

City of Punta Gorda



LONG RANGE FINANCIAL PLAN

Fiscal Years 2016-2020



In January 2008, the City published its first Business Plan which incorporated economic and financial strategies and key performance measures into a single document. In order to augment the financial strategy component of the Plan, a long-range financial plan was developed in January 2009 to assist management in the planning and allocation of resources to achieve City Council's goal of maintaining fiscally responsible decision making within all sectors of the organization. The Plan provided the organization with an opportunity to change or influence current policies and practices before they created critical fiscal strains on the budgetary fabric.

The Fiscal Years 2016-2020 Long Range Financial Plan presents multi-year fiscal forecasts for the City's major fund groups as well as a comparison of the City's financial management policies in relation to national standards. In addition, the Plan identifies costs of service for each operating division and descriptions of those services. This will allow for review of the priority of valued services and whether to continue budgeting for in the future. The Plan is shown in the following format:

Section 1: Major Fund Five-Year Forecasts

Section 2: Financial Management Policies & National Standards

Section 3: City Programs and Cost of Service

Section 1: Major Fund Five-Year Forecasts

General Fund

Based on a continued modestly improving economy, with anticipated increases of 4% in taxable property valuations and flat to slight increase of 2% in shared state revenues and other general fund revenues, the FY 2016 fiscal forecast projects deficits in the range of \$.4 million to \$.6 million per year from FY 2018 through FY 2020. The general fund financial plan has been developed to eliminate the projected budgetary gap in FY 2016 and FY 2017 and to initiate planning for future years' budgets. As a result of continued budget reduction measures, the City is getting closer to matching current revenues to current expenditures.

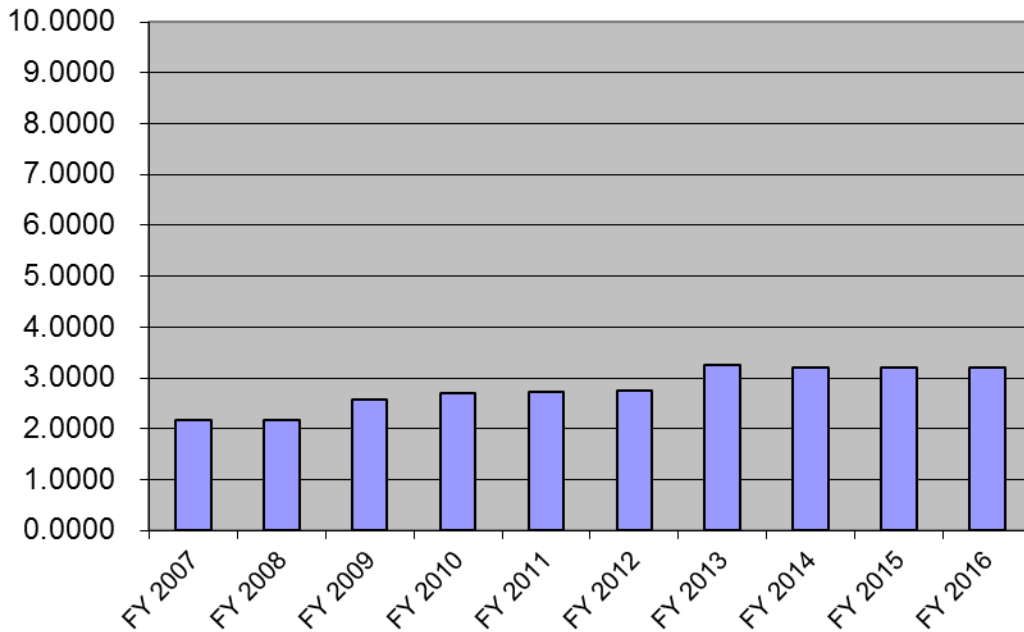
General Fund Proforma Schedule of Revenues and Expenditures Budget FY 2016 through Proforma FY 2020

	Budget FY 2016	Proforma FY 2017	Proforma FY 2018	Proforma FY 2019	Proforma FY 2020
Change in Taxable Value of Property	4.8%	4%	4%	4%	4%
Revenues:					
Ad Valorem Taxes	\$7,716,200	\$8,024,800	\$8,345,800	\$8,679,600	\$9,026,800
Other Revenue	10,020,350	10,113,410	10,225,880	10,363,507	10,503,336
Use of Prior Year's Reserves	266,800	401,000	105,000		204,000
Total Revenues	18,003,350	18,539,210	18,676,680	19,043,107	19,734,136
Expenditures:					
Personnel Expenditures	12,735,411	13,132,555	13,475,401	13,899,365	14,341,250
Operating Expenditures	3,851,161	3,922,230	4,034,722	4,150,929	4,270,977
Capital	379,100	438,000	543,000	438,000	642,000
Transfers to other Funds	563,678	572,425	611,922	612,199	653,287
Transfers for Roads	459,000	459,000	459,000	459,000	459,000
Contingency	15,000	15,000	15,000	15,000	15,000
Total General Expenditures	18,003,350	18,539,210	19,139,045	19,574,493	20,381,514
Expenditures in Excess of Revenue	\$0	\$0	(\$462,365)	(\$531,386)	(\$647,378)
Minimum Reserve (6.5% to 8.5%)	\$1,171,000	\$1,298,000	\$1,436,000	\$1,566,000	\$1,733,000

Millage and Taxable Assessed Value

The FY 2016 millage rate of 3.1969 mills, maintained since FY 2014, is 3.8% over the rolled back rate of 3.0799. The calculated rolled back rate results in the same property tax revenues, sans new construction, as the previous year. Included in the millage rate is \$459,000 earmarked for the road resurfacing program. The graph below provides a 10 year history of the authorized annual millage.

**Property Tax Millage Rates
Fiscal Years 2007 - Budget 2016**



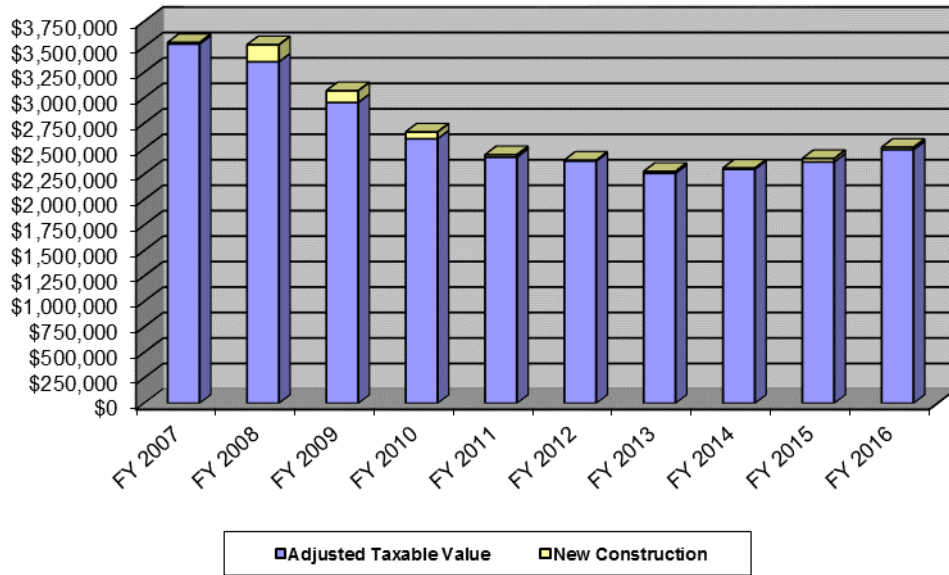
*A mill is equal to one dollar of tax for each \$1,000 of taxable value.
Florida Statutes caps the millage rate at 10 mills.*

The table and graph below provide a 10 year history of the City’s gross taxable value. The economic decline affected the City’s taxable value by a decrease in value of 35.5% over a 6 year period. The recovery period of 3 years shows a slow comeback of 10.7%. The City has by necessity, maintained the current millage rate to continue to strive towards achieving a balanced budget; where current revenues will equal current expenditures, including transfers to other funds for purposes of road paving improvements, bridge and drainage maintenance, and community redevelopment commitments.

Fiscal Year	Final Gross Taxable Value*	\$ Change From Previous Year	% Change from Previous Year	New Construction
2007	\$3,515,560,986			\$13,851,000
2008	\$3,496,182,626	-\$19,378,360	-0.6%	\$168,546,000
2009	\$3,062,265,808	-\$433,916,818	-12.4%	\$115,280,000
2010	\$2,646,132,752	-\$416,133,056	-13.6%	\$65,914,000
2011	\$2,447,711,910	-\$198,420,842	-7.5%	\$24,317,000
2012	\$2,367,768,124	-\$79,943,786	-3.3%	\$7,854,000
2013	\$2,270,096,296	-\$97,671,828	-4.1%	\$16,856,000
2014	\$2,308,224,076	\$38,127,780	1.7%	\$9,890,893
2015	\$2,398,248,062	\$90,023,986	3.9%	\$32,800,312
2016	\$2,514,217,625	\$115,969,563	4.8%	\$23,895,443

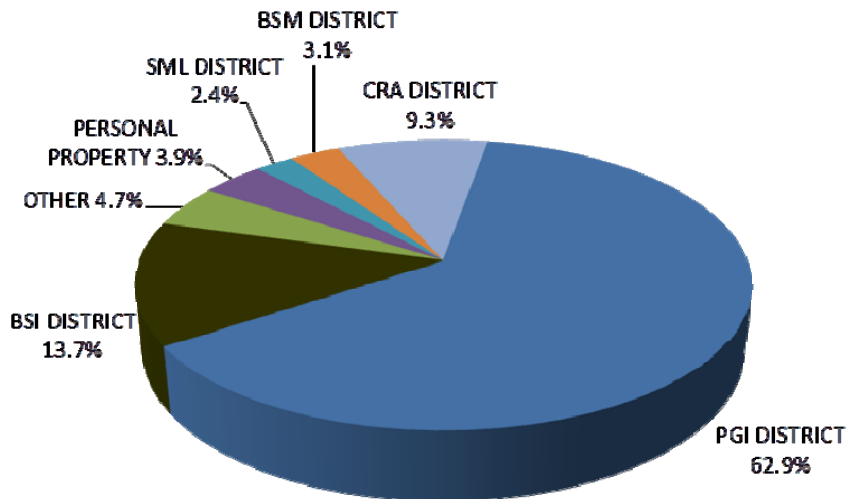
*Includes New Construction

Gross Taxable Value (in thousands)



The Charlotte County Appraiser’s July 1st certification stated a 3.8% overall increase for properties on the books from the prior year, and an additional 1.0% for new construction, annexations and changes in exemption. In previous years, the protection of Save Our Homes resulted in a majority of homestead property taxable values being below just values. Due to increasing property values, the number of homestead properties at parity (market or just value equaling assessed value) decreased from 3,763 parcels in FY 2013 to 593 in FY 2016.

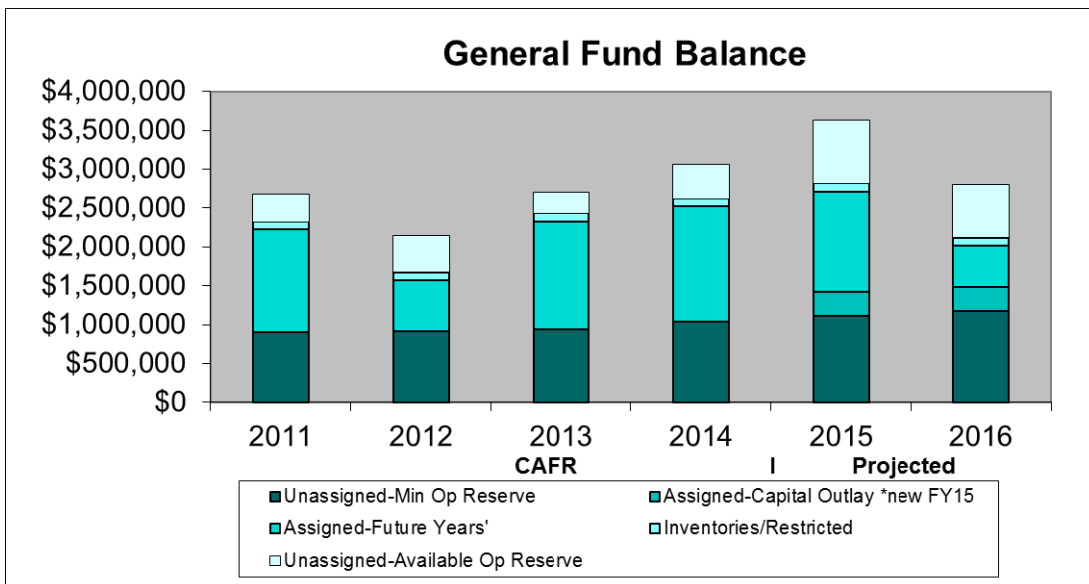
Review of taxable value distribution shows the following:



General Fund Balance

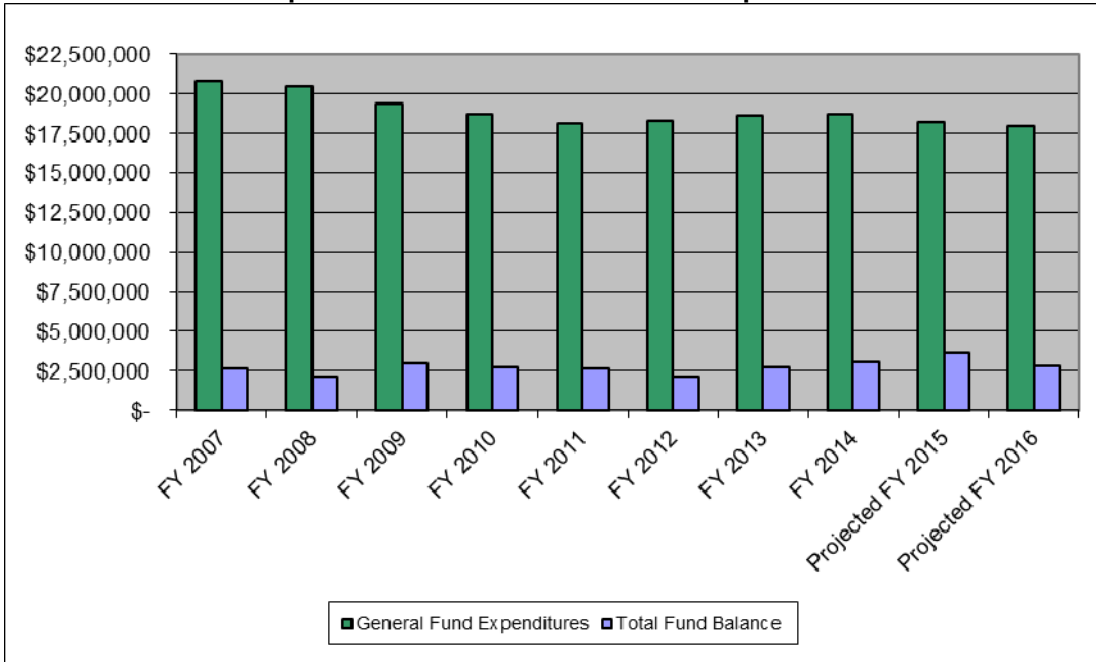
In the FY 2016 budget process, City Council approved updates to the comprehensive set of financial management policies. The following specifically address fund balance or reserve objectives.

- An adequate level of unrestricted fund balance will be maintained so credit rating agencies will recognize the City is in sound financial condition when they evaluate the City’s credit worthiness.
- The City will strive to follow the GFOA recommendation for a minimum level of unrestricted fund balance for the General Fund. The GFOA states the unrestricted fund balance for the General Fund should be a minimum of 2 months of operating expenditures.
- For the General Fund and all other operating funds, except the Utilities Fund, the City will establish an unassigned fund balance minimum of 6.5% of total fund expenditures. Note: It is intended that this percentage increase each year and eventually attain the GFOA best practice standard.
- The City should have a prudent level of unrestricted fund balance to protect against the need to reduce service levels or raise taxes and fees due to temporary revenue shortfalls or unexpected one time expenditures.
- The City should maintain an adequate level of unrestricted fund balance as working capital to support operations until sufficient current revenues (taxes) are received.
- The City will provide a Capital Outlay Reserve based on the 5 year capital outlay program needs, and will fund the average annualized 5 year need, in order to provide a stabilized funding plan.



