
City of Fort Myers, Florida



Highlights of the
Annual Budget
Fiscal Year 2018-2019
Final Hearing: September 27, 2018

**Mayor
Randall P. Henderson, Jr.**

City Council

Teresa Watkins Brown	Ward 1
Johnny Streets, Jr.	Ward 2
Terolyn Watson	Ward 3
Liston D. Bochette, III	Ward 4
Fred Burson	Ward 5
Gaile Anthony	Ward 6

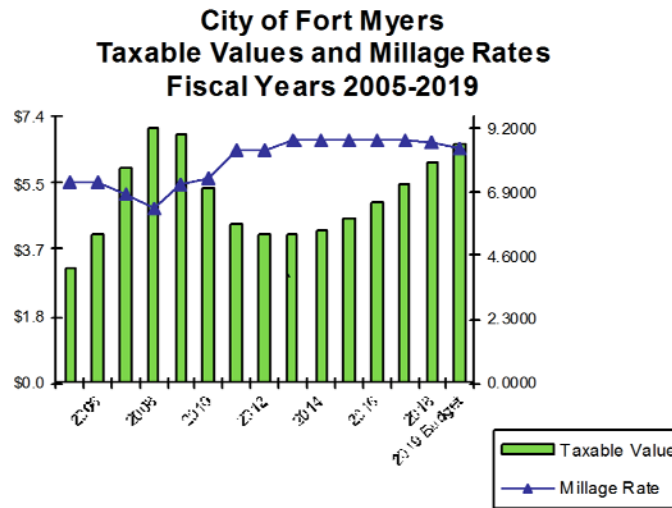
**City Manager
Saeed Kazemi, P.E.**

About this document:

This document provides a summary of the highlights to the City of Fort Myers Fiscal Year 2019 Budget including revenues the City expects to receive and the planned areas for where the money will be spent.

This proposed budget is a deliberate balance of revenues and expenditures prepared in accordance with Florida’s statutory Truth in Millage process and best serves the City’s prioritization for provision of core services and Council initiatives. Two budget workshops were held during the past several months to provide the opportunity for City Council to discuss the budget.

The chart below shows a 15-year trend in the City’s taxable property values and the respective millage rate levied.



General Fund Budget Highlights—Revenues:

- ◆ Provides \$2.8 million additional Ad Valorem revenue with the City's certified taxable property values increasing \$506.8 million, or 8.28%, with \$269.4 million in new construction and average increases of 3.88% in existing properties. The tentative millage rate of 8.45, reduced from the prior year's millage rate of 8.65 provides an Ad Valorem revenue budget of \$53.2 million.
- ◆ Includes revenue in the amount of \$3.8 million generated from a fire assessment fee that recovers 16.5% of the cost to provide fire suppression and rescue services. Rates, assessed by property category based on a calls for service methodology remain equal to FY2018 and are as follows: residential, \$77.91 per dwelling unit, commercial, \$0.051 per square foot, industrial/warehouse, \$0.0136 per square foot and government/institutional, \$0.119 per square foot. This assessment is included on the annual tax bill mailed in November, 2018.
- ◆ Some of the other major General Fund operating revenues are projected to increase in FY2019 over the current year budget adding \$4.8 million in total as a result of collection trends and population growth including:
 - ◆ Utility Service Taxes, from \$9.0 million to \$9.7 million
 - ◆ Franchise Fees, from \$5.5 million to \$6.1 million
 - ◆ Licenses and Permits, from \$2.6 million to \$3.4 million
 - ◆ State Shared Revenue, from \$8.7 million to \$9.7 million
 - ◆ General Admin. Charges , from \$5.1 million to \$5.9 million
 - ◆ Other Miscellaneous Revenue, from \$.6 million to \$1.5 million
- ◆ Plans to use reserves in the total amount of \$5.5 million to provide for one-time operating expenditures such as equipment purchases and professional services. General Fund reserves have been increasing as revenues exceed budget projections and spending comes in less than the budget. General Fund ending reserve balance is projected to be \$15.3 million, representing 12.8% of the General Fund budget.

