

FY 2018 & FY 2019 Biennial Budget

City of Dothan, Alabama

Budget Goals

- Be Fiscally Responsible
- Control Expenditure Growth
- Maintain Adequate Reserves
- Fund Strategic Plan Action Items
- EPA Sewer System AOC
 - Maintain Compliance and Implement Requirements

Budget Goals

- Maintain Fleet Replacement Schedule
- Maintain Resurfacing Schedule
- Maintain Building Maintenance Schedule
- Fund Capital Programs
- Maintain Competitive Pay for Staff
- Maintain Financial Integrity of the Self Insured Programs

Budget Issues

- Need for Additional Revenue to Fund:
 - Police Officers for the City Parks
 - Rip Hewes Stadium Renovations & Parking Lot
 - Eastgate Multi-Purpose Center
 - Traffic Signal Upgrades
 - Water System Infrastructure
 - Required Improvements and Programs of the EPA Sewer System Administrative Order of Consent

FY 2018 & 2019 BUDGET

(All Funds)

	<u>Revenues</u>	<u>Expenditures</u>
Fiscal Year 2018	\$ 217,711,588	\$ 217,711,588
Fiscal Year 2019	\$ 220,379,285	\$ 220,379,285

FY 2018 & 2019 BUDGET

General Fund

	<u>2018</u>	<u>2019</u>
Revenues	\$ 86,745,775	\$ 87,307,056
Expenses	(90,289,022)	(90,960,283)
Transfer to Debt Service	(1,776,554)	(1,776,554)
Transfer from Utility Fund	<u>5,319,801</u>	<u>5,429,781</u>
Total	\$ -0-	\$ -0-

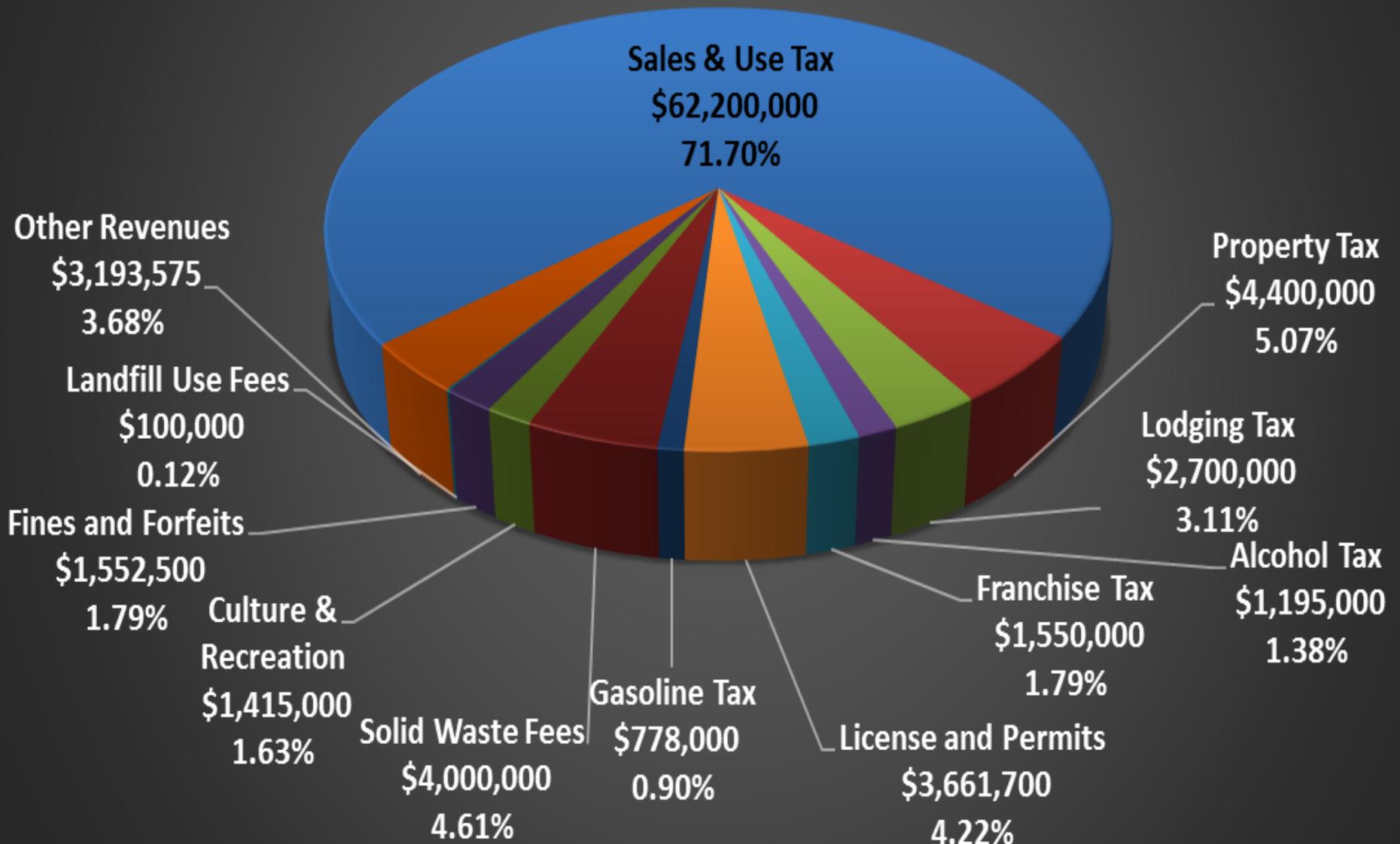
General Fund

Significant Revenue Changes from FY 2017 Budget

	<u>2018</u>	<u>2019</u>
General Sales Tax	\$ 3,000,000	\$ 3,000,000
Automotive Sales Tax	200,000	200,000
Lodging Taxes	1,150,000	1,150,000
Wiregrass Foundation	1,000,000	661,281
Gas District Operating Franchise	(250,000)	(250,000)
Landfill Use Fees	(900,000)	-0-
Various Other Revenues	(626,219)	(626,219)
Increase in Revenues from FY17	<u>\$ 3,573,781</u>	<u>\$ 4,135,062</u>

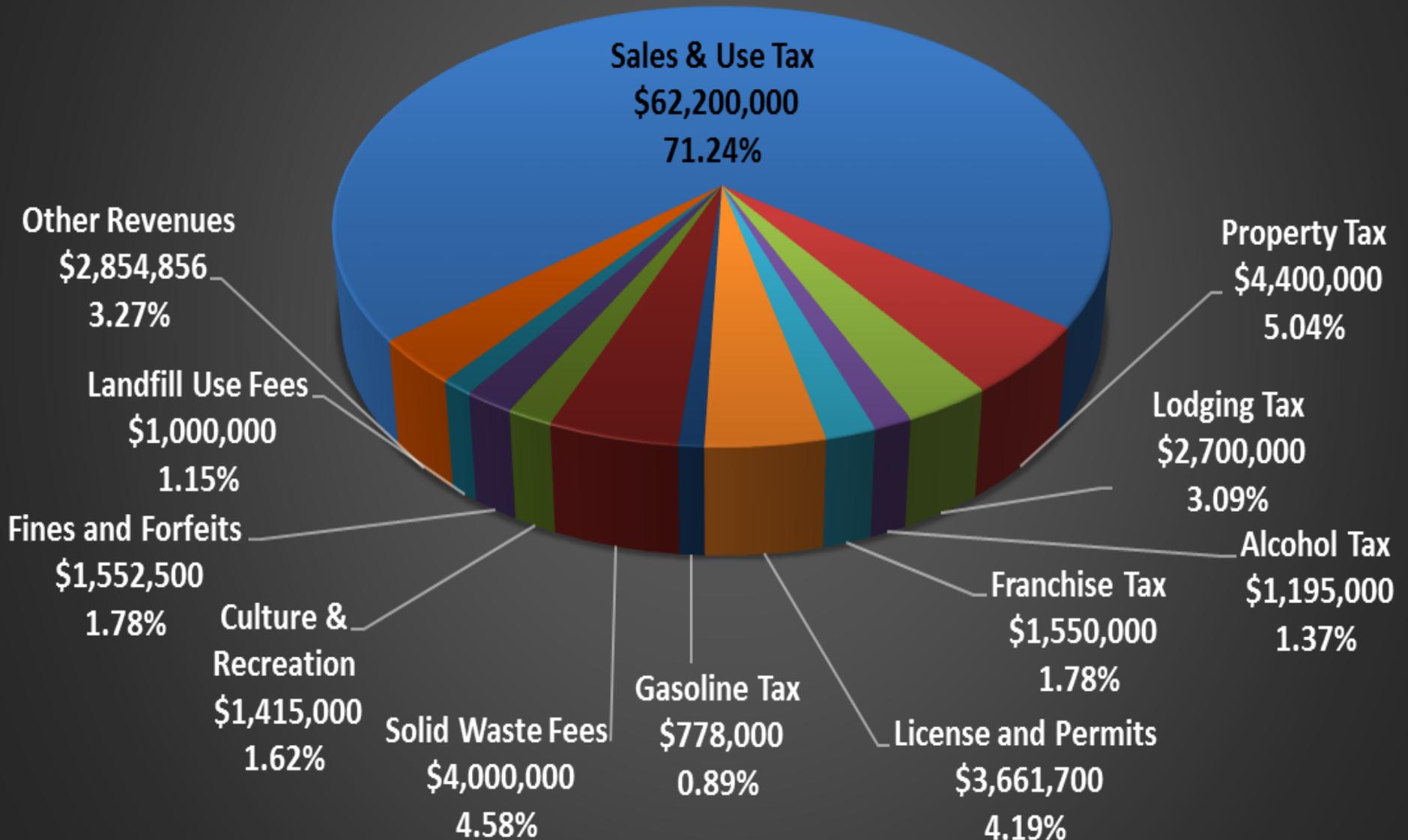
General Fund Revenues

FY 2018 - \$86,745,775



General Fund Revenues

FY 2019 - \$87,307,056



General Fund

Significant Expenditure Changes from FY 2017 Budget

	<u>2018</u>	<u>2019</u>
Body Camera System Data Storage	\$ 259,200	\$ 259,200
Upgrades to Jail	150,000	-0-
Firewall Replacement	60,000	-0-
Microsoft Volume Licensing	70,000	70,000
Wireless Access Points-City Parks	175,000	-0-
Wellness Pool Operations	57,750	57,750
James Oates Park Operations	285,000	285,000

General Fund

Significant Expenditure Changes from FY 2017 Budget

	<u>2018</u>	<u>2019</u>
Grinder Operations	\$ 50,000	\$ 50,000
Tipping, Transp, & Disposal of Garbage	925,000	-0-
Curbside Trash Waste and Debris	125,000	-0-
Convention & Visitor's Bureau	150,000	150,000
Economic Development IB XLAM	125,000	125,000
Wallace Community College	100,000	100,000
DDRA	60,000	60,000

General Fund

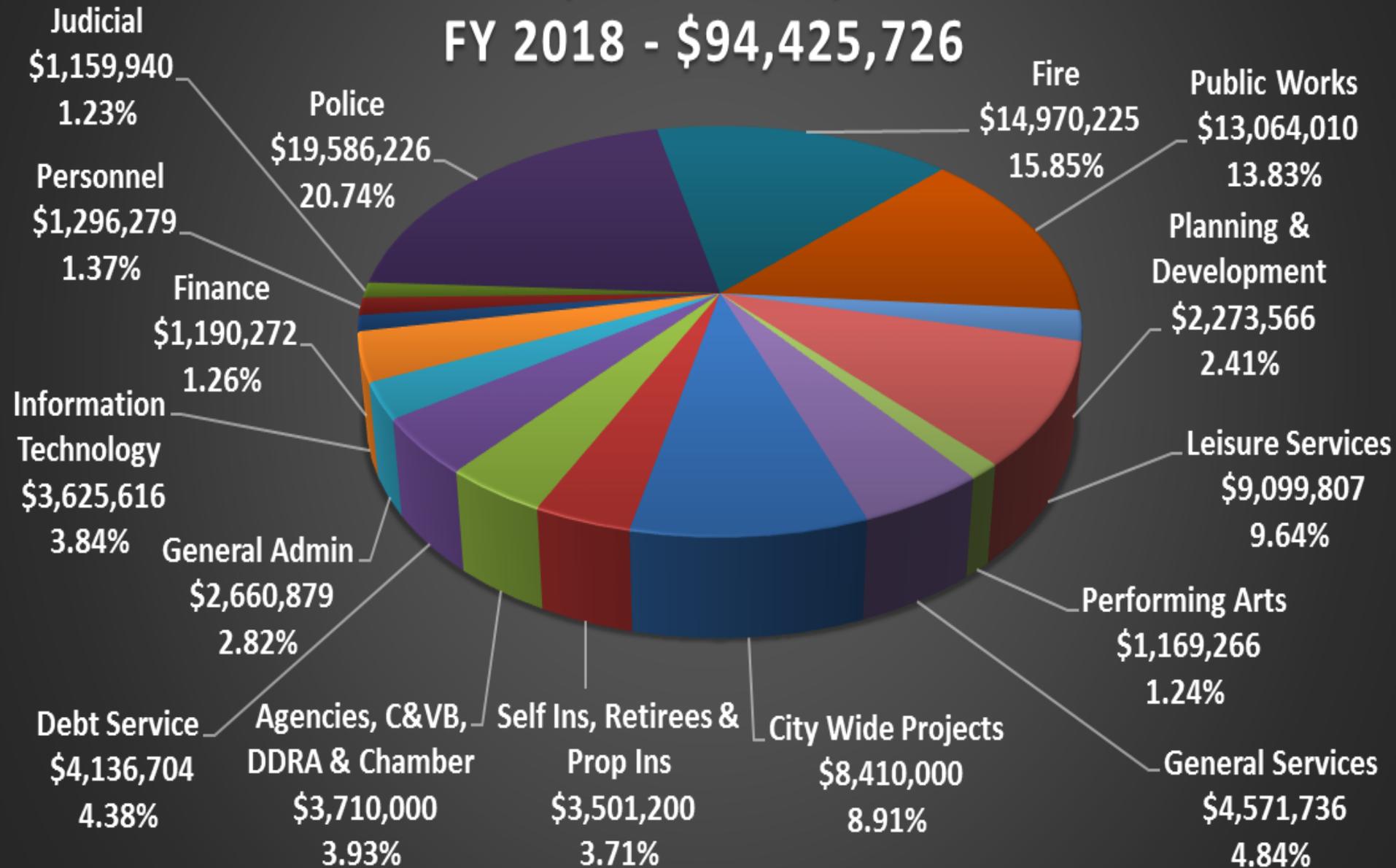
Significant Expenditure Changes from FY 2017 Budget

	<u>2018</u>	<u>2019</u>
Payroll	\$2,091,202	\$4,197,463
Various Other Expenditures	(331,708)	(331,708)
Election Expense	(125,000)	(125,000)
Lobbyist	(60,000)	(60,000)
Police/Fire Training Facility	<u>(250,000)</u>	<u>(250,000)</u>
Increase in Expenditures from 2017	\$3,916,444	\$4,587,705

General Fund Expenditures

(Includes Debt)

