

# Executive Summary





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# *Summary of Major Budgetary Changes*

## *Fiscal Year 2016 Budget vs. 2017 Budget*

- ⇒ The FY 2017 Ad Valorem Tax Receipt revenue is budgeted 5% or \$830,000 higher than FY 2016. This is due to an increase in property values of \$204,031,937.
- ⇒ A ninth department, Human Resources, was created for Fiscal Year 2017. Previously, Human Resources was a division of the Administrative Services department.
- ⇒ The Administrative Services department, now called Administrative Services & Economic Development, is now under a separate director. This department was previously under the immediate direction of the City Manager.
- ⇒ The Purchasing & Contracts Management division of the Administrative Services & Economic Development department has been changed to Central Services. This division now includes purchasing, contracts management and budget functions.
- ⇒ Approximately \$250,000 is being budgeted organization-wide for fiscal year 2017 for first time purchases of new fleet. These purchases are new equipment and vehicles approved for fiscal year 2017. This amount includes first time fleet purchases only, not the replacement of existing fleet. These purchases are budgeted by departments through a transfer to the Fleet Fund. The actual purchase is made by and budgeted for in the Fleet Fund.
- ⇒ Construction of a second Wastewater Treatment Plant began during fiscal year 2016. This project is expected to be completed before the end of fiscal year 2017. Therefore, an operating budget is included for the second Wastewater Treatment Plant, for fiscal year 2017.
- ⇒ In an effort to mitigate employee turn-over and retain talented staff, an auto-promote program has been implemented. This new program, which mostly affects our Public Works and Utility divisions, provides eligibility for immediate promotion based on their certification levels.

# Budget Overview

FUND/DEPARTMENT	Proposed FY 17
<b>Total General Fund</b>	\$ 31,987,472
<b>Special Revenue Funds</b>	
CDBG fund	979,900
Police Education Fund	14,035
Disaster Reserve Fund	2,212,265
Special Events Fund	165,460
Streets Improvement Fund	6,853,000
Park Impact Fee Fund	955,000
Fire Impact Fee Fund	118,600
Development Special Projects Fund	-
Transportation Impact Fee Fund	1,800,000
Neighborhood Stabilization Fund	16,407
Old Kings Road Special Assessment Fund	487,030
BAC Fund	38,630
SR100 Community Redevelopment Fund	1,858,057
Capital Projects Fund	7,911,000
<b>Enterprise Funds</b>	
Utility Fund	36,513,099
Utility Capital Projects Fund	32,707,343
Solid Waste Fund	7,537,466
Stormwater Management Fund	7,994,288
Building Permits Fund	1,731,650
Information Technology Fund	2,329,540
<b>Internal Services Funds</b>	
Self Insured Health Fund	4,580,750
Fleet Management Fund	4,616,988
Fleet Communication Fund	293,400
Facilities Maintenance Fund	620,043
<b>Subtotal Budget All Funds</b>	\$ 154,321,423
Less: Interfund Transfers	18,800,440
<b>Total</b>	<b>\$ 135,520,983</b>

# Budget Summary

## By Fund Type

Fund Type	Estimated Revenue	Operating Expenditures & Contingency	Capital Expenditures	Operating Transfers	Total Expenditures
General Fund	\$ 31,987,472	\$ 31,242,550	\$ 99,000	\$ 645,922	\$ 31,987,472
Special Revenue Funds					
CDBG Fund	979,900	448,675	-	531,225	979,900
Police Education Fund	14,035	14,035	-	-	14,035
Disaster Reserve Fund	2,212,265	2,212,265	-	-	2,212,265
Special Events Fund	165,460	165,460	-	-	165,460
Streets Improvement Fund	6,853,000	2,028,000	4,825,000	-	6,853,000
Recreation Impact Fee Fund	955,000	-	725,000	230,000	955,000
Fire Impact Fee Fund	118,600	118,600	-	-	118,600
Development Special Projects Fund	-	-	-	-	-
Transportation Impact Fee Fund	1,800,000	190,000	750,000	860,000	1,800,000
Neighborhood Stabilization Fund	16,407	16,407	-	-	16,407
OKR Special Assessment Fund	487,030	487,030	-	-	487,030
BAC Fund	38,630	38,630	-	-	38,630
SR100 Community Redevelopment Fund	1,858,057	1,083,057	200,000	575,000	1,858,057
Capital Projects Fund	7,911,000	-	7,911,000	-	7,911,000
Sub-Total	23,409,384	6,802,159	14,411,000	2,196,225	23,409,384
Enterprise Funds					
Utility Fund	36,513,099	31,575,601	577,500	4,359,998	36,513,099
Utility Capital Projects Fund	32,707,343	567,343	32,140,000	-	32,707,343
Solid Waste Fund	7,537,466	7,537,466	-	-	7,537,466
Stormwater Management Fund	7,994,288	5,792,609	2,060,000	141,679	7,994,288
Building Permits & Inspections Fund	1,731,650	1,701,650	-	30,000	1,731,650
Information Technology Fund	2,329,540	2,170,205	144,000	15,335	2,329,540
Sub-Total	88,813,386	49,344,874	34,921,500	4,547,012	88,813,386
Internal Service Funds					
Self Insured Health Fund	4,580,750	4,580,750	-	-	4,580,750
Fleet Management Fund	4,616,988	2,292,488	2,324,500	-	4,616,988
Fleet Communications Fund	293,400	281,400	12,000	-	293,400
Facilities Maintenance Fund	620,043	620,043	-	-	620,043
Sub-Total All Funds	154,321,423	\$ 94,262,821	\$ 51,756,000	\$ 7,389,159	154,321,423
Less: Interfund Charges and Transfers	18,800,440				18,800,440
<b>Total</b>	<b>\$ 135,520,983</b>				<b>\$ 135,520,983</b>

# Budget Summary

## By Function

	General Fund	Enterprise Funds	Internal Service Funds	Special Revenue Funds	Total All Funds
<u>CASH BALANCES BROUGHT FORWARD</u>	\$ -	\$ 5,029,021	\$ -	\$ 8,204,374	\$ 13,233,395
<u>ESTIMATED REVENUES</u>					
TAXES: Millage Per \$1,000					
Advalorem Taxes: 4.2450	\$ 17,283,759	\$ 418,442	\$ -	\$ 141,418	\$ 17,843,619
Sales, Use, and Fuel Taxes	325,000	-	-	4,675,000	5,000,000
Telecommunication Service Tax	2,373,966	-	-	-	2,373,966
Local Business Tax	375,000	-	-	-	375,000
Permits, Fees and Special Assessments	876,000	-	-	327,030	1,203,030
Intergovernmental Revenue	3,976,531	2,182,960	-	4,743,440	10,902,931
Charges for Services	5,496,066	56,036,501	18,000	2,396,975	63,947,542
Fines & Forfeitures	366,000	-	-	125,000	491,000
Interest Revenue	20,000	318,500	10,000	5,000	353,500
Miscellaneous Revenues	55,000	22,000	195,000	-	272,000
Non Revenues	-	1,742,100	9,669,181	-	11,411,281
Transfers from Other Funds	840,150	3,538,862	219,000	2,791,147	7,389,159
Debt Proceeds	-	19,525,000	-	-	19,525,000
Total Revenues and other Financing Sources	\$ 31,987,472	\$ 83,784,365	\$ 10,111,181	\$ 15,205,010	\$ 141,088,028
Total Estimated Revenues and Balances	\$ 31,987,472	\$ 88,813,386	\$ 10,111,181	\$ 23,409,384	\$ 154,321,423
Less: Interfund Transfers					18,800,440
Net Revenues					<b>\$ 135,520,983</b>
<u>EXPENDITURES/EXPENSES</u>					
General Government	\$ 9,258,113	\$ 2,170,205	\$ -	\$ 1,021,539	\$ 12,449,857
Public Safety	10,653,399	1,688,050	-	10,000	12,351,449
Physical Environment	-	66,161,923	-	-	66,161,923
Transportation	6,089,370	-	-	7,653,000	13,742,370
Economic Environment	342,682	10,000	-	476,175	828,857
Culture/Recreation	4,997,986	-	-	8,090,460	13,088,446
Internal Service	-	-	9,632,531	-	9,632,531
Debt Service	-	12,459,293	-	1,306,148	13,765,441
Transfers to Other Funds	645,922	4,547,012	-	2,196,225	7,389,159
Total Expenditures/Expenses	\$ 31,987,472	\$ 87,036,483	\$ 9,632,531	\$ 20,753,547	\$ 149,410,033
Reserves	-	1,776,903	478,650	2,655,837	4,911,390
Total Appropriated Expenditures and Reserves	\$ 31,987,472	\$ 88,813,386	\$ 10,111,181	\$ 23,409,384	\$ 154,321,423
Less: Interfund Transfers					18,800,440
Net Expenditures					<b>\$ 135,520,983</b>

