



# PRELIMINARY BUDGET UPDATE FISCAL YEAR 2016-17

JUNE 20, 2016



## PRELIMINARY BUDGET SCHEDULE FISCAL YEAR 2016-17 (FY 17)

- Budget Workshops
  - ~~May 18, 2016 – 9am~~
  - June 20, 2016 – 9am
  - June 27, 2016 – 9am
- Budget Meetings
  - July 5, 2016 Regular Meeting - Set Maximum Millage
  - September 12, 2016 Regular Meeting – 1<sup>st</sup> Reading
  - September 26, 2016 Special Meeting – 2<sup>nd</sup> Reading and Adoption



## FY 16 General Fund Balance

		*No. of Days	Target
FY16 Beginning Balance (Budgetary)	\$ 5,197,405	128	90
Projected FY16 Revenues	\$ 16,102,371		
Projected FY16 Expenditures	<u>\$ (16,266,037)</u>		
Projected FY16 Change to Fund Balance	\$ (163,666)		
Projected Ending FY 16 Fund Balance	<u>\$ 5,033,739</u>	117	90

\* FY16 Operating Cost Per Day = \$43,117

- Based on FY16 Operating Budget, the Projected Fund Balance Would Cover 117 Days



# Town Commission Contingency

<b>FY16 Commission Approved Budget</b>	<b>\$250,000</b>
Resolution 2015-24 Town's 60th Anniversary Celebration	-9,739
Resolution 2015-28 Peafowl Removal	-25,000
Resolution 2015-29 Asst. Town Manager Personnel Costs	-42,436
<b>Projected Ending Balance</b>	<b>\$172,825</b>

Use of contingency does not affect fund balance



# GUIDELINES FOR FY 2016-2017 BUDGET

- No increase in millage.
- Keep Operating Budgets Flat
- Maintain publicly visible service levels.
- Maintain minimum 90 operating days of fund balance.
- Seek more efficient methods to accomplish the mission.
- Identify any potential reductions or efficiencies.
- Maintain support for 5 year capital improvement plan for scheduled vehicle replacement and infrastructure improvements.



# FY 17 General Fund Budget Update

Preliminary Budget Assumes Mill Rate remains at 2.1300 with a 4.51% increase in preliminary taxable values

	Original Budget 2015-16	Estimated Actual 2015-16	Preliminary Budget 2016-17	Change from Original 2015-16 Budget
<b>Revenues</b>				
Ad Valorem	\$ 10,680,620	\$ 10,670,643	\$ 11,152,872	\$ 472,252
Non-Ad Valorem	\$ 4,938,177	\$ 5,431,728	\$ 4,829,168	\$ (109,009)
<b>Total Revenues</b>	<b>\$ 15,618,797</b>	<b>\$ 16,102,371</b>	<b>\$ 15,982,040</b>	<b>\$ 363,243</b>
<b>Expenditures</b>				
Personnel	\$ 12,627,259	\$ 12,427,259	\$ 12,427,184	\$ (200,075)
Operating	\$ 2,889,989	\$ 3,114,989	\$ 2,860,957	\$ (29,032)
Capital Outlay	\$ 723,789	\$ 723,789	\$ 735,690	\$ 11,901
<b>Total Expenditures</b>	<b>\$ 16,241,037</b>	<b>\$ 16,266,037</b>	<b>\$ 16,023,831</b>	<b>\$ (217,206)</b>
<b>Budgeted Increase or (Decrease) to Fund Balance</b>	<b>(\$622,240)</b>	<b>(\$163,666)</b>	<b>\$ (41,791)</b>	





## FY 17 General Fund Budget Update

### FY 17 Personnel Expenditure Increases/Decreases Compared to FY 16

2016 Personnel Budget	\$12,627,259
Fire Department Net Change as a result of DROP Employees Leaving and Contract Being Ratified	-\$206,195
Fire Overtime Increase to Cover Vacancies when Training (fully loaded)	\$15,000
Total Pension Contribution Decrease	-\$107,770
Merit Based Wage Increase (avg 3%)	\$122,000
Police Wage Increases	\$85,800
Net Health Insurance Increase from FY16 budget based on 10% increase	\$20,850
Executive Wages (Asst TM not Split with Utilities)	\$55,450
Election Workers (Not in conjunction with the County)	\$9,000
Vacation Payouts over Maximum hours	\$35,000
Staff Changes (part-time to full) and other minor	\$36,790
Contingencies	-\$231,000
Partial Public Works Paid by TDT for Beach Maintenance in Sarasota County	<u>-\$35,000</u>
2017 Personnel Budget	<u>\$12,427,184</u>



