

CITY OF SALISBURY  
BUDGET WORK SESSION  
APRIL 16, 2019

Public Officials Present

Council President John "Jack" R. Heath  
Council Vice-President Muir Boda  
Councilman James Ireton, Jr. (left 2:15 p.m.)

Mayor Jacob R. Day  
Councilwoman Angela M. Blake  
Councilwoman April Jackson

In Attendance

City Administrator Julia Glanz, Deputy City Administrator Andy Kitzrow, Finance Director Keith Cordrey, City Clerk Kimberly Nichols, one member of the Public, and a member from the Press

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The City Council convened in a Special Meeting at 8:30 a.m. in Conference Room #306 of the Government Office Building (GOB). Following the adjournment of the Special Meeting, the Budget Session began at 8:35 a.m. with the Personnel Committee presentations.

**Salisbury Police Department (SPD) Personnel Committee**

Cpl. Jeff Hughes and Dee Lehman, Caton, representing the SPD Personnel Committee joined Council and discussed the following pertaining to the SPD proposed budget:

- Cpl. Hughes expressed how important the 2.25% increase was for sworn officers and the 2% increase for civilian staff because retention and recruitment were down.
- Dover, DE has 99 sworn officers - the City has 102 sworn officers. Dover's starting salary is between \$51,000 and \$56,000 post academy - the City starts at \$44,000.
- Dover's retirement is 50% of their salary at 20 years; the City's retirement is 50% at 25 years. Dover's officers receive 80% of their salary at 30 years.
- Federalsburg's starting salary is \$42,000. Maryland State Police is increasing by 17% over the next few years. The City is unable to compete with the State Police salary.
- There is no compensation for on-call status unless they are called in.
- SPD offers \$10,000 sign on bonuses to MD sworn officers and offers \$52,000 for PCF's. What else could they offer?
- It takes 18 months to receive new vehicles once they are ordered.
- Discussed on-call stipends for specialized units.

Cpl. Hughes said specialized teams receive the same pay. The guaranteed raise that began (3) years ago helped those at the bottom, but needs re-evaluating (they are \$8,000 to 10,000 off).

**Salisbury Fire Department Personnel Committee**

Salisbury Career Firefighters Association President DJ Hoster, Vice-President Lieutenant David Cox and Secretary Ben Kuntz from the Fire Department Personnel Committee joined Council. President Hoster passed out the priorities / long-term goals list, included as part of the minutes.

*Overtime (receiving time + a half for personnel)*

- The Fire Department is the only City department that does not receive time and a half.
- Most departments country-wide receive time and a half.

#### *Adding Senior Firefighter position*

- This position was in the Fire Chief's budget and was part of the career development funded last year, which funded most of the new ranks and was a morale booster. Adding Senior Firefighter position would ensure continued the growth.

#### *Staffing*

- They opened a third station full-time because of the SAFER Grant program. In FY20, there is about \$200,000 to help fund the Fire Department's share match of the program.
- At the end of the three years, they want to keep the personnel on and must plan ahead.
- Want to have enough staffing to add another ambulance to keep up with call volume, which is (38) calls per shift (12-13 calls per ambulance) and is over the national average.
- Want to work towards having 4 people on each ambulance call.
- Desperately need more paramedics.
- Unable to compete with Ocean City.

#### *Pay/Benefits*

- Must ensure they are competitive due to costs associated with training new personnel.
- Retirement health insurance coverage is very high.
- Would like the years of service retirement requirement lowered, but LEOPS is restrictive.

#### *Pay for classes*

- Employees attend classes on their own time and are not compensated.
- Could the college benefit be used for classes if they do not use the college monies?

#### *Part time funding*

- Requested increased funds for overtime pay. Part time salaries were increased but full-timers should have the opportunity to work overtime.

#### *SWIFT Program*

- If the grant funding ever runs out, they want to continue funding the SWIFT program.

#### *President Heath addressed the following discussion points:*

- *Was there a distinction between call in pay and over-time pay?* There is no mandatory call back policy, and call in pay is "straight time."
- *Was there a reduction of calls because of the SWIFT program?* Mr. Hoster said the call volumes decreased with those patients with only one SWIFT crew. They are eliminating some with the frequent fliers but are increasingly dealing with the aging population.
- *Where did the City stand in terms of full staffing on each vehicle?* Mr. Hoster said they were close. When they received the SAFER Grant Chief Tull ensured minimum staffing on the ladder truck at Station 2 was (4), so they are 1/3 of the way to being fully staffed.
- *Discussed (4) on each crew and Mr. Hoster thought they needed to work towards that.*

- *Paying for classes vs. paying for college.* If it is included in the budget and not used, it may be practical to pay for specialized classes that are approved by Chief Tull.

### **Volunteer Firefighters Personnel Committee**

Deputy Chief of Volunteer Services Lee Smith and Assistant Chief David Black joined Council and discussed several projects in the budget. The attached Volunteer Fire Personnel Committee Budget Presentation was passed out and included as part of the minutes.

*Self-Contained Breathing Apparatus (SCBA) Replacement - most important project needing funding (\$875,000 CIP item)*

- They have reached the end of life and next year will be mandated to replace them.

*Radio Paging System (another CIP item)*

- The paging system in Salisbury was over twenty years old.
- Since the County changed systems, they have experienced problems with alerting.
- The aging paging system was not compatible with the 700-MHz countywide system.

*Other items the volunteers supported that were removed at the mayoral level included:*

- Telephone system upgrade
- Land acquisition for the new firehouse in CIP
- Increasing volunteers stipend back to \$100,000. Since the FSA was signed in 2017, the County has not funded any of the Salisbury Volunteer Companies (Station 2 or 16).

Deputy Chief Smith discussed several items the volunteers contributed back to the City including three utility vehicles. He asked that the items be reinstated in the budget for the volunteer components for Station 2 and 16 and continued funding of the LOSTAT Program for volunteers. Recently, the \$10,000 life insurance policy was removed from the County and said they appreciated Council funding the program.

Other items included:

- Updating the Hurst equipment (associated costs totaled \$183,728.00)
- The volunteers built the Station 1 Gym (\$8,000)
- Overhead bay doors – they have a maintenance contract
- The volunteers pay for the Comcast for internet throughout all three departments
- Had 92 volunteers and were taking new applicants. They lost 15 to the SAFER Grant.

### **General discussion with Mayor Day regarding the Police and Fire presentations**

Mayor Day reflected on the presentation and noted there were few ways to significantly increase revenue. Since there was no will to increase taxes, some of the requests could not be accommodated. He thought it was wise to discuss funding classes that advanced the positions. The County would not change their mindset and there is no legal justification for not funding them and funding other volunteer fire companies. President Heath asked for the true overtime numbers. Councilman Ireton said the clerical positions handled irate callers remarkably well.

Regarding the implied imbalance in Police compensation, Mayor Day reported the starting salary of (3) positions recently filled was in the high \$50,000's as they were certified police officers, and was higher than State Police starting salaries with a guaranteed 2.25% yearly increase. Once a certified police officer is recruited, they earn more than they would earn in Dover, Federalsburg, Easton, Cambridge, Annapolis, or Ocean City. He said the department has not lost an officer through transferring out in over 18 months. Recruiting efforts are good under Cpl. Loring, but there were still vacancies. Mr. Boda said Salisbury used to hire police officers who worked three or four years only to move on to another jurisdiction.

### **Field Ops/Water Works Personnel Committee**

Pete Torigo from the Traffic Department, Gary Bradford from the Street Department, and James Colliton from Utilities joined Council to represent Field Operations and Water Works. The employees discussed the following and passed out The Field Ops Personnel Committee Budget Requests 2/20/19 sheet, attached and made part of the minutes:

#### **Universal Concerns**

- *Pay study/pay increases-* Jobs were hard to fill with qualified candidates due to low pay
- *Compensation for on-call status-* On-call duty is scheduled a month out, meaning no traveling and required availability to respond within an hour. This effects employees' availability for second jobs and volunteer work and the status is uncompensated. The original request was for at least an award of comp time for each week of being on call.
- *Events should have their own budgets since they place massive financial drainage on overtime and materials accounts.* Many supplies and materials for the Folk Festival (NFF) came from department budgets. Much of the infrastructure is now in place, but there will still be expenditures. Many of the departments drained their overtime budgets well before the end of the year due to the NFF, Marathon, etc.
- *Mini-Excavator and trailer* – this machine could be used by multiple departments
- *Retirement / Life Event gift / Party* – small budget requested for celebration parties

#### **Traffic Department concerns**

- *Additional personnel needed* – had trouble attracting qualified / experienced personnel
- *Need a small bucket truck, boring machine for underground electrical conduit installation, street striping machine, new trencher machine, and mini-excavator.*
- *Need to replace T-6 pickup truck*

### **General discussion with Mayor Day regarding Field Ops and Water Works presentation**

Mayor Day said the mid-sized excavator and funds for boring for contractors were budgeted. They just awarded a contract all of the City's striping, but he liked the idea of having an in-house striping machine. He did not understand the request for parties as retirees are recognized and given a gift at the Holiday Party, and thought Field Ops should do more cross training.

### **Department of Housing and Community Development (DHCD) Personnel Committee**

Code Enforcement Officers Chanita Lewis Watson and Ryan Hardesty, Neighborhood Relations Manager Kevin Lindsay, and Senior Code Enforcement Officer Dan Hogg passed out the HCDD Employees Affairs priorities sheet, attached and made part of the minutes.

Items requested: increasing personal days, extra funds for training/maintaining certifications, increasing the City's 457 match, increasing annual time or longevity bonus at 25 and 30 years of service, enacting Employee of the Month, birthdays off with pay, step increases when employees obtain certification, free cleanings at the dentist, earning a recognition day with excused sick leave, receiving a "mental health" day, earning overtime instead of comp time for attending after hour events, earning merit increases, and providing additional vehicles.

Council further discussed department vehicles and increasing training dollars for staff.

#### General discussion with Mayor Day regarding the DHCD presentation

Ms. Glanz said they did not discuss the 457-match this year since they wanted a leaner budget. More employees are taking advantage of the match and she would like to see it increased as a recruiting tactic. Administration was looking at Employee of the Month. They would look at training and vehicles differently since not everyone could get a vehicle and receive training each year. Councilwoman Blake discussed transporting clients in City vehicles and recalled programs in place for medical and appointments that take on the additional liability. She asked if the person transporting homeless people knew all of their mental and physical needs such as what to do in the case of a seizure or accident. Medical transport and other services are available free to the client, so why does the City transport them? Huge liability to both the City and employee.

#### Government Office Building (GOB) Personnel Committee

Finance Department Accountant II Val Adkins joined Council to represent the GOB Personnel. She requested the 2% increase remain in the budget and thanked Council for that. She stated the dental coverage was not as good as the medical. She discussed parking for employees in the GOB and the dangers of crossing Route 50. Council discussed possibly bussing employees across the street, and Mr. Cordrey said Lot 10 was offered to employees (not across Route 50).

#### Financial Position of the City

Finance Director Keith Cordrey updated Council on the City's Financial Health.

Financial Overview (The FY19 Financial Overview from Mr. Cordrey is attached and included as part of the minutes)

*Balance Sheet* - Cash unrestricted was \$10.4 million, up from \$10.2 million last year; Unassigned Fund Balance was up to \$7.4 million from \$6.6 million the previous year. The City has moved up from the GFOA minimum of two months expenditures (\$6.5 million) towards the goal of three months or more (\$9.8 million).

#### *Statement of Revenues, Expenditures and Changes*

Revenues – In the previous year the City had a net change in fund balance of \$125,000, and last year it was \$1.7 million. The previous year looked good at \$125,000 because the ladder truck was not received in the year that it was budgeted).

#### *Variances in Revenues and Expenditures*

*Revenues* – There was a favorable variance for revenues for taxes at \$191,878; Other Revenue was \$335,109. We were short in Charges for Services by 141,848, and the Intergovernmental Revenues were \$44,732 over what was budgeted, for a total favorable variance of \$429,871.

Expenditures- There were favorable expenditure variances where we did not spend all that was budgeted. General Government had a favorable variance of expenditures of \$363,964; Public Safety in Police - \$1,031,759; Fire Department - \$352,682, and Total Public Safety was \$1,658,755. Engineering - \$479,533; Recycling - \$219,672, and Total Public Works was \$825,754. The total expenditure variance was \$3,133,003

Mr. Cordrey explained how we budgeted a use last year of \$2.1 million and had a change in fund balance of \$1.7 million. It was because we started with a budgeted use of \$2.1 million and had an encumbrance carryover of \$3 million. During the year, we passed ordinances appropriating \$243,000. Total use of surplus, if we spent all the money that was spendable, was \$5.4 million. Since we had favorable revenue variances of \$605,000 and favorable expenditure variances of \$3.1 million, actual use was \$1.7 million.

#### *Water Sewer Fund*

Statement of Net Position- Cash increased from \$5 million to \$6.8 million.

Statement of Revenues Expenses and Changes- Total operating revenues in FY17 were \$14.9 million, in FY18, \$15,971,157 (\$1,066,856 increase in operating revenues).

Operating income increased \$1.2 million for a total of \$5.1 million. After depreciation, there was an increase in net operating income of \$1 million, for a total of \$2,680,341. In non-operating revenues, the grant was for \$6.4 million, and the change in net assets was a total of \$8.7 million.

