
CRA Board Meeting

FY2008 2nd Amendatory Budget
March 17, 2008



Presentation Outline

- Background
- Summary FY2008 Budgets, Comparison, & Highlights
- Summary Budgets by Redevelopment Area & Highlights
- Explanation of Changes by Budget Category
 - Revenues
 - Payroll
 - Operating Expenses
 - Debt Service / TIF Reimbursement
 - Project Funding
- Staff Recommendation



Background

- On May 15, 2006, the original FY2008 Budget for the CRA was approved as part of the two-year (FY07 and FY08) budgetary process
- On September 17, 2007 an FY2008 Amendatory Budget was adopted by the CRA (referred as 1st Amendatory for remainder of presentation)
- In December 2007, the actual TIF receipt totals for FY2008 were determined and were greater than originally projected (see table below)

Revenues	Eastside	FAPS	Downtown	CPUH	Total
1 st Amendatory Budget	\$ 421,408	\$ 355,714	\$ 1,103,893	\$ 2,454,976	\$ 4,335,990
2 nd Amendatory Budget	\$ 522,784	\$ 370,044	\$ 1,193,054	\$ 2,571,409	\$ 4,657,291
Un-appropriated Funds	\$ 101,376	\$ 14,330	\$ 89,161	\$ 116,433	\$ 321,301
% Change	+ 24.06%	+ 4.03%	+ 8.08%	+ 4.74%	+ 7.4%

- A 2nd Amendatory Budget is required to update budget and allocate un-appropriated funds



Summary FY2008 Budgets, Comparison, & Highlights

FY2008 1st Amendatory Budget (Approved Sept 17, 2007)	Amount
Total Revenue	\$ 4,335,990
Minus: Payroll	\$ 460,880
Minus: Operating Expenses	\$ 295,454
Minus: Debt Service/TIF Reimbursement	\$ 708,233
Available for Projects	\$ 2,871,422

Proposed FY2008 2nd st Amendatory Budget (Presented Mar 17, 2008)	Amount
Total Revenue	\$ 4,657,291
Minus: Payroll	\$ 461,336
Minus: Operating Expenses	\$ 344,968
Minus: Debt Service/TIF Reimbursement	\$ 743,412
Available for Projects	\$ 3,107,573

Net Changes	Amount
Total Revenue	+ \$ 321,300
Payroll	+ \$ 455
Operating Expenses	+ \$ 49,514
Debt Service/TIF Reimbursement	+ \$ 35,179
Add'l Funding for Projects	+ \$ 236,151

Highlights

- Overall, the Community Redevelopment Agency's Overhead (Payroll and Operating Expenses) is 17.9%, which leaves 82.1% of all revenues available for serving existing debt, paying TIF reimbursements, and funding projects
- Total revenue increased \$321,300 after payroll, operating, and debt service/TIF reimbursement, an additional \$236,151 was available to provide additional funding to existing projects or fund new projects



Summary Budgets by Redevelopment Area & Highlights

Proposed FY2008 2 nd st Amendatory Budget (Presented Mar 17, 2008)	Amount
Total Revenue	\$ 4,657,291
Minus: Payroll	\$ 461,336
Minus: Operating Expenses	\$ 344,968
Minus: Debt Service/TIF reimbursement	\$ 743,412
Available for Projects	\$ 3,107,573

Proposed FY2008 2 nd st Amendatory Budget (Presented Mar 17, 2008)	Eastside	FAPS	Downtown	CPUH	Total
Total Revenue	\$ 522,784	\$ 370,044	\$ 1,193,054	\$ 2,571,409	\$ 4,657,291
Minus: Payroll	\$ 71,617	\$ 66,615	\$ 127,152	\$ 195,950	\$ 461,336
Minus: Operating Expenses	\$ 37,946	\$ 32,772	\$ 101,765	\$ 172,484	\$ 344,968
Minus: Debt Service/TIF reim.	\$ 21,872	\$ 54,057	\$ 409,559	\$ 257,923	\$ 743,412
Available for Projects	\$ 391,348	\$ 216,599	\$ 554,576	\$ 1,945,050	\$ 3,107,573
Operating and Payroll = % of TIF (Threshold = 25%)	21.1%	26.6%	20.1%	15.0%	17.9%

