

FY 2016 & FY 2017 Biennial Budget

City of Dothan, Alabama

Budget Goals

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

Budget Goals

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

Budget Issue

- Need for Additional Revenue to Fund:
 - Operations of James Oates Park
 - Electrical System Infrastructure
 - Required Improvements and Programs of the EPA Sewer System Administrative Order of Consent

FY 2016 & 2017 BUDGET

(All Funds)

	<u>Revenues</u>	<u>Expenditures</u>
Fiscal Year 2016	\$ 208,883,052	\$ 208,883,052
Fiscal Year 2017	\$ 209,882,602	\$ 209,882,602

FY 2016 & 2017 BUDGET

General Fund

	<u>2016</u>	<u>2017</u>
Revenues	\$ 82,171,994	\$ 83,171,994
Expenses	(86,336,237)	(86,372,578)
Transfer to Debt Service	(687,178)	(687,178)
Transfer from Utility Fund	<u>4,851,421</u>	<u>3,887,762</u>
Total	\$ -0-	\$ -0-

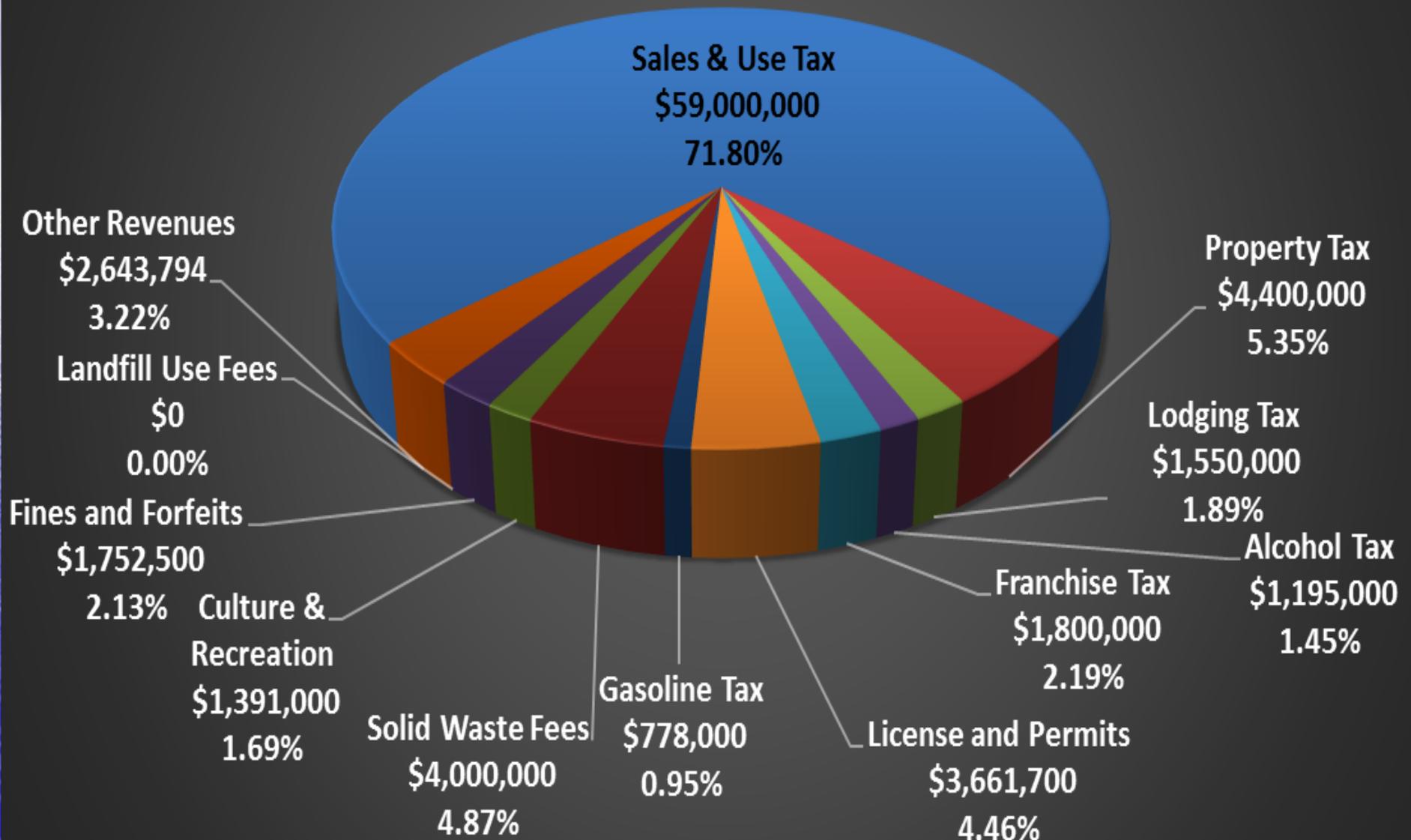
General Fund

Significant Revenue Changes from FY 2015 Budget

	2016	2017
General Sales Tax	\$2,500,000	\$2,500,000
Automotive Sales Tax	400,000	400,000
Other Taxes	330,000	330,000
Business License	300,000	300,000
Solid Waste Fees (Household Collections)	200,000	200,000
Landfill Use Fees	(1,200,000)	(200,000)
Various Other Revenues	649,553	649,553
Increase in Revenues from FY15	<u>\$3,179,553</u>	<u>\$4,179,553</u>