Statement of Cash Flows- Net Cash provided by operating activities was a reduction of \$60,472 (essentially we broke even)

Cash Analysis- Previously, we said it would be ideal to have \$2.7 million in operating, \$1.5 million in revolving, \$500,000 in each impact fund. Total capital was \$2.5, total was \$5.2 million. 6-30-18 balances were \$6.9 million. One of the things the rate study of the Water and Sewer Fund analysis indicated was the importance to build up cash to avoid debt by building funds to be used for capital improvements. We are now headed in that direction. Minimum cash balances are up and we can begin avoiding long-term debt.

#### *Statement of New Position- Governmental*

OPEB liability went down in FY18 by \$2.3 million to \$15.4, partly due to accounting changes. In pension liability, the LEOPS share was reduced by \$4 million to \$29 million.

#### *Statement of New Position- Total*

(Included Business and Governmental) OPEB liability reduced from \$22 million to \$19 million; pension liability reduced from \$37 to \$32 million. In unrestricted new position, there was a negative net position of \$27 million (all OPEB and pension liabilities)

**Financial Health** (The Financial Health 2019 Presentation from Mr. Cordrey is attached and included as part of the minutes)

General Fund- Total Fund Balance as of June 30, 2018 was \$10,738,933 divided by our budgeted expenditures equals a ratio of 31.9%. This is considered to be **strong**.

Unassigned Fund Balance The ratio is created by comparing unassigned fund balances to budgeted expenditures. 19% is **considered adequate**.

Debt to Market Value- Total obligation debt or bonded debt was \$99.5 million; market value of property was \$2,151,596,042. This signifies a 4.63% ratio, **considered adequate**.

Debt Per Capita

The \$99,578,997 Citywide general obligation debt divided by the population of 33,000 is \$3,017 debt per capita (**needs improvement**).

Annual Debt Service

In FY20, \$4 million was budgeted in debt service. General fund expenditures + capital project budget fund = \$44 million. The 9.07% ratio is **considered adequate**. The City's financial policy is to avoid debt service/not exceed 10% of our expenditures. 9% is close.

Water and Sewer Unrestricted Balance

The unrestricted fund balance was at 1.9 million as of June 30, 2018. Operating revenue at 16.5 million gave a 12% ratio (**needs improvement**).

Parking Authority Unrestricted Net Position

Unrestricted net position- \$296,783; Revenue- \$678,200. \$43.8% (**considered strong**).

**FY19 Budget Highlights**

- The proposed budget includes one-step increase for all employees.
- Reorganized Police Communications (did an "undo" of the previous year reorg by removing the director and supervisors and updated the number of PCO's to 13).
- Updated the Community Center Budget in HCDD for alarms and internet, electric, programming for Newton and Truitt
- Homeless Program – added two vouchers (19,000) and a Homeless to Work Program
- Career ladder revisions (Accounts Payable Clerk, Code Enforcement Officers, Survey Tech II)
- Reclasses or merit increases (HR Director, Sr. SEO to CEO Supervisor of HCDD, Surveyor, IT GIS Analyst II)
- New positions (Sustainability Coordinator)

**Rates and Fees**

- Trash service increased to \$56 (still not recovering 8% of total cost for service)
- Water & Sewer rate increase of 3% (discussed rate increases and options)
- 25% increase in utilities Personal Property Tax rate
- Real property tax rates have not changed in three years

**Revenues**

Mr. Cordrey discussed the top increases in revenue (Real Property, railroad/utilities, trash fees, highway user, local income taxes, transfer from annexation reinvestment, building permits, MDOT reimbursements, and transfers from forfeited SPD) and decreases (OBC-current year, capital lease proceeds, school zone camera, municipal

infractions, EMS from County, Cable TV franchise fee, rent earnings, weed cleaning/removal, interest delinquent taxes, clean it/lien it fees, and municipal fees).

#### **FY19 General Fund Outlay and General Capital Projects**

Mr. Cordrey discussed the slide regarding the adjustments in the proposed budget made to the items in the CIP. The CIP amount on the second page was \$8.4 million, which was reduced by \$3.6 million.

Council recessed for lunch at 12:45 p.m. and reconvened at 1:18 p.m.

#### **Departmental Reviews**

Upon the completion of the Personnel Committee reviews and Financial Position of the City, Council began the departmental budget reviews.

#### **Salisbury Police Department (SPD)**

Police Chief Barbara Duncan and Colonel Dave Meienschein began the discussion with overtime expenditures which total approximately \$450,000 to \$475,000 per year. The National Folk Festival (NFF), Marathon and other events brought the department up to \$500,000 in overtime.

Mr. Ireton asked if any of the grants from the NFF or the \$83,000 budgeted for the NFF included overtime. Mr. Kitzrow responded that the grants were specifically earmarked to assist with elements such as infrastructure, operations, etc. and were not allocated for salaries for law enforcement, security, or maintenance workers. Overtime was paid from each department's budget. Ms. Blake asked if the overtime requested in the budget was projected to cover the next NFF and Marathon events and Chief Duncan confirmed it should be enough.

Chief Duncan reported the SPD currently had six openings and seven frozen positions. She offered a solution to unfreeze one of the positions by removing two cadet positions that were originally taken from a Police Officer position to create them. Mr. Ireton stated for clarification that the amount for salaries was \$4,050,000 in FY19 (to this point) and he wanted to know the number and length of vacancies because vacancies were the ones funded and frozen were unfunded. Chief Duncan said that vacancies come and go depending on attrition, retirement, laterals, terminations, and medicals. There currently was one pending retirement, two were deployed for one year, and one on paternity leave. Ms. Blake asked for struggles regarding recruitment and Colonel Meienschein said that many people did not want to be Police Officers, and if the quality of applicants was ever questionable it was better not to hire them at all and to leave the vacancy rather than to create more problems.

They also discussed the Humane Society agreement and the City's increased fees paid to them. President Heath asked how many City animals were taken to the Humane Society and Mayor Day answered later in the day (about 330 animals – 200 cats, 130 dogs).

#### **Fire Department**

Fire Chief John Tull and Deputy Chiefs James Gladwell and Darrin Scott joined Council to discuss the Fire Department budget. Chief Tull discussed the (12) SAFER grant funded positions and the



associated costs with funding them with the City's match. All of the Fire Stations were open (24) hours, (3) Capital Fire Units staffed, and (3) EMS Units staffed. With the additional staffing, they saw improvements in response and travel times for both fire and EMS and could assemble the right number of people on fires. They would continue to acquire additional funds to sustain the program. President Heath asked about the difference should they have (2) teams. Chief Tull said it would be an asset and there would be further reductions in calls, but they would need additional PRMC staff. President Heath asked if another ambulance was added that could be staffed from 7am to 7pm and become backup the rest of the time, would the SWIFT team have enough impact to negate need for that ambulance. Chief Tull thought it would negate the need.

Mr. Boda said the City did not charge enough for calls for service in the Fire Service Agreement (FSA). Mayor Day said that it was a negotiated figure, and the County pushed back hard on the City's numbers. Mr. Boda said it needed explaining that funding was not there and this would affect the quality of service the City provided to both City and County residents. If all of the EMS units were on a call and a call from the County came in, the City would need more funding to properly provide the service. Chief Tull said there was a decrease in the billable amount since calls occurring outside city limits have decreased. The Council discussed the FSA billing, volunteer funding, value of the service provided to County residents, etc.

Chief Tull discussed the Fire Department's Essential Items list including:

- *Increasing the volunteer stipends* (originally funded at \$100,000, dropped to \$80,000. The request was for it to be reinstated at \$100,000 due to their lack of County funding now. They only have funding from donations.
- *Part-time salaries funding* was set at \$50,000 and was cut to \$25,000. The request was for it to be fully funded as there was no funding mechanism previously for the NFF and Marathon, etc. that the department had to absorb out of the current budget.
- *Position reclassification of the Quartermaster or maintenance supply position.* This was currently funded at a lieutenant position and the request was for reclassification to a Captain position for the following reasons: 1) all the administrative positions are at the Captain or Assistant Chief's level, 2) position responsible for everything that the Fire Department utilizes (all apparatus, all buildings, all inventory from turnout gear to uniforms, badges, cleaning supplies, writing RFPs and invitations to bid, and managing a million dollars' worth of fleet and buildings.
- *Mobile Integrated Healthcare Provider* was included as placeholder. This was fully grant funded currently, but in the event it runs out, this must be funded.
- *Career Ladder*- second part of the initial Fire Department Pay Plan created and implemented last year. This was the second step to allow for career advancement.

Council President discussed the rotation of turnout gear. In comparing this year's budget to last year's there is a 44% decrease in the amount spent on turnout gear. He thought the same amount would be spent each year. Chief Tull said the amount would be the same moving forward over the next (10) years, and this was the corrected amount. There would be no more drastic low or high surprises, and it would balance out.

President Heath wondered why electricity in some departments increased by 14% and other departments went down by 15%, which was the case of the Fire Department. Mayor Day said many factors go into the calculations, such as the phasing of the energy savings program and possibly the order in which the improvements occur. He offered to invite the City's Energy Consultant, Richard Anderson to explain the calculations. Chief Tull added the fuel and gasoline accounts were based on the Fire Department's 2018 usage and cost per gallon.

President Heath asked about the account number 577030 for \$91,000 – Capital Equipment. Chief Tull said the items listed were at \$70,000 contribution from the volunteers for bulletproof vests. If the City funded part, they would do a contribution match. They do not have the match and it was not funded in the budget, so it was not spent.

City Administrator Glanz explained the computers were on a (7) year rotation, and IT Director Garrett had prioritized the computers needing replacing.

President Heath told Chief Tull to relay the Council wished the Fire Department employees the best, to be safe and to continue doing the fantastic job they were already doing.

#### **City Council**

City Clerk Kim Nichols presented the Council's budget and explained the funding amounts requested were the same as the prior years with exception of the Printing Account. Last year the Clerks Office needed additional funding for Printing due to the increased codification costs due to the reorganization. The training account would likely fund all of Council's participation if all decided to attend the MML Conferences.

Ms. Jackson asked why the City did not belong to NLC and Council discussed the cost/benefit factor. Since MML more closely aligned their goals with local municipalities, it was decided that any of the Council could attend a meeting or conference, but at the non-member rate.

#### **City Clerk**

Mrs. Nichols discussed the Clerk's budget. One desktop computer was in line for replacement according to the consolidation plan. The training account was not utilized as much as in prior years due to both Nichols' and Carter's schedules.

#### **Elections**

Ms. Nichols compared the Elections budget (\$51,500) to (4) years ago at \$48,883. Three (3) years prior to that it was \$56,000, and two years prior to that the budget was \$40,000. She reminded Council that they would need to pass a budget amendment for first reading only just prior to the November 5, 2019 Election in case there was a tie.

#### **Mayor's Office**

City Administrator Julia Glanz reported the Mayor's budget contained little changes from last year except for the salary line. With Deputy City Administrator Pulcher's departure, it was realized that the best place for that position was with Mr. Demone doing communications work. The Media Specialist job was posted and some very good candidates have applied. The

change comes with a salary savings. Mayor Day said that he appreciated the potential that approving a second Deputy City Administrator had to help create a narrower span of control, but it also created challenges. Narrowing the scope of that position and lowering its level, and focusing on Communications saves and clarifies.

#### **City Attorney**

City Attorney Mark Tilghman estimated the fees for FY19 to be \$369,515 due to the ongoing litigation. The Company No. 1 case cost over \$70,000 since its inception, and in January 2019, the costs were \$11,000 because the hearing was forthcoming with discovery. There was other ongoing litigation and luckily the ACLU case was paid for by LGIT (with a \$50,000 coverage for that case). They alleged the City violated their legal rights. Mr. Tilghman said that the Company No. 1 case had entered the "discovery phase" which is where litigation gets expensive. Deputy City Administrator Kitzrow thought the FY20 projection of \$350,000 was a very good estimate.

Council recessed at 3:09 p.m. and reconvened at 3:18 p.m.

#### **Human Resources Department (HR)**

Human Resources (HR) Director Jeanne Loyd said there were small changes. The Employee Picnic and Banquet accounts were unchanged. Two employees were assisted through the House Keys for Employees program, and there was a third waiting on closing costs to buy a new home in the City of Salisbury. New computers in HR were needed through the Consolidated Plan. Workers Compensation was a large account and they were waiting on final premiums.

Mr. Boda asked how many employees participated in the degreed tuition reimbursement program and Ms. Loyd said there were (4). He recalled the discussion with the Fire Department earlier in the day regarding employees wishing to take classes for certifications and asked if it was out of the Fire Department training account (it did). There were (2) grant recipients in the housing program, and a third employee was almost to the settlement process.

#### **Information Services**

Director Bill Garrett, joined by Assistant Director: GIS John O'Brien and Assistant Director: IT Steve Dickerson, presented the IS budget requests. There were two *Critical Items*, 1) a merit increase for the GIS analyst and 2), It high availability virtual environment (setting up (3) high storage servers to develop a high availability, high resiliency server environment by clustering all 3 servers together and eliminating the hardware portion of the server. When one server goes down the virtual aspect moves to one that is not down.

President Heath asked when the virtual servers would become obsolete, and Mr. Garrett said they would be future-proof. Storage arrays could easily and inexpensively be added as needed.

#### **Government Office Building (GOB)**

Procurement Director Jennifer Miller presented the budget for the GOB and reported there was \$87,000 net increase over the previous year due to the following three expenses - \$38,000

*Building and Fixture Improvements* (replacing grounds lighting, replacing men's room toilet partitions, removing underground fuel storage tank, replacing walkway, replacing chairs in Council Chambers), \$17,000 *ESG Settlement*, \$56,000 *CIP Items* (building improvements such as engineering for roof replacement, one ADA Compliant restroom, women's room partition replacement, heater water circulation pump). Mr. Kitzrow said that last year, not much, if any of the GOB CIP improvements were funded because the City received the figures late from the County and had not been able to fund the improvements.

