



Legislation Details (With Text)

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Title: Discussion of 2017-2018 Annual Budget
Sponsors: JP Murphy
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Date	Ver.	Action By	Action	Result
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Summary

To: Finance Board
From: Ashley Bernal, Management Analyst
Date: 8/15/2017

Subject:

Discussion of 2017-2018 Fiscal Year Budget

Summary:

All major funds are presented as balanced at this time. The General Fund is balanced with a proposed 3% salary enhancement and no change to the millage calculation. In addition, the Water and Solid Waste funds are balanced with no proposed utility rate increase. The Commission will conduct a Budget Workshop on 8/24 to examine in detail the proposed budget. Staff provide a detailed discussion and analysis at the meeting regarding the changes, and assumptions.

Previous Commission Action: Commission approved the Tentative Millage Rate of 5.9257.

Background/Problem Discussion: The final millage rate shall not exceed the previously set maximum millage preliminary (MMP) rate of 5.9257. The Commission may set a final rate equal to, or less than the MMP. The proposed fiscal year 2017-18 millage is 5.9257: 4.9427 to the General Fund, and 0.9830 to the Infrastructure Fund, which is the same distribution as the prior year. All millage calculations are based upon the certified total taxable value of \$713,138,935. This is an increase of 6.355% from the prior year's total taxable value

GENERAL FUND

Revenues

Ad Valorem revenues have increased 8.125% for the upcoming year, which equates to an increase of \$256,250. Communication services tax has increased this year by \$11,850, totaling \$178,000. State Revenue Sharing saw a small increase of \$1,950, while State Sales Tax has a larger increase of \$3,250.

As part of the new construction associated with the Golf Course, building permit revenue has increased \$75,000, bringing this year's total to \$375,000. Staff expects this revenue to continue to grow with construction, which will be replaced with an increase of Ad Valorem once construction finishes.

Miscellaneous revenue increased by \$14,700.

Staff has made an effort to rectify any sort of structural imbalances within the revenue of this budget by halting transfers from reserves. This prevents the Town's reserves from depleting entirely, but also creates a large hole in the general revenue.

Expenditures

Overall, Staff is still working to find extra funds for salary enhancements. A large majority of increases in expenditures this year are related to personnel costs.

Administration - The overall budget for this department has increased by \$50,000. This is largely due to an increase to the part-time salary line.

Building - Increased costs are related to contracted inspection costs. There is an increase in construction inspections due to the construction of the Pelican Course and Belleview Place.

Support Services - There is an increase of \$173,550 this year mainly due to personnel expenses. A large majority of this is from the department absorbing building maintenance from Public Works.

Police - The largest increase for expenditures in this department is also related to personnel costs. Salaries increased dramatically due to the mandatory 3% enhancement, causing other personnel lines to increase as well.

Public Works - Though Public Works lost building maintenance, the department expanded by including Parks and Streets from the Recreation department. The rationale is to have the expense for parks and streets be combined for reporting and management reasons.

Recreation - This department is seeing a decrease in expenditure this fiscal year associated with the release of Parks and Streets.

ENTERPRISE FUNDS

WATER

Revenues

Water Utility Revenue is expected to increase by \$51,200 this year. Staff analyzed water usage data from the Fiscal Year 2014-2015, 2015-2016, and a portion of 2016-2017.

Expenditures

Minor increases were made to operating expenditures. The largest change in expenditure comes from Capital Purchase. This year the department needs to replace sand filters (\$62,000) and rehabilitate wells (\$55,000).

SOLID WASTE

Revenues

The Sanitation line item, which is the collection for sanitation fees, will see a decrease of about \$20,000. This decrease is based on a reconciliation of customers' accounts and prior revenue assumptions.

Expenditures

With Belleair's pilot recycling program continuing, costs connected with the recycling line item have decreased by about \$19,750. Staff will provide additional information as to the collection options at the meeting. Mr. Massol will provide detail to the changes in depreciation at the meeting.

Expenditure Challenges N/A

Financial Implications: N/A

Recommendation: Staff recommends the budget as proposed

Proposed Motion I move that the Finance Board recommend the budget as proposed to the Town Commission.