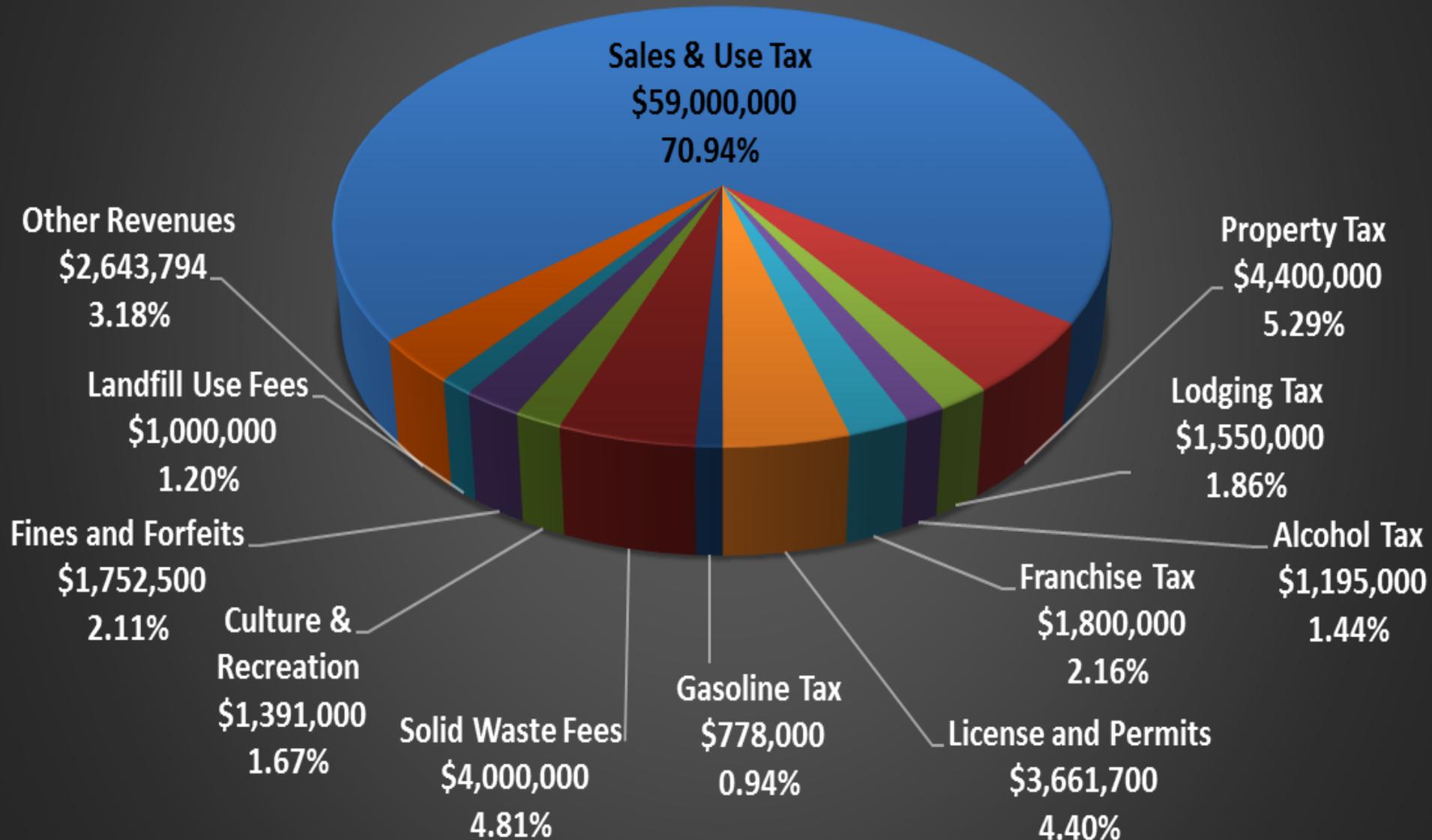
General Fund Revenues

FY 2016 - \$82,171,994



General Fund Revenues

FY 2017 - \$83,171,994



General Fund

Significant Expenditure Changes from FY 2015 Budget

	<u>2016</u>	<u>2017</u>
Software Maintenance	\$ 85,980	\$ 85,980
Microsoft Volume Licensing	208,600	208,600
Mowing of State ROW	205,000	205,000
Recycling	45,500	45,500
Playgrounds	50,000	50,000
Fleet Replacement	500,000	-0-
Police/Training Facility	250,000	250,000
Resurfacing	500,000	500,000

General Fund

Significant Expenditure Changes from FY 2015 Budget

	<u>2016</u>	<u>2017</u>
Design of Fire Station #3	\$ 136,000	\$ -0-
Tipping, Transp, & Disposal of Garbage	925,000	-0-
Curbside Trash Waste and Debris	125,000	-0-
Troy University	100,000	100,000
Solomon Park Improvements	125,000	-0-
Water World Repairs	350,000	-0-
Project Manager's Contract	55,672	55,672
Employee Insurance Professional Fees	350,000	350,000

