



PORT ORANGE CITY COUNCIL WORKSHOP

Council Chambers

Thursday, July 12, 2018 @ 5:30 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. FY 19 Budget Presentation

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, 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.



Proposed FY 2019 Budget General Fund Presentation

**Finance
July 12, 2018**



Purpose / Agenda

- **Purpose:** Provide information on Economics and Budget
- **Agenda:**
 - Economic and Comparative Analysis
 - Revenue and Expenditure Analysis
 - Strategic Goals
 - High Level Expenditure Requests

TODAY'S GOAL

PROVIDE INFORMATION IN ORDER TO DELIVER PRELIMINARY MILLAGE RATE TO PROPERTY APPRAISER NO LATER THAN AUGUST 4th



Purpose / Agenda



Once the preliminary millage rate is set...

It **CAN** be lowered

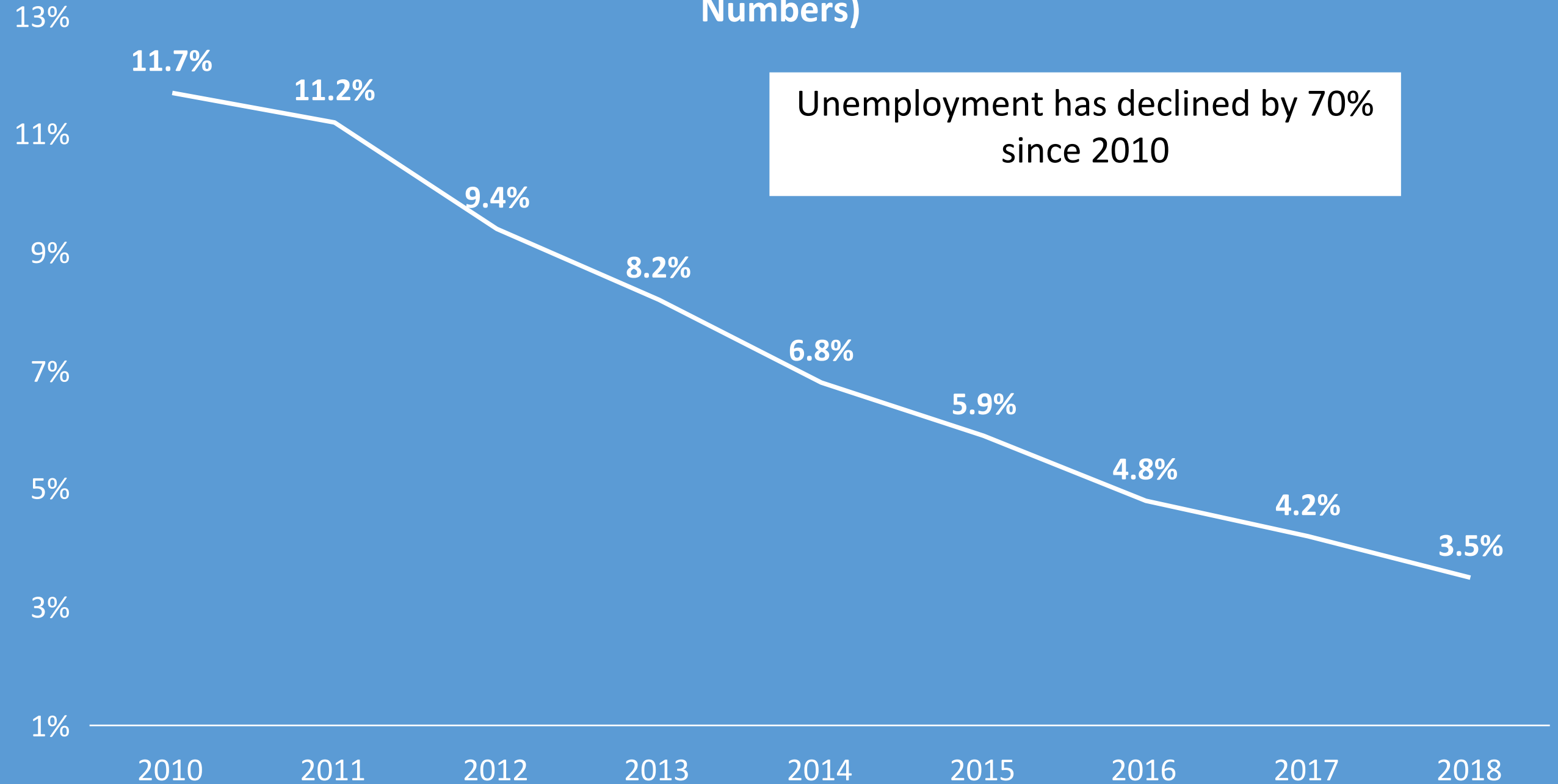


It **CANNOT** be raised

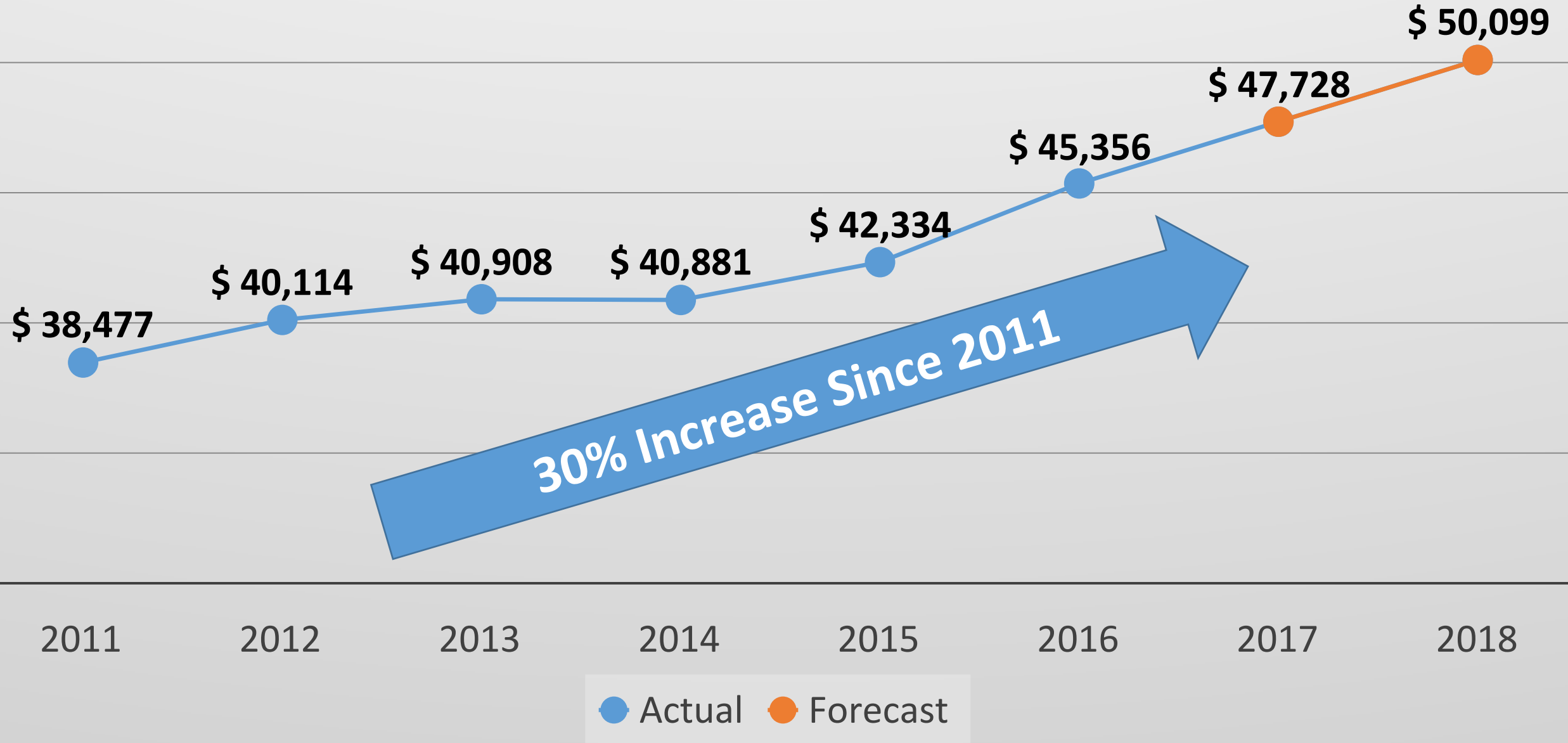


SET PRELIMINARY
RATE AT THE JULY
17TH MEETING