### **Procurement**

Mrs. Miller said that Procurement's budget had a small increase of 3% due to Computer Software (Procureware) for the Procurement portal. Some years there is more travel and training than other years, and between the two accounts there is a small net increase of about \$600 so staff can attend the National Institute for Governmental Procurement's regional forum in Ocean City, Maryland. Normally, the annual forum is held around the country, and this would be the first time staff could all attend the smaller version of the NIGP forum.

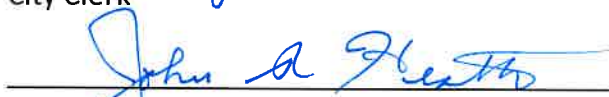
Mr. Boda asked about staffing, and Mrs. Miller reported there were four employees in the department. They were in the hiring process for an Administrative Assistant, and had just extended the offer to a candidate. She hoped to be fully staffed in about a month.

With nothing further to discuss, the Budget Work Session adjourned at 4:04 p.m.

### **Council Discussion**

President Heath thanked Mr. Cordrey and stated the process was easier each year, and a lot had to do with the set-up and the format was very simple. He also thanked Council for being prepared with their questions and reported the next session would be held next Wednesday, April 24, 2019 at 8:30 a.m.

  
\_\_\_\_\_  
City Clerk

  
\_\_\_\_\_  
Council President

## **Priorities and long-term goals**

### **1. Overtime**

- a. Work to have personnel receive 1.5 rate for overtime

### **2. Adding of the senior firefighter positions**

- a. Realize cost is 150,000 but needed to keep with career development
- b. Maybe fund half year or start at the top with budgeted monies each year

### **3. Staffing**

- a. Keep all newly hired personal via safer grant on full time after grant ends
- b. Achieve enough staffing to have an additional ambulance staffed
- c. Achieve enough personnel to raise minimum staffing to 4 on all capital pieces
- d. Thoughts on more paramedics (new hires required to complete?)

### **4. Pay/Benefits**

- a. Keep pay competitive with market
- b. better retirement health insurance coverage
- c. Lower years of service requirement (dependent on LEOPS rules)

### **5. Pay for classes**

- a. Allow members to get paid for additional classes they take that can benefit the department (City already offers to pay for college, maybe try to add it in with college pay benefit when personnel aren't taking advantage of college monies)



# Volunteer Fire Personnel Committee Budget Presentation

Deputy Fire Chief Volunteer Services

Lee Smith

Assistant Fire Chief Volunteer Operations

Jon D. Black

President, Salisbury Fire Department Inc.

Billy Lewis

President, Salisbury Fire Company #2 Inc.

Richard Rathel

# Summary of 2019 Volunteer Budget

- ▶ Continue to Supply Comcast to all Fire Stations.
- ▶ Purchase of three new light duty vehicles dropped from last years budget.
- ▶ Provided for training events for volunteers.
- ▶ Assisted in upkeep and improvement on facilities
- ▶ Lost County Funding do to City/County Fire Service Agreement

# Top Priorities

- ▶ Continued funding support of Length of Service Awards Program LOSAP.
- ▶ Continued funding of Workers Compensation since dropped by County in 2018.
- ▶ Increase operational funding of 100,000 per current budget request.
- ▶ Continue to fully fund training budget and light duty vehicles as requested in SFD budget request.
- ▶ Fully fund the SCBA replacement of \$875,000.



## Field Ops Personnel Committee Budget Requests 2/20/19

### Universal concerns

#### Pay study/Pay increases

- More than five years since last pay study

- Open positions are hard to fill with qualified candidates for starting pay-Sign & Pavement Marking Tech 1 pay similar to advertised pay for part-time worker @ Aldi supermarket

#### Compensation for On-Call status

- Especially with full month scheduling, affects employee availability for second jobs, volunteer firefighting, etc.

#### Festivals should have own budget/accounts

- Massive drain on department resources for materials & overtime

### Water

#### Mini-Excavator and trailer

- Reduce need for personnel, traffic control, limit damage to roads, sidewalks, and landscaping

- Reduced of total street closures by using single lane traffic instead

- Would also be useful to Street Department, Traffic Department

### Wastewater

No current requests pending completion of Upgrade

### Water Treatment Plant

#### Retirement/Life event gift/party

- Upon retirement, except for the Christmas Party, individuals only receive any kind of party/gift if their individual employees take up a collection or someone (usually supervisors) pay for it personally. A small budget, less than \$100 per vested retiree, to pay for cake, card, and a small gift, would improve morale.

### Traffic Dept.

Additional Personnel-3 electricians, qualifications CDL class B, basic electrical knowledge, 3 years professional experience

- Create 2 crews, one to focus on streetlights, one to focus on other projects, e.g. outlets, lights, etc.

- Remove/reduce need for outside contractors for Zoo, Fire, SPD, etc,

#### Small Bucket Truck

- Ford F-550 service body, 40' work height

- T-5 out of service for approx. 12 weeks between June to December 2018

#### Boring Machine for underground electrical conduit installation

- Approx. \$250,000 for machine

- Cost per streetlight is roughly \$2,500

- Less trenching=faster, less manpower, less damage to streets, sidewalks, landscaping

#### Street striping machine

- Almost no time available with state highway, other contractors unreliable & much more expensive

#### T-6 replacement

- Over 10 years old, multiple problems, e.g. push button start, etc,

#### New Trencher

- If Boring machine not available, trencher is at least 15 years old

#### Mini-Excavator

- Would need to be capable of installing light pole bases

## Housing and Community Development

### Employee Affairs Meeting

- Increase in Personal days per year
- More money for training
- Increase in 457 match
- Increase in Annual time or longevity bonus at 25 and 30 years of service
- Employee of the month with monetary increase
- Birthday off with pay
- Step increase when employee obtains certification
- Free cleanings at Dentist
- Recognition day with excused sick leave
- Overtime instead of Comp time for after hour events
- Merit increase
- Vehicles



City of  
Salisbury

# Financial Overview

PRESENTED APRIL 2019



## Financial Overview - Agenda

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### ☐ Fund Level General Fund Financials (FY18)

- Balance Sheet
- Unassigned Fund Balance
- Statement of Revenues, Expenditures, and Changes
- Analysis of FY18 Budget vs. Actual for Revenues and Expenditures
- FY 20 Budget

### ☐ Water Sewer Fund (FY18)

- Statement of Net Position
- Statement of Revenues, Expenses, and Changes in Net Position
- Statement of Cash Flows
- Cash Status

### ☐ Entity Wide Level (FY 18)

- Statement of Net Position
- OPEB Liability GASB 42
- Pension Liability GASB 68

### ☐ Debt Capacity

- Capital Improvement Plan effect on Debt Capacity



## Balance Sheet – Governmental Funds

**FY18**

	General Fund
<b>ASSETS</b>	
Cash	\$ 2,196,550
Investment pool	8,183,830
Taxes receivable	2,536,908
Less allowance for uncollectibles	(892,418)
Due from other governmental units	270,020
Due from other funds	390,116
Sundry accounts receivable	4,551,096
Less allowance for uncollectibles	(2,991,752)
Inventory	776,249
Prepaid expenditures	2,258
Restricted cash	212,260
Restricted investment pool	-
<b>TOTAL ASSETS</b>	<b>\$ 14,958,595</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	
<b>Liabilities:</b>	
Accounts payable and accrued expenses	\$ 2,126,844
Due to other funds	-
Unearned revenue	-
Deposits and advance payment of taxes	109,132
Compensated absences	174,807
<b>Total Liabilities</b>	<b>2,410,783</b>
<b>Deferred Inflows of Resources</b>	
Unavailable revenue	1,808,879
<b>Total Deferred Inflows of Resources</b>	<b>1,808,879</b>
<b>Fund Balances:</b>	
Nonspendable	778,507
Restricted	-
Committed	1,693,351
Assigned	868,485
Unassigned	7,398,590
<b>Total Fund Balances</b>	<b>10,738,893</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 14,958,595</b>

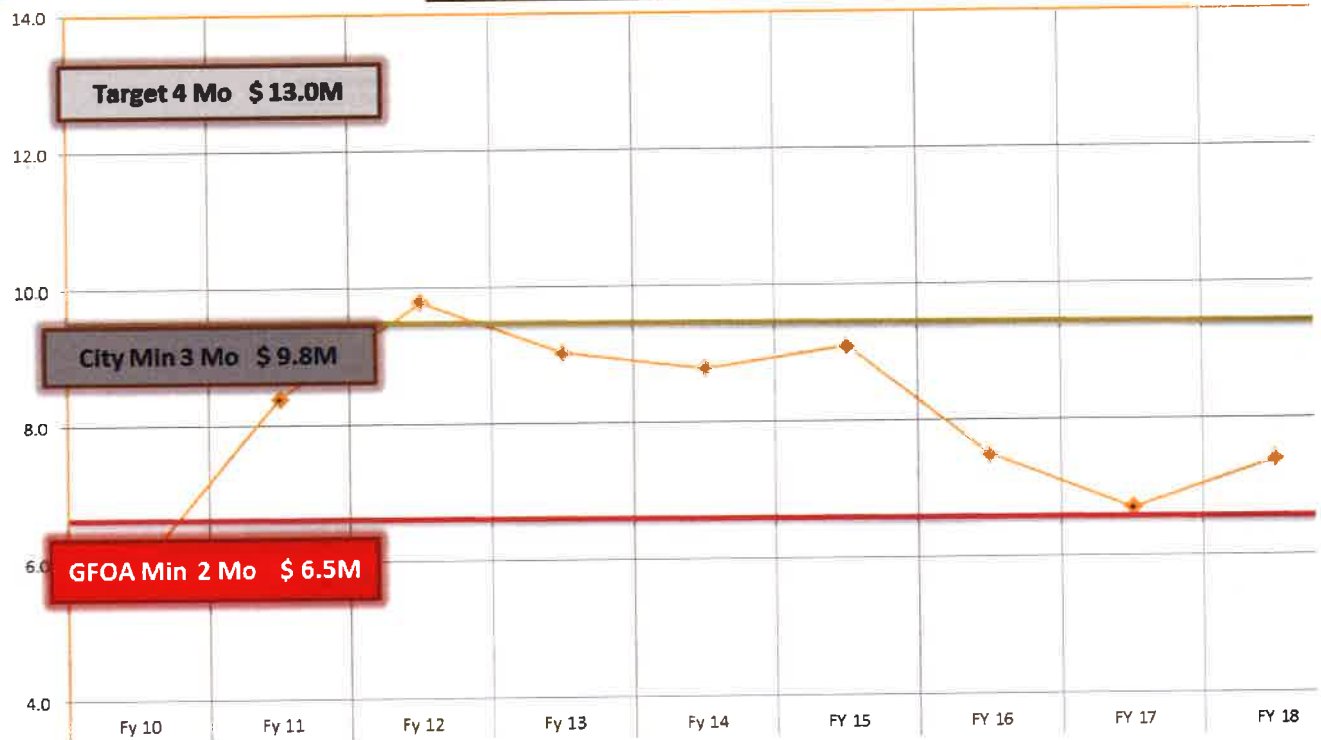
**FY17**

	General Fund	Imp
<b>ASSETS</b>		
Cash	\$ 2,433,220	-
Investment pool	7,766,351	-
Taxes receivable	2,107,690	-
Less allowance for uncollectibles	(887,588)	-
Due from other governmental units	522,004	-
Due from other funds	276,868	-
Sundry accounts receivable	4,197,981	-
Less allowance for uncollectibles	(2,619,769)	-
Inventory	805,802	-
Prepaid expenditures	2,226	-
Restricted cash	1,505,357	-
Restricted investment pool	-	-
<b>TOTAL ASSETS</b>	<b>\$16,200,044</b>	<b>\$ -</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>		
<b>Liabilities:</b>		
Accounts payable and accrued expenses	\$ 1,604,006	\$ -
Due to other funds	-	-
Unearned revenue	-	-
Deposits and advance payment of taxes	433,576	-
Compensated absences	154,739	-
<b>Total Liabilities</b>	<b>2,191,821</b>	<b>-</b>
<b>Deferred Inflows of Resources</b>		
Unavailable revenue	1,561,650	-
<b>Total Deferred Inflows of Resources</b>	<b>1,561,650</b>	<b>-</b>
<b>Fund Balances:</b>		
Nonspendable	808,028	-
Restricted	-	-
Committed	1,954,695	-
Assigned	3,026,169	-
Unassigned	6,647,661	-
<b>Total Fund Balances</b>	<b>12,436,553</b>	<b>-</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$16,200,044</b>	<b>\$ -</b>



## Unassigned Fund Balance

Analysis Unassigned Fund Balance







## Statement of Revenues, Expenditures and Changes

□ FY18 Expenditures exceeded Revenues by \$1.7M . This was largely due to an expenditure for fire equipment budgeted in FY17 that was not received and expended until FY18.

