

# **EXECUTIVE SUMMARY**

## DOCUMENT FORMAT

For easy use, this budget has been divided into separate functional areas for review as follows:

**Introduction:** This section contains the table of contents, the transmittal letter, a table of organization, and the GFOA budget award.

**Executive Summary:** This section provides summaries of the budget on a city-wide basis including revenues, expenditures, and personnel. It also contains the City's goals and objectives and other information.

**Budget Detail:** This section contains data on individual funds and additional detail is provided by department.

**Capital Improvement Program:** This section provides summaries of the City's Capital Improvement Program, the effect of the Program on each fund and a detail page for each capital project in the program.

**Miscellaneous:** This section contains a glossary of terms and miscellaneous information about the City.

# **PALM COAST VISION 2023**

## **VISION**

**Palm Coast is a safe community with a hometown feeling that respects and protects the natural environment.**

**Town Center is a vibrant downtown.**

**Diverse businesses are the foundation for our strong local economy.**

**Our residents enjoy convenient mobility and an abundance of leisure choices.**

**Palm Coast is a great place to live.**

## **LONG TERM GOALS - 2013**

**Develop Long-Term Sustainable Water Supply**

**Provide Quality Services, Maintaining the City's Financial Soundness**

**Expand the Local Economy**

**Manage Growth for Quality, Sustainable Community**

**Maintain a Safe Community**

**Promote Town Center as Our Downtown**

# SHORT TERM GOALS – 2010

## TOP PRIORITY

1. City Signs and Gateways
2. Economic Incentive Policy
3. Aging Commercial Areas
4. Bulldog Drive Improvements
5. City Hall Future Plan/Direction
6. City-owned Industrial Park
7. Old Kings Road South Improvements
8. Stormwater System-Modeling
9. Fire Response Zone Evaluation
10. ISO Fire Rating '4' Strategy
11. Coquina Coast Desalination Project

## HIGH PRIORITY

1. Stormwater Utility Ordinance Update
2. Service Priorities & Millage Rate Impact
3. Financial Reserve Policy
4. CRA for Northeast Section of the City
5. Sheriff's Contract
6. Fleet Management Plan
7. Enterprise Flagler Direction
8. Video Cameras/Emergency Phones for Parks/Paths
9. Beachside Sewer System

# **FINANCIAL POLICIES**

The City Council has taken a conservative approach to the finances of the City while providing for the protection of the health, safety, and welfare of the citizens of Palm Coast through a full range of efficient and effective municipal services. Within the City Council's overall vision for the City, two primary financial policies have been established. The first is to ensure the long term financial viability of the City and the second is to diversify and strengthen the City's economy.

## **Financial Planning**

The City will adopt a balanced budget as required by Florida Statute, Chapter 166. The budget is balanced when the amount available from taxation and other sources, including amounts carried over from prior fiscal years, equals the total appropriations for expenditures and reserves.

## **Revenue**

User fees and charges will be sufficient to cover the cost of providing the service for which the fee is charged. Recreation and park fees are not intended to cover the full cost of services. These services will be supplemented so that all citizens have the opportunity to utilize these activities and resources regardless of economic condition.

The City will use one-time revenues for non-recurring expenditures. One-time revenues would include grants, prior year surplus, or other revenues that are not likely to occur in future years. Non-recurring expenditures would include special programs or capital purchases that would not require the same expenditure in future years.

## **Expenditure**

The City will issue debt only for capital expenditures. The term of the debt will not be for a period longer than the expected life of the asset. Debt for a period longer than three years or more than \$15 million may not be issued without voter consent unless the debt is funded.

The City will maintain reserves of at least fifteen percent in its four operating funds.

The City Council will receive a monthly comparison of actual expenditures to budget. The City Manager will recommend any adjustments to the budget that may be required during the year.

## **Fund Balance**

The General Fund Unassigned fund balance, at year end, will be between ten percent and twenty percent of the following year's budgeted expenditures. Unassigned fund balance over twenty percent will be transferred to the Disaster Reserve Fund, if necessary to meet the fund balance goal, or to the Capital Projects Fund. If the Unassigned fund balance is below ten percent at year end, a plan must be developed using increased revenues or a reduction in expenditures to return the Unassigned fund balance to ten percent or greater within three years.

## FINANCIAL POLICIES

The Utility Fund Unassigned fund balance, at year end, will be between ten percent and twenty percent of the following year's budgeted expenses. Unassigned fund balance over twenty percent will be assigned to a rate stabilization fund or transferred to the Utility Capital Projects Fund for utility system renewal and replacement. If the Unassigned fund balance is below ten percent at year end, a plan must be developed using increased revenues or a reduction in expenses to return the Unassigned fund balance to ten percent or greater within three years.

The Stormwater Fund Unassigned fund balance, at year end, will be between ten percent and twenty percent of the following year's budgeted expenses excluding capital expenditures. Unassigned fund balance over twenty percent will be assigned for future system capital projects. If the Unassigned fund balance is below ten percent at year end, a plan must be developed using increased revenues or a reduction in expenses to return the Unassigned fund balance to ten percent or greater within three years.

The Solid Waste Fund Unassigned fund balance, at year end, will be between five percent and ten percent of the following year's budgeted operating expenses. Unassigned fund balance over ten percent will be assigned to a rate stabilization fund. If the Unassigned fund balance is below five percent at year end, a plan must be developed using increased revenues or a reduction in expenses to return the Unassigned fund balance to five percent or greater within three years.

The Tennis Center Fund and the Golf Course Fund Unassigned fund balances, at year end, will be between five percent and ten percent of the following year's budgeted operating expenses. Unassigned fund balance over ten percent will be assigned for future capital projects including renewal and replacements. If the Unassigned fund balance is below five percent at year end, a plan must be developed using increased revenues or a reduction in expenses to return the Unassigned fund balance to ten percent or greater within three years.

The Disaster Reserve Fund Unassigned fund balance, at year end, will be at least two one hundredths percent (0.02%) of the just value of all property in the City on July 1 of that year. If the Unassigned fund balance is below the minimum amount at year end, a transfer should be made from the General Fund in an amount sufficient to increase the fund balance above the minimum amount, within two years.

All other funds, including Special Revenue Funds, Capital Project Funds, and Internal Service Funds do not have a fund balance requirement. Fund balances in these funds are dictated by revenue sources and a schedule of capital projects.



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# BUDGET PROCESS

## Methodology

The preparation and adoption of the Annual Budget is one of the most important actions carried out by the City Council, citizens and staff of Palm Coast. To achieve the best results in the planning and delivery of community services, key financial decisions must be made. The budget process provides a forum to accumulate financial and performance information concerning local services into a common format; analyze and debate the merits of each service; and make decisions about the level and cost of service which will be provided. The budget is designed to provide the citizens of Palm Coast with the full complement of municipal services. This budget aims at providing the highest quality municipal service to the community in an efficient and effective manner.

## Review

Early in the budget process, each department outlines functions and goals to accomplish in the coming fiscal year. They then prepare a detailed estimate of monies and personnel required to provide these services. These requests are reviewed by the City Manager and the Finance Director. Upon completion of this review and matching with the projected revenues available, the budget is compiled by the Finance Department. During the month of July of each year, the City Manager submits the proposed budget to the City Council. The City Council reviews the proposed budget and conducts public workshops to obtain preliminary direction as to the probable approval levels of the budget.

## Adoption

During the month of September, in accordance with the timing specified in State Law (F.S. 200.065), two public hearings are held. The time of the first hearing is advertised on the "Notice of Proposed Property Taxes" sent to property owners and by the usual procedure for advertising a public hearing. The first meeting is to tentatively adopt the budget and millage rate. For the second hearing, in addition to normal advertising procedure, a general summary of the proposed budget is advertised in the newspaper along with a date for the statutory public hearing to adopt the budget and millage rate. The City's fiscal year is October 1 through September 30.

## Public Participation

The public is invited and encouraged to attend and participate in all work sessions and public hearings.

## Budgetary Basis

Governmental funds are budgeted using the modified accrual basis of accounting. Revenues are recognized when they become available and measurable. An example would be sales tax or state revenue sharing that is measurable but may not be received until after the end of the fiscal year. Expenditures are recognized when the liability has occurred and is measurable. This would be charges for work that has been completed and invoiced but not paid at year-end. Estimated expenditures for capital outlay and debt service payments are budgeted in all funds; however, the actual expenditure for capital and principal on debt is applied to balance sheet accounts and is not expensed in the proprietary funds. Depreciation is not budgeted in any fund but is recorded in proprietary funds. Revenue in the proprietary funds is recognized when due and expenses when they are incurred.



## BUDGET CALENDAR

February 25, 2009	Budget process initiated by Finance.
March 27	Departments submit additional program, personnel, fleet requests to Finance for FY 2010.
March 27	Departments submit technology requests to Information Technology & Communications for FY 2010.
March 27	MUNIS budget system opened for Department line-item entries.
April 3	FY 2010 Revenue Estimates prepared by Finance.
April 24	Capital Improvement Program project requests submitted to Finance. (MUST BE IN CONFORMANCE WITH COMP PLAN)
April 27	MUNIS budget system closed for Department line-item entries. Note: Personal services/internal transfers will be projected by Finance.
May 11 - 22	Finance reviews budget requests and Capital Improvement Program (CIP) with department heads. (COPY OF CIP SENT TO COMMUNITY DEVELOPMENT FOR COMP PLAN REVIEW)
June 5	Finance submits the preliminary budget to the City Manager and department heads.
June 15 - 26	City Manager meets with department heads to discuss departmental needs and requests, including the Capital Improvement Program.
July 28	Budget workshop – General Fund.
August 4	Establish proposed Millage Rate (TRIM Rate). (MUST BE DONE PRIOR TO AUGUST 8).
August 11	Budget workshop – Enterprise funds.
August 17	Property Appraiser distributes “Trim Notices” with date and time of first Public Hearing on Millage Rate.
August 25	Budget workshop – Special Revenue and Capital funds.
September 8	Public Hearing to tentatively adopt Millage Rate and Budget. (FINAL ADOPTION MUST BE ADVERTISED WITHIN 15 DAYS).
September 19	Place meeting notice and budget summary advertisements. (PUBLIC HEARING MUST BE NO LESS THAN 2 DAYS OR MORE THAN 5 DAYS AFTER ADVERTISEMENT OR MORE THAN 20 DAYS AFTER FIRST HEARING).