# Budget Summary

## By Department

FUND/DEPARTMENT	Actual FY 14	Actual FY 15	Projected FY 16	Proposed FY 17
General Fund				
City Council	\$ 92,073	\$ 97,005	\$ 105,024	\$ 107,730
City Manager	357,155	349,058	367,989	370,188
Communications and Marketing	319,294	350,623	349,105	415,401
Purchasing and Contracts Management	243,660	259,263	315,950	329,718
Economic Development	151,419	255,273	313,826	342,682
City Clerk	128,152	130,965	138,462	149,522
Human Resources	368,031	426,104	478,141	519,386
Law Enforcement	2,599,691	2,623,433	2,720,287	2,720,287
City Attorney	390,280	375,543	448,054	453,284
Financial Services	683,226	716,125	778,620	928,183
Fire	7,397,056	7,844,398	7,866,839	7,933,112
Engineering	511,460	433,312	1,486,193	1,728,658
Tennis Center	-	257,847	286,025	285,000
Golf Course	-	1,536,675	1,594,208	1,605,000
Parks and Recreation	1,362,139	1,016,646	1,412,221	1,476,011
Non- Departmental	7,617,398	612,178	1,574,819	1,105,603
Planning	1,472,080	1,640,951	1,425,723	1,492,399
Code Enforcement	2,029,095	2,039,788	2,171,904	2,252,963
Streets	5,401,793	5,476,269	5,654,984	6,130,370
Facilities Maintenance	609,815	636,032	-	-
Parks/Facilities	1,126,992	1,244,126	1,531,818	1,641,975
Total General Fund	\$ 32,860,809	\$ 28,321,616	\$ 31,020,192	\$ 31,987,472
Utility Fund				
Utility Customer Service	1,262,852	1,292,798	1,372,687	1,479,203
Utility Administration	1,115,763	1,102,586	791,845	848,423
Utility Maintenance	652,292	638,599	739,379	790,885
Wastewater Collection	2,352,953	2,466,052	2,882,031	2,958,647
Wastewater Treatment Plant #1	1,685,591	1,727,254	1,867,528	1,973,124
Wastewater Treatment Plant #2	0	0	0	137,443
Water Plant #1	856,132	975,471	1,107,984	1,247,396
Water Plant #2	1,592,644	1,692,810	1,880,132	2,010,635
Water Plant #3	1,150,342	1,413,584	1,642,884	1,736,597
Water Quality	449,292	465,132	476,696	485,195
Water Distribution	2,866,739	2,699,300	3,063,888	3,299,839
Non-Departmental	20,472,175	20,618,229	20,187,563	19,545,712
Total Utility Fund	\$ 34,456,775	\$ 35,091,815	\$ 36,012,617	\$ 36,513,099

<b>FUND/DEPARTMENT</b>	<b>Actual FY 14</b>	<b>Actual FY 15</b>	<b>Projected FY 16</b>	<b>Proposed FY 17</b>
CDBG Fund	660,513	680,084	223,870	979,900
Police Education Fund	10,039	9,880	19,035	14,035
Police Automation Fund	76,380	135,000	10,577	-
Disaster Reserve Fund	27,005	-	2,208,688	2,212,265
Special Events Fund	170,784	189,320	281,108	165,460
Streets Improvement Fund	7,924,670	11,370,459	8,231,617	6,853,000
Recreation Impact Fee Fund	697,649	500,000	354,800	955,000
Fire Impact Fee Fund	-	-	114,800	118,600
Development Special Projects Fund	150,000	352,341	19,950	-
Transportation Impact Fee Fund	138,831	188,747	1,800,000	1,800,000
Neighborhood Stabilization Fund	619,676	89,970	16,407	16,407
Old Kings Road Special Assessment Fund	262,505	260,625	330,335	487,030
BAC Fund	14,175	17,522	56,130	38,630
SR100 Community Redevelopment Fund	7,130,265	1,847,995	1,601,455	1,858,057
Capital Projects Fund	2,875,245	10,447,015	5,420,000	7,911,000
Utility Capital Projects Fund	3,818	93,383	17,257,783	32,707,343
Solid Waste Fund	7,290,268	7,239,055	7,452,000	7,537,466
Stormwater Management Fund	4,971,568	5,134,192	7,556,893	7,994,288
Building Permits & Inspections Fund	1,282,662	2,429,062	1,686,000	1,731,650
Golf Course Fund	1,811,215	-	-	-
Tennis Center Fund	310,891	-	-	-
Information Technology Fund	2,528,831	2,295,526	2,605,262	2,329,540
Self Insured Health Fund	3,027,057	3,440,231	4,381,500	4,580,750
Fleet Management Fund	4,458,045	3,310,764	4,872,394	4,616,988
Communications Fund	-	-	510,855	293,400
Facilities Maintenance Fund	-	-	640,732	620,043
<b>Total All Funds</b>	<b>\$ 113,759,677</b>	<b>\$ 113,444,603</b>	<b>\$ 134,685,000</b>	<b>\$ 154,321,423</b>
Less: Interfund Transfers	22,435,306	17,591,731	17,613,716	18,800,440
<b>Total</b>	<b>\$ 91,324,371</b>	<b>\$ 95,852,872</b>	<b>\$ 117,071,284</b>	<b>\$ 135,520,983</b>



# Revenues

## REVENUE DESCRIPTIONS:

**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. Ad valorem 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. The Flagler County Tax Collector collects and distributes the taxes to each taxing authority. This is considered to be general revenue for general purposes of the government entity.

