



Legislation Details (With Text)

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On agenda: 8/16/2016 **Final action:** 8/16/2016
Title: Discussion of the 2016-2017 Budget
Sponsors:
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Date	Ver.	Action By	Action	Result
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Summary

To: Mayor and Commissioners
From: Micah Maxwell, Town Manager
Date: 8/12/2016

Subject:

Discussion of 2016-2017 Budget

Summary:

At this time, we are at a net positive of \$31,410 for the next budget year.

A few revenue and expenditure impacts are;

- A merit based salary adjustment is included in the budget with a maximum 3% increase
- Health Increase will be a 4.1% increase instead of the 10% originally estimated
- Staff has reevaluated the capital vehicle replacement program
- Conversion of part time Code Enforcement Officer to full time
- Conversion of part time recreation from desk employee to full time

We still have some outstanding items, including:

- General Liability estimates
- The staff has included the amount calculated by Largo of \$559,000 for fire service fees, however Belleair and Belleair Bluffs are in discussions with Largo about the calculation of those fees

Previous Commission Action: The Commission approved the maximum millage rate at the August 2nd meeting.

Background/Problem Discussion:**Revenues**

Staff has received the certified taxable property values and property taxes are estimated to rise 5.79%. This equates to an increase of \$171,000.

Electric Franchise this fiscal year is trending an increase and staff has estimated an additional \$26,900.

Communication Services Tax as estimated by the state, dropped \$13,000 compared to prior year's budget.

State revenue sharing is estimated at 4% increase, which is a \$3,950 impact.

State Sales Tax revenue increased by 3% and provides an additional \$7,750.

Expenditures

Revenues

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Expenditures

Administration - The majority of the increase is related to the transfer of the construction project supervisor from Public Works to Administration. This is \$71,450 of the shown change. The bulk of the remainder (\$6,800) is health cost and merit related.

Building - The department is estimating \$20,000 less in contracted costs, due mainly to the experience of the last two years which has provided a better understanding of demand.

Support Services - Also, increases to in computer system are related to the required upgrade of our records management system, as well as the new telecom system now that the Public Works building is operational. There was also an error in last year's budget and the expense for one employee's health insurance was not budgeted for. We have corrected that problem, which impacted the budget by about \$8,000.

Police - The major increase in Police relates to the pension plan. The actuarial report calls for an additional \$24,150 to be allocated. Other cost changes mainly surround health and merit increases. Also, the department has requested transitioning the code enforcement officer from a part time to full time position

Public Works - Just as the Administration departments increased by \$71,000, the Public Works Department decreased that same amount. We have added back in to the budget the \$8,000 that we removed last year for medical for one of the employees. It was intended to try and make that position a part time position, but at this time we feel that going back to fulltime is the correct move. On the building maintenance side, there is a request for up to \$5,000 for a weekend cleaner for the recreation center.

Parks and Recreation - A large part of the increase in Parks and Recreation personnel costs is related to health and merit increases, as with other departments. Parks and Recreation has asked for increases to the maintenance of grounds and tree trimming accounts, which administration has no issues with. Also, the department has requested transitioning the front desk clerk from a part time to full time position

Expenditure Challenges N/A

Financial Implications: The current budget does not include any increase to the Town's General Fund Budget does not include any increase to the millage rate or any other collection rates

Recommendation: N/A

Proposed Motion N/A