	General Fund		General Fund
<b>REVENUES</b>		<b>REVENUES</b>	
Taxes		Taxes	\$24,801,665
Other revenue	\$26,799,572	Other revenue	4,250,105
Intergovernmental revenues	4,212,634	Intergovernmental revenues	2,428,600
Charges for services	2,925,831	Charges for services	2,979,689
<b>TOTAL REVENUES</b>	<b>37,729,636</b>	<b>TOTAL REVENUES</b>	<b>34,460,059</b>
<b>EXPENDITURES</b>		<b>EXPENDITURES</b>	
Current:		Current:	
General government	3,649,691	General government	3,278,547
Public safety	22,180,055	Public safety	20,435,138
Public works	4,545,338	Public works	4,855,183
Recreation and culture	2,028,685	Recreation and culture	1,930,038
Nondepartmental	1,195,661	Nondepartmental	931,423
Capital outlays	1,888,470	Capital outlays	1,778,500
Debt service:		Debt service:	
Principal	2,785,353	Principal	2,300,773
Interest	868,627	Interest	786,680
<b>TOTAL EXPENDITURES</b>	<b>39,141,880</b>	<b>TOTAL EXPENDITURES</b>	<b>36,296,282</b>
<b>DEFICIENCY OF REVENUES UNDER EXPENDITURES</b>	<b>(1,412,244)</b>	<b>DEFICIENCY OF REVENUES UNDER EXPENDITURES</b>	<b>(1,836,223)</b>
<b>OTHER FINANCING SOURCES (USES)</b>		<b>OTHER FINANCING SOURCES (USES)</b>	
Operating transfers in (out)	(498,509)	Operating transfers in (out)	(785,416)
Proceeds from bond issuance	24,900	Proceeds from bond issuance	9,977,305
Proceeds from sale of capital assets	178,213	Bond premium	1,370,142
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(295,396)</b>	Payment to refunding agent	(9,319,411)
<b>NET CHANGE IN FUND BALANCES</b>	<b>(1,707,640)</b>	Proceeds from sale of capital assets	467,942
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<b>12,446,573</b>	<b>TOTAL OTHER FINANCING SOURCES</b>	<b>1,710,562</b>
<b>FUND BALANCES, END OF YEAR</b>	<b>\$10,738,933</b>	<b>NET CHANGE IN FUND BALANCES</b>	<b>(125,661)</b>
		<b>FUND BALANCES, BEGINNING OF YEAR</b>	<b>12,572,234</b>
		<b>FUND BALANCES, END OF YEAR</b>	<b>\$12,446,573</b>



## Revenues

Actual Revenues were

\$37.7M.

Final Budget of \$37.3.

Revenues budgeted, exclusive of Other Financing Sources, were exceeded by \$430k.

The favorable variance components are as follows:

Taxes	192
Other	335
Services	(142)
Intergov.	45
Total	430

	Final Budget	Actual	Positive (Negative)
<b>Charges for services</b>			
Administrative fees	523,247	524,657	1,410
Ambulance call fees	1,750,000	1,947,170	197,170
Advertising	100	140	40
Filing fees	200	-	(200)
Garbage disposal fees	1,261,000	1,124,151	(136,849)
Inspection fees	30,300	28,999	(1,301)
Plan review fees	20,000	27,530	7,530
Police alarm systems	40,000	34,206	(5,794)
Weed removal	90,000	50,389	(39,611)
Zoning appeal and housing board appeal fees	600	-	(600)
Fire permits and plan review	200,000	54,357	(145,643)
Hazmat revenue	18,000	-	(18,000)
<b>Total Charges for Services</b>	<b>3,933,447</b>	<b>3,791,599</b>	<b>(141,848)</b>
<b>Intergovernmental</b>			
State of Maryland			
Police protection	551,024	541,877	(9,147)
Enterprise zone	60,000	169,011	109,011
Highway user	981,773	981,825	52
Wicomico County			
Financial corporations	18,302	18,302	-
Fire department	1,060,000	950,000	(110,000)
Room tax	210,000	264,816	54,816
<b>Total Intergovernmental</b>	<b>2,881,099</b>	<b>2,925,831</b>	<b>44,732</b>
<b>Total Revenues</b>	<b>37,299,765</b>	<b>37,729,636</b>	<b>429,871</b>
<b>Other Financing Sources</b>			
Proceeds from bond issuance	28,000	24,900	(3,100)
Proceeds from sale of capital assets	-	178,213	178,213
<b>Total Other Financing Sources</b>	<b>28,000</b>	<b>203,113</b>	<b>175,113</b>
<b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>	<b>\$37,327,765</b>	<b>\$37,932,749</b>	<b>\$ 604,984</b>





## FY18 Revenues

	Final Budget	Actual	Variance Positive (Negative)
<b>Taxes</b>			
Real property	\$17,239,136	\$17,499,545	\$ 260,409
Personal property	64,362	75,152	10,790
Ordinary business corporations and utilities	6,857,908	6,552,502	(305,406)
Payments in lieu of tax	416,288	424,294	8,006
Admissions and amusement	345,000	303,618	(41,382)
State shared income tax	1,550,000	1,813,673	263,673
<b>Total Taxes</b>	<b>26,472,694</b>	<b>26,668,784</b>	<b>196,090</b>
Interest and penalties on delinquent taxes	135,000	130,788	(4,212)
<b>Total Taxes, Interest, and Penalties</b>	<b>26,607,694</b>	<b>26,799,572</b>	<b>191,878</b>
<b>Other revenue</b>			
Amusement licenses	3,500	5,035	1,535
Billboard licenses	21,000	20,970	(30)
Building and inspection permits	275,000	275,289	289
Business licenses	156,300	166,122	9,822
Franchise fees	508,742	416,897	(91,845)
Landlord licenses	632,500	709,126	76,626
Parking fines and meter collections (adjustment)	-	13,388	13,388
Plumbing licenses and permits	45,000	33,575	(11,425)
Street-breaking permits	1,750	1,350	(400)
Towing companies	3,500	4,350	850
Other miscellaneous permits	31,925	35,300	3,375
Municipal infraction violations	75,000	49,558	(25,442)
Interest on investment of idle funds	12,500	131,227	118,727
Insurance proceeds	10,650	16,436	5,786
Donations	123,607	105,325	(18,282)
Zoo reimbursements	245,000	217,980	(27,020)
Zoo Commission	445,345	401,444	(43,901)
Sale of maps, codes, and documents	1,100	198	(902)
Bad debt collections	7,000	3,822	(3,178)
School zone camera fines	1,100,000	1,325,771	225,771
Other miscellaneous receipts	178,106	279,471	101,365
<b>Total Other Revenue</b>	<b>3,877,525</b>	<b>4,212,634</b>	<b>335,109</b>



## FY18 Revenues

Total Revenues  
exceeded budget  
by \$ 430k

	Final Budget	Actual	Variance Positive (Negative)
<b>Charges for services</b>			
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Ambulance call fees	1,750,000	1,947,170	197,170
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Plan review fees	20,000	27,530	7,530
Police alarm systems	40,000	34,206	(5,794)
Weed removal	90,000	50,389	(39,611)
Zoning appeal and housing board appeal fees	600	-	(600)
Fire permits and plan review	200,000	54,357	(145,643)
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<b>Total Charges for Services</b>	<b>3,933,447</b>	<b>3,791,599</b>	<b>(141,848)</b>
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Wicomico County			
Financial corporations	18,302	18,302	-
Fire department	1,060,000	950,000	(110,000)
Room tax	210,000	264,816	54,816
<b>Total Intergovernmental</b>	<b>2,881,099</b>	<b>2,925,831</b>	<b>44,732</b>
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Proceeds from sale of capital assets	-	178,213	178,213
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<b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>	<b>\$37,327,765</b>	<b>\$37,932,749</b>	<b>\$ 604,984</b>



## FY18 Expenditures



	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>General Government</b>				
City council				
Salaries	\$ 52,000	\$ 52,000	\$ 52,000	\$ -
Personnel benefits	8,814	8,821	8,804	17
Other operating expenses	15,041	15,684	15,151	533
Community promotion	750	100	48	52
	<u>76,605</u>	<u>76,605</u>	<u>76,003</u>	<u>602</u>
City clerk				
Salaries	106,003	106,003	105,963	40
Personnel benefits	36,230	36,255	36,199	56
Other operating expenses	17,073	18,114	16,119	1,995
	<u>159,306</u>	<u>160,372</u>	<u>158,281</u>	<u>2,091</u>
Mayor's office				
Salaries	403,457	400,745	390,308	10,437
Personnel benefits	126,286	126,301	104,974	21,327
Professional services	960	100	98	2
Other operating expenses	71,764	74,509	68,638	5,871
Capital outlay	-	812	800	12
	<u>602,467</u>	<u>602,467</u>	<u>564,818</u>	<u>37,649</u>
Developmental services				
Salaries	77,837	123,692	112,004	11,688
Personnel benefits	32,855	34,607	31,216	3,391
Professional services	73,955	77,037	77,036	1
Other operating expenses	188,350	199,411	192,809	6,602
Community promotion	253,580	253,590	219,659	33,931
Capital outlay	5,000	6,452	5,952	500
	<u>631,577</u>	<u>694,789</u>	<u>638,676</u>	<u>56,113</u>
City attorney				
Professional services	284,800	359,600	343,291	16,509
	<u>284,800</u>	<u>359,600</u>	<u>343,291</u>	<u>16,509</u>
Internal services - finance				
Salaries	301,390	301,390	288,337	13,053
Personnel benefits	111,023	111,023	106,407	4,616
Professional services	60,520	60,520	47,540	12,980
Other operating expenses	64,685	56,738	47,806	8,932
Capital outlay	-	28,792	27,910	882
Not defined	10,700	8,700	772	7,928
	<u>548,318</u>	<u>567,163</u>	<u>518,772</u>	<u>48,391</u>
Internal services - purchasing				
Salaries	178,430	178,430	167,478	10,952
Personnel benefits	53,216	53,216	44,611	8,605
Professional services	13,400	13,905	13,791	114
Other operating expenses	28,135	28,014	23,917	4,097
Capital outlay	1,250	1,371	351	1,020
	<u>274,431</u>	<u>274,936</u>	<u>250,148</u>	<u>24,788</u>



## FY18 Expenditures

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>General Government (cont'd)</b>				
Information technology				
Salaries	239,835	239,835	239,260	575
Personnel benefits	87,462	87,462	84,204	3,258
Professional services	-	30	30	-
Other operating expenses	113,252	110,806	100,826	9,980
Capital outlay	7,000	19,261	17,072	2,189
	<u>447,549</u>	<u>457,394</u>	<u>441,392</u>	<u>16,002</u>
Internal services - human resources				
Salaries	129,219	129,219	129,170	49
Personnel benefits	134,396	133,796	112,287	21,509
Professional services	10,610	13,776	9,840	3,936
Other operating expenses	15,545	18,076	13,499	4,577
Capital outlay	-	121	121	-
	<u>289,770</u>	<u>294,968</u>	<u>264,917</u>	<u>30,071</u>
Planning and zoning				
Salaries	70,000	69,900	68,280	1,620
Personnel benefits	30,789	26,889	24,484	2,405
Professional services	9,550	29,536	29,240	296
Other operating expenses	1,245	1,245	1,245	-
	<u>111,584</u>	<u>127,570</u>	<u>123,249</u>	<u>4,321</u>
Municipal buildings				
Professional services	20,000	20,000	10,936	9,064
Other operating expenses	217,601	367,202	271,654	95,548
	<u>237,601</u>	<u>387,202</u>	<u>282,590</u>	<u>104,612</u>
Poplar hill mansion				
Salaries	25,000	25,000	25,000	-
Personnel benefits	1,913	1,912	1,912	-
Other operating expenses	32,715	35,685	12,850	22,835
	<u>59,628</u>	<u>62,597</u>	<u>39,762</u>	<u>22,835</u>
<b>Total General Government</b>	<b>3,723,636</b>	<b>4,065,883</b>	<b>3,701,899</b>	<b>363,984</b>
<b>Public Safety</b>				
Police services				
Salaries	6,678,735	6,632,105	6,480,981	151,124
Personnel benefits	3,829,834	3,857,423	3,370,935	486,488
Professional services	38,500	132,314	79,901	52,413
Other operating expenses	1,076,312	1,228,227	1,074,616	153,611
Community promotions	1,000	10,148	10,022	126
Capital outlays	385,000	455,409	267,412	187,997
	<u>12,009,381</u>	<u>12,315,626</u>	<u>11,283,867</u>	<u>1,031,759</u>
Police communications				
Salaries	590,135	500,785	396,073	104,712
Personnel benefits	206,028	206,028	127,554	78,474
Professional services	8,000	8,000	3,125	4,875
Other operating expenses	78,650	65,550	57,943	7,607
	<u>882,813</u>	<u>780,363</u>	<u>584,695</u>	<u>195,668</u>