**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.

**COMMUNICATIONS SERVICES TAXES:** This tax is collected by the State. The tax revenues, less the DOR's administrative cost deduction are distributed monthly to the appropriate jurisdictions. The tax is charged on telecommunications, video, direct-to-home satellite and related services. This tax may be used for any public purpose.

**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.

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

**LOCAL OPTION, USE, AND FUEL TAXES:** These are local option taxes, including gas tax and the Small County Surtax collected within the county by retailers and paid to the State. The proceeds are distributed monthly by the Department of Revenue based on a State mandated formula or an inter-local agreement between the cities and the county.

**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, vehicle maintenance, facilities maintenance and communications as well as contributions towards the Self Insured Health Fund.

**OTHER FINANCING SOURCES:** This is most often an appropriation of previous surplus, and proceeds from issuing debt.

**PERMITS, FEES AND SPECIAL ASSESSMENTS:** According to Section 205.042, Florida Statutes, a municipality may levy a local business tax receipt for the privilege of engaging in or managing any business, profession, or occupation within its jurisdiction. This revenue also includes the Old King's Road special assessment and animal licenses.

**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.

## **MAJOR REVENUE TRENDS:**

There are 11 major revenue sources that account for 56 percent of the City's estimated revenues for fiscal year 2017. Appropriated fund balance accounts for another 7 percent of the revenue. The following is a more detailed analysis of the trends for these major revenue sources.

**AD VALOREM TAXES:** After several years of decreases, property values increased in fiscal year 2014 a modest 1.21%. Values have since increased 5.48% in 2015 and 6.42% in 2016. We anticipate a continuing increase in the next several years.

**TELECOMMUNICATION SERVICES TAX:** Decreases in this revenue have averaged about 4% over past years. Recent changes in the delivery of these services have decreased collections and the taxable base. We expect additional decreases of 1% to 2% in future years.

**HALF-CENT SALES TAX:** This revenue source has increased 14%, or \$299,302, since 2013. We expect to continue to see increases over the next few years of at least 1% to 2%.

**LOCAL OPTION FUEL TAX:** This funding source has seen significant fluctuations from year to year and even month to month. When compared to fiscal year 2013 this revenue has increased 2% and we expect this trend to continue.

### **SMALL COUNTY SURTAX**

The Small County Surtax is levied at the rate of .5 percent pursuant to an ordinance enacted by a majority vote of the county's governing body. The proceeds are currently being allocated to the Capital Projects Fund. This tax replaced the Discretionary Sales Surtax which expired in December 2012. Since fiscal year 2014, the first full year for this revenue, there has been an increase of 3% or \$79,496. This increase is expected to continue.

### **STATE REVENUE SHARING**

This revenue source has been fairly consistent. Overall from fiscal year 2013 to 2015 this revenue source increased 6% or \$93,907.

**SOLID WASTE CHARGES:** This charge is expected to mirror the population growth of about 1% to 2%. During fiscal year 2013 a rate reduction was possible due to the conversion of our solid waste trucks to natural gas. Our current contract ends in 2017 and the new contract will increase 8.25% over the previous amount.

**STORMWATER UTILITY FEES:** This fee is charged on developed and undeveloped property. A rate increase of approximately 46% took place in fiscal year 2013. These additional fees are to fund an aggressive capital improvement program. In subsequent years, a 1% to 2% growth rate is anticipated.

**TRANSPORTATION IMPACT FEES:** Building permits issued have increased by 41% since 2013. The increase in the number of building permits has a direct impact on this revenue source. All construction related revenues are expected to increase 4% annually for the next three years.

**WATER AND WASTEWATER SALES:** This revenue source is related to the utility system. As a result of a new rate schedule, this revenue source increased 8% in 2013, with additional 4% increases in 2014 and 2015. Rates are indexed annually based on the June 30th C.P.I. each year.

**WATER AND WASTEWATER IMPACT FEES:** Like transportation impact fees this revenue source is expected to increase 4% annually for the next three years.