General Fund

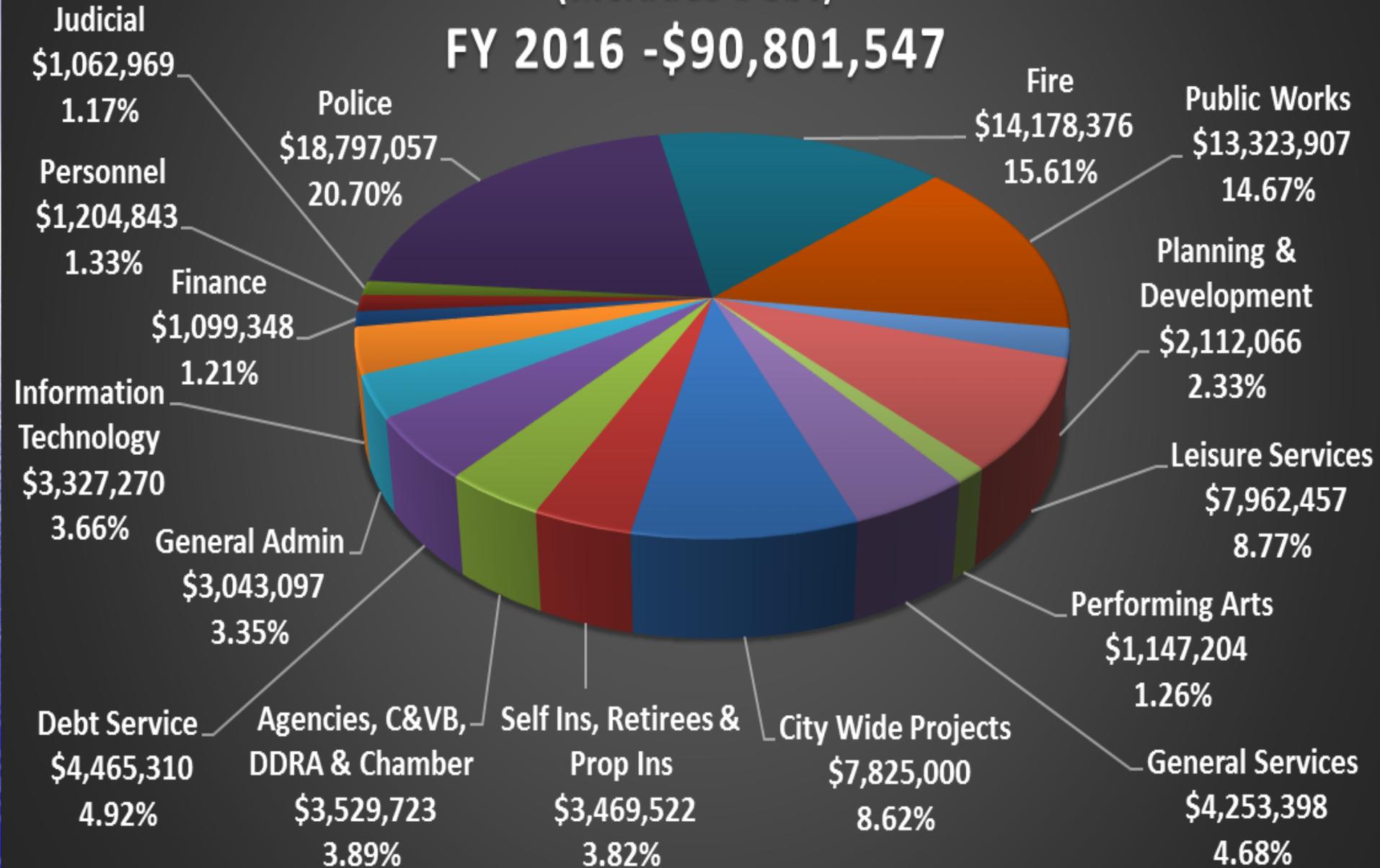
Significant Expenditure Changes from FY 2015 Budget

	<u>2016</u>	<u>2017</u>
Various Other Expenditures	\$ 138,149	\$ 200,241
Payroll	(63,525)	1,946,724
Election Expense	-0-	125,000
Houston-Love Memorial Library	(1,005,400)	(1,005,400)
Friends of Fort Rucker	(130,992)	(130,992)
Training and Travel (19%)	(97,900)	(97,900)
Gasoline & Fuel	(525,200)	(525,200)
Increase in Expenditures from 2015	\$ 2,326,884	\$ 2,363,225

General Fund Expenditures

(Includes Debt)