Highlights

- The Operating/Payroll to TIF % is below the self-imposed 25% threshold in all redevelopment areas, except Fifth Ave/Pleasant Street
- Downtown redevelopment area has significantly more Debt Service and TIF reimbursement than the other areas in terms of dollars and % of TIF Revenues



Explanation of Changes – Payroll

Payroll	Eastside	FAPS	Downtown	CPUH	Total
1 st Amendatory Budget	\$ 61,209	\$ 61,143	\$ 151,587	\$ 186,942	\$ 460,881
2 nd Amendatory Budget	\$ 71,617	\$ 66,615	\$ 127,152	\$ 195,950	\$ 461,336
Net Changes	\$ 10,408	\$ 5,472	\$ (24,434)	\$ 9,008	\$ 455

Explanation of Changes

- Significant changes were made internally to re-align staff in order to gain operational efficiencies and have increased accountability for project work internally.
 - Example: Historically staff has been aligned by redevelopment area (i.e. Downtown, Eastside, etc.) and had geography-specific accountability.
- Staff was reorganized to align by functional expertise (i.e. Planning, Engineering, Finance, Project Management, etc.) as these functions are required for most projects; regardless of the redevelopment area for which the project is undertaken. See following slide for more details on re-alignment
- As a result of staff's re-alignment, changes were made to the way we allocate FTEs and therefore payroll expenses across redevelopment areas.



Staff realignment serves as a good foundation for greater efficiency

Pre-Realignment (and pre-hiring)

	Eastside	FAPS	CPUH	Downtown
Project 1		✓		
Project 2				✓
Project 3			✓	
Project 4			✓	
Project 5	✓			
Project 6				✓
Project 7				✓

Staff Expertise	Project 1	Project 2
Project Mgt/Admin	✓	
Budgeting		
Contracts / Purchasing	✓	✓
Planning/Design		✓
Engineering		
Real Estate Finance		

Characteristics

- Primary focus is the area
- Projects organized by area with limited assistance from areas
- Difference levels of functional expertise among staff, but expertise not shared across areas
- Absence of expertise in Budgeting, Finance, and Engineering

Post-Realignment (and post-hiring)

	Eastside / FAPS	CPUH / Downtown
Project 1	✓	
Project 2		✓
Project 3		
Project 4		✓
Project 5	✓	✓
Project 6		✓
Project 7		✓

Staff Expertise	Project 1	Project 2
Project Mgt/Admin	✓	✓
Budgeting	✓	✓
Contracts / Purchasing		
Planning/Design	✓	✓
Engineering	✓	✓
Real Estate Finance	✓	✓

Characteristics

- While projects are still specific to an area, the primary focus is the project
- Projects organized by teams to bring required functional expertise** necessary for particular project
- Includes staff expertise in Engineering, Budgeting, and Finance**
- Consolidated area-specific positions to provide capacity for functional-specific positions

**All work necessary to deliver projects can not be performed by staff. 3rd Party contractors will still be required, but on a more limited and focused basis



