



FY 2008 & FY 2009 Biennial Budget

City of Dothan, Alabama



Budget Objectives

- Realistic Financial Projection of Operating Needs
- Fully Fund RSA - For 2008 & 2009
- Fully Fund Health Insurance - For 2008 & 2009
- Address Employee Pay Issues
- Fund Needed Replacement Vehicle & Equipment
- Fund Facility Maintenance & Repairs
- Personnel Needs
- Focus on Customer Service
- Electric Rate Adjustment to Offset AMEA Rate Increase
- Have Funds Available for “Pennies for Progress” Projects



FY 2008 & 2009 BUDGET

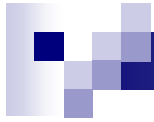
	<u>Revenues</u>	<u>Expenditures</u>	<u>Surplus</u>
<u>FY - 2008</u>	\$180,356,623	\$ 175,959,526	<u>\$4,397,097</u>
<u>FY - 2009</u>	\$181,257,541	\$ 176,721,854	<u>\$4,535,687</u>

BUDGET SUMMARY - FY 2008

	GENERAL	CIVIC CENTER	SCHOOL	DEBT SERVICE	UTILITY	STREET PAVING	TOTAL
Revenues	FUND	FUND	FUND	FUND	FUND	FUND	
Current Revenues	\$23,271,722	\$ 655,700	\$ 310,500	\$ -	\$ 14,674,111	\$ 169,590	\$ 39,081,623
Sales Tax or Elect Sales	57,500,000	-	-	-	80,000,000	-	137,500,000
Accumulated Depreciation	-	-	-	-	3,775,000	-	3,775,000
Total Revenues	<u>\$80,771,722</u>	<u>\$ 655,700</u>	<u>\$ 310,500</u>	<u>\$ -</u>	<u>\$ 98,449,111</u>	<u>\$ 169,590</u>	<u>\$ 180,356,623</u>
Expenses							
Expenses-Excluding Debt Service & Payroll	\$12,359,198	\$ 613,716	\$ 2,948,261	\$ -	\$ 11,202,023	\$ 6,000	\$ 27,129,198
Payroll Exp-Salaries Benefits/Uniforms/OT	50,499,542	41,984	92,736	-	11,648,486	-	62,282,748
Electric Energy for Resale	-	-	-	-	63,500,000	-	63,500,000
Medical/Self/Worker's Comp/Retiree's Ins	2,705,885	-	-	-	91,566	-	2,797,451
Capital Projects	4,760,000	-	-	-	1,000,000	-	5,760,000
Debt Service Expenses	-	-	-	7,043,682	7,446,447	-	14,490,129
Total Expenditures	\$70,324,625	\$ 655,700	\$ 3,040,997	\$ 7,043,682	\$ 94,888,522	\$ 6,000	\$175,959,526
Transfers In (Out)	<u>(\$ 6,543,682)</u>	<u>\$ -</u>	<u>\$ 2,730,497</u>	<u>\$ 7,043,682</u>	<u>(\$ 3,066,907)</u>	<u>(\$ 163,590)</u>	<u>\$ -</u>
Surplus Estimated Revenues	<u>\$ 3,903,415</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 493,682</u>	<u>\$ -</u>	<u>\$ 4,397,097</u>

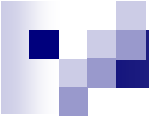
BUDGET SUMMARY - FY 2009

	GENERAL FUND	CIVIC CENTER FUND	SCHOOL FUND	DEBT SERVICE FUND	UTILITY FUND	STREET PAVING FUND	TOTAL
Revenues							
Current Revenues	\$20,971,722	\$ 655,700	\$ 310,500	\$ -	\$ 15,875,029	\$ 169,590	\$ 37,982,541
Sales Tax or Elect Sales	59,000,000	-	-	-	80,500,000	-	139,500,000
Accumulated Depreciation	-	-	-	-	3,775,000	-	3,775,000
Total Revenues	<u>\$79,971,722</u>	<u>\$ 655,700</u>	<u>\$ 310,500</u>	<u>\$ -</u>	<u>\$100,150,029</u>	<u>\$ 169,590</u>	<u>\$ 181,257,541</u>
Expenses							
Expenses-Excluding Debt Service & Payroll	\$12,457,198	\$ 613,716	\$ 2,948,261	\$ -	\$ 11,202,023	\$ 6,000	\$ 27,227,198
Payroll Exp-Salaries Benefits/Uniforms/OT	53,281,257	41,984	97,818	-	12,291,416	-	65,712,475
Electric Energy for Resale	-	-	-	-	63,500,000	-	63,500,000
Medical/Self/Worker's Comp/Retiree's Ins	2,705,885	-	-	-	91,566	-	2,797,451
Capital Projects	4,760,000	-	-	-	1,000,000	-	5,760,000
Debt Service Expenses	-	-	-	6,029,543	5,695,187	-	11,724,730
Total Expenditures	\$73,204,340	\$ 655,700	\$ 3,046,079	\$ 6,029,543	\$ 93,780,192	\$ 6,000	\$176,721,854
Transfers In (Out)	<u>(\$ 2,529,543)</u>	<u>\$ -</u>	<u>\$ 2,735,579</u>	<u>\$ 6,029,543</u>	<u>(\$ 6,071,989)</u>	<u>(\$ 163,590)</u>	<u>\$ -</u>
Surplus Estimated Revenues	<u>\$ 4,237,839</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 297,848</u>	<u>\$ -</u>	<u>\$ 4,535,687</u>