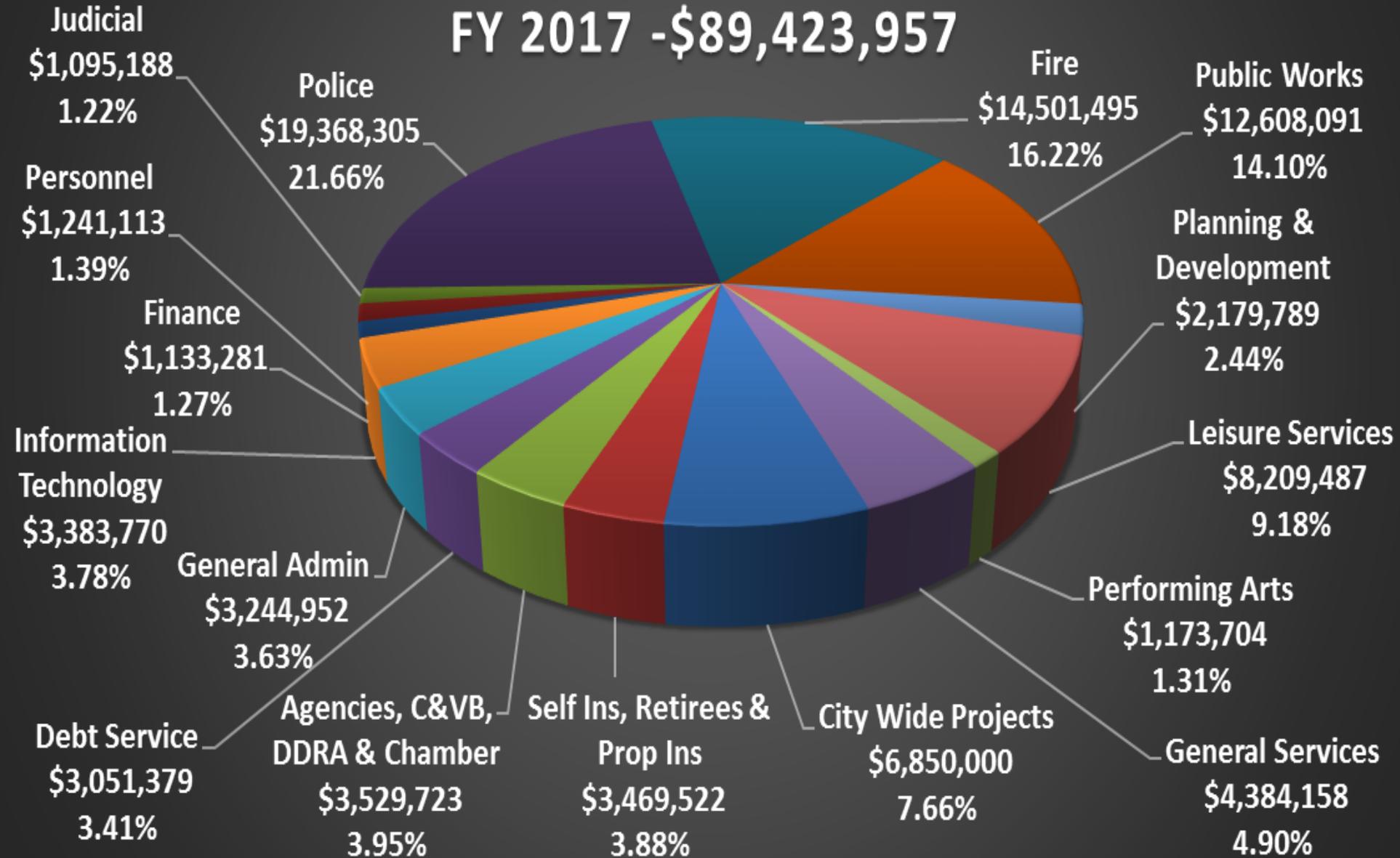
FY 2016 - \$90,801,547



General Fund Expenditures

(Includes Debt)

FY 2017 - \$89,423,957



FY 2016 & 2017 BUDGET

Utility Fund

2016

2017

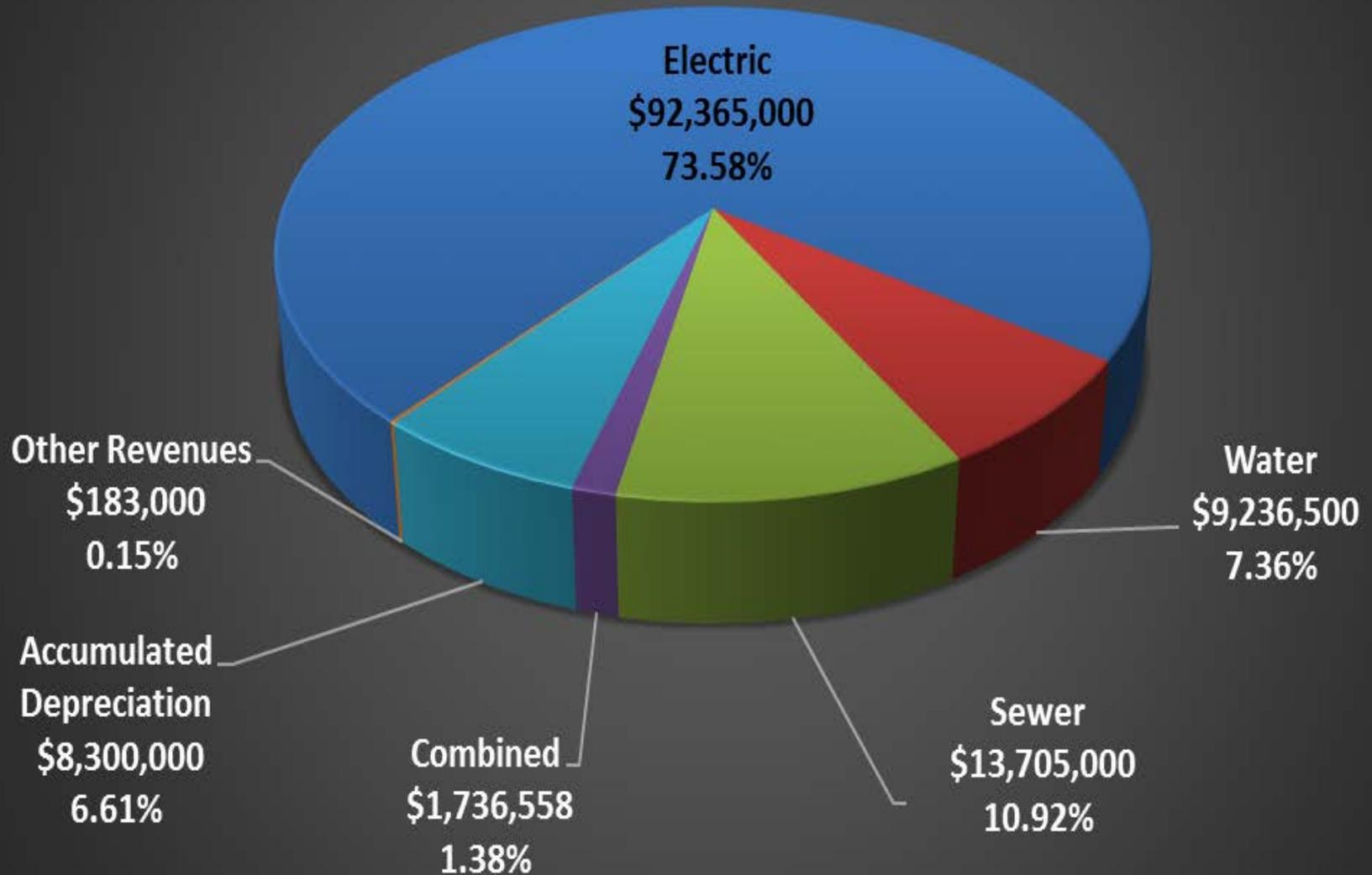
Revenues	\$125,526,058	\$125,525,608
Expenses	(113,163,317)	(115,536,193)
Transfer to General Fund	(4,851,421)	(3,887,762)
Transfer to School Fund	(3,733,188)	(3,737,452)
Transfer to Debt Service	(3,778,132)	(2,364,201)
Total	\$ -0-	\$ -0-