Explanation of Changes – Operating Expenses

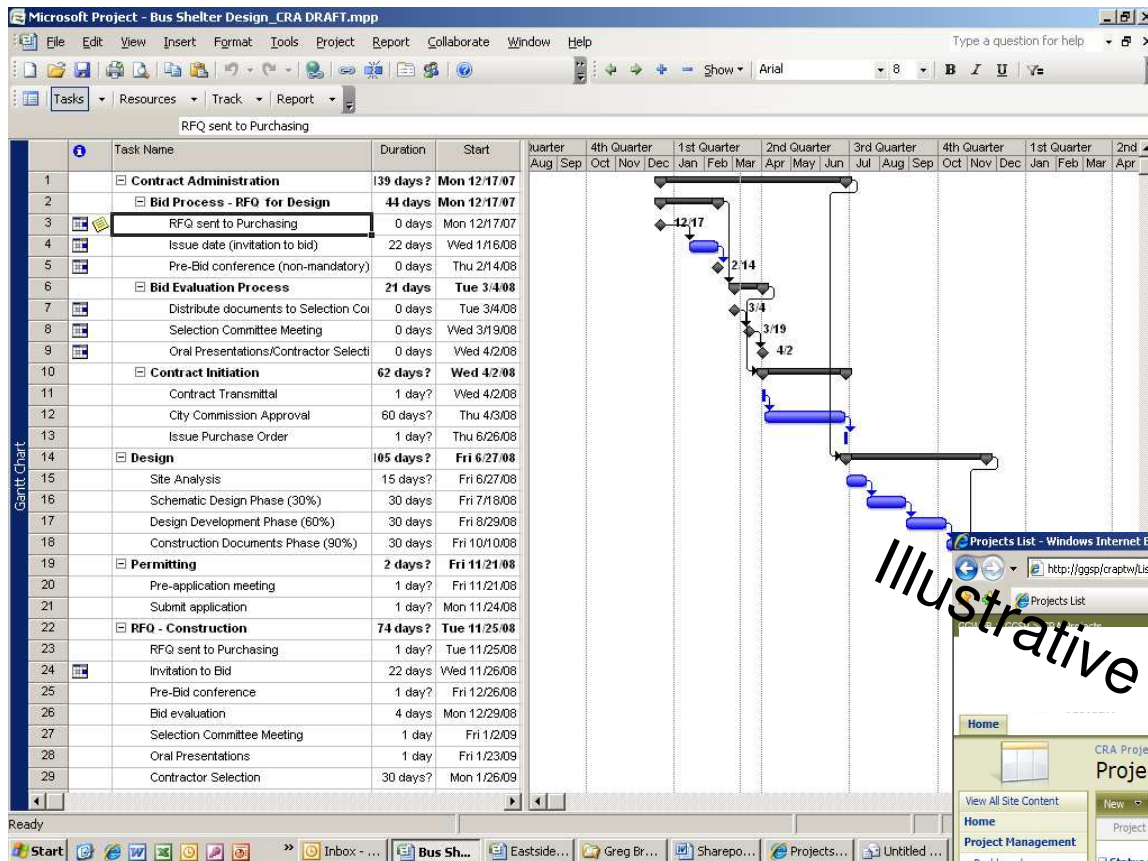
Operating Expenses	Eastside	FAPS	Downtown	CPUH	Total
1 st Amendatory Budget	\$ 36,353	\$ 36,397	\$ 95,874	\$ 126,830	\$ 295,454
2 nd Amendatory Budget	\$ 37,947	\$ 32,772	\$ 101,766	\$ 172,484	\$ 344,969
Net Changes	\$ 1,594	\$ (3,625)	\$ 5,892	\$ 45,654	\$ 49,515

Explanation of Changes

- The City Attorney’s office requested an additional \$25,514 in funding to cover proportional hours spent supporting CRA.
- While positions were included the 1st Amendatory Budget, some of the infrastructure expenditures related to new hires were not:
 - Additional budget was added for computers, office furniture, build out costs associated with office re-configuration to new accommodate new hires
- To support the re-alignment of work assignments, additional budget was added for a new project management and document repository software (see next slide)