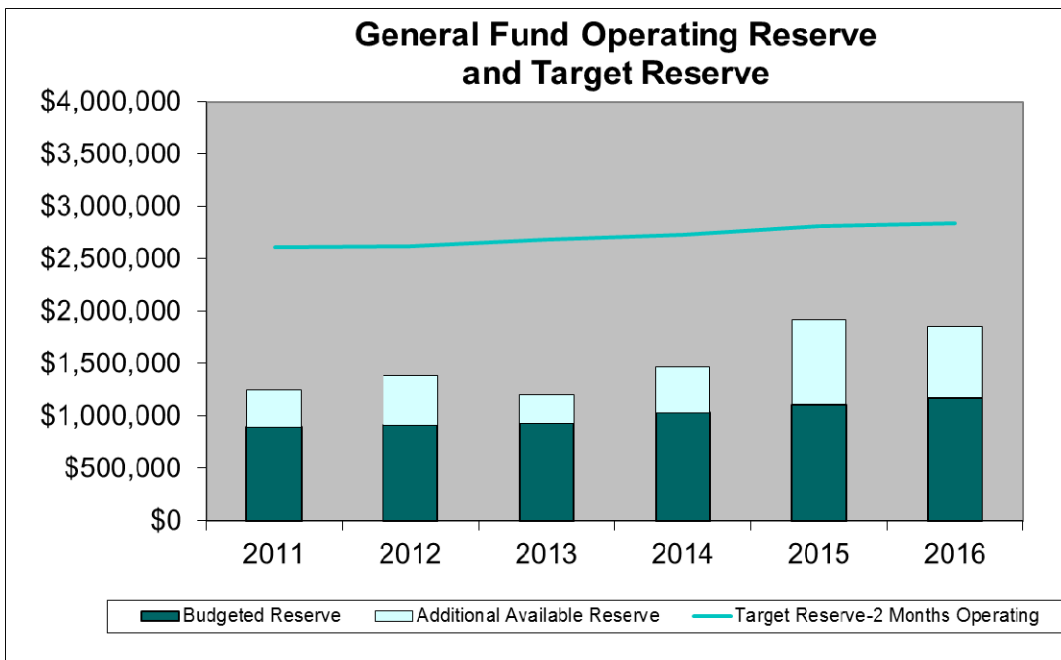
During the past nine fiscal years (2007 through 2015), the City earmarked a portion of reserves over the minimum policy to assist in paying for ongoing levels of service until such time as the economy recovers. See label “assigned –future years.” The FY 2016 budget continues this practice. The projected FY 2016 end of year assigned reserve identifies the use of \$401,000 to reduce the gap in the proforma for FY 2017 and \$127,000 to increase the minimum operating reserve to 7% in FY 2017; the assigned-capital outlay identifies the reserve established to stabilize budgeting for the 5 year capital outlay replacement program, which is currently projected to need annual funding of \$438,000. The chart below provides a historical perspective of operating expenditures to total fund balance.

Comparison of Fund Balance to Total Expenditures



It is the City Council’s policy to continue to take steps each year to increase the operating reserve segment of the fund balance. Based on the graph below, the budgeted reserve has increased but an infusion of one-time revenues towards the target reserve would assist in accelerating the achievement of the financial policy.

General Fund Operating Reserve and Target Reserve



Water & Sewer Fund

The City operates its water and sewer system as an enterprise fund and revenues are derived primarily through user charges for service (fees). The utility service area encompasses approximately 38 square miles and extends beyond the corporate City limits. There are approximately 20,870 water ERUs (Equivalent Residential Units) and 15,695 sewer ERUs. Customers outside the corporate City limits pay a 25% surcharge, which is reduced to 10% for those customers who meet specific economic development criteria. Customers inside the corporate City limits pay a 10% water utilities tax to the City of Punta Gorda general fund.

The Groundwater Reverse Osmosis (RO) Water Treatment Plant project costs are in the engineering estimate phase. The \$6.1 million budgeted between FY 2014 and 2015 are to design, test, and construct the well field, which is an integral component of the R.O. project and for the engineering firm contracted to oversee all aspects of the R.O. project, including design of the plant and construction. The \$6.7 million budgeted in FY 2016 is for the deep injection well design and construction. The \$19.4 million projected in FY 2017 represents the best planning number available at this time for the R.O. plant construction. In October 2015, City Council approved rate adjustments for water and sewer fees as well as utility impact fees. The FY 2016 budget and proforma include the 4% rate increase initiated in October and proposed rate increases of 4% annually for fiscal years 2017 and 2018. Should the City ultimately receive a 50% cooperative funding grant from SWFWMD for construction of the RO Plant, rate increases in the latter two years can be adjusted downward.

Utilities OM&R Fund Proforma Schedule of Revenues and Expenses Budget FY 2016 through Proforma FY 2020

	Budget FY 2016	Proforma FY 2017	Proforma FY 2018	Proforma FY 2019	Proforma FY 2020
Proposed Rate Change	4%	4%	4%		
Revenues:					
Chg for Service - Water	\$8,855,494	\$9,292,147	\$9,749,561	\$9,835,290	\$9,921,020
Chg for Service - Sewer	6,692,333	7,029,839	7,383,638	7,456,244	7,528,849
Other Revenue	1,444,805	668,283	669,290	670,328	671,397
Total Revenues	16,992,632	16,990,269	17,802,489	17,961,862	18,121,266
Expenses:					
Operations	12,003,568	12,175,177	12,661,504	13,154,219	13,613,947
Renewal & Replacement of Infrastructure	1,120,000	1,153,600	1,188,320	1,224,160	1,261,120
Transfer for Capital Improvement Projects	635,000	334,750	265,250	191,275	191,420
Existing Debt Service	782,956	200,000	200,000	200,000	200,000
New Debt Service - CIP	1,060,000	1,060,000	2,941,000	2,941,000	2,941,000
Total Expenses	15,601,524	14,923,527	17,256,074	17,710,654	18,207,487
Revenues in Excess (Shortfall) of Expenses	1,391,108	2,066,742	546,415	251,208	(86,221)
Operating Reserves-Beg	3,665,140	5,056,248	7,122,990	7,669,405	7,920,613
Operating Reserves-End	\$5,056,248	\$7,122,990	\$7,669,405	\$7,920,613	\$7,834,392

The current five-year financial forecast is based on 2-day per week watering; average rainfall; and new financing based on the FY 2016-2020 capital improvement plan. The City Council adopted a financial

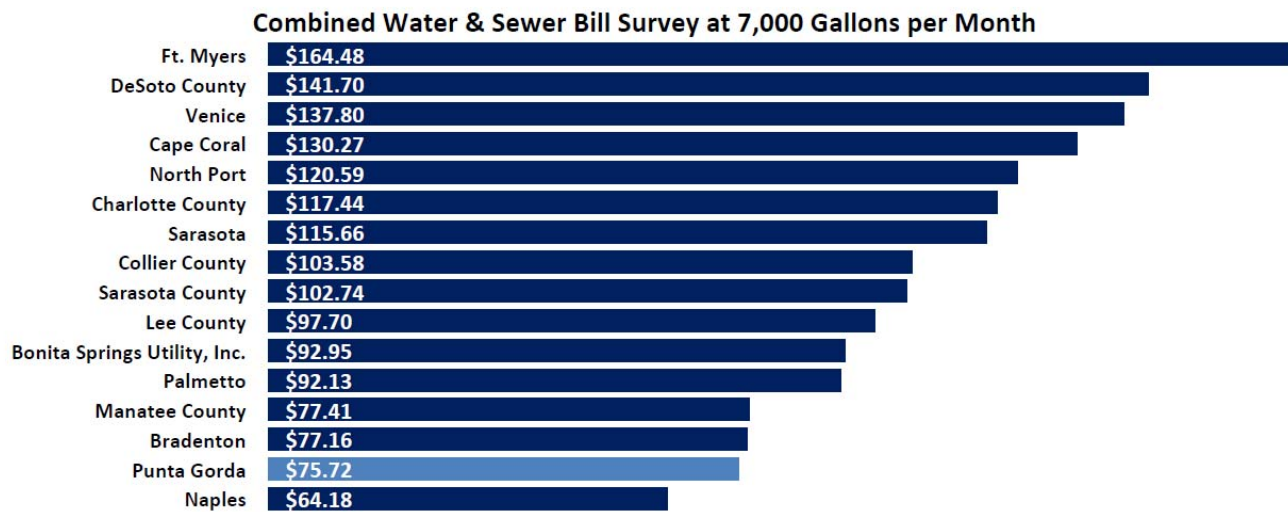
policy in March 2014 to fund \$1,120,000 with current revenues those expenses for recurring line and lift station repairs and replacements. Based on the 2015 Rate Sufficiency Study by Burton & Associates, the current proforma includes the recommendation to increase the funding annually by a 3% factor. With the proposed rate changes, the projected revenues and reserves as shown are sufficient to fund the FY 2016-2020 capital improvements plan.

Utilities Operating Reserve

In January 2015 upon review of the Long Range Plan, City Council adopted a financial policy amendment to maintain an unassigned fund balance minimum of \$3.1 million. In the previous year, City Council adopted a financial policy to provide an emergency fund for existing infrastructure by retaining the Renewal and Replacement fund of \$1.5 million, which until January 2014 was required by bond covenants. The bonds are now fully retired. During FY 2015, a new fund was created to account for this reserve which now appears in the projected FY 2015 amounts for beginning and ending reserves. A Capital Outlay reserve funding level was discussed during the budget reviews, and City Council has approved the \$450,000 funding level beginning in FY 2017 with a growth factor of \$50,000 on an annual basis. This will ensure that current and future aging issues of mechanical parts in both plants can be addressed in an adequate manner.

Utilities Rate Comparison

Even with the new utility rates adopted October 21, 2015, the City’s utility rates remain the 2nd lowest among the Southwest Florida utilities surveyed by Burton & Associates at the current FY 2016 rates.



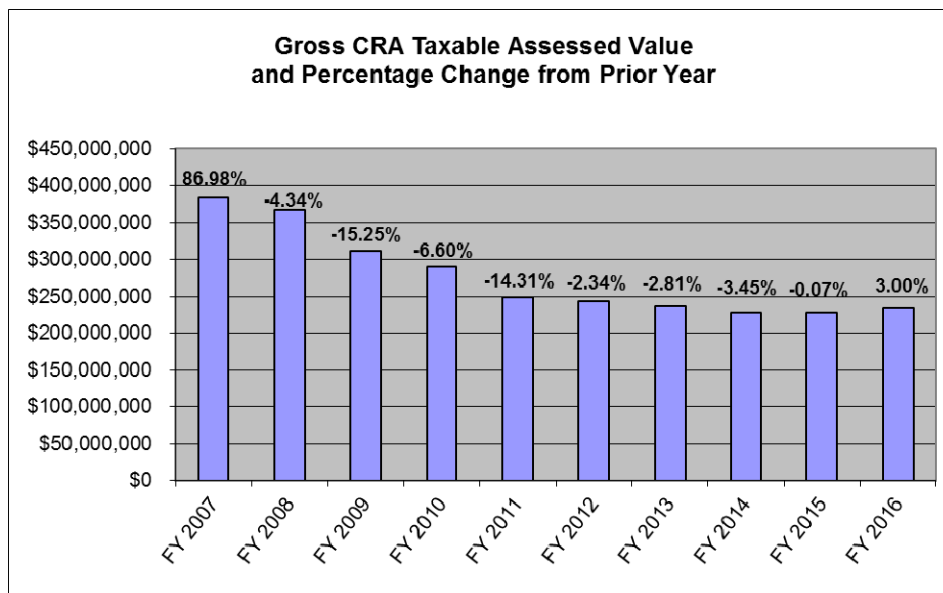
Community Redevelopment Agency Fund

City Council created the Community Redevelopment Agency (CRA) in 1989 as a mechanism to carry out the goals and objectives of the Downtown Redevelopment Plan and Eastside & Downtown Planning Study. Projects constructed within the CRA are funded by property owners within the CRA from tax value increments generated over the 1989 base year. The CRA has focused redevelopment efforts on projects which assist in rebuilding our public spaces. These efforts concentrate on several expansive projects which stress the importance of maintaining our public waterfront, alleviate parking issues and help to re-establish the critical mass of structures and economic activity within the downtown area and adjacent neighborhoods.

The CRA has experienced dramatic fluctuations in taxable assessed value and related City/County tax increment finance (TIF) contributions over the past ten years. The tables shown here provide history of taxable value and revenue generated from TIF since FY 2007.

Fiscal Year	Gross CRA Taxable Assessed Value	City TIF Contribution	County TIF Contribution	Total TIF Contribution
FY 2007	\$383,774,587	\$627,124	\$1,394,380	\$2,021,504
FY 2008	\$367,113,862	\$591,466	\$1,236,559	\$1,828,025
FY 2009	\$311,130,098	\$562,664	\$1,250,570	\$1,813,234
FY 2010	\$290,592,852	\$538,621	\$1,139,173	\$1,677,794
FY 2011	\$249,005,996	\$436,047	\$974,342	\$1,410,389
FY 2012	\$243,188,559	\$424,246	\$970,103	\$1,394,349
FY 2013	\$236,361,169	\$480,644	\$929,373	\$1,410,017
FY 2014	\$228,200,461	\$458,101	\$902,447	\$1,360,548
FY 2015	\$228,049,842	\$448,578	\$884,092	\$1,332,670
FY 2016	\$234,893,040	\$468,678	\$923,709	\$1,392,387

Over 60% of the CRA tax base is commercial and professional uses.



In July 2012, the CRA Board and City Council, in partnership with Charlotte County, recognized that declining taxable values could not support the repayment schedule of existing debt. The three governing bodies approved the extension of the life of the CRA until December 31, 2030. Subsequently, the City completed refinancing CRA debt to better match income flow and to eliminate projected deficits. The proforma anticipates conservative assessed property value increases of 3% in FY 2017 through FY 2020. The resulting estimated debt service reserve estimated of \$597,000 at end of FY 2020 will provide a buffer for economic downturns thereby ensuring that annual debt service will be met.

The proforma for the district has been divided into three divisions to better identify the funding sources for the three responsibilities of the district: 1) retirement of the CRA debt through the County and City TIF; 2) operations of Herald Court Centre (HCC); and 3) maintenance of the infrastructure contributed by the district, such as the marina, interactive fountain, restrooms and pavilions adjacent to the marina, mooring field, HCC parking structure and numerous gateway enhancements, intersection treatments, pocket parks and Martin Luther King Boulevard. As the infrastructure ages, the need for repair and maintenance will increase. Actual costs in FY 2015 were \$90,000. Projected expenditures for FY 2016 are \$72,000. The proforma includes an annual estimate of \$50,000 for unanticipated repairs.

The Herald Court lease revenue budgeted for FY 2016 included the current tenants as well as a projection to fill 1,402 sq. ft. of currently vacant, improved space. To date, an additional 1,591 of improved space and 3,117 of newly improved space have been leased. The proforma will be updated in the FY 2017 process to show the property fully leased, including a pending additional 2,823 sq. ft. of new improved space. The reserves for the Herald Court Centre will be adjusted accordingly. This reserve has two segments, the first is those funds received through the common area maintenance (CAM) fee and prepaid taxes from tenants that must be reserved for such use, and the second is available to cover shortfalls in lease revenue for purposes of ongoing operations and maintenance.

**Community Redevelopment Agency
Proforma Schedule of Revenues and Expenditures
Budget FY 2016 through Proforma FY 2020**

	Budget FY 2016	Proforma FY 2017	Proforma FY 2018	Proforma FY 2019	Proforma FY 2020
Debt Service Division					
Assessed Property Valuation change	3%	3%	3%	3%	3%
Tax Increment Financing (TIF) Revenue	\$1,392,387	\$1,434,158	\$1,477,183	\$1,521,499	\$1,567,144
CRA Lease Payments (Debt Service)	1,310,790	1,338,314	1,379,439	1,423,924	1,471,648
Revenues in Excess of Debt Svc	81,597	95,844	97,744	97,575	95,496
Reserve - TIF for Debt Svc (Beg)	128,698	210,295	306,139	403,883	501,458
Reserve - TIF for Debt Svc (End)	\$210,295	\$306,139	\$403,883	\$501,458	\$596,954
Herald Court Operations Division					
Herald Court Revenues	\$199,424	\$223,538	\$249,238	\$249,938	\$250,638
Herald Court Operating Expenditures	163,300	176,025	189,216	197,486	206,004
Revenues in Excess of Herald Ct Operations	36,124	47,513	60,022	52,452	44,634
Reserve - Herald Ct (Beg)	33,456	69,580	117,093	177,115	229,567
Reserve - Herald Ct (End)	\$69,580	\$117,093	\$177,115	\$229,567	\$274,201

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	Budget FY 2016	Proforma FY 2017	Proforma FY 2018	Proforma FY 2019	Proforma FY 2020
CRA Operations Division					
Other CRA Revenues	\$107,724	\$108,652	\$109,588	\$110,533	\$111,486
Other CRA Operating Expenditures	129,000	159,100	161,263	163,491	165,786
Revenues in Excess (Shortfall) of Other Operations	(21,276)	(50,448)	(51,675)	(52,958)	(54,300)
Reserve - Other Operations (Beg)	1,040,761	1,019,485	969,037	917,362	864,404
Reserve - Other Operations (End)	\$1,019,485	\$969,037	\$917,362	\$864,404	\$810,104

Sanitation Fund

The City operates its sanitation services as an enterprise fund and collects refuse two days per week and horticulture one day per week for 10,680 residential accounts and 650 commercial accounts. Previously, a 2-bin curbside recycling program was implemented for all residential units, collected one day per week. The City decided to improve the recycling program by providing a 48 gallon rolling cart to each household for an additional rate of \$0.75 per month or 4% over the current monthly rate of \$19.20. The annualized rate is \$239.40. As part of the capital outlay scheduled for FY 2016 is a route management system upgrade. The budget reflects a 10-year fleet replacement program, lengthened from a 7-year cycle. There are 4 packers that will reach the 10 year age in FY 2016 and are budgeted for replacement. As with the general and utility fund, City Council has approved funding of a capital outlay reserve in order to stabilize the funding source. A benchmark survey of surrounding jurisdictions is pending.