Utility Fund

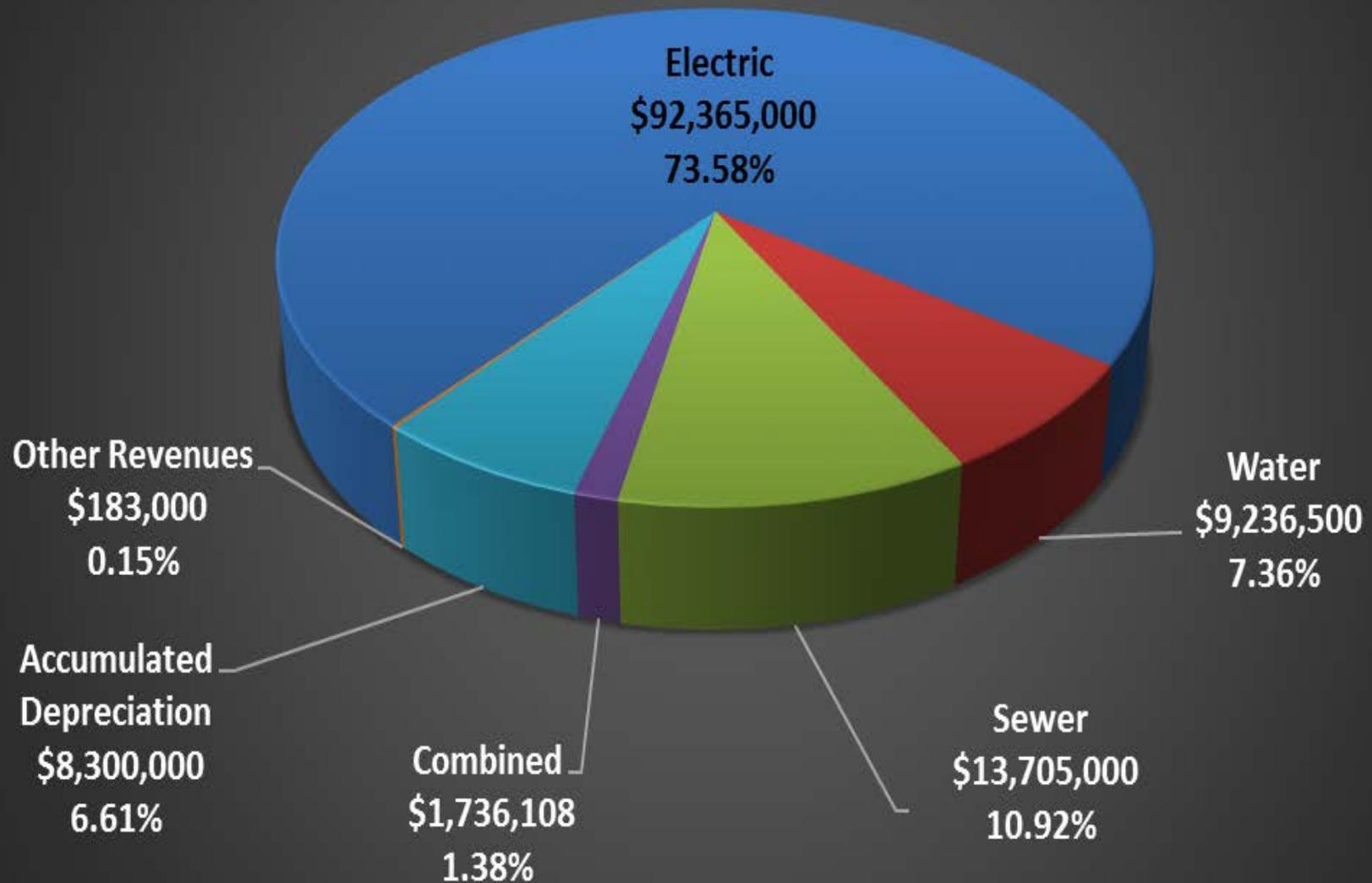
Significant Revenue Changes from FY 2015 Budget

	2016	2017
Electric Sales	\$2,000,000	\$2,000,000
Sewer Sales	4,170,000	4,170,000
Credit Card Fees	175,000	175,000
Delinquent Fees	150,000	150,000
Accumulated Depreciation	2,695,000	2,695,000
Utilization of Fund Balance	(637,786)	(637,786)
Various Other Revenues	(16,880)	(17,330)
Increase in Revenues from FY15	<u>\$8,535,334</u>	<u>\$8,534,884</u>

