

City of Clermont, Florida



Adopted Budget Fiscal Year 2020



DARREN S. GRAY
City Manager

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September 19, 2019

Honorable Mayor Gail Ash
and Council Members

Dear Mayor and Council Members:

The annual budget is the most important document the Council adopts each year. Our challenges are to understand the priorities of our residents, define acceptable levels of service, and establish and apply funding sources appropriately. The **Adopted FY 2020 Budget** represents the City's financial plan to meet those challenges.

The **City-Wide Budget** totals \$148,302,844, which is \$4,628,464 or 3.03% less than the current year budget. The primary reason for the decrease is the completion of some of the master plan projects in the current year with fewer remaining projects to complete in FY20. The **General Fund Budget** totals \$40,269,566, which is \$366,573 or 0.90% less than the current year budget. The primary reason for the decrease is the budgeted land sale of the public works property in the FY 2019 budget. The General Fund budget is funded entirely from operating revenues, with no reserves projected to be used to balance the budget.

City-Wide Reserves at the end of FY 2020 are projected to be \$56,363,796, which is \$4,837,233 more than the projected current year ending reserves. **General Fund Reserves** at the end of FY 2020 are projected to be \$8,215,071 or 25.70% of operating expenditures. The City's Reserve Policy requires specific funds' reserves to be at least 25% of operating expenditures. All funds subject to the Reserves Policy are in compliance with the noted Policy.

Ad Valorem revenue, the City's largest single revenue source, is \$12,862,793, which is \$1,038,518 more than the current year budget. The revenue increase is due to a 9.61% increase in property taxable values. The City's millage rate is proposed to remain at 4.2061 for the fifth consecutive year. Clermont's millage rate continues to be among the lowest of other comparable cities in the Central Florida region. Over the last 5 years the City has seen a 46% growth in property taxable values, more than half (58%) of the growth is directly attributable to new construction.

Utility Fees revenues total \$18,570,000, which is \$495,000 or 2.74% more than the current year budget. The revenue increase is due to expected continued growth in the city as well as utility rate increases tied to inflation based indexes. Clermont's utilities charges still continue to be among the lowest of other comparable cities in the Central Florida region.

City-Wide Personnel Services total \$32,576,584, which is \$1,439,495 or 4.62% more than the current year budget. The primary reasons for the increase is due to five (5) new police officer positions in the Police department, effective January 1, 2020 (\$288,345); and contract/merit pay adjustments (2-4%) based on annual performance evaluations for all eligible employees, including employees at their pay grade maximums (\$643,968).

City-Wide Operating Expenses total \$21,230,737, which is \$5,650,268 or 36.27% more than the current year budget. The primary reasons for the increase is the inclusion of the Group Medical Self Insurance Fund (\$4,534,425) in the City's operating budget for the first time and an \$853,000 significant increase in the amount budgeted for the replacement of the City's residential water and irrigation meters. Excluding these increases, operating expenses only increased by \$262,843 or 1.69%.

City-Wide Capital Outlay totals \$27,707,860, which is \$15,327,131 or 35.62% less than the current year budget. The primary reason for the decrease is the completion of the next phase of master plan projects and the completion of utility expansion projects. The highlights of some significant departmental capital outlay items and funding sources in the upcoming budget are as follows:

- **Police Department** capital outlay items totaling \$537,500. Capital items include (5) replacement vehicles, (5) new positions' vehicles, a new motorcycle, and various equipment items. Funding sources include the Infrastructure Sales Tax Fund (\$236,500) and Police Impact Fees Fund (\$301,000).
- **Fire Department** capital outlay items totaling \$307,624. Capital items include initial design costs for Fire Station 102, a storage shed for Station 104, security fencing for Stations 102,103 and 104, access control system improvements at all stations and various equipment items. Funding sources include the General Fund (\$30,226), Infrastructure Sales Tax Fund (\$253,574) and Fire Impact Fees Fund (\$23,824).
- **Public Works Department** capital outlay items totaling \$7,436,740. Capital items include initial costs for East Avenue complete street design, improvements to city parks, (2) utility vehicles, construction of a columbarium at the Cemetery, fencing at Lake Hiawatha Preserve and McKinney Park, Public Works Complex design/construction, security improvements and various equipment items. Funding sources include the Infrastructure Sales Tax Fund (\$339,760), Cemetery Fund (\$17,980), Recreation Impact Fees Fund (\$98,000), and Capital Projects Fund (\$6,981,000).
- **Economic Development Department** capital outlay items totaling \$5,870,000. The majority of the capital items included are the master plan projects: Boat Ramp Relocation, Downtown Waterfront Revitalization, Legacy Loop Trail Spur, 8th Street Pier Improvements and Public Wi-Fi Network. Funding sources are from the Master Plan Loan (\$5,870,000).
- **Parks and Recreation Department** capital outlay items totaling \$308,480. Capital items include new audio systems at the Highlander Pavilion and Victory Pointe Park, LED lighting in the north parking lot at the Arts and Recreation Center, security improvements at the ARC and theatrical lighting for the Black Box Theater. Funding sources include the General Fund (\$12,880), Infrastructure Sales Tax Fund (\$189,000) and Recreation Impact Fees Fund (\$106,600).
- **Environmental Services Department** capital outlay items totaling \$13,039,989. Capital items include (2) replacement vehicles, (2) side load garbage trucks, a portion of the construction and design for the Public Works Complex, stormwater and water utility improvements related to the CDBG project in the vicinity of Disston Ave. and School St., lift station improvements/replacements, the treatment and operation of the lower floridan wells, water main upsizing from CW Harrell Road to Johns Lake Road,

replacement of Summit Greens poly line, security improvements, several other utility system improvements and various equipment items. Funding sources include the Water Fund (\$2,333,634), Water Impact Fees (\$2,900,000), Sewer Fund (\$1,499,400), Sewer Impact Fees (\$2,962,250), and Stormwater Fund (\$432,135) and Sanitation Fund (\$2,966,570).

The proposed budget represents a sound financial plan for the new fiscal year that continues to provide levels of service expected by our residents. While reserves are being used in some funds, adequate reserves are being maintained for adjustments and emergencies that may occur throughout the year.

I would like to thank Joe Van Zile, Finance Director, Pam Brosonski, Assistant Finance Director and Tina Kilbury, Budget Analyst and all of the Department Directors for their efforts in preparing this budget.

Sincerely,



Darren S. Gray
City Manager

City of Clermont

Fiscal Year 2020 Adopted Budget

Budget Summary All Funds

Description	Dollar Amount
Estimated Revenues	
Ad Valorem Taxes	12,862,793
Other Taxes	9,446,651
Licenses, Permits & Fees	9,775,200
Intergovernmental Revenues	6,089,487
Charges For Services	20,686,683
Fines & Forfeitures	101,000
Miscellaneous Revenue	7,600,524
Interfund Transfers	5,768,017
Total Estimated Revenues	72,330,355
Beginning Reserves	75,972,529
Total Estimated Revenues and Reserves	148,302,884
Estimated Expenditