



2015 Budget Brief

Message from Mayor Sam Kooiker

The highlights from Rapid City's Budget for Fiscal Year 2015 are mentioned in this Budget Brief. The proposed Budget is documented in a 168 page comprehensive summary of actual City governmental revenues and expenditures for Fiscal Year 2014.

Overall, the budget is down by 3.1% or \$4,779,457 -- from \$152.6 million for 2014 to \$148.7 million in 2015. The reason for the reduction is due to the expiring Capital Outlay projects. The General Fund budget is up by 7.9%, mainly due to costs relating to both the growth of our community, and to the need to address aging infrastructure issues. Much of the growth of the budget is fueled and paid for by the growth in the community. For example, in 2013 we had 661 housing starts, compared to 192 in 2010. That's a 344% increase in housing starts alone. Commercial and Industrial building permit activity has also been very strong. Sales tax revenue is coming in very strong, however, the revenue assumptions in the budget remain conservative. The 2015 budget assumes a 2% growth in Sales Tax for 2014, while Sales tax for 2014 is coming in at 4.759% as of June. The proposed 2015 Budget is also balanced without spending into the reserves.

In 2014, the City adopted a new Comprehensive Plan, which serves as the blueprint for our future. This is the first complete revision since 1981. Through community forums and leadership groups, the Plan established and identified seven Core Values. These values are now in process of being tied into the budget.



The Comprehensive Plan establishes a Blueprint for Rapid City

Vision



Principles



Goals



Policies



Actions!

It is important to note that the items listed in the Budget are the result of a joint effort between City Council, Department Directors, our employees, citizens & myself.

We are a Team

Mayor Sam Kooiker

Understanding the Budget

Think of the basics of the 2015 budget as two pennies. Two pennies of sales tax are collected off of each dollar and those pennies support the backbone of the proposed \$148.7m City budget, which is our General fund, Capital Improvements, Utility Support and Vision Funds. An additional penny known as the BBB (Bed, Board and Booze tax) supports the Civic Center and Tourism promotional efforts. The City also receives revenue from licenses and development fees. Revenue from property taxes contributes less to the budget than sales tax, but it still vital to fund City services. City Property tax is approximately 18% of your property tax bill. Once you understand the pennies, all will make sense, or cents, whichever you prefer.



Pennies add up and support the following:

Airport	\$7,087,993
Attorney	\$724,744
Community Planning	\$2,225,061
Community Resources	\$3,578,645
Civic Center	\$8,939,765
Finance	\$3,058,365
Fire Department	\$12,928,481
Library	\$3,289,193
Mayor/City Council	\$760,322
Parks & Recreation	\$7,833,241
Police Department	\$13,451,525
Public Works	\$56,412,836

Sales Tax Breakout

Breakout out of how the two pennies work:

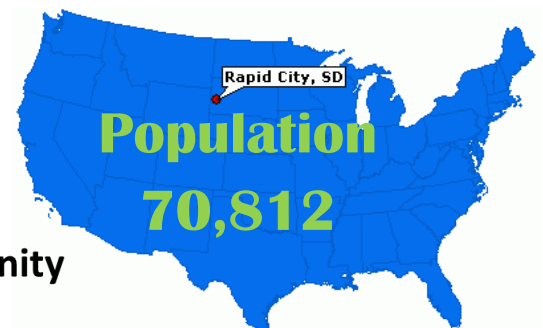
- .92 – General Fund*
- .46 – Capital Improvements Plan (CIP)*
- .46– Vision Fund*
- .16– Utility Facility Fund*

7 Core Values

Identified by the 2014 Newly Adopted Comprehensive Plan

-  **A Balanced Pattern of Growth**
-  **A Vibrant, Livable Community**
-  **A Safe, Healthy, Inclusive, and Skilled Community**
-  **Efficient Transportation and Infrastructure Systems**
-  **Economic Stability and Growth**
-  **Outstanding Recreational and Cultural Opportunities**
-  **Responsive, Accessible, and Effective Governance**

*There are 792.7
Rapid City employees*



2015 Budget
\$148,737,109