### **REVENUE DIVERSIFICATION:**

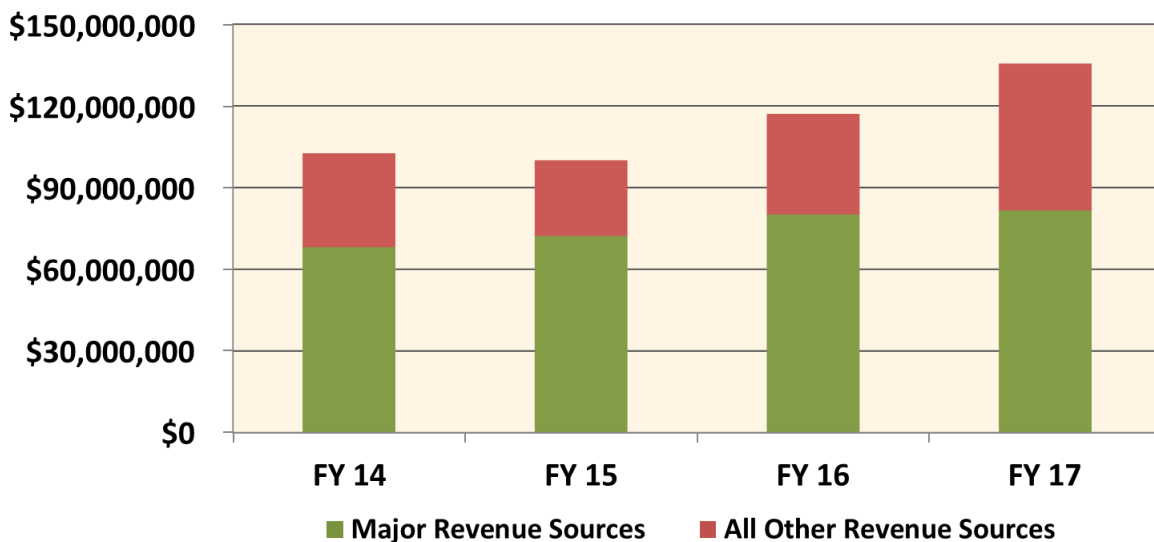
Some revenue sources which the City currently does not use but are available for future use include the following:

- Electric Franchise Fee
- Electric Utility Tax
- Fire Assessment Fee

# Major Revenue Sources

SOURCE	Actual FY 14	Actual FY 15	Projected FY 16	Proposed FY 17
Ad Valorem Taxes	\$ 15,226,390	\$ 15,978,534	\$ 17,013,093	\$ 17,843,619
Local Option, Use and Fuel Taxes	4,466,995	5,253,461	4,665,000	5,000,000
Telecommunication Service Tax	2,522,865	2,529,845	2,425,000	2,373,966
Half-Cent Sales Tax	1,947,655	2,074,462	2,600,000	2,760,864
Transportation Impact Fees	1,127,165	1,246,201	1,800,000	1,203,030
Water Sales	17,445,894	17,789,590	20,260,000	20,563,900
Wastewater Charges	10,421,240	11,817,305	14,421,526	14,637,849
Water Impact Fee	191,818	697,513	1,200,000	1,200,000
Wastewater Impact Fee	199,766	480,546	1,100,000	1,250,000
Solid Waste Charges	7,420,478	7,349,016	7,450,000	7,537,466
Stormwater Utility Fee	7,154,316	7,047,910	7,150,000	7,240,846
Debt Proceeds	5,839,000	-	9,130,000	19,525,000
Appropriated Fund Balance	-	-	7,558,120	13,233,395
All Other Sources	51,084,245	45,344,423	37,912,261	39,951,488
<b>TOTAL</b>	<b>\$ 125,047,827</b>	<b>\$ 117,608,805</b>	<b>\$ 134,685,000</b>	<b>\$ 154,321,423</b>
Less: Interfund Transfers	22,435,306	17,591,731	17,613,716	18,800,440
	<b>\$ 102,612,521</b>	<b>\$ 100,017,075</b>	<b>\$ 117,071,284</b>	<b>\$ 135,520,983</b>