## FY18 Expenditures

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Public Safety (cont'd)</b>				
Animal control				
Salaries	75,105	80,605	79,667	938
Personnel benefits	44,681	45,031	32,427	12,604
Other operating expenses	5,000	12,800	10,687	2,113
Professional services	93,876	91,766	90,580	1,186
	<u>218,662</u>	<u>230,202</u>	<u>213,361</u>	<u>16,841</u>
Total Police Department	<u>13,110,856</u>	<u>13,326,191</u>	<u>12,081,923</u>	<u>1,244,268</u>
Traffic control				
Salaries	286,062	289,223	289,223	-
Personnel benefits	136,519	140,355	138,759	1,596
Other operating expenses	975,603	1,121,902	1,101,740	20,162
Capital outlays	-	64,531	64,531	-
	<u>1,398,184</u>	<u>1,616,011</u>	<u>1,594,253</u>	<u>21,758</u>
Fire department				
Firefighting				
Salaries	3,988,221	3,953,757	3,818,309	135,448
Personnel benefits	2,282,601	2,303,242	2,234,257	68,985
Professional services	146,000	151,713	140,975	10,738
Other operating expenses	951,366	986,241	860,953	125,288
Capital outlays	20,000	1,405,315	1,404,616	699
	<u>7,388,188</u>	<u>8,600,268</u>	<u>8,459,110</u>	<u>341,158</u>
Volunteer firemen				
Salaries	27,000	6,413	6,413	-
Personnel benefits	230,374	228,777	218,274	10,503
Professional services	40,000	41,216	40,195	1,021
Other operating expenses	8,800	9,800	9,800	-
Community promotions	100,000	100,000	100,000	-
	<u>406,174</u>	<u>386,206</u>	<u>374,682</u>	<u>11,524</u>
Total Fire Department	<u>7,794,362</u>	<u>9,186,474</u>	<u>8,833,792</u>	<u>352,682</u>
Buildings, permits, and inspections				
Salaries	220,558	220,308	220,151	157
Personnel benefits	82,464	82,940	69,569	13,371
Professional services	4,350	4,350	1,615	2,735
Other operating expenses	23,922	24,389	18,021	6,368
	<u>331,294</u>	<u>331,987</u>	<u>309,356</u>	<u>22,631</u>
Housing and community development				
Salaries	575,079	528,591	526,084	2,507
Personnel benefits	225,337	224,424	219,881	4,543
Professional services	516	546	444	102
Other operating expenses	223,998	253,631	246,410	7,221
Community promotions	107,000	106,500	104,476	2,024
Capital outlays	28,600	41,676	40,657	1,019
	<u>1,160,530</u>	<u>1,155,368</u>	<u>1,137,952</u>	<u>17,416</u>
Total Public Safety	<u>23,795,226</u>	<u>25,616,031</u>	<u>23,957,276</u>	<u>1,658,755</u>





## FY18 Expenditures

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Department of Public Works</b>				
Resource management				
Salaries	182,890	178,217	175,535	2,682
Personnel benefits	63,002	70,076	67,858	2,218
Other operating expenses	12,509	10,109	8,955	1,154
	<u>258,401</u>	<u>258,402</u>	<u>252,348</u>	<u>6,054</u>
Engineering				
Salaries	427,467	427,467	425,894	1,573
Personnel benefits	174,645	174,645	156,189	18,456
Professional services	20,000	224,340	31,103	193,237
Other operating expenses	659,502	1,333,074	1,067,999	265,075
Capital outlays	2,500	2,500	1,308	1,192
	<u>1,284,114</u>	<u>2,162,026</u>	<u>1,682,493</u>	<u>479,533</u>
Roadways				
Salaries	354,766	342,787	324,116	18,671
Personnel benefits	155,252	158,577	151,097	7,480
Other operating expenses	224,495	239,730	239,730	-
Capital outlays	-	-	-	-
	<u>734,513</u>	<u>741,094</u>	<u>714,943</u>	<u>26,151</u>
Sanitation				
Waste collection and disposal				
Salaries	371,535	371,535	311,094	60,441
Personnel benefits	184,243	172,543	160,704	11,839
Other operating expenses	721,152	734,852	729,231	5,621
	<u>1,276,930</u>	<u>1,278,930</u>	<u>1,201,029</u>	<u>77,901</u>
Recycling				
Salaries	67,488	67,469	66,033	1,436
Personnel benefits	35,236	35,255	34,047	1,208
Other operating expenses	26,256	26,254	23,884	2,370
Capital outlays	-	166,467	29,710	136,757
	<u>128,980</u>	<u>295,445</u>	<u>153,674</u>	<u>141,771</u>
Total Sanitation	<u>1,405,910</u>	<u>1,574,375</u>	<u>1,354,703</u>	<u>219,672</u>
Fleet maintenance				
Salaries	220,997	220,997	184,741	36,256
Personnel benefits	116,620	115,030	90,435	24,595
Other operating expenses	189,817	192,712	163,622	29,090
	<u>527,434</u>	<u>528,739</u>	<u>438,798</u>	<u>89,941</u>
Carpenter shop				
Salaries	75,386	75,365	73,862	1,503
Personnel benefits	36,314	36,685	35,441	1,244
Other operating expenses	25,773	25,423	23,767	1,656
	<u>137,473</u>	<u>137,473</u>	<u>133,070</u>	<u>4,403</u>
Total Department of Public Works	<u>4,347,845</u>	<u>5,402,109</u>	<u>4,576,355</u>	<u>825,754</u>



## FY18 Expenditures

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Recreation and Culture</b>				
Municipal zoo				
Salaries	852,413	837,063	801,548	35,515
Personnel benefits	242,398	246,448	221,553	24,895
Professional services	17,450	20,750	20,350	400
Other operating expenses	472,105	483,177	462,583	20,594
	<u>1,584,366</u>	<u>1,587,438</u>	<u>1,506,034</u>	<u>81,404</u>
Park maintenance				
Salaries	291,041	291,041	260,490	30,551
Personnel benefits	125,918	125,797	103,883	21,914
Other operating expenses	178,597	210,785	158,279	52,506
Capital outlays	-	28,021	28,021	-
	<u>595,556</u>	<u>655,644</u>	<u>550,673</u>	<u>104,971</u>
<b>Total Recreation and Culture</b>	<u>2,179,922</u>	<u>2,243,082</u>	<u>2,056,707</u>	<u>186,375</u>
<b>Nondepartmental</b>				
Insurance				
Health care claims	-	-	286,130	(286,130)
Insurance	745,017	703,580	597,217	106,363
	<u>745,017</u>	<u>703,580</u>	<u>883,347</u>	<u>(179,767)</u>
Miscellaneous				
Personnel benefits	284,000	287,950	287,316	634
Professional services	-	25,000	25,000	-
Other operating expenses	3,950	-	-	3,950
	<u>287,950</u>	<u>312,950</u>	<u>312,316</u>	<u>634</u>
<b>Total Nondepartmental</b>	<u>1,032,967</u>	<u>1,016,530</u>	<u>1,195,663</u>	<u>(179,133)</u>
<b>Debt Payments</b>				
Principal redemption	1,776,569	1,967,490	1,967,484	6
Interest	2,136,088	1,966,767	1,686,496	280,271
<b>Total Debt Payments</b>	<u>3,912,657</u>	<u>3,934,257</u>	<u>3,653,980</u>	<u>280,277</u>
<b>TOTAL EXPENDITURES</b>	<u>38,992,253</u>	<u>42,277,892</u>	<u>39,141,880</u>	<u>3,136,012</u>
<b>Other Financing Uses</b>				
Transfer to other funds	419,500	419,500	422,509	(3,009)
Transfer to housing first	76,000	76,000	76,000	-
<b>Total Other Financing Uses</b>	<u>495,500</u>	<u>495,500</u>	<u>498,509</u>	<u>(3,009)</u>
<b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$39,487,753</u>	<u>\$42,773,392</u>	<u>\$39,640,389</u>	<u>\$ 3,133,003</u>



## Analysis of FY18 Budget and Variances

How did we budget for a use of \$2.1M of surplus, but wind up with an a use of surplus of \$1.7?

- Note the encumbrance carry forwards from FY17 increased the budgeted use of surplus by \$3M and that ordinances passed during FY18 increased the budget use another \$243k; resulting in a final budgeted use of surplus of \$5.4M.
- The variances (Revenue \$605k and Expenditure \$3.1M) result in the actual use of fund balance in the amount of \$1.7M.

	FY 17	FY18
<b>Use of Surplus</b>		
Original Budget	2,564	2,192
Encumbrances from Prior Year	2,156	3,011
Ordinances	1,097	243
<b>Final Budget</b>	<b>5,817</b>	<b>5,446</b>
<b>Revenue Variances</b>		
Taxes	230	192
School Zone Camera	(173)	226
Charges for Services	(292)	(142)
Other	(67)	154
Debt Proceeds	504	175
<b>Total Revenue Variances</b>	<b>202</b>	<b>605</b>
<b>Expenditure Variances</b>		
Mayors Office	124	38
Municipal Buildings	150	105
General Government Other	212	221
Police	369	1,244
Traffic	103	22
Fire	1,555	353
PW Engineering	899	480
PW Roads	63	26
PW Sanitation	83	298
Recreation	149	186
Insurance	75	(180)
Transfer	817	(3)
Debt Service	431	280
Other	459	206
<b>Total Expenditure Variances</b>	<b>5,489</b>	<b>3,133</b>
<b>Change in Fund Balance</b>	<b>126</b>	<b>1,708</b>
* All amounts shown in thousands		





## Water Sewer Fund Statement of Net Position

ASSETS	FY16	FY17	Change
<b>Current assets:</b>			
Cash	\$ 3,426,958	\$ 4,512,010	1,085,052
Investment pool	535,558	548,967	13,409
Accounts Receivable	2,701,251	2,711,908	10,657
Due from other governmental units	5,677,419	5,024,724	(652,695)
Other assets	404,192	438,693	34,501
Inventory	525,542	19,716	(505,826)
Total current assets	13,270,920	13,256,018	(14,902)
<b>Noncurrent assets:</b>			
Restricted cash	327,820		(327,820)
Restricted investment pool	18,727,046	21,093,071	2,366,025
Construction-in-progress	33,509,484	53,807,566	20,298,082
Land	266,703	266,703	-
Buildings, equipment, and improvements	92,082,135	94,796,198	2,714,063
Less accumulated depreciation	(29,242,504)	(31,489,254)	(2,246,750)
Total noncurrent assets	115,670,684	138,474,284	22,803,600
Total assets	128,941,604	151,730,302	22,788,698
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred pension contributions	323,305	305,569	(17,736)
Deferred outflows pension	536,729	817,804	281,075
Total deferred outflows of resources	860,034	1,123,373	263,339
Total assets and deferred outflows of resources	129,801,638	152,853,675	23,052,037
<b>LIABILITIES</b>			
<b>Current liabilities:</b>			
Accounts payable and accrued expenses	5,009,208	4,162,496	(846,712)
Accrued payroll	233,898	84,631	(149,267)
Accrued interest payable	118,433	184,817	66,384
Bonds, notes and capital leases payable	3,829,768	3,986,718	156,950
Compensated absences	21,492	22,282	790
Deposits and advance payment of taxes	12,302	-	(12,302)
Unearned Revenue (Pension)	489,706	949,180	459,474
Total current liabilities	9,714,807	9,390,124	(324,683)
<b>Noncurrent liabilities:</b>			
Bonds, notes and capital leases payable	56,724,342	69,628,630	12,904,288
Post-employment benefits	4,270,473	4,441,273	170,800
Net Pension Liability	3,681,848	4,150,289	468,441
Compensated absences	193,426	200,539	7,113
Total noncurrent liabilities	64,870,089	78,420,731	13,550,642
Total liabilities	74,584,896	87,810,855	13,225,959
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred inflows pension	350,179	309,253	(40,926)
Total deferred inflows of resources	350,179	309,253	(40,926)
Total liabilities and deferred inflows of resources	74,935,075	88,120,108	13,185,033
<b>NET POSITION</b>			
Net investment in capital assets	36,061,708	53,331,450	17,269,742
Restricted	19,054,866	11,527,486	(7,527,380)
Unrestricted	(250,011)	(125,369)	124,642
Total net position	\$ 54,866,563	\$ 64,733,567	9,867,004

### ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

<b>Current assets:</b>	
Cash	\$ 3,804,980
Investment pool	3,083,019
Accounts receivable, net	2,504,384
Due from other governmental units	3,048,610
Other assets	9,858
Inventories	374,238
Total Current Assets	13,845,595
<b>Noncurrent assets:</b>	
Restricted cash	3,410,825
Restricted investment pool	15,725,740
<b>Capital assets:</b>	
Construction-in-progress	30,040,950
Land	301,703
Buildings, equipment, and improvements	132,038,570
Less accumulated depreciation	(33,930,814)
Total Noncurrent Assets	148,501,988
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred outflows - pension plan	935,864
Deferred outflows - OPEB plan	33,439
Total Deferred Outflows of Resources	969,303

### TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

	\$ 163,318,884
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION</b>	
<b>LIABILITIES</b>	
Due in one year:	
Accounts payable	\$ 3,057,140
Accrued payroll	87,447
Accrued interest payable	170,065
Due to other funds	-
Compensated absences	21,120
Bonds, notes, and capital leases payable	4,262,887
Deposits	-
Unearned revenue	768,000
Total Current Liabilities	8,987,545
Due in more than one year:	
Bonds, notes, and capital leases payable	72,044,289
Net OPEB liability	3,852,040
Provision for compensated absences	100,133
Net pension liability	3,518,805
Total Noncurrent Liabilities	79,605,267
Total Liabilities	88,572,812
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred inflows - pension plan	526,674
Deferred inflows - OPEB plan	33,268
Total Deferred Inflows of Resources	560,942
<b>NET POSITION (DEFICIT)</b>	
Net investment in capital assets	53,049,250
Restricted	19,145,571
Unrestricted	1,989,300
Total Net Position (Deficit)	74,184,121
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION</b>	\$ 163,318,884