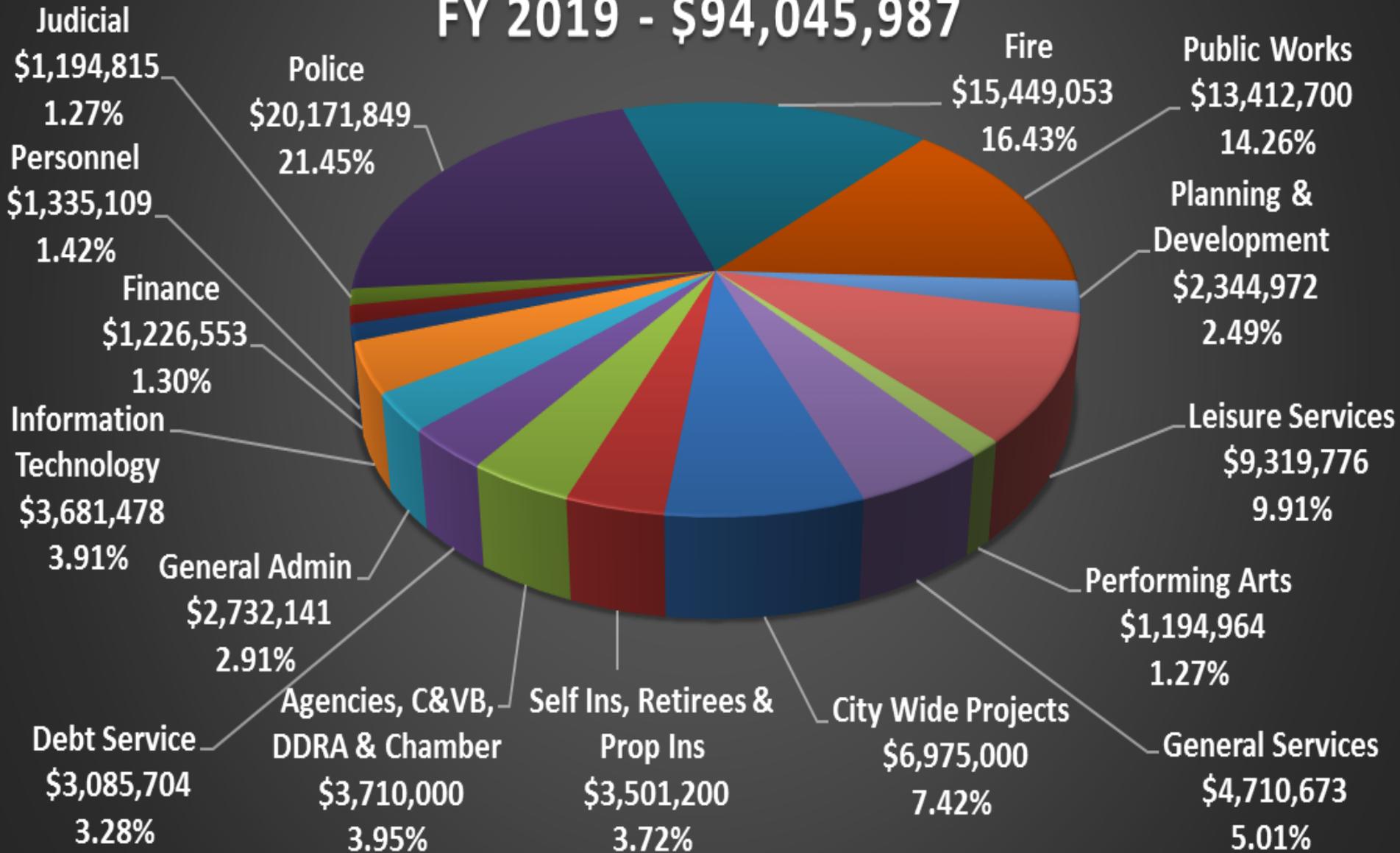
FY 2018 - \$94,425,726



General Fund Expenditures

(Includes Debt)

FY 2019 - \$94,045,987



General Fund Administrative/Support Services

	<u>2018</u>	<u>2019</u>
General Administration	\$ 2,660,879	\$ 2,732,141
Information Technology	3,625,616	3,681,478
Finance	1,190,272	1,226,553
Personnel	1,296,279	1,335,109
General Services	4,571,736	4,710,673

General Fund Administrative/Support Services

	<u>2018</u>	<u>2019</u>
Insurance	\$ 3,501,200	\$ 3,501,200
City-Wide Projects*	<u>8,410,000</u>	<u>6,975,000</u>
Total	\$25,255,982	\$24,162,154
Percent of Total GF Expenses	28%	27%

*Resurfacing, Road, Sidewalk & Bridge Improvements, Vehicle Replacement, Facility Maint, Economic Development, Etc.

General Fund Public Safety

	<u>2018</u>	<u>2019</u>
Police	\$19,586,226	\$20,171,849
Fire	14,970,225	15,449,053
Judicial	<u>1,159,940</u>	<u>1,194,815</u>
Total	\$35,716,391	\$36,815,717
Percent of Total GF Expenses	40%	40%

General Fund Public Works

	<u>2018</u>	<u>2019</u>
Engineering/Traffic	\$ 3,140,235	\$ 3,235,325
Street	3,787,658	3,886,011
Environmental	6,136,117	6,291,364
Planning & Development	<u>2,273,566</u>	<u>2,344,972</u>
Total	\$15,337,576	\$15,757,672
Percent of Total GF Expenses	17%	17%

General Fund Recreation & Culture

	<u>2018</u>	<u>2019</u>
Leisure Services	\$ 9,099,807	\$ 9,319,776
Performing Arts	<u>1,169,266</u>	<u>1,194,964</u>
Total	\$10,269,073	\$10,514,740
Percent of Total GF Expenses	11%	12%

General Fund Agencies

	<u>2018</u>	<u>2019</u>
DDRA	\$ 285,000	\$ 285,000
CVB	1,200,000	1,200,000
Chamber of Commerce	300,000	300,000
Troy University	100,000	100,000
Wallace Community College	100,000	100,000

General Fund Agencies

	<u>2018</u>	<u>2019</u>
SARCOA	\$ 50,000	\$ 50,000
Other Agencies	<u>1,675,000</u>	<u>1,675,000</u>
Total	\$3,710,000	\$3,710,000
Percent of Total GF Expenses	4%	4%

FY 2018 & 2019 BUDGET

Utility Fund

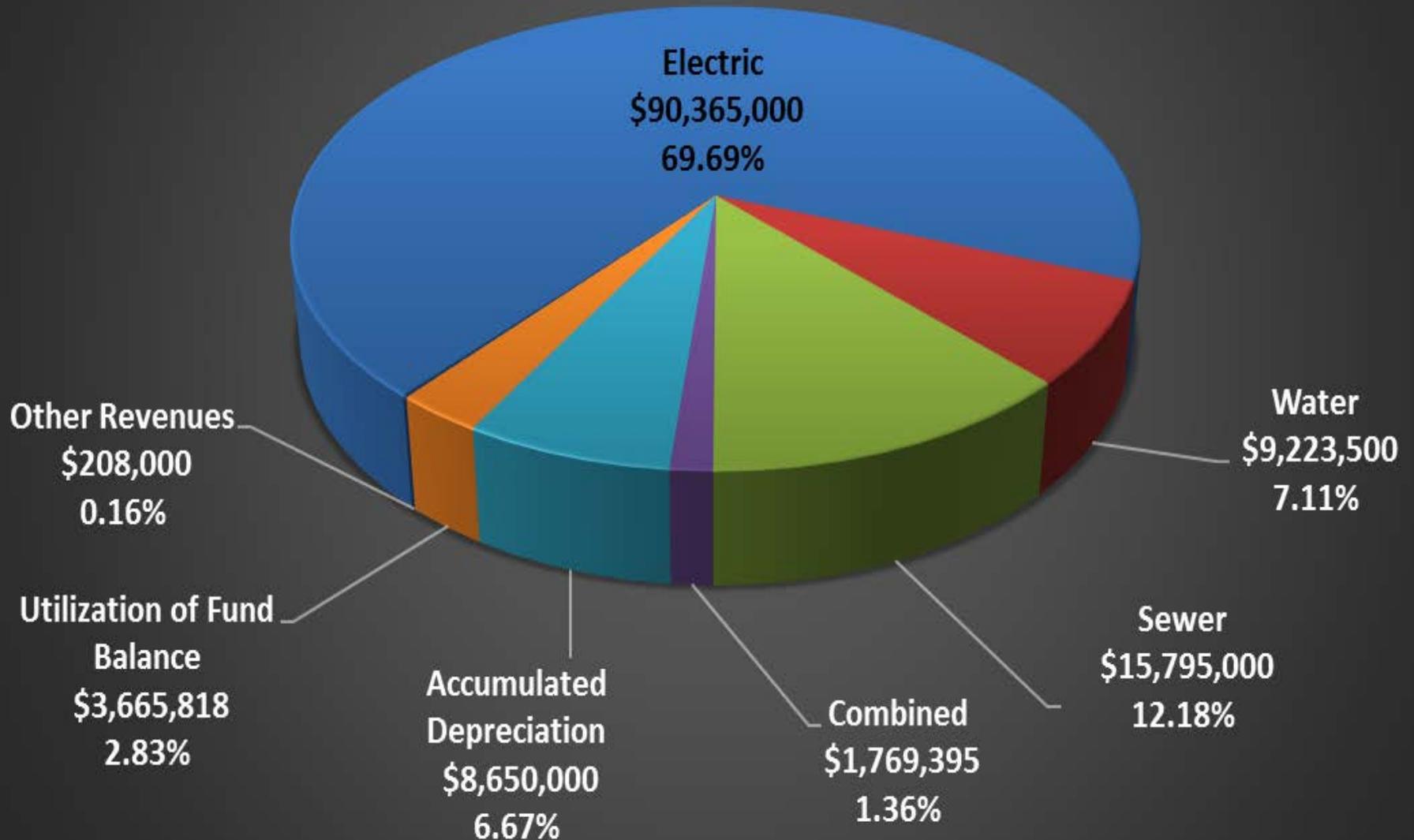
	<u>2018</u>	<u>2019</u>
Revenues	\$129,676,713	\$131,783,129
Expenses	(118,189,513)	(121,232,973)
Transfer to General Fund	(5,319,801)	(5,429,781)
Transfer to School Fund	(3,807,249)	(3,811,225)
Transfer to Debt Service	(2,360,150)	(1,309,150)
Total	\$ -0-	\$ -0-