General Fund Budget Highlights—Expenditures:

- ◆ Prioritizing Public Safety in the City, the budget for such departments increase by \$7.3 million including:
 - ◆ 14 Police Officers, incl. 2 Cold Case Investigators
 - ◆ Full year funding of 15 Officers and 2 Sergeants to fill the gap with officers placed in schools as part of the new state requirement
 - ◆ 1 Police Civilian Intelligence Technology Analyst
 - ◆ Police equipment, technology, community outreach, specialized and development training and additional operating supplies for new positions
 - ◆ Fire training equipment, specialized gear and contractual fire inspection services
 - ◆ Wage adjustments for job retainage and attraction for Police and Fire Union employees
 - ◆ Police Officer Housing Assistance Program
 - ◆ Contractual Code Enforcement services

- ◆ Includes a total of \$624,300 in funding for Community Programs including:
 - ◆ City services grants for Special Events, \$152,200
 - ◆ Arts and Culture, \$145,000
 - ◆ Community Agency Support Program, \$327,100

- ◆ Implements Legal Department reorganization funding 5 additional positions and 1 previously frozen position, total estimated cost of \$904,600

- ◆ Includes \$142,400 for Community Career Initiative Programs

- ◆ Adds operating funds in other City divisions and departments including Parks, Recreation, Facilities Management and Human Resources

- ◆ Funds citywide initiatives including economic corridor vision plans and a property use analysis.

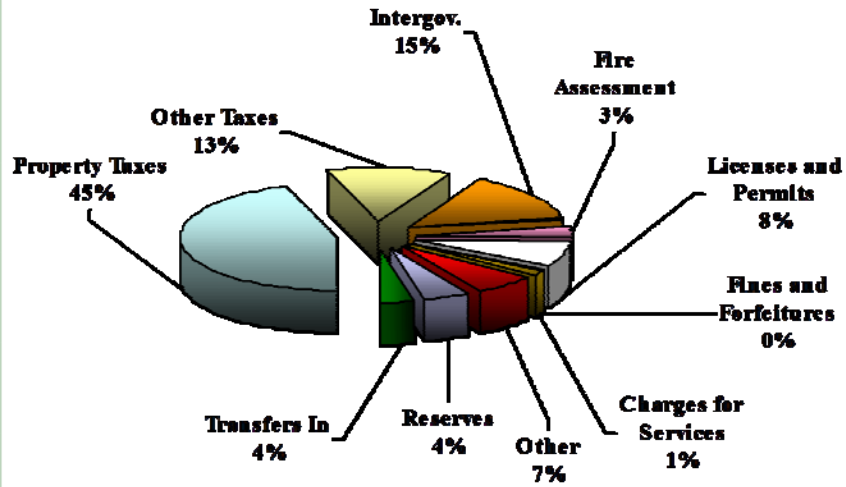
- ◆ Adjusts rates/fees for Recreation programs for non-City residents

- ◆ Continues to freeze 5 positions, annual savings of \$466,100

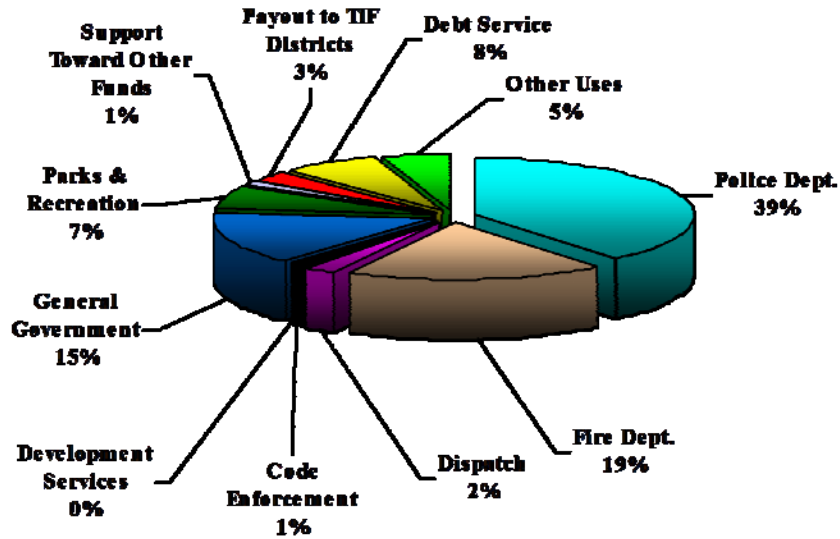
General Fund Budget at a Glance: (amounts are reported in millions)