Sanitation Fund Proforma Schedule of Revenues and Expenses Budget FY 2016 through Proforma FY 2020

	Budget FY 2016	Proforma FY 2017	Proforma FY 2018	Proforma FY 2019	Proforma FY 2020
Single, Multifamily, Yardwaste, Recycling growth rate		1%	1%	1%	1%
Revenues:					
Chg. for Service - Refuse Collection	\$3,136,830	\$3,162,678	\$3,188,785	\$3,215,152	\$3,241,784
Other Revenue	25,710	25,710	25,710	25,710	25,710
Capital Lease/Purchase					300,000
Total Revenues	3,162,540	3,188,388	3,214,495	3,240,862	3,567,494
Expenses:					
Operations	2,855,352	2,947,137	3,042,482	3,141,560	3,244,548
Capital	1,091,400				900,000
Debt Service					58,000
Total Expenses	3,946,752	2,947,137	3,042,482	3,141,560	4,202,548
Revenues in Excess (Shortfall) of Expenses	(784,212)	241,251	172,013	99,302	(635,054)
Operating Reserves-Beg	1,296,058	411,846	553,097	625,110	624,412
Capital Outlay Reserves-Beg	0	100,000	200,000	300,000	400,000
Capital Outlay Reserves-End	100,000	200,000	300,000	400,000	0
Operating Reserves-End	\$411,846	\$553,097	\$625,110	\$624,412	\$389,358

Building Fund

Building services are operated as an enterprise fund and includes all aspects of permitting, inspections, plans review and licensing of contractors to support the State and City building codes. The City has established permit fees to pay for services provided. Staffing had been reduced from thirteen positions in FY 2006 to five in FY 2013 with furloughs. This reduction was due to a decline in permit applications, inspections and stagnant growth trends. The turnaround began in FY 2013 and staff was reinstated to full 40 hour work weeks. During FY 2014, with continued growth in permit applications and inspections, a full-time building inspector and a part-time permit clerk were added mid-year. In FY 2016 the part-time clerk was increased to full time and one more full-time building inspector was added.

The long range plan assumes increase in annual revenue due to continued growth in quantity of permits, with no change in fee structure. The five year proforma projects permit revenues increasing approximately 5% in FY 2016 and FY 2017 and 3% in FY 2018-2020. Staffing level of operations is estimated to increase in FY 2019 based on estimated permit growth, in order to maintain expected service levels. The City will continue to monitor activity and may adjust work schedules or staffing levels in the future if activity warrants and revenues allow. The ending operating reserves will fluctuate from a projected balance in FY 2016 of \$864,000 to a projected balance in FY 2020 of \$597,000. As experienced in the previous economic downturn (FY 2008 – 2013), this level of reserve is necessary to sustain an acceptable level of service.

Building Fund Proforma Schedule of Revenues and Expenses Projected FY 2016 through Proforma FY 2020

	Projected FY 2016	Proforma FY 2017	Proforma FY 2018	Proforma FY 2019	Proforma FY 2020
Revenues:					
Permits, Fees & Special Assmnts.	\$823,500	\$858,500	\$888,500	\$928,500	\$928,500
Other Revenue	20,000	20,000	20,000	20,000	20,000
Total Revenues	843,500	878,500	908,500	948,500	948,500
Expenses:					
Operations	848,700	870,665	896,685	1,055,545	1,088,555
Capital	20,000	20,000	20,000		
Total Expenses	868,700	890,665	916,685	1,055,545	1,088,555
Revenues in Excess (Shortfall) of Expenses	(25,200)	(12,165)	(8,185)	(107,045)	(140,055)
Operating Reserves-Beg	889,511	864,311	852,146	843,961	736,916
Operating Reserves-End	\$864,311	\$852,146	\$843,961	\$736,916	\$596,861

Laishley Park Municipal Marina Fund

Opening in April 2007, Laishley Park is operated as an enterprise fund to include the marina and park amenities. The City outsourced management of the marina to Marina Park LLC, however retained the authority to set boat slip, community room, ship's store and pavilion rental rates. The budget reflects projected revenues from the above sources as well as personnel and operating costs associated with management of the marina area. Staffing coverage is provided seven days a week, 365 days per year.

The FY 2016 budget maintains the 2007 adopted marina fee schedule and 2011 East Mooring Field fee schedule. The City received approval regarding its application to the State Department of Environmental Protection for amendments to its submerged land lease that has increased rental opportunities during events and for commercial enterprises. In addition, a survey of regional marina rates was completed which showed the City's rates to be competitive. The City has received a Department of Environmental Protection Clean Vessel Act (CVA) Grant but was not awarded a FY 2016 Charlotte County Marine Advisory Committee (MAC) Grant. Application for FY 2017 is now underway. The City provides free pumpout services twice a week throughout the Charlotte Harbor waterways and has expected assistance from these two entities to offset operating costs including fuel, labor and maintenance and repairs of the pumpout vessel.

Laishley Park Marina Fund Proforma Schedule of Revenues and Expenses Budget FY 2016 through Proforma FY 2020

	Budget FY 2016	Proforma FY 2017	Proforma FY 2018	Proforma FY 2019	Proforma FY 2020
Revenues:					
Slip & Mooring Rentals	\$330,300	\$331,500	\$332,820	\$334,272	\$335,869
Intergovernmental Revenue	18,100	19,364	19,945	20,543	21,159
Other Revenue	29,385	31,715	31,715	31,715	31,715
Total Revenues	377,785	382,579	384,480	386,530	388,743
Expenses:					
Laishley Park Marina Expenses	158,015	162,485	167,240	172,304	177,704
Marina Park Contract Expenses	210,750	217,816	223,844	229,538	235,403
Total Expenses	368,765	380,301	391,084	401,842	413,107
Revenues in Excess (Shortfall) of Expenses	9,020	2,278	(6,604)	(15,312)	(24,364)
Operating Reserves-Beg	140,326	149,346	151,624	145,020	129,708
Operating Reserves-End	\$149,346	\$151,624	\$145,020	\$129,708	\$105,344

Canal Maintenance Districts Funds

Punta Gorda Isles Canal Maintenance District

The proposed budget for the Punta Gorda Isles (PGI) canal maintenance assessment district reflects the Advisory Board recommendation to increase the annual operating assessment \$50, from \$500 to \$550 for purposes of covering personnel cost increases and sustaining current sq. ft. replacement even with increased per sq. ft. contract prices.

The five-year proforma maintains the \$550 assessment for two years and then includes a \$40 increase, beginning in FY 2018 in anticipation of increased costs for seawall replacement due to loss of vacant staging sites. Replacement of two vehicles is included in capital outlay.

PGI Canal Maintenance Fund Proforma Schedule of Revenues and Expenditures Budget FY 2016 through Proforma FY 2020

	Budget FY 2016	Proforma FY 2017	Proforma FY 2018	Proforma FY 2019	Proforma FY 2020
Rate	\$550	\$550	\$590	\$590	\$590
Revenues:					
Operating Assessment	\$2,861,750	\$2,861,750	\$3,062,180	\$3,062,180	\$3,062,180
Other Revenue	1,500	1,500	1,500	1,500	1,500
Total Revenues	2,863,250	2,863,250	3,063,680	3,063,680	3,063,680
Expenditures:					
Operations	882,670	912,724	944,110	976,901	1,011,178
Inlet Dredging	40,000	40,000	40,000	40,000	40,000
Seawalls, Caps and Stabilization	1,711,930	1,760,000	2,009,500	2,060,500	2,197,200
Capital	50,000				
Total Expenditures	2,684,600	2,712,724	2,993,610	3,077,401	3,164,178
Revenues in Excess (Shortfall) of Expenditures	178,650	150,526	70,070	(13,721)	(100,498)
Operating Reserves-Beg	333,647	512,297	662,823	732,893	719,172
Operating Reserves-End	\$512,297	\$662,823	\$732,893	\$719,172	\$618,674

Burnt Store Isles Canal Maintenance District

The proposed budget for the Burnt Store Isles (BSI) canal maintenance assessment district reflects the Advisory Board recommendation to increase the annual operating assessment \$60, from \$400 to \$460.

BSI Canal Maintenance Fund Proforma Schedule of Revenues and Expenditures Budget FY 2016 through Proforma FY 2020

	Budget FY 2016	Proforma FY 2017	Proforma FY 2018	Proforma FY 2019	Proforma FY 2020
Operating Rate	\$460	\$460	\$460	\$460	\$460
Proforma Dredging Rate		\$120	\$120	\$120	\$120
Revenues:					
Operating Assessment	\$474,800	\$474,800	\$474,800	\$474,800	\$474,800
Dredging Assessment		119,460	119,460	119,460	119,460
Other Revenue	250	250	250	250	250
Financing		560,000			
Total Revenues	475,050	1,154,510	594,510	594,510	594,510
Expenditures:					
Operations	87,832	89,738	91,708	93,744	95,848
Inlet Dredging	33,000		42,000	42,000	42,000
Seawalls, Caps and Stabilization	311,000	356,000	356,000	356,000	356,000
Rim Dredging Project	10,000	560,000			
Debt Service		107,000	107,000	107,000	107,000
Total Expenditures	441,832	1,112,738	596,708	598,744	600,848
Revenues in Excess (Shortfall) of Expenditures	33,218	41,772	(2,198)	(4,234)	(6,338)
Operating Reserves-Beg	55,681	43,899	85,671	83,473	79,239
Capital Outlay Reserves-Beg	0	45,000	45,000	45,000	45,000
Capital Outlay Reserves-End	45,000	45,000	45,000	45,000	45,000
Operating Reserves-End	\$43,899	\$85,671	\$83,473	\$79,239	\$72,901

The increase will cover personnel costs and will initiate development of a reserve in anticipation of increased operating costs due to pending reduction in available staging lots. The Advisory Board is pursuing a perimeter dredging project for safety and boating enhancement, and is currently advertising and seeking input from affected lot owners. The Board has been asked to hold a public meeting on the project when more property owners are available. Prior to establishment of an assessment for the proposed project, City Council will hold a public hearing. The project is estimated to cost \$570,000 and will be financed and repaid through increased assessments of \$120 per unit, annually for six years, beginning in FY 2017.

The five-year proforma maintains the \$460 operating assessment, adding a \$120 project assessment in FY 2017 and some minimal use of reserves to maintain current levels of operations, establish a reserve for increased costs due to pending loss of staging sites, and provide funding for the perimeter dredging project.

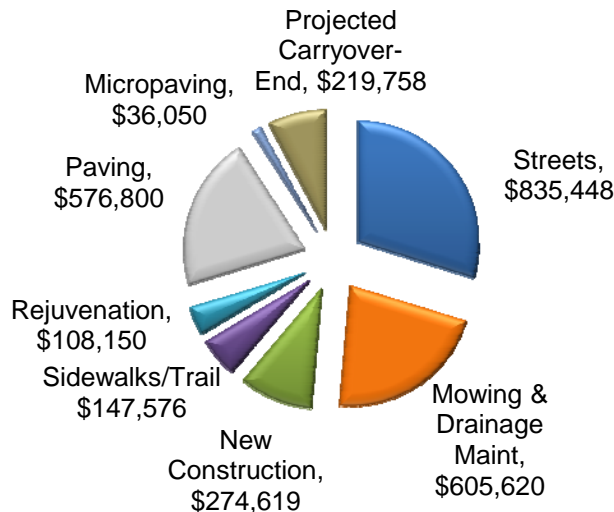
Gas Tax Funds

Based on state statutes providing restrictions on use of gas tax revenue, the City has established local option fuel taxes in two funds. The first six cents is used for transportation expenditures such as roadway and right of way maintenance, drainage, street sweeping, street lights, traffic sign and signals, bridge maintenance, railroad crossings and sidewalk repairs. The second five cents is used only for road capital improvement such as paving rejuvenation and resurfacing.

Proceeds from fuel taxes are distributed by the State to Charlotte County and the City. The City’s share for the first six cents distribution has been reduced from 11.14% to 10.40% beginning in FY 2011, and the next five cents remains at 6.74%. The distribution allocation is determined by the five-year average transportation expenditures or interlocal agreement. A history of revenue received since FY 2007 is displayed here.

Fiscal Year	6 Cents	5 Cents	Total
2007	\$ 580,185	\$ 350,341	\$ 930,526
2008	\$ 561,707	\$ 269,443	\$ 831,150
2009	\$ 559,547	\$ 243,311	\$ 802,858
2010	\$ 567,590	\$ 241,762	\$ 809,352
2011	\$ 507,120	\$ 234,770	\$ 741,890
2012	\$ 531,479	\$ 248,444	\$ 779,923
2013	\$ 526,830	\$ 243,574	\$ 770,404
2014	\$ 548,919	\$ 259,217	\$ 808,136
2015	\$ 562,000	\$ 259,000	\$ 821,000
2016	\$ 570,000	\$ 262,000	\$ 832,000

The effect of elasticity of gas consumption (the tax is charged on gallons not dollars) in the height of the \$4 gas prices, resulted in a decline of revenue. That is slowly turning around, and the City has almost returned to the 2007 level. The graph below identifies the services provided and the related costs. Some are budgeted in the general fund under the right of way division and some are budgeted in the two gas tax funds. See the following proformas for the gas tax fund details.



The Six Cent Gas Tax Fund five-year proforma maintains the current level of service and projects the use of reserves to cover shortfalls through FY 2020.

Six Cent Gas Tax Fund
Proforma Schedule of Revenues and Expenditures
Budget FY 2016 through Proforma FY 2020

	Budget FY 2016	Proforma FY 2017	Proforma FY 2018	Proforma FY 2019	Proforma FY 2020
Revenues:					
Local Option Gas Tax	\$570,000	\$575,700	\$581,457	\$587,272	\$593,144
Other Revenue	217,486	217,597	221,241	221,746	222,256
Total Revenues	787,486	793,297	802,698	809,018	815,400
Expenditures:					
Operating Expenditures	784,480	804,415	824,948	846,092	867,879
Total Expenditures	784,480	804,415	824,948	846,092	867,879
Revenues in Excess (Shortfall) of Expenditures	3,006	(11,118)	(22,250)	(37,074)	(52,479)
Operating Reserves-Beg	200,635	203,641	192,523	170,273	133,199
Operating Reserves-End	\$203,641	\$192,523	\$170,273	\$133,199	\$80,720

The Additional Five Cent Gas Tax Fund five-year proforma projects slightly increasing tax revenue, which does not fully support the required annual paving program as identified by the city engineering division. Council addressed the importance of maintaining the City’s road infrastructure with a policy of transferring ad valorem millage revenue of \$459,000 as an ongoing subsidy.

Additional Five Cent Gas Tax Fund
Proforma Schedule of Revenues and Expenditures
Budget FY 2016 through Proforma FY 2020

	Budget FY 2016	Proforma FY 2017	Proforma FY 2018	Proforma FY 2019	Proforma FY 2020
Revenues:					
Local Option Gas Tax	\$262,000	\$267,000	\$272,000	\$277,000	\$282,000
Transfer from General Fund					
Ad Valorem	459,000	459,000	459,000	459,000	459,000
Other Revenues	300				
Total Revenues	721,300	726,000	731,000	736,000	741,000
Expenditures:					
Paving	721,000	726,000	731,000	736,000	741,000
Total Expenditures	721,000	726,000	731,000	736,000	741,000
Revenues in Excess (Shortfall) of Expenditures	300	0	0	0	0
Operating Reserves-Beg	15,817	16,117	16,117	16,117	16,117
Operating Reserves-End	\$16,117	\$16,117	\$16,117	\$16,117	\$16,117

Section 2: Financial Management Policies & National Standards

The City of Punta Gorda has prepared a comprehensive set of financial management policies in the areas of financial planning, revenues, and expenditures for adoption by the City Council. These policies are based on recommended, best management practices established by the Governmental Finance Officers Association (GFOA). The most recent comprehensive update of the financial policies were adopted January 18, 2012, amended February 20, 2013, March 19, 2014, and January 21, 2015

Financial Planning Policies

Balanced Budget Policy: Defines a balanced operating budget and provides for disclosure when a deviation from a balanced operating budget is planned or when it occurs.

Long Range Planning Policy: Supports a financial planning process that assesses the long term financial implications of current and proposed operating and capital budgets, budget policies, cash management and investment policies, programs and assumptions.

Asset Inventory Policy: Requires an inventory and assessment of the condition of all major capital assets. This information will be used to plan for the ongoing financial commitments required to maximize the public's benefit.

Revenue Policies

Understanding the revenue stream is essential to prudent planning. Policies should be established to recognize stable versus volatile revenues, or at best economically-sensitive revenue sources and predetermine the method to minimize the effect and thereby avoid potential service disruptions caused by revenue fluctuations.