Utility Fund

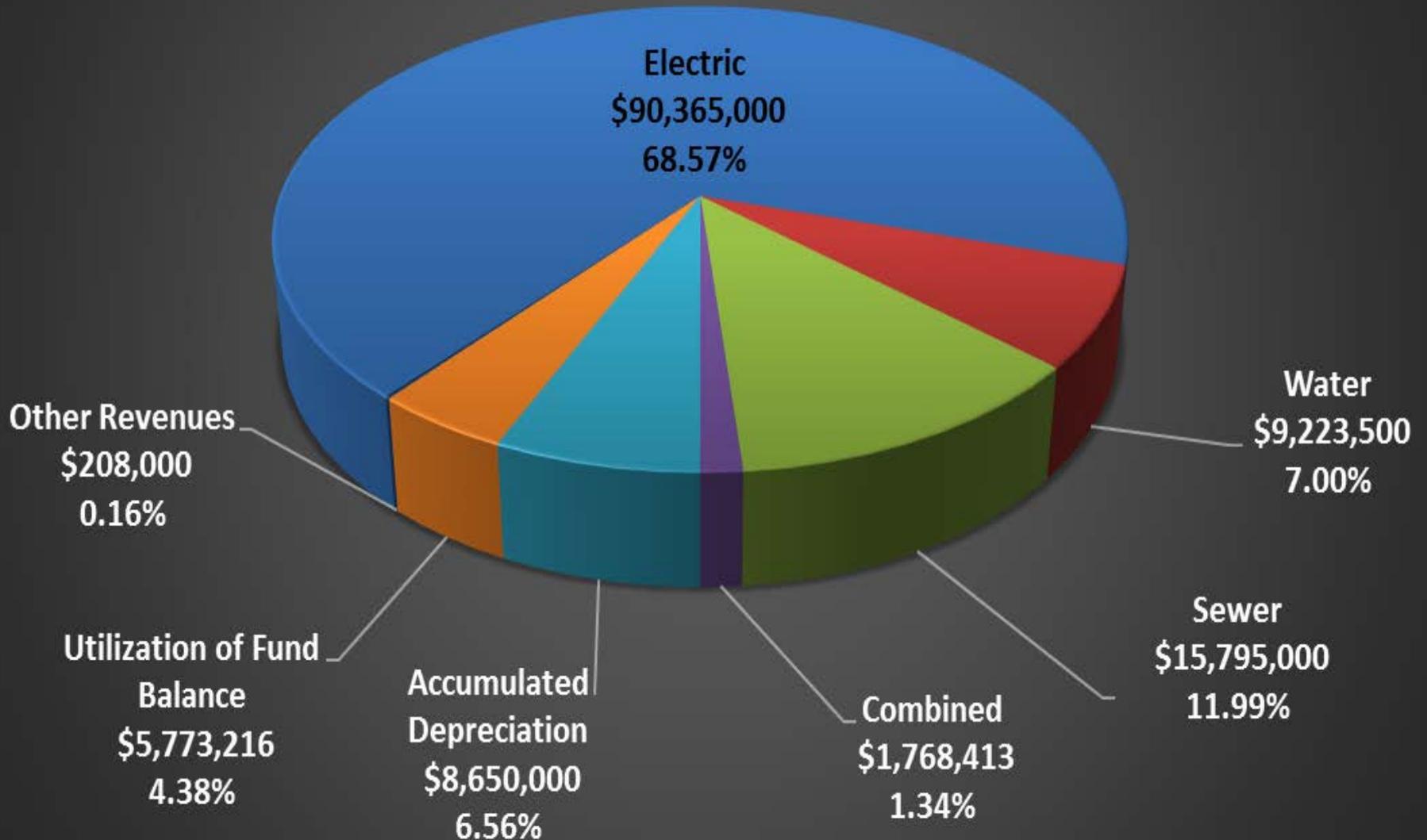
Significant Revenue Changes from FY 2017 Budget

