



CITY of PRATTVILLE

Budget Proposal
For Fiscal Year 2010/11



The City of Prattville is committed to providing premier city services to its residents. We pledge to provide these services in an open, effective and efficient manner. Further, we pledge to protect, preserve, and enhance the quality of life for our citizens and employees, using the core values of fiscal responsibility, excellence in delivery of quality service, ethics, and integrity, visionary leadership and planning, open and honest communication, and professionalism.

MAYOR
JIM BYARD, JR.

CITY COUNCIL
DEAN ARGO, PRESIDENT
DISTRICT 3

TOM MILLER, PRESIDENT PRO TEMPORE
DISTRICT 4

WILLIE WOOD, JR.
DISTRICT 2

RAY C. BOLES
DISTRICT 6

BILL GILLESPIE
DISTRICT 1

MIKE RENEGAR
DISTRICT 5

NATHAN FANK
DISTRICT 7



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Purpose of the City Budget

The budget is the City's spending plan, it sets forth anticipated revenues and how those revenues will be utilized. It is prepared by the Mayor and City staff and presented by the Mayor to the City Council. Once approved by the Council, it governs how funds are spent during the City's fiscal year. The final adopted budget is a collaborative effort between the Executive and Legislative branches of the local government - as the Mayor proposes and the City Council enacts.

The budget provides a clear picture to residents and other stakeholders of the City's financial direction. It helps identify capital improvement projects, special projects and other discretionary spending items.

Developing a sound budget and adhering to it helps ensure that the City of Prattville will continue to provide the exemplary services that its residents and guests enjoy. Many of these services are visible such as police and fire protection, which provide for our public safety, or the parades and festivals that help us maintain a high quality of life. Other services are just as crucial but not as noticeable, such a street maintenance, wastewater and sanitation. The budget also provides support to agencies that service our citizens though Community Initiative allocations. Any revenues beyond those budgeted flow into the City's operating reserve to bolster Prattville's fiscal health. These are just a few of the ways in which the budget is used to maintain Prattville's status as the Preferred Community of the River Region.



General Assumptions

All budgets are built on assumptions. For instance, the assumption may be that revenues will be flat, or some positive or negative factor may be applied. Assumptions are made regarding expenses as well because not all expenditures can be specifically quantified. For example, fuel costs are based on expected average yearly prices and usage based on historical data. As a result, all budgets, by their nature, are projections.

This budget does project revenue growth. Prattville has been fortunate to experience annual revenue growth through the current global recession. We have experienced robust sales tax revenue growth in the last quarter of our current fiscal year, continuing this positive trend.

While we project revenue growth, we have reduced our budgeted operating expenditures in recognition of the economic climate. The City is committed to operating as efficiently as possible to ensure that the City remains fiscally sound in the coming years.



Aggregate Budget Summary

	PROPOSED BUDGET 2010-11
Revenue	\$ 37,016,100.00
Expenditures	
Wages & Benefits	\$ 21,319,270.56
Operating Expenses	8,119,615.33
Capital Outlay	205,000.00
Economic Development Debt Service	3,471,927.55
Capital Improvement Debt Service	2,706,104.83
Lease Payments	490,114.03
Total Expenditures	<u>\$ 36,312,032.30</u>
Change in Operating Reserve Fund Balance	\$ 704,067.70



Revenue Summary

	PROPOSED BUDGET 2010-11
Sales Tax	\$15,141,100.00
Fees	6,294,000.00
Business Licenses	4,250,000.00
Property Tax	2,525,000.00
Debt Proceeds	2,000,000.00
Other	1,262,500.00
Lodging Tax	1,200,000.00
Gasoline Tax	895,000.00
Use Tax	853,000.00
Fines & Forfeitures	547,000.00
Franchise Fees	525,000.00
Grants	389,000.00
Alcohol Tax	298,000.00
Rental Tax	280,000.00
Excise and Gas Tax	233,500.00
Tobacco Tax	155,000.00
Automobile Registration fees	93,000.00
Donations	75,000.00
TOTAL REVENUE	\$37,016,100.00



Taxes and Their Sources

Tax	Amount	Source
Sales Tax	2.5%	The City's share of sales tax paid by retailers within City limits
Business License		A business license is required for anyone who is practicing, engaging in, carrying on, or conducting any exhibition, trade, vocation, occupation or profession in the city.
Property Tax	7 mil	The City's share, paid annually by homeowners to the County, based on the assessed value of their real property.
Lodging Tax	8%	Paid by hotel guests, based on their room costs less than 30 days.



Expenditure Summary—Total Personnel (Excluding Operating Expenditures)

	PROPOSED BUDGET 2010-11
Salaries	\$ 14,900,956.68
Overtime	583,000.00
Health	2,774,500.00
Life	15,876.00
Workers Compensation	479,426.39
Retirement Benefits	1,184,400.86
Employer Taxes	1,156,210.08
Temporary Employees	212,900.55
Auto Allowance	12,000.00
Total Payroll & Payroll Related Costs	\$ 21,319,270.56



Expenditure Summary—Personnel by Department

	PROPOSED
	Budget
	2010-11
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Police	\$ 6,153,403.25
Fire	6,128,445.15
Wastewater	1,572,879.60
Leisure Services	1,373,737.96
Sanitation	1,233,257.22
Street	1,028,209.55
Planning	854,487.37
Vehicle Maintenance	582,778.88
Finance	484,180.88
Engineering	310,506.16
Information Technology	273,720.56
Judicial	262,273.51
City Clerk	257,143.37
Human Resources	254,788.28
Executive	246,190.28
Legislative	197,301.32
Performing Creative Arts	105,967.22
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	\$ 21,319,270.56



