

TO: Honorable Mayor Jack Blalock and City Council Members
 FROM: John P. Bohenko, City Manager
 DATE: June 6, 2018
 Re: Adopted Annual Budget for Fiscal Year 2019
 CC: All Department Heads and Reference Books

The City Council adopted resolution #9-2018, General Fund Expenditures in the amount of \$113,009,093 on June 4, 2018 as shown below.

**CITY COUNCIL'S ADOPTED
 APPROPRIATIONS JUNE 4, 2018**

MUNICIPAL	\$19,445,179
POLICE	\$11,280,229
FIRE	\$8,966,305
SCHOOL	\$48,086,136
TRANSFER TO INDOOR POOL	\$150,000
TRANSFER TO PRESCOTT PARK	\$60,000
NON-OPERATING	\$25,021,244
TOTAL	\$113,009,093

The FY 2019 Proposed Budget was submitted to the City Council on April 25, 2018. As a result of budget worksessions held, the City Council's adopted budget includes reductions of \$1,616,700 from the proposed FY19 General Fund budget.

OPERATING BUDGET ---Decrease of \$260,000

- 1) Removal of the Organic Weed and Turf Management Program budget of \$260,000.

NON-OPERATING BUDGET---Decrease of \$1,356,700

- 2) Reduce Debt Service by \$695,200
- 3) Reduce Rolling Stock by \$166,000
 - a. \$40,000 - DPW F250
 - b. \$41,000 - Police Fusion
 - c. \$35,000 - School Utility Tractor
 - d. \$50,000 – Fire SUV C-3
- 4) Reduce IT Replacement by \$125,500
 - a. \$100,000 – Police Software
 - b. \$25,500 – Fire Software
- 5) Reduce Capital Outlay by \$370,000
 - a. \$250,000 – New Outdoor Recreation Fields
 - b. \$50,000 – Recycling & Solid Waste Totes
 - c. \$50,000 – Recycling & Solid Waste Transfer Station
 - d. \$20,000 – Elwyn Park Sidewalks Phase I

City Council FY19 Adopted Budget

	FY18 Budget	FY19 City Manager's Proposed Budget	FY19 City Council Adopted Budget	\$Change From FY19 Proposed Budget	\$Change From FY18 Budget	% Change From FY18 Budget
OPERATING BUDGET:						
General Government	18,833,111	19,445,179	19,445,179	-	612,068	3.25%
Police	10,925,161	11,280,229	11,280,229	-	355,068	3.25%
Fire	8,685,087	8,966,305	8,966,305	-	281,218	3.24%
School	46,573,529	48,086,136	48,086,136	-	1,512,607	3.25%
Transfer to Indoor Pool	150,000	150,000	150,000	-	0	0.00%
Transfer to Prescott Park	30,479	60,000	60,000	-	29,521	
Organic Weed and Turf Mgmt		260,000		(260,000.00)	0	
Total Operating Budget	85,197,367	88,247,849	87,987,849	(260,000.00)	2,790,482	3.28%
NON-OPERATING EXPENDITURE:						
Debt Related Costs/TANS	275,000	272,000	272,000	-	(3,000)	-1.09%
Debt Service Payments	13,085,154	14,298,912	13,603,712	(695,200.00)	518,558	3.96%
Overlay	950,000	1,000,000	1,000,000	-	50,000	5.26%
Property & Liability Ins	363,376	363,376	363,376	-	0	0.00%
County	5,466,000	5,741,466	5,741,466	-	275,466	5.04%
Contingency	250,000	300,000	300,000	-	50,000	20.00%
Rolling Stock	761,900	943,720	777,720	(166,000.00)	15,820	2.08%
IT Equipment Replacement	650,658	866,408	740,908	(125,500.00)	90,250	13.87%
Capital Outlay	1,985,000	2,005,000	1,635,000	(370,000.00)	(350,000)	-17.63%
Use of Bond Premium	1,269,148	0	0	-	(1,269,148)	-100.00%
Other General Non-Operating	491,317	587,062	587,062	-	95,745	19.49%
Total Non-Operating Budget	25,547,553	26,377,944	25,021,244	(1,356,700)	(526,309)	-2.06%
Total Gross Budget	110,744,920	114,625,793	113,009,093	(1,616,700)	2,264,173	2.04%

In addition to the adjustments of expenditures, the City Council authorized the following:

- Increase the use of Debt Service Reserves (Use of Committed Fund Balance) by \$423,000 for a total of \$2,213,000.

As a result of the amendments, the adopted FY19 budget will result in an estimated tax rate of \$15.89 per \$1,000 of valuation. This rate is an increase of 51¢ or 3.32% over FY18.