Utility Fund Revenues FY 2016 - \$125,526,058



Utility Fund Revenues FY 2017 - \$125,525,608



Utility Fund

Significant Expenditure Changes from FY 2015 Budget

	<u>2016</u>	<u>2017</u>
Debt Service	\$ 1,673,803	\$ 3,078,484
Payroll	291,563	749,758
Advanced Metering Infrastructure	-0-	1,000,000
ERT Program	-0-	(200,000)
Design Hardened Dispatch Center	-0-	75,000
Change Out - PCB Transformers	300,000	300,000
Electric Energy Purchase for Resale	4,000,000	4,000,000

Utility Fund

Significant Expenditure Changes from FY 2015 Budget

	<u>2016</u>	<u>2017</u>
Red Water Projects	\$ 100,000	\$ 100,000
2 Generators & 10 Portable Hookups	280,000	-0-
Sanitary Sewer Maintenance	100,000	100,000
Pump Rehabilitation	100,000	100,000
Sludge Disposal	245,000	245,000
Facility Maintenance	150,000	-0-
Depreciation Expense	2,695,000	2,695,000

Utility Fund

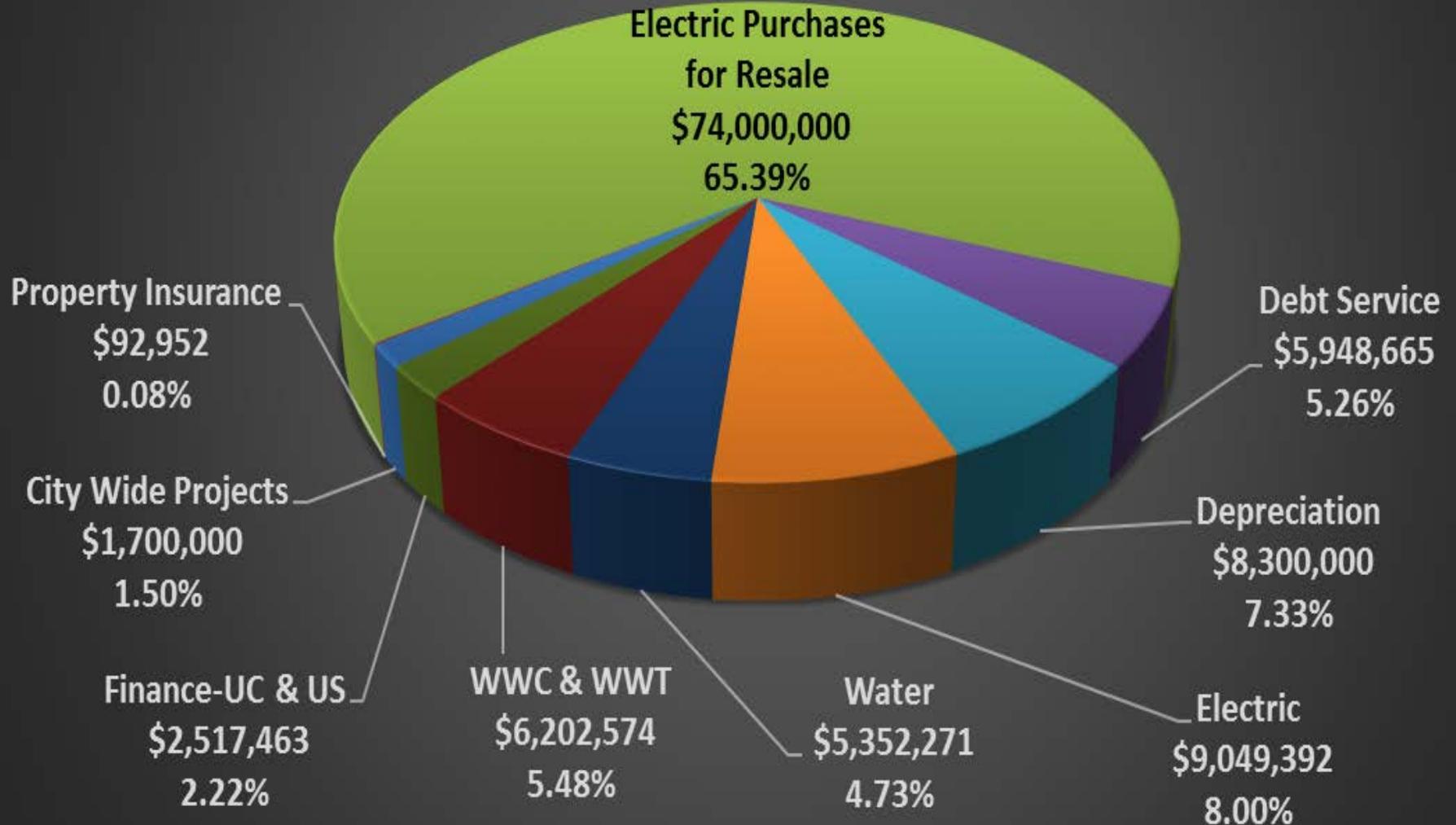
Significant Expenditure Changes from FY 2015 Budget

	<u>2016</u>	<u>2017</u>
Various Other Expenditures	\$ 177,926	\$ 177,926
UCMR Testing	(65,000)	-0-
Gasoline and Fuel	(80,800)	(80,800)
Training and Travel	(2,100)	(2,100)
Increase in Expenditures from 2015	<u>\$ 9,965,392</u>	<u>\$ 12,338,268</u>