## **BUDGET CALENDAR**

September 22	Public Hearing to adopt final Millage Rate Resolution and Budget Resolution.
September 25	Forward a copy of the Millage Rate Resolution to the Property Appraiser and the Tax Collector.
October 22 Last Day	Certificate of Conformance sent to State. (MUST BE DONE WITHIN 30 DAYS OF FINAL ADOPTION).

# **BUDGET AMENDMENT PROCESS**

## Supplemental Appropriation Amendments After Adoption

If, during the fiscal year, the City Manager certifies that there are available for appropriation, revenues in excess of those estimated in the budget, the City Council by resolution may make supplemental appropriations for the year up to the amount of such excess.

## Emergency Appropriations

To meet a public emergency affecting, life, health, property, or the public peace, the City Council may make emergency appropriations. Such appropriations may be made by emergency ordinance to the extent that there are no available unappropriated revenues to meet such appropriations.

## Reduction Of Appropriations

If, at any time during the fiscal year, it appears probable to the City Manager that the revenues available will be insufficient to meet the amount appropriated, he shall report to the City Council without delay, indicating the estimated amount of the deficit, any remedial action taken by him, and his recommendations as to any other steps to be taken. The City Council shall then take such further action as it deems necessary to prevent or minimize any deficit and for that purpose it may by resolution reduce one or more appropriations.

## Transfer Of Appropriations

At any time during the fiscal year the City Manager or his designee may transfer part or all of any unencumbered appropriations balance among programs within a department. The City Council may by resolution transfer part or all of any unencumbered appropriation balance from one department to another.

## Limitations: Effective Date

No appropriation may be reduced below that amount required by law to be appropriated, if any. No appropriation may be reduced below the amount of the encumbered balance. The supplemental and emergency appropriations and reduction or transfer of appropriations authorized may be made effective immediately upon adoption.

## Lapse Of An Appropriation

Every appropriation, except an appropriation for a capital expenditure, shall lapse at the close of the fiscal year to the extent that it has not been expended or encumbered. An appropriation for a capital expenditure shall continue in force until the purpose for which it was made has been accomplished or abandoned.

# FUND DESCRIPTION

The City of Palm Coast utilizes a fund structure as outlined in the accounting regulations that govern units of local government. A fund is a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances and changes therein, which are segregated for the purpose of conducting specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. Funds are divided into various types according to the legal restrictions imposed upon them or by their uses. Following is the fund structure contained in the fiscal year 2010 budget for the City of Palm Coast:

## I. Governmental Funds

Accounted for on a “spending” or “financial flow” measurement focus. Accordingly, the budgeted fund balances provide an indicator of available, spendable, or appropriate resources.

### A. General Fund

The general fund of a government unit serves as the primary reporting vehicle for current government operations. The general fund is used to account for all current financial resources, with the exception of those required to be accounted for in another fund.

### B. Special Revenue Funds

The special revenue funds account for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes. These include Police Education Fund, Police Automation Fund, Parks Impact Fee Fund, Development Special Projects Fund, and various capital project funds.

## II. Proprietary Funds

Proprietary funds are accounted for on a cost of services or “capital maintenance” measurement focus. Accordingly, all assets and liabilities are included on their balance sheets and the reported fund equity provides an indication of the economic net worth of the fund. Operating statements for proprietary fund types report increases and decreases in total economic net worth.

### A. Enterprise Funds

The enterprise funds account for operations that are financed and operated in a manner similar to private business enterprises. The Utility Fund and the Utility Capital Projects Fund were established in conjunction with the utility purchase. The budget also includes the Solid Waste Fund, Stormwater Management Fund, Golf Course Fund and the Tennis Center Fund. The Information Technology and Communications Fund was added in fiscal year 2010.

### B. Internal Service Funds

The internal service funds account for financing goods or services provided by one department to other City departments or to other governments on a cost-reimbursement basis. The internal service fund in this budget is the Fleet Management Fund.

## FUND BALANCES

Fund balances/retained earnings referred to on the following page of this document do not necessarily represent cash and investment balances in the respective funds. It does, however, represent the net of the total fund assets, less total fund liabilities and contributed capital in the respective fund types.

### **GENERAL FUND:**

In the General Fund, the primary purpose of reserve retention is to fund unforeseen occurrences. These unforeseen occurrences are funded only upon specific appropriation by the City Council. City policy is to maintain General Fund reserves between 10% and 20% of the annual budget. The estimated unreserved-undesignated fund equity for the beginning of fiscal year 2010 will be 24%.

### **ENTERPRISE FUNDS:**

In the Enterprise Funds, reserves are planned to meet operating expenses and future capital needs. Each enterprise fund has a separate rate structure. These rates are reviewed annually to insure that adequate funding will be available to meet the needs of the individual enterprise's budgetary requirements.

### **INTERNAL SERVICE FUNDS:**

Internal Service Funds differ from other fund types in that funds remaining at year-end are normally redistributed back to the originating funds. An exception to this rule is made when timing differences exist and/or reserves for capital purchases are maintained.

### **SPECIAL REVENUE FUNDS:**

There are no fund equity reserve requirements for Special Revenue Funds. The purpose of these funds is to fund specific programs and capital improvement projects included in the City's budget. Funding sources include fines and forfeitures, impact fees, interest earnings, and fund equity.

### **CHANGES IN FUND BALANCES:**

There is an overall decrease during the two-year period of approximately \$45.2 million. The Utility Capital Projects Fund is expected to decrease by \$18.4 million, accounting for about forty percent of the reduction. This is due to capital expenditures on several large projects. The fund balance in the Transportation Impact Fee Fund is expected to decline by \$10.0 million because of a street widening project that is underway. Decreases in fund balance in the Streets Improvement Fund (\$3.9 million), Park Impact Fee Fund (\$2.2 million), Golf Course Fund (\$4.2 million), and the Capital Projects Fund (\$6.6 million) are all due to construction projects scheduled for fiscal years 2009 and 2010.

## COMPUTATION OF ESTIMATED FUND BALANCES

Fund Title	Available Fund Balance 09/30/2008	Estimated Fund Balance 09/30/2009	Net Annual Revenues (Expenditures) 09/30/2010	Estimated Fund Balance 09/30/2010
General Fund	\$ 12,750,863	\$ 14,266,163	\$ (2,859,312)	\$ 11,406,851
CDBG Fund	3,201	-	-	-
Police Education Fund	55,589	66,089	10,500	76,589
Police Automation Fund	176,283	218,983	42,900	261,883
Disaster Reserve Fund	2,082,957	2,146,857	75,500	2,222,357
Recycling Revenue Fund	235,907	235,907	(37,200)	198,707
Streets Improvement Fund	4,046,995	4,062,995	(3,911,300)	151,695
Park Impact Fee Fund	2,484,828	1,419,328	(1,128,200)	291,128
Fire Impact Fee Fund	1,328,733	128,733	117,300	246,033
Development Special Projects Fund	1,426,494	1,484,794	54,200	1,538,994
Transportation Impact Fee Fund	11,761,761	8,603,161	(6,840,100)	1,763,061
Neighborhood Stabilization Fund	-	-	-	-
Old Kings Road Special Assessment Fund	-	984,400	-	984,400
SR100 Community Redevelopment Fund	152,990	297,772	1,329,591	1,627,363
Capital Projects Fund	7,899,230	7,700,614	(6,404,320)	1,296,294
Utility Fund	10,607,772	11,368,892	(925,140)	10,443,752
Utility Capital Projects Fund	28,899,244	18,040,140	(7,553,132)	10,487,008
Solid Waste Fund	670,643	942,643	158,391	1,101,034
Stormwater Management Fund	520,324	1,348,566	100,043	1,448,609
Golf Course Fund	4,221,818	103,448	(103,180)	268
Tennis Center Fund	1,868	23,238	-	23,238
Information Technology & Communications Fund	-	-	-	-
Fleet Management Fund	2,040,662	2,216,247	(1,652,246)	564,001
<b>Total</b>	<b>\$ 91,368,162</b>	<b>\$ 75,658,970</b>	<b>\$ (29,525,705)</b>	<b>\$ 46,133,265</b>

## BUDGET SUMMARY

Fund Type	Estimated Revenue	Operating Expenditures & Contingency	Capital Expenditures	Operating Transfers	Total Expenditures
General Fund	\$ 30,603,708	\$ 29,809,887	\$ 220,850	\$ 572,971	\$ 30,603,708
Special Revenue Funds					
CDBG Fund	-	-	-	-	-
Police Education Fund	76,500	76,500	-	-	76,500
Police Automation Fund	261,800	261,800	-	-	261,800
Disaster Reserve Fund	2,222,300	2,222,300	-	-	2,222,300
Recycling Revenue Fund	272,200	272,200	-	-	272,200
Streets Improvement Fund	10,407,900	420,600	9,987,300	-	10,407,900
Park Impact Fee Fund	2,500,000	-	2,500,000	-	2,500,000
Fire Impact Fee Fund	117,300	117,300	-	-	117,300
Development Special Projects Fund	54,200	54,200	-	-	54,200
Transportation Impact Fee Fund	14,100,000	-	14,100,000	-	14,100,000
Neighborhood Stabilization Fund	-	-	-	-	-
OKR Special Assessment Fund	50,000,000	-	46,000,000	4,000,000	50,000,000
SR100 Community Redevelopment Fu	11,249,591	7,929,591	3,320,000	-	11,249,591
Capital Projects Fund	11,587,020	70,000	10,407,000	1,110,020	11,587,020
Sub-Total	102,848,811	11,424,491	86,314,300	5,110,020	102,848,811
Enterprise Funds					
Utility Fund	32,090,445	29,144,582	718,100	2,227,763	32,090,445
Utility Capital Projects Fund	13,988,000	173,000	13,815,000	-	13,988,000
Solid Waste Fund	7,658,400	7,658,400	-	-	7,658,400
Stormwater Management Fund	10,247,400	4,376,250	5,474,150	397,000	10,247,400
Golf Course Fund	2,866,230	2,309,230	188,600	368,400	2,866,230
Tennis Center Fund	286,719	284,719	-	2,000	286,719
Information Tech & Comm Fund	2,531,702	2,331,702	200,000	-	2,531,702
Sub-Total	69,668,896	46,277,883	20,395,850	2,995,163	69,668,896
Internal Service Funds					
Fleet Management Fund	5,864,400	1,875,200	3,989,200	-	5,864,400
Sub-Total All Funds					
	208,985,815	\$ 89,387,461	\$ 110,920,200	\$ 8,678,154	208,985,815
Less: Interfund Charges and Transfers	14,141,689				14,141,689
Total	<u>\$ 194,844,126</u>				<u>\$ 194,844,126</u>