	<u>2018</u>	<u>2019</u>
Electric Sales	\$(2,000,000)	\$(2,000,000)
Sewer Sales	2,000,000	2,000,000
Fats, Oils & Grease-FOG	90,000	90,000
Accumulated Depreciation	350,000	350,000
Various Other Revenues	45,287	44,305
Utilization of Fund Balance	<u>3,665,818</u>	<u>5,773,216</u>
Increase in Revenues from FY17	\$4,151,105	\$6,257,521

Utility Fund Revenues FY 2018 - \$129,676,713



Utility Fund Revenues FY 2019 - \$131,783,129



Utility Fund

Significant Expenditure Changes from FY 2017 Budget

	<u>2018</u>	<u>2019</u>
Debt Service	\$2,233,286	\$2,235,080
Payroll	1,002,968	1,500,634
Advanced Metering Infrastructure	(1,000,000)	4,000,000
Rebuild Transformers	250,000	-0-
Recloser Replacement	200,000	200,000
Tree Trimming	1,200,000	-0-
Direct Buried Secondary Replace	500,000	-0-

Utility Fund

Significant Expenditure Changes from FY 2017 Budget

	<u>2018</u>	<u>2019</u>
Electric Energy Purchase for Resale	\$(4,000,000)	\$(4,000,000)
Red Water Projects	500,000	500,000
New Chlorine Storage Building	100,000	-0-
Well Chemical Dry Feed Systems	195,000	195,000
12" Water Main Loop on Omussee	360,000	-0-
12" Water Main Connector on N Bev	-0-	170,000
Point Repair & Rehab Materials AOC	100,000	100,000

Utility Fund

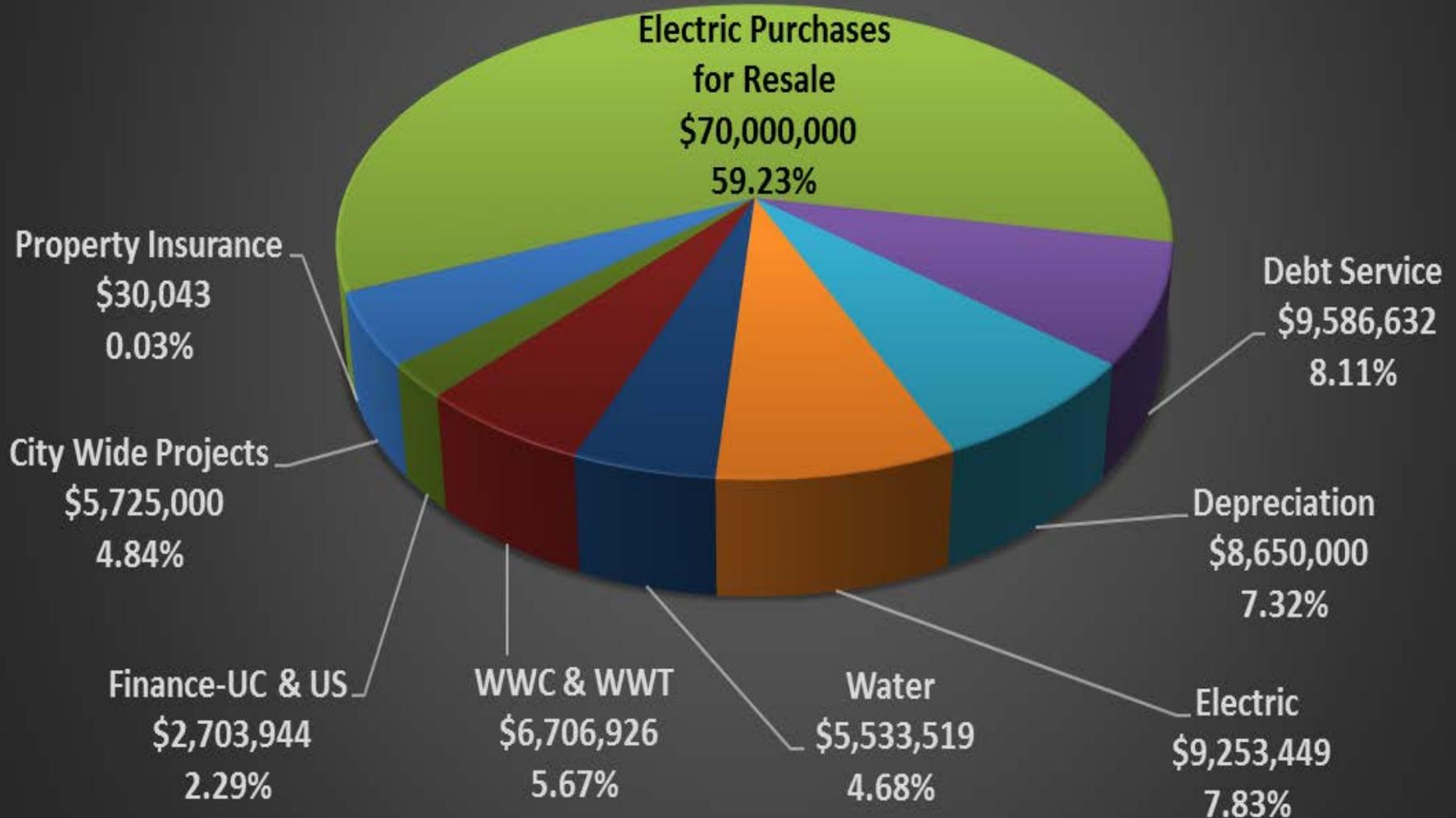
Significant Expenditure Changes from FY 2017 Budget

	<u>2018</u>	<u>2019</u>
Electric Gates w/Cameras & Comm	\$ 200,000	\$ -0-
Regional Sludge Landfill Disposal	200,000	200,000
Filter Media at Little Choctaw	200,000	200,000
Sludge Drying Beds	70,000	70,000
UV Bulbs for WWTP	60,000	60,000
Various Other Expenditures	(67,934)	(83,934)
Depreciation Expense	<u>350,000</u>	<u>350,000</u>
Increase in Expenditures from 2017	\$ 2,653,320	\$ 5,696,780

Utility Fund Expenditures

(Includes Debt)

