



City of Mascotte, Florida

# BUDGET 2013

Fiscal Year 2012-13

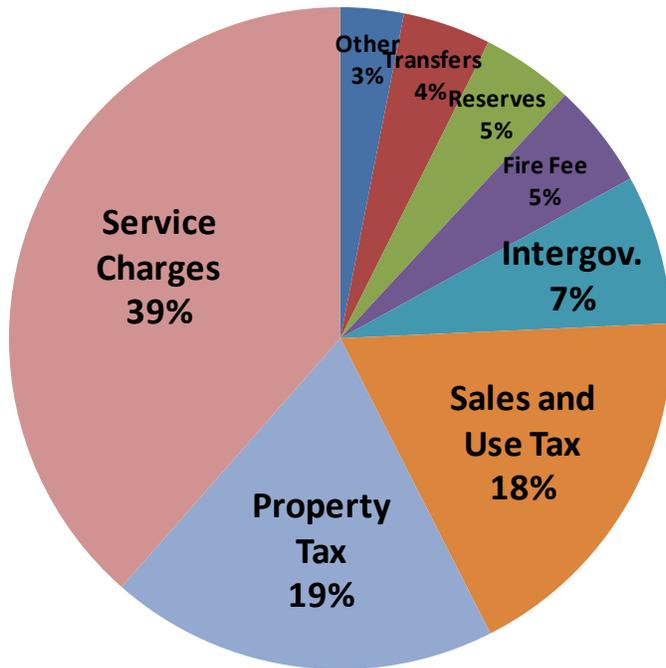
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## HONORABLE MAYOR AND CITY COUNCIL

As required by our City Charter, the annual budget for the City of Mascotte, Florida, you are hereby presented with the fiscal year 2012-13 annual budget. The General Fund budget is balanced at the same rate as last year, 9.6147 mills, which is a **property tax reduction** of over 17%. The Enterprise Fund budgets are balanced without any change to existing utility rates. In total, the citywide budget has been reduced from the prior year by over \$306,000 in response to declining revenues. A summary of the budget as proposed is shown on the following page. Highlights are as follows:

- Property tax reduction of 17.35%
- No change in utility base or consumption rates
- Fire Assessment Fee increase of \$120,000
- Use of over \$206,000 from Cell Tower and Veolia proceeds
- Citywide reduction in expenditures of 6%
- General Fund reduction in expenditures of over 4%
- Enterprise Fund reduction in expenditures of over 8%

## FY 2013 Budget Citywide Revenues



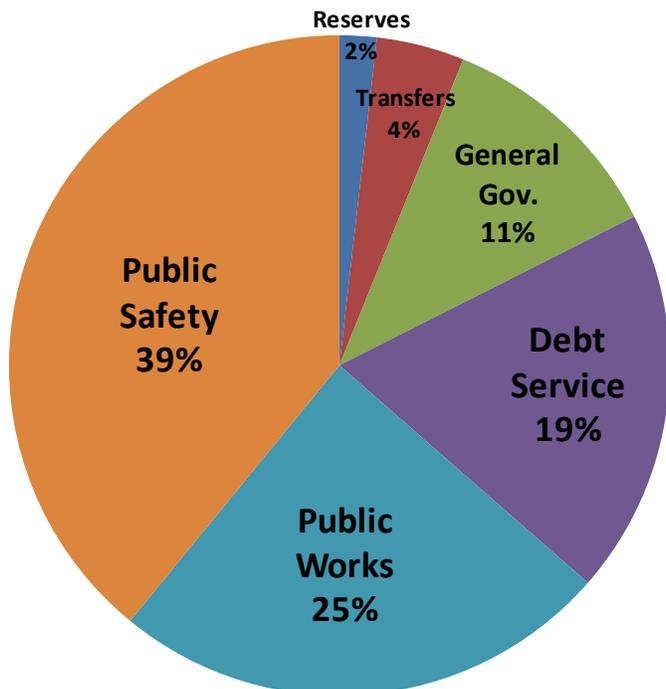
Service Charges are those paid for water, sanitation and storm water services, as well as fees charged in governmental funds to recover cost for specific services provided.