Utility Fund Expenditures

(Includes Debt)

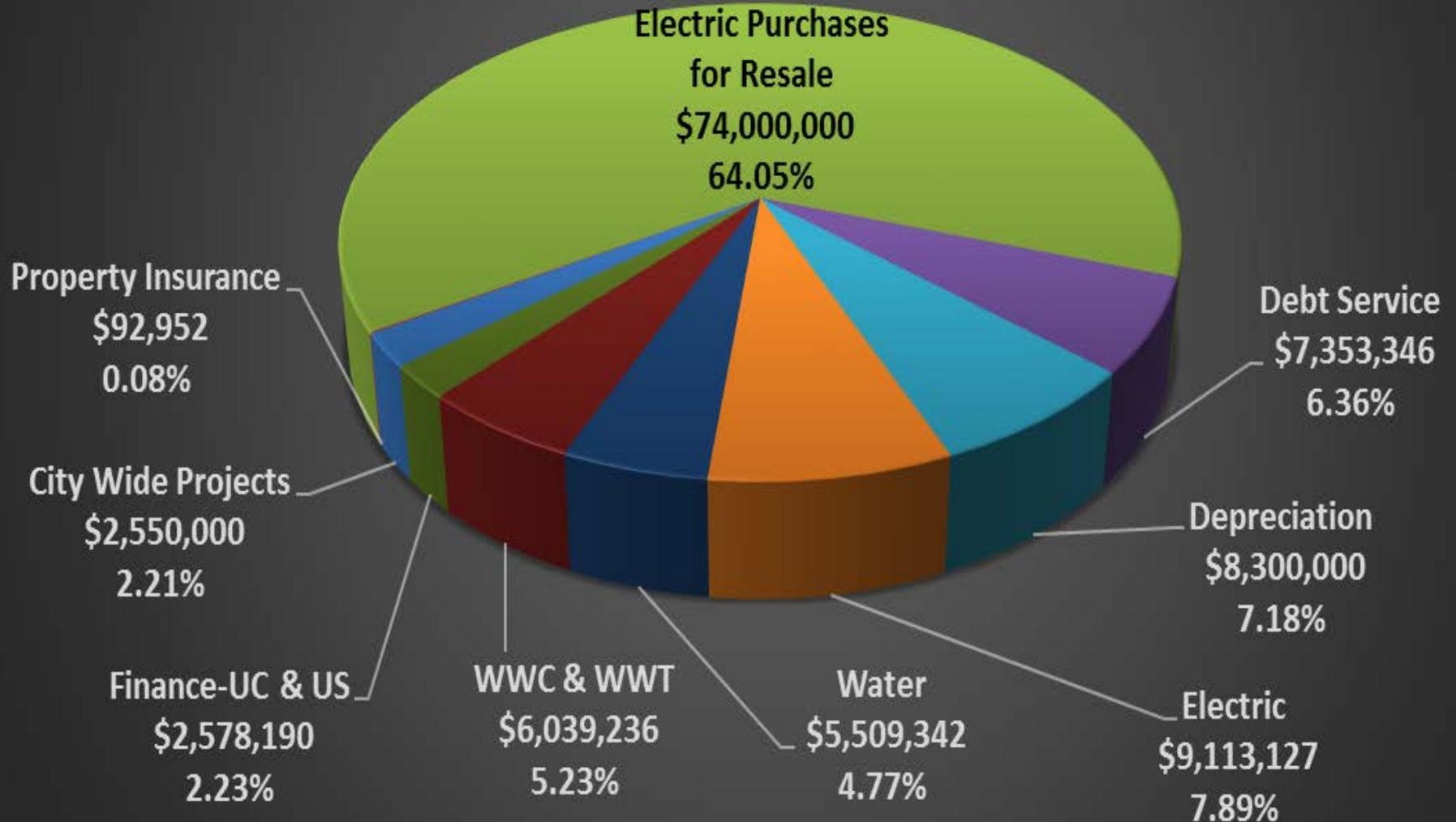
FY 2016 - \$113,163,317



Utility Fund Expenditures

(Includes Debt)

FY 2017 - \$115,536,193



Expenditure Overview

Significant Changes

Expenditure Overview

Significant Changes

(FY 2015 to FY 2016 and FY 2016 to FY 2017)

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

\$ 227,073 (Increase from 2015 to 2016)

\$ 2,472,708 (Increase from 2016 to 2017)

- Proposed 1.5% General Increase- Effective 10/1/15 & 10/1/16
(City's Cost is approximately \$900,000 for 2016 & 2017)

Expenditure Overview

Significant Changes

(FY 2015 to FY 2016 and FY 2016 to FY 2017)

- Abolished 19 Positions-(19 Full-time)
- Upgraded 15 Positions-(10 Full-time, 2 Part-time, & 3 Seasonal)
- Created 18 Positions-(6 Full-time & 12 Seasonal)
- Net Savings of Over \$200,000

Expenditure Overview

Significant Changes

(FY 2015 to FY 2016 and FY 2016 to FY 2017)

- 2016 Target Budget \$ 579,854 (Increase)
- 2017 Target Budget \$ 232,750 (Increase)

Expenditure Overview

Significant Changes

(FY 2015 to FY 2016 and FY 2016 to FY 2017)

- Debt Service* \$ 1,043,923 (Increase - 2016)
 (\$ 9,250) (Decrease - 2017)

* Does Not Include SRF Debt Service for \$30,000,000

Expenditure Overview

Significant Changes

(FY 2015 to FY 2016)

- RSA - Changes in Percentages are as Follows:

	<u>2015</u>	<u>2016</u>	<u>Change in %</u>
- Tier I	23.08%	21.44%	(1.64%)
- Tier II	22.94%	20.99%	(1.95%)

The Decrease in the Required Percentage Created a Savings in 2016 Budget of Approximately \$800,000.