Volusia County Unemployment (Annual May Numbers)



Volusia County Median Household Income



US Economic Outlook for 2018 & Beyond



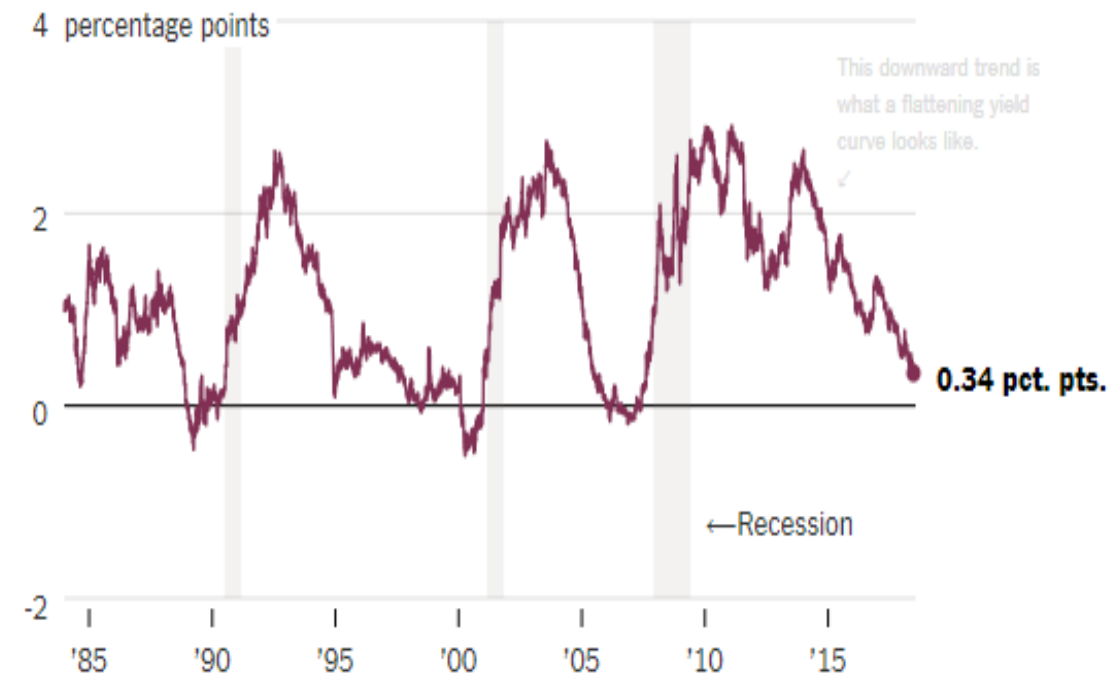
Fed Raises 2018 Outlook for US Economy

“The Federal Reserve raised its outlook on U.S. economic growth on Wednesday. The median real GDP forecast rose to 2.8 percent, up from 2.7 percent, for this year. There were no changes for 2019 and 2020, and the longer run median forecast remained 1.8 percent.”

- **CNBC, June 13, 2018**

What's the Yield Curve? 'A Powerful Signal of Recessions' Has Wall Street's Attention

“The so-called yield curve is perilously close to predicting a recession — something it has done before with surprising accuracy — and it's become a big topic on Wall Street... ‘In the current environment, I think it's a less reliable indicator than it has been in the past,’ said Matthew Luzzetti, a senior economist at Deutsche Bank. - **New York Times, June 25, 2018**

