



## **PORT ORANGE CITY COUNCIL WORKSHOP**

**Lakeside Community Center**

**Tuesday, April 10, 2018 @ 5:00 PM**

### **WORKSHOP AGENDA**

Pursuant to Section 3.06 of the Charter of the City of Port Orange, the Mayor has called a **Workshop** of the City Council to be held for the following purposes:

#### **OPENING**

1. Silent Invocation
2. Pledge of Allegiance
3. Roll Call

#### **DISCUSSION ITEMS**

4. FY19 Budget Discussion

#### **ADJOURNMENT**

ANY PERSON WHO DECIDES TO APPEAL ANY DECISION MADE BY THE CITY COUNCIL WILL NEED A RECORD OF THE PROCEEDINGS, AND FOR SUCH PURPOSE HE OR SHE MAY NEED TO ENSURE AT HIS OR HER OWN EXPENSE FOR THE TAKING AND PREPARATION OF A VERBATIM RECORD OF ALL TESTIMONY AND EVIDENCE OF THE PROCEEDINGS UPON WHICH THE APPEAL IS TO BE BASED.

**NOTE:** IF YOU ARE A PERSON WITH A DISABILITY WHO NEEDS AN ACCOMMODATION IN ORDER TO PARTICIPATE IN THIS PROCEEDING, YOU ARE ENTITLED, AT NO COST TO YOU, TO THE PROVISION OF CERTAIN ASSISTANCE. PLEASE CONTACT THE CITY CLERK FOR THE CITY OF PORT ORANGE, 1000 CITY CENTER CIRCLE, PORT ORANGE, FLORIDA 32129, TELEPHONE NUMBER 386-506-5563, [CITYCLERK@PORT-ORANGE.ORG](mailto:CITYCLERK@PORT-ORANGE.ORG), AS FAR IN ADVANCE AS POSSIBLE, BUT PREFERABLY WITHIN 2 WORKING DAYS OF YOUR RECEIPT OF THIS NOTICE OR 5 DAYS PRIOR TO THE MEETING DATE. IF YOU ARE HEARING OR VOICE IMPAIRED, CONTACT THE RELAY OPERATOR AT 7-1-1 or 1-800-955-8771.

UPON REQUEST BY A QUALIFIED INDIVIDUAL WITH A DISABILITY, THIS DOCUMENT WILL BE MADE AVAILABLE IN AN ALTERNATE FORMAT. IF YOU NEED TO REQUEST THIS DOCUMENT IN AN ALTERNATE FORMAT, PLEASE CONTACT THE CITY CLERK WHOSE CONTACT INFORMATION IS PROVIDED ABOVE.

ANY INVOCATION THAT IS OFFERED BEFORE THE OFFICIAL START OF THE CITY COUNCIL MEETING SHALL BE THE VOLUNTARY OFFERING OF A PRIVATE PERSON, TO AND FOR THE BENEFIT OF THE CITY COUNCIL. THE VIEWS OR BELIEFS EXPRESSED BY THE INVOCATION SPEAKER HAVE NOT BEEN PREVIOUSLY REVIEWED OR APPROVED BY THE CITY COUNCIL OR THE CITY STAFF, AND THE CITY IS NOT ALLOWED BY LAW TO ENDORSE THE RELIGIOUS BELIEFS OR VIEWS OF THIS, OR ANY OTHER SPEAKER. PERSONS IN ATTENDANCE AT THE CITY COUNCIL MEETING ARE INVITED TO STAND DURING THE OPENING INVOCATION AND PLEDGE OF ALLEGIANCE. HOWEVER, SUCH INVITATION SHALL NOT BE CONSTRUED AS A DEMAND, ORDER, OR ANY OTHER TYPE OF COMMAND. NO PERSON IN ATTENDANCE AT THE MEETING SHALL BE REQUIRED TO PARTICIPATE IN ANY OPENING INVOCATION THAT IS OFFERED. A PERSON MAY EXIT THE CITY COUNCIL CHAMBERS AND RETURN UPON COMPLETION OF THE OPENING INVOCATION IF A PERSON DOES NOT WISH TO PARTICIPATE IN OR WITNESS THE OPENING INVOCATION.



# CITY COUNCIL AGENDA ITEM

REQUESTED COUNCIL MEETING DATE 04/10/2018

Consent item: No

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**SUBJECT:** (4) FY19 Budget Discussion

**DEPARTMENT:** Finance

**GOAL:**

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**RECOMMENDED MOTION:**

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**SUMMARY:** Staff continues to work on revenue estimates and other information to be discussed. Materials will be provided when finalized and/or will be presented at the workshop.

UPDATE 4/10/18: POWERPOINT HAS BEEN UPLOADED.

