



## CITY OF GAUTIER, MISSISSIPPI FY 2016 BUDGET SNAPSHOT

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### **FY 2016 Budget Facts to Consider:**

**Projected Revenues: \$8,442,047 (Approx. \$640,000 less than last year)**

**Proposed Budget Expenditures: \$10,369,621**

### **FY 16 Proposed Budget Break Down:**

\$918,745 of the proposed \$10,369,621 is one-time BP Oil settlement funds. Of the \$918,745 in BP funds, \$292,355 are recurring public safety personnel & service costs and \$255,500 are public safety capital outlay costs.

**Expenditures:** 62% Public Safety  
17% All Other Departments  
7.5% Debt Service  
6% General Expense  
4% General Maintenance  
3% Grant Matches

### **The budget is comprised of:**

47% Ad valorem (property taxes)  
25% sales tax  
28% other

### **Budget:**

The City requires a budget of approximately \$11,000,000 to fund all services satisfactorily.

FY 2014 General Fund Budget: \$9,445,116

FY 2015 General Fund budget: \$9,602,271

FY 2016 General Fund Budget: \$10,369,621 (Includes \$918,745 in BP settlement funds)

\* FY 2016 An additional \$2.3 million of capital projects are funded by grants.

### **Millage:**

**FY 2016 Total Millage Rate: 37.7 mills (includes library)**

Comparative with surrounding cities and Jackson County, Gautier continues to have the second to lowest millage rate after Ocean Springs. The value of a mill in Gautier is second to lowest after Moss Point.

### **Historical Glimpse:**

**FY 2008**, the City reduced the FY 09 millage by a total 5.96 mills, in the midst of the national recession and global mortgage crisis. The budget impact was nearly a million dollar reduction. Additionally, sales tax also declined \$460,000 between 2009-13. Sales tax has stabilized in the last two years.

### **Sales Tax Trends:**

FY 2006: \$3,465,957 (high point benchmark-post Katrina)

FY 2009: \$2,724,970 (national recession/mortgage crisis)

FY 2010: \$2,349,303

FY 2011: \$2,191,692

FY 2012 \$2,189,137

FY 2013: \$2,262,405 (Trend upwards)

FY 2014: \$2,120,291 (Mall demolition)

**FY 2015: \$2,011,712 (To-Date. Projected to exceed 2014 totals by year end)**

The mall demolition occurred in 2014, though most tenants vacated 2013. Overall, sales tax is relatively unchanged from 2013, since other retail businesses are remaining strong. However, the demolition represents a reduction in property valuations, utility and water revenues.

### **Utilities (Water/Sewer/Garbage):**

Garbage rates will remain unchanged at \$17/month.

The Jackson County Utility Authority has increased rates by an additional \$955,284 in the last three years. Rates have increased every year since 2008, except one. The City hasn't increased water rates to customers since 2010. Lastly, other fees for services have also seen an increase, resulting in the need for the FY 2016 revised utility rate schedule

### **Water Customers:**

37% of Gautier's customers pay the minimum monthly average bill

20% of Gautier's water customers are commercial/industrial

80% of Gautier's water customers are residential

22% of users consume 2,000 gallons or less per month

37% of users consume 3,000 gallons or less per month

### **Redistribution Rate Schedule Plan:**

A resident using less than 2,000 gallons a month would now pay \$30.33, not the current \$41.37 rate. A resident using 3,000 gallons/month would now pay \$46.23, not the current \$41.37. The average user of 6,000 gallons a month would pay \$93.89 instead of \$68.61, while the high end user of 10,000 gallons per month would pay \$157.45 instead of \$104.93. The city's new meters allow for usage to be rounded to the nearest hundredth gallon instead of thousandth under the old meters. Garbage fees are not included in these totals.