Revenue Overview

Significant Changes



General Fund

Significant Revenue Changes

- **Sales Tax**

- FY 2008 = \$20.7 Million (Increase Over FY 2007)
- FY 2009 = \$ 1.5 Million (Increase Over FY 2008)

- **Property Tax**

- FY 2008 = \$ 200,000 (Increase Over FY 2007)
- FY 2009 = -0- (Increase Over FY 2008)

- **Business License**

- FY 2008 = \$ 350,000 (Increase Over FY 2007)
- FY 2009 = \$ -0- (Increase Over FY 2008)

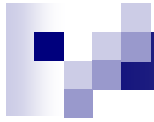


Utility Fund

Significant Revenue Changes

■ Electric Sales

- FY 2008 = \$17.3 Million (Increase Over FY 2007)
- FY 2009 = \$ 500,000 (Increase Over FY 2008)



Expenditure Overview

Significant Changes



Expenditure Overview

Significant Changes

(FY 2007 to FY 2008 and FY 2008 to FY 2009)

■ RSA (Retirement)	\$ 1.6 Million	(Increase-08)
	\$.5 Million	(Increase-09)
■ Salary Adjustment	\$ 3.5 Million	(Increase-08)
	\$ 2.2 Million	(Increase-09)
■ Debt Service	\$ 6.2 Million	(Increase-08)
	\$ 2.8 Million	(Decrease-09)
■ Target Budget	\$ 1.6 Million	(Increase-08)
	\$ 98,000	(Increase-09)




Expenditure Overview

Target Budget Changes

(FY 2007 to FY 2008 and FY 2008 to FY 2009)

■ Gasoline	\$ 300,000
■ Water/Electric/Sewer	472,856
■ Briquettes/ WaterWorld	60,000
■ Leisure Services	250,000
■ Postage	51,150
■ Lobbyist	100,000
■ Credit Card Fees – Utilities	50,000
■ Termite Bond/Pest Control	26,747
■ Retiree Hosp/Medical Ins	420,000
■ Internship Program	50,000



Significant Items Not Included in the Budget

- Downtown Dothan Redevelopment Authority (DDRA) - \$400,000
- Industrial Park Land - \$1.0 Million
- Streetscaping for Major Entrance Ways into City - \$100,000
- Pilot Curbside Recycling Program - \$280,000
- Wastewater Treatment Plant 201 Plan (\$30+ Million) - \$2.0 Million Annual Debt
- Additional Fleet & Equipment Replacements - \$3.0 Million
- Additional Facility Maintenance/Repairs - \$600,000
- Funding Wireless Infrastructure - \$1.1 Million
- Civic Center/Municipal Building HVAC - \$1.0 Million
- HVAC Utility Complex - \$1.0 Million
- Houston County Request for Brannon Stand Bridge - \$500,000
- Additional Funding for Resurfacing - \$500,000



Summary

- Budget Balanced – Surplus Revenue
 - \$4,397,097 in FY 2008 & \$4,535,687 in FY 2009
- Revenue Estimates in Line with Past Collections
 - Less Conservative
- Funding RSA Contributions will Continue to be a Challenge Over the Next Few Years
- Major Needs Funded by Sales Tax Revenues:
 - Replacement Vehicles/Equipment/Rolling Fleet
 - Facility Maintenance
 - Resurfacing & Bridge Repair
 - “Pennies for Progress” Projects



Questions?