Expenditure Policies

The expenditures of municipalities define the ongoing public service commitment. Prudent expenditure planning and accountability will ensure fiscal stability. Policies should reflect the City's desire to maximize efficiency and allocation of scarce resources.

The policies on the following pages provide the framework for the City's financial management planning and decision-making process.

Financial Planning Policies

The City makes program and service decisions and allocates scarce resources through the budget process. The mission of the budget process is to help decision makers make informed decisions about the provision of services and capital assets and to promote stakeholder participation in the process.

Balanced Budget:

Policy: The City will adopt a balanced operating budget and will provide for disclosure when a deviation from a balanced operating budget is planned or when it occurs. The City's definition of a balanced budget is current revenues, including financing proceeds plus unrestricted fund balance, exceeds or equals current year appropriations.

Status: The City's annual budget is balanced in accordance with the above defined parameters.

Policy: A calendar will be designed each year to provide the framework necessary to formulate a sound budget and allow for stakeholder participation. The calendar will be set to ensure the City complies with the Truth in Millage (TRIM) law, Chapter 200, Florida Statutes.

Status: The City's budget calendar adheres to the State TRIM law.

Policy: For each fund all reasonably expected revenues and projected beginning carryover balance will equal the budgeted expenditures and year end carryover balance.

Status: All funds budgeted include projections of annual revenues and expenditures and beginning/ending fund balances.

Policy: All funds are included in the annual budget process and incorporated in the budget document.

Status: The annual budget document includes all funds.

Policy: The City will budget at least 95 percent of the anticipated gross ad valorem proceeds which provide a discount for early tax payments. Florida Statutes, section 200.065, states each taxing authority will not utilize less than 95 percent of the taxable value.

Status: The FY 2016 budget reflects 96 percent of anticipated ad valorem revenue, in order to account for discounts and delinquent property owners.

Policy: The City will maintain a budgetary control system, including an encumbrance system to ensure adherence to the budgeted appropriations.

Status: The City uses an encumbrance system as required by the Code of Ordinances.

- Policy: Project length budgets are adopted for the Capital Improvement Projects. Appropriations for these projects will remain open and carry over to succeeding years until they are completed.
- Status: *Capital improvements budgets for general construction, 1% local option sales tax, community redevelopment area, community development block grant, sanitation and utilities remain open until complete or canceled.*
- Policy: Supplemental appropriations. If during the fiscal year the City Manager certifies that there are available for appropriation revenues in excess of those estimated in the budget, the City Council by resolution may make supplemental appropriations for the year up to the amount of such excess.
- Status: *Grant awards and capital projects from voter approved extension of 1% local option sales tax were supplemental appropriations that were made during the FY 2015 period. Prior year incomplete projects are re-appropriated.*
- Policy: Emergency appropriations. To meet a public emergency affecting life, health, property or the public peace, the City Council may by resolution make emergency appropriations. To the extent that there are no available unappropriated revenues to meet such appropriations, the City Council may by such resolution authorize the issuance of emergency notes which may be renewed from time to time, but the emergency notes and renewals of any fiscal year shall be paid not later than the last day of the fiscal year next succeeding that in which the emergency appropriation was made.
- Status: *There were no emergency appropriations necessary for the FY 2015 period. The City has not been required to implement emergency appropriations in the past 22 years due to revenue shortfalls.*
- Policy: Reduction of appropriations. If at any time during the fiscal year it appears probable to the City Manager that the revenues available will be insufficient to meet the amount appropriated, he or she shall report to the City Council without delay, indicating the estimated amount of the deficit, any remedial action taken and recommendations as to any other steps to be taken. The City Council shall then take such further action as it deems necessary to prevent or minimize any deficit and for that purpose it may by resolution reduce one or more appropriations.
- Status: *There was no need for a reduction of appropriations during FY 2015. There has not been such a need in the past 22 years.*
- Policy: Transfer of appropriations. At any time during the fiscal year the City Manager may transfer part or all of any unencumbered appropriation balance among programs within a department, office or agency and, upon written request by the City Manager, the City Council may by resolution transfer part or all of any unencumbered appropriation balance from one department, office or agency to another.
- Status: *All transfers to date have been approved at the appropriate level. Reappropriations from the previous year's budget were approved by City Council. Any uses of operating reserves were approved by City Council.*

Policy: No appropriation for bonded debt service may be reduced or transferred, and no appropriation may be reduced below any amount required by law to be appropriated or by more than the amount of the unencumbered balance thereof.

Status: *All debt service appropriations remain in compliance with legal stipulations.*

Long Range Planning:

Policy: The City will support a financial planning process that assesses the long term financial implications of current and proposed operating and capital budgets, budget policies, cash management and investment policies, programs and assumptions.

Status: *This is an ongoing process of which the City will continue to adhere.*

Policy: The City will prepare multi-year fiscal forecasts for all of its major funds.

Status: *Multi-year fiscal forecasts are prepared for all major fund groups and delineated in the Long Range Financial Plan, Annual Budget and updated periodically throughout the fiscal year.*

Policy: The City will maintain a prudent cash management and investment program in order to meet daily cash requirements, increase funds available for investment and earn maximum rates of return on invested funds commensurate with appropriate security and the approved investment policy.

Status: *On September 5, 2001, the City adopted an Investment Policy in accordance with guidelines developed by the State of Florida. The City's cash management and investment program complies with such policies.*

Policy: The City will follow its adopted investment/portfolio policy when handling public funds.

Status: *As stated above, the City complies with guidelines in its Investment Policy.*

Policy: The City will pool cash from each fund for investment purposes.

Status: *The City pools cash for optimum tracking as well as investment purposes.*

Policy: On a monthly basis the Finance Department will prepare a Schedule of Investments report that details the amounts and types of U. S. Government securities, the amounts invested with the Local Government Surplus Trust Funds Investment Pool (LGSTFIP) and the amount in the interest earning checking account. The schedule will include the interest rate, market value, purchase date and maturity date.

Status: *The above schedules are prepared on a monthly basis and distributed to elected officials and available on the City's website for viewing by the community at large.*

Asset Inventory:

Policy: The City will inventory and assess the condition of all major capital assets. This information will be used to plan for the ongoing financial commitments required to maximize the public's benefit.

Status: *The asset inventory is conducted on an annual basis which coincides with the annual audit. Assets are purchased in compliance with the budget process, and records are maintained within the Finance Department. Asset write-offs are approved by the affected Department Director.*

Policy: The review of capital assets will assess the need for and condition of these assets. This review is an important component of an overall evaluation of community needs and priorities. This review will also focus on the impact of deferred maintenance, funding issues and legal or regulatory changes.

Status: *The inventory and review process assists the various departments as to age, condition, availability and quantity of their equipment. This review helps during the budget process.*

Policy: The City will annually prepare a 5 year capital outlay plan for replacement of existing capital outlay, based on an assessment of identified criteria including safety, efficiency and end of life.

Status: *Each Fund has a detailed 5 year capital outlay plan included in the budget document*

Policy: The City shall encourage Charlotte County participation in the funding of the capital improvements that jointly serve both City and Charlotte County residents.

Status: *The City has and will continue to work with the County on any joint capital improvement needs. The most recent joint capital improvement project was Aqui Esta road improvements.*

Policy: The City will stay abreast of developments that may affect the major capital assets, such as regulatory changes, population movements or technological advances, and consider the impact of these issues in the goal setting process.

Status: *The above review takes place during the annual inventory audit and annual budget preparation.*

Policy: Capital projects will be budgeted in the General Construction Fund or the Utility Construction Fund as needed. 1% Local Option Sales Tax capital projects will be budgeted in the 1% Local Option Sales Tax Fund. CRA capital projects will be budgeted in the CRA budget. CDBG capital projects will be budgeted in the CDBG Fund.

Status: *The annual budget reflects capital improvements projects within their respective fund groups as denoted above.*

Policy: Equipment that has a cost basis in excess of State of Florida statutory minimums will be assigned a fixed asset number and tagged to identify the equipment as property of the City.

Status: *The State statutory minimum is currently \$1,000. The City tags its fixed assets at this rate in compliance with the statutory minimum.*

Policy: City departments and divisions will be provided a list of equipment to perform an inventory check on an annual basis. Variances from the inventory list will be reported and the fixed asset inventory records will be updated.

Status: *The fixed asset inventory check is done at the end of each fiscal year, which is September 30. Variances are signed off by Department Directors.*

Policy: The Procurement Division shall have the power to sell or dispose of obsolete and surplus property by public auction, competitive sealed bidding, trade-in, or other appropriate methods in conformance with any applicable state law. No employee of the department having direct control of the commodities or handling the disposition of the commodities shall be entitled to purchase such commodities. No other City employee shall be allowed to purchase obsolete or surplus property except through a competitive bid process or public auction.

Status: *The City adheres to this policy for all disposed items.*

Revenue Policies

An understanding of the revenue stream is essential to prudent financial planning. Most of these policies seek stability to avoid potential service disruptions caused by revenue shortfalls.

Policy: The City will estimate its annual revenues by objective and analytical processes. The budget document will include documentation of major revenue sources.

Status: *The analytical review of revenues uses 10 year historical data for various revenue sources and projected economic indicators. Use of both historical trends and economic indicators enhances reliability in revenue estimation.*

Policy: The City shall maintain a diversified revenue system to the extent provided by Florida Statutes, in order to insulate it from short term fluctuations from any one revenue source.

Status: *The FY 2016 revenue structure (all funds) is as follows:*

<i>Service Charges, Fines & Forfeitures</i>	<i>28%</i>
<i>Intergovernmental</i>	<i>8%</i>
<i>Ad Valorem Taxes</i>	<i>10%</i>
<i>Permits, Fees & Assessments</i>	<i>9%</i>
<i>Other Taxes</i>	<i>5%</i>
<i>Miscellaneous</i>	<i>5%</i>
<i>Carryover, Financing & Transfers</i>	<i>35%</i>

As shown, the City's revenue system is quite diverse and does not rely on any one revenue source to fund its overall operations.

- Policy:** The City will analyze and prepare monthly reports that compare the budget with actual revenues for major funds. The reports will monitor progress toward the planned revenue goals. Significant changes may be uncovered in advance, permitting action to avoid a crisis.
- Status:** *Monthly financial reports for major funds are prepared and distributed to elected officials and available on the City's website for public viewing. The reports include budget vs. actual revenues and expenditures and identification of trends that denote any projected revenue variances or extraordinary expenses.*
- Policy:** The City discourages the use of one time revenues to fund ongoing expenditures.
- Status:** *One time revenues such as sale of property, equipment and/or capital grants are used to finance capital projects and/or purchase of equipment. FY 2015 supplemental appropriations included use of Fund Balances.*
- Policy:** Grants should be actively pursued. All costs of grant requirements will be analyzed and presented with the proposal for City Council consideration. Revenues will be budgeted for current grants. The budget will be amended for new grants upon award.
- Status:** *Grants are pursued by all of the City's departments. The City has received and/or been awarded \$1.3 million (FY 2015) and \$0.1 million (FY 2016) in grant monies to fund such projects as flooding mitigation, park development, streetscape, boating-related facilities, police equipment, and utility related uses. The five year Capital Improvement Program identifies several pending capital grants. In addition to the above, the City is now Host for the Charlotte Harbor National Estuary Program (CHNEP). Their funding is all grants from Federal, State and Local Sources in the amount of \$1.1 million (FY 2015) and \$0.9 million (FY 2016).*
- Policy:** Sometimes governmental services are provided on credit. Properly documented controls over revenues are imperative in accounts receivable management. Timely efforts should be made to pursue the collection of delinquent accounts by the department generating the receivable.
- Status:** *The City has implemented a variety of measures to collect monies owed, including lien powers, debt collection agency, code enforcement and utility turn off.*
- Policy:** Adjustments to account receivables must be properly documented using internal controls that include segregation of duties and supervisory review. Upon any suspicion of fraud, management should be notified in a timely manner.
- Status:** *Internal controls over accounts receivable are in place. Suspicion of fraud or other malfeasance are brought to management and if necessary Police Department's attention, although these actions have not been necessary.*
- Policy:** The use of revenues which have been pledged to bondholders will conform to the bond covenants which commit those revenues.
- Status:** *Currently there are no outstanding bond issues.*

Policy: The City will recalculate the full cost of activities supported by user fees to identify the impact of inflation and other cost increases and will revise user fees upon approval of the City Council.

Status: *Fee changes are initiated through the ordinance process and, as such, are reviewed and approved by City Council through public hearings. Based on the results of the consulting firm hired to analyze water and wastewater user fees and impact fees, modifications to the utilities rate structure and changes to impact fees are proposed and pending approval and after public hearing, will be implemented in FY 2016. Recycling fees for Sanitation are increasing due to contract changes. User fees in the City's enterprise funds are established to pay for ongoing operations and adjusted accordingly.*

Policy: All revenues, which are reasonably expected to be unexpended and unencumbered at the end of the fiscal year, will be anticipated as "projected carryover ending" and budgeted accordingly for the following fiscal year.

Status: *Projected carryover balances are budgeted within the City's fund groups. Staff completes a review of purchase orders, accounts receivable and final personnel/operating expenses prior to reaching a fund balance projection.*

Expenditure Policies

The expenditures of municipalities define an ongoing public service commitment. Prudent expenditure planning and accountability will ensure fiscal stability.

Debt Management:

Policy: A significant portion of a City's capacity to influence and/or encourage economic development can be measured by the adequacy of its infrastructure and its capacity to support growth.

Status: *The City maintains a five year capital improvements program that prioritizes investment in its infrastructure necessary to support growth and economic development. The City's water & wastewater plants have sufficient capacity to support projected growth in the 10 year plan, and the road network and parks facilities sufficiently accommodate demand. At the request of citizens, City Council is pursuing improving the water quality through construction of a Reverse Osmosis Plant.*

Policy: The City will seek to maintain high bond ratings to minimize borrowing costs and preserve access to credit.

Status: *As part of the 2015 Long Range Financial Plan, the City undertook a review of its economic condition and outlook, financial position and performance, debt profile and management in relation to credit rating agency criteria. The City utilizes a five year proforma to quantify the effects of current decisions on future financial condition.*

- Policy: Whenever possible the City will use revenue bonds instead of general obligation bonds.
- Status: *The City does not have any outstanding general obligation bonds, nor does it have any plans to undertake such a process. All debt outstanding is in the form of revenue or tax increment financing to be retired with the use of utility user fees, community redevelopment area tax proceeds and 1% sales tax monies.*
- Policy: The term of any bonds, notes or leases shall not exceed the useful life of the asset being financed.
- Status: *All debt outstanding does not extend beyond the useful life of the asset.*
- Policy: The City shall not issue notes or bonds for non-capital items.
- Status: *The City does not issue notes or bonds for its operations.*
- Policy: If cost effective, the City will purchase private bond insurance at the time of issuance.
- Status: *When the City is in the midst of bond issuance, a price to benefit calculation is made to see if bond insurance is cost effective to produce a higher rating and reduced interest rate.*
- Policy: The City will analyze its existing debt to take advantage of changing market conditions and to minimize future costs.
- Status: *The City monitors market conditions and undertakes refinancing/refunding opportunities where feasible. CRA loans for Laishley Park and Herald Court Centre were refinanced with a lower interest rate in FY 2013.*
- Policy: The City will maintain an adequate debt service fund regarding each issue and budget for the annual payment of principal and interest.
- Status: *The annual budget includes a debt service fund, schedule of debt outstanding and a five year projection of debt service payments. The fund includes sufficient monies to pay all principal and interest obligations as required by loan agreements.*

Reserve or Stabilization Accounts:

- Policy: The City will strive to follow the Government Finance Officers Association (GFOA) recommendation for a minimum level of unrestricted fund balance for the following major operation funds: General Fund, Utilities OM&R Fund, Sanitation Fund, Building Fund, and Marina Fund. The GFOA states the unrestricted fund balance for the General Fund should be a minimum of 2 months of operating expenditures.
- Status: *Based on GFOA recommended best practice, the City's unrestricted fund balance in the General Fund should be 16.7% of operating expenditures. The September 30, 2016 unrestricted fund balance is projected to be \$2.1 million or 12% of budgeted general fund operating expenditures. It is the City Council's intention to continue increasing the minimum reserve as the improving economy allows.*

Policy: The City will use Governmental Accounting Standards Board (GASB) Statement #54 definitions for the five classifications of fund balance for governmental fund types. These are non-spendable, restricted, committed, assigned and unassigned.

Status: *Under the GASB definition the City’s General Fund balance is categorized as: **non-spendable**- including prepaid expenses and inventories; **restricted**- including outside parties, grants and bond agreements; **committed**- including requirements established by city ordinance prior to end of fiscal year (there are none currently); **assigned**- intended use established by council, including appropriated reserves used to balance the subsequent year’s budget, purchase order rollovers and reappropriations for incomplete projects from prior fiscal year; and **unassigned**- which is all other general fund balance. The latter three comprise the GFOA defined **unrestricted fund balance**, and is the amount which is to be used to verify the calculation of the 16.7% of operating expenditures. Operating expenditures include personnel, operations, contingency and capital outlay.*

Policy: An adequate level of unrestricted fund balance will be maintained as working capital to support operations until sufficient current revenues (taxes) are received.

Status: *The City has not needed to issue tax or revenue anticipation notes to support operations until sufficient current revenue is generated. Sufficient cash balances are maintained to support operations throughout the year.*

Policy: The City should have a prudent level of unrestricted fund balance to protect against the need to reduce service levels or raise taxes and fees due to temporary revenue shortfalls or unexpected one time expenditures.

Status: *Generally, the unrestricted fund balance is limited to use within its own fund and/or for specific types of expenditures. The collective reserve level is sufficient to cover for any temporary revenue shortfalls or unexpected expenses. Of the \$2.1 million General Fund unrestricted fund balance, \$0.3 million is assigned to reducing the FY 2017 projected shortfall and \$0.3 million is assigned to the fleet/equipment reserve.*

	FY 2016 Budgeted Expenditures	9/30/16 Budgeted Unrestricted Fund Balance	% of Unrestricted Fund Balance to Expenditures
General Fund	\$18,003,350	\$2,095,922	12%
PGI Canal Maint Fund	2,684,600	512,297	19%
BSI Canal Maint Fund	441,832	88,899	20%
Park Impact Fees Fund	130,000	54,506	42%
Transportation Impact Fees Fund	35,000	10,897	31%
CRA Fund	1,603,090	1,299,360	81%
Damage Recovery Fund	134,000	406,584	303%
Addn'l Five Cent Gas Tax Fund	721,000	16,117	2%
Six Cent Gas Tax Fund	784,480	203,641	26%
Charlotte Harbor National Estuary Prog	915,790	59,970	7%
Utilities OM&R Fund	15,601,524	5,056,248	32%
Water System Capacity Escrow Fund	1,050,000	142,338	14%
Sewer System Capacity Escrow Fund	360,573	786,926	218%
Sanitation Fund	3,946,752	511,846	13%
Building Code Fund	769,431	750,547	98%
Laishley Park Marina Fund	368,765	149,346	40%

Policy: An adequate level of unrestricted fund balance will be maintained so credit rating agencies will recognize the City is in sound financial condition when they evaluate the City's credit worthiness.

Status: *As noted previously, the collective reserve level is adequate to support the City's sound financial condition.*

Policy: For the General Fund, and all other operating funds, except the Utilities Fund, the City requires an unassigned fund balance minimum of 6.5% of total fund expenditures. Council intends to reach a 16.7% unassigned fund balance minimum. Each year, as the economy improvement allows, the City will increase the minimum by 0.5%.

Status: *For the fiscal year ended September 30, 2015, the General Fund's unassigned balance is projected to be \$1,380,922. Projected for the fiscal year ended September 30, 2016, the City's operating funds, except the Utilities Funds, meets the established unassigned fund balance minimum. The General Fund unassigned balance is \$1,319,922, 7.3% of total general fund expenditures.*

Policy: For the Utilities Fund, the City will maintain an unassigned fund balance minimum of at least \$3.1 million.

Status: *For the fiscal year ended September 30, 2015, the City's Utilities O, M & R Fund unassigned balance is projected to be \$3,665,140.*

Policy: For the Utilities Fund, for protection of infrastructure, a renewal and replacement reserve of \$1,500,000 will continue for unforeseen major line breaks and equipment failures.

Status: *This reserve has been maintained.*

Policy: The Utilities Fund, for protection of infrastructure, will cash fund \$1,120,000 annually for recurring line and lift station renewal and replacements as identified in the five year capital improvement plan.

Status: *The Utilities Fund has budgeted to cash fund \$1,120,000 the recurring line and lift station renewal and replacements for FY 2016 and will continue to in the future.*

Policy: The City will provide a Capital Outlay Reserve (COR) for each of the major funds based on the 5 year capital outlay program needs, and will fund the average annualized 5 year need, in order to provide a stabilized funding plan.

Status: *The City Council has established a COR for the General Fund, Utilities Fund, Sanitation Fund, and Building Fund.*

Policy: The Canal Maintenance Districts will fund replacement of seawalls to allow for adequate linear footage replacement based on existing analysis.

Status: *Burnt Store Isles Canal Maintenance District has established a Seawall Replacement Reserve, beginning with the FY 2016. The funding is set at \$45,000 annually and will be reevaluated as costs per linear foot increase, and area for staging are depleted. Punta Gorda Isles Canal Maintenance District has set an annual 3% increase multiplier in the line item funding for seawall replacement in the 5 year proforma, and beginning with the FY 2016 budget, in anticipation of increased costs has increased the assessment accordingly to adequately fund.*

Policy: The City will not permit a deteriorating financial condition as described by the Florida Auditor General and Florida Statutes section 218.503 that would result in an audit management letter finding.

Status: *Florida Statutes identify a number of items that can trigger the State described indicator of deteriorating financial conditions. The City is in compliance with all of those indicators thereby avoiding a finding of deteriorating financial condition.*

Policy: The City will monitor financial indicator trends. We will follow the Florida Auditor General Financial Condition Assessment Procedures.

Status: *The City monitors financial indicators, as recommended by the Auditor General, as part of its annual budget process. These trends are discussed as well with the City's external auditor each year during the audit process.*

Policy: Annually the City will appropriate a contingency line item in funds where deemed necessary to provide for unanticipated expenditures of a nonrecurring nature or to meet small increases in service delivery costs.

Status: *Two of the City's larger funds, General and Utilities, have contingency accounts set aside for unanticipated emergencies or small increases in service delivery. The City does not foresee a need to supplement fund balances with a budgeted contingency in its smaller funds.*

Policy: All projected beginning and ending fund balances will be presented in the annual budget.

Status: *The annual budget includes all fund balance projections within each fund.*

Operating/Capital Expenditure Accountability:

Policy: Governmental Funds are accounted for in accordance with Generally Accepted Accounting Principles (GAAP). Expenditures are recorded when the services or goods are received and the liabilities incurred. All proprietary funds use the accrual basis of accounting and expenses are recognized when they are incurred.

Status: *Governmental Funds are defined as the general fund, special revenue funds, debt service funds, capital projects funds, and permanent funds. Proprietary Funds are enterprise funds and internal service funds. The City follows GAAP in its accounting function.*

Policy: The City Manager will present a balanced budget. Essential services will receive first priority for funding. The City will identify low priority services for reduction or elimination, if necessary, before essential services.

Status: In compliance with State law, the City Manager presents and the City adopts a balanced budget each year. Budget alternatives which identify service level cost reduction options as well as costs associated with any service level enhancements are presented to City Council in April of each year and updated, as requested, during the period May through September as part of the annual budget process.

Policy: The budget will provide for adequate maintenance and repair of capital plant and equipment and for their orderly replacement.

Status: The City provides adequate funding for repair and maintenance of its capital assets as well as implements a structured program for replacement.

Policy: The budget will consider the cost effect on the operating budget from additional capital items and program.

Status: An integral part of the five year capital improvements program is the impact on operating budget calculations for each project included in the program. In this manner, the City fully understands future operating budget implications prior to initiation of planned capital improvements.

Policy: The budget will provide sufficient funding to cover annual debt retirement.

Status: Debt service coverage is a requirement of our lenders, and the City provides sufficient coverage as required by loan agreements.

Policy: The City will analyze and prepare monthly reports that compare the budget with actual expenditures for major funds. The reports will monitor progress toward the budgeted appropriations. Significant changes may be uncovered in advance, permitting action to avoid a crisis.

Status: Monthly financial reports are prepared as required by the City's Code of Ordinances. These reports are provided to elected officials and available for viewing by the community at large.

Policy: Enterprise fund operations shall be self-supporting and shall pay administrative charges to the General Fund for administrative support.

Status: Enterprise funds are Proprietary Funds as defined and, as such, are self-supported by user fee charges. Each enterprise fund pays an administrative charge to the General Fund for support provided based on an annual review of such administrative expenses. In the FY 2016 budget, the following administrative charges are included within the enterprise funds: Utilities \$2,074,690, Sanitation \$339,415, Building \$86,830, Laishley Marina \$32,305.

Policy: The City will prepare a five year Capital Improvement Program (CIP) as part of the annual budget process. Coordination of the CIP budget with the operating budget will ensure that all funding considerations are made. The CIP details major infrastructure type improvements and construction projects. Capital items of an operating nature such as automobiles or personal computers are budgeted in each operating department budget.

Status: *The City prepares a five year CIP on an annual basis. Project detail includes a description of planned improvements, estimated cost, financing sources, project status, impact on operating budget and project area map, if applicable.*

Policy: The City will adopt the first year of a multi-year plan for capital improvements, update it annually and make every attempt to complete all capital improvements in accordance with the plan.

Status: *The City adheres to the policy with the understanding that planned capital projects may be delayed due to delays in permitting, environmental conditions, bidding and/or re-prioritization by elected officials.*

Section 3: Identification of City Programs and Costs of Service

This section identifies City programs and services by department as well as costs of service for each program as established in FY 2016 budget. In this manner, the organization and community can evaluate services delivered, costs associated with those services and priorities to be incorporated in future spending plans.

CITY ADMINISTRATION

City Manager

City Administration

- Manage office divisions (Human Resources, Information Technology & Urban Design) and provide leadership role over departments of Finance, Police, Fire, Public Works & Utilities

Community Outreach

- Weekly Highlights Report, Information Sharing Reports, Action Register and Citizens Academy
- Community presentations/participation before/on boards & committees, community agencies, intergovernmental organizations

Agenda Management

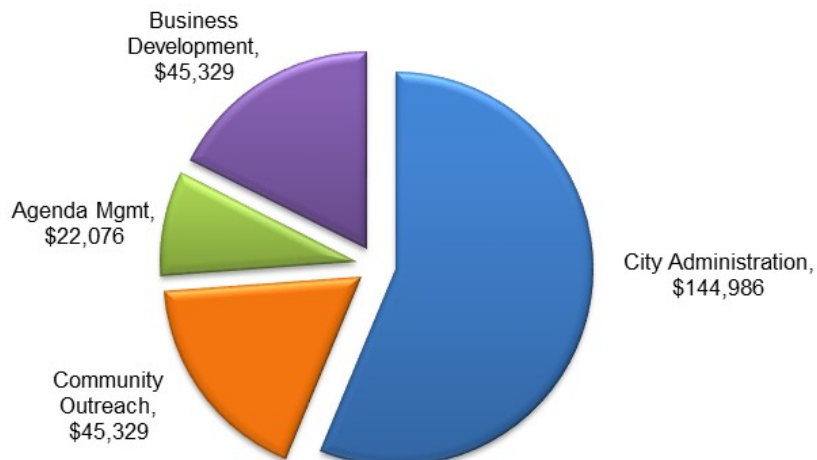
- Development & review of agendas for City Council, Community Redevelopment Agency, joint City/County meetings and special workshops

Business Development

- Incentive programs, review of codes & regulations, response to requests from private sector for assistance, recruitment & retention

Total City Manager

\$ 257,720



Information Technology

Help Desk

- Phone sets, PCs/laptops and peripherals and desktop applications

System Administration – Hardware

- Windows Server System, AS400 System and network infrastructure administration, Network Security, Disaster Recovery

System Administration – Applications

- Sungard Core (H.T.E. and OSSI) and other network applications (i.e. OptiSpool, Tokay Blackflow Prevention, Digital Ally, NovusAGENDA, etc.); systems analysis; application security; and report writing

Web Hosting

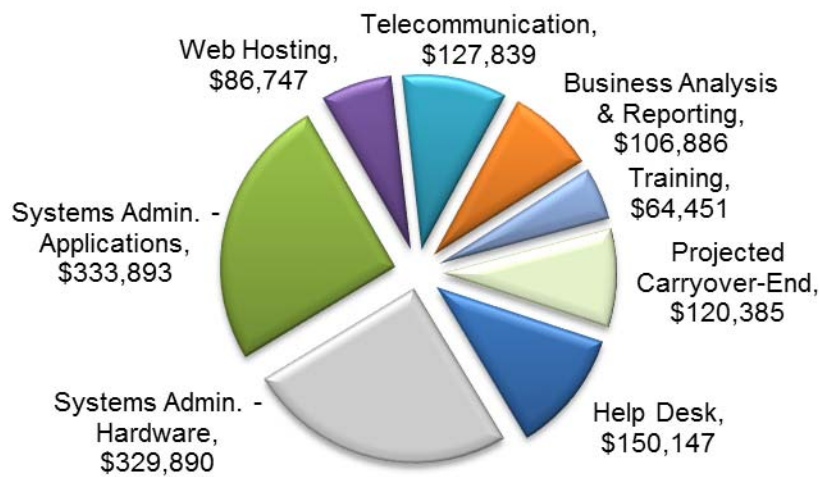
- City Website maintenance, Click2Gov applications, and Public Records Search Citizen Portal

Telecommunications

- Installation, configuration and support of Nortel and Cisco phone systems and voice circuits

Total Information Technology

\$1,320,238

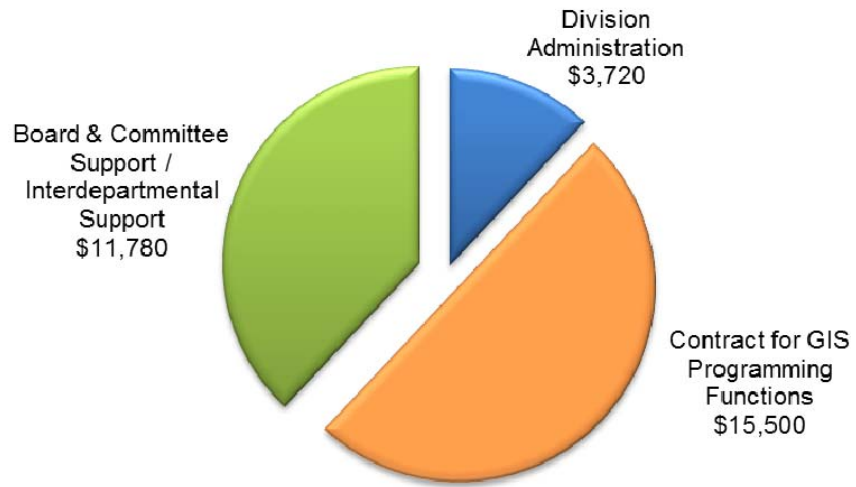


GIS

Department/Division Administration
City/County coordination of GIS Functions
Board and Committee / Interdepartmental Support

Total GIS

\$ 31,000



Legal

Administration

- Oversee outside legal counsel, Civil response & filings (bankruptcies, foreclosures, tax deeds, liens & real estate transactions)
- Draft and review ordinances, resolutions, agreements/contracts, easements and other legal documents

City Attorney Services

- Legal Research & Opinions and City Code Review
- Agenda review and representation at City Council/CRA meetings
- Prosecution of Code Enforcement and Building cases

Labor Attorney Services

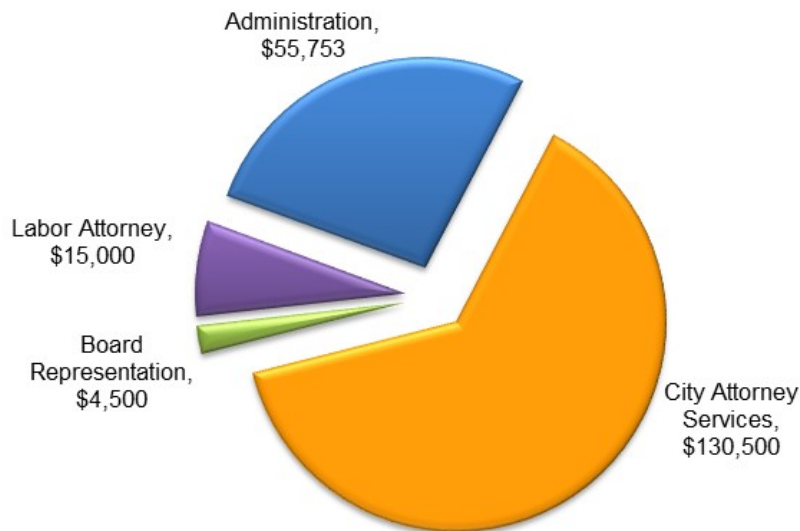
- Legal Research & Opinions; representation

Board Representation

- Agenda review & attend Code Enforcement Board and Building Board (as needed only)

Total Legal

\$ 205,753



Human Resources

Employment Administration

- Equal Employment Opportunity; Recruiting, Pre-Employment & Orientation; Employee Pay; Performance Evaluation; Benefits; Separation, post-separation, and retirement; Policy Development

