FY 2018 Budget and CIP
July 20, 2017
Brian Maxwell, City Manager
Budget Schedule

- Long Range Forecast presented June 23
- Capital Improvement Plan presented today, July 20
- Proposed Budget to be presented August 10
- August 10 Council meeting: Propose tax rate and schedule public hearings on tax rate and budget
- August 24 Council meeting: Budget and CIP workshop, hold public hearing on tax rate
- September 14: Hold second tax rate public hearing, hold budget public hearing, consider adopting CIP
- September 28 – Adopt budget and adopt tax rate
General Fund Changes from FY 2017

- $2.6 million revenue growth:
  - $1.9 million from property taxes (M&O rate constant, 3.5 cent increase for Debt Service Fund) – 6.5 percent increase in taxable value
  - $620,000 from sales taxes, 4 percent growth
- Police: $1.63 million increase – including CBA pay increase, 16 officers (8 potential from COPS grant) and three civilians
- Fire: $478,000 increase including CBA pay increase
- Increase of two percent in contributions to Police and Fire pension funds (reserved under Governmental Expenditures) - $393,000
- Transfer to Infrastructure and Debt Service Fund increase $677,000 (6 percent of General Fund Budget)
- Civilian COLA of 2 percent - $254,000
- Comprehensive Plan update - $75,000
- Increased reimbursement for Public Works mill and overlay work - $232,000
- Reduced transfer to Island Transit by $170,000
- Net savings in other accounts - $512,000
Police Budget (all funds)

- Eight additional police officers, reimbursed from Parking Management and Convention Center Surplus funds - $584,000 budget increase overall
- Local match for COPS grant for eight additional officers, total of sixteen (under Governmental Expenditures) - $142,000
- Collective Bargaining Agreement increase of 4.87 percent - $556,000
- Full funding for classified personnel (no vacancy lapse allowance) - $474,000
- Increase in city’s pension contribution of 2 percent – $233,000
- Three civilians positions - $159,000
- Materials and supplies for trainees - $78,000
- Equipment for dive team, SWAT, investigations (Special Funds) - $77,000
- Half of FY 2018 General Fund equipment budget for police vehicles - $500,000
Fire Budget

- Collective Bargaining Agreement increase of 4.3 percent - $442,000
- Adjustment to Assistant Chiefs and Fire Marshal - $34,600
- Increase in city’s pension contribution of 2 percent – $160,000
- Net reduction in protective gear from major purchase in FY 2017 - $74,000
Other Major Operating Budget Items

• 2 percent COLA for all civilian personnel
• 8.7 percent increase in City’s employer contribution to employee health insurance
• Water and Sewer Funds
  • No rate increase in FY 2018
  • Two percent growth in revenue
• Debt Service Fund – Pay debt service due for $25 million 2017 public improvement bonds through 3.5 cent increase in property tax rate for debt service, raising overall rate to 56.1 cents per $100 of taxable value
• Island Transit –
  • Reduce overall budget approximately $1 million to offset loss of grants and reduce General Fund subsidy by $170,000
  • Fund Bus Trolley system with Convention Center Surplus Funds – estimated $600,000
Capital Improvement Plan Overview

• $212 million in projects over five years, FY 2018-2022

• Schedule calls for all bond funded Street and Drainage projects to be under contract by end of FY 2020, completing construction by FY 2022 – Accelerate design process in support of this effort

• FY 2018 highlighted projects
  • Begin construction of 45th street from Broadway to Seawall as one $10.4 million project
  • In-house mill and overlay of five miles of streets
  • Major CDBG funded projects underway by September 30 including Fire Station #1, 65th Street, Saladia Street, 69th Street, Avenue S, 51st Street, Sealy Street and water tank projects at the 59th Street and 30th Street Pump Stations.
  • Water - Airport pump station upgrades and 30 inch line from railroad bridge to Harborside Drive
  • Sewer – Lift Station rehabilitation, reconstruction of Pirates Beach Wastewater Treatment Plant, and reconstruction of the Airport Wastewater Treatment plant