

# FY 2019 Budget Status Report and Alternatives

---

City Council Meeting  
May 16, 2018



# Administrative Restructuring

---

An effort has been made to flatten hierarchy, readjust span of control, contract where efficiencies can be realized, and reduce workers where services can be reduced or streamlined. Due to the improving economy, where service levels are based on volume of requests as in building inspections, contract oversight for meters read, fire plan inspections and related services, the f.t.e. count may increase.

- 10.9% Reduction in workforce since 2007
- In 2007 the full time equivalent (f.t.e.) count was 313; Ratio of employees to population was 1.8
- 2014 was lowest f.t.e. count of 263; Ratio was 1.5
- In 2018 the f.t.e. count is 279; Ratio is 1.5

# General Fund History from FY 2008 to FY 2018

---

<b>Category</b>	<b>FY 2008</b>	<b>FY 2018</b>	<b>% +/-</b>
Personnel	\$12,294,998	\$13,681,150	11.3%
Operating	\$ 4,799,854	\$ 4,264,175	-11.2%
Total Operations	\$17,094,852	\$17,945,325	5.0%

# General Fund History Trend

---

Personnel costs increased 11.3% from FY 2008 to FY 2018

- The City has mitigated overall increases through position eliminations, limited or no pay increases for a period of time, shift of increased benefit expense from City to employees, and changes to pension plans.

Operating costs reduced 11.2% in same time period

- In spite of increases in fuel, electricity and oil-based commodities;
- The City has significantly reduced costs through operational efficiencies, contract changes and negotiations.

# General Fund Assumptions

---

- Net 6% increase in ad valorem including new construction
- Millage rate remains at 3.1969 including transfers of \$459,000 for road resurfacing program & \$500,000 for drainage program
- 1% increase overall in other revenues
- 3% salary (merit) increase; 6% increase in health insurance; 10% increase in workers comp; held general pension costs flat Citywide to assist in reducing unfunded actuarial liability; fire pension cost increased 10%, police pension cost decreased 10%
- 6% net increase to operating expenditures caused by increases to computer overhead, insurances, & specific needs

# City of Punta Gorda Financial Policy

---

## Current financial policies :

- A balanced budget is current revenues, including financing, plus unrestricted fund balance, exceeds or equals current year appropriations.
- The use of one time revenues to fund ongoing expenditures is discouraged.

## Current City strategy:

- The City will continue to progress towards achieving a balanced budget, without relying on reserves.

# Capital Outlay Five Year Plan

Capital Outlay Replacement Plan	Dept/ Div	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023+
(All figures in thousands of dollars)						
2001 Ford Cargo Van (4466)	Procurement	21				
2005 SUV (5467)	PW Admin	34				
2008 4 Door Utility Vehicle (6813)	Engineering	34				
2007 1/2 ton pickup truck (6810)	Facilities			36		
2006 F750 XL Utility truck 2 door (6812)	Facilities			150		
2001 1/2 ton pickup truck (4470)	ROW	35				
2001 3/4 ton pickup truck (4458)	ROW	40				
2010 Riding mower (6863)	ROW	18				
2008 3/4 ton pickup truck (6826)	ROW				45	
2002 Grader (5411)	ROW				175	
1999 Flatbed Dump Truck (4409)	ROW				80	
2002 Front End Loader (5413)	ROW				225	
2007 Dump Truck (5977)	ROW					125
2003 All-terrain vehicle (5434)	ROW				20	
2006 Loudo Trailer Flat Bed(6819)	ROW		8			
2005 1/2 ton pickup truck (5474)	P&G	35				
2006 1/2 ton extended cab pickup truck (5513)	P&G	35				
2003 3 ton flatbed truck (5412)	P&G		100			
2008 1/4 ton pickup truck (6840)	P&G		28			
2008 compact pickup truck (6841)	P&G			28		
2006 all-terrain vehicle (5974)	P&G			20		
2005 1/2 ton extended cab pickup truck (5472)	P&G			38		

(Continued on next slide)

# Capital Outlay Five Year Plan

(Continued from previous slide)

Capital Outlay Replacement Plan	Dept/ Div	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023+
		(All figures in thousands of dollars)				
Police Fleet (\$100,000 in 1% Sales Tax until FY2020)	Police	96	125	225	225	225
Replace Tasers & Radar Equipment	Police	15	15	15	15	15
Replace Police Vessel Boat & Motor	Police	*				
Personal Protective Equipment	Fire	10	10	10	10	10
Suppression Equipment	Fire	15	15	15	15	15
Medical Equipment	Fire	16	39	16	39	16
Vehicle New EMS training position (tentative)	Fire		33			
Fire Apparatus (5463)	Fire		800			
<b>TOTAL</b>		<b>\$404</b>	<b>\$1,173</b>	<b>\$553</b>	<b>\$849</b>	<b>\$406</b>
<b>Revised annual level Capital Outlay reserve</b>		<b>740</b>	<b>740</b>	<b>740</b>	<b>740</b>	<b>740</b>
<b>Capital Outlay Reserve - Beg</b>		<b>104</b>	<b>440</b>	<b>7</b>	<b>194</b>	<b>85</b>
<b>Capital Outlay Reserve - End</b>		<b>\$440</b>	<b>\$7</b>	<b>\$194</b>	<b>\$85</b>	<b>\$419</b>
* FY 2018-FY 2022 budgeted capital outlay plan annual level of funding was \$756						