## BUDGET SUMMARY

	General Fund	Special Revenue Funds	Enterprise Funds	Internal Service Funds	Total Funds
<b>CASH BALANCES BROUGHT FORWARD</b>	\$ 3,359,312	\$ 20,955,020	\$ 9,131,347	\$ 1,652,246	\$ 35,097,925
<b>ESTIMATED REVENUES</b>					
<b>TAXES: Millage Per \$1,000</b>					
Ad Valorem Taxes: 3.5000	15,266,400	2,657,900	-	-	17,924,300
Sales, Use, and Fuel Taxes	-	3,930,800	-	-	3,930,800
Telecommunication Service Tax	2,863,000	-	-	-	2,863,000
Other Taxes	680,200	-	-	-	680,200
Franchise Fees	543,100	-	-	-	543,100
Licenses and Permits	301,800	-	111,400	-	413,200
Intergovernmental Revenue	2,061,800	5,661,600	174,000	-	7,897,400
Charges for Services	3,262,001	2,864,800	49,774,360	228,000	56,129,161
Fines & Forfeitures	853,600	1,124,500	-	-	1,978,100
Interest Revenue	486,200	1,088,200	1,036,440	71,400	2,682,240
Miscellaneous Revenue	16,600	-	166,100	-	182,700
Non Revenues	-	-	2,358,181	3,105,354	5,463,535
Transfers from Other Funds	909,695	4,565,991	2,395,068	807,400	8,678,154
Proceeds from Debt	-	60,000,000	4,522,000	-	64,522,000
<b>Total Revenues and Other Financing Sources</b>	<b>27,244,396</b>	<b>81,893,791</b>	<b>60,537,549</b>	<b>4,212,154</b>	<b>173,887,890</b>
<b>Total Estimated Revenues and Balances</b>	<b>\$ 30,603,708</b>	<b>\$ 102,848,811</b>	<b>\$ 69,668,896</b>	<b>\$ 5,864,400</b>	<b>208,985,815</b>
<b>Less: Interfund Transfers and Charges Total</b>					<b>14,141,689</b>
					<b>\$ 194,844,126</b>
<b>EXPENDITURES/EXPENSES</b>					
General Government	\$ 10,984,265	\$ 4,077,000	\$ 2,531,702	\$ -	\$ 17,592,967
Public Safety	10,468,029	2,450,000	-	-	12,918,029
Physical Environment	-	70,000	39,332,707	-	39,402,707
Transportation	5,571,726	77,037,900	9,284,730	-	91,894,356
Culture/Recreation	2,506,717	3,340,000	2,732,654	-	8,579,371
Internal Service	-	-	-	5,864,400	5,864,400
Debt Service	-	6,500,000	11,983,611	-	18,483,611
Transfers to Other Funds	572,971	5,110,020	2,995,163	-	8,678,154
<b>Total Expenditures/Expenses Reserves</b>	<b>30,103,708</b>	<b>98,584,920</b>	<b>68,860,567</b>	<b>5,864,400</b>	<b>203,413,595</b>
	<b>500,000</b>	<b>4,263,891</b>	<b>808,329</b>	<b>-</b>	<b>5,572,220</b>
<b>Total Appropriated Expenditures and Reserves</b>	<b>\$ 30,603,708</b>	<b>\$ 102,848,811</b>	<b>\$ 69,668,896</b>	<b>\$ 5,864,400</b>	<b>208,985,815</b>
<b>Less: Interfund Transfers and Charges Total</b>					<b>14,141,689</b>
					<b>\$ 194,844,126</b>



# BUDGET SUMMARY

FUND/DEPARTMENT	Actual FY 07	Actual FY 08	Projected FY 09	Proposed FY 10
<b>General Fund</b>				
City Council	\$ 68,979	\$ 76,429	\$ 83,600	\$ 85,258
City Manager	664,451	551,901	519,550	524,389
Community Relations	367,859	514,455	464,900	283,218
Purchasing and Contracts Management	41,362	326,844	326,800	329,219
Economic Development	-	-	-	376,463
City Clerk	316,708	299,207	276,300	242,729
Personnel Management	352,149	308,060	271,450	293,485
Law Enforcement	2,372,637	2,296,016	2,430,553	2,599,863
City Attorney	297,698	553,936	424,225	341,332
Financial Services	1,023,273	784,924	772,821	777,281
Information Technology and Communications	2,608,697	2,657,785	2,486,082	-
<b>Community Development</b>				
Building Permits and Inspections	1,796,206	1,820,103	1,537,157	1,548,947
Planning	1,412,005	1,510,825	1,442,600	1,548,149
Code Enforcement	1,828,688	1,917,067	2,179,140	2,277,521
Total Community Development	5,036,899	5,247,995	5,158,897	5,374,617
Fire	5,241,625	5,776,517	7,037,248	7,868,166
<b>Public Works</b>				
Streets	5,115,195	4,986,977	5,138,525	5,571,726
Facilities Maintenance	566,192	457,526	715,568	741,389
Parks/Facilities	1,172,621	891,291	1,046,610	1,122,894
Total Public Works	6,854,008	6,335,794	6,900,703	7,436,009
Engineering	1,199,037	1,101,465	1,296,715	1,444,885
Recreation/Athletics	979,504	1,113,345	1,143,266	1,383,823
Non-Departmental	3,942,672	894,044	1,342,934	1,242,971
<b>Total General Fund</b>	31,367,558	28,838,717	30,936,044	30,603,708

# BUDGET SUMMARY

FUND/DEPARTMENT	Actual FY 07	Actual FY 08	Projected FY 09	Proposed FY 10
CDBG Fund	364,204	58,053	3,201	-
Police Education Fund	65	-	-	76,500
Police Automation Fund	-	-	-	261,800
Distaster Reserve Fund	58,538	211,027	413,000	2,222,300
Recycling Revenue Fund	314,894	21,210	70,000	272,200
Streets Improvement Fund	4,137,703	5,767,342	6,327,300	10,407,900
Park Impact Fee Fund	2,656,801	1,683,561	1,310,500	2,500,000
Fire Impact Fee Fund	1,862,479	1,900,357	1,366,000	117,300
Development Special Projects Fund	84,864	6,680	-	54,200
Transportation Impact Fee Fund	8,334,800	11,126,240	9,066,000	14,100,000
Neighborhood Stabilization Fund	-	-	6,000	-
Old Kings Road Special Assessment Fund	-	-	4,000,000	50,000,000
SR100 Community Redevelopment Fund	4,646,108	1,256,222	1,157,800	11,249,591
Capital Projects Fund	3,857,986	11,904,636	3,475,716	11,587,020
Utility Fund				
Utility Customer Service	1,088,508	1,120,693	1,109,890	1,166,196
Utility Administration	1,222,216	1,304,081	1,347,350	1,290,555
Utility Maintenance	579,380	766,489	763,277	657,846
Wastewater Collection	2,540,627	2,437,972	2,318,392	2,561,010
Wastewater Treatment	1,923,313	1,867,103	1,821,773	1,814,948
Water Plant #1	1,821,223	1,843,366	1,870,120	1,980,448
Water Plant #2	1,708,196	1,503,157	1,594,166	1,579,729
Water Plant #3	-	344,346	836,270	1,038,708
Water Quality	488,775	445,751	496,073	451,569
Water Distribution	4,023,063	3,850,519	3,668,634	3,124,215
Non-Departmental	11,625,831	13,587,833	15,789,191	16,425,221
Total Utility Fund	27,021,132	29,071,310	31,615,136	32,090,445
Utility Capital Projects Fund	1,922,250	2,160,256	15,168,256	13,988,000
Solid Waste Fund	6,309,618	7,413,209	7,128,000	7,658,400
Stormwater Management Fund	3,411,225	3,342,674	7,634,558	10,247,400
Golf Course Fund	-	31,989	4,228,370	2,866,230
Tennis Center Fund	-	226,647	228,930	286,719
Information Technology & Comm Fund	-	-	-	2,531,702
Fleet Management Fund	2,658,346	3,037,020	3,525,304	5,864,400
Total All Funds	99,008,571	108,057,150	127,660,115	208,985,815
Less: Interfund Transfers	7,892,278	11,912,125	8,430,648	14,141,689
Total	\$ 91,116,293	\$ 96,145,025	\$ 119,229,467	\$ 194,844,126

## REVENUE EXPLANATIONS

**AD VALOREM TAXES:** The property tax is based on the value of real and personal property. Each year the county property appraiser determines the total assessed value of each parcel of property in Palm Coast. After subtracting all lawful exemptions, the remaining value is the taxable value. Advalorem property taxes are based on the taxable value. The property tax is calculated by multiplying the taxable value by .001 and then multiplying this number by the rate of taxation, or the millage rate.

**SALES, USE, AND FUEL TAXES:** These are local option taxes, including gas tax and the Local Government Infrastructure Surtax. The proceeds are distributed based on a State mandated formula or an interlocal agreement between the cities and the county.

**TELECOMMUNICATION SERVICE TAX:** This tax is collected and distributed by the State. It replaced the franchise tax and utility tax that were charged for telephone and cable television services.

**LICENSES AND PERMITS:** According to Section 205.042, Florida Statutes, a municipality may levy an occupational license tax for the privilege of engaging in or managing any business, profession, or occupation within its jurisdiction. This revenue also includes building permits and animal licenses.

**INTERGOVERNMENTAL REVENUE:** These revenues are collected by one government and shared with other governmental units. This includes state sales tax, revenue sharing, grants, and various other state taxes and licenses.

**CHARGES FOR SERVICES:** These are also called "user fees." They are defined as "voluntary payments based on direct, measurable consumption of publicly provided goods and services." User fees are derived from charges for water and wastewater services, solid waste collection, recreation and athletic activities, and various other City services.

**FINES & FORFEITURES:** This revenue comes from code enforcement fines and settlement of criminal cases taken to court. It includes a portion of monetary penalties and recovery of costs incurred by the City.

**INTEREST REVENUE:** Revenue derived from the investment of cash receipts and idle funds are an important source of revenue. The City of Palm Coast recognizes the importance of establishing effective cash management and restructuring their government operations to accelerate revenues, promote aggressive collections, and maximize cash flow.