Property Tax includes all property (ad valorem taxes collected, both current and delinquent.

Sales and Use tax includes utility services taxes, the communication service tax, franchise fees and local option taxes.

Intergovernmental revenues include municipal revenue sharing from the state and grants.

## Citywide Expenditures



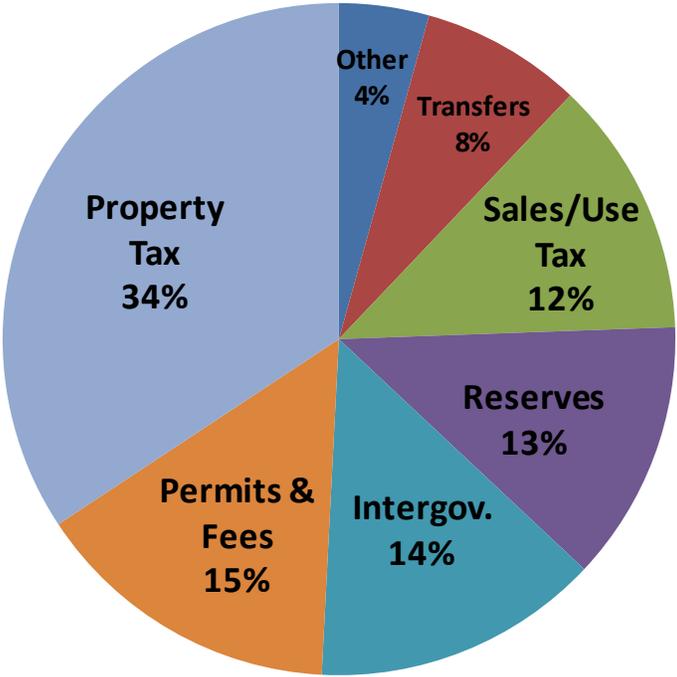
Public Safety includes Fire, Police and Code Enforcement.

Public Works includes roads, fleet, parks, building maintenance, water, garbage and trash oversight and storm water management.

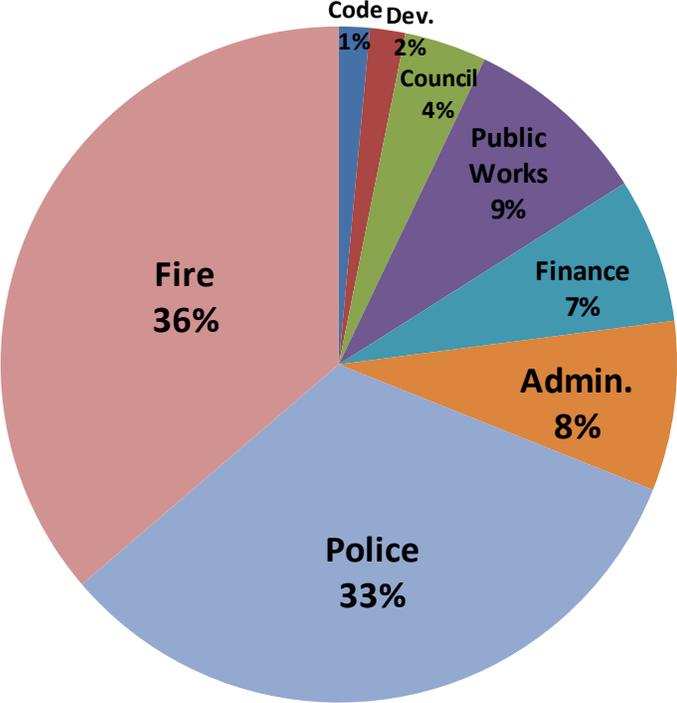
**City of Mascotte, Florida - Proposed Budget for Fiscal Year 2012-2013**

