



City of Leesburg Fiscal Year 2017

Recommended Budget Presentation

Overview of Presentation

- Budget Goals
- Budget Process
- Budget Assumptions & Estimates
- Items the Budget Includes
- Total Budget
- Budget by Fund
- Budget by department
- What's Different in FY 2017
- Questions

The Budget Goals for FY 2017

- ▶ To create a **clear and accurate** forecast (Financial Road Map) of the organizations operational and capital needs.
- ▶ To **minimized operational spending** without sacrificing quality or quantity of services provided.
- ▶ **Protect organizations healthy cash reserve** balances and prepare for future increasing financial requirements.

The Budget Goals for FY 2017

~ What we did to try to achieve the Budget goals

- ▶ Identified operational expenses in correct cost centers (departments)
 - ▶ Created new cost centers (departments)
 - ▶ Moved expense line items, when appropriate, to new cost centers

Allows organization to quickly identify cost of providing services

- ▶ Identified proper cost sharing of shared services / expenses
 - ▶ **Direct Costs** ~ i.e. Wages, Salaries, Benefits, Contracted Services etc.
 - ▶ Cost Shared w/ W&S ___% GF, ___% Sewer, ___% Water
 - ▶ **Indirect Costs** ~ Uniforms, Vehicle Repair, Building repairs & Maintenance etc.
 - ▶ Cost Shared via indirect charges ___ GF / ___ W&S

Ensures revenue streams are covering their own correlating cost of operations and capital needs

The Budget Goals for FY 2017

~ What we did to try to achieve the Budget goals

▶ Zero Base Budgeting

Removes unnecessary fluff and stuff from years of “it’s what we’ve always done”

▶ Attempted to Balanced Budget with out the use of Fund Balance / Cash Reserves

- ▶ General Fund Use of Cash Reserves \$18,276.00
- ▶ Water And Sewer Fund Use Cash Reserves \$29,551
- ▶ Total Budgeted Use of Cash Reserves \$47,827

The Budget Process for FY 2017

- ▶ Zero Base Budget (**Prepared from SCRATCH**)
 - ▶ Created new Budget worksheet
 - ▶ Listed all **expense items** accounted for in **each line item**
 - ▶ Included budget for actual expenditure + estimate for increases if needed
 - ▶ Compared **each line item** for reasonability tests, to:
 - ▶ the past three years audited actuals,
 - ▶ the past three year audited average,
 - ▶ the most current years actuals Year to date

The Budget Process for FY 2017 cont.

- ▶ Step 1 (Finance Director)
 - ▶ Personnel Expenses
 - ▶ Contractual Expenses / Services

- ▶ Step 2 (Finance Director & Department Heads)
 - ▶ Review Personnel Expenses (modify if needed)
 - ▶ Review Contractual Expenses / Services (modify if needed)
 - ▶ Discretionary Spending
 - ▶ Capital Needs

****Step 1 & 2 = Staff Proposed Budget****

- ▶ Step 3 (City Manager)
 - ▶ City Manager Review, Changes, Additions, Reductions

****Step 1, 2, & 3 = City Manager Recommended Budget****

- ▶ Step 4 (City Council)

FY 2017 Budget Assumptions & Estimates

- ▶ Cost Sharing
 - ▶ Direct Costs for Public Works ~ 67% General Fund, 24 % Water, 9% Sewer
 - ▶ Based on Public Works Work Order Study
 - ▶ Direct Costs for Administration ~ 50% General Fund, 25% Water, 25% Sewer
 - ▶ Managerial Estimate
 - ▶ All Indirect Costs ~ 59% General Fund, 41% Water & Sewer
 - ▶ Managerial Estimate
- ▶ Add on Fees equal 26% of all Revenues from Fines & Forfeitures
- ▶ Estimated 10% increase in Pension Contributions
- ▶ Estimated 15% Increase in Workman's Compensation Premiums
- ▶ Estimated 5% Increase in Liability Insurance Premiums