**MISCELLANEOUS REVENUES:** These are revenues that do not fit into one of the other revenue categories.

**NON REVENUES:** These are Internal Service Fund revenues that are derived from other City funds where they are shown as operating expenditures. They include fleet leases and vehicle maintenance.

**TRANSFERS FROM OTHER FUNDS:** Transfers are made from one fund to another for various reasons. Some transfers are simply contributions and some are based on services provided by another fund. Still others are based on need, such as transfers to a capital fund.

**OTHER FINANCING SOURCES:** This is most often an appropriation of previous surplus.

## REVENUE FORECAST METHODOLOGY

The purpose of detailing forecast methodologies for revenues is to determine the validity of the forecast over time and to utilize the information in making future forecasts. The following are assumptions concerning revenues, covering all funds.

<u>Revenue Source</u>	<u>Forecast Methodology</u>
Ad Valorem Taxes	Approved millage multiplied by tax roll, less 3.22% for assumed non-collection and/or discounts taken for early payment.
Sales, Use, and Fuel Taxes	State's forecast (based on city and county population and lane miles), adjusted for historical trend analysis.
Telecommunication Service Tax	State's forecast adjusted for historical trend analysis.
Licenses & Permits	Historical trend analysis.
State Revenue Sharing	State's forecast (based on city and state population), adjusted for historical trend analysis.
Half-Cent Sales Tax	State forecast (based on city population), adjusted for historical trend analysis.
Grants	Amount on application approved by granting agency.
Other Intergovernmental Revenue	Historical trend analysis.
Water Sales and Wastewater Charges	Historical trend analysis.
Solid Waste Fees	Historical trend analysis.
Stormwater Management Fees	Historical trend analysis.
Other Charges for Services	Historical trend analysis.
Fines & Forfeitures	Historical trend analysis.
Interest Revenue	Historical trend analysis.
Miscellaneous Revenues	Historical trend analysis.
Non Revenues	Amounts billed to departments for usage.
Transfers from Other Funds	Capital needs and allocation of common costs.

## MAJOR REVENUE TRENDS

There are 12 major revenue sources that account for 38 percent of the City's estimated revenues for fiscal year 2010. Debt proceeds account for another 33 percent and appropriated fund balance another 18 percent of revenue. These are listed and shown graphically on the following page. The following is a more detailed analysis of the trends for these 12 major revenue sources.

**AD VALOREM TAXES:** There has been an average increase in property values of over 13% over the past three years. The increases have been a combination of property value increases, new construction, and annexations. For 2010, however, there was a decrease in taxable value of about 14%. Property values have declined for two years now. At least one more year of declining values is expected and then values should level off or show some slight growth.

**LOCAL GOVERNMENT INFRASTRUCTURE SURTAX:** FY2003 was the first year that the new half-cent surtax was collected. This tax was approved by the voters for a period of ten years. Growth of this revenue is expected to closely parallel the half-cent sales tax.

**TELECOMMUNICATION SERVICE TAX:** Increases in this revenue have averaged about 8% over the past 3 years. With the slowing population growth we should see an increase of about 1% to 2% per year going forward.

**BUILDING PERMITS:** Permits issued have declined over the past three years. Permit revenue is expected to remain flat for the next couple of years.

**HALF-CENT SALES TAX:** This revenue source has been flat for the past 3 years. It is affected by the economy and distributed based on population. We expect to see some improvement over the next 2 years and should see increases of 1% to 2%..

**WATER AND WASTEWATER SALES:** This is a revenue source related to the utility system. It is expected that this revenue source will mirror other development related revenue trends and should increase by 1% to 3% annually.

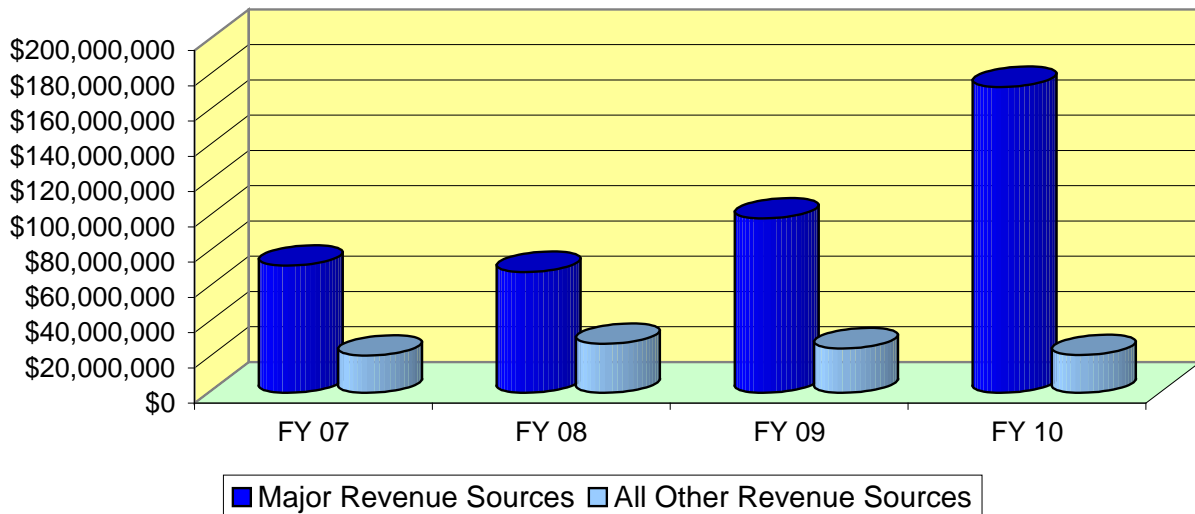
**WATER AND WASTEWATER IMPACT FEES:** Like building permits this revenue source is expected to level off.

**SOLID WASTE CHARGES:** This is a charge is expected to mirror the population growth of about 1% to 3%.

**STORMWATER FEES:** This fee is charged on developed and undeveloped property. A 1% to 3% growth rate is anticipated.

## MAJOR REVENUE SOURCES

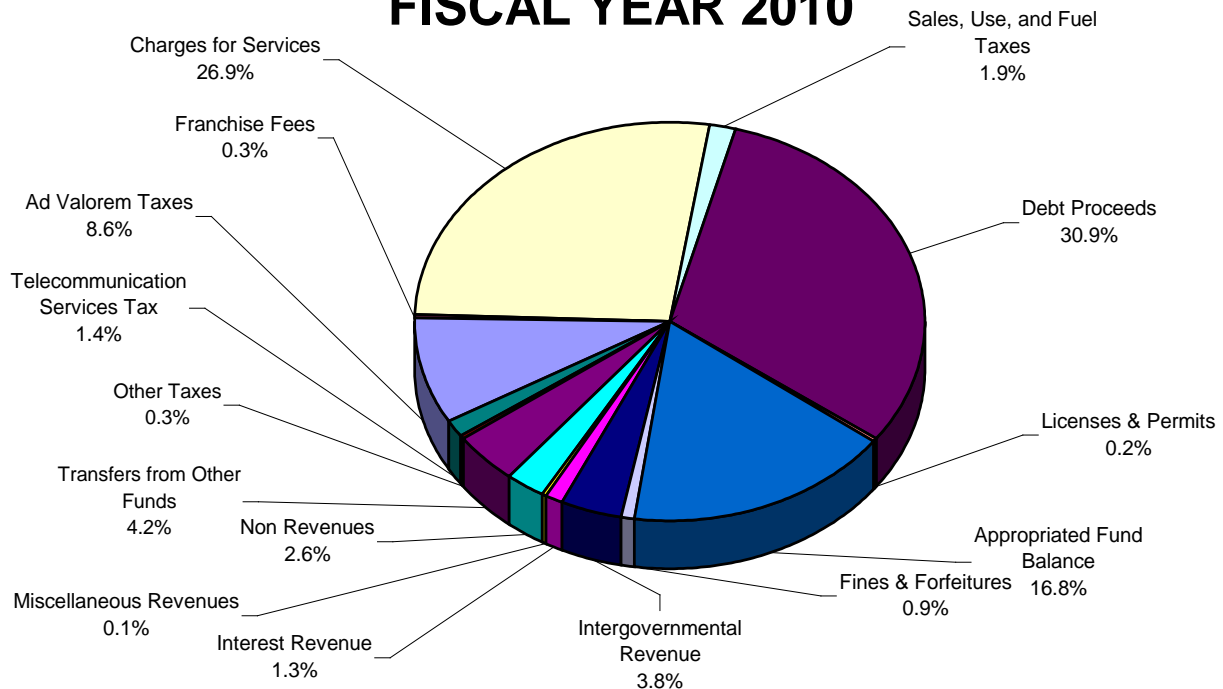
SOURCE	Actual FY 07	Actual FY 08	Projected FY 09	Proposed FY 10
Ad Valorem Taxes	\$19,603,806	\$20,184,340	\$17,538,100	\$17,924,300
Local Infrastructure Surtax	2,434,474	2,458,212	2,342,500	2,332,000
Telecommunication Service Tax	2,616,030	2,728,469	3,013,700	2,863,000
Building Permits	1,965,004	1,870,459	990,700	202,200
Half-Cent Sales Tax	1,946,852	1,939,723	1,829,000	1,850,800
Transportation Impact Fee	3,425,264	2,610,810	1,300,000	2,459,900
Water Sales	15,877,718	14,478,993	17,731,200	17,908,500
Wastewater Charges	8,828,704	8,648,904	10,217,500	10,393,500
Water Impact Fee	2,254,634	1,325,736	930,000	2,248,700
Wastewater Impact Fee	2,421,289	1,371,846	930,000	2,559,000
Solid Waste Charge	6,831,097	7,278,358	7,400,000	7,658,400
Stormwater Management Fee	3,906,093	3,598,820	5,400,000	5,440,000
Debt Proceeds	-	-	8,677,300	64,522,000
Appropriated Fund Balance	-	-	20,603,391	35,097,925
All Other Sources	28,963,063	39,650,106	33,650,923	35,525,590
<b>TOTAL</b>	<b>101,074,028</b>	<b>108,144,776</b>	<b>132,554,314</b>	<b>208,985,815</b>
Less: Interfund Transfers	7,892,278	11,912,125	8,430,648	14,141,689
<b>TOTAL NET REVENUE</b>	<b>\$ 93,181,750</b>	<b>\$ 96,232,651</b>	<b>\$ 124,123,666</b>	<b>\$ 194,844,126</b>