	<i>GENERAL FUND</i>	<i>SPECIAL REVENUE</i>	<i>ENTERPRISE FUND</i>	<i>TOTAL ALL FUND</i>
<b>REVENUES</b>				
	<b>Millage</b>			
	<b>Rate</b>			
	9.6147			
Property Tax	890,600	-	-	890,600
Sales and Use Tax	517,300	339,000	-	856,300
Permits and Development Fees	70,200	-	-	70,200
Assessment Fees	240,000	-	-	240,000
Intergovernmental	342,700	-	-	342,700
Service Charges	58,850	-	1,749,500	1,808,350
Fines and Forfeitures	35,950	1,200	-	37,150
Interest	5,000	600	500	6,100
Rent	18,000	-	1,700	19,700
Other	11,000	500	-	-
<b>Total Sources</b>	<b>2,189,600</b>	<b>341,300</b>	<b>1,751,700</b>	<b>4,282,600</b>
Transfers in	201,500	-	-	201,500
Use of reserves	206,350	4,800	-	211,150
<b>Total Revenues, Transfers and Sources</b>	<b>\$ 2,597,450</b>	<b>\$ 346,100</b>	<b>\$ 1,751,700</b>	<b>\$ 4,695,250</b>
 <b>EXPENDITURES</b>				
General Government	536,850	-	-	536,850
Public Safety	1,829,000	6,000	-	1,835,000
Physical Environment	231,600	-	917,550	1,149,150
Debt Service	-	340,100	547,050	887,150
<b>Total Expenditures</b>	<b>2,597,450</b>	<b>346,100</b>	<b>1,464,600</b>	<b>4,408,150</b>
Transfers Out	-	-	201,500	201,500
Additions to reserves	-	-	85,600	85,600
<b>Total Appropriated Expenditures, Transfers, Reserves and Balances</b>	<b>\$ 2,597,450</b>	<b>\$ 346,100</b>	<b>\$ 1,751,700</b>	<b>\$ 4,695,250</b>

**FY 2013 Budget  
General Fund Revenues**



**General Fund Expenditures**



	<b>2011 Actual</b>	<b>2012 Budget</b>	<b>2013 Proposed</b>	<b>2013 Pro vs 2012 Bud</b>	<b>% Inc Over 2011</b>
<b>General Fund</b>					
<b>Revenues</b>					
Property Tax	1,026,890	1,020,900	890,600	(130,300)	-13%
Sales and Use Tax	541,898	533,700	517,300	(16,400)	-3%
Permits and Development Fees	58,602	49,150	70,200	21,050	43%
Assessment Fees	122,631	102,400	240,000	137,600	134%
Intergovernmental	484,730	432,350	342,700	(89,650)	-21%
Service Charges	169,831	156,450	58,850	(97,600)	-62%
Fines and Forfeitures	40,509	45,000	35,950	(9,050)	-20%
Interest	4,860	16,500	5,000	(11,500)	-70%
Rent	17,998	17,950	18,000	50	0%
Other	29,251	128,505	11,000	(117,505)	-91%
Transfers	100,000	195,000	201,500	6,500	3%
Use of Reserves*	-	-	206,350	206,350	
<b>Total Revenues</b>	<b>2,597,200</b>	<b>2,697,905</b>	<b>2,597,450</b>	<b>(100,455)</b>	<b>-4%</b>
<b>Expenditures:</b>					
Mayor and Council	53,998	72,250	102,100	29,850	41%
Administration	212,942	198,050	210,850	12,800	6%
Finance	187,223	182,400	180,100	(2,300)	-1%
Community Development	129,180	88,600	43,800	(44,800)	-51%
Code Enforcement	31,940	36,500	38,100	1,600	4%
Police	915,047	930,705	848,700	(82,005)	-9%
Fire	823,626	916,950	942,200	25,250	3%
Public Works	178,329	195,450	158,300	(37,150)	-19%
Fleet	43,998	50,350	52,450	2,100	4%
Parks	19,393	26,650	20,850	(5,800)	-22%
<b>Total Expenditures</b>	<b>(2,595,676)</b>	<b>(2,697,905)</b>	<b>(2,597,450)</b>	<b>100,455</b>	<b>-4%</b>
<b>Surplus/(Deficit)</b>	<b>1,524</b>	<b>-</b>	<b>-</b>	<b>-</b>	