Records Management

- Records storage & updates and Public records processing

Labor Relations

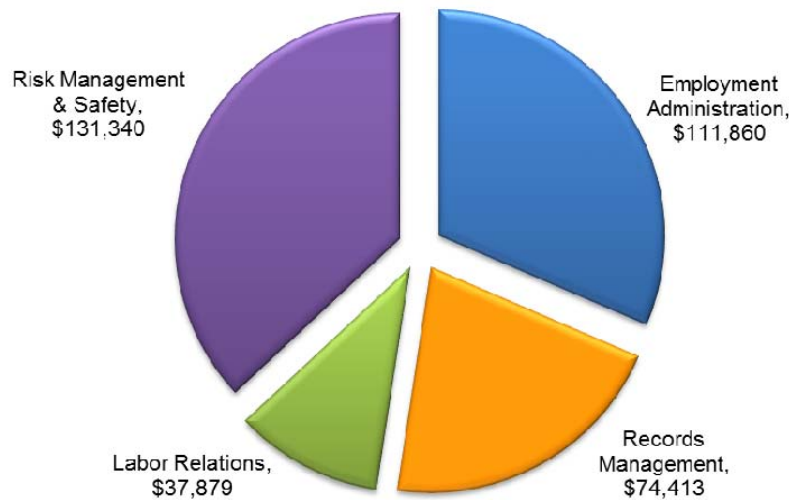
- Surveys and Research, Negotiation, Legal compliance and Contract administration

Risk Management and Safety

- Employment Legal Compliance; Drug Free Workplace compliance; Insurance management; Claims Processing; Liability Litigation Management and Coordination

Total Human Resources

\$ 355,492



CITY CLERK

Financial Management

- Local Business Tax Receipts, Cashiering, Invoicing, Auto Tags/Titles

Records Management

- Public Records Requests, Research, Contracts, Deeds, Easements, Ordinances & Resolutions, Agenda Packets/Minutes, Public Hearing Files, Reference Library, Compliance with State Requirements, Attesting & Recording of Documents

Meeting Management

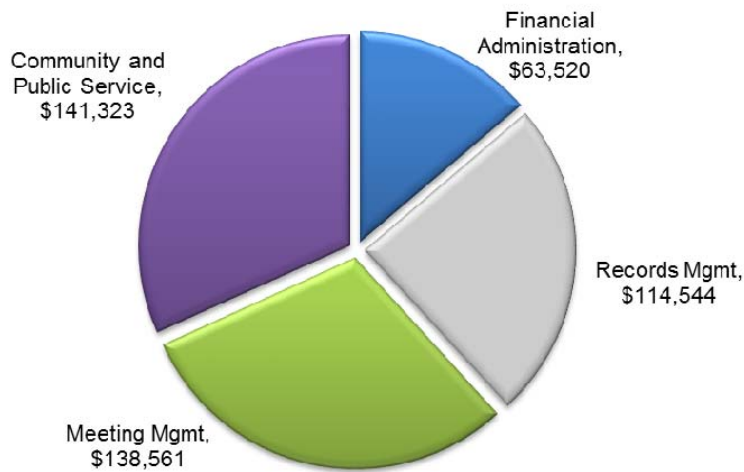
- Boards/Committees, City Council/CRA, Web Posting (Agendas & Minutes), Coordination of Video Taping/Airing

Community/Public Service

- Council Calendars/Correspondence, Telephone Inquiries, City Elections, Domestic Partnership Registry, Legal Ads/Notifications, Notary Services, Citywide Mail

Total City Clerk

\$ 457,948



FINANCE

Finance Division

Accounting & Auditing

- Journal entries, daily transactions, audit preparation and reconciliation, Capital asset accounting, Grant accounting, Project accounting, Internal control

Financial Reporting & Management

- Preparation of the Comprehensive Annual Financial Report (CAFR); Federal, State, pension, and grant reporting; Monthly financial reporting; and Surveys
- Administration of Billing and Collections, Procurement and Finance

Payments & Receipts

- Revenue receipting, Cash disbursements, Monthly bank reconciliations and cash management.

Payroll & Benefit Management

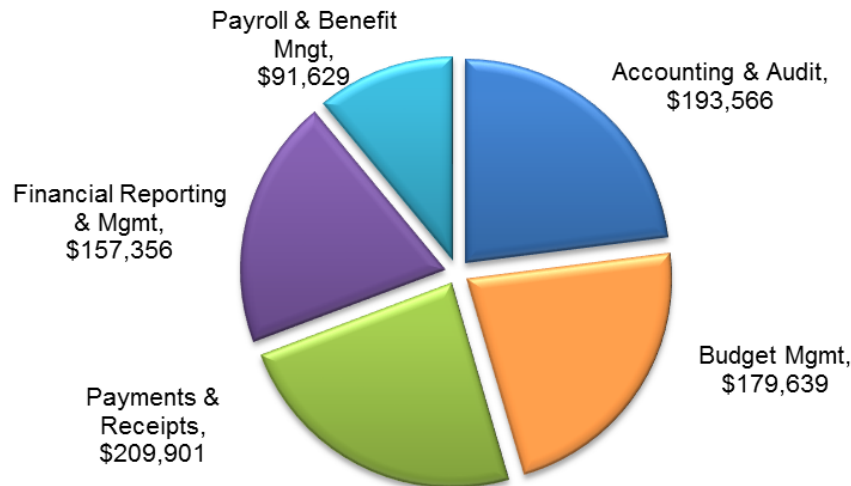
- Employee payroll processing; Federal & State payroll reporting; Payroll related benefit payments

Budget Management

- Preparation of annual operating budget & Capital Improvements Program (CIP); Budgetary internal control and analysis; financial forecasts/planning
- Special Assessment District oversight

Total Finance Division

\$ 832,091



Procurement

Purchasing

- Solicitations, Purchase Orders, Receiving, Reconciliation/PO Changes and Auditing of invoices.

Contract Management

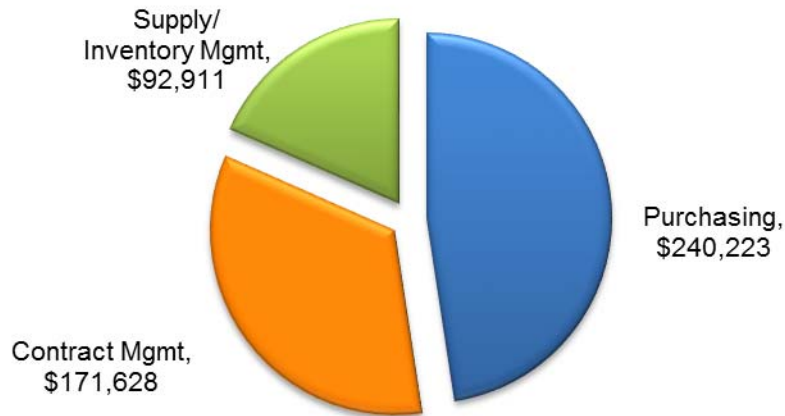
- Managing construction, consulting & term contracts; Insurance; Renewals; Change orders/Amendments; Pay Approvals

Supply/Inventory Management

- Warehouse, Cell Phones, Fuel
- Coordinate disposal of surplus/obsolete; Conduct and manage auctions; Reconcile and reporting

Total Procurement

\$ 504,762



Billing and Collections (Utilities Fund)

Manage Utilities Meter Accounts

- Phone calls, emails, in person, fax; Process account changes and correspondence; Work orders per customer requests; Delinquent notices and service shut off lists

Utilities and Sanitation Billing

- Meter reading data transfers; Re-read work orders and read generated letters; and Bills for mailing and deliver to Post Office
- Coordinate lot mowing assessment accounts with County and City personnel. Maintain records on exempt and permitted properties. Process individual billings and payments for properties not billed on tax bill.

Accounts Receivable

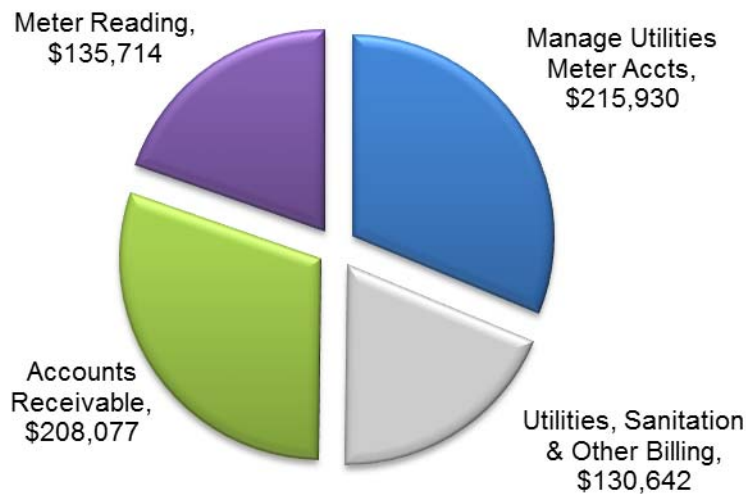
- Accept and process payments; Call customers for payment prior to shut off; Process liens and releases; and Follow up on bankruptcy requirements

Manage Meter Reading Contract

- Track all work done by meter reading contract vendor to provide and verify amounts for invoicing.
- Daily communication with vendor via phone calls and emails regarding contract performance questions and deficiencies.

Total Billing and Collections

\$ 690,363



PUBLIC WORKS

Administration

Department Management

- Manage office divisions (Engineering, Facilities Maintenance, Right-of-Way, Parks & Grounds, Canal Maintenance & Sanitation)

Customer Service

- Work orders for road maintenance, swale improvements, seawall problems & sanitation pickups; and Public information

Sanitation Customer Service

- Work orders for sanitation pickups and service changes

Agenda Management

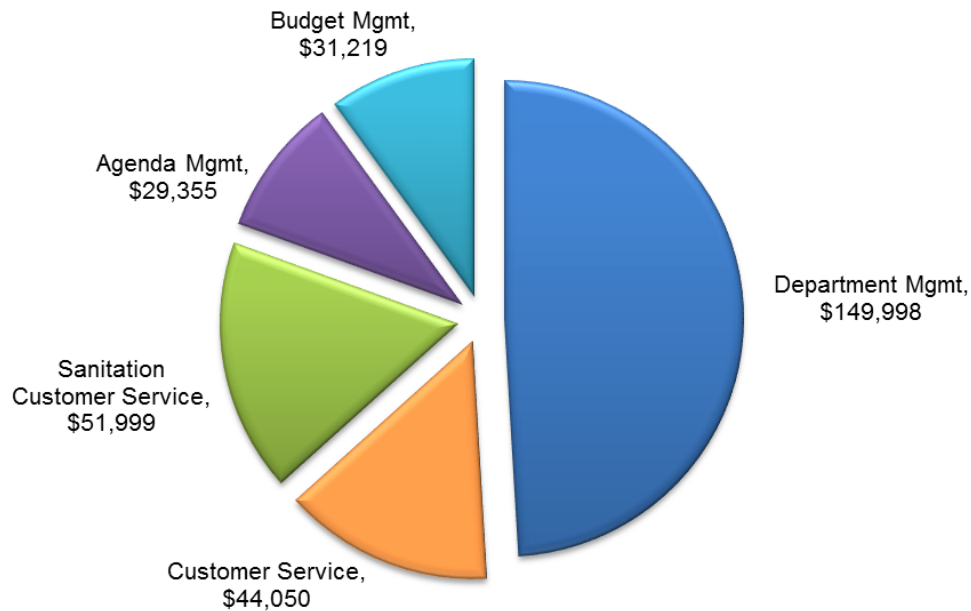
- Development of agendas for City Council, Burnt Store Isles & Punta Gorda Isles Canal Advisory Committees

Budget Management

- Prepare & oversee department budgets

Total Public Works Administration

\$ 306,621



Engineering

Project Management

- Oversee consultant designs and contractor work

Permitting & Development Review Committee (DRC)

- Building permit swale inspections and DRC

Agency Coordination

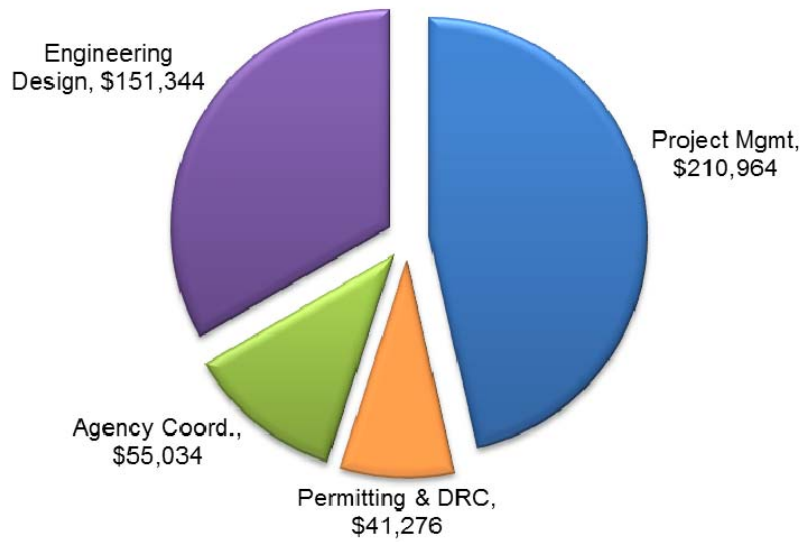
- Coordinate with various agencies: FDOT, FDEP, SWFWMD, Army Corps, Charlotte County, MPO, others

Engineering Design

- In-house work: sidewalks, roadways, drainage, parks

Total Engineering

\$ 458,618



Facilities Maintenance

Maintenance - City Buildings

- Electric, janitorial, lights, plumbing, cleaning

Communications Testing

Contract Administration

- A/C, Pest Control, UPS, Emergency Generators

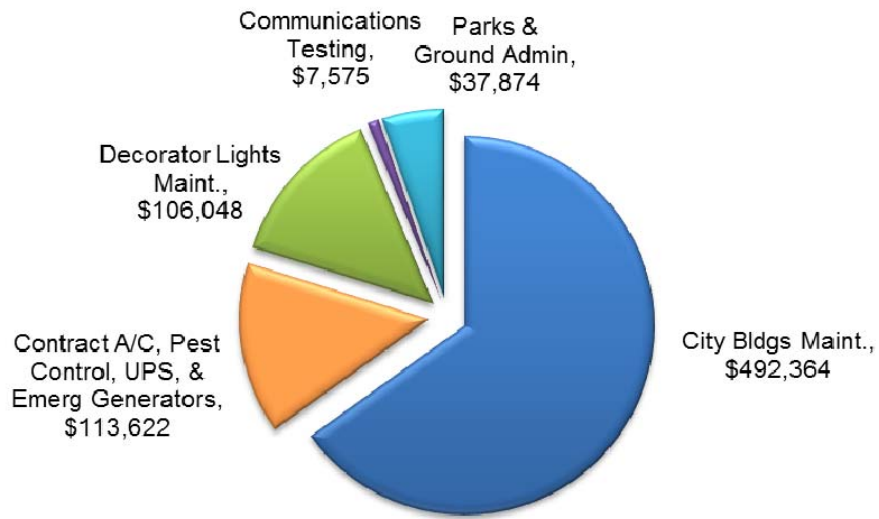
Decorator Lights Maintenance

Parks & Grounds Administration

- Supervision; Coordination of project scheduling & task assignments

Total Facilities Maintenance

\$ 757,483



Right-of-Way (General Fund)

Streets

- Signing, Striping, Signals, Street Lighting, Bridge Maintenance, Railroad Crossing Maintenance and Road Patching

Mowing & Drainage Maintenance

- Pipe Cleaning & Replacement, Basin Maintenance, Swale Grading & Mowing. .