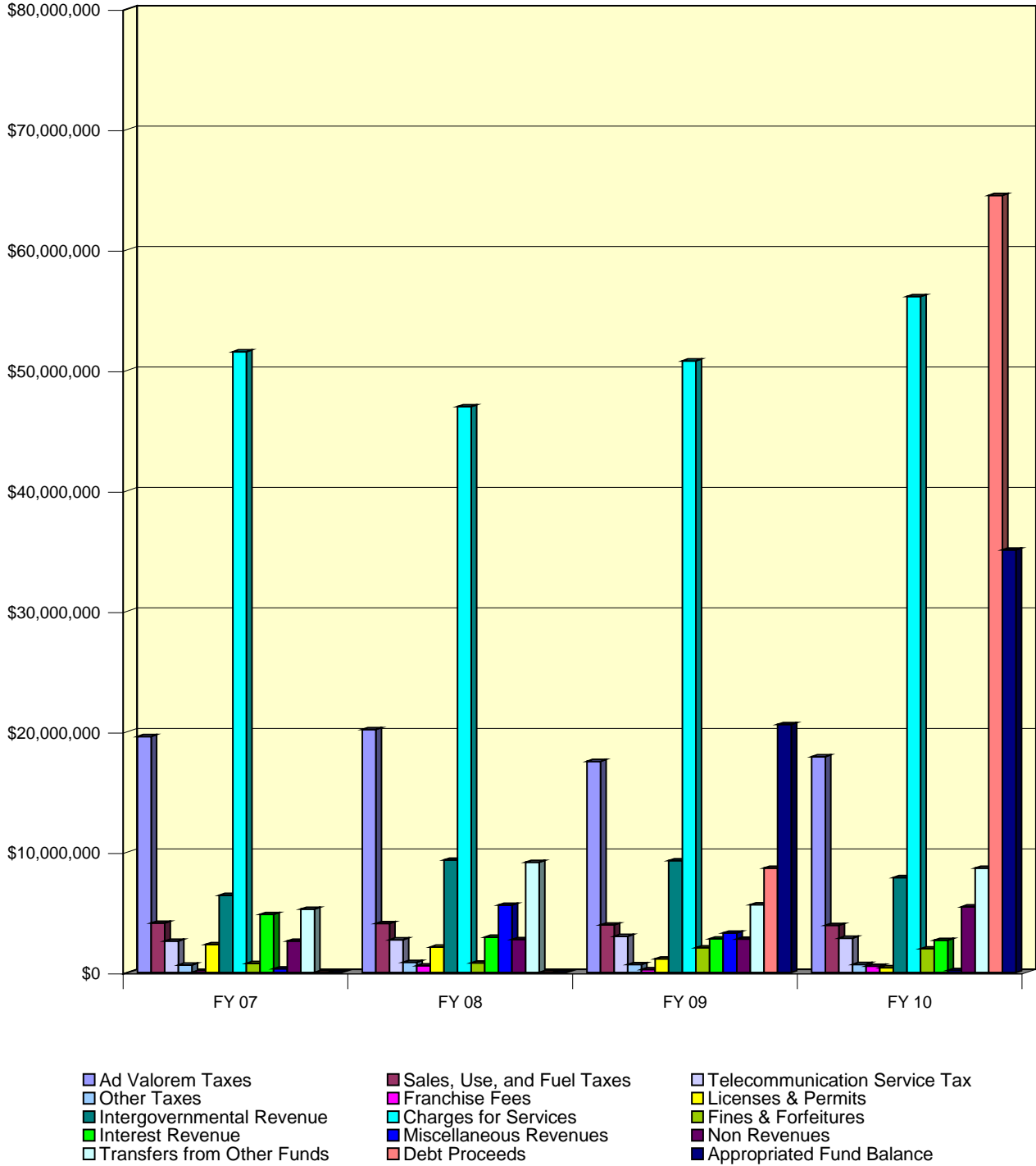
## REVENUES BY SOURCE

SOURCE	Actual FY 07	Actual FY 08	Projected FY 09	Proposed FY 10
Ad Valorem Taxes	\$ 19,603,806	\$ 20,184,340	\$ 17,538,100	\$ 17,924,300
Sales, Use, and Fuel Taxes	4,108,700	4,082,871	3,966,400	3,930,800
Telecommunication Service Tax	2,616,030	2,728,469	3,013,700	2,863,000
Other Taxes	628,662	855,013	677,600	680,200
Franchise Fees	12,143	571,591	250,000	543,100
Licenses & Permits	2,334,102	2,126,459	1,147,200	413,200
Intergovernmental Revenue	6,422,152	9,346,880	9,296,632	7,897,400
Charges for Services	51,540,423	46,986,427	50,790,343	56,129,161
Fines & Forfeitures	767,936	804,796	2,070,400	1,978,100
Interest Revenue	4,831,587	2,944,440	2,803,900	2,682,240
Miscellaneous Revenues	316,209	5,601,365	3,288,700	182,700
Non Revenues	2,621,445	2,753,640	2,788,080	5,463,535
Transfers from Other Funds	5,270,833	9,158,485	5,642,568	8,678,154
Debt Proceeds	-	-	8,677,300	64,522,000
Appropriated Fund Balance	-	-	20,603,391	35,097,925
<b>TOTAL</b>	<b>101,074,028</b>	<b>108,144,776</b>	<b>132,554,314</b>	<b>208,985,815</b>
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## FISCAL YEAR 2010



# REVENUES BY SOURCE





# PROPERTY INFORMATION

## PROPERTY VALUES, MILLAGE RATES, AND AD VALOREM RECEIPTS FISCAL YEAR 2001 THROUGH FISCAL YEAR 2010

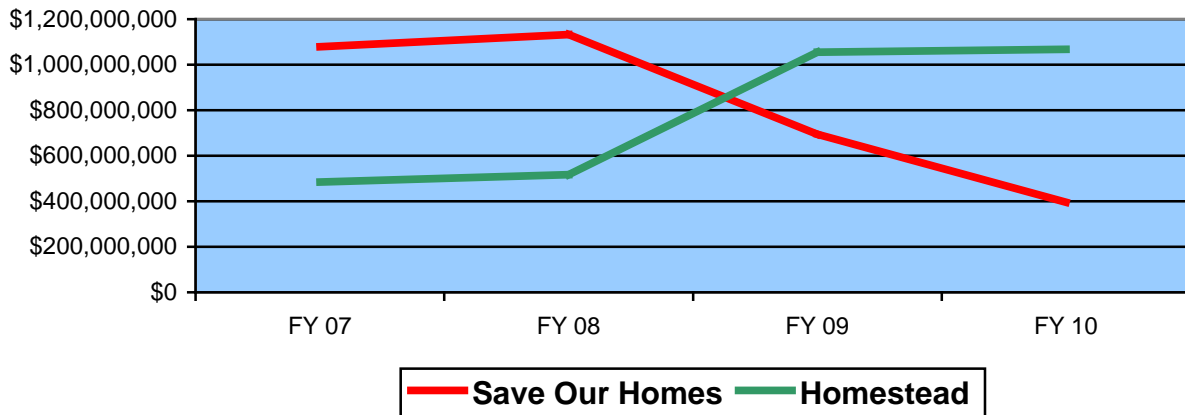
Fiscal Year	Gross Taxable Valuations (1)	Change from Previous Year	% Change	Millage Levy	Change from Previous Year	% Change	Ad Valorem Tax Revenues	Change from Previous Year	% Change
2010	\$ 5,248,182,001	\$ (883,783,168)	-14.41%	3.5000	0.5377	18.15%	\$ 17,924,300	\$ 386,200	2.20%
2009	6,131,965,169	(877,912,252)	-12.52%	2.9623	-0.00004	0.00%	17,538,100	(2,646,240)	-13.11%
2008	7,009,877,421	769,882,932	12.34%	2.96234	-0.28766	-8.85%	20,184,340	580,534	2.96%
2007	6,239,994,489	1,795,139,561	40.39%	3.25000	-0.15000	-4.41%	19,603,806	4,971,510	33.98%
2006	4,444,854,928	1,337,273,838	43.03%	3.40000	0.00000	0.00%	14,632,296	4,424,397	43.34%
2005	3,107,581,090	703,341,979	29.25%	3.40000	0.00000	0.00%	10,207,899	2,352,376	29.95%
2004	2,404,239,111	420,498,483	21.20%	3.40000	0.00000	0.00%	7,855,523	1,315,956	20.12%
2003	1,983,740,628	210,361,763	11.86%	3.40000	-0.10000	-2.86%	6,539,567	557,740	9.32%
2002	1,773,378,865	179,164,662	11.24%	3.50000	0.35000	11.11%	5,981,827	1,098,888	22.50%
2001	1,594,214,203	N/A	N/A	3.15000	N/A	N/A	4,882,939	N/A	N/A

(1) From DR420 - Certificate of Taxable Value

## TAX ROLL RECAPITULATION JULY 1, 2009

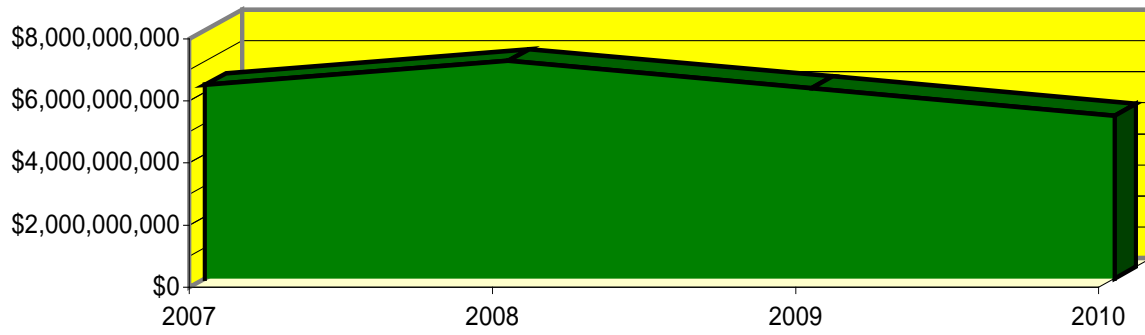
Class of Property	Number of Parcels	Just Value	Assessed Value	Exempt	Taxable Value	Taxable Value Per Parcel
Residential Vacant Land	18,598	\$ 537,701,188	\$ 537,266,628	\$ 486,905	\$ 536,779,723	\$ 28,862
Residential Single Family	30,714	4,861,785,203	4,542,089,178	1,172,880,646	3,369,208,532	109,696
Residential Mobile Homes	2	118,386	73,942	21,880	52,062	26,031
Residential Other	2,638	410,765,192	406,261,836	31,750,919	374,510,917	141,968
Commercial Vacant Land	267	162,199,329	161,482,329	423,345	161,058,984	603,217
Commercial Other	701	478,159,614	478,159,614	9,321,156	468,838,458	668,814
Industrial Vacant Land	42	12,726,139	12,726,139	-	12,726,139	303,003
Industrial Other	42	44,668,021	44,668,021	204,816	44,463,205	1,058,648
Agriculture	88	81,593,288	10,623,221	50,000	10,573,221	120,150
Institutional	69	79,017,915	79,017,915	57,581,900	21,436,015	310,667
Government	477	363,209,622	363,209,622	362,939,907	269,715	565
Other Real Property	463	64,674,921	64,673,923	15,910,964	48,762,959	105,320
Personal Property	-	344,329,564	344,329,564	148,774,900	195,554,664	
Centrally Assessed Property	-	4,130,982	4,130,982	183,575	3,947,407	
<b>TOTAL</b>	<b>54,101</b>	<b>\$ 7,445,079,364</b>	<b>\$ 7,048,712,914</b>	<b>\$ 1,800,530,913</b>	<b>\$ 5,248,182,001</b>	<b>\$ 97,007</b>