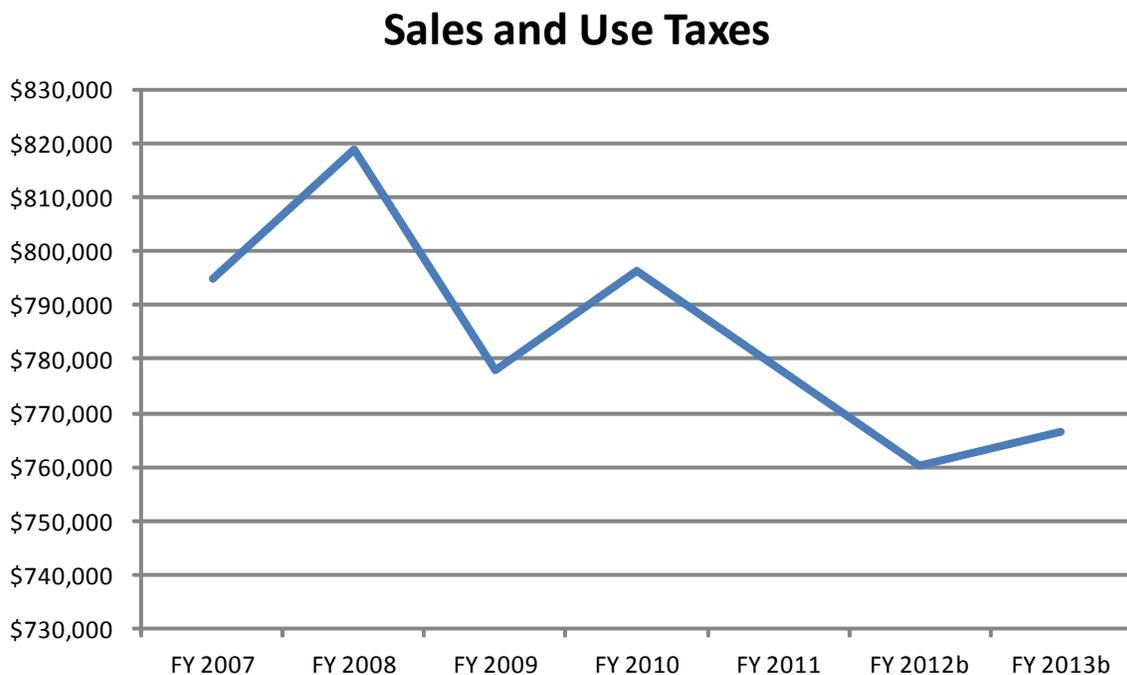
* Telecommunications Tower proceeds	\$ 175,000
Veolia Purchase of Sanitation Truck	30,000
Use of Reserves	1,350
<b>Total</b>	<b>\$ 206,350</b>

## General Fund

### Revenues

The General Fund budget posed the greatest challenge this year. For the third year in a row the City of Mascotte incurred the largest reduction in property value in Lake County. Values decreased by OVER 18%, bringing the three year total reduction to almost 60%. Property tax proceeds make up over 34% of General Fund revenues, and since the City is at its maximum millage rate, we are unable to adjust millage to keep tax revenues the same. Property taxes are now \$250,000 below fiscal year 2008.

In addition to the severe decline in property taxes, sales and use taxes, which fluctuates based on the weather (utility taxes) and consumer confidence and economic growth (sales taxes), are also down, as the chart below illustrates.



Property, sales and use taxes are a key source of revenues for the General Fund, and their continued decline will limit the City's funding options in the immediate future.

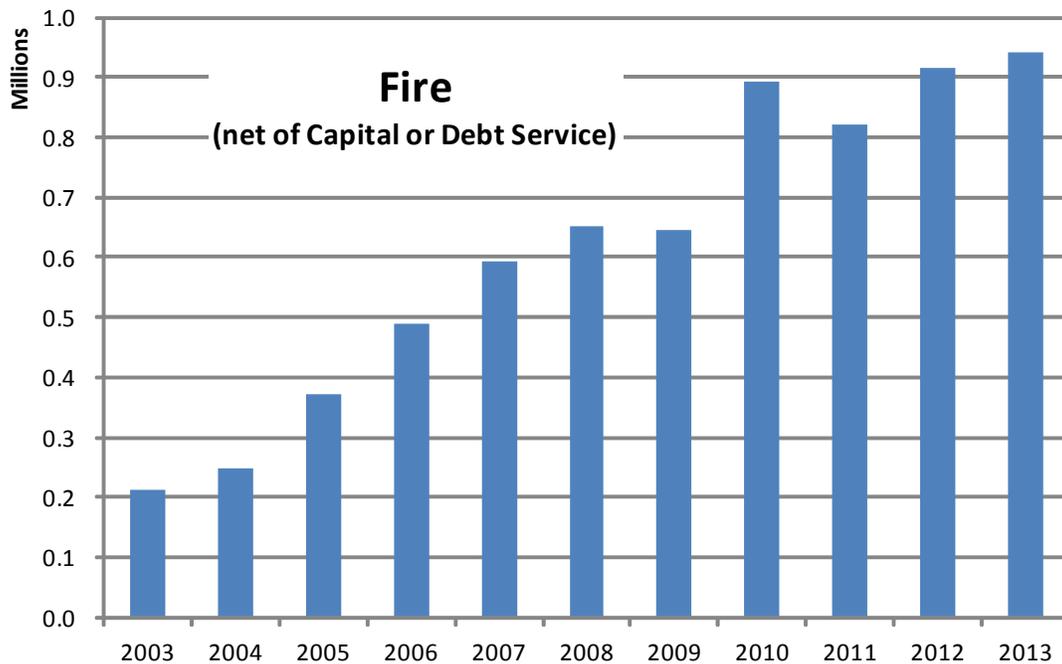
Revenues are estimated based on trends identified in historical collections, current year collections and economic conditions which may impact the growth or decline of collections. Each line revenue line item is analyzed in detail based on the monthly receipts up to the time the budget is presented.

## Expenditures

Further reductions have been made in all functional areas of the General Fund. General government expenditures (Mayor/Council, Administration/Finance/Community Development) decreased by \$4,450 or 1%, Public Safety was cut by over \$55,000 or 3% and Public Works, which includes roads, fleet, parks and facilities maintenance was reduced by \$40,850 or 15%. All of these reductions include some sacrifice of staffing and leave no room for unexpected repairs or emergencies. However, these reductions still allow services to continue at the current level. Excluding the Fire Services budget, the General Fund budget is now over \$125,000 below the level it was in fiscal year 2005.