## Statement of Revenues Expenses and Changes in Net Position Water Sewer Fund

	FY 16	Change	FY 17	Change	FY 18
<b>OPERATING REVENUES</b>					
Charges for services	\$13,621,179	594,611	\$ 14,215,790	\$ 694,712	\$ 14,910,502
Penalties	72,551	(77)	72,474	9,925	82,399
Tapping charges and connection fees	361,758	(210,611)	151,147	107,371	258,518
Sundry income	<u>216,012</u>	(39,038)	176,974	121,861	298,835
Pretreatment monitoring fee	180,940	(15)	180,925	47,169	228,094
Impact Fees	260,468	(153,477)	106,991	85,818	192,809
<b>TOTAL OPERATING REVENUES</b>	<u>14,712,908</u>	<u>191,393</u>	<u>14,904,301</u>	<u>1,066,856</u>	<u>15,971,157</u>
<b>OPERATING EXPENSES</b>					
Salaries	3,777,039	(26,780)	3,750,259	30,045	3,780,304
Personnel benefits	3,764,212	(1,831,999)	1,932,213	(162,053)	1,770,160
Professional and skilled services	499,001	605,926	1,104,927	15,109	1,120,036
Other operating expenses	4,041,042	108,442	4,149,484	22,140	4,171,624
Equipment	2,106	71,139	73,245	(66,113)	7,132
<b>TOTAL OPERATING EXPENSES</b>	<u>12,083,400</u>	<u>(1,073,273)</u>	<u>11,010,127</u>	<u>(160,871)</u>	<u>10,849,256</u>
Operating income (loss) before depreciation	2,629,508	1,264,666	3,894,174	1,227,727	5,121,901
Depreciation	2,153,181	93,569	2,246,750	194,810	2,441,560
<b>NET OPERATING INCOME (LOSS)</b>	476,327	1,171,097	1,647,424	1,032,917	2,680,341
<b>NON-OPERATING REVENUES (EXPENSES)</b>					
Grants	9,555,411	(597,272)	8,958,139	(2,471,136)	6,487,003
Operating transfers in	8,774	(8,774)	-	-	-
Operating transfers out	-	-	-	-	-
Interest income	42,842	79,492	122,334	145,034	267,368
Interest expense	(709,486)	(151,408)	(860,894)	146,591	(714,303)
<b>TOTAL NONOPERATING REVENUES</b>	<u>8,897,541</u>	<u>(677,962)</u>	<u>8,219,579</u>	<u>(2,179,511)</u>	<u>6,040,068</u>
<b>CHANGE IN NET ASSETS</b>	9,373,868	493,135	9,867,003	(1,146,594)	8,720,409
<b>NET ASSETS (DEFICIT), BEGINNING OF YEAR</b>	45,492,695	9,373,868	54,866,563	10,597,158	65,463,721
<b>NET ASSETS (DEFICIT), END OF YEAR</b>	<u>\$54,866,563</u>	<u>9,867,003</u>	<u>\$ 64,733,566</u>	<u>9,450,564</u>	<u>\$ 74,184,130</u>



## Water & Sewer Fund Statement of Cash Flows

The Water Sewer Fund generated \$ 4.5M from operating activities.

Net change in Cash was a use of \$60.5k due to uses by capital and related activities.

### CASH FLOWS FROM OPERATING ACTIVITIES:

Receipts from customers \$16,110,236  
Payments to suppliers (5,885,019)  
Payments to employees (5,645,013)  
NET CASH PROVIDED BY OPERATING ACTIVITIES 4,580,204

### CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:

Internal activity - payments to other funds -  
NET CASH USED BY NONCAPITAL FINANCING ACTIVITIES -

### CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:

Proceeds from bonds, notes, and capital leases 7,861,061  
Principal paid on bonds, notes, and capital leases (3,981,759)  
Interest paid on bonds, notes, and mortgages (832,492)  
Payments for capital acquisitions (14,261,577)  
Capital grants 6,306,723  
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES (4,908,044)

### CASH FLOWS FROM INVESTING ACTIVITIES:

Interest income 267,368  
NET CASH PROVIDED BY INVESTING ACTIVITIES 267,368

### NET CHANGE IN CASH AND CASH EQUIVALENTS (60,472)

### CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR 26,154,048

### CASH AND CASH EQUIVALENTS, END OF YEAR \$26,093,576

Cash \$ 3,864,986  
Investment pool 3,083,019  
Restricted cash 3,419,825  
Restricted investment pool 15,725,746  
\$26,093,576

### RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:

Operating Income (loss) \$ 2,680,341  
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:  
Depreciation 2,441,560  
(Increase) Decrease in:  
Accounts receivable 147,024  
Due from other governmental units (7,945)  
Other assets 64,455  
Inventories 9,858  
Deferred outflows - pension 187,509  
Deferred outflows - OPEB (33,439)  
Increase (Decrease) In:  
Accounts payable (660,540)  
Accrued payroll 2,816  
Compensated absences (11,562)  
Net OPEB liability 140,922  
Net pension liability (631,484)  
Deferred inflows - pension 217,421  
Deferred inflows - OPEB 33,268  
Deposits -  
NET CASH PROVIDED BY OPERATING ACTIVITIES \$ 4,580,204



## Water and Sewer Fund – Cash Analysis

	Capital				Operating
	Total Capital	Revolving 60200	Impact Water 10800	Impact Sewer 10900	W S 60100
<b>Proposed Min Balances</b>					
Maintenance	1,500,000	1,500,000			
Capacity Expansion	1,000,000		500,000	500,000	
Operating Funds (3 Mo Op Exp)	-				2,700,000
<b>Total Min Balances</b>	<b>2,500,000</b>	<b>1,500,000</b>	<b>500,000</b>	<b>500,000</b>	<b>2,700,000</b>

Min Water Sewer Funds above are \$5.2M. With balance as of 6/30/18 up to \$ 6.9M, we are beginning to accumulate cash for capital improvements which will result in "Debt Avoidance".

### ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

#### Current assets:

Cash  
Investment pool

#### Water and Sewer Fund

\$ 3,864,986  
3,083,019





## Statement of Net Position Governmental

### ☐ OPEB Liability

- FY16 \$ 17.1M
- FY17 \$ 17.7M
- FY18 \$ 15.4M

### ☐ Pension Liability

- GASB 68 requires the City to record it's share of the States Unfunded Pension Liability
- FY16 \$ 26M
- FY17 \$ 33M
- FY 18 \$ 29M

<b>ASSETS</b>					
<b>Current assets:</b>					
Cash and Investment Pool	\$ 11,210,005	(858,337)	\$ 10,351,668	296,798	\$ 10,648,466
Taxes receivable net	1,111,715	198,289	1,310,004	55,964	1,365,968
Accounts receivable, net	2,158,571	(321,808)	1,836,763	(19,634)	1,817,129
Due from other governmental units	1,646,227	(516,005)	1,130,222	(155,087)	975,135
Due from other funds	200,906	-	200,906	113,248	314,154
Inventories	866,952	(61,150)	805,802	(29,553)	776,249
Other assets	224,688	(222,462)	2,226	32	2,258
<b>Total current assets</b>	<b>17,419,064</b>	<b>(1,781,473)</b>	<b>15,637,591</b>	<b>261,768</b>	<b>15,899,359</b>
<b>Noncurrent assets:</b>					
Restricted cash	8,602,476	(857,946)	7,744,530	981,588	8,726,118
Construction - in-progress	7,516,958	3,157,814	10,674,772	(2,982,933)	7,691,839
Land and art	8,374,538	59,984	8,434,522	7,160	8,441,682
Capital assets at cost	57,547,794	2,600,632	60,148,426	7,547,369	67,695,795
Less accumulated depreciation	(25,043,158)	(2,111,128)	(27,154,286)	(4,455,831)	(31,609,322)
<b>Total noncurrent assets</b>	<b>56,998,608</b>	<b>2,849,356</b>	<b>59,977,554</b>	<b>3,498,148</b>	<b>63,475,702</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred pension contributions	2,878,455	47,031	2,925,486	4,991,860	7,917,346
Deferred outflow - pensions	3,810,243	2,362,663	6,172,906	(6,039,151)	133,755
<b>Total deferred outflows of resources</b>	<b>6,688,698</b>	<b>2,409,694</b>	<b>9,098,392</b>	<b>(1,047,291)</b>	<b>8,051,101</b>
<b>Total assets and deferred outflows</b>	<b>81,106,370</b>	<b>3,477,577</b>	<b>84,583,947</b>	<b>2,712,625</b>	<b>87,296,572</b>
<b>LIABILITIES</b>					
<b>Current liabilities:</b>					
Accounts payable and accrued expenses	3,414,239	(379,121)	3,035,118	65,771	3,100,889
Unearned revenue	98,586	94,310	192,896	170,931	363,827
Due to other governmental units	3,150	(3,150)	-	-	-
Deposits and advance payments of taxes	575,905	(142,329)	433,576	(324,444)	109,132
Compensated absences	154,210	29	154,239	20,568	174,807
Accrued interest payable	105,968	26,368	132,336	(155)	132,181
Bonds, notes & cap leases (short term)	2,555,034	106,354	2,661,388	301,303	2,962,691
<b>Total current liabilities</b>	<b>6,907,092</b>	<b>(297,539)</b>	<b>6,609,553</b>	<b>233,974</b>	<b>6,843,527</b>
<b>Noncurrent liabilities:</b>					
Compensated absences	1,387,892	260	1,388,152	165,115	1,573,267
Post-employment health benefits	17,081,891	683,200	17,765,091	(2,356,931)	15,408,160
<b>Net Pension Liability</b>	<b>25,621,249</b>	<b>7,373,946</b>	<b>32,995,145</b>	<b>(4,287,887)</b>	<b>28,707,308</b>
Bonds, notes, and capital leases payable	21,370,923	786,463	22,157,386	2,239,854	24,397,240
<b>Total noncurrent liabilities</b>	<b>65,461,955</b>	<b>8,843,869</b>	<b>74,305,824</b>	<b>(4,219,849)</b>	<b>70,085,975</b>
<b>Total liabilities</b>	<b>72,369,047</b>	<b>8,546,330</b>	<b>80,915,377</b>	<b>(3,985,875)</b>	<b>76,929,502</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred inflows - pensions	2,415,046	(206,306)	2,208,740	1,732,730	3,941,470
<b>Total deferred inflows of resources</b>	<b>2,415,046</b>	<b>(206,306)</b>	<b>2,208,740</b>	<b>(2,075,668)</b>	<b>133,072</b>
<b>Total liabilities and deferred inflows</b>	<b>74,784,093</b>	<b>8,340,024</b>	<b>83,124,117</b>	<b>(6,061,543)</b>	<b>77,062,574</b>
<b>NET POSITION</b>					
Net investment in capital assets	24,470,175	7,717,527	32,187,702	(4,927,639)	27,260,063
Restricted for:	8,602,476	(857,946)	7,744,530	981,588	8,726,118
Unrestricted	(26,750,374)	(11,722,028)	(38,472,402)	8,778,749	(29,693,653)
<b>Total net position</b>	<b>\$ 6,322,277</b>	<b>(4,862,447)</b>	<b>\$ 1,459,830</b>	<b>4,832,698</b>	<b>\$ 6,292,528</b>



## Statement of Net Position Total

### ☐ OPEB Liability

- FY16 \$ 21.3M
- FY17 \$ 22.2M
- FY18 \$ 19.2M

### ☐ Pension Liability

GASB 68 requires the City to record it's share of the States Unfunded Pension Liability

- FY16 \$ 29M
- FY17 \$ 37M
- FY18 \$ 32M

	FY16	Change	FY17	Change	FY18
<b>ASSETS</b>					
<b>Current assets:</b>					
Cash and Investment Pool	\$ 15,653,988	510,236	\$ 16,164,224	2,130,420	\$ 18,294,644
Taxes receivable net	1,111,715	198,289	1,310,004	55,964	1,365,968
Accounts receivable, net	4,961,651	(276,324)	4,685,327	(160,557)	4,524,770
Due from other governmental units	7,324,945	(1,164,999)	6,159,946	(1,235,032)	4,924,914
Inventories	1,392,494	(951,575)	440,919	709,568	1,150,487
Other assets	628,880	196,638	825,518	(813,402)	12,116
Total current assets	31,073,673	(1,487,735)	29,585,938	686,961	30,272,899
<b>Noncurrent assets:</b>					
Restricted cash	27,917,406	1,195,841	29,113,247	(631,628)	28,481,619
Construction-in-progress	41,026,442	23,518,654	64,545,096	(25,881,158)	38,663,938
Land and art	10,538,041	59,984	10,598,025	50,022	10,648,047
Capital assets at cost	157,963,391	5,314,695	163,278,086	44,921,347	208,199,433
Less accumulated depreciation	(59,534,261)	(4,578,482)	(64,112,743)	(4,714,464)	(68,827,207)
Total noncurrent assets	177,911,019	25,510,692	203,421,711	13,744,119	217,165,830
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred pension contributions	3,218,863	28,944	3,247,807	5,653,994	8,901,801
Deferred outflow - pensions	4,375,365	2,660,178	7,035,543	(6,868,349)	167,194
Total deferred outflows of resources	7,594,228	2,689,122	10,283,350	(1,214,355)	9,068,995
<b>Total assets and deferred outflows</b>	<b>216,578,920</b>	<b>26,712,079</b>	<b>243,290,999</b>	<b>13,216,725</b>	<b>256,507,724</b>
<b>LIABILITIES</b>					
<b>Current liabilities:</b>					
Accounts payable and accrued expenses	8,714,307	(1,314,122)	7,400,185	(500,547)	6,899,638
Unearned revenue	588,292	553,784	1,142,076	(9,349)	1,132,727
Due to other governmental units	3,150	(3,150)	-	-	-
Deposits and advance payments of taxes	598,958	(154,403)	444,555	(321,512)	123,043
Compensated absences	175,702	819	176,521	19,412	195,933
Accrued interest payable	225,610	92,424	318,034	(14,469)	303,565
Bonds, notes & cap leases (short term)	6,504,750	266,467	6,771,217	591,920	7,363,137
Total current liabilities	16,810,769	(558,181)	16,252,588	(234,545)	16,018,043
<b>Noncurrent liabilities:</b>					
Compensated absences	1,581,318	7,373	1,588,691	17,125	1,763,400
Post-employment health benefits	21,352,364	854,000	22,206,364	(946,164)	19,260,200
Net Pension Liability	29,497,868	7,875,144	37,373,012	(1,064,203)	32,408,809
Bonds, notes, and capital leases payable	80,031,687	13,769,090	93,800,777	4,839,064	98,639,841
Total noncurrent liabilities	132,463,237	22,505,607	154,968,844	(2,896,594)	152,072,250
Total liabilities	149,274,006	21,947,426	171,221,432	(3,131,139)	168,090,293
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred inflows - pensions	2,783,749	(248,801)	2,534,948	1,960,540	4,495,488
Deferred inflows - OPEB	-	-	-	166,340	166,340
Total deferred inflows of resources	2,783,749	(248,801)	2,534,948	2,126,880	4,661,828
<b>Total liabilities and deferred inflows</b>	<b>152,057,755</b>	<b>21,698,625</b>	<b>173,756,380</b>	<b>(1,004,259)</b>	<b>172,752,121</b>
<b>NET POSITION</b>					
Net investment in capital assets	63,457,176	24,747,921	88,205,097	(8,533,864)	82,681,233
Restricted for:	27,917,406	(8,369,744)	19,547,662	8,933,957	28,481,619
Unrestricted	(26,853,417)	(11,364,723)	(38,218,140)	10,810,891	(27,407,249)
Total net position	\$ 64,521,165	\$ 5,013,454	\$ 49,534,619	\$ 14,220,984	\$ 63,755,603



# Questions





City of  
Salisbury

# Financial Health

Presented April 2019





## Table of Contents

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### ☐ **Benchmark Ratios**

Key financial ratios are compared to GFOA standards.