New Construction

- Parking Lots, On Street Parking, Other Specialty Projects

Sidewalks/Trails

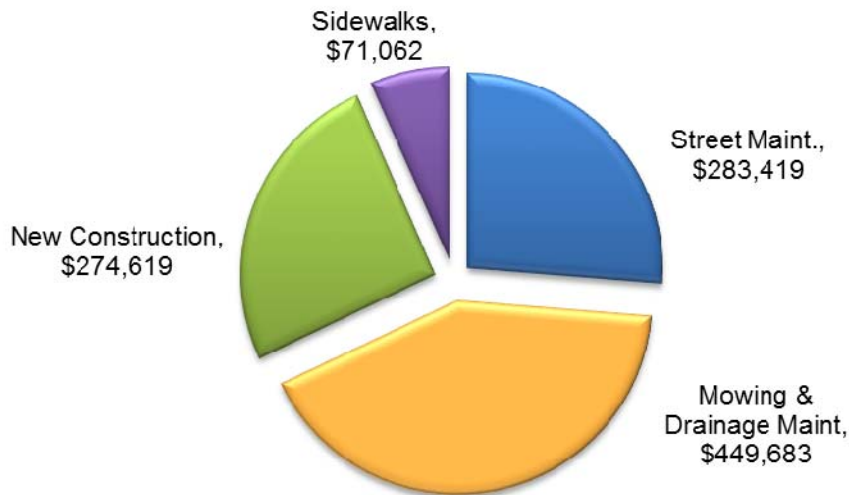
- Sidewalks and Trails

Traffic Counters

- Traffic counts two times per year (furnished to Property Appraiser, County, FDOT & others)

Total Right-of-Way (General Fund)

\$1,078,783



Right-of-Way (5 Cents Gas Tax)

Paving

Rejuvenation

Micropaving

Total Right-of-Way (5 Cents Gas Tax)

\$ 737,117

Right-of-Way (6 Cents Gas Tax)

Streets

Drainage Maintenance

Sidewalks/Trails

Total Right-of-Way (6 Cents Gas Tax)

\$ 988,121

* Graph for total of all street maintenance can be found on page 17

Parks & Grounds

Parks Maintenance

- General maintenance, mowing, fertilizing, pest control, sprinkler repairs, landscaping

City Properties Maintenance

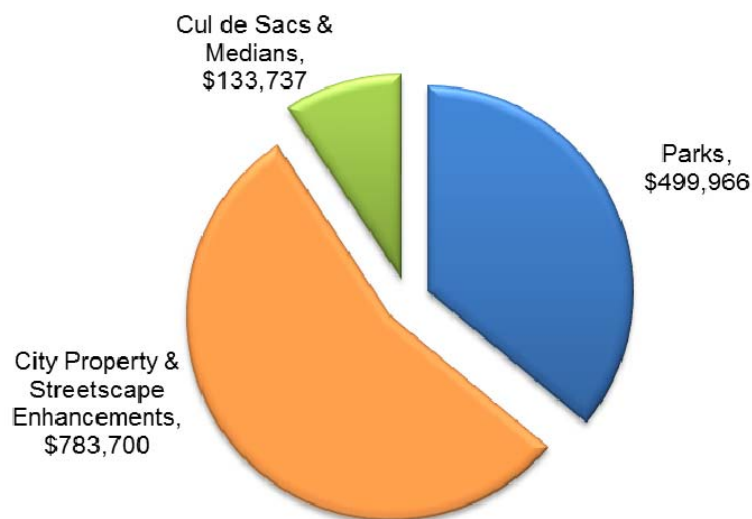
- Streetscape, landscaping, fertilizing, tree trimming, sprinkler repairs & installation, tree planting, Christmas tree set-up & holiday decorating

Cul-de-Sacs & Medians

- Supply of trees, mulch, fertilizer & pest control; Weed spraying, irrigation maintenance & cleaning

Total Parks & Grounds

\$1,417,403



Sanitation

Residential

- Collects refuse from approximately 11,100 residential customers.

Commercial

- Performs approximately 650 services on commercial accounts.

Yardwaste

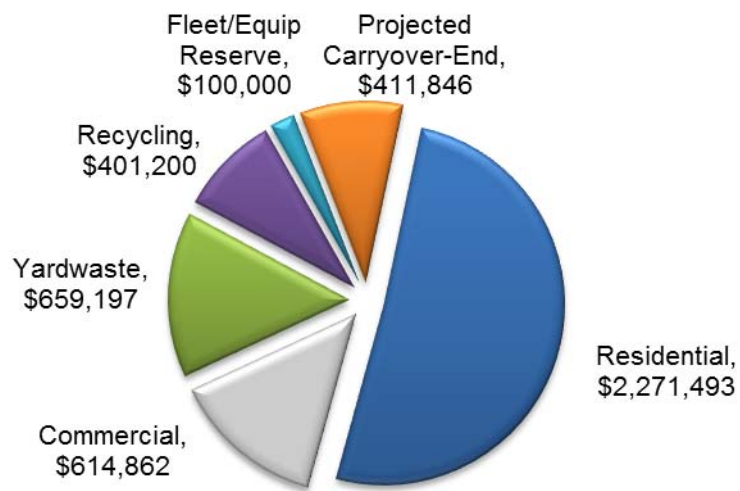
- One a week pickup plus special callouts.

Recycling

- Recycling program using a 48 gallon “single stream” cart program with once a week pickup—Approximately 4,830 tons are diverted from the waste stream annually.

Total Sanitation

\$4,458,598



Punta Gorda Isles Canal Maintenance

PGI Contract Management

- Oversee contractor doing, seawalls, caps, dredging, rip-rap, marker replacement & mangrove trimming.
- Manage billing approval and budgets for the PGI Canal Maintenance District

Sinkholes

- Filling of holes along the backside of seawall cap with shell material

Cap replacement

- Replacement of the top portion of a seawall cap

Wall Replacement

- Seawall replacement and pouring of new seawall slabs.

Inspection

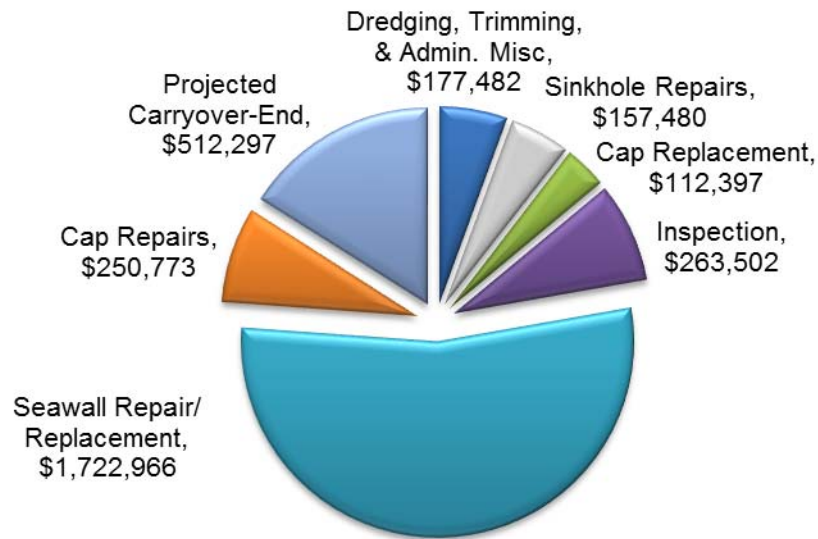
- Seawall inspection, Inspection of canal depths and channel markers

Cap Repair & Miscellaneous

- Repair of seawall cap, removal of debris and replacement of channel markers

Total PGI Canal Maintenance

\$3,196,897



Burnt Store Isles Canal Maintenance

BSI Contract Management

- Oversee contractor doing, seawalls, caps, dredging, rip-rap, marker replacement & mangrove trimming.
- Manage the billing approval and budgets for the BSI Canal Maintenance District

Sinkholes

- Filling of holes along the backside of seawall cap with shell material, caused from washout through or under the wall.

Cap Replacement

- Replacement of the top portion of a seawall cap

Wall Replacement

- Seawall replacement and pouring of new seawall slabs.

Inspection

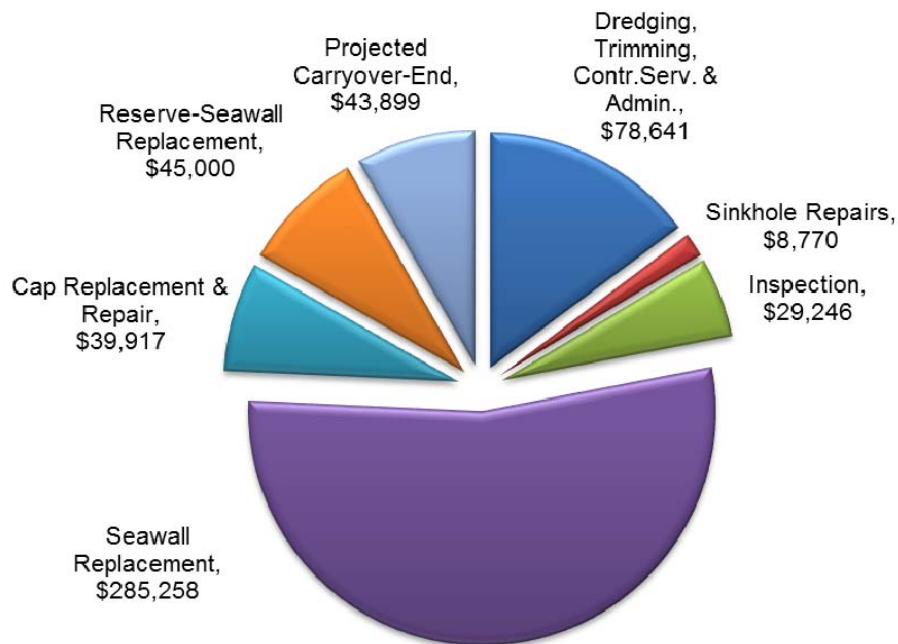
- Seawall inspection and inspection of canal depths, channel markers and catch basins as required by FDEP for the lock removal.

Cap Repair & Miscellaneous

- Repair of seawall cap, removal of debris and replacement of channel markers

Total BSI Canal Maintenance

\$ 530,731



POLICE

Department Leadership

- Manage operations, community outreach, budget, purchasing and criminal justice standards compliance

Uniform Patrol Services

- Patrol, service calls, preliminary criminal investigations, traffic crash investigation/enforcement, Honor Guard Team
- In-Kind Events - annual parades, Halloween, etc.
- Bike Patrol Unit - five member voluntary team
- Canine Unit - augments uniform patrol, suspect apprehension and tracking, tracking of at-risk subjects, narcotic interdiction, community outreach
- Search & Recovery Dive Team - five member voluntary team, underwater evidence/property recovery, waterborne search and rescue

Police Reserve Unit

- Volunteer unit of certified police officers, Augment police patrols and services

Volunteers In Policing program, Included in Reserve Unit

- marine, records, administrative, traffic and parking

Marine Unit

- Patrol, Water safety presentations and Vessel safety inspection

Criminal Investigations Unit

- Investigations, Narcotics & Vice operations, Computer and White collar crimes

Evidence/Property & Crime Scene Services

- Evidence management, Quartermaster, Crime Scene Services and Laboratory analysis

Community Services

- Crime Prevention, Media relations (PIO); SRO program, Do the Right Thing, Neighborhood Watch (includes Marine), Community Presentations, Youth programs and Bank Security Group

School Resource Officer Program

- School Education Programs - DARE provided at Sallie Jones and GREAT provided at PGMS

Communications

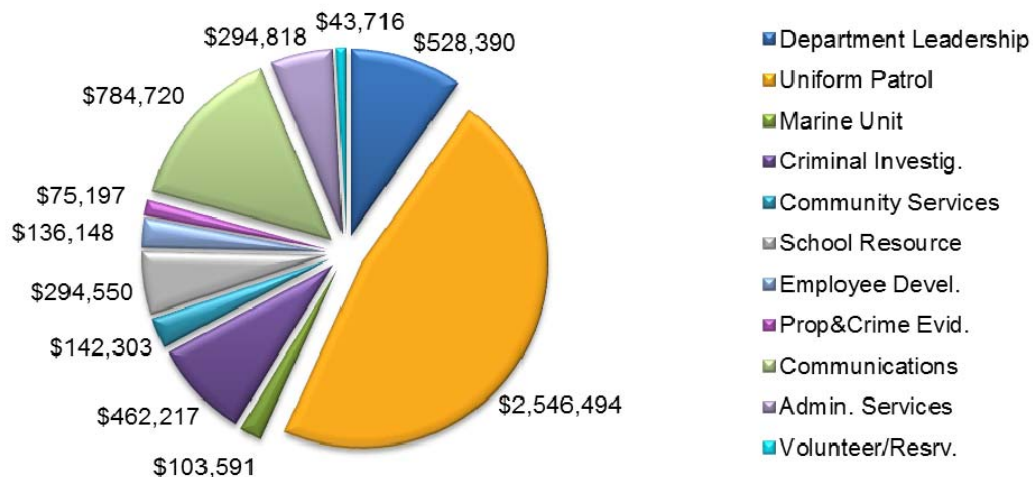
- Police/Fire/Medical Dispatch

Employee Development

- Agency training (internal/external), Candidate testing and Recruiting

Administrative Services

- Records; Grants; Fingerprinting services; special Projects; Law Enforcement Accreditation program; Staff Inspections; Policy development.



FIRE

Fire Suppression

- Structure, Vehicle, Boat, Brush and Nuisance

Emergency Medical Response, ALS/BLS

- Advanced Life Support, Heart attack, Stroke, Trauma, Diabetic Emergencies, I.V. Therapy, Respiratory Distress, 12 Lead EKG, General Medical Distress, Vehicle Extrication, Dive/Water Rescue, Water rescue response, Joint boat training, Dive training and certification, sharing resources with PD

Fire Prevention Services

- Code enforcement, Event planning/coordination, inspections, Pre-fire planning, Fire Alarm and Sprinkler plan review and inspection, Fire Cause & Origin Investigation, Board Participation; Development Review Committee, Code Enforcement

Emergency Management Coordination

- Interface with County, State & Federal emergency response agencies; Partnership with the Charlotte County Health Department (Pandemic Emergencies); Function as the County Coordinator for the Florida Fire Chiefs State Emergency Response Plan

Community Education and Outreach Programs

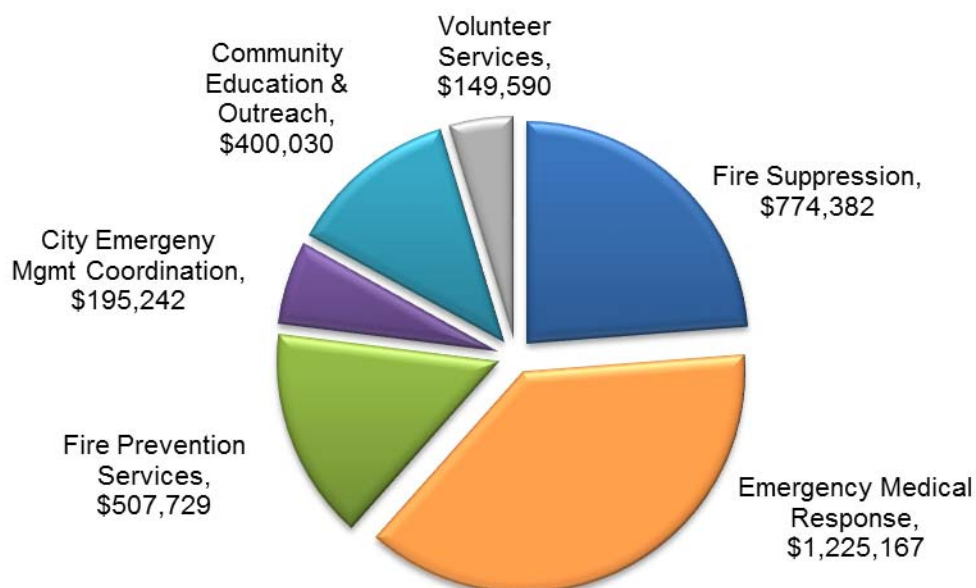
- Family Safety House; Family and Friends CPR program; Fire Extinguisher training; Marine Flare demonstration; Target specific presentations-Boat clubs, Community/civic groups, individual businesses; Church groups, School & Day Care groups, etc.; Community Emergency Response Team (CERT) program(s); Smoke/Carbon Monoxide detector program; Sharps return program; Red Dot program; Medication Take Back program; Vessel “pump-out” (sinking boats); Oil/fuel spill containment in waterway

Volunteer Services

- Administration, suppression and emergency medical response; Public Education- Fire Safety House operation; special detail; Community Relations; Community Emergency Response Team (CERT) program(s)

Total Fire

\$3,252,140



Urban Design

Department/Division Administration

- General Administration, Maintenance of Historic Design Guidelines, Oversees and Supports Zoning and Code Compliance, Support of Compliance with State/Federal Statutes, Develop, Update & Maintain all official City maps, Disaster Planning & Mitigation

Short Term Planning Services

- Plan Review, Site Review, Landscaping Review, Building/Zoning permitting review, Permitting, Design Studio, Land Use Review, Planning & Zoning Applications

Long Range Planning Services

- Comprehensive Plan, EAR, State Mandated Plans/Studies, Planning Based Studies/Reports, Land Development Regulations, Development Standards, Land Use Planning, Conceptual Design (includes infrastructure projects), Disaster Planning & Mitigation, Community Rating Service, Local Mitigation Strategy, Affordable Housing Issues

Capital Improvement Projects

- Development (Design), Research & Feasibility, Project Permitting Requirements, Construction Administration, Project Management, Federal Compliance, City Beautification, Financial Planning

Annexation Coordination

- Feasibility/Researching of Annexation opportunities

Board and Committee Support

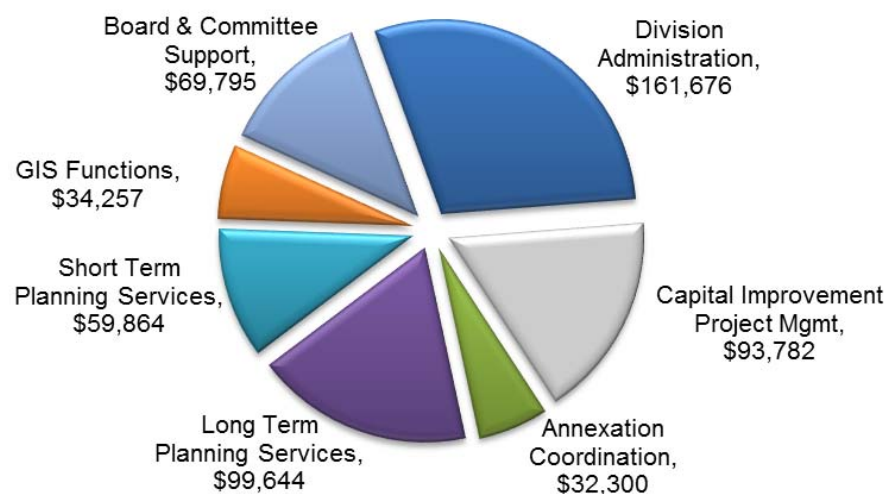
- Board of Zoning Appeals, Planning Commission, Historic Preservation Advisory Board, Development Review Committee, Land Development Review Committee, City Council, TEAM Punta Gorda, MPO (Governing Board, TAC and BPAC), Charlotte County Enterprise Zone, Mural Society, Charlotte County

GIS Functions & Support

- GIS data & analysis GIS related Maps for Boards, Committees and/or departments, Map support for events

Total Urban Design

\$ 551,318



Zoning and Code Compliance

Department/Division Administration

- General Administration, Violation notifications, Inspection Reports, Code cases

Management of City Code of Ordinances

- City Code of Ordinances, Development Standards, Updating & Maintaining, Research & Feasibility, Legal Counsel /Endorsement, Review of Code Violations and Code Cases

Short Term Planning Services

- Plan Review, Site Review, Landscaping Review, Building/Zoning permitting review, Permitting, Design Studio, Land Use Review, Planning & Zoning Applications

Long Range Planning Services

- Planning Based Studies/Reports, Land Development Regulations

Enforcement of the City Code of Ordinances

- Field Inspections, Posting Property, Responding to Citizen Concerns/Complaints, General Monitoring of City Boundaries, Managing Vacant & Distress Property.