## Fire Services

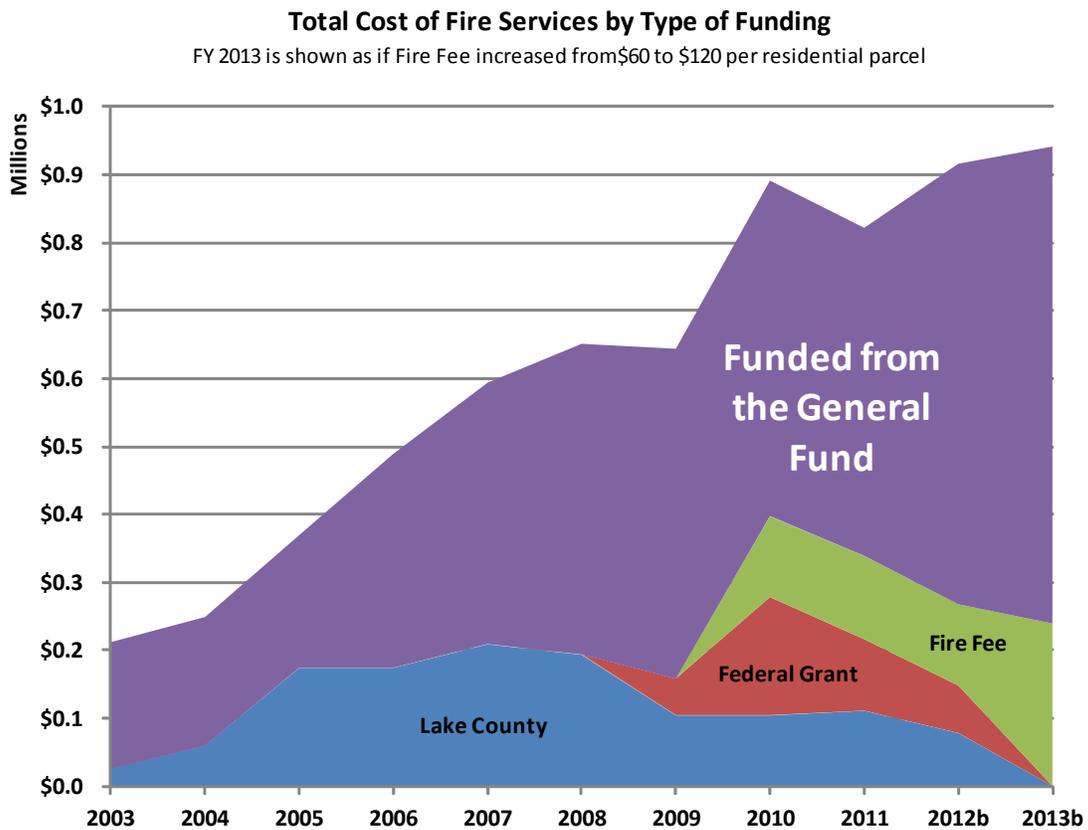
The one exception to the drastic cuts in staffing in the last budget, and this proposal, has been the Fire Service. Based on the need for faster response and critical care in the field, the City's Fire and Emergency Services were significantly increased beginning as far back as 2005. With help from a Federal Grant, and funding provided by Lake County (both of which are now \$0 for the 2013 budget), the City's Fire and Emergency Response services were increased from 4.1 full-time equivalents (FTE's) in 2004, to its current level of 13.7 FTE's. This enabled the provision of a full-service fire and medical response, including Advanced Life Support services, which was added a little over a year ago.



**Fire Services (continued)**

The City’s portion, provided from General Fund revenues, was expected to increase with the growth of the City in property values, to make up the remaining funds needed to maintain these staffing levels. However, property values did not increase, nor did they stay the same, they dropped 60%.

So, in addition to the reduction in revenue from last year, revenues dedicated to Fire Services have been reduced by from almost \$400,000 in 2010, down to \$120,000 from the existing fire assessment fee adopted two years ago. This proposal includes an increase in the fire fee, taking it from \$5.00 per month (\$60 a year) to \$10 a month (\$120 a year). The chart below illustrates this change, showing the total cost of Fire Services broken down by the funding source.



The graph above shows the amount of the fire fee as proposed, \$240,000 in fiscal year 2013. In earlier years, when it was anticipated that property values would increase proportionately, and when Lake County was providing annual funding, the City would still have had a challenge funding the cost of a full-service Fire Department with Advanced Life Support capabilities. Council has struggled with the need to increase the fire fee, understanding that families in Mascotte are hard-pressed to pay for services during this recessionary economy. On the other side is the need to provide immediate critical care in the field to prevent loss of life, and loss of quality of life. On August 20, 2013, Council adopted an increased fire fee, to continue to provide fire services, including Advanced Life Support, to the citizens of Mascotte.

## Special Revenue Funds

The City has several funds that receive income dedicated to specific uses. A summary of these funds is shown below.