# General Fund Summary

---

	<b>Long Range Plan</b>	<b>5/16/18</b>
Revenues	\$20,365,295	\$20,459,295
Use of Reserves-Ops	671,695	628,750
Less:		
Expenditures	<u>\$21,036,990</u>	<u>\$21,088,050</u>
(Gap)/Surplus	\$ 0	\$ 0

# General Fund

## 5/16/2018 Projected Budget Gap FY 19

---

LRFP Use of Reserves 2/7/18	(\$ 671,695)
Incr of revenue	94,000
Decr in pay plan-FY 2018 turnover changes	154,460
Decr in CRA transfer	4,850
Incr in operating exp	( 132,365)
Incr Capital Outlay Plan (net)	<u>( 78,000)</u>
Use of Reserves 5/16/18	(\$ 628,750)

# Changes in Operating Expense

---

- IT Operations and Capital Outlay Needs \$143,000  
(General Fund Share)
- Police Dept Needs:
  - Communication Services increase for Smart Phones \$17,400
  - Accreditation Assessment (every 3 yrs) \$ 5,000
  - Employee Testing \$ 4,300
  - R&M vehicles \$ 8,500
  - Training Equipment (Capital Outlay) \$12,000
- Fire Dept
  - Medical Supplies, Training, Volunteer Program \$11,600

# Changes in Operating Expense

---

■ Legal	(\$41,000)
■ Aqua (reduction of City expenses)	(\$20,000)
■ Parks & Grounds reduced various expense	(\$14,100)
■ Facilities – R&M buildings City Hall/Annex	\$40,000
■ Urban Design – Reduced Comp planning	(\$25,000)
■ Increased insurance for Public Safety	\$15,000
■ Human Resources – Reduced study	(\$25,000)

# General Fund Comparison FY 2018 to FY 2019

---

<b>Category</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>% +/-</b>
Personnel	\$13,681,150	\$14,023,250	2.5%
Operating	\$ 4,264,175	\$ 4,523,650	6.1%
Total Operations	\$17,945,325	\$18,546,900	3.4%

# General Fund Operating Reserve

---

FY 2018 Estimated ending reserves	\$3,614,750
Less: Capital Outlay reserve	104,000
Less: FY 2019 8.0% min. ending reserve 5/16/18	<u>1,688,000</u>
Estimated ending reserves available for allocation	\$1,822,750

# Staffing Needs

---

- Dispatcher (1 FTE) net increase \$ 50,000
  - Phase 2 - Due to increased call volumes & service handling; Relieves supervisor to manage reporting and Quality Assurance reviews
  
- Community Engagement Officers (2 FTE) net increase FY 2019 eff. July 1, 2019 dependent upon full staffing \$ 45,000
  - Proactive policing to focus on city “hotspots”, engage more with community, special enforcement activities

Annual costs approximately \$180,000

# Staffing Needs

---

- EMS Training Chief (1 FTE) net increase \$ 106,000
  - To coordinate fire/EMS training with a focus on high risk job functions such as ALS, medication administrations, technical rescue skills; and assuring compliance
  
- Computer Support Specialist (1 FTE) net increase to General Fund \$ 40,800
  - Position to allow proactive support of divisional needs by working in set locations daily.  
Total for position - \$56,000



# School Resource Officer Program

---

- School Board requesting 3 additional school resource officers (Charlotte High, Baker, Punta Gorda Middle)
- Positions would be fully funded at this time by School Board through State funds
- School Resource Officers (3 FTE) \$ 328,700
  - Includes salaries and benefits, annual operating costs, depreciation (8yr life of vehicle) and start-up costs for equipment and uniforms
- Currently scheduled to use vehicles that would have been auctioned – short term solution. PD will work with School Board to fund vehicles.

# General Fund Operating Reserve

---

Estimated ending reserves available for allocation	\$1,822,750
Dispatcher	( 50,000)
Community Engagement Officers	( 45,000)
EMS Training Chief	( 106,000)
Computer Support Specialist (GF share)	( 40,800)
School Resource Program (Rev to offset Exp)	<u>0</u>
Remaining est. ending reserves available	\$1,580,950

# General Fund Strategic Communications Plan

---

Year 2

Aqua Fixed Agency Fee \$6,750/month	\$ 81,000
Estimated Out of Pocket Costs	<u>30,000</u>
Annual Total	\$111,000

# General Fund Summary of Unfunded Alternatives

---

Estimated ending reserves available for allocation		\$1,580,950
Master Plan		TBD
Pay Plan Study Implementation	\$100,000-\$600,000	
Use of Reserves for FY 2020		TBD
Increase Minimum Reserves above 8%		TBD
IT Future Project Needs		TBD

# Lot Mowing Assessment

---

- Contractor may increase rate 3%
- Personnel salaries budgeted to increase 3%
- Propose lot mowing assessment increase from \$165 to \$170 to cover the additional costs