## VALUE OF EXEMPTIONS

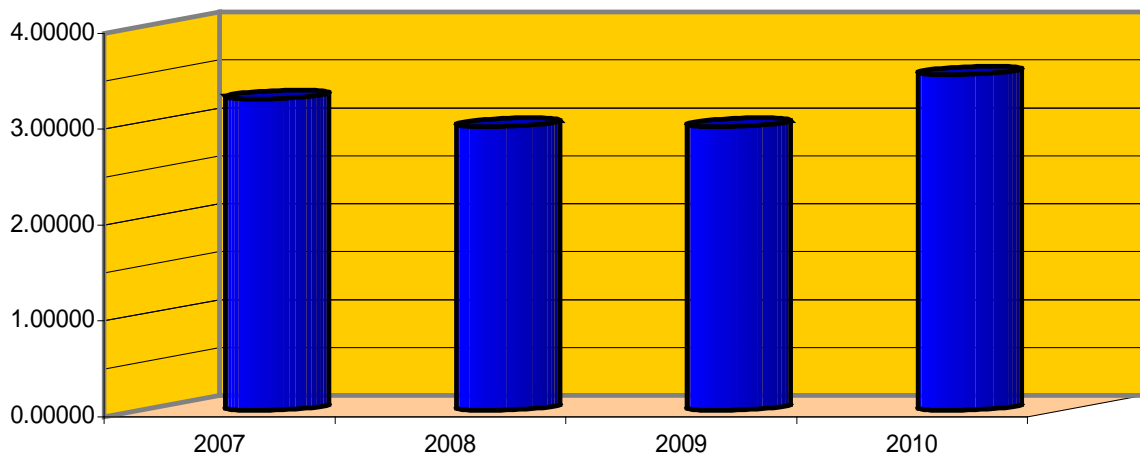


# PROPERTY VALUE AND MILLAGE RATES

## ASSESSED VALUE



## MILLAGE RATES



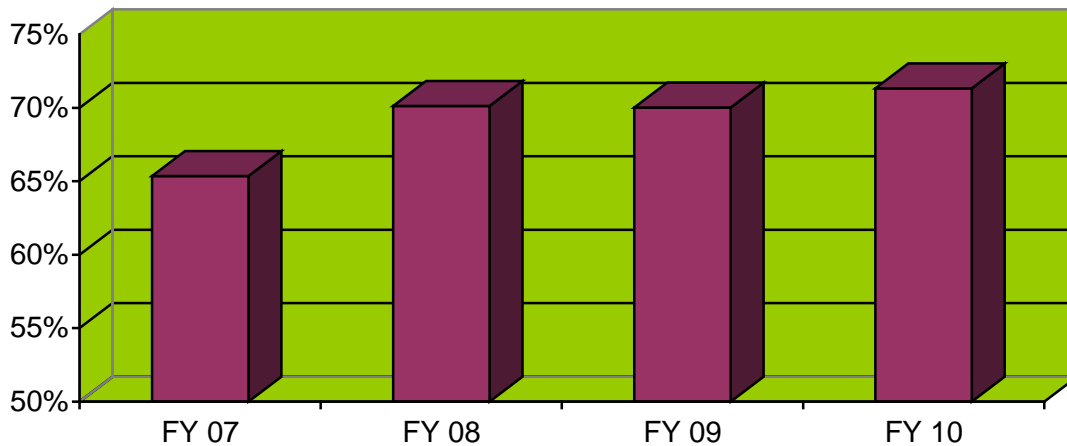


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## PROPERTY VALUE PER CAPITA

Year	Property Value	Percent Change	Population	Percent Change	Property Value Per Resident	Percent Change
2001	\$ 1,594,214,203		32,732		\$ 48,705	
2002	1,773,378,865	11.24%	35,443	8.28%	50,035	2.73%
2003	1,983,740,628	11.86%	38,348	8.20%	51,730	3.39%
2004	2,404,239,111	21.20%	42,850	11.74%	56,108	8.46%
2005	3,107,581,090	29.25%	50,484	17.82%	61,556	9.71%
2006	4,444,854,928	43.03%	58,216	15.32%	76,351	24.04%
2007	6,239,994,489	40.39%	67,832	16.52%	91,992	20.49%
2008	7,009,877,421	12.34%	70,376	3.75%	99,606	8.28%
2009	6,131,965,169	-12.52%	74,590	5.99%	82,209	-17.47%
2010	5,248,182,001	-14.41%	73,910	-0.91%	71,008	-13.63%

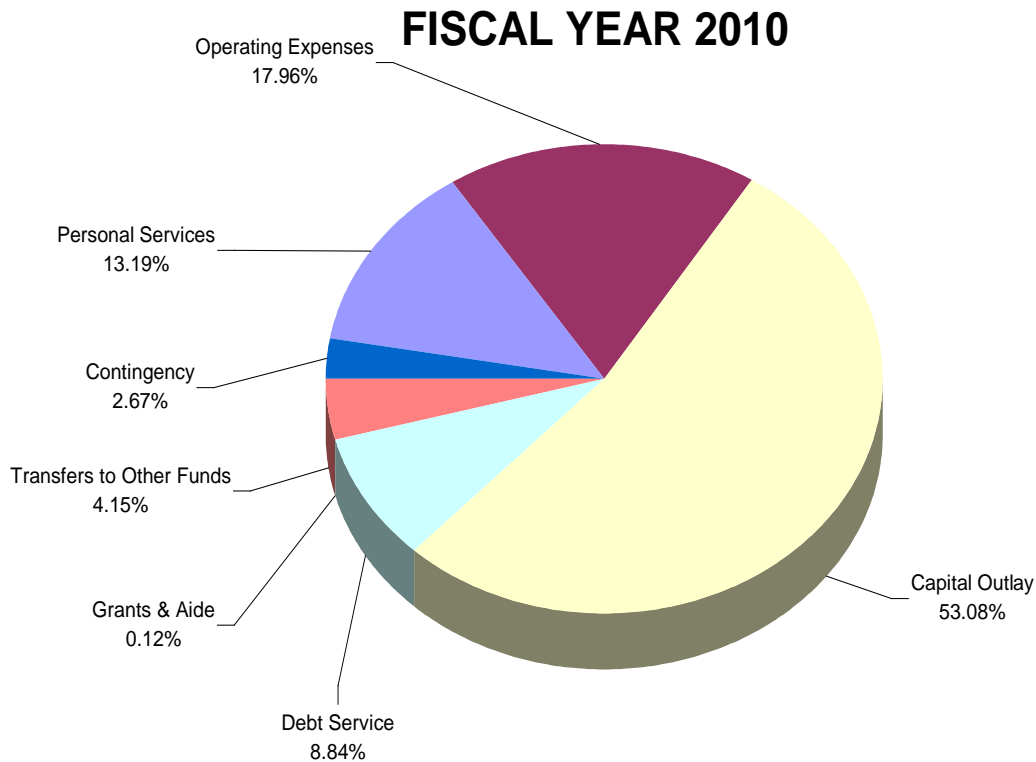
## RESIDENTIAL PROPERTY AS A % OF ALL PROPERTY



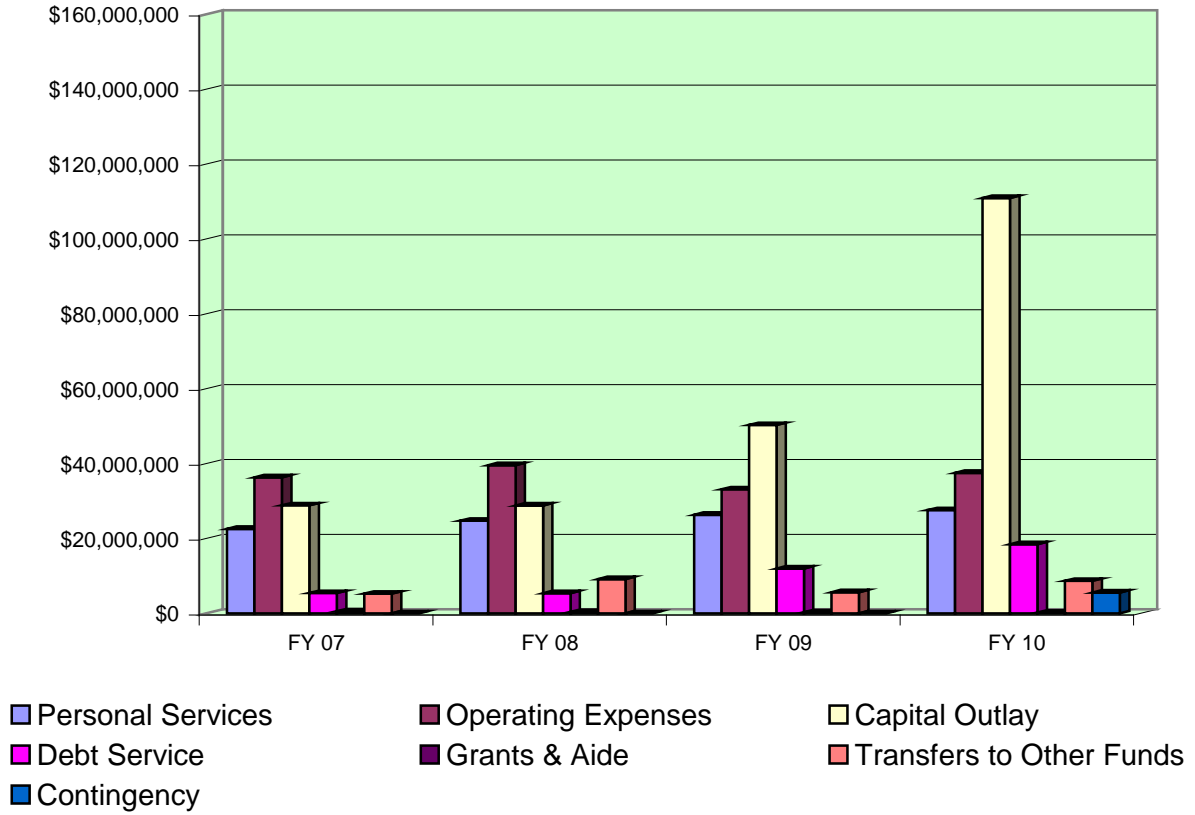
A declining percentage of residential property value compared to total property value within the city would indicate that residential is carrying less of the tax burden for city operations. Palm Coast had been experiencing a decline in the ratio of residential property. However, 2008 through 2010 have shown an increase.