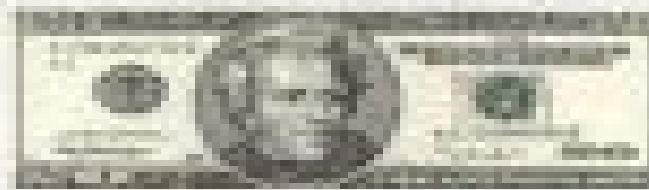


INFLATION

Silently Robbing You Of Purchasing Power Since 1913



\$20.00



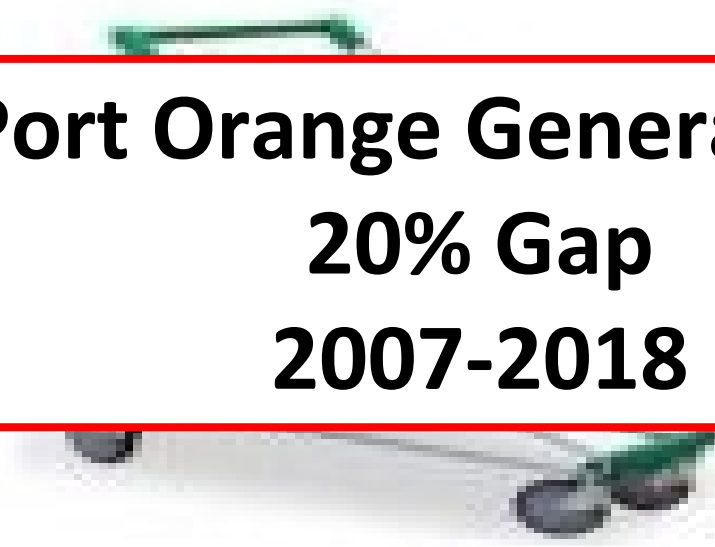
\$20.00



\$20.00



1998



2005



2014

Port Orange General Fund

20% Gap

2007-2018

Total Parcels

2018

2019

30,794

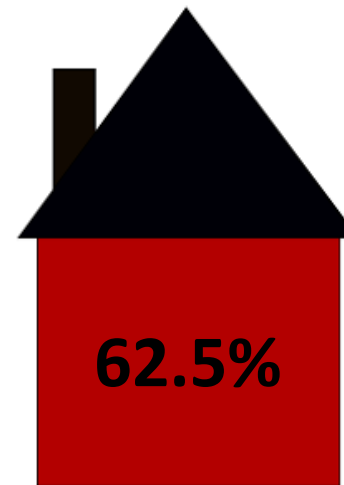
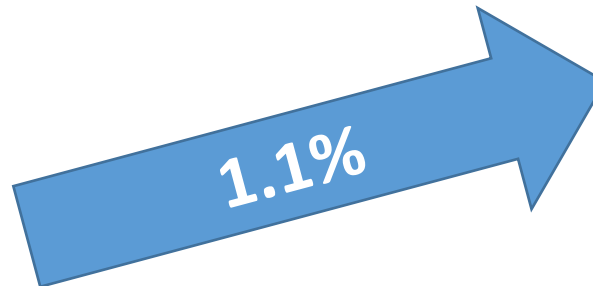
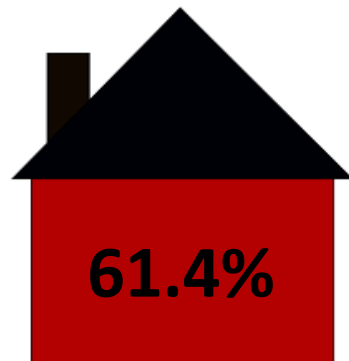
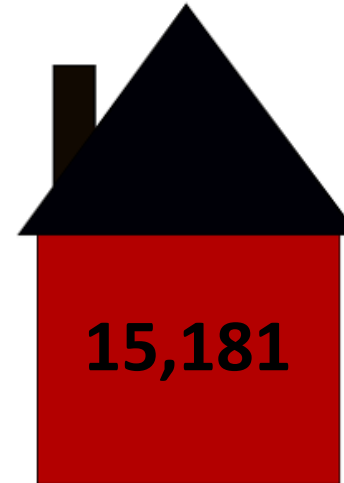
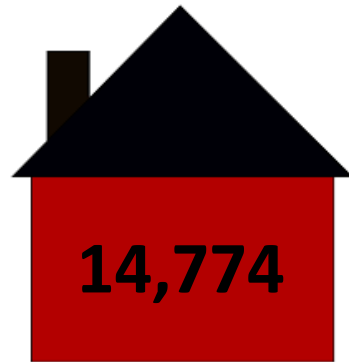
30,490