	<u>FY2018</u>	<u>FY2019</u>	<u>\$</u>	<u>%</u>
			Change	
Revenues:				
Taxes	\$65.1	\$68.6	\$3.5	5.4%
Licenses & Permits	\$8.1	\$9.5	\$1.4	17.3%
Fire Assessment Fee	\$3.7	\$3.8	\$0.1	2.7%
Intergovernmental	\$16.3	\$17.6	\$1.3	8.0%
Charges for Services	\$1.4	\$1.6	\$0.2	14.3%
General Administration	\$5.1	\$5.8	\$0.7	13.7%
Miscellaneous	\$1.5	\$2.6	\$1.1	73.3%
Transfers from other funds	\$3.5	\$4.3	\$0.8	22.9%
Appropriated Reserves	\$3.3	\$5.5	\$2.2	66.7%
TOTAL REVENUES	\$108.0	\$119.3	\$11.3	10.5%
Expenditures				
General Government	\$15.4	\$18.1	\$2.7	17.5%
Public Safety				
Police/Dispatch	\$42.9	\$49.2	\$6.3	14.7%
Fire Department	\$22.3	\$23.1	\$0.8	3.6%
Code Enforcement	\$1.3	\$1.4	\$0.1	7.7%
Development Services	\$0.4	\$0	\$(0.4)	-100.0%
Total Public Safety	\$66.9	\$73.7	\$6.8	10.2%
Physical Environment/ Transportation	\$7.5	\$8.0	\$0.5	6.7%
Recreation/Culture	\$3.0	\$3.6	\$0.6	20.0%
Debt Service	\$8.5	\$8.9	\$0.4	4.7%
Capital Funding	\$0.6	\$0.4	\$(0.2)	-33.3%
Transfers				
TIF Districts	\$3.4	\$3.4	\$(0.0)	-0.9%
Other Fund Subsidies	\$0.8	\$0.9	\$0.1	12.5%
Total Transfers	\$4.2	\$4.3	\$0.1	1.7%
Insurance	\$1.9	\$2.3	\$0.4	21.1%
TOTAL EXPENDITURES	\$108.0	\$119.3	\$11.3	10.5%

Components of General Fund Revenues:



Components of General Fund Expenditures:



Other City Funds Operating Budget Highlights:

- ◆ In the Utility Fund, there are no rate increases for water and sewer services, funds \$10.1 million towards utility capital improvements and plans to issue an estimated \$75 million in debt.
- ◆ In the Stormwater Fund, assessment fees increase 26% necessitated by stormwater capital projects—average residential stormwater fee increases from \$72.96 to \$91.93.
- ◆ In the Solid Waste Fund there are no rate increases—the residential annual assessment remains at \$228.96. The fund provides \$995,000 towards capital projects & adds a Fiscal Analyst and a new Operator position in Roll-Off.
- ◆ In the Building, Permits and Inspection Fund, Building, Permitting and Plan Review fees were reduced 50% for a period of one year.
- ◆ Positions added in the FY2019 Budget (total of 25.6) include:
 - ◆ 2.0—Solid Waste Fund
 - ◆ 2.5—Risk Management Fund
 - ◆ 5.0—City Attorney & Administration Attorney Office
 - ◆ 14.0—Police Sworn Officers
 - ◆ 1.0—Police Civilian
 - ◆ 1.0—Fire
 - ◆ 0.1—CDD Admin.