Board and Committee Support

- Code Compliance, Board of Zoning Appeals, Planning Commission, Development Review Committee, Land Development Review Committee, City Council

Event & Park Rental Coordination

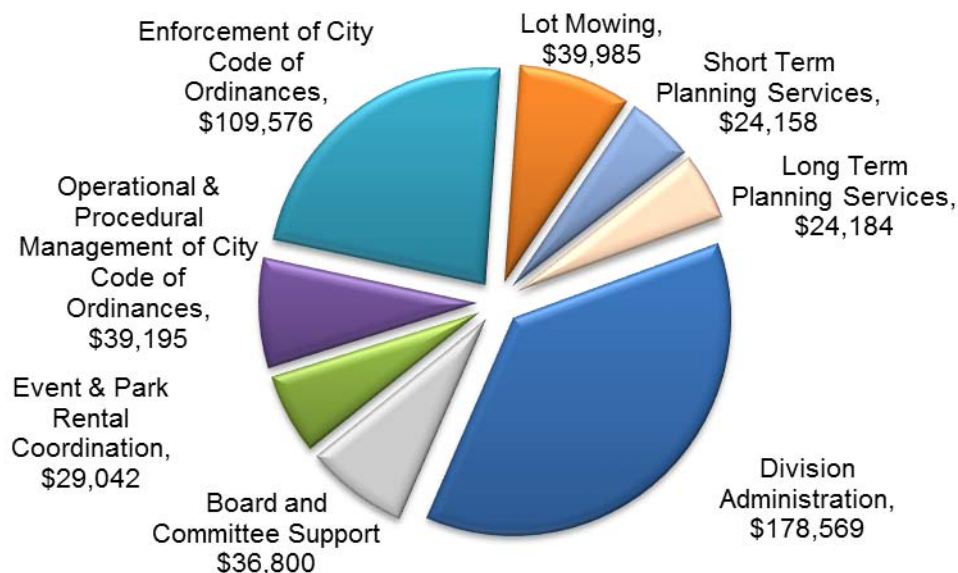
- Business promotions, events, grand opening and temporary event permits, special event permits, park and open space rental

Lot Mowing

- Maintains and performs inspections of the program to ensure vacant properties are maintained

Total Zoning and Code Compliance

\$ 481,509



BUILDING

Administration

- Customer Service; Records; Disaster Planning & Mitigation; GIS

Plans Review

- Verification with Florida Building Code and State Fire Codes.

Construction Inspection Services

- Inspect and evaluate construction projects to meet Florida Building Code and State Fire Code. Establish residential line and grades for proper drainage of site.

Licensing and Permitting

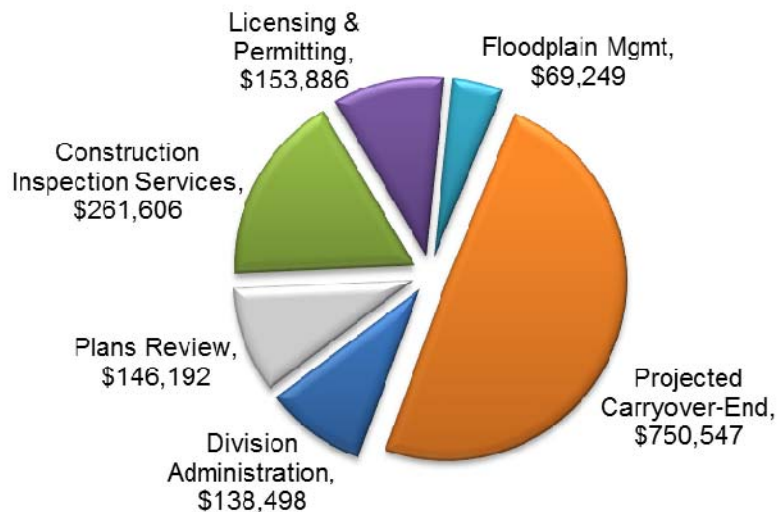
- Verify that all contractors are properly licensed and insured to perform the work contracted; clerical work required for the issuance of required permits; and coordination of inspections and permitting.

Flood Plain Management

- Enforcement of the Flood Protection Ordinance as provided in Article 14 of the City's Land Development Regulations. Manage the City's participation in the Community Rating System under the National Flood Insurance Program.
- Coordination with FEMA

Total Building

\$1,519,978

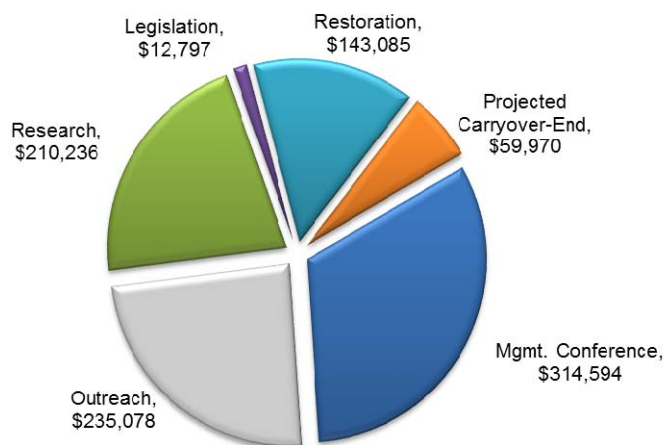


CHARLOTTE HARBOR NATIONAL ESTUARY PROGRAM (CHNEP)

The Clean Water Act requires all NEPs to implement its adopted Comprehensive Conservation and Management Plan (CCMP). CHNEP's CCMP addresses four priority problems that are common throughout the CHNEP seven-county study area and affect the health of its watersheds and estuaries. The priority problems are water quality degradation, hydrologic alterations, fish and wildlife habitat loss and stewardship gaps. The CCMP includes a series of graphic vision maps, quantifiable objectives, priority actions and many support documents. The CCMP addresses the natural resource issues in the entire CHNEP study area. The CHNEP implements the CCMP by building partnerships to develop integrated plans, education and outreach programs and management structures to achieve a sustainable balance between the economy, society and the environment.

- **WQ-2:** By 2020, develop and meet water quality criteria that are protective of living resources for dissolved oxygen, nutrients, chlorophyll *a*, turbidity, salinity and other constituents." CHNEP will work with Sarasota Bay Estuary Program-SBEP and Tampa Bay Estuary Program-TBEP toward developing numeric nutrient criteria for tidal creeks.
- **HA-2:** By 2020, restore, enhance and improve where practical historic watershed boundaries and natural hydrology for watersheds within the CHNEP study area, with special attention to Outstanding Florida Waters and Class I water bodies." CHNEP will work with partners to attract funding to significant hydrologic restoration projects including Dona Bay Restoration, Coral Creek Restoration, Charlotte Harbor Flatwoods Initiative, C-43 Reservoir and East Lehigh Acres Projects. RESTORE Act funding will be sought.
- **FW-1:** Protect, enhance and restore native habitats where physically feasible and within natural variability, including: Submerged aquatic vegetation (SAV); Submerged and intertidal unvegetated bottoms; Oyster; Mangrove; Salt marsh; Freshwater wetland; Native upland; and Water column." CHNEP will work with The Nature Conservancy toward permitting and constructing oyster reefs restoration.
- **SG-1:** CHNEP will implement a "Citizens Academy" that will reach a broad cross-section of residents. CHNEP will host events, especially for underrepresented populations. CHNEP will develop its Watershed Education and Training for Ponds, Lawns and Neighborhoods (WET PLAN) program to assist neighborhood groups with their stormwater pond management and building green infrastructure.
- **SG-2:** By 2020, CHNEP will expand its role as a recognized resource to elected officials and local, state and federal government for policy advice." CHNEP will continue its advocacy and review procedures by reviewing and providing comments on critical projects. CHNEP will work with local governments to address climate change resiliency.

Total CHNEP



UTILITIES

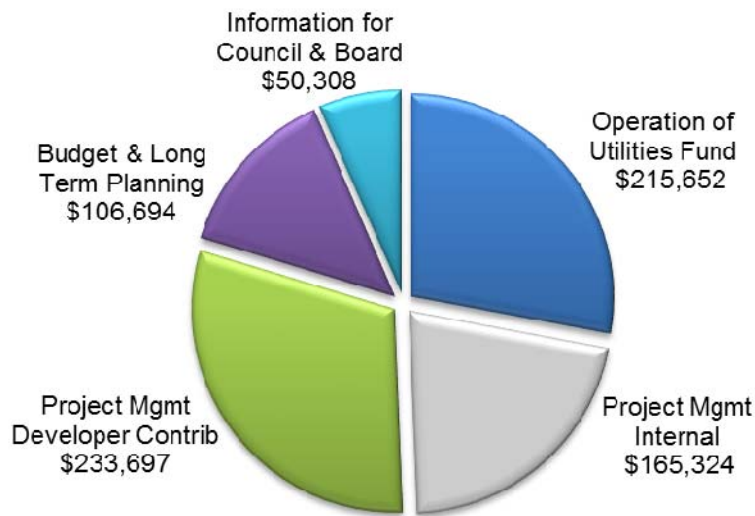
Utilities Administration

Administration of Utilities Fund and Operating Divisions:

- Water Treatment and Distribution, Wastewater Treatment and Collection, Fleet Maintenance
- City Utilities Project Management
 Developer Utilities Projects Management
 Budget & Long Term Planning
 Information, Meetings and Reports
- Utilities Advisory Board, Customer/Council requests for information

Total Utilities Administration

\$ 771,675

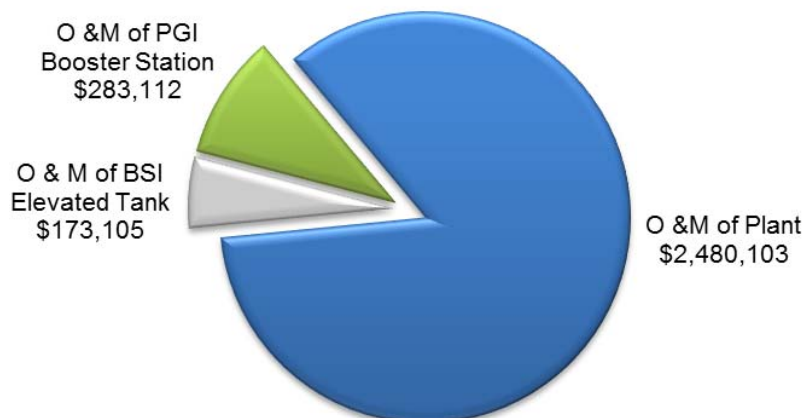


Water Treatment Plant

Shell Creek Water Treatment Facility
 Burnt Store Isles elevated water storage Tank
 Punta Gorda Isles ground storage tank and booster pumping station.

Total Water Treatment Plant

\$2,936,320

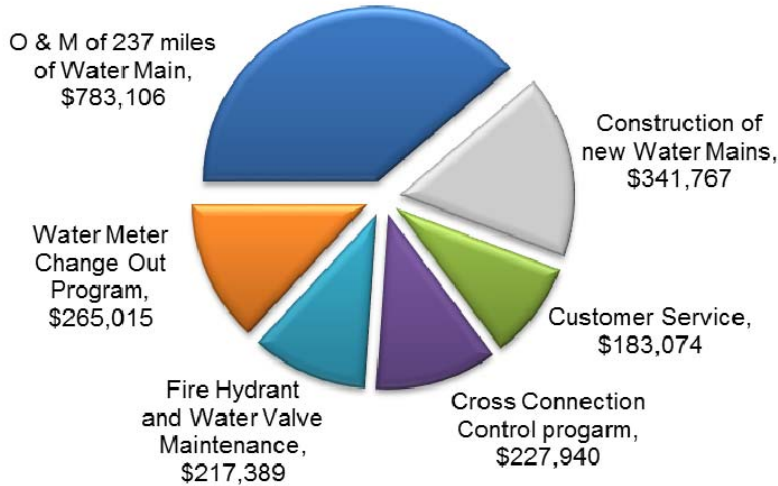


Water Distribution

- Water mains maintenance
- Construction of new water mains
- Cross Connection Control Program
- Fire Hydrant and Water Valve Maintenance
- Water Meter Change Out Program
- Customer Service

Total Water Distribution

\$2,018,291

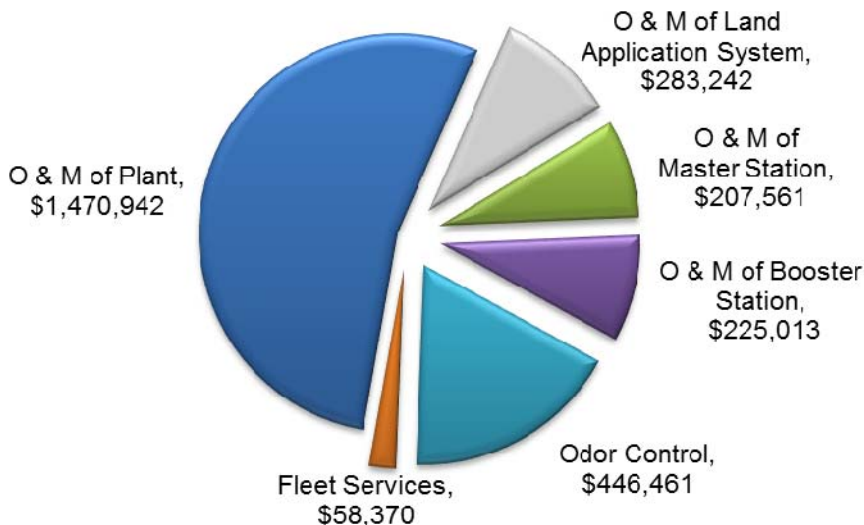


Wastewater Treatment Plant

- Wastewater Treatment Plant
- 525 acre residual disposal site
- Master Pumping Station
- Booster Pumping Station
- Odor & Corrosion control system throughout wastewater collection system and wastewater plant

Total Wastewater Treatment Plant

\$2,691,589

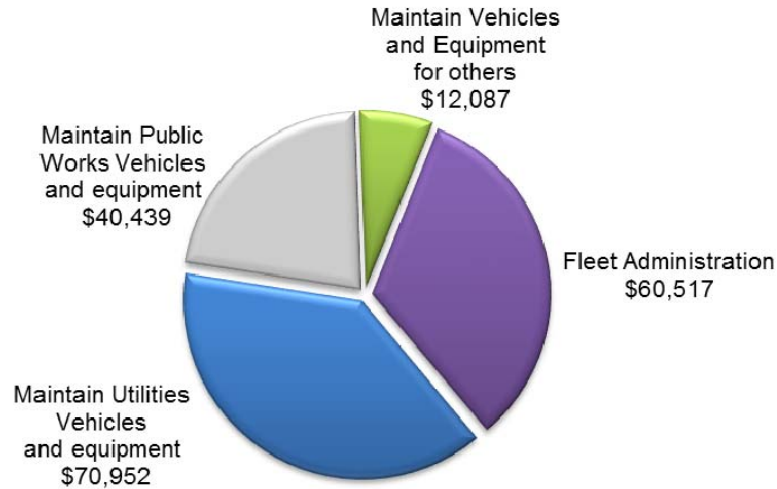


Fleet

- Maintain Utility Department vehicles and equipment
- Maintain Public Works Department vehicles and equipment
- Specialized maintenance of Police vehicles and equipment

Total Fleet

\$ 183,995



Wastewater Collections

- Sewage pumping stations
- Gravity sewer mains
- Force mains
- Utility pretreatment program
- Constructs new and replacement sewer lines

Total Wastewater Collections

\$2,070,715

