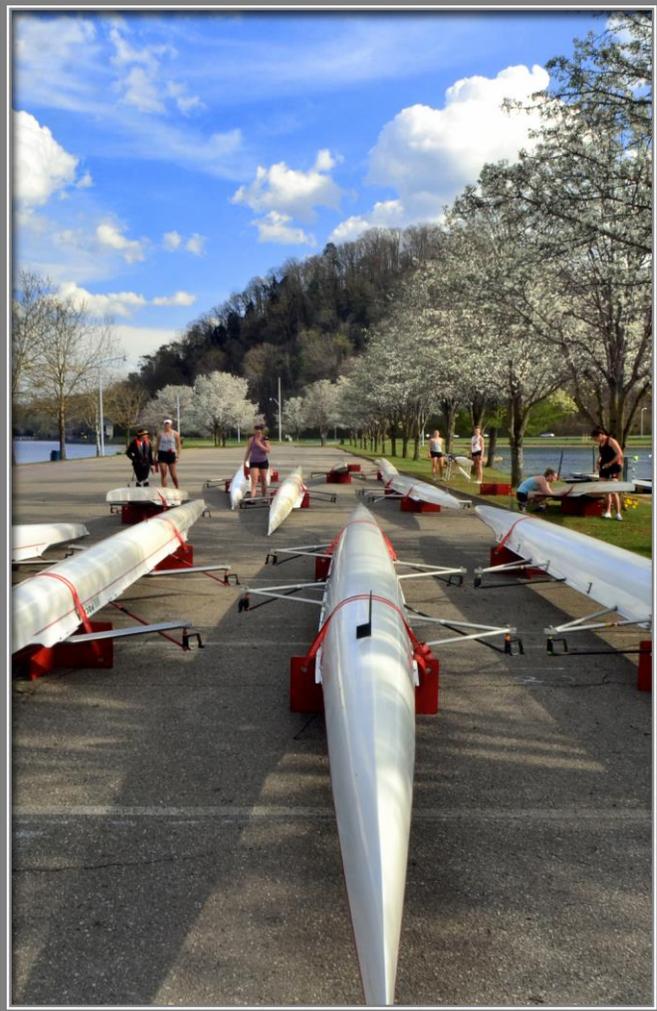
- City and School Budgets are in a 2 year mode to sustain existing services related to basic city missions.
- City reliance on sales tax will yield a need to find a balanced reliable level of funding particularly in Roane County/Oak Ridge.
- City shall need initiate all actions that shall continue to bring new jobs to the community.
- Construction of commercial sales tax generation shall be expedited whenever possible.
- City should continue to oppose continued erosion of City related revenues at state level.





City and Schools

- Better lines of communication this past year.
- Capital needs are being coordinated and prioritizations established.
- The Board of Education and City Council have met in work sessions and meetings.
- Pre-K/SSAB options are presently under study with joint committee.



Capital Project Allocations

- City match for 8th rowing lane \$150,000
- Repair of roof at Willowbrook School \$200,000
- Professional support in review of Pre-K Building \$50,000
- Additional professional fees for Friendship Bell \$25,000
- Reserved for unspecified emergency maintenance \$195,000

General Fund Budget

- Expenses are the same or reduced from FY15.
- Revenue projections have been dramatically adjusted due to conservative estimates on sales tax.
- Capital purchases and vehicle purchases will be slowed in coming year.
- Essential travel, training and overtime will be reviewed during the year.
- A 1 cent tax increase above the effective tax rate is recommended for sustaining City services.



Property Tax Assessments

- The City of Oak Ridge is in process of the 5 year reappraisal program.
- Anderson County assessments are on schedule but Roane County assessments are seriously behind schedule.
- City of Oak Ridge blends values from both counties to yield an effective rate (generates the same amount as prior year).
- Tax billing normally sent in July will be delayed.



Personnel

- Budget includes a 2% cost of living adjustment for City employees (differs from 3% as proposed by schools).
- Health Insurance rates were maintained.
- Retirement and pension rates remained at current levels.
- One dispatch position was added to staff and paid with 911 funding.





Economic Development

- Funding with Chamber of Commerce for tangible economic development work retained at \$175,000.
- Economic consultants (2) at \$108,000.
- Capital dollars include money for 8th rowing lane to match State grant.
- CVB supported at \$325,000 with \$25,000 held to mid year to determine collection levels.
- Festivals and specials events reduced to \$50,000 plus \$25,000 for fireworks show and two summer concerts.

QUESTIONS?