Expenditures Summary—Operating Expenditures by Department (Excluding Personnel Costs)

	PROPOSED BUDGET
	2010-11
Community Initiatives*	927,684.00
Leisure Services	883,695.00
Waste Water	876,750.00
Planning	804,649.00
IT	779,735.00
Fire	767,543.00
Sanitation	640,900.00
City - County Agencies**	492,150.00
Police	427,712.00
Vehicle Maintenance	415,650.00
Street	336,511.33
Finance	205,100.00
Performing & Creative Arts	177,600.00
Human Resources	161,185.00
Engineering	92,000.00
Judicial	44,400.00
City Clerk	38,100.00
Executive	29,661.00
Legislative	18,590.00
	\$8,119,615.33

* see page 13 for allocation details of Community Initiatives

** see page 14 for allocation details of City—County Agencies



Expenditures Summary—Total by Department

	PROPOSED BUDGET
	2010-11
Fire	\$6,895,988.15
Police	6,581,115.25
Waste Water	2,449,629.60
Leisure Services	2,257,432.96
Sanitation	1,874,157.22
Planning	1,659,136.37
Street	1,364,720.88
IT	1,258,455.56
Vehicle Maintenance	998,428.88
Community Initiatives*	927,684.00
Finance	689,280.88
City - County Agencies**	492,150.00
Human Resources	415,973.28
Engineering	402,506.16
Judicial	306,673.51
City Clerk	295,243.37
Performing & Creative Arts	283,567.22
Executive	275,851.28
Legislative	215,891.32
	\$29,643,885.89

* see page 13 for allocation details of Community Initiatives

** see page 14 for allocation details of City—County Agencies



Expenditure Summary—Community Initiatives Appropriations

	PROPOSED BUDGET 2010-11		PROPOSED BUDGET 2010-11
Chamber of Commerce	\$ 348,000.00	Autauga County Rescue Squad	\$ 3,000.00
LPGA	240,000.00	MAMH - Crisis Center	2,500.00
Prattville Airport	100,000.00	Council On Substance Abuse	2,500.00
Economic Development Incentive	50,000.00	Alabama League of Municipalities	2,000.00
Historic Prattville Redevelopment	32,732.00	Autauga County Black Heritage Association	1,800.00
Historic Prattville Redevelopment Authority	20,000.00	Chemical Addictions	1,000.00
Autauga County Board of Ed	20,000.00	Unemployment Compensation	1,000.00
L.M. Smith Development Center	17,500.00	Family Sunshine Center	1,000.00
Montgomery Area Mental Health	12,000.00	Crime Stoppers	1,000.00
EMA	10,000.00	Easter Seals	1,000.00
Boys and Girls Club	7,500.00	Kid One	1,000.00
North Highland Community Center	7,500.00	Envision 2020	1,000.00
RSVP	6,500.00	Character Council	1,000.00
Autauga County Heritage Association	5,400.00	Coosa Alabama River Improvement Association	500
PASS (Peers Are Staying Straight)	5,000.00	Retiree's Health Insurance	500
American Red Cross	5,000.00	Tree Commission	500
Autauga County Family Support Center	5,000.00	Autauga Master Gardener Association	300
Child Protect	5,000.00	People's Historical Museum	300
Central Alabama Regional Planning (CARPDC)	4,861.00		
Central Alabama Aging Consortium	3,791.00		
			\$ 927,684.00



Expenditure Summary—City/County Agencies

	PROPOSED
	<u>Budget 2010-11</u>
Autauga Prattville Public Library	\$ 265,000.00
E911	108,150.00
Autauga County Humane Society (Animal Shelter)	75,000.00
Autauga County Health Department	22,000.00
Rural Transportation (MPO Pass Through)	<u>22,000.00</u>
	\$ 492,150.00



General Budget Discussion

The budget process can be challenging in the best of times. There are a finite amount of dollars and an infinite number of demands. We must budget our anticipated revenues as efficiently as possible to maximize effectiveness. The global economic climate, which has been accurately dubbed “The Great Recession,” has added unique pressures to local governmental budgeting.

Adding challenges to this budget is an increase in debt obligations of approximately \$1.6 Million Dollars. This is primarily due to commitments for incentives to bring new commercial projects to Prattville. While the recession has affected the return the City is realizing on these investments, the projects that located in Prattville as a result of these incentives have generated a total of \$8,053,629 in sales taxes for the City through August 2009. These investments have provided increasing revenues in the economic downturn and have positioned us to maximize growth in the coming recovery.

The city also increased its participation in our self-funded health care program by 8%, which represents an additional \$250,000 compared to the previous budget year. To help offset this increase, The City held departmental operational expenditures level. This budget does not include capital equipment purchases, as they will be evaluated mid-budget year. The only capital expense included is for a new city-wide telephone system. The city’s current telephone system is obsolete and needs to be replaced. Community Initiatives were level funded, though the City did make an allocation toward meeting its prior commitment to the Chamber of Commerce’s Preferred Way Campaign.



General Budget Discussion (Continued)

The City's largest expenditure is for wages and benefits. Wages are held steady in this budget, there is no Cost of Living Adjustment (COLA) and merit raises are not included. COLAs are used to ensure that wages keep pace with inflation, to ensure that spending power is not lost and real wages diminished. Due to the recession, inflation is minimal and not at a level that would help justify a COLA for this year. While it is unfortunate that merit raises are not included, City employees have enjoyed compensation adjustments of approximately 15% over the last four years.

The spending plan presented will allow the City to continue providing the outstanding service for which Prattville is known while remaining on the solid financial footing that earned the City a bond rating of A with a stable outlook in 2009.