<b>ESTIMATED REVENUES</b>	<i>Infrastructure</i>	<i>Police Forfeitures</i>	<i>Impact Fees*</i>	<i>Community Redevelopment</i>	<i>Total</i>
Taxes:					
Ad Valorem Taxes	-	-	-	-	-
Sales and Use Taxes	339,000	1,200	-	-	340,200
Intergovernmental	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Interest	600	-	-	-	600
Other	500	-	-	-	500
Total Revenues	<u>340,100</u>	<u>1,200</u>	<u>-</u>	<u>-</u>	<u>341,300</u>
Transfers in	-	-	-	-	-
Use of reserves	-	4,800	-	-	4,800
Total Revenues and Sources	<u>340,100</u>	<u>6,000</u>	<u>-</u>	<u>-</u>	<u>346,100</u>
<b>EXPENDITURES</b>					
Police	-	6,000	-	-	6,000
Debt Service	340,100	-	-	-	340,100
Total Expenditures	<u>340,100</u>	<u>6,000</u>	<u>-</u>	<u>-</u>	<u>346,100</u>
Transfers out	-	-	-	-	-
Additions to reserves	-	-	-	-	-
Total Expenditures and Uses	<u>340,100</u>	<u>6,000</u>	<u>-</u>	<u>-</u>	<u>346,100</u>

## Utility (Enterprise) Funds

The proposal for utilities in fiscal year 2013 is balanced with no changes to the City's rates. The City will continue to repay debt incurred in prior years while holding operating costs down.

### City of Mascotte, Florida - Proposed Water Fund Budget for Fiscal Year 2012-2013

	<u>2011 Actual</u>	<u>2012 Budget</u>	<u>2013 Proposed</u>	<u>2013 Pro vs 2012 Bud</u>	<u>% Change</u>
<b>Water Fund</b>					
<b>Operating Revenues:</b>					
Charges for Services	913,780	1,350,000	1,199,900	(150,100)	-11%
	913,780	1,350,000	1,199,900	(150,100)	-11%
<b>Operating Expenses:</b>					
Salaries and Benefits	416,933	377,450	305,650	(71,800)	-19%
Contractual Services	35,543	67,300	42,800	(24,500)	-36%
Utilities, Repairs, Insurance	84,600	138,200	88,350	(49,850)	-36%
Supplies	34,050	46,900	32,800	(14,100)	-30%
Depreciation	244,212	-	-	-	na
Total Operating expenses	(815,337)	(629,850)	(469,600)	160,250	-25%
Operating income/(loss)	98,443	720,150	730,300	10,150	1%
<b>Non Operating Revenues/(Expenses):</b>					
Interest and investment revenue	1,114	500	500	-	0%
Other non-operating revenues	3,652	-	1,700	1,700	0%
Other non-operating costs	(66,700)	-	-	-	0%
Debt Service (principal and interest)	(114,282)	(544,850)	(547,050)	(2,200)	0%
Capital Outlays	(13,904)	(50,000)	(50,000)	-	0%
Total Non operating expenses	(190,120)	(594,350)	(594,850)	(500)	0%
Income/(loss) before contributions and transfers	(91,677)	125,800	135,450	9,650	8%
Capital Contributions (impact fees)	-	-	-	-	na
Transfers in	208,084	-	-	-	na
Transfers out	(60,000)	(60,000)	(121,500)	(61,500)	103%
Change in net assets	56,407	65,800	13,950	(51,850)	-79%