Expenditure Increases

(FY 2015 to FY 2016 and FY 2016 to FY 2017)

- Health Insurance
 - Claims are Projected to Increase 30%
 - 2015 \$11.1M
 - 2016 \$14.4M
 - No Increase to Employees Since 2003
 - Proposed Increase to Employees' Premiums, Copays, and Deductibles

Items Not Funded In Budget

(Department Requests Totaled Over \$38m)

- James Oates Park
 - Staffing, Operating, Equipment & Vehicles
- Land for Industrial Park
- Improvements & Program Requirements of the AOC
- Opera House Renovations of Flooring & Restrooms
- Resurfacing Parking Lots at Rip Hewes & Dothan Utilities
- Telephone System Replacement

Items Not Funded In Budget

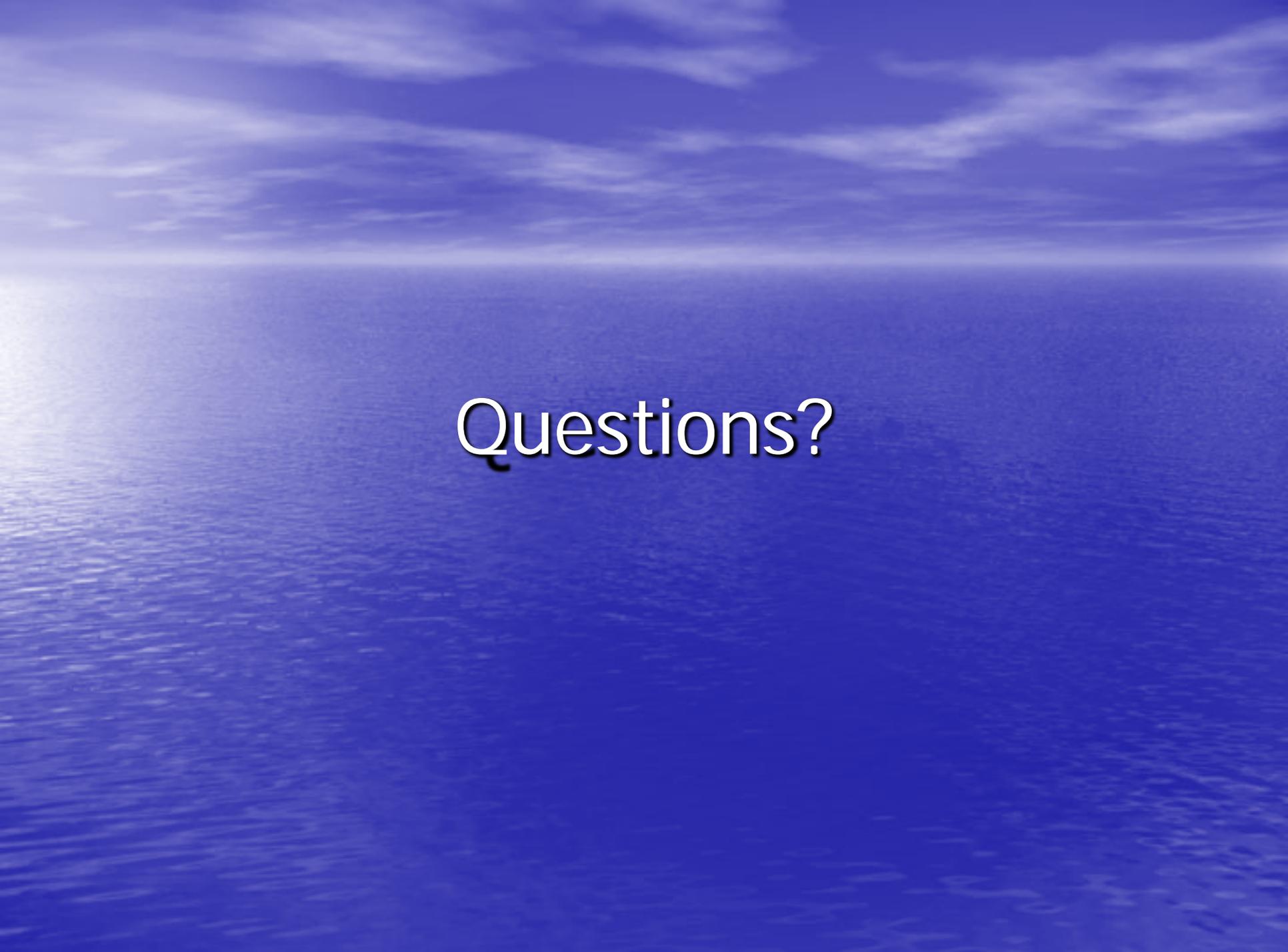
(Department Requests Totaled Over \$38m)

- GIS Mapping for Water System
- Additional Tank and Well Rehabilitation
- Radio System Upgrade
- Commission Chambers Expansion
- Water Transmission Main (Beverlye Rd., Kelly Dr. & Omussee Rd.)
- Additional Electric, Water & Sewer Upgrade Projects

Items Not Funded In Budget

(Department Requests Totaled Over \$38m)

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

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

Questions?