Project No.:    Funding Account No.:

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**ATTACHMENTS:**

|    |                                     |                                          |
|----|-------------------------------------|------------------------------------------|
| 1. | 1st Budget Workshop 4-10-18 - Final | 1st Budget Workshop 4-10-18 - Final.pptx |
|----|-------------------------------------|------------------------------------------|

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Robin Fenwick

Created/Initiated - 04/05/2018

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# **Preliminary FY 2019 Budget General Fund Presentation**

**For City Council Workshop  
April 10, 2018**



## *Purpose / Agenda*

- **Purpose:** Present City Council a high level preliminary overview of the upcoming FY19 General Fund Budget
- **Agenda:**
  - Overview of top 10 General Fund Revenues
  - Review the City's "Turn the Page" Expenditures
  - How the FY19 CIP and other programs will impact the General Fund

## **TODAY'S GOAL**

Obtain Council guidance regarding the FY19 General Fund Budget



# *Preliminary Revenue Analysis*



# *Preliminary Revenue Analysis*



# *Preliminary Revenue Analysis*



# *Preliminary Revenue Analysis*



# *Preliminary Revenue Analysis*



## *Revenue Challenges on the Horizon*





## FY19 Preliminary Projections – Status Quo

| #  | FY19 <u>Revenue</u>                                                                                                                  | Amount        |
|----|--------------------------------------------------------------------------------------------------------------------------------------|---------------|
| 1  | FY18 <b>Original Budget</b> - Advalorem Taxes at <a href="#">4.4881 millage rate</a>                                                 | \$ 12,616,660 |
| 2  | All Other Revenue                                                                                                                    | 22,240,778    |
| 3  | Appropriated Equity Fund transfers to 317 & 505 Funds                                                                                | 1,150,000     |
| 4  | Appropriated Equity Fund \$500K for One-Time XP                                                                                      | 500,000       |
| 5  | Appropriated Equity Miscellaneous                                                                                                    | (149)         |
| 6  | <b>FY18 Orig Revenue Budget: \$ 36,507,289</b>                                                                                       |               |
| 7  | <b>Increase:</b> Advalorem Tax based on 3% increase in property values and 7.2% increase in growth at <a href="#">4.4881 mills</a>   | 518,714       |
| 8  | <b>Increase:</b> External Revenue - Utility Service Tax, Franchise Fees, State Revenue Sharing, Local Government Half Cent Sales Tax | 598,512       |
| 9  | <b>Decrease:</b> External Revenue - Communication Service Tax                                                                        | (78,323)      |
| 10 | <b>Increase:</b> State Premium Tax Funds for Fire & Police Pension (offset by expense)                                               | 748,718       |
| 11 | <b>Increase:</b> For Babe Ruth revenue                                                                                               | 3,000         |
| 12 | <b>Decrease:</b> Transfers to 317 & 505 Funds in FY18 Orig Budget                                                                    | (1,150,000)   |
| 13 | <b>Increase:</b> Transfers to 317 & 505 Funds in FY19 - still TBD                                                                    | -             |
| 14 | <b>FY19 Preliminay Revenue on 4/10/18: \$ 37,147,910</b>                                                                             |               |



## FY19 Preliminary Projections – Status Quo

|    |                                                                                       |               |              |
|----|---------------------------------------------------------------------------------------|---------------|--------------|
| 15 | <b>FY19 Expense</b>                                                                   | Amount        |              |
| 16 | FY18 Original Budget - Personnel Services                                             | \$ 25,138,010 | \$36,507,289 |
| 17 | FY18 Original Budget - All Other                                                      | 11,369,279    |              |
| 18 | Decrease: For capital in FY18 Orig. Budget (Fire, PD, Parks Maint.)                   | (100,000)     |              |
| 19 | Decrease: For transfers to 317 & 505 in FY18 Orig. Budget                             | (1,150,000)   |              |
| 20 | Increase: For Annualizing Personnel from FY18 at FY18 Pension Rates                   | 540,440       | (\$6,638)    |
| 21 | Increase: For General Employee Pension - From 17.3% to 21.3%                          | 68,143        |              |
| 22 | Decrease: For Fire Pension per Actuarial Report - From 88.9% to 81.2%                 | (238,340)     |              |
| 23 | Decrease: For Police Pension per Actuarial Report - From 64.5% to 57.88%              | (376,881)     |              |
| 24 | Increase: For 1 New Police Officer in FY19 - salary, benefits, equipment, and vehicle | 121,806       |              |
| 26 | Increase: For State Premium Tax expense - Fire & Police Pension (offset by revenue)   | 748,718       |              |
| 27 | Increase: For Babe Ruth                                                               | 15,194        |              |
| 28 | Increase: Mowing Contract Additions - (estimate)                                      | 175,000       |              |
| 29 | Increase: Bldg Maintenance for New City Hall Annex (estimate)                         | 228,000       |              |
| 30 | Increase: Potential Increase for Building and Fleet Maintenance                       | -             |              |
| 31 | Increase: For Police - Move Body Armor and Traffic Board Maintenance to Gen. Fund     | 20,500        |              |
| 32 | Increase: Fleet Financing Costs per current schedule - pending FY19 Fleet meetings    | 115,420       |              |
| 33 | Increase: For funding 2014 Cap Improvement Bonds Debt Service - Transfer to 220 Fund  | 447,160       |              |
| 34 | <b>Total Expense: \$37,122,449</b>                                                    |               |              |
| 35 | <b>Revenue less Expense: \$ 25,461</b>                                                |               |              |