Citywide Budget at a Glance: (amounts are reported in millions)

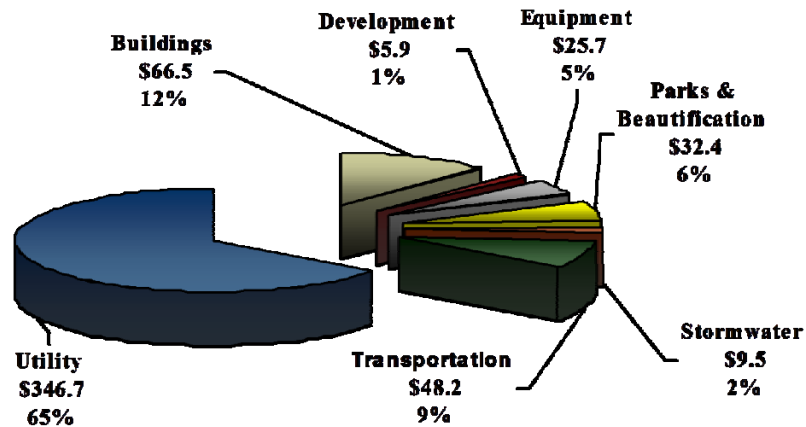
By Fund Type:			\$	%
	FY2018	FY2019	Change	
General Fund	\$108.0	\$119.3	\$11.3	10.5%
Utility Fund	\$114.2	\$127.3	\$13.1	11.5%
All Other Enterprise Funds	\$42.6	\$42.6	\$-	0.0%
Debt Service Funds	\$26.5	\$16.4	\$(10.1)	-38.1%
Capital Improvement Funds	\$30.5	\$13.6	\$(16.9)	-55.4%
Internal Service Funds	\$20.6	\$23.6	\$3.0	14.6%
CRA	\$7.3	\$8.4	\$1.1	15.1%
Special Revenue Funds	\$8.8	\$8.7	\$(0.1)	-1.1%
Trust & Agency Funds	\$32.6	\$37.4	\$4.8	14.7%
TOTAL CITYWIDE BUDGET	\$391.1	\$397.3	\$6.2	1.6%

By Function

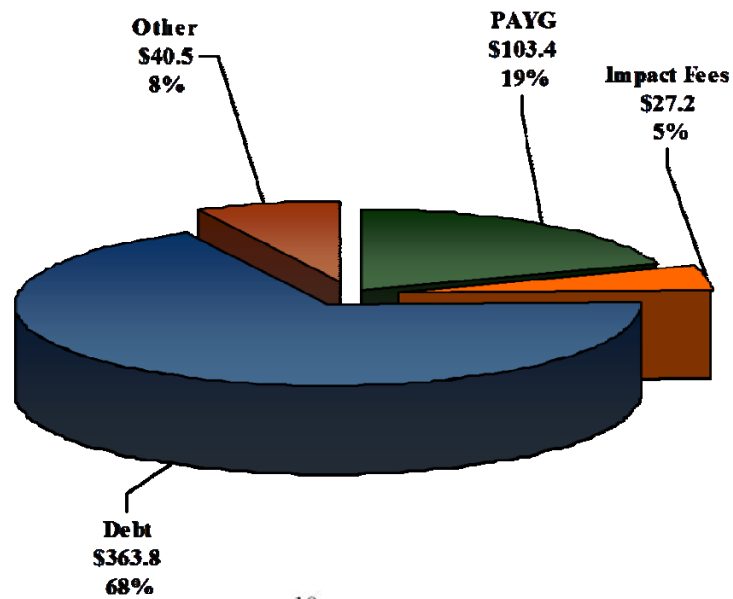
General Government	\$54.4	\$62.1	\$7.7	14.2%
Public Safety	\$90.6	\$98.0	\$7.4	8.2%
Physical Environment	\$79.9	\$87.0	\$7.1	8.9%
Transportation	\$6.2	\$6.6	\$0.4	6.5%
Economic Environment	\$6.4	\$7.0	\$0.6	9.4%
Culture/Recreation	\$11.2	\$11.8	\$0.6	5.4%
Other Uses	\$2.0	\$2.3	\$0.3	15.0%
Capital Projects	\$94.8	\$86.4	\$(8.4)	-8.9%
Transfers	\$38.4	\$26.5	\$(11.9)	-31.0%
Expense Reserves	\$7.2	\$9.6	\$2.4	33.3%
TOTAL CITYWIDE BUDGET	\$391.1	\$397.3	\$6.2	1.6%