## FY 17 General Fund Budget Update

### FY 17 Operating Expenditure Increases/Decreases Compared to FY 16

- The directive from the Town Manager was to keep the operating budgets flat.
- ✓ The result is a reduction of \$29,032 or (1.46%) from FY 16



## FY 17 General Fund Budget Revenues

	<b>Millage Rate @ 2.1300</b>		ADOPTED	AMENDED	PROPOSED	From ADOPTED to Proposed	
	ACTUAL		BUDGET	BUDGET	BUDGET	BUDGET	BUDGET
	<u>FY 2014-15</u>		<u>FY 2015-16</u>	<u>FY 2015-16</u>	<u>FY 2016-17</u>	<u>\$ CHANGE</u>	<u>%CHANGE</u>
<b>Revenues:</b>							
Property Taxes	10,363,035		10,680,620	10,680,620	11,152,872	\$472,252	4.42%
Other Taxes	152,704		152,000	152,000	152,000	\$0	0.00%
Franchise Fees	989,044		938,500	938,500	944,000	\$5,500	0.59%
Licenses and Permits	43,949		31,200	31,200	32,900	\$1,700	5.45%
Intergovernmental	1,274,666		1,221,900	1,221,900	1,236,000	\$14,100	1.15%
Charges for Services	396,689		332,480	332,480	320,180	(\$12,300)	(3.70%)
Grants	64,697		78,600	78,600	91,738	\$13,138	16.72%
Fines and Miscellaneous	1,319,621		302,497	302,497	76,350	(\$226,147)	(74.76%)
Income on Investments	21,933		25,500	25,500	25,500	\$0	0.00%
Transfers From Other Fund:	2,066,507		1,855,500	1,855,500	1,950,500	\$95,000	5.12%
Prior Year Surplus/Deficit	0		622,240	847,240	41,791	(\$580,449)	(93.28%)
<b>Total Fund Revenues</b>	<b>\$16,692,845</b>		<b>\$16,241,037</b>	<b>\$16,466,037</b>	<b>\$16,023,831</b>	<b>(\$217,206)</b>	<b>(1.32%)</b>

The highlighted revenue reduction is a result of eliminating the amount the Firefighters were previously contributing to FRS.



## FY 17 General Fund Budget Expenditures

Expenditures:	ACTUAL	ADOPTED	AMENDED	PROPOSED	From ADOPTED to Proposed	
	<u>FY 2014-15</u>	<u>BUDGET</u> <u>FY 2015-16</u>	<u>BUDGET</u> <u>FY 2015-16</u>	<u>BUDGET</u> <u>FY 2016-17</u>	<u>BUDGET</u> <u>\$ CHANGE</u>	<u>BUDGET</u> <u>% CHANGE</u>
Town Commission	21,533	31,045	31,045	23,522	(7,523)	(24.23%)
Town Attorney	305,231	311,000	311,000	347,000	36,000	11.58%
Outside Attorneys	83,820	70,000	70,000	70,000	0	0.00%
Town Manager	458,530	483,278	525,714	545,145	61,867	12.80%
Town Clerk	324,184	367,215	367,215	380,275	13,060	3.56%
Finance/Purchasing	594,865	627,866	627,866	685,338	57,472	9.15%
Information Technology	661,362	584,053	584,053	608,389	24,336	4.17%
Human Resources	143,955	147,004	147,004	165,468	18,464	12.56%
Municipal Buildings	102,185	109,102	109,102	101,757	(7,345)	(6.73%)
Police	3,016,355	3,233,032	3,233,032	3,366,715	133,683	4.13%
Fire/Rescue	7,206,400	6,507,917	6,503,542	6,214,739	(293,178)	(4.50%)
Emergency Management	15,077	10,299	10,299	18,577	8,278	80.38%
Public Works	506,975	550,457	550,457	582,063	31,606	5.74%
Parks	128,434	200,746	225,746	209,225	8,479	4.22%
Planning and Zoning	668,191	698,975	698,975	589,506	(109,469)	(15.66%)
Recreation	24,053	26,334	26,334	25,642	(692)	(2.63%)
Streets	611,092	646,155	646,155	640,780	(5,375)	(0.83%)
General Services	534,503	612,770	837,770	414,000	(198,770)	(32.44%)
Town Commission Contingenc	0	250,000	182,564	250,000	0	0.00%
Red Tide Contingency	0	50,000	50,000	50,000	0	0.00%
Total Expenditures	\$15,406,745	\$15,517,248	\$15,737,873	\$15,288,141	-\$229,107	-1.46%
Capital Outlay	85,642	723,789	728,164	735,690	11,901	1.64%
<b>Total Expenditures</b>	<b>\$15,492,387</b>	<b>\$16,241,037</b>	<b>\$16,466,037</b>	<b>\$16,023,831</b>	<b>-\$217,206</b>	<b>(1.34%)</b>