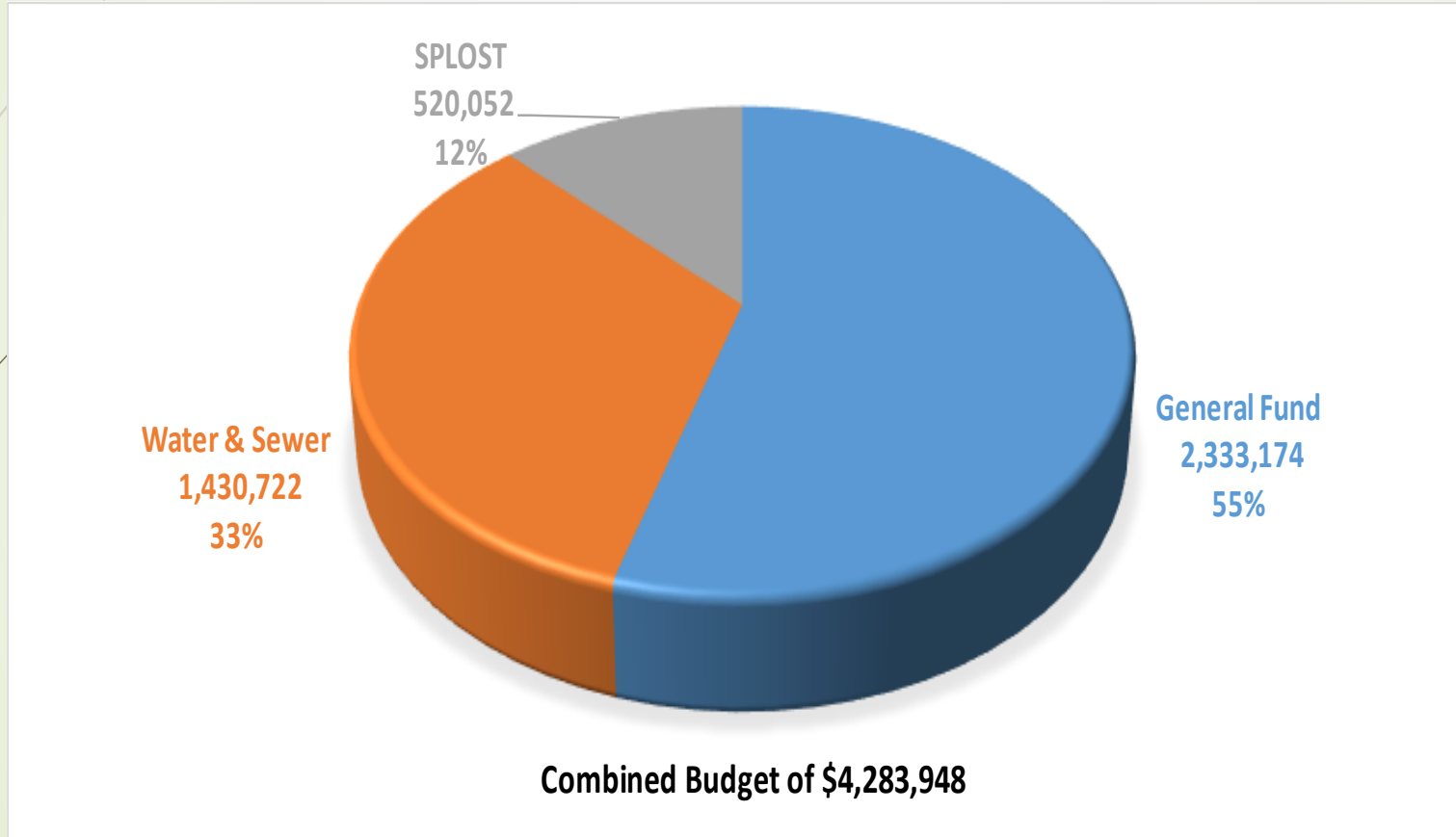
FY 2017 Budget Includes

- ▶ One unfunded full time police officer position
- ▶ Additional part time police officer position not to exceed 24 hours per week
- ▶ Two new positions in Sewer Department
- ▶ Sanitation Department is in the General Fund
- ▶ NEW Department for Council / Legislative
- ▶ Training & Travel Budget for all Council Members, Mayor, and City Manager to attend:
 - ▶ Mayors Day Conference, GMA Annual Conference, Rural Water Conference
- ▶ Training & Travel Budget for Chief of Police to attend:
 - ▶ The Summer and Winter Chiefs Conference