Homesteaded Properties

2018

2019



Maximum Increase in Taxable Value of Homesteaded Properties

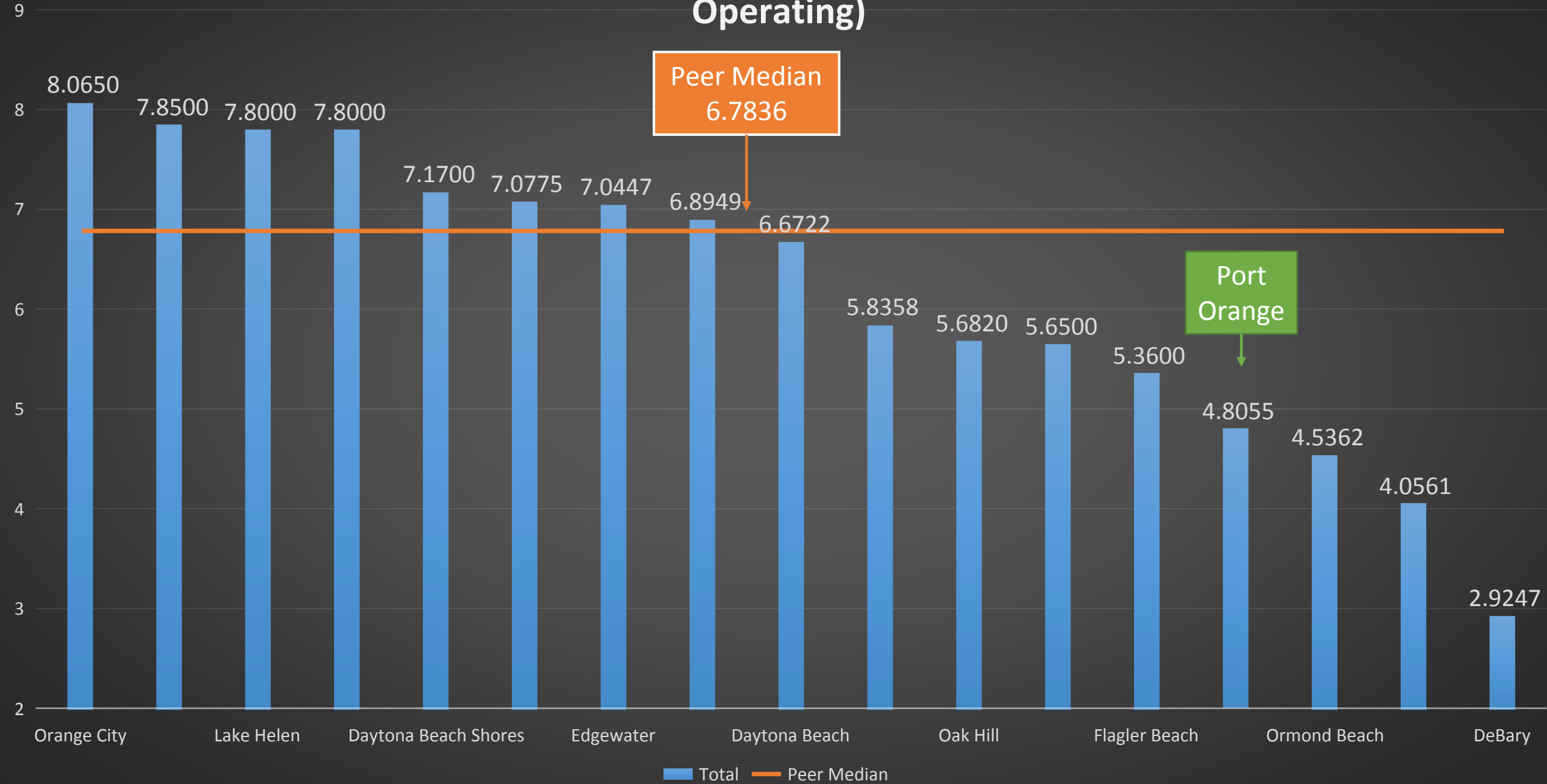
2.1%



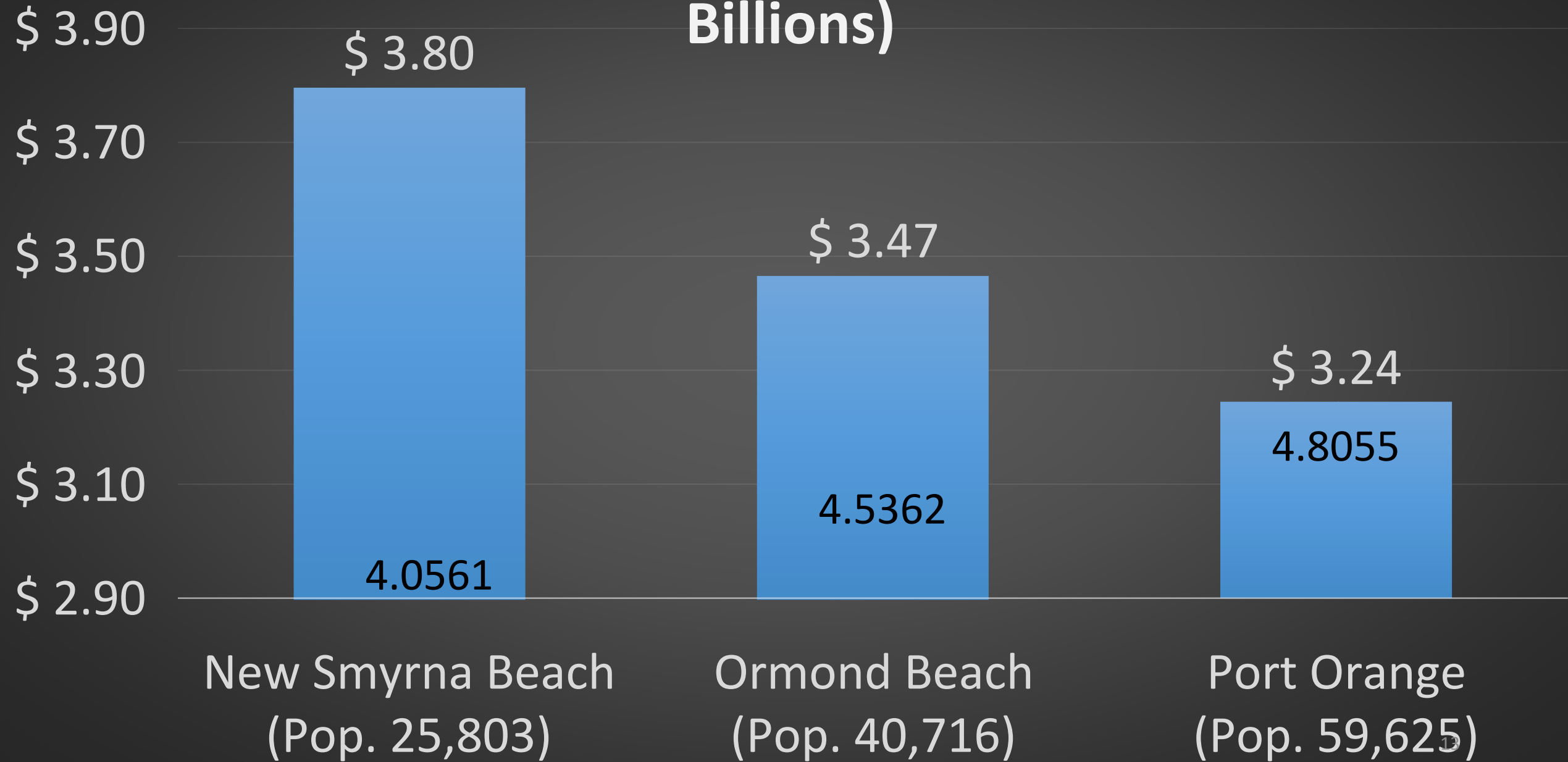
FY 19 Preliminary Residential Parcel Information by District

District	Total Residential Parcels	FY 19 Preliminary Median Just Value	FY 19 Preliminary Median Taxable Value	Parcels with \$0 Taxable Value
1	5,193	\$115,899	\$51,398	362
2	4,547	\$140,189	\$67,006	234
3	5,951	\$180,548	\$103,757	184
4	5,778	\$213,278	\$125,468	103
Total/Weighted Average	21,469	\$165,171	\$89,152	883

FY 2018 Millage Comparison (Debt and Operating)



Total Taxable Value July 1, 2018 (in Billions)





\$10 Million

2.7731



\$10 Million

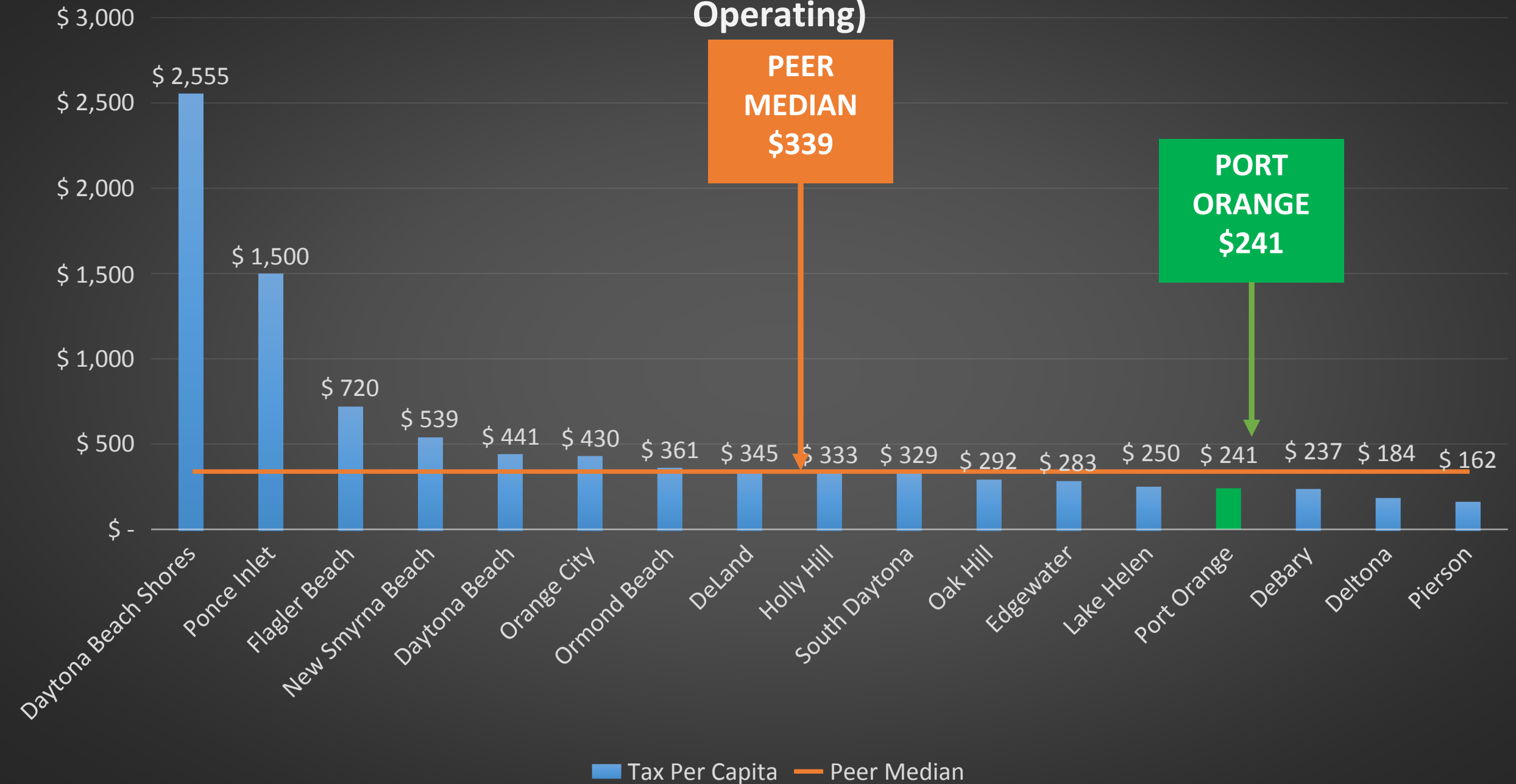
3.0375



\$10 Million

3.2441

FY 2018 Taxes Levied Per Capita (Debt and Operating)





\$539



\$361



\$241





General Fund Assumptions

General Fund Base Budget Assumptions:

Includes:

- 1 Police Officer
- 1 Custodian (Annex)
- Reorg Public Works/Public Utilities
- Raises:
 - All Union Raises
 - Civil Service Raise (3%)
 - City Manager Raise
 - City Attorney Raise

Doesn't Include:

- Use of Equity
- A La Carte Items



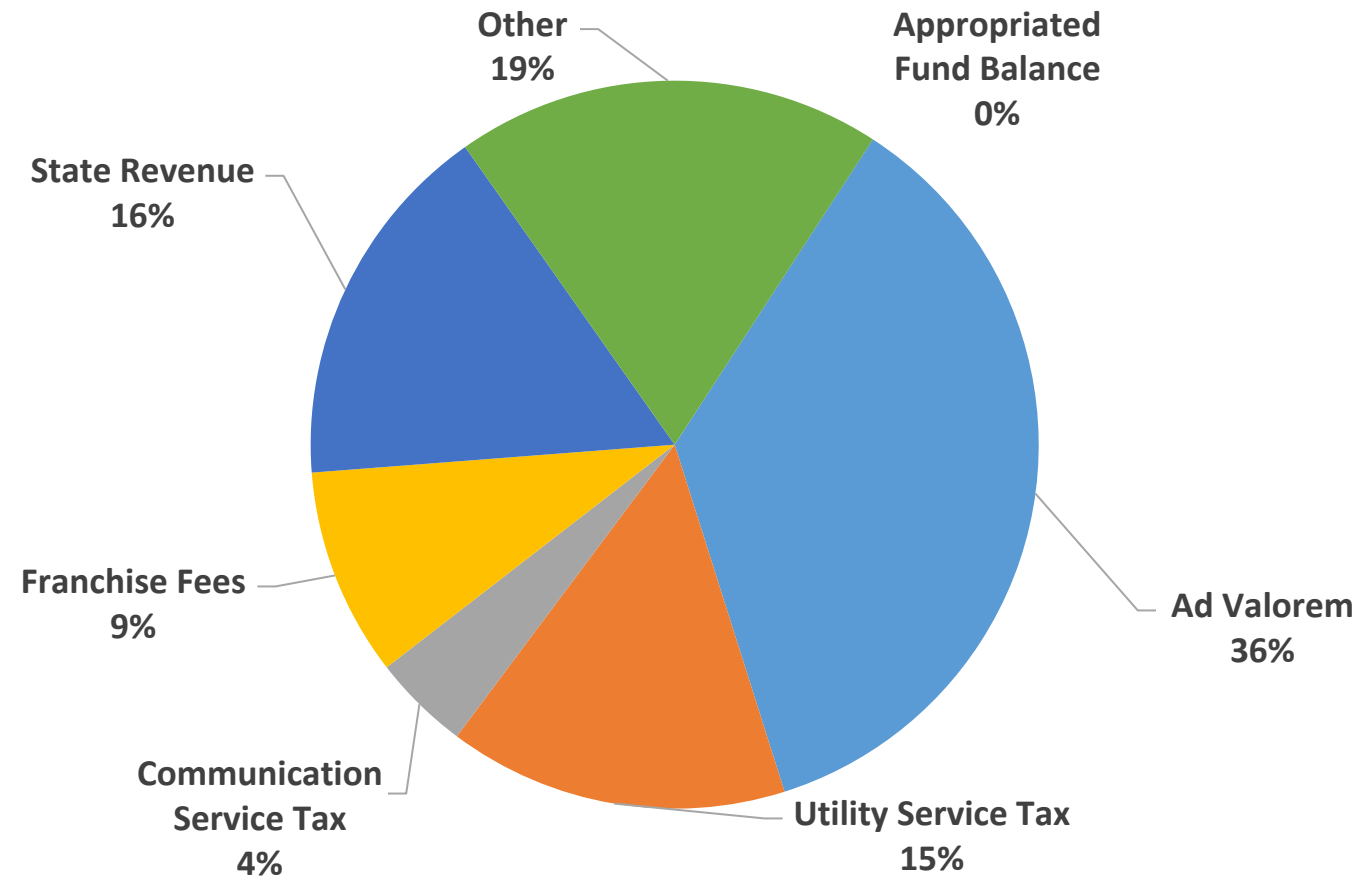


FY19 General Fund Revenues - Base Request

Revenues	FY16 Actuals	FY17 Actuals	FY18 Budget	FY19 Base	Change From FY18	% Change From FY18
Ad Valorem	10,751,729	11,665,559	12,616,660	13,692,827	1,076,167	8.53%
Utility Service Tax	5,270,749	5,332,884	5,374,218	5,748,479	374,261	6.96%
Communication Service Tax	1,784,375	1,656,402	1,618,112	1,643,092	24,980	1.54%
Franchise Fees	3,195,761	3,230,368	3,146,189	3,523,729	377,540	12.00%
State Revenue Sharing	5,315,339	5,571,556	5,951,834	6,269,337	317,503	5.33%
Other	8,559,049	8,458,778	6,150,425	7,209,712	1,059,287	17.22%
Hurricane - extraordinary	-	6,473,291	-	-	-	n/a
Subtotal:	34,877,002	42,388,838	34,857,438	38,087,176	3,229,738	9.27%
Appropriated Fund Balance	-	-	1,649,851	-	(1,649,851)	n/a
Total:	34,877,002	42,388,838	36,507,289	38,087,176	1,579,887	4.33%