- Total Fund Balance
- Unassigned Fund Balance
- Debt to Market Value
- Debt per Capita
- Annual Debt Service
- Water and Sewer Unrestricted Fund Balance
- Parking Authority
- Summary

### ☐ **FY 20 Budget**

- Highlights
- Revenues
- General Fund Expenditures by Category
- General Fund Expenditures by Department
- Capital Projects



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# Benchmarks



## General Fund - Total Fund Balance

	FY 2017	FY 2018	FY 2019	FY 2020
<b>Total Fund Balance</b>	\$12,293,852 as of June 30, 2015	\$12,572,234 as of June 30, 2016	\$12,446,573 as of June 30, 2017	\$10,738,933 as of June 30, 2018
<b>Budgeted Expenditures</b>	35,330,727 2015	34,900,072 2016	36,296,282 2017	38,992,253 2018
<b>Ratio</b>	36.4% (Strong)	33.7% (Strong)	32.4% (Strong)	31.9% (Strong)

**Strong** > 25 %

**Adequate** 10-25 %

**Weak** < 10 %



## Unassigned Fund Balance

	FY 2017	FY 2018	FY 2019	FY 2020
<b>Unassigned Fund Balance</b>	<b>9,087,671</b> as of June 30, 2015	<b>7,508,466</b> as of June 30, 2016	<b>6,647,681</b> as of June 30, 2017	<b>7,398,590</b> as of June 30, 2018
<b>Budgeted Expenditures</b>	<b>33,767,905</b> 2015	<b>37,293,578</b> 2016	<b>38,464,999</b> 2017	<b>38,992,253</b> 2017
<b>Ratio</b>	<b>26.9 %</b> (Strong)	<b>20.1 %</b> (Adequate)	<b>17.3 %</b> (Adequate)	<b>19 %</b> (Adequate)
		Strong (> 3 Mo)		> 25%
		Adequate (2 – 3 Mo)		17% - 25%
		Weak (< 2 Mo)		< 17%



## Debt to Market Value

	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018
<b>General Obligation Debt</b>	\$ 68,725,686	\$ 82,634,302	\$ 93,046,516	\$ 99,578,997
<b>Market Value of Property</b>	\$ 2,016,397,463	\$ 2,069,149,309	\$ 2,079,435,806	\$ 2,151,596,042
<b>Ratio</b>	3.41% (Adequate)	3.99% (Adequate)	4.47% (Adequate)	4.63% (Adequate)

<b>Strong</b>	< 3 %
<b>Adequate</b>	3 – 6 %
<b>Weak</b>	> 6 %



## Debt Per Capita

	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018
<b>Citywide General Obligation Debt</b>	\$ 68,725,686	\$ 82,634,302	\$ 93,046,516	\$ 99,578,997
<b>Population</b>	32,778	32,900	32,900	33,000
<b>Debt Per Capita</b>	\$ 2,097 (Adequate)	\$ 2,511 (Needs Improvement)	\$ 2,828 (Needs Improvement)	\$ 3,017 (Needs Improvement)

<b>Strong</b>	<b>&lt; \$1,000</b>
<b>Adequate</b>	<b>\$ 1,000 - \$2,500</b>
<b>Weak</b>	<b>&gt; \$2,500</b>



## Annual Debt Service - General Fund

	FY 2017	FY 2018	FY 2019	FY 2020
<b>Budget Debt Service</b>	\$ 2,535,647	\$ 2,958,103	\$ 3,782,322	\$ 4,008,907
<b>General Fund + Capital Project Budget</b>	\$ 40,552,245	\$ 46,594,061	\$ 50,663,663	\$ 44,221,824
<b>Ratio</b>	6.25% (Adequate)	6.35% (Adequate)	7.47% (Adequate)	9.07% (Adequate)

10-12 % is  
a recommended cap





## Water and Sewer Unrestricted Balance

	FY 16	FY 17	FY 18	FY 19	FY 20
<b>Unrestricted Fund Balance</b>	\$ 7,753,266 as of June 30, 2014	\$ 5,656,092 as of June 30, 2015	\$ (250,011) as of June 30, 2016	\$ (125,369) as of June 30, 2017	\$ 1,989,300 as of June 30, 2018
<b>Water Sewer Operating Revenue</b>	\$ 14,364,879	\$ 14,364,879	\$ 16,200,463 (FY18 Budget)	\$ 16,616,820 (FY19 Budget)	\$ 16,547,775 (FY20 Budget)
<b>Ratio</b>	54 % (Strong)	38 % (Strong)	- 1.5 % (Needs Improvement)	- .75 % (Needs Improvement)	12% (Needs Improvement)

<b>Strong</b>	<b>&gt; 25%</b>
<b>Adequate</b>	<b>17 – 25%</b>
<b>Weak</b>	<b>&lt; 17%</b>





## Parking Authority Unrestricted Net Position

	FY 2017	FY 2018	FY 2019	FY 2020
<b>Unrestricted Net Position</b>	\$78,929 as of June 30, 2015	\$80,447 as of June 30, 2016	\$317,390 as of June 30, 2017	\$296,783 as of June 30, 2018
<b>Revenue</b>	\$633,000	\$756,000	\$725,000	\$678,200
<b>Ratio</b>	12.5% Needs Improvement	10.6% Needs Improvement	43.8% Strong	43.8% Strong
<b>Strong</b> > 25% <b>Adequate</b> 17 – 25% <b>Weak</b> < 17%				



## Benchmark Summary

	FY 2017	FY 2018	FY 2019	FY 2020
<b>General Fund Balance</b>	Strong	Strong	Strong	Strong
<b>Unassigned Fund Balance</b>	Strong	Adequate	Adequate	Adequate
<b>Debt to Market Value</b>	Adequate	Adequate	Adequate	Adequate
<b>Annual Debt Service</b>	Adequate	Adequate	Adequate	Adequate
<b>Overall Debt per Capita</b>	Adequate	Needs Improvement	Needs Improvement	Needs Improvement
<b>Unrestricted Net Position Water/Sewer</b>	Strong	Needs Improvement	Needs Improvement	Needs Improvement
<b>Unrestricted Net Position Parking Fund</b>	Needs Improvement	Needs Improvement	Strong	Strong



## FY 19 Budget Highlights

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- Includes a one-step increase for all Personnel
- Reorganize Police Communications
  - Undo previous year reorganization
  - Remove Director and Supervisors and update number of PCO to 13
- Update Community Center Budget in HCDD (Newton and Truitt)
  - Operating Cost for Alarm, Electric, Programming
- Homeless Program
  - Addition of two vouchers (19k)
  - Homeless to Work Program



## **FY 19 Budget Highlights**

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### **Personnel Changes**

#### **Career Ladder Revisions**

- Accounts Payable Clerk
- Code Enforcement Officers
- Survey Tech II

#### **Reclass OR Merritt**

- HR Director
- Sr. SEO to CEO Supervisor (HCDD)
- Surveyor (ID)
- IT GIS Analyst II

#### **New Positions**

- Sustainability Coordinator
- Homeless Manager (Grant Funded)



## **FY 19 Budget Highlights**

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### **❑ Rates and Fees**

- Trash Service – New Rate \$56.00
- Water and Sewer Rates - 3% increase
- Others – see Fee Schedule in new Fee Ordinance

### **❑ Utilities Personal Property Tax Rate**

- 25% Increase in Utilities Personal Property Tax Rate

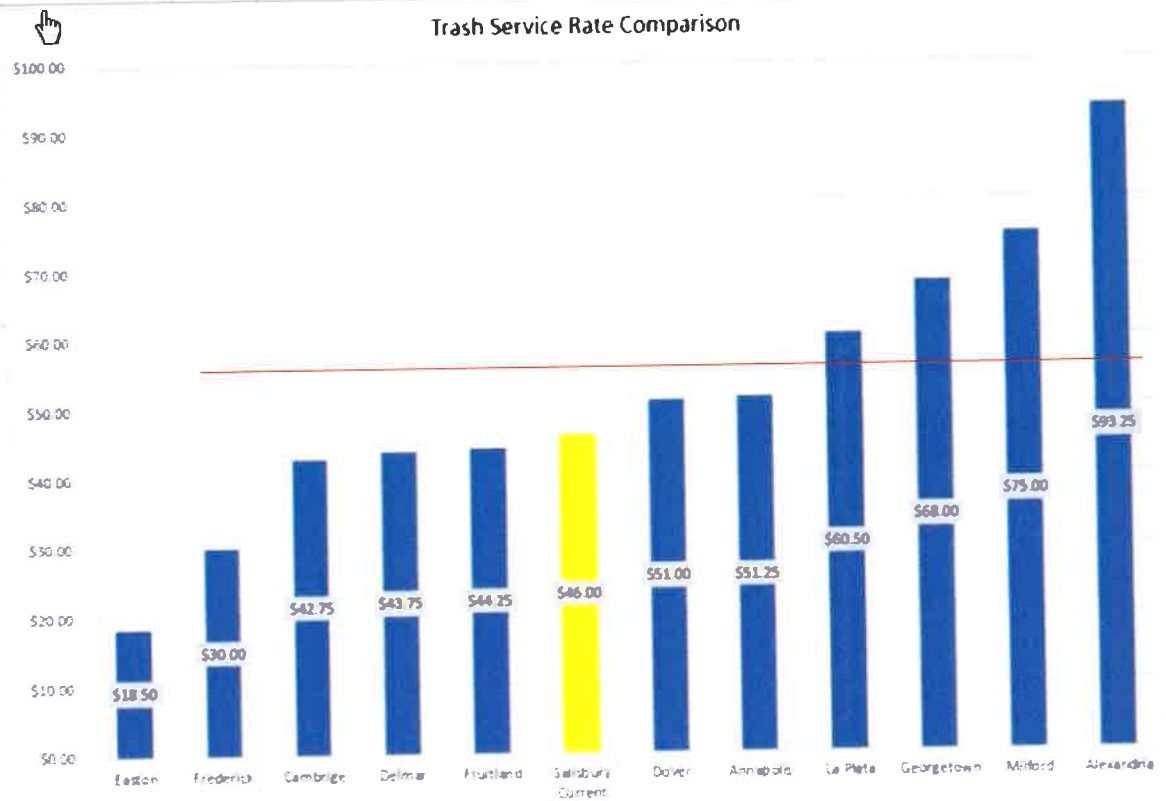


## Trash Service

	FY 16	FY19	FY20	
Increase %		139%	11%	20%
Qtr Bill Trash Rate	\$ 19.25	\$ 46.00	\$ 51.00	\$ 56.00
Annual Revenue	680,000	1,500,000	1,500,000	1,500,000
Increase Annual Revenue			163,043	294,118
Increase prorated assuming increase effective 10/1			(40,761)	(73,529)
Budget (with FY19 increase effective 10/1)	680,000	1,500,000	1,622,283	1,720,588
Bulk Trash Pick up	3,000	3,000	3,000	3,000
Trash Fees and Bulk Pick up Revenue per Year	683,000	1,503,000	1,625,283	1,723,588
Projected Cost (Sanitation and Recycle Dept)	1,225,944	1,699,345	1,879,739	1,879,739
Cost (Per Budget) over Revenue	(542,944)	(196,345)	(254,456)	(156,151)
% Cost Not Recovered	-44%	-12%	-14%	-8%