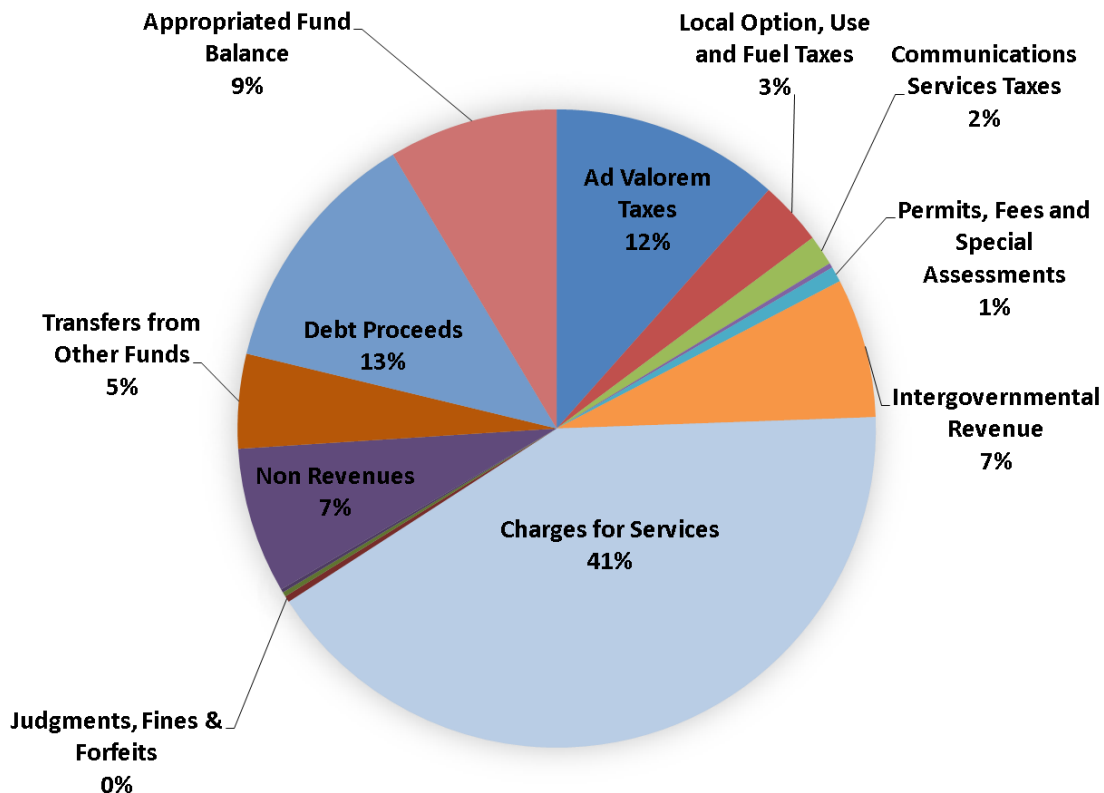
Major Revenue Sources	68,124,582	72,264,383	80,084,619	81,611,540
All Other Revenue Sources	34,487,939	27,752,692	36,986,665	53,909,443
	<b>\$ 102,612,521</b>	<b>\$ 100,017,075</b>	<b>\$ 117,071,284</b>	<b>\$ 135,520,983</b>



# Revenues by Source

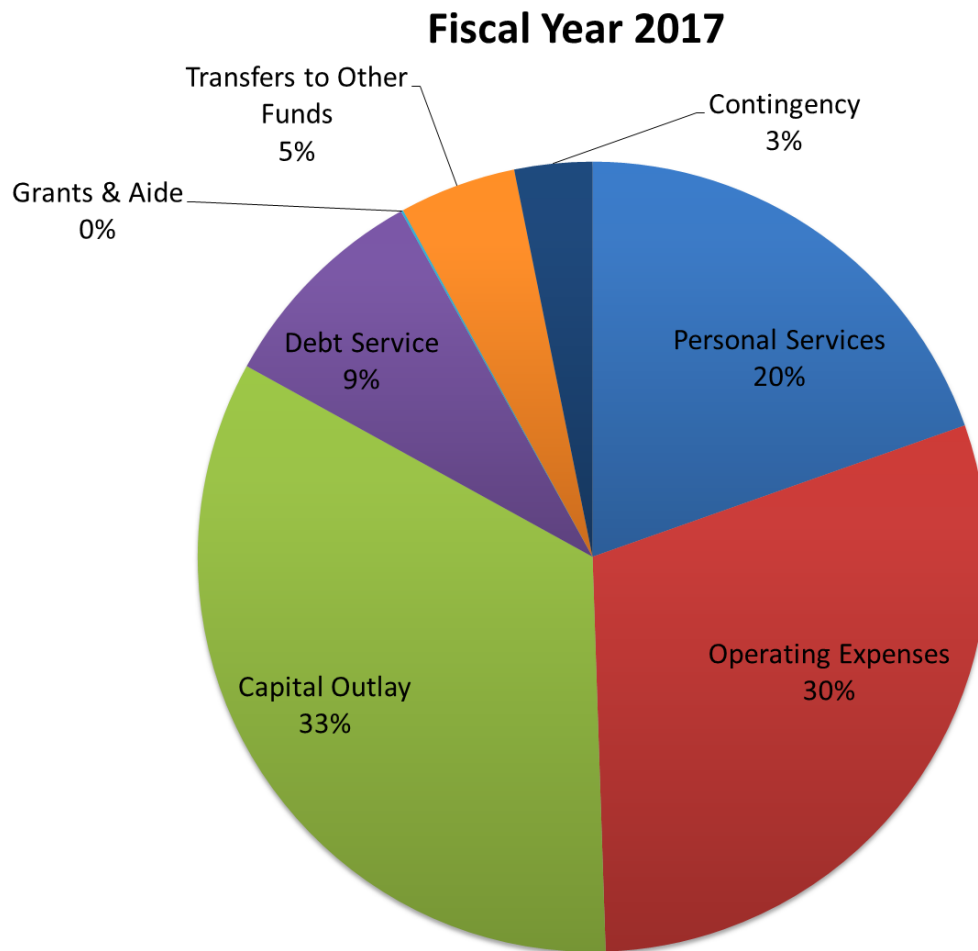
SOURCE	Actual FY 14	Actual FY 15	Projected FY 16	Proposed FY 17
Ad Valorem Taxes	\$15,226,390	\$15,978,534	\$17,013,093	\$17,843,619
Local Option, Use and Fuel Taxes	4,466,995	5,253,461	4,665,000	5,000,000
Communications Services Taxes	2,522,865	2,529,845	2,425,000	2,373,966
Local Business Tax	346,157	448,611	375,000	375,000
Permits, Fees and Special Assessments	1,284,987	1,204,441	1,014,935	1,203,030
Intergovernmental Revenue	11,318,298	13,336,575	11,041,370	10,902,931
Charges for Services	59,413,108	59,719,026	62,403,161	63,947,542
Judgments, Fines & Forfeits	1,556,456	877,295	621,000	491,000
Interest and Other Earnings	277,714	374,715	451,100	353,500
Miscellaneous Revenues	360,550	294,570	373,505	272,000
Non Revenues	9,242,941	9,378,565	10,784,818	11,411,281
Transfers from Other Funds	13,192,365	8,213,166	6,828,898	7,389,159
Debt Proceeds	5,839,000	-	9,130,000	19,525,000
Appropriated Fund Balance	-	-	7,558,120	13,233,395
<b>TOTAL</b>	<b>\$ 125,047,827</b>	<b>\$ 117,608,805</b>	<b>\$ 134,685,000</b>	<b>\$ 154,321,423</b>
Less: Interfund Transfers	22,435,306	17,591,731	17,613,716	18,800,440
	<b>\$ 102,612,521</b>	<b>\$ 100,017,075</b>	<b>\$ 117,071,284</b>	<b>\$ 135,520,983</b>