**FY 17 General Fund Preliminary Budget Update**  
**Fund Balance Discussion – FY 16 and 17 END BALANCES**

		<u>*No. of Days</u>	<u>Target</u>
Projected FY16 Unassigned Ending General Fund Balance	\$ 3,717,460	89	60
Non-Spendable (Fuel Inventory)	\$ 6,204		
Assigned to Pension	\$ 1,310,075		
Projected FY16 Total Fund Balance (Budgetary)	\$ 5,033,739	120	90
Projected FY17 Revenues	\$ 15,982,040		
Projected FY17 Expenditures	\$ (16,023,831)		
<b>Projected Expenditures Exceeding Revenues</b>	<b>\$ (41,791)</b>		
Projected FY17 Ending Fund Balance	\$ 4,991,948	119	90

		<u>*No. of Days</u>	<u>Target</u>
FY17 Unassigned Ending General Fund Balance	\$ 3,675,669	88	60
Non-Spendable (Fuel Inventory)	\$ 6,204		
Assigned to Pension	\$ 1,310,075		
FY17 Total Fund Balance (Budgetary)	\$ 4,991,948	119	90

\* FY17 Operating Cost Per Day = \$41,885



CAPITAL IMPROVEMENT PLAN  
**GENERAL FUND CAPITAL PROJECTS**

**FY2017 BUDGET- NEW SPENDING**

• Fire – Ambulance	\$315,000
• Fire – EMS Equipment	44,000
• Fire – 4X4 SUV	40,000
• Fire – Bunker Gear Replacement	37,000
• Fire – Communication Equipment	16,000
• Police – Vehicles (Partially paid in Infrastructure)	11,690
• Police – Outboard Motors (Intrepid)	33,000
• Police – Refurbish 30’ Intrepid	45,000
• Police – Records Management System	75,000
• Police – All Terrain Vehicle	17,000
• Police – Firearm/Taser replacement	40,000
• I.T. – GIS and Network Upgrades	<u>62,000</u>
<b>Total</b>	<b>\$735,690</b>

Increase of \$**11,901** over prior year projects.