## Trash Service







## FY 19 Budget Highlights

Fiscal Year	Assessments				Tax Rate		Tax Levy
	Real	Personal	Corporations	Total	Personal Property	Real Property	
2007	1,558,315,846	3,719,000	270,458,220	1,832,493,066	1.82	0.729	15,275,387
2008	1,782,450,011	3,215,350	294,114,320	2,079,779,681	2.04	0.819	18,724,251
2009	2,015,985,078	2,966,990	281,162,310	2,300,114,378	2.04	0.819	19,880,167
2010	2,219,277,746	2,697,220	279,352,590	2,501,327,556	2.04	0.819	21,148,255
2011	2,050,805,168	2,058,140	277,866,040	2,330,729,348	2.04	0.819	21,004,804
2012	1,988,451,318	2,513,100	263,974,200	2,254,938,618	2.04	0.819	20,417,152
2013	1,963,683,547	2,029,930	262,591,170	2,228,304,647	2.04	0.819	19,659,327
2014	1,775,307,203	2,397,520	268,737,410	2,046,442,133	2.21	0.884	22,274,445
2015	1,748,436,713	2,467,580	265,493,170	2,016,397,463	2.21	0.937	21,289,136
2016	1,787,044,569	3,017,040	279,087,700	2,069,149,309	2.21	0.937	21,838,233
2017	1,793,459,946	2,866,060	283,109,800	2,079,435,806	2.21	0.9432	22,017,568
2018	1,852,099,222	3,105,050	296,391,770	2,151,596,042	2.40 PP 2.81 RR	0.9832	24,127,199
2019 (EST)	1,876,009,227	3,000,000	273,659,549	2,152,668,776	2.40 PP 2.81 RR	0.9832	24,885,135
2020 (EST)	1,950,061,361	3,000,000	258,219,373	2,211,280,734	2.40 PP 3.51 RR	0.9832	25,802,712



## Revenues

	19 Revised	20 Mayor	Increase (Decrease)	%
<b>Top Increases</b>				
403100 Real Property	17,991,135	18,794,712	803,577	4.5%
403302 Railroad/Utilities	1,742,000	2,336,000	594,000	34.1%
434610 Trash Fees	1,482,643	1,780,000	297,357	20.1%
424201 Highway User	1,070,682	1,358,201	287,519	26.9%
403510 Local Income Taxes	1,750,000	1,900,000	150,000	8.6%
469167 Transfer from Anex Reinvest	-	146,000	146,000	
413201 Building Permits	290,000	400,000	110,000	37.9%
424202 MDOT Reimbursements	-	90,407	90,407	
469192 Transfers from Forfeited Polic	-	71,109	71,109	
<b>Top Decreases</b>				
403301 OBC - Current Year	5,080,000	4,600,000	(480,000)	-9.4%
469311 Capital Lease Proceeds	719,000	424,820	(294,180)	-40.9%
445140 School Zone Camera	1,350,000	1,200,000	(150,000)	-11.1%
445130 Municipal Infractions	145,000	30,000	(115,000)	-79.3%
427403 EMS from County	820,668	752,814	(67,854)	-8.3%
413106 Cable TV Franchise Fee	425,000	385,000	(40,000)	-9.4%
456300 Rent Earnings	140,000	100,000	(40,000)	-28.6%
433250 Weed Cleaning/Removal	72,000	50,000	(22,000)	-30.6%
403910 Interest-Delinquent Taxes	135,000	115,000	(20,000)	-14.8%
433251 Clean It/Lien It Fees	27,000	13,000	(14,000)	-51.9%
424103 Municipal	185,250	175,500	(9,750)	-5.3%



	B	C	E	F	G	H	I	J	K	L	N	O	P	Q	S	V	W	
1					Schedule B: General Capital Projects						General Fund - Capital Outlay							
2					Funding Source						Account		Funding Source		Lease			
3	Dept	Project	CP Amount	Adj	PayGO Gen Fund	PayGO Annex D	PayGO Storm Water	Grant	Contrib.	Bond	Org	Obj	Description	General Revenues	Lease Proceeds	Payment Amount	Account	
4		Public Safety																
5	Police	Water Barrier Repairs	28,850	(28,850)														
6	Police	Patrol Vehicle	575,000	(402,500)														
7	Police	CID Vehicles	63,000	(41,580)							21021	577025	Vehicles		172,500	36,569	21021-558600	
8	Fire	Telephone System Upgrade	30,000	(30,000)							21021	577025	Vehicles		21,420	4,541	21021-558600	
9	Fire	Self-Contained Breathing Apparatus R	775,000	69,000	69,000			775,000			24035	577030	Equipment					
10	Fire	Radio Paging System Replacement	100,000	(100,000)														
11	Fire	Fire Station - North Side	395,000						395,000									
12	Fire	Apparatus Replacement - Staff Vehicle	40,000	(40,000)							24035	577025	Vehicles				24035-558600	
13		General Government																
14	GOB	Roof Replacement	12,500								19500	534301	Buildings	12,500				
15	GOB	Heat Circulation Pump Replacement	12,500								19500	534301	Buildings	12,500				
16	GOB	Women's Restroom Upgrades	8,500								19500	534301	Buildings	8,500				
17	GOB	3rd Floor ADA Compliant Unisex Restr	40,000	(22,500)							19500	534301	Buildings	17,500				
18	IT	High Availability Virtual Environment	55,900								18000	577030	Equipment		55,900	11,851	18000-577030	
19	IT	Stormwater Utility Network Mapping	60,000				60,000											
20	IT	Housing Survey / Blight Study	42,900					42,900										
21	IT	EnerGov Software & Implementation	80,000	(80,000)														
22		Field Operations																
23	Field Oj	Pathway Paving	30,000	(10,000)		20,000												
24	Field Oj	Exterior Siding Repair and Painting	25,000	(12,500)	12,500													
25	Field Oj	Special Events Pavilions	100,000					100,000										
26	Field Oj	Zoo Admin Office Space	185,000	(85,000)						100,000								
27	Field Oj	Field Operations Facility Plan - Phase	200,000							200,000								
28	Field Oj	Field Operations Facility Plan - Phase	125,000							125,000								
29	Field Oj	Field Operations Facility Plan - Phase	200,000	(200,000)														
30	Field Oj	Jaguar Exhibit - Phase I	15,000						15,000									
31	Field Oj	Dump Truck	165,000	(165,000)							31150	577030	Equipment				31150-558600	
32	Field Oj	Mid-Size Excavator	175,000								31150	577030	Equipment		175,000	27,270	31150-558600	
33	Field Oj	Rear Load Trash Truck	210,000	(210,000)							32061	577025	Vehicle				32061-558600	
34	Field Oj	Lane Striper																
35		Infrastructure & Development																
36	I & D	Zoning Code Revisions	150,000	(75,000)							19000	513400	Consulting	75,000				
37	I & D	City Park Master Plan Improvements	150,000	(100,000)		50,000												
38	I & D	Wayfinding and Signage	40,000	(30,000)	10,000													
39	I & D	Street Link Addition and Restroom	75,000	(75,000)														



## FY19 General Fund Outlay and General Capital Projects

				Schedule B: General Capital Projects							General Fund - Capital Outlay					
				Funding Source							Account		Funding Source		Lease	
Dept	Project	CP Amount	Adj	PayGO Gen Fund	PayGO Asset D	PayGO Storm Water	Grant	Contrib.	Bond	Org	Obj	Description	General Revenues	Lease Proceeds	Payment Amount	Account
Field Op	Lane Striper															
	Infrastructure & Development															
I & D	Zoning Code Revisions	150,000	(75,000)							19000	513400	Consulting	75,000			
I & D	City Park Master Plan Improvements	150,000	(100,000)		50,000											
I & D	Wayfinding and Signage	40,000	(30,000)	10,000												
I & D	Street Light Additions and Replaceme	75,000	(75,000)													
I & D	Citywide Street Reconstruction	750,000	(300,000)							31000	534318	Streets	450,000			
I & D	Citywide Street Repairs	75,000	(25,000)							31000	534318	Street Rep	50,000			
I & D	Citywide Concrete Program	75,000	(25,000)							31000	534307	Curbs	50,000			
I & D	Mill Street Bridge Rehabilitation	45,000							45,000							
I & D	Skatepark Phase 2b	134,000					134,000									
I & D	Riverwalk Amphitheater Phase 2	100,000					100,000									
I & D	Waterside Playground	200,000	(200,000)													
I & D	Naylor Mill Road Bridge Replacement	280,000					280,000									
I & D	Mill Street Bridge Rehabilitation	180,000					180,000									
I & D	Naylor Mill Road Bridge Replacement	70,000							70,000							
I & D	Riverwalk Amphitheater Phase 2	200,000	(200,000)													
I & D	Bicycle Master Plan Improvements	600,000	(300,000)						300,000							
I & D	Urban Greenway Improvements	890,000	(590,000)		100,000				200,000							
I & D	Street Scaping	425,000	(225,000)						200,000							
I & D-SV	Total Max Daily Load Compliance Schr	200,000	(165,000)			35,000										
I & D-SV	Beaglin Park Dam Improvements	25,000				25,000										
Total		8,413,150	(3,668,930)	91,500	170,000	120,000	1,611,900	410,000	1,240,000				676,000	424,820	80,231	

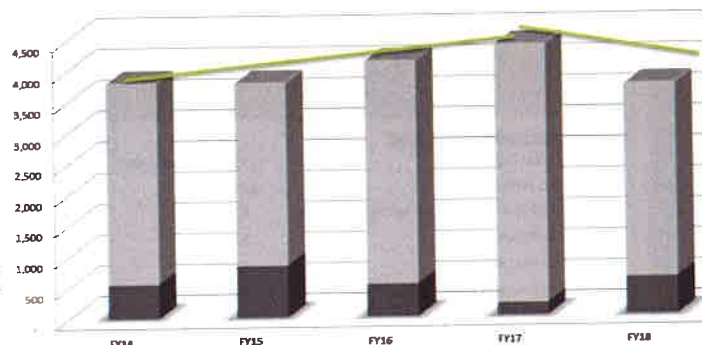


## FY19 Water Sewer, Parking, Marina, Storm Water Capital Projects & Outlay

Project	CIP Amount	Mayor Adj	Capital Projects - Funding Source				Enterprise Fund - Capital Outlay		
			Transfer PayGO	Grant	Revolving Funds	Bond	Account	Enterprise Revenue	Lease Proceeds
<b>Water Sewer Capital Project Fund:</b>									
Fiber Backbone Expansion	175,000	-175,000	0						
Restore Park Well Field	175,000					175,000			
Paleo Fluoride Room Door and Tank Replacement	60,000					60,000			
Bathroom Addition	51,000		51,000			0			
Chemical Building HVAC	48,000					48,000			
WWTP Outfall Inspection and Repairs	78,030					78,030			
WWTP Local Limits Study	51,000		51,000			0			
Structural Study	50,000		50,000			0			
Internal Recycle Pump Replacement	180,000					180,000			
Replace Distribution Piping & Valves	100,000					100,000			
HV507 Dump Truck	125,000		125,000						
Sewer Infiltration and Inflow Remediation	550,000	-550,000	0						
Park Water Treatment Plant Roof Improvements	181,560		0			181,560			
Park Aerator Building Improvements	81,600					81,600			
Park Well Field Raw Water Main & Valve Rplc	562,000				562,000				
Southside Pump Station Force Main	100,000				100,000				
Water Sewer Fund Total >>	2,568,190	-725,000	277,000	0	662,000	904,190			
<b>Parking Fund:</b>									
Street Sweeper	60,000						31154-577025 Vehicles	0	60,000
Parking Garage Security Cameras	55,000						31154-577030 Equipment	0	55,000
Parking Garage Structural Repairs	592,000					592,000			
Parking Authority Fund Total	707,000	0	0	0	0	592,000			115,000



	FY14	FY15	FY16	FY17	FY18	FY19	FY20
Use of Surplus							
Use of Surplus per Original Budget	(2,084)	(1,635)	(2,592)	(2,564)	(2,192)	(1,780)	(1,576)
Encumbrances from Prev Year	(1,570)	(1,481)	(946)	(2,156)	(3,011)	(1,140)	
Ordinances		(351)	(325)	(1,097)	(243)	(200)	
Grant Adj	(255)						
Final Budget	(3,909)	(3,467)	(3,863)	(5,817)	(5,446)	(3,120)	(1,576)
Revenue Variances							
Taxes	777	(142)	90	230	192		
School Zone Camera		106	65	(173)	226		
Charges for Services	3			(292)	-142		
EMS		117	(68)				
Building Permits		(135)					
Health Care Rebate		481	574				
Police Protection	(22)		(105)				
Donations		188					
Zoo		180					
Rental Fees		40					
Other	124	5	(30)	(67)	154		
Debt Proceeds	(187)			504	175		
Transfers In	(270)						
Sale of Fixed Assets	127						
Total Revenue Variances	552	840	526	202	605		
Expenditure Variances							
Mayors Office				124	38		
Municipal Buildings				150	105		
General Government Other	202			212	221		
Police	844	1,158	811	369	1244		
Traffic	134		200	103	22		
Fire	391		140	255	353		
PW Engineering	1,074	652	811	899	480		
PW Roads	261	134	213	63	26		
PW Sanitation			327	83	298		
Recreation			146	149	186		
Insurance			132	75	-180		
Transfer	85			817	-3		
Debt Service		343	304	431	280		
Other	275	677	531	459	63		
Total Expenditure Variances	3,266	2,964	3,615	4,189	3,133	3,300	3,300
Other Finance Source Uses Variance		67	-				
Total Variances	3,818	3,871	4,141	4,391	3,738	3,300	3,300
Change in Fund Balance	(91)	404	278	(1,426)	(1,708)	180	1,724
1.3M Fire Trucks in FY17				1,300	(1,300)		
Change in Fund Bal per Statement of Rev Exp	(91)	404	278	(126)	(408)		



**FY17:**  
Rado 700k  
Encumb from PY \$1.1M higher then FY16  
Health Care Rebate

**FY19 |**  
Fire Safer Grant Ordinance  
269k County GOB  
85k Billing of Real Estate



# Questions