Five-Year Capital Improvement Program:

The Capital Improvement Program consists of projects for the five year period ending September 30, 2023 totaling 534.9 million. Expenditures by category are provided below (amounts reported in millions):

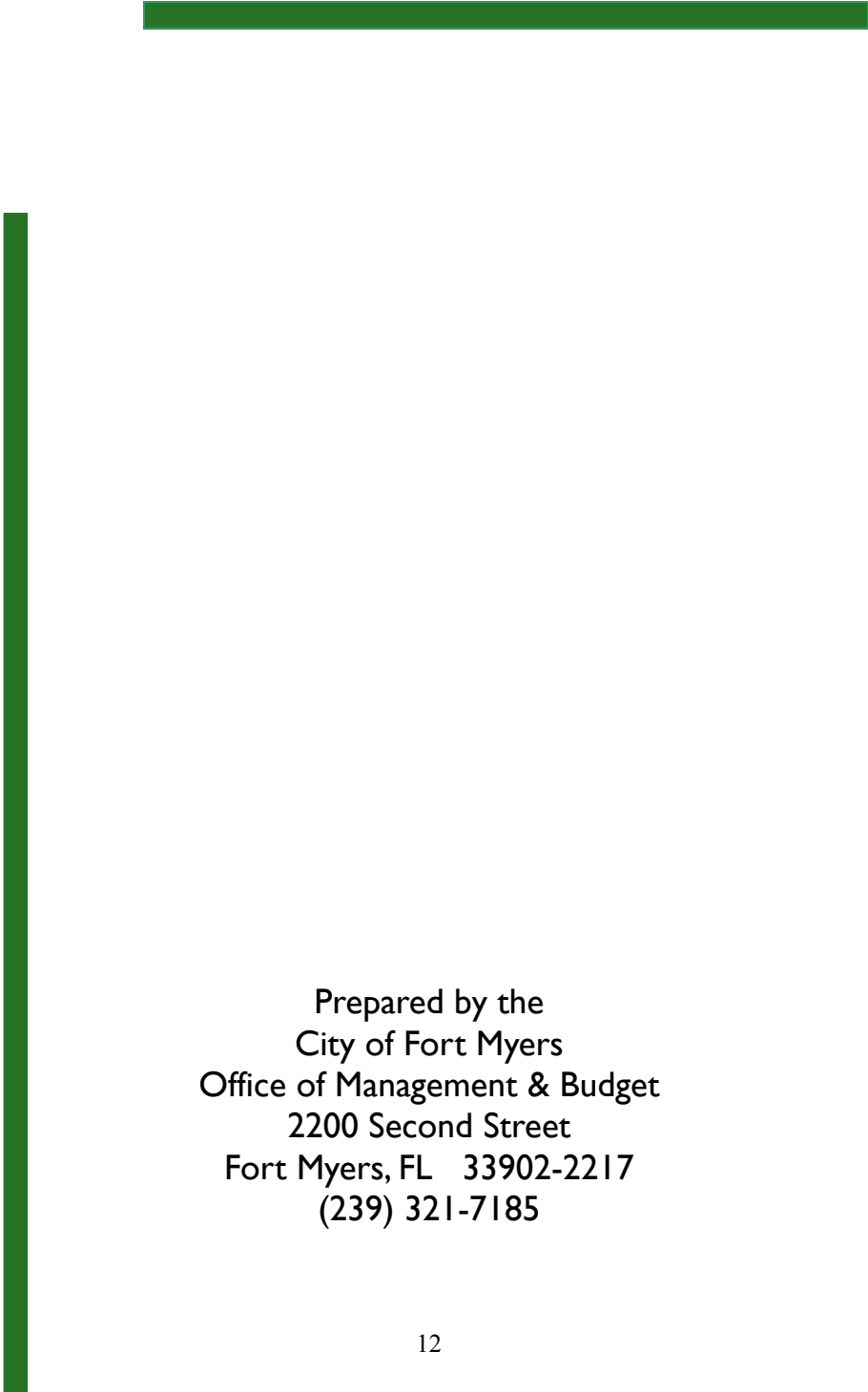


Funding sources for the five year Capital Improvement Program are comprised of the following:



Major projects in the Five-Year Capital Improvement Program: (amounts reported in thousands)

Project Name	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Total 5-Year
Police Department Facility	1,000	13,000	13,000	0	0	27,000
STARS Complex Expansion	0	3,500	7,000	7,000	0	17,500
Fire Station #7	550	4,100	0	0	0	4,650
Other Building Projects	3,595	2,999	4,423	1,067	5,274	17,358
Junkyard Buy Out	1,000	1,300	0	0	0	2,300
Other Development Projects	559	320	420	420	1,860	3,579
Solid Waste Equipment	870	1,475	1,195	2,075	2,460	8,075
Fire Equipment	262	1,224	646	825	615	3,572
Police Equipment	350	1,510	0	200	0	2,060
ITS Equipment	0	1,500	2,500	2,375	2,075	8,450
Other Equipment	88	140	250	700	2,367	3,545
Riverwalk Connections	0	300	5,000	5,000	5,000	15,300
Other Parks & Beautification Projects	1,800	5,306	3,984	1,980	4,072	17,142
Citywide Drainage Rehab/Improve.	500	300	300	300	500	1,900