FY 19 General Fund Revenues Base Request

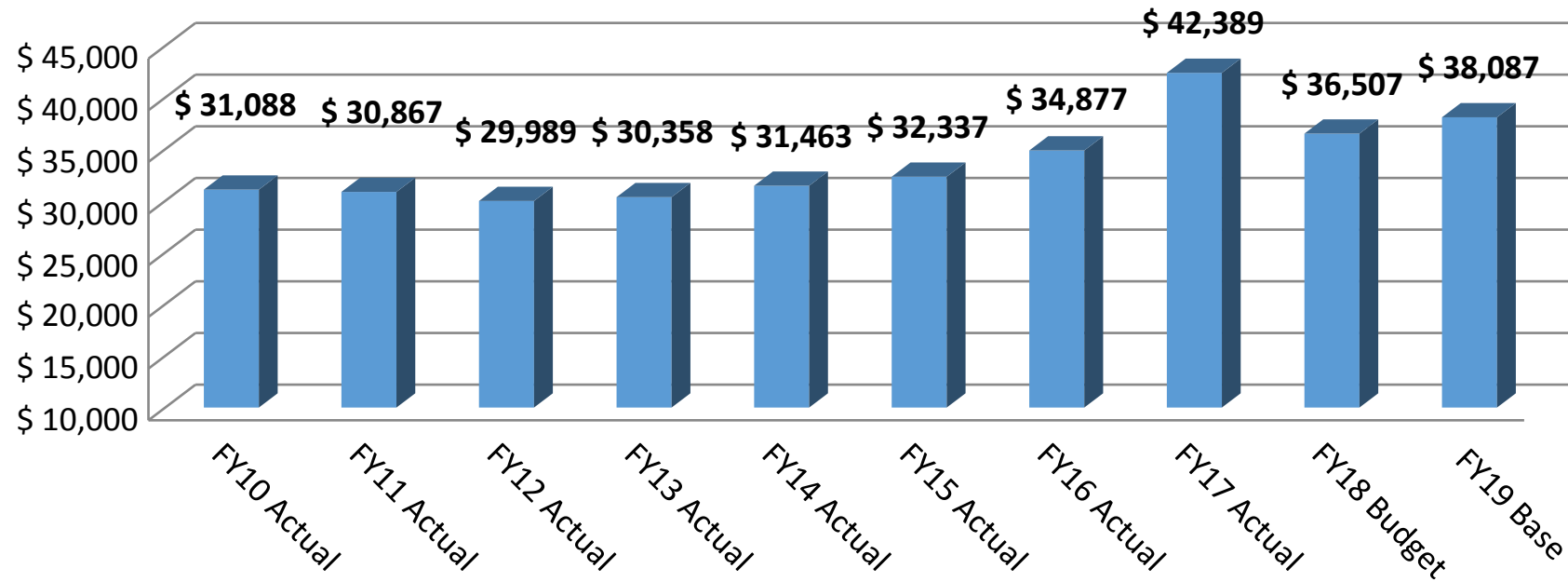


Total General Fund FY Base Revenue (as estimated) \$38,087,176



General Fund Revenues

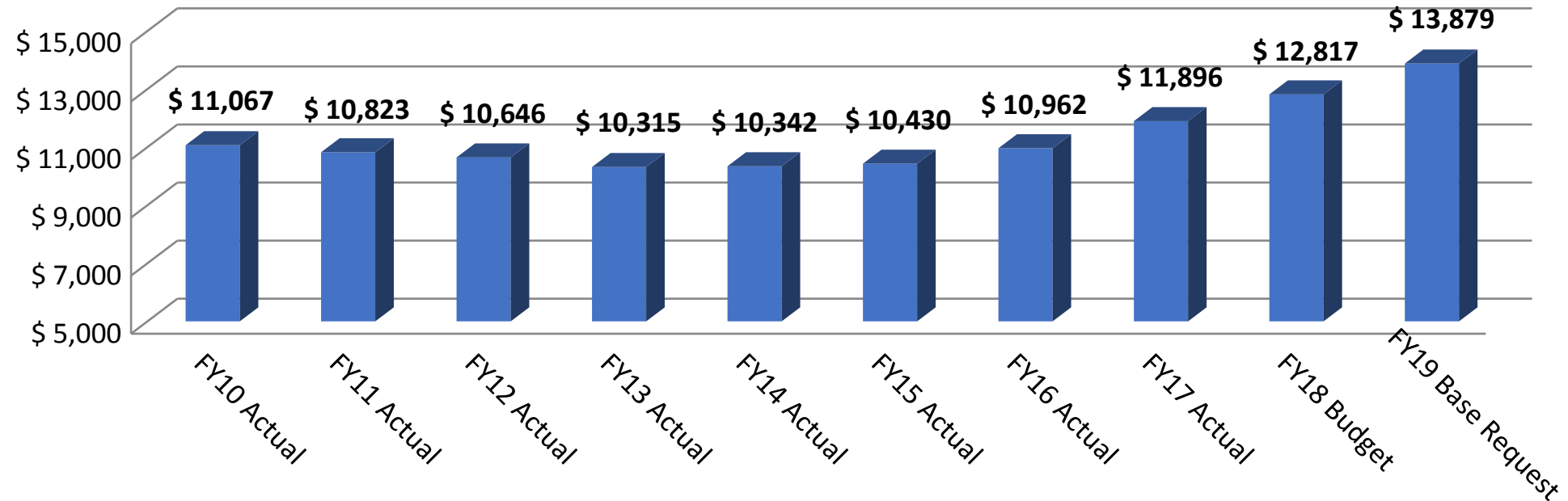
General Fund Revenue 10-Year History (In 1,000's of Dollars)





Tax Revenues

General Fund Property Tax Revenue 10-Year History (In 1,000's of Dollars)



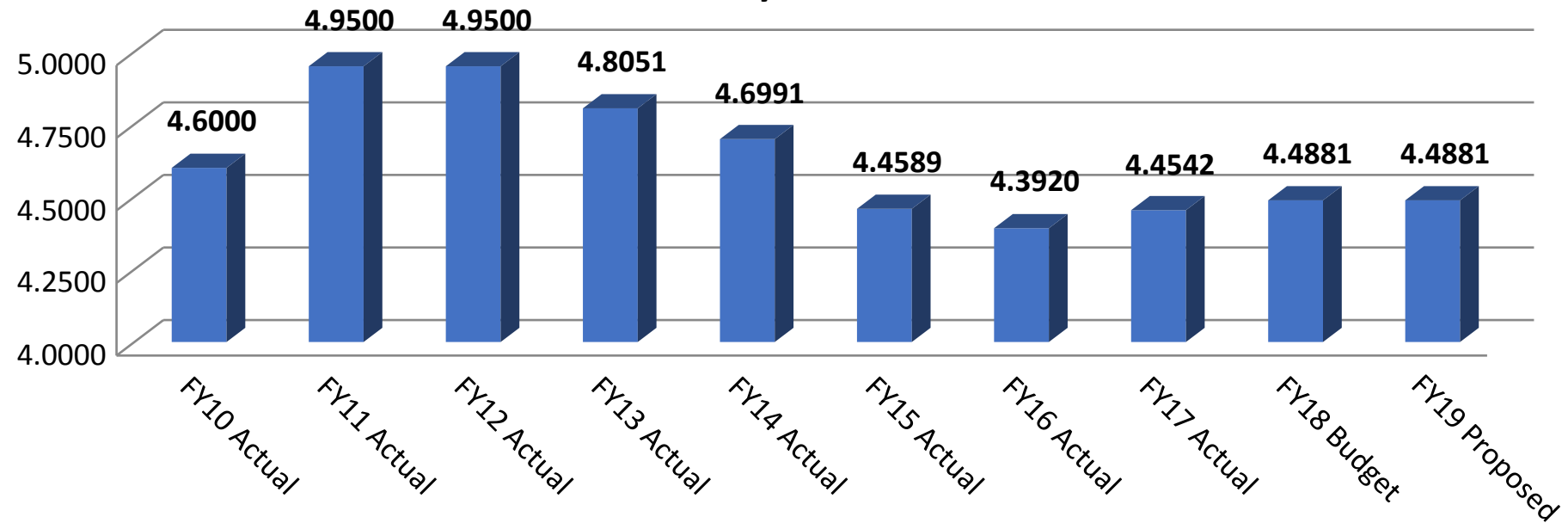
Includes delinquent tax payments



Millage Rates



City of Port Orange Millage Rates 10-Year History





General Fund Expenditures

General Fund Base Budget Assumptions:

Includes:

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- Reorg Public Works/Public Utilities
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- A La Carte Items