## EXPENDITURES BY CATEGORY

CATEGORY	Actual FY 07	Actual FY 08	Projected FY 09	Proposed FY 10
Personal Services	\$ 22,556,090	\$ 24,744,284	\$ 26,317,469	\$ 27,556,044
Operating Expenses	36,330,564	39,576,666	33,135,782	37,532,286
Capital Outlay	28,863,677	28,797,728	50,297,025	110,920,200
Debt Service	5,421,503	5,374,117	11,961,671	18,483,611
Grants & Aide	565,904	405,870	305,600	243,300
NonOperating Expenses	-	-	-	-
Transfers to Other Funds	5,270,833	9,158,485	5,642,568	8,678,154
Contingency	-	-	-	5,572,220
<b>TOTAL</b>	<b>99,008,571</b>	<b>108,057,150</b>	<b>127,660,115</b>	<b>208,985,815</b>
Less: Interfund Transfers	7,892,278	11,912,125	8,430,648	14,141,689
<b>NET TOTAL EXPENDITURES</b>	<b>\$ 91,116,293</b>	<b>\$ 96,145,025</b>	<b>\$ 119,229,467</b>	<b>\$ 194,844,126</b>

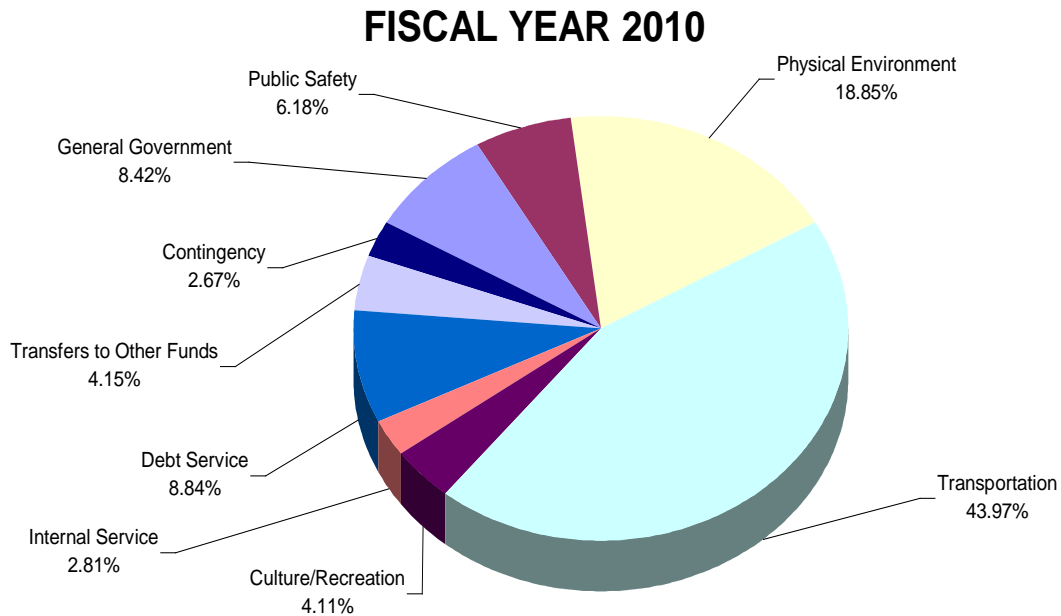


## EXPENDITURES BY CATEGORY

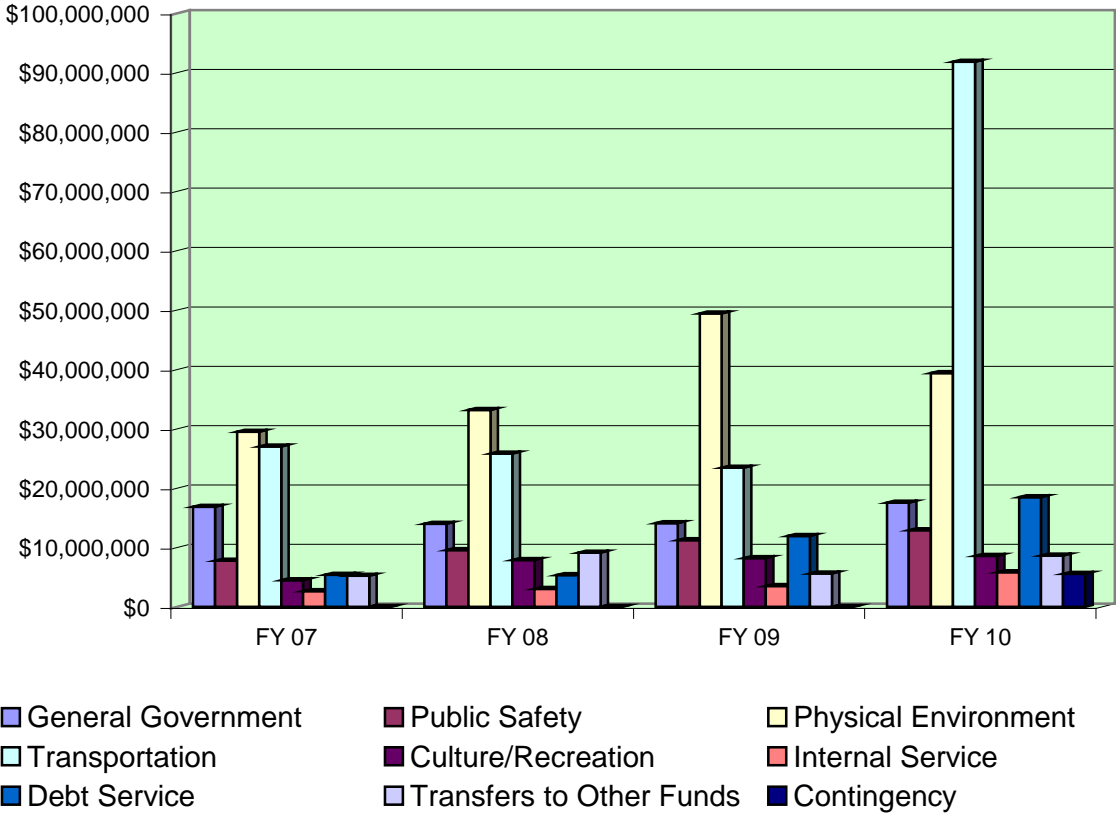


## EXPENDITURES BY FUNCTION

FUNCTION	Actual FY 07	Actual FY 08	Projected FY 09	Proposed FY 10
General Government	\$16,882,367	\$13,991,616	\$14,137,408	\$17,592,967
Public Safety	7,785,523	9,554,675	11,275,074	12,918,029
Physical Environment	29,500,028	33,184,375	49,433,389	39,402,707
Transportation	27,012,177	25,856,823	23,445,625	91,894,356
Culture/Recreation	4,482,084	7,900,039	8,239,076	8,579,371
Internal Service	2,654,056	3,037,020	3,525,304	5,864,400
Debt Service	5,421,503	5,374,117	11,961,671	18,483,611
Transfers to Other Funds	5,270,833	9,158,485	5,642,568	8,678,154
Contingency	-	-	-	5,572,220
<b>TOTAL</b>	<b>99,008,571</b>	<b>108,057,150</b>	<b>127,660,115</b>	<b>208,985,815</b>
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# EXPENDITURES BY FUNCTION