Edgewood Ave Neighborhood Drain.	0	0	0	300	950	1,250
Mitigation Strategy-Stormwater	2,213	0	0	0	0	2,213
Other Stormwater Projects	800	360	407	400	2,150	4,117
First & Second St. Improvements	0	0	0	0	2,775	2,775
Realign Downtown SR 82	0	1,100	6,500	3,330	0	10,930
SR82 Michigan to Ortiz	0	0	0	0	7,459	7,459
Veronica Shoemaker Improvement	0	0	0	400	3,925	4,325
Midtown Streetscape Improvements	2,500	0	0	0	0	2,500
US 41 Streetscape	0	560	560	560	0	1,680
Other Transportation Projects	4,437	4,703	3,280	4,108	2,032	18,560
Water Plant Projects	15,213	11,745	0	200	1,000	28,158
East Water Reclamation Facility	0	0	5,000	20,000	20,000	45,000
Reclaimed Transmission Line Expansion.	0	11,200	11,200	0	0	22,400
Neighborhood Utility Improvement Projects	5,000	6,000	6,000	0	0	17,000
Downtown Redevelopment Water/Sewer PH II,III	4,625	6,800	7,570	13,565	0	32,560
Evans to Central Utility Improvement	0	0	1,620	4,200	6,860	12,680
Reuse Facility at South Plant	0	9,000	3,000	3,500	0	15,500
Injection Well-SWWTP	1,000	0	5,500	4,500	0	11,000
Injection Well-DEP Requirement-CWWTP	0	5,500	5,500	0	0	11,000
Other Utility Projects	40,017	9,661	17,868	48,631	35,212	151,389
TOTAL CIP	86,379	103,603	112,723	125,635	106,587	534,927



Prepared by the
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