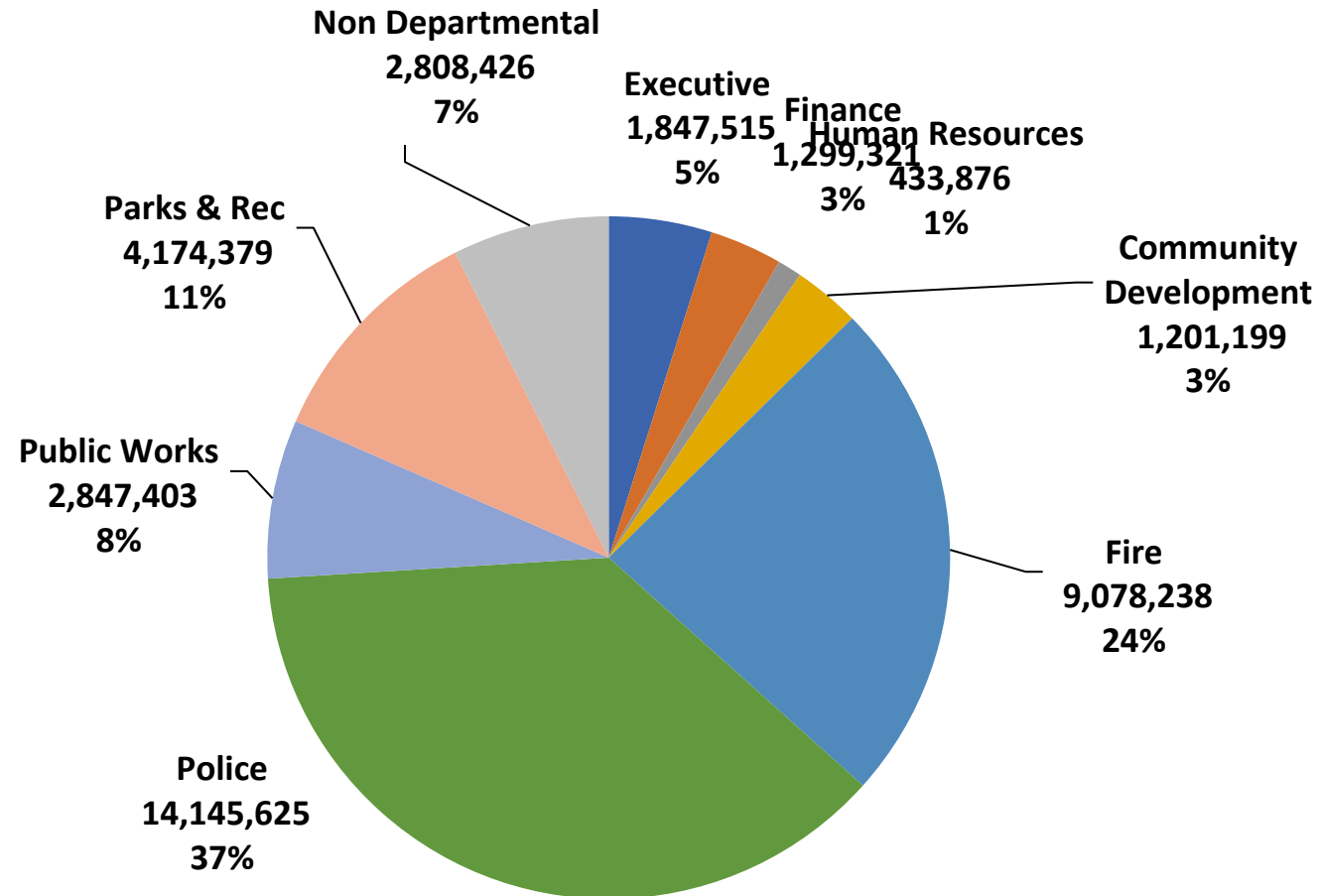


General Fund Expenditures



General Fund Expenditures

FY19 Base Expenditures



Total Base Expenditures \$37,835,982



General Fund Expenditures

Expenditures	FY16 Actual	FY17 Actual	FY18 Budget	FY19 Base	Change From FY18	% Change From FY18
Non-Departmental	\$1,908,841	\$2,123,923	\$1,796,046	\$2,359,791	563,745	31%
Non Dep't Hurricane-extraordinary	0	7,662,786	0	0	0	n/a
Executive (Mayor/Council,CM, CC, CA)	1,696,516	1,699,687	1,806,037	1,847,515	41,478	2%
Finance	968,625	1,116,526	1,229,672	1,299,321	69,649	6%
Human Resources	338,285	354,649	421,018	433,876	12,858	3%
Community Development	1,388,548	1,477,660	1,701,437	1,201,199	(500,238)	-29%
Fire Rescue	8,267,874	8,377,336	8,605,876	9,078,238	472,362	5%
Police (incl Code Enforcement)	11,668,828	12,085,331	13,017,059	14,145,625	1,128,566	9%
Public Works	2,252,721	2,488,804	2,687,244	2,847,403	160,159	6%
Parks & Recreation	3,303,308	3,398,065	4,092,900	4,174,379	81,479	2%
Transfers Out	2,478,125	3,119,125	1,150,000	448,635	(701,365)	-61%
Total	\$34,271,671	\$43,903,892	\$36,507,289	\$37,835,982	\$1,328,693	
Beginning Fund Balance	16,944,214	17,551,560	16,036,279	14,386,428		
Forecast Ending Balance	17,551,560	16,036,279	14,386,428	14,386,428		
Ending Fund Balance as a % of Expenditures (less Transfers)	55%	39%	41%	38%		



FY 2017 – 2022 Strategic Goals

1. Public Safety
2. Infrastructure
3. Quality of Life
4. Economic Development
5. Fiscal Sustainability
6. Organizational Excellence



A La Carte: Under Consideration-Currently Unfunded

Department	Item/Project	Cost	Millage needed	Impact
City-Wide	CIP-ADA Transition Plan & REC Remodel	\$710,000	0.2328	Grant funding requirements
Department	Item/Project	Cost	Millage needed	Impact
Police	Police Officer (3) (with gear and equipment)	\$237,024	0.0777	Keep up with demand of services
Police	Vehicles for Officers (3)	\$114,000	0.0374	
Police	Evidence Supervisor (with computer)	\$53,003	0.0174	Increase digital evidence and supervision
Police	Crime Analyst (with computer)	\$44,879	0.0147	Improve response to crime patterns and trends
Police	Police Lieutenant (Reclass from SGT and RPO)	\$26,110	0.0086	Increase field supervision for patrol, traffic and code enforcement
Police	Unmarked Vehicle for LT Reclass	\$29,000	0.0095	



A La Carte: Under Consideration - Currently Unfunded

Department	Item/Project	Cost	Millage needed	Impact
Fire	Upgrade of replacement Pumper to 105' Aerial Quint	\$75,000	0.0246	Reduce ISO Score, Replace obsolete pumper
Fire	Furniture purchases for all stations	\$43,250	0.0142	Improve working conditions/employee health
Fire	Fire Inspector (with computer)	\$74,864	0.0245	Reduce community risk & ISO score
Fire	Exercise Equipment	\$7,000	0.0023	Improve working conditions/employee health
Fire	Public Education Specialist (with computer)	\$71,986	0.0236	Risk reduction & community outreach
Fire	Administrative Assistant (with computer)	\$42,057	0.0138	Increased staff support
Fire	Four (4) Line Firefighters (with gear and equipment)	\$347,771	0.1140	Reduce ISO Score & historical overtime reliance
Fire	Fully Equipped Transport Apparatus (Used)	\$75,000	0.0246	Reduce ISO Score, Increase service levels
Fire	Additional Overtime for Transport	\$82,000	0.0269	Reduce need for mandatory overtime



A La Carte: Under Consideration - Currently Unfunded

Department	Item/Project	Cost	Millage needed	Impact
City-Wide	Market/Compression Concerns	\$75,000	0.0246	Assists with the attraction and retention of personnel
Administrative Services-IT	GIS Technician - start 4/1/19 (with computer)	\$32,122	0.0105	Provides capacity and functionality as transitioning to modern technology (ERP)
Department	Item/Project	Cost	Millage needed	Impact
Parks-Amphitheater	Lighting for Amphitheater	\$29,000	0.0095	Facility Maintenance 18yr system
Parks & Rec	Custodian (Reclass PT to FT)	\$16,305	0.0053	Sustaining level of service
Parks Athletics	Babe Ruth- Baseball/Softball	\$12,594	0.0041	Level of service
	OR In-House End of Season Tournament	\$2,500	0.0008	



-Closing Remarks

-Comments/Questions?