Excludes carryover of prior year project balances



**2016 PRELIMINARY BUDGET UPDATE  
FIVE YEAR CAPITAL UPDATE  
DISCUSSION POINTS**

**Infrastructure Surtax Phase III Allocation  
(Sarasota County)**

# TOWN OF LONGBOAT KEY



## 2016 PRELIMINARY BUDGET UPDATE INFRASTRUCTURE SURTAX FUND

**EXHIBIT F**

**TOWN OF LONGBOAT KEY PROJECTS LIST - PHASE III  
INFRASTRUCTURE SURTAX FY 2010 - FY 2024**

Updated: 06/07/2016

CATEGORIES	PROJECT TITLE	SURTAX FUNDING BUDGET	CUMULATIVE EXPENDITURES	SURTAX REMAINING	PROPOSED FY 17 EXPENDITURES	SURTAX REMAINING
COMPREHENSIVE BEACH MANAGEMENT	Longboat Key Beach Nourishment Project and Erosion Control Structures	\$ 1,730,569	\$ (300,000)	\$ 1,430,569	\$ -	\$ 1,430,569
STREETS and DRAINAGE	Street Resurfacing and Drainage Improvements	-	-	-	-	-
PARKS and RECREATION IMPROVEMENTS	Parks & Recreation Improvements	2,922,000	(994,040)	1,927,960	(300,000)	1,627,960
CANAL DREDGING	Dredging maintenance	900,000	(200,000)	700,000	-	700,000
PUBLIC SAFETY	Fire and Police Vehicles and Equipment	1,588,168	(1,524,858)	63,310	(63,310)	-
IMPROVEMENTS TO PUBLIC FACILITIES	Facilities Maintenance	922,000	(652,669)	269,331	(125,000)	144,331
Infrastructure Surtax Project Grand Total Through 2024		\$ 8,062,737	\$ (3,671,567)	\$ 4,391,170	\$ (488,310)	\$ 3,902,860

**\$514,544**  
Ending Fund  
Balance

**\$643,052**  
Projected Ending  
Fund Balance



**2016 PRELIMINARY BUDGET UPDATE  
INFRASTRUCTURE SURTAX FUND  
REALLOCATION OF BEACH FUNDS**

**FY2017**

**The Beach Project has its own Beach Funding Sources**

• State Grants	<b>\$2,773,869</b>
• Tourist Development Tax from both Counties	<b>685,000</b>
• Bond proceeds supported by Beach Districts	<b>10,654,000</b>
• Federal Reimbursements under FEMA (To be determined at time of final design)	<b><u>0</u></b>
<b>Total Sources for FY2017</b>	<b>\$14,112,869</b>

**Public Safety Funding Sources**

**Ad Valorem Taxes**

• Operating costs	<b>\$9,590,031</b>
• Capital costs	<b><u>673,690</u></b>
<b>Total Public Safety FY17</b>	<b>\$10,263,721</b>



## 2016 PRELIMINARY BUDGET UPDATE PUBLIC SAFETY ANTICIPATED CAPITAL EXPENDITURES FOR VEHICLES AND EQUIPMENT FY 2017 TO FY 2021

### Capital Improvement Plan - Vehicles/Equipment (Public Safety)

		FY17	FY18	FY19	FY20	FY21	Total
Fire	Ambulance	\$ 315,000			\$ 315,000		\$ 630,000
Police	Patrol Cars		\$ 94,000	\$ 40,000	\$ 94,000	\$ 90,000	\$ 318,000
Police	All Terrain Vehicle	\$ 17,000				\$ 20,000	\$ 37,000
Police	Refurbish Patrol Boat	\$ 45,000				\$ 18,000	\$ 63,000
Police	Outboard Motors	\$ 33,000			\$ 36,000		\$ 69,000
Police	Unmarked Police Car	\$ 21,000					\$ 21,000
Fire	Patient Care Reporting	\$100,000					\$ 100,000
Fire	Bunker Gear Replacement	\$37,000					\$ 37,000
Police	Records Management System	\$150,000					\$ 150,000
Fire	Front Ramp	\$10,000					\$ 10,000
Fire	Mobex Devices	\$10,000	\$10,000				\$ 20,000
Fire	Video Airway	\$6,000	\$6,000				\$ 12,000
Fire	SUV Replacement	\$ 40,000		\$ 30,000			\$ 70,000
Police	Taser Replacement	\$32,000					\$ 32,000
Police	Firearm Replacement	\$9,000					\$ 9,000

**Total \$ 825,000 \$ 110,000 \$ 70,000 \$ 445,000 \$ 128,000 \$ 1,578,000**



## 2016 PRELIMINARY BUDGET UPDATE PUBLIC SAFETY ANTICIPATED CAPITAL EXPENDITURES FOR **PUBLIC FACILITIES** FY 2017 TO FY 2021