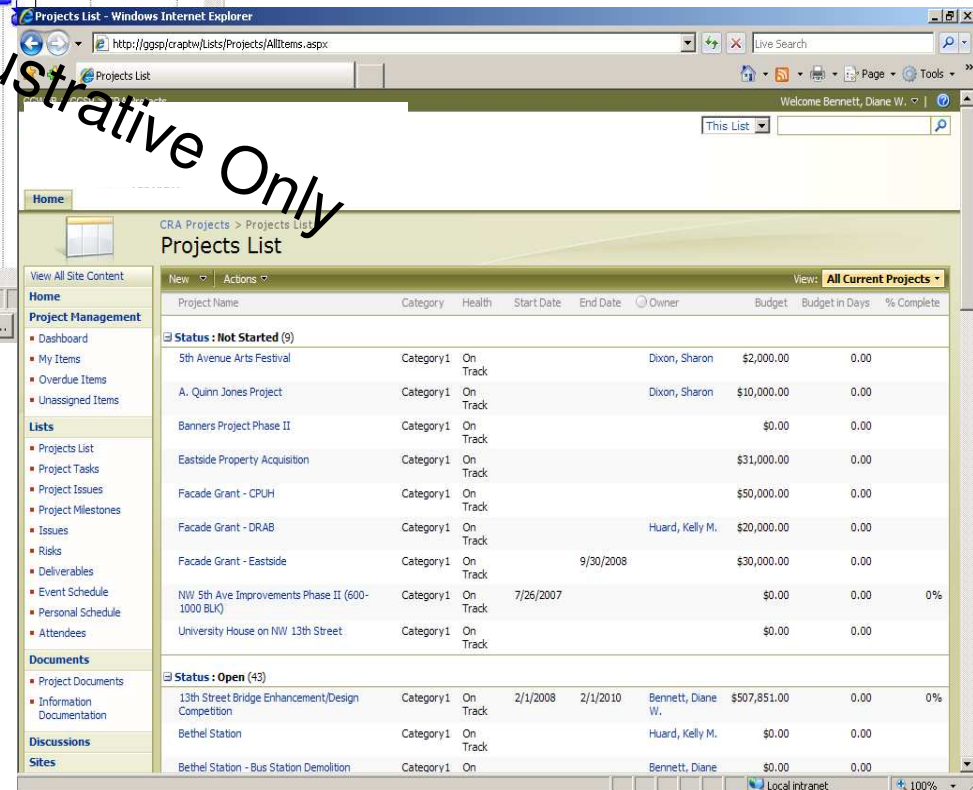


Examples – Project Management Tools



Project Tracking

- Build schedules, allocate resources, manage dependencies, and budgets
- Allows for greater accountability of projects



Document Repository

- Web-based document storage
- Retrieval with check-in and check-out functionality, and version history
- Allows project team members (internal and external) to have access to critical project documents

Explanation of Changes – Debt Service / TIF Reimbursement

Debt Service / TIF Reimbursement	Eastside	FAPS	Downtown	CPUH	Total
1 st Amendatory Budget	\$ 21,872	\$ 52,057	\$ 407,604	\$ 226,700	\$ 708,233
2 nd Amendatory Budget	\$ 21,872	\$ 54,057	\$ 409,559	\$ 257,924	\$ 743,412
Net Changes	\$ -	\$ 2,000	\$ 1,955	\$ 31,224	\$ 35,179
% of Budget					

Explanation of Changes

- Eastside – No change
- Fifth Ave/Pleasant Street – **Model Block Bond** payment increased \$2,000
- Downtown – **Union Street** TIF reimbursement was \$1,955 higher than budget based on actual TIF receipts
- CPUH – Changes in actual TIF reimbursements:
 - **Campus View** increased \$36,546
 - **Heritage Oaks** increased \$886
 - **Stratford Court** decreased (\$8,472)
 - **Woodbury Row** increased \$2,534



Explanation of Changes – Project Funding

Project Funding	Eastside	FAPS	Downtown	CPUH	Amount
1 st Amendatory Budget	\$ 301,974	\$ 206,117	\$ 448,828	\$ 1,914,504	\$ 2,871,422
2 nd Amendatory Budget	\$ 391,348	\$ 216,599	\$ 554,576	\$ 1,945,050	\$ 3,107,574
Net Changes**	\$ 89,375	\$ 10,483	\$ 105,748	\$ 30,546	\$ 236,152

**The net changes for projects represents the remaining un-appropriated funds that needed to be assigned to a project

Explanation (N=New Project) (A = Additional Funding)

- Eastside - Lead sponsorship of East Gainesville Development Corporation’s Annual Awards (N, \$2500), set aside for acquisitions (N, \$36,875), and Streetscape - Univ Ave Lights-Waldo to 15th (A, \$50,000)
- FAPS – A. Quinn Jones (A)
- Downtown – Porter’s Neighborhood (A)
- CPUH –Stormwater Management (A)

Important Note: On-going maintenance costs are paid through project funding and continue to increase as a percentage of budget, particularly in the Downtown area.

Maintenance costs (expressed as % of revenue) breakdown:

Eastside – 1.91%; FAPS – 3.65%; Downtown – 7.63%; CPUH – 2.76%



Staff Recommendation

- Executive Director to the CRA: Recommend the CRA adopt Resolution 071017, thus approving an amendatory budget for FY2008 as presented