## Fiscal Year 2017



# Expenditures by Category

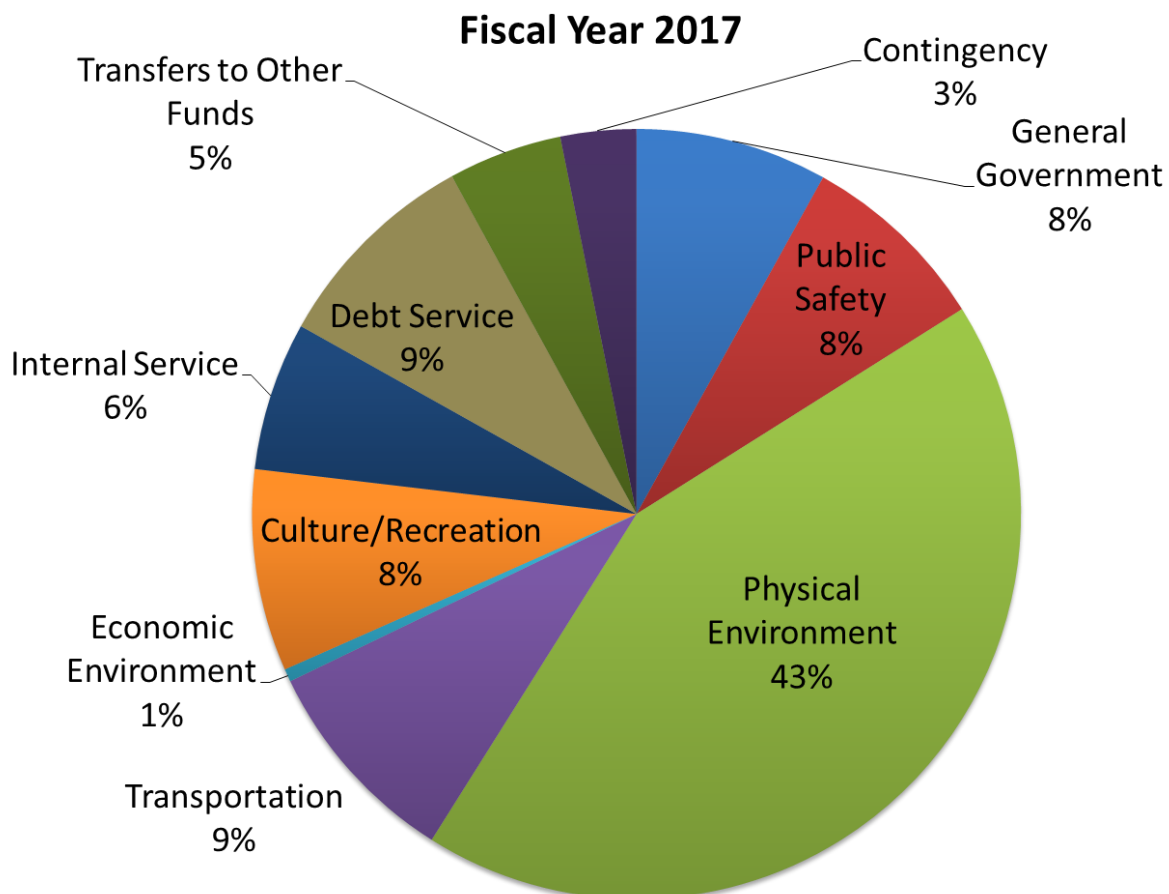
CATEGORY	Actual FY 14	Actual FY 15	Projected FY 16	Proposed FY 17
Personal Services	\$23,715,902	\$26,025,035	\$28,461,839	\$30,252,953
Operating Expenses	50,148,962	48,096,775	43,386,300	46,091,480
Capital Outlay	19,008,177	23,836,664	34,531,930	51,768,000
Debt Service	7,327,927	7,202,418	14,007,764	13,765,441
Grants & Aide	366,344	67,783	118,000	143,000
Transfers to Other Funds	13,192,365	8,215,927	6,828,898	7,389,159
Contingency	-	-	7,350,269	4,911,390
<b>TOTAL</b>	<b>\$113,759,677</b>	<b>\$113,444,603</b>	<b>\$134,685,000</b>	<b>\$154,321,423</b>
Less: Interfund Transfers	22,435,306	17,591,731	17,613,716	18,800,440
	<b>\$91,324,371</b>	<b>\$95,852,872</b>	<b>\$117,071,284</b>	<b>\$135,520,983</b>





