

## **City Commission Special Meeting- Budget Overview Workshop May 21, 2019**

All City Commissioners were present. NSB Financial Director, John McKinney, presented an overview of the five-year Strategic Planning Process for the 2019-2020 city budget that will establish focus, short and long-term goals, objectives, roles, responsibilities, and the overall framework for the budget process. NSB is also looking for Benchmarks from cities like ours, even though it is a time-consuming process. Knowing those benchmarks can improve our community indexes. For detail please refer to: [5-year Strategic Planning Presentation](#) (found on the *What You Should Know* page of this website.)

There was no public participation.

The City Commission Action Plan is really a wish-list that will have a budgetary impact. The Action Plan contains various items found in these areas:

- Community Enrichment
- Land Acquisition
- Facility Improvements
- Policy Enhancement
- Stormwater Improvements
- Transportation

The feasibility of the budget would be due to a five-year forecast of revenue assumptions centering around the following:

- Property Tax Revenue (2019-2022 5% increase; 2022-2024, 3% increase)  
This is the City's major source of revenue, but new projects need to have the property tax advisor determine value before we can count on revenue.
- State Revenues projections of 2% increase
- UC 6% Franchise Fee revenues increased by 1.2%

The following are expenditure increases assumptions that need to be factored into budget planning:

- Property and Casualty Insurance estimated at a 12% increase (only three carriers that we can choose from)
- Increase in Personal Expenditures
- Health Care Increase Estimates
- Three Additional Firefighter/EMT Positions
- Fire Pension Contributions Decreased from 56.9% to 21.4%
- Police Pension Percentage Remain at 21.4%

Mr. McKinney wants to be fiscally conservative in this area to make sure the General Fund has the money to pay for what is in the Action Plan. The Commissioners and Mayor agreed with his approach.

The millage rate for the five-year forecast was then discussed. If it stays at the current 3.8416, projected revenues using the estimated property tax base, will increase (see detail on the [presentation](#)). The projected millage rate will be discussed at a later meeting.

Fire transport (EMS) was discussed by Fire Chief Shawn VanDemark as costs keep going up due to the department responding to calls from the unincorporated areas within the City limits and only being reimbursed 48% of the real cost by the county. He also stated that three more firefighters need to be hired at a cost of \$229,829. In addition to the three EMS positions, the wish-list for additional includes an Assistant Airport Manager at \$73,842 and a PT Parking attendant at \$18,708.

Capital projects for the 2020 budget were shown which included Fire Department (driveway repairs), Leisure Services (Old Fort repairs and Women's Club renovation), Stormwater (Corbin Park and Westside), Airport Fund (Hangers, an environmental study for the Administration building, the Parking Fund (handicap at Esther), Marina (mooring and restrooms), and various Capital Outlay projects.

Lastly, the Hurricanes Matthew and Irma expense analysis was presented.

Since the sales tax was defeated, Commissioners may have to look at the budget again in certain areas.

Next steps include the following:

- May 31<sup>st</sup>- department budget submittals
- June 25<sup>th</sup>- City Manager presents proposed budget
- July 23<sup>rd</sup>- CC to sets the proposed millage rate
- August budget workshop
- September 11<sup>th</sup> and 24<sup>th</sup>- public hearings on the budget

You can view the entire workshop on the City You Tube Channel (link shown below):

[https://www.youtube.com/watch?v=BjaEtK\\_sfIw](https://www.youtube.com/watch?v=BjaEtK_sfIw)