### Capital Improvement Plan - Improvements to Public Facilities (Public Safety)

	FY17	FY18	FY19	FY20	FY21	Total
Fire Remodel/Replace South Fire Station		\$2,641,000				\$2,641,000
Fire Repave Asphalt			\$50,000			\$50,000
<b>Police</b> Floor Replacement		\$7,259				\$7,259
Fire Defibrillator Replacement	\$38,000					\$38,000
<b>Fire</b> North Fire Station Improv	\$15,000					\$15,000
Fire Exterior Painting	\$10,000					\$10,000
Fire South Fire Station Design	\$100,000					\$100,000
<b>Police</b> Roof Replacement	\$35,000					\$35,000
<b>Police</b> Exterior Painting	\$6,000					\$6,000
<b>Total</b>	<b>\$204,000</b>	<b>\$2,648,259</b>	<b>\$50,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,902,259</b>

Manatee County

Sarasota County



**2017 PRELIMINARY BUDGET UPDATE  
INFRASTRUCTURE SURTAX FUND – PROPOSED ALLOCATION CHANGE**

**EXHIBIT F**

**TOWN OF LONGBOAT KEY PROJECTS LIST - PHASE III  
INFRASTRUCTURE SURTAX FY 2010 - FY 2024**

Updated: 06/07/2016

CATEGORIES	PROJECT TITLE	SURTAX FUNDING BUDGET	CUMULATIVE EXPENDITURES	SURTAX REMAINING	PROPOSED FY 17 EXPENDITURES	SURTAX REMAINING
COMPREHENSIVE BEACH MANAGEMENT	Longboat Key Beach Nourishment Project and Erosion Control Structures	\$ 1,730,569	\$ (300,000)	\$ 1,430,569	\$ (1,430,569)	\$ -
PUBLIC SAFETY	Fire and Police Vehicles and Equipment	1,588,168	(1,588,168)	-	1,430,569	1,430,569



**PRELIMINARY BUDGET UPDATE FY 17  
POLICY ISSUE**

Can we move \$1,430,569 of Infrastructure Surtax from Beach Management to Public Safety for future capital purchases?



## PRELIMINARY BUDGET UPDATE FY 17

# Next Steps?



**PRELIMINARY BUDGET SCHEDULE  
FISCAL YEAR 2016-17 (FY 17)**

- **Budget Workshops**
  - ~~May 18, 2016 – 9am~~
  - ~~June 20, 2016 – 9am~~
  - **June 27, 2016 – 9am – Utility, Building, Debt and Special Revenue Funds.**
- **Budget Meetings**
  - **July 5, 2016 Regular Meeting - Set Maximum Millage**
  - **September 12, 2016 Regular Meeting – 1<sup>st</sup> Reading**
  - **September 26, 2016 Special Meeting – 2<sup>nd</sup> Reading and Adoption**



## M E M O R A N D U M

Date: June 6, 2016

**TO:** Town Commission

**FROM:** Kay Thayer, Tennis Pro and Susan Smith, Finance Director

**SUBJECT:** June 20, 2016 Special Workshop Meeting – Tennis Budget

Staff is currently working to complete an analysis of the budget needs of the Tennis Center. This memo outlines some of the challenges being addressed

Memberships have fallen below projected levels this year and we project a shortfall from budgeted revenues of about \$20,000 by year end.

There have been unanticipated costs in Repairs & Maintenance-Buildings which is over budget by \$6,312 which included a \$2,000 HVAC repair and Maintenance of Grounds is over budget by \$4,839 due to the excess rain and irrigation problems this winter requiring additional court material. As a result, we expect expenditures to exceed our revenues in FY 2016 of an estimated \$4,000.

One goal of this year's budget was to save up \$35,000, by budgeting capital reserves in FY 2016 budget, but we will not be able to realize this. We had anticipated resurfacing the courts in October 2016 and the proposed budget for FY 2017 includes that capital cost, however, we cannot balance the budget without either raising rates or finding another source of revenue.

A detailed line item budget showing FY 2015 Actuals, FY 2016 Adopted Budget, FY 2016 Actuals and Projections and the Proposed Budget for FY 2017 as well as a power point presentation will be provided prior to the meeting

Please contact me if you have any questions.



**End of Agenda Item**