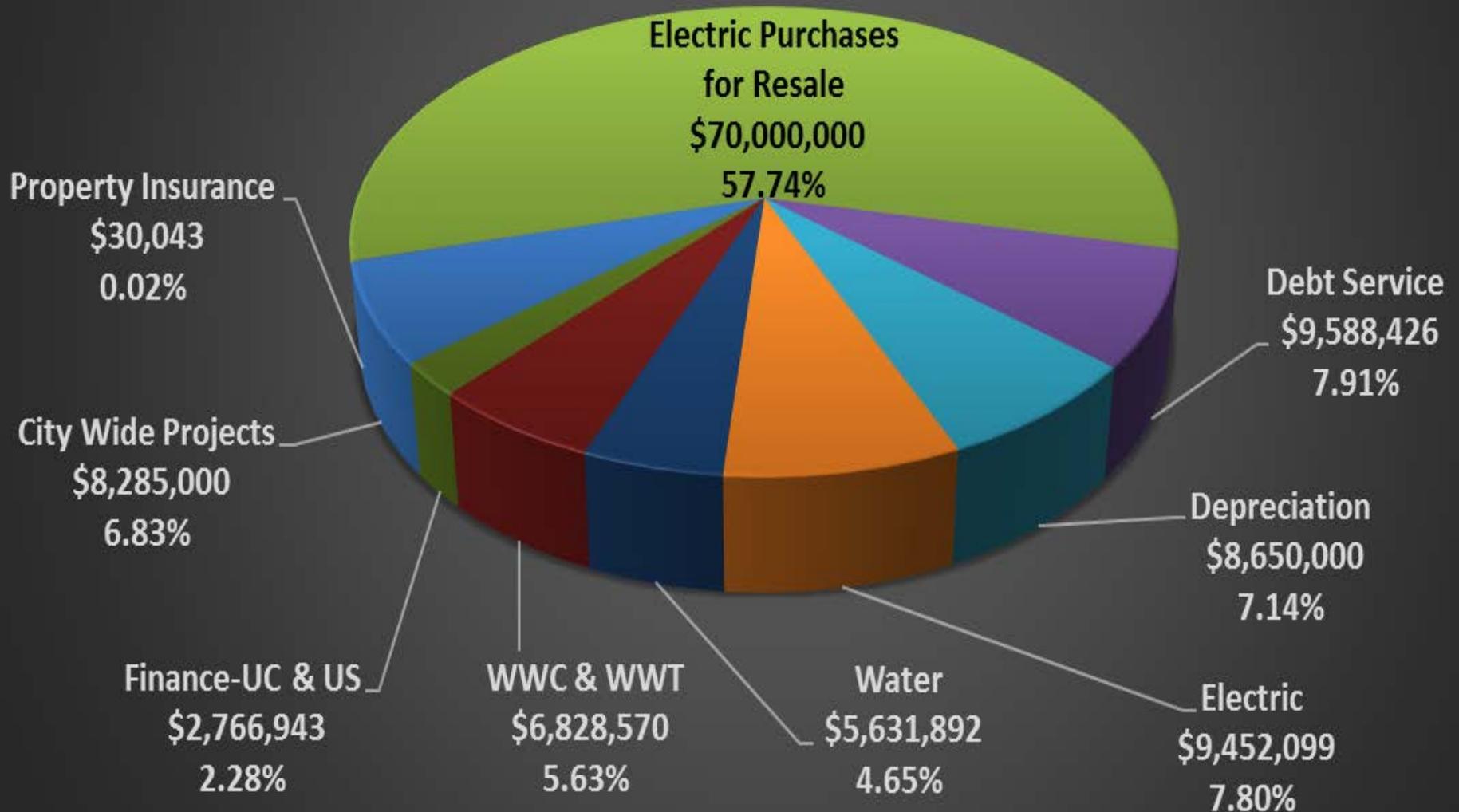
FY 2018 - \$118,189,513



Utility Fund Expenditures

(Includes Debt)

FY 2019 - \$121,232,973



Utility Fund Public Utilities

	<u>2018</u>	<u>2019</u>
Electric	\$ 9,253,449	\$ 9,452,099
Water	5,533,519	5,631,892
Wastewater Collection	2,538,056	2,599,812
Wastewater Treatment	4,168,870	4,228,758
Collections & Services	<u>2,703,944</u>	<u>2,766,943</u>
Total	\$24,197,838	\$24,679,504
Percent of Total UF Expenses	20%	20%

Utility Fund

Public Utilities - Other

	<u>2018</u>	<u>2019</u>
Power Purchased for Resale	\$70,000,000	\$70,000,000
City-Wide Projects	5,725,000	8,285,000
Debt	9,586,632	9,588,426
Depreciation	8,650,000	8,650,000
Insurance	<u>30,043</u>	<u>30,043</u>
Total	\$93,991,675	\$96,553,469
Percent of Total UF Expenses	80%	80%

Expenditure Overview

Significant Changes

Expenditure Overview

Significant Changes

(FY 2017 to FY 2018 and FY 2018 to FY 2019)

- Personal Services - Includes Funding for General Increases, Performance Increases & Fringe Benefits

\$ 3,231,535 (Increase from 2017 to 2018)

\$ 2,607,903 (Increase from 2018 to 2019)

- Proposed 2.0% General Increase- Effective 10/1/17 & 10/1/18
(City's Cost is approximately \$1.1m for 2018 & 2019)

Expenditure Overview

Significant Changes

(FY 2017 to FY 2018 and FY 2018 to FY 2019)

- Created 7 Full-Time Positions-Additional Cost of \$380,000
 - Maintenance Construction Worker (Force Main/Easement Crew)
 - Easement Crew Leader (Force Main/Easement Crew)
 - Pump Station Foreman
 - Landscape Technician I (Landscaping Crew-2 Positions)
 - Equipment Operator II (Asphalt Crew)
 - One Stop Shop Supervisor (Recommended by Blue Print Dothan)

Expenditure Overview

Significant Changes

(FY 2017 to FY 2018 and FY 2018 to FY 2019)

- 2018 Target Budget \$ 721,949 (Increase)
- 2019 Target Budget \$ -0- (No Change)

Expenditure Overview

Significant Changes

(FY 2017 to FY 2018 and FY 2018 to FY 2019)

- Debt Service* \$ 3,318,611 (Increase - 2018)
 (\$1,049,206) (Decrease - 2019)

* Includes Debt for 2016 SRF \$41m and 2017 G/O \$17m

Expenditure Overview

Significant Changes

(FY 2017 to FY 2018)

- RSA - Changes in Percentages are as Follows:

	<u>2017</u>	<u>2018</u>	<u>Change in %</u>
- Tier I	21.02%	20.36%	(.66%)
- Tier II	20.62%	19.82%	(.80%)

The Decrease in the Required Percentage Created a Savings in Fiscal Year 2018's Budget of Approximately \$300,000.