Attached is a revised General Fund Budget Summary for FY19 – Tax Calculation Sheet

GENERAL FUND BUDGET SUMMARY-FY 2019

TAX CALCULATION

	FY17 BUDGET	FY18 BUDGET	FY19 City Manager Recommended	% CHANGE FROM FY18	\$\$ CHANGE FROM FY18	FY19 City Council 4-Jun-18	FY18 % Change	FY18 \$\$ Change
OPERATING BUDGET								
General Government	18,210,245	18,833,111	19,445,179	3.25%	612,068	19,445,179	3.25%	612,068
Police	10,382,847	10,925,161	11,280,229	3.25%	355,068	11,280,229	3.25%	355,068
Fire	8,340,898	8,685,087	8,966,305	3.24%	281,218	8,966,305	3.24%	281,218
School	44,684,084	46,573,529	48,086,136	3.25%	1,512,607	48,086,136	3.25%	1,512,607
Transfer to Indoor Pool	150,000	150,000	150,000	0.00%	0	150,000	0.00%	0
Transfer to Prescott Park	0	30,479	60,000	96.86%	29,521	60,000		29,521
Organic Weed & Turf Management	0	0	260,000		260,000	0		0
Total Operating Budget	81,768,074	85,197,367	88,247,849	3.58%	3,050,482	87,987,849	3.28%	2,790,482
NON-OPERATING EXPENSE								
Debt Related Costs/TANS	275,000	275,000	272,000	-1.09%	(3,000)	272,000	-1.09%	(3,000)
Debt Service Payments	12,595,810	13,085,154	14,298,912	9.28%	1,213,758	13,603,712	3.96%	518,558
Overlay	950,000	950,000	1,000,000	5.26%	50,000	1,000,000	5.26%	50,000
Property & Liability Ins	341,000	363,376	363,376	0.00%	0	363,376	0.00%	0
County	5,277,514	5,466,000	5,741,466	5.04%	275,466	5,741,466	5.04%	275,466
Contingency	250,000	250,000	300,000	20.00%	50,000	300,000	20.00%	50,000
Rolling Stock	956,165	761,900	943,720	23.86%	181,820	777,720	2.08%	15,820
IT Equipment Replacement	406,000	650,658	866,408	33.16%	215,750	740,908	13.87%	90,250
Capital Outlay	2,000,000	1,985,000	2,005,000	1.01%	20,000	1,635,000	-17.63%	(350,000)
Banfield Road Purchase	400,000	0	0		0	0		0
Foundation Seacoast Health /Municipal Imp	1,850,000	1,269,148	0		(1,269,148)	0		(1,269,148)
Other General Non-Operating	393,280	491,317	587,062	19.49%	95,745	587,062	19.49%	95,745
Total Non-Operating Budget	25,694,769	25,547,553	26,377,944	3.25%	830,391	25,021,244	-2.06%	(526,309)
Total Gross Budget	107,462,843	110,744,920	114,625,793	3.50%	3,880,873	113,009,093	2.04%	2,264,173
REVENUES								
Municipal	13,125,575	13,879,982	14,630,108	5.40%	750,126	14,630,108	5.40%	750,126
School	5,986,250	6,369,332	6,516,250	2.31%	146,918	6,516,250	2.31%	146,918
State Revenues	1,489,418	1,576,077	1,736,067	10.15%	159,990	1,736,067	10.15%	159,990
State Revenues-School Building Aid	1,836,305	1,836,305	1,836,305	0.00%	0	1,836,305	0.00%	0
<i>Use of Fund Balance: Unassigned</i>						0		0
Supplemental Appropriation	665,800	27,167	0		(27,167)	0	-100.00%	(27,167)
Budget Process	250,000	231,000	0		(231,000)	0		(231,000)
<i>Use of Fund Balance: Committed</i>						0		0
Property Appraisal	73,500	150,000	150,000	0.00%	0	150,000	0.00%	0
Debt Service Reserve	1,700,000	2,400,000	1,700,000	-29.17%	(700,000)	2,123,000	-11.54%	(277,000)
Supplemental Appropriation	1,850,000	1,269,148	0		(1,269,148)	0		(1,269,148)
Total	26,976,848	27,739,011	26,568,730	-4.22%	(1,170,281)	26,991,730	-2.69%	(747,281)
BUDGETED PROPERTY TAX LEVY	80,485,995	83,005,909	88,057,063	6.09%	5,051,154	86,017,363	3.63%	3,011,454
War Service Credits	480,500	483,133	500,000	3.49%	16,867	500,000	3.49%	16,867
Adequate Education Formula	(11,070,907)	(11,178,117)	(11,904,407)	6.50%	(726,290)	(11,904,407)	6.50%	(726,290)
State Education Tax	11,070,907	11,178,117	11,904,407	6.50%	726,290	11,904,407	6.50%	726,290
ASSESSED VALUATION WITH UTILITIES	4,771,704,551	5,468,344,022	5,468,915,808	0.01%	571,786	5,468,915,808	0.01%	571,786
ASSESSED VALUATION NO UTILITIES	4,586,279,780	5,245,306,209	5,295,306,209	0.95%	50,000,000	5,295,306,209	0.95%	50,000,000
MUNICIPAL & SCHOOL TAX RATE	13.54	12.22	12.96	6.08%	0.74	12.59	3.05%	0.37
COUNTY TAX RATE	1.09	1.03	1.05	2.21%	0.02	1.05	1.93%	0.02
STATE EDUCATION TAX RATE	2.41	2.13	2.25	5.40%	0.12	2.25	5.40%	0.12
COMBINED TAX RATE	17.04	15.38	16.26	5.73%	0.88	15.89	3.32%	0.51