

*City of Gautier,
Mississippi*



Strategic Plan 2013-2018

Recommended Annual Budget for Fiscal Year 2013

*City of Gautier,
Mississippi*

Overview

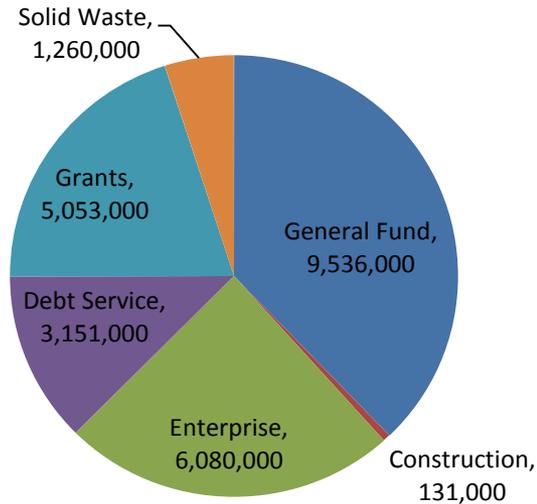
- PROPOSED FY2013 BUDGET
- WHERE WE STARTED
- STEPS TAKEN
- PROPERTY TAXES
- INVESTING IN NEIGHBORHOODS
- POTENTIAL SAVINGS
- OPPORTUNITIES FOR THE FUTURE
- BUDGET CALENDAR

PROPOSED FY2013 BUDGET GENERAL FUND REDUCTIONS

At a Glance:

- No increase in taxes
- No increase in fees
- Reduction in health insurance costs
- Reduction in departmental operating costs
 - less government, more efficiency
- Transfer of Special Revenue Funds to General Fund

PROPOSED FY2013 BUDGET ALL FUNDS



A General Fund \$360,802
decrease from FY 2012

A \$360,802 DECREASE

The FY2013 total budget is \$9.536 million:

Total budget decreases \$360,802 from the FY2012 level of \$9.87 million

Decreases primarily due to:

- FY12 budget \$430,665 revenue errors
- FY12 budget \$196,286 expenditures over revenues
- increased fees and charges from providers

WHERE WE STARTED –SHORTFALL GENERAL FUND

Contributing factors for \$360,802 shortfall (from FY11-FY12)

- Expenditure Increases
 - Healthcare (\$ 40,000)
 - PERS (\$ 69,000)
- Decreases in revenue
- Millage Rate 8% lower than FY2007-8
(26.4 mils versus 24.35 mils today)

STEPS TAKEN

BALANCED BUDGET

Steps taken to address the \$360,802 shortfall:

- Decreased FY12 department budgets based on proposed reductions submitted including:
 - Streamlined job duties and thereby eliminated 3 of the General Fund vacant positions(\$110,000)
 - Other reductions based on spending analysis(\$600,000)
- Solid Waste expenditure was lower than expected (26% reduction) \$322,000
- Reduction in overtime \$40,000
- Modernizing/streamlining \$57,000
- Reduce capital projects for FY2013 \$250,000

STEPS TAKEN BALANCED BUDGET

(Continued)

- Unexpected increase for property valuations (\$111,969,872 up from \$106,647,724)
- Anticipated savings from FY12

Revised Shortfall for FY12 Fund Balance Transfer

- Transferred \$400,000

STEPS TAKEN BALANCED BUDGET

(Continued)

- Restructure of Police Department \$103,605

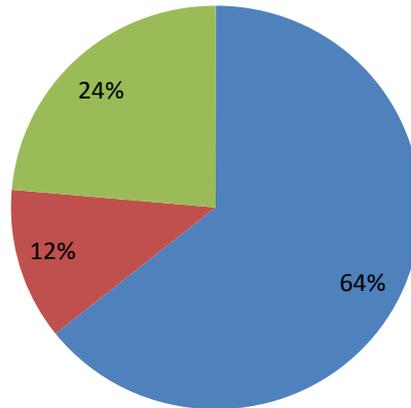
- No Friday workday for hourly employees--City Clerk/Finance, Economic Development, and Public Works. \$157,830

- FY12 General Fund Employee Increase Portion for Health Insurance from 0 to 20%. \$ 131,396**
- Honor existing union contracts

