

BUDGET-07
ADDITIONAL
City Managers Report

Mayor and City Commission,

The FY 2013 Tentative Budget includes maintaining the current millage rate of 4.1193 and maintaining the current annual Fire Assessment rate of \$135 per single residential unit. The current millage rate is a 1.1% increase over the rolled-back rate and is premised on the following:

- No Increase to Property Tax Rate
- Maintaining Current Service Levels
- Maintaining a Healthy Fund Balance
- Funding Key Capital and Infrastructure Improvements
- Technological Improvements
- Implementing Long Term Strategies for Fiscal Sustainability

Increases to the FY 2013 General Fund Budget that require maintaining the millage at the same rate as the prior six years are:

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| ● General Employees Pension Plan increases | \$1.7 million |
| ● Police & Fire Pension Plan increases | \$1.0 million |
| ● COLA & Merit for all Employee Groups | \$900k |
| ● Funding for 12 Police Officers (Grant Ending) | \$865k |
| ● City Clerk Special Election | \$194k |
| ● Increase for Fuel | \$375k |
| ● Increase for Building Repair and Maintenance | \$475k |
| ● Citywide Facility Condition Assessment | \$200k |
| ● Community Investment Plan | \$1.0 million |
| ● Speed hump Program | \$100k |
| ● Performing Arts Center Contribution | \$300k |

I would now like to present to you the adjustments to the FY 2013 Budget that have been made since the submission of the July 10, 2012 Proposed Budget:

The following adjustments have been made to the General Fund Proposed Revenues:

- A reduction in revenue for Communications Services Tax of \$372,588
- A reduction in the Fire Assessment of \$2,695,000
- A reduction in the Business Tax Receipts revenue of \$150,000
- A reduction in the use of appropriated fund balance of \$1,015,988
- An increase in the amount of Gas Tax revenue in the General Fund of \$158,000. This was offset by a commensurate reduction in the Gas Tax Fund for Street resurfacing bringing it back to the same level of funding as the current year

The following adjustments have been made to the General Fund Proposed Expenditures:

- A reduction in funding for the Fixed Assets program by \$460,000 due to the cost estimates coming in less than anticipated
- A reduction in funding for salaries and benefits for a Senior Real Estate Officer, a Treasurer, and a Planner III position offset by the addition of an Accountant II, a Principal Planner and 3 part-time Clerk positions in the amount of \$268,172 and another reduction of \$98,813 for a portion of a Transportation Mobility Manager position to be shared with the Parking Fund.
- An increase for payout of accruals for 2 retiring employees and retiree health expenses in the amount of \$90,311 and a reduction in funding required for range adjustments employee groups of \$90,694
- A reduction in computer software for the Parks and Recreation Department of \$20,000
- A reduction in funding for professional studies in Transportation and Mobility of \$50,000
- A reduction in funding for other professional services in the Police Department for an item that was over budgeted in the amount of \$273,957
- A reduction in Fleet charges in the amount of \$36,101
- A reduction for capital outlay in the amount of \$225,000 for park shade structures and bunker gear and \$1,190,950 for other operating items to include the painting of City Hall, defibrillators, Restrooms at Snyder Park, two k-9 dogs, mobile laptops, and median enhancements
- And a reduction in funding for community investment plan projects in the amount of \$1,029,200 for 15th Avenue Complete Street (350k), Middle River Terrace Streetscape(142k), Birch State Park (87,200), and Riverwalk Seawall Replacements(450k)
- And an additional savings of \$423,000 related to the issuance of the Pension Obligation Bonds

These revenue and expenditure adjustments bring us to a FY 2013 Tentative General Fund Budget of \$315,782,856, which includes undesignated fund balance of \$47,336,845 and \$4,000,000 in reserves for Other Post Employment Benefits (OPEB).

There are two other funds that have been adjusted since the submission of the FY 2013 Proposed Budget:

The Beach Business Improvement District Proposed Budget of \$704,429 was increased by \$1,697; the new Tentative FY 2013 Budget is \$706,126.

The Debt Service Fund Budget of \$23,785,511 was decreased by \$55,090; the new Tentative Budget is \$23,730,421.

That concludes my report on the changes from the proposed budget to the tentative budget for FY 2013.