# PERSONNEL BY DEPARTMENT

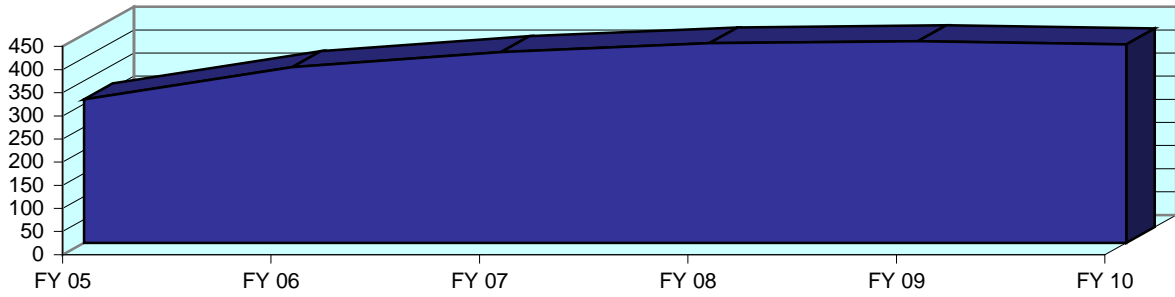
DEPARTMENT	FY 05	FY 06	FY 07	FY 08	FY 09	PROPOSED	CHANGE
						FY 10	
<b>GENERAL FUND</b>							
Mayor and Council	-	-	-	-	-	-	-
City Manager	3.50	3.50	3.50	3.50	3.50	3.00	(0.50)
Community Relations	3.00	4.00	4.00	6.00	6.00	4.00	(2.00)
Purchasing and Contracts Management	-	-	-	5.00	5.00	5.00	-
Economic Development	-	-	-	-	-	2.00	2.00
City Clerk	3.00	4.00	5.00	4.00	4.00	2.50	(1.50)
Personnel Management	3.00	3.00	4.00	4.00	3.00	3.00	-
Law Enforcement	-	1.00	1.00	1.00	1.00	-	(1.00)
City Attorney	-	-	1.00	1.00	1.00	0.50	(0.50)
Financial Services	12.00	13.00	13.00	10.00	9.00	9.00	-
Building Permits and Inspections	37.50	34.50	31.50	24.00	20.00	18.00	(2.00)
Planning	14.00	17.00	19.00	19.00	17.00	16.50	(0.50)
Code Enforcement	17.00	19.00	19.50	23.00	25.00	25.00	-
Fire	37.00	44.00	48.00	72.00	67.00	67.00	-
Streets	34.00	52.00	52.00	46.00	50.00	50.30	0.30
Facilities Maintenance	3.00	3.00	3.00	3.00	2.00	2.00	-
Parks Maintenance	7.00	10.00	12.00	12.00	12.00	12.00	-
Engineering	-	6.00	7.00	17.00	17.00	17.45	0.45
Recreation & Athletics	16.03	21.63	28.40	26.80	27.30	25.30	(2.00)
Capital Projects	10.00	7.00	8.00	-	-	-	-
<b>TOTAL GENERAL FUND</b>	<b>200.03</b>	<b>242.63</b>	<b>259.90</b>	<b>277.30</b>	<b>269.80</b>	<b>262.55</b>	<b>(7.25)</b>
UTILITY FUND	81.00	101.00	112.00	115.50	115.50	115.20	(0.30)
SOLID WASTE FUND	2.00	2.00	2.00	-	-	-	-
STORMWATER MANAGEMENT FUND	16.00	17.00	20.00	18.00	30.00	29.55	(0.45)
TENNIS CENTER FUND	-	-	-	3.00	3.00	4.00	1.00
INFORMATION TECHNOLOGY & COMMUNICAT	7.00	12.00	13.50	14.50	14.50	14.50	-
FLEET MANAGEMENT FUND	4.00	5.00	5.00	3.00	3.00	3.00	-
<b>FULL-TIME EQUIVALENT POSITIONS</b>	<b>310.03</b>	<b>379.63</b>	<b>412.40</b>	<b>431.30</b>	<b>435.80</b>	<b>428.80</b>	<b>(7.00)</b>

## PERSONNEL BY DEPARTMENT PER 1,000 POPULATION

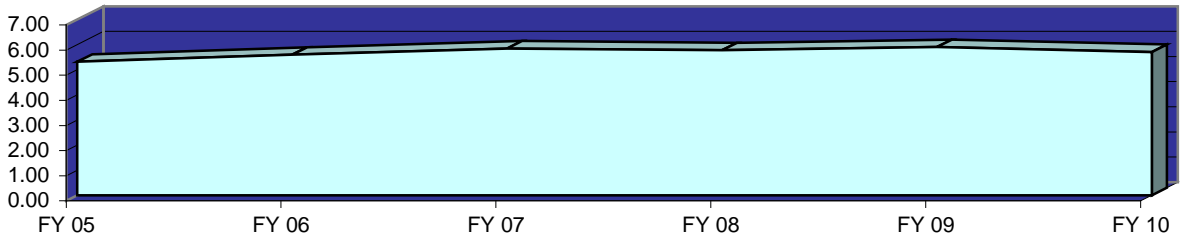
DEPARTMENT	FY 05	FY 06	FY 07	FY 08	FY 09	PROPOSED FY 10
Population	58,216	67,832	70,376	74,590	73,910	75,094
<b>GENERAL FUND</b>						
Mayor and Council	-	-	-	-	-	-
City Manager	0.06	0.05	0.05	0.05	0.05	0.04
Community Relations	0.05	0.06	0.06	0.08	0.08	0.05
Purchasing and Contracts Management	-	-	-	0.07	0.07	0.07
Economic Development	-	-	-	-	-	0.03
City Clerk	0.05	0.06	0.07	0.05	0.05	0.03
Personnel Management	0.05	0.04	0.06	0.05	0.04	0.04
Law Enforcement	-	0.01	0.01	0.01	0.01	-
City Attorney	-	-	0.01	0.01	0.01	0.01
Financial Services	0.21	0.19	0.18	0.13	0.12	0.12
Building Permits and Inspections	0.64	0.51	0.45	0.32	0.27	0.24
Planning	0.24	0.25	0.27	0.25	0.23	0.22
Code Enforcement	0.29	0.28	0.28	0.31	0.34	0.33
Fire	0.64	0.65	0.68	0.97	0.91	0.89
Streets	0.58	0.77	0.74	0.62	0.68	0.67
Facilities Maintenance	0.05	0.04	0.04	0.04	0.03	0.03
Parks Maintenance	0.12	0.15	0.17	0.16	0.16	0.16
Engineering	-	0.09	0.10	0.23	0.23	0.23
Recreation & Athletics	0.28	0.32	0.40	0.36	0.37	0.34
Capital Projects	0.17	0.10	0.11	-	-	-
<b>TOTAL GENERAL FUND</b>	<b>3.43</b>	<b>3.57</b>	<b>3.68</b>	<b>3.71</b>	<b>3.65</b>	<b>3.50</b>
<b>UTILITY FUND</b>	<b>1.39</b>	<b>1.49</b>	<b>1.59</b>	<b>1.55</b>	<b>1.56</b>	<b>1.53</b>
<b>SOLID WASTE FUND</b>	<b>0.03</b>	<b>0.03</b>	<b>0.03</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>STORMWATER MANAGEMENT FUND</b>	<b>0.27</b>	<b>0.25</b>	<b>0.28</b>	<b>0.24</b>	<b>0.41</b>	<b>0.39</b>
<b>TENNIS CENTER FUND</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.04</b>	<b>0.04</b>	<b>0.05</b>
<b>INFORMATION TECHNOLOGY &amp; COMMUNICAT</b>	<b>0.12</b>	<b>0.18</b>	<b>0.19</b>	<b>0.19</b>	<b>0.20</b>	<b>0.19</b>
<b>FLEET MANAGEMENT FUND</b>	<b>0.07</b>	<b>0.07</b>	<b>0.07</b>	<b>0.04</b>	<b>0.04</b>	<b>0.04</b>
<b>FULL-TIME EQUIVALENT POSITIONS</b>	<b>5.31</b>	<b>5.59</b>	<b>5.84</b>	<b>5.77</b>	<b>5.90</b>	<b>5.70</b>

# PERSONNEL

## TOTAL



## PER 1,000 POPULATION



## PERSONNEL PAY PLAN

This plan has a salary range established for each position in the City with the exception of the City Manager. The pay plan includes an annual adjustment that occurs each year on January 1, based on the prior June 30 Consumer Price Index (CPI). Merit increases are also available up to 10%, but the departmental average merit increase may not exceed 4%. Because of the weak economy and declining revenues, the pay adjustments for fiscal year 2009 were reduced to half of normal adjustment. For 2010, merit increases remained capped at 5% with the departmental average being limited to 2%. The annual pay plan adjustment for 2010 will be 1.1%. This was calculated as follows:

CPI June 30, 2008	5.0%	
Adjustment January 2009	2.5%	
Remaining CPI Adjustment	2.5%	(difference between January 2009 adjustment and June 2008 CPI)
 CPI June 30, 2009	 -1.4%	
Adjustment January 2010	1.1%	(remaining CPI adjustment from 2009 plus June 2009 CPI)

Below is the pay scale for FY2009. The amounts shown are annual salaries. In the detail section of this budget there is a Personnel Roster for each department. The pay grade for each position is shown on this roster.

Pay Grade	Minimum	1st Quartile	Mid-Point	3rd Quartile	Maximum
2	\$ 21,579	\$ 24,378	\$ 27,177	\$ 29,975	\$ 32,775
4	23,790	26,871	29,952	33,033	36,115
5	25,053	28,263	31,472	34,681	37,892
6	26,316	29,706	33,095	36,484	39,874
7	27,580	31,148	34,717	38,286	41,856
8	28,948	32,697	36,445	40,194	43,943
9	30,422	34,350	38,278	42,207	46,136
10	31,895	36,029	40,163	44,297	48,431
11	33,475	37,813	42,153	46,492	50,832
12	35,159	39,703	44,248	48,792	53,338
13	36,948	41,724	46,500	51,275	56,052
14	39,580	44,690	49,799	54,908	60,018
15	42,317	47,786	53,255	58,723	64,193
16	45,265	51,119	56,804	62,826	68,681
17	48,423	54,687	60,952	67,223	73,482
18	51,791	58,492	65,194	71,895	78,597
19	55,475	62,639	69,802	76,965	84,130
20	59,370	67,021	74,673	82,324	89,976
22	71,792	81,060	90,329	99,598	108,867
23	78,950	90,504	102,058	113,612	125,655

## LONG-TERM DEBT

The City of Palm Coast has limited debt, both because of City Charter restrictions and a pay-as-you-go philosophy of the City Council. The City Charter states that “unfunded multiyear contracts, the repayment of which: extends in excess of 36 months; or exceeds \$15 million” must be approved by the electorate of the City.

The rate covenant for the Utility System Revenue Bonds provides that net revenues must be sufficient to pay 110% of the bond service requirement for the year or 105% and 120% when impact fees are included.

The City has no other legal debt limits.

### Long-Term Debt Outstanding

Issue	Final Maturity	Original Amount	Principal Outstanding At 09/30/2008
CDBG Loan	2011	\$ 324,953	\$ 63,552
State Revolving Fund Loans	2028	41,753,688	37,385,943
Utility System Revenue Bonds	2036	146,490,000	138,890,000
Totals		<u>\$ 188,568,641</u>	<u>\$ 176,339,495</u>

### Total Long-Term Debt

Year	Principal	Interest	Total
2010	\$ 4,606,632	\$ 7,770,061	\$ 12,376,693
2011	4,845,914	7,725,361	12,571,275
2012	4,976,252	7,332,390	12,308,642
2013	5,133,741	7,183,448	12,317,189
2014	5,302,483	7,021,821	12,324,304
2015-2019	29,654,821	31,946,977	61,601,798
2020-2024	36,256,671	25,609,788	61,866,459
2025-2029	37,433,385	18,018,295	55,451,680
2030-2034	39,514,596	10,013,434	49,528,030
2035-2036	8,615,000	1,949,697	10,564,697
Totals	<u>\$ 176,339,495</u>	<u>\$ 124,571,272</u>	<u>\$ 300,910,767</u>