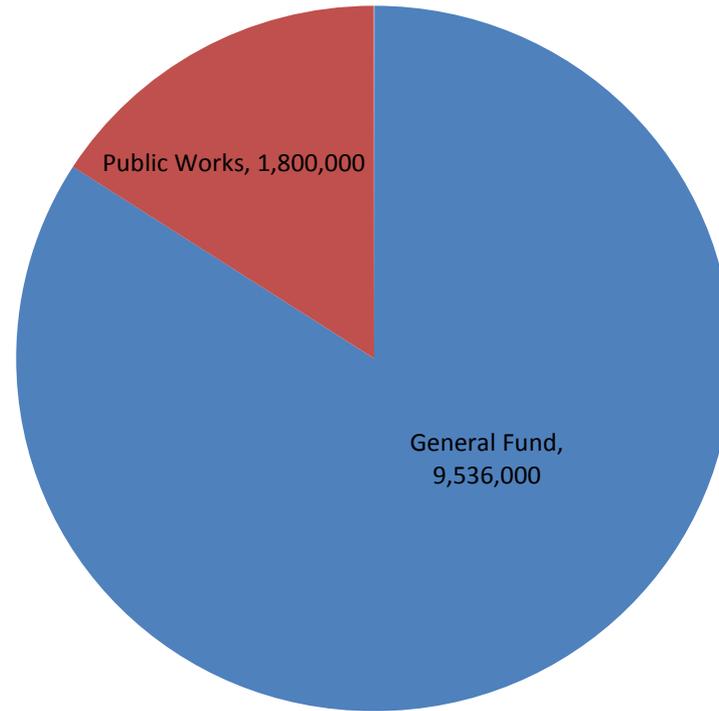
PROPERTY TAXES COMPARED TO FIRE AND POLICE

Property Taxes Compared to Police and Fire

■ General Fund ■ Fire ■ Police



PROPERTY TAXES COMPARED TO PUBLIC WORKS (GENERAL FUND) and OTHER DEPARTMENTS



INVESTING IN NEIGHBORHOODS

| | |
|------------------------------|-----------------|
| Code Enforcement | \$40,896 |
| Code Abatements | \$10,000 |
| Police Substations | |
| (Occupy Existing Facilities) | \$1,500 |
| Neighborhood Projects | \$10,000 |
| Parks/Rec | \$161,304 |
| Street Resurfacing | \$98,000 (bond) |

POTENTIAL OPPORTUNITIES FOR FURTHER COST REDUCTIONS

- LIABILITY INSURANCE
- HEALTHCARE
- SCHEDULE CHANGES FOR FIREFIGHTERS

Liability Insurance

- Liability Insurance: insurance on all property, buildings, vehicles and equipment owned by the City.
- Covers any injuries that may occur on City property as well.

FY 2012-13 Premiums

FY2012 \$294,543

- Lemon Mohler Insurance and Mississippi Municipal Service Company

FY2013 \$246,913

- Fox Everett Insurance Company

Benefits to Bringing Policies “Under One Roof”

- Potential Savings of \$50,242
- Includes Employment Practice Liability Insurance in the amount of \$1,000,000
- Office located in Gautier
- Streamlines the claims process
- Makes the City of Gautier Human Resources Department more efficient

Restructure of Police Department

- The Police Department currently has five Captain's positions.
- Reduced to three Captain Positions and reorganizing all staff under the remaining.

Schedule Change for Firefighters

- Firefighters currently work 2,808 hours per year.
- Firefighters currently work 216 hours per month.
- FLSA requires overtime to be paid to Firefighters for any hours worked over 212 per month.

Guaranteed Overtime

Firefighters currently are guaranteed 4 hours of overtime each month due to their schedule.

Proposed New Schedule

- Firefighters will work 2496 hours per year.
- 192 hours per month
- 20 hours short of the FLSA overtime requirement
- Hourly rate will be adjusted to ensure that annual salary is not changed.
- Savings to the City is approximately \$25,000 per year

Proposed Health Insurance Changes

FY 2013

\$40,000 per year increase

Factors

- Anticipated Medical Procedures this year
- \$500,000 Individual Contingent Laser
- Alternatives are being researched by Fox Everett Insurance Co.

Consult-A-Doc Program

- Telephone or Web
- Licensed Doctors
- Non Emergency Medical Issues
- Pharmacy of Choice
- After Hours, Nights, Weekends, Out of Town

Cost

- \$3.50 per employee monthly
- Approximately 150 City Employees
- Yearly Cost \$5,760
- Requires 100% participation

Benefits

- Reduces Expensive Doctor Visits
- Reduces Missed Work Hours for Doctor Visits
- Reduces Employee Cost/CoPay
- Reduces Employer Cost

Savings

- Based on 15% Employee Usage
- Predicted Annual Savings is approximately \$50,000 yearly.

BUDGET CALENDAR

Public Hearing on Budget -September 17, 2012

Final work sessions
August 27th and 28th at 5 PM
in Council Chambers