**City of Mascotte, Florida - Proposed Storm Water Fund Budget for Fiscal Year 2012-2013**

	<u>2011 Actual</u>	<u>2012 Budget</u>	<u>2013 Proposed</u>	<u>2013 Pro vs 2012 Bud</u>	<u>% Change</u>
<b>Storm Water</b>					
<b>Operating Revenues:</b>					
Charges for Services	163,818	167,450	155,200	(12,250)	-7%
	<u>163,818</u>	<u>167,450</u>	<u>155,200</u>	<u>(12,250)</u>	<u>-7%</u>
<b>Operating Expenses:</b>					
Salaries and Benefits	49,227	62,400	49,550	(12,850)	-21%
Contractual Services	195	400	400	-	0%
Utilities, Repairs, Insurance	6,456	6,400	7,000	600	9%
Supplies	1,811	2,300	2,300	-	0%
Depreciation	33,914	-	-	-	na
Total Operating expenses	<u>(91,603)</u>	<u>(71,500)</u>	<u>(59,250)</u>	<u>12,250</u>	<u>-17%</u>
Operating income/(loss)	72,215	95,950	95,950	-	0%
<b>Non Operating Revenues/(Expenses):</b>					
Interest and investment revenue	304	-	-	-	na
Other non-operating revenues	-	-	-	-	na
Other non-operating costs	-	-	-	-	na
Debt Service (principal and interest)	(83)	-	-	-	na
Capital Outlays	-	-	-	-	na
Total Non operating expenses	<u>221</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>na</u>
Income/(loss) before contributions and transfers	72,436	95,950	95,950	-	0%
Capital Contributions (impact fees)	-	-	-	-	na
Transfers in	-	-	-	-	na
Transfers out	<u>(88,974)</u>	<u>(83,500)</u>	<u>(40,000)</u>	<u>43,500</u>	<u>-52%</u>
Change in net assets	<u>(16,538)</u>	<u>12,450</u>	<u>55,950</u>	<u>43,500</u>	<u>349%</u>

**City of Mascotte, Florida - Sanitation Fund Budget for Fiscal Year 2012-2013**

	<u>2011 Actual</u>	<u>2012 Budget</u>	<u>2013 Proposed</u>	<u>2013 Pro vs 2012 Bud</u>	<u>% Change</u>
<b>Sanitation</b>					
<b>Operating Revenues:</b>					
Charges for Services	394,537	394,400	394,400	-	0%
	<u>394,537</u>	<u>394,400</u>	<u>394,400</u>	-	0%
<b>Operating Expenses:</b>					
Salaries and Benefits	16,370	19,850	22,950	3,100	16%
Contractual Services	298,373	314,000	310,000	(4,000)	-1%
Utilities, Repairs, Insurance	8,654	3,950	4,200	250	6%
Supplies	960	900	1,550	650	72%
Depreciation	21,459	-	-	-	na
Total Operating expenses	<u>(345,816)</u>	<u>(338,700)</u>	<u>(338,700)</u>	-	0%
Operating income/(loss)	48,721	55,700	55,700	-	0%
<b>Non Operating Revenues/(Expenses):</b>					
Interest and investment revenue	911	-	-	-	na
Other non-operating revenues	-	-	-	-	na
Other non-operating costs	-	-	-	-	na
Debt Service (principal and interest)	-	-	-	-	na
Capital Outlays	-	-	-	-	na
Total Non operating expenses	<u>911</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>na</u>
Income/(loss) before contributions and transfers	49,632	55,700	55,700	-	0%
Capital Contributions (impact fees)	-	-	-	-	na
Transfers in	-	-	-	-	na
Transfers out	<u>(40,000)</u>	<u>(40,000)</u>	<u>(40,000)</u>	-	0%
Change in net assets	9,632	15,700	15,700	-	0%

## **In Closing**

The Mayor and Council have had to make very difficult choices this year in developing the 2013 budget. Staff has made every effort to make their job easier by making many cuts before the proposal was presented. We also started the process very early this year, to give the elected officials plenty of time to assess the different options. Ultimately, since resources always have a finite limit, it is not the services that are needed that can be funded, only those that can be afforded. Council was on the front lines of that decision this year once again.

We will continue to review operational decisions in the light of cutting costs without lowering the quality of the services we can afford. We will continue to look for creative solutions to funding needs, and ensuring that the citizens get the best value we can provide.

Thank you for your good stewardship and thoughtful work with us on this budget.

*Jim Gleason*

City Manager