FY 2017 Budget Includes

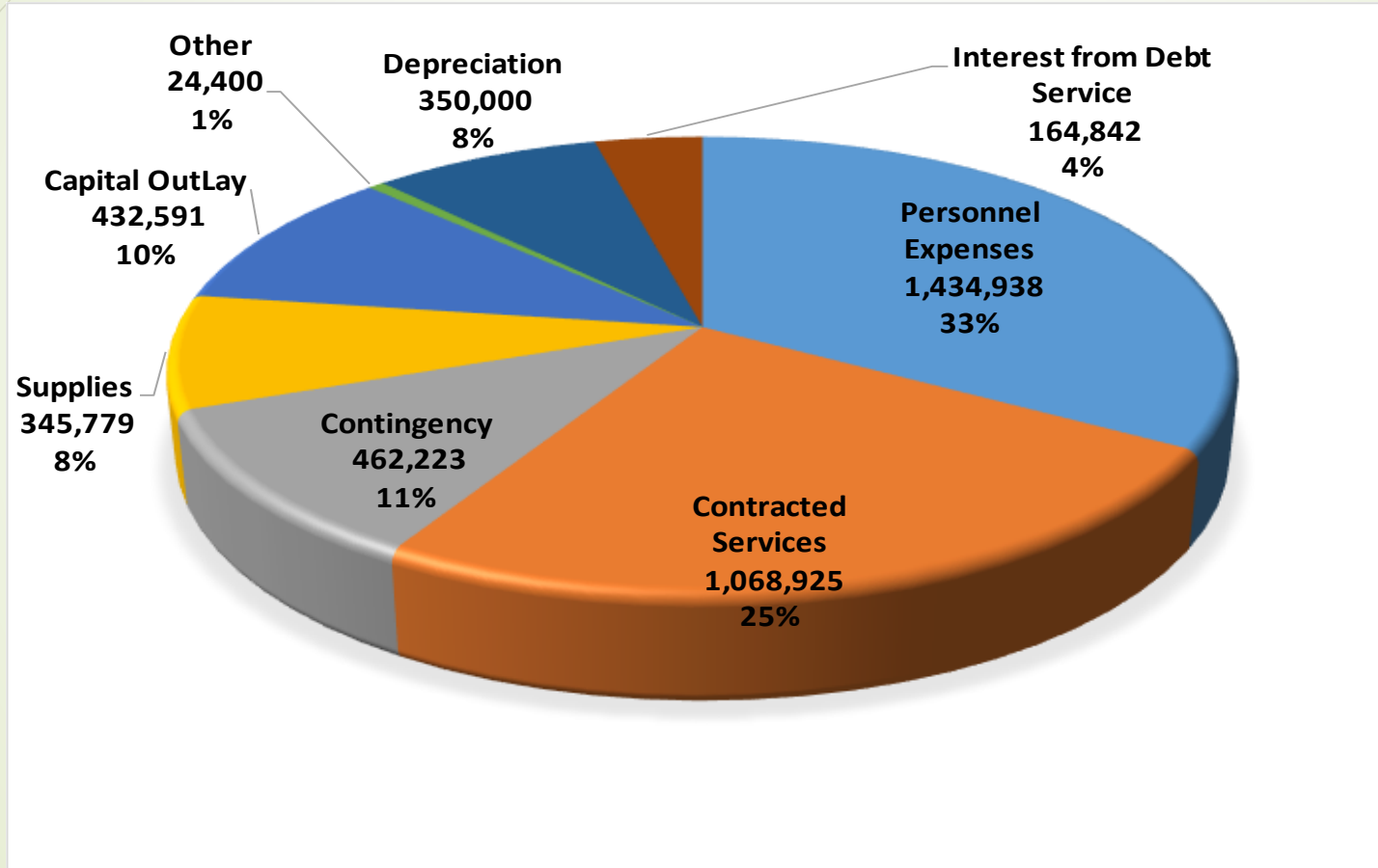
- Wage & Salary Adjustments of 3% increase
- Decrease of 32% in Budgeted Attorney / Legal Fees
- Decrease of 55% in Budgeted Engineering Fees
- Increase in revenue of \$25,000 for Resource officers
- Outsourced Managed IT Support
- \$231,724 General Fund Contingency & \$250,000 Fund Beginning Balance = Use of Cash Reserves \$18,276.00
- \$230,449 Water and Sewer Fund Contingency & \$230,449 Fund Beginning Balance use of cash reserves \$29,551

Total Organization Budget



Total Organization Budget

-by major category



Debt Service:

SPLOST:

Principal	104,406
Interest	<u>5,805</u>
	\$110,211

Water & Sewer

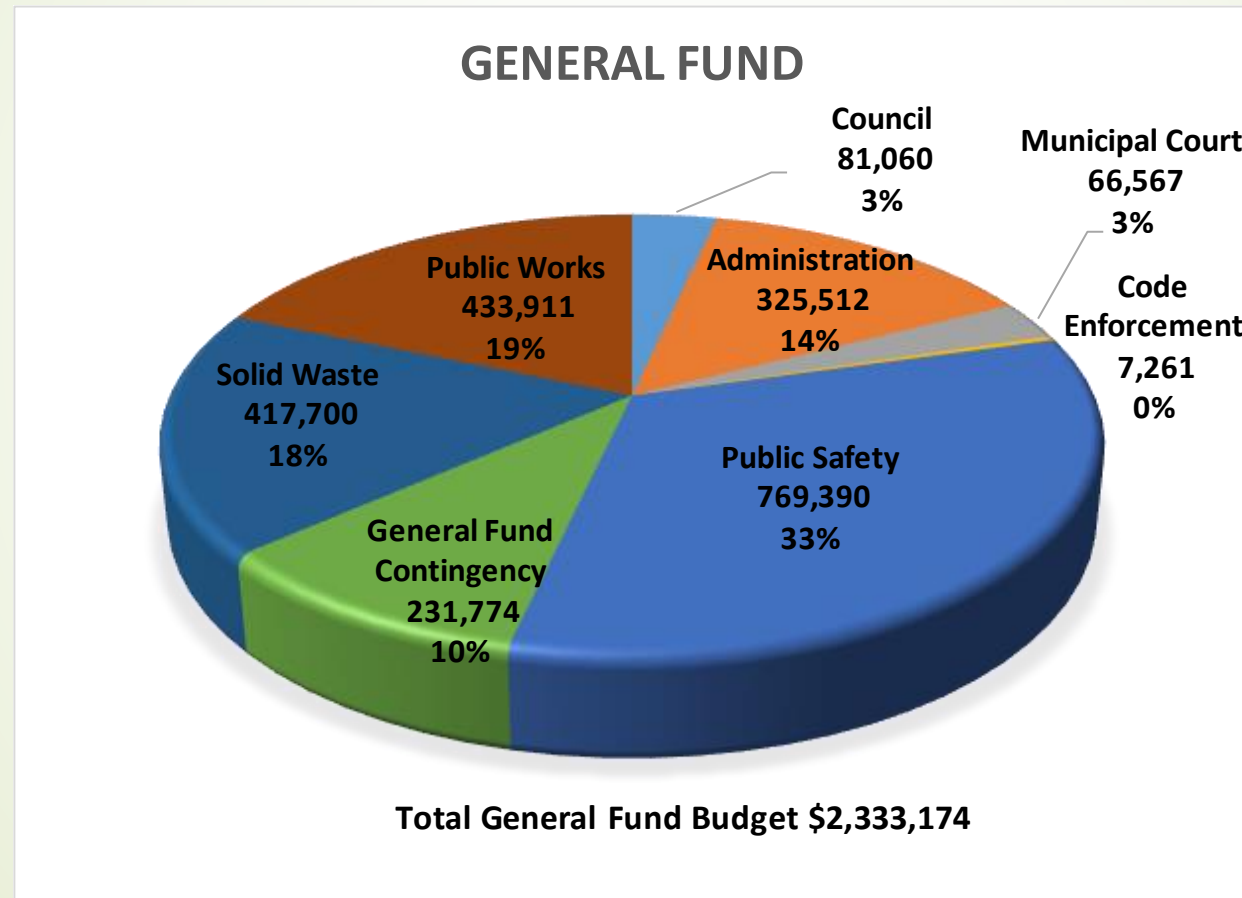
Interest	54,631
Principal	<u>134,015</u>
	\$ 178,646

Total Debt Service:

\$298,857

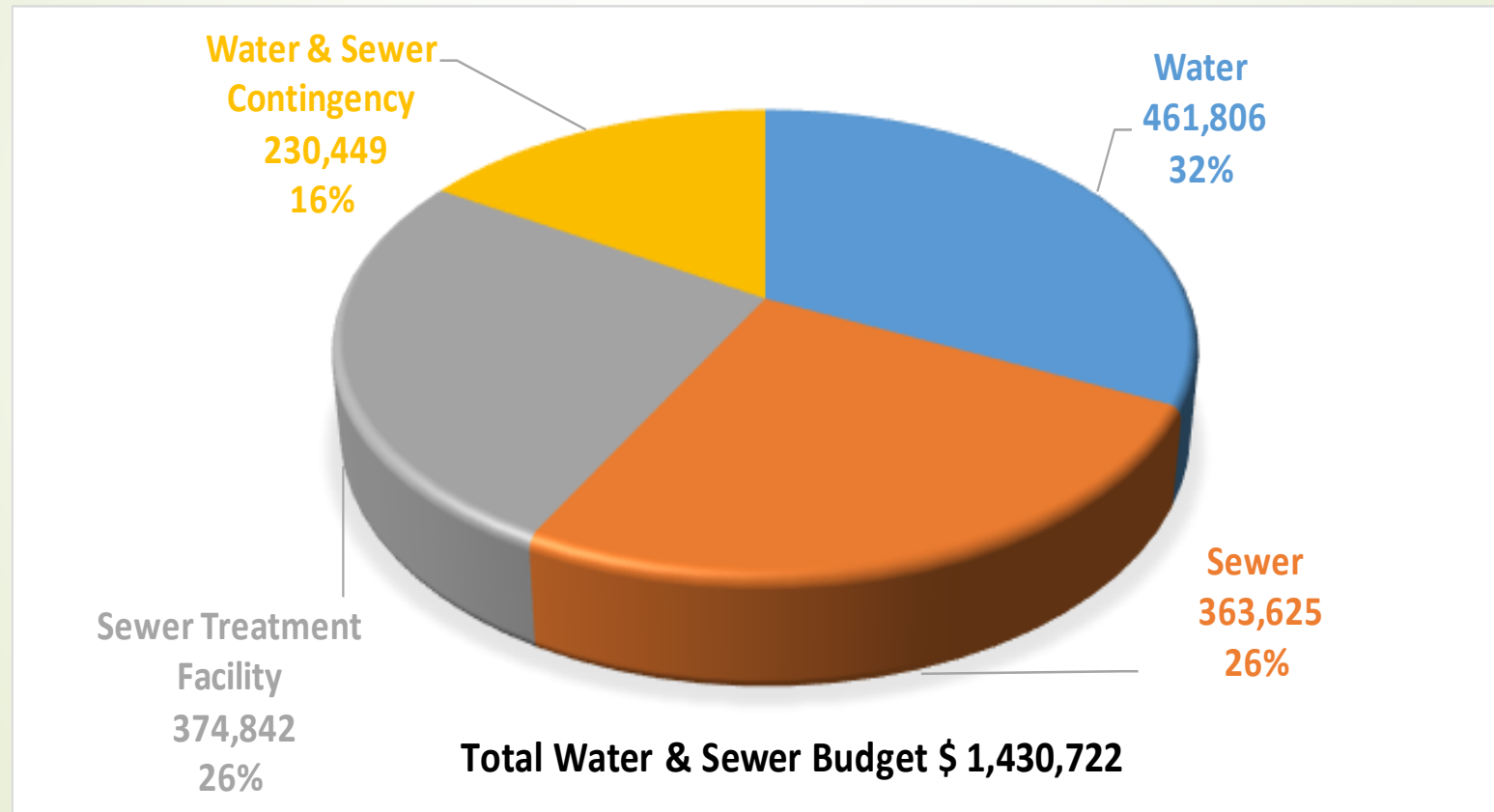
General Fund Operating Budget

- by Department



Water & Sewer Operating Budget

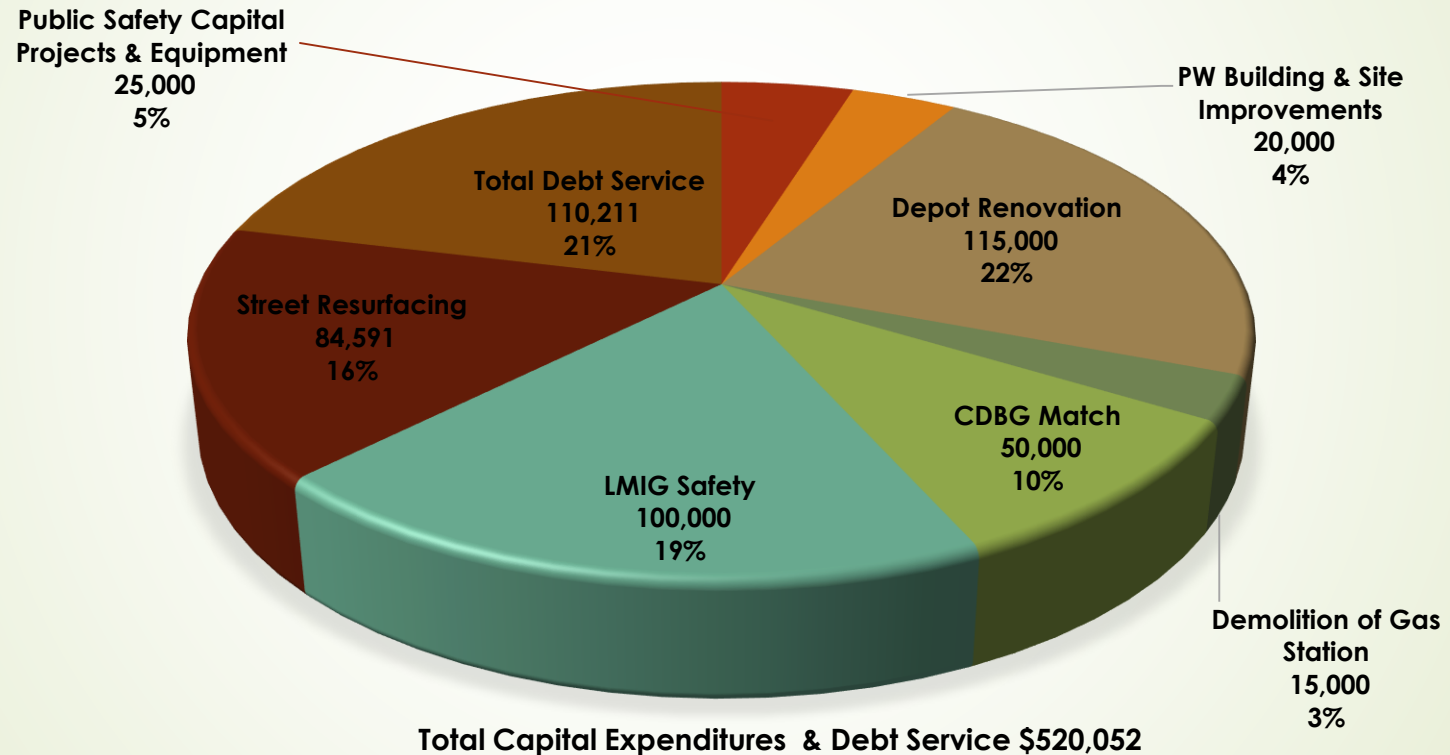
- by Department



SPLOST Budget for Capital Improvements

- by Project

SPLOST FY 2017 CAPITAL PROJECTS



What's Different in FY 2017

~ General Fund

	FY 2016 Approved Budget	FY 2017 Recommended Budget	Increase / (Decrease)
Total General Fund Revenue	2,522,681	2,333,174	(189,507)
Total Council / Legislative	57,300	81,060	23,760
Subtotal Administration	465,897	325,512	(140,386)
Subtotal Municipal Court	71,400	66,567	(4,833)
CONTINGENCY FUND	40,937	231,774	190,837
Subtotal Planning & Zoning / Code Enforcement	21,000	7,261	(13,739)
Subtotal Public Safety	827,692	769,390	(58,302)
Sub Total Sanitation	477,047	417,700	(59,347)
Subtotal Public Works Maintenance	561,407	433,911	(127,496)
Total General Fund Expenditures	2,522,681	2,333,174	(189,506)

What's Different in FY 2017

~ Water and Sewer Fund

	FY 2016 Approved Budget	FY 2017 Recommended Budget	Increase / (Decrease)
Total Water and Sewer Fund Revenue	1,385,731	1,185,186	(200,545)
Subtotal Sewer Department	432,240	363,625	(68,615)
Total Sewage Treatment Plant	389,574	374,842	(14,732)
CONTENGIENCY	100,167	230,449	130,282
Subtotal Water Department	463,750	461,806	(1,944)
	1,385,731	1,430,722	44,991
Net Change in Budget			(245,536)

Questions