Expenditure Increases

(FY 2017 to FY 2018 and FY 2018 to FY 2019)

- Health Insurance
 - Claims are Projected to Remain the Same
 - 2018 \$13.7M
 - Current Premium Structure Generates \$12.8M
 - Proposed 10% Increase to Employees and Retirees' Premiums

Items Not Funded In Budget

(Department Requests Totaled Over \$43m)

- Additional Police Officer for City Parks
- Land for Industrial Park
- Eastgate Park Multi-Purpose Center
- Traffic Signal Upgrade
- Improvements & Program Requirements of the AOC

Items Not Funded In Budget

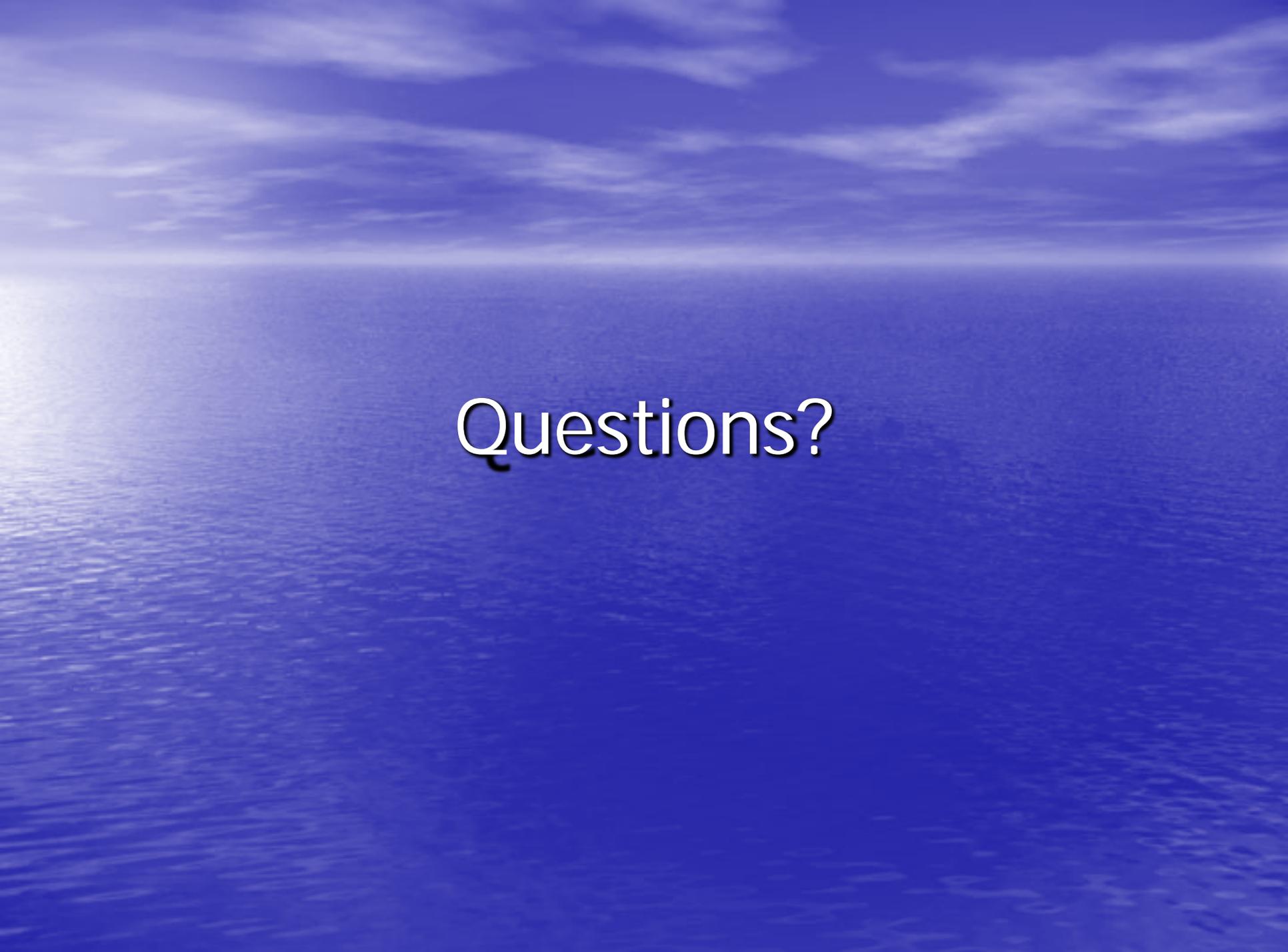
(Department Requests Totaled Over \$43m)

- Renovations and Resurfacing Parking Lot at Rip Hewes
- GIS Mapping for Water System
- Additional Tank and Well Rehabilitation
- Additional Electric, Water & Sewer Upgrade Projects
- Additional Space for City Departments

Items Not Funded In Budget

(Department Requests Totaled Over \$43m)

- Construction of Fire Station No. 3
- Implementing Bike & Pedestrian Plan
- Storm Drainage Improvements
- Other Park Improv. - Conveyed to Staff by Commission

The background is a blue gradient. On the left side, there is a bright sun that creates a shimmering reflection on the water below. The top of the image shows a sky with light, wispy clouds. The overall scene is a calm, open body of water under a clear sky.

Questions?