-Comments/Questions?



## Capital Replacement 317 Fund - Requests for FY19

|                                                |              |            | FY19<br>Request<br>(\$000) |
|------------------------------------------------|--------------|------------|----------------------------|
| <b><u>Priority I: Imperative (Must Do)</u></b> |              |            |                            |
| ADA Transition Plan                            | Comm. Dvlp.  | Priority I | \$ 200                     |
| Fence, Dugout & Backstop Rplcmnt               | Parks & Rec. | Priority I | 65                         |
| Ball Field Lamp Rplcmnt                        | Parks & Rec. | Priority I | 332                        |
| Facility HVAC Replacement                      | Parks & Rec. | Priority I | 335                        |
| Playground Replacements                        | Parks & Rec. | Priority I | 44                         |
| City Hall Building HVAC                        | Public Works | Priority I | 200                        |
| City Hall Repurposing                          | Public Works | Priority I | 275                        |
| Public Works Fence Replacement                 | Public Works | Priority I | 50                         |
| Public Works Facility Paving                   | Public Works | Priority I | 70                         |
|                                                |              |            | <b>\$ 1,571</b>            |



## Capital Replacement 317 Fund - Requests for FY19

|                                                   |              |             | FY19<br>Request<br>(\$000) |
|---------------------------------------------------|--------------|-------------|----------------------------|
| <b><u>Priority II: Essential (Should Do)</u></b>  |              |             |                            |
| Riverwalk Park- South Phase Design                | Comm. Dvlp.  | Priority II | \$ 100                     |
| WB Dunlawton Ave. RT Lane at Nova Rd. (Land)      | Comm. Dvlp.  | Priority II | 260                        |
| Beautification of I-95 Interchange                | Comm. Dvlp.  | Priority II | 498                        |
| Gear Extractor and Dryers                         | Fire         | Priority II | 44                         |
| Gym Renovations / Repurpose                       | Parks & Rec. | Priority II | 60                         |
| Parks Maintenance Storage                         | Parks & Rec. | Priority II | 248                        |
| Resurface Parking Lots at City Facilities A - B   | Public Works | Priority II | 155                        |
| PW Admin. Bldg Interior Renovation                | Public Works | Priority II | 328                        |
| Work Shop                                         | Public Works | Priority II | 64                         |
|                                                   |              |             | <b>\$ 1,757</b>            |
| <b><u>Priority IV: Desirable (Other Year)</u></b> |              |             |                            |
| 2nd Floor City Hall Conf Room Upgrades            | Info. Tech.  | Priority IV | 21                         |
|                                                   |              |             | <b>\$ 21</b>               |
| <b>Grand Total 317 Fund - Requests:</b>           |              |             | <b>\$ 3,349</b>            |



## Requested CIP Items with impact on the General Fund Ops Budget

-**Public Works:** Generator Program **\$100K** (Police Dept.)

\*CIP funding request is in the 506 Bldg. Maintenance Fund. All of this would flow back to the General Fund since it is for Police.

-**Public Works:** 2 New Message Boards **\$36K** (\$18K each)

-**Public Works:** Kitchen Replacement at FS 71 & 74 **\$40K** (\$20K per kitchen)

\*Funding request is in the 506 Bldg. Maintenance Fund. All of this would all flow back to the General Fund since it is for Fire.



## Requested CIP Items with impact on the General Fund Ops Budget

### -**Fire:** Transport Program \$426K

\*Fully fund an Ambulance \$75K (total budget would be \$150K), 3 Firefighters \$260K, Add'l OT \$82K, Equipment & Gear \$9K...total of \$426K

\*Projected program revenue to offset expense is still **to be determined**.

### -**Fire:** 105' Ladder/Aerial Quint Apparatus \$950K

\*The purchase of this apparatus would require renovation to FS71 to house it.

\*We currently have a 75' Ladder Apparatus which we could sell but it may be more beneficial if we kept it to increase points towards our ISO rating.



# Council Comments / Guidance