# Expenditures by Function

<b>FUNCTION</b>	<b>Actual FY 14</b>	<b>Actual FY 15</b>	<b>Projected FY 16</b>	<b>Proposed FY 17</b>
General Government	\$9,652,865	\$17,324,722	\$12,727,542	\$12,449,857
Public Safety	11,692,833	11,920,889	12,357,748	12,351,449
Physical Environment	36,545,650	37,644,386	48,899,303	66,161,923
Transportation	19,965,592	17,157,800	13,911,601	13,742,370
Economic Environment	1,183,673	653,950	570,196	828,857
Culture/Recreation	6,713,669	6,573,515	9,125,380	13,088,446
Internal Service	7,485,101	6,750,995	8,906,299	9,632,531
Debt Service	7,327,927	7,202,418	14,007,764	13,765,441
Transfers to Other Funds	13,192,365	8,215,927	6,828,898	7,389,159
Contingency	-	-	7,350,269	4,911,390
<b>TOTAL</b>	<b>\$113,759,677</b>	<b>\$113,444,603</b>	<b>\$134,685,000</b>	<b>\$154,321,423</b>
Less: Interfund Transfers	\$22,435,306	\$17,591,731	\$17,613,716	\$18,800,440
	<b>\$91,324,371</b>	<b>\$95,852,872</b>	<b>\$117,071,284</b>	<b>\$135,520,983</b>



# 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 debt service requirement for the year or 105% and 120% when impact fees are included. The City has no other legal debt limits.

Issue	Final Maturity	Original Amount	Outstanding Principal as of 09/30/16
Lease Purchases	2019	\$ 479,015	\$ 50,517
Bank Loans	2025	61,120,000	53,924,000
State Revolving Fund Loans	2030	69,361,296	53,413,575
Utility System Revenue Bonds	2036	89,600,000	84,120,000
<b>Totals:</b>		<u>\$ 220,560,311</u>	<u>\$ 191,508,091</u>

Fund	Outstanding Principal as of 09/30/16
Utility Fund	\$ 172,220,315
Stormwater Fund	10,212,259
Information Tech Fund	50,517
SR100 CRA Fund	9,025,000
<b>Totals not including interfund loans:</b>	<u>\$ 191,508,091</u>
Utility interfund loan to the OKR Special Assessment District	4,788,658
<b>Total:</b>	<u><u>\$ 196,296,749</u></u>

Year	Principal	Interest	Total
2017	\$ 4,685,140	\$ 5,789,629	\$ 10,474,769
2018	7,816,143	5,516,260	13,332,403
2019	9,539,002	5,437,123	14,976,125
2020	9,820,707	5,131,943	14,952,650
2021	10,128,690	4,814,861	14,943,551
2022-2026	53,653,121	18,917,886	72,571,007
2027-2031	48,416,494	10,002,615	58,419,109
2032-2036	40,346,768	2,635,376	42,982,144
2037-2041	7,102,026	27,429	7,129,455
<b>Totals:</b>	<u>\$ 191,508,091</u>	<u>\$ 58,273,121</u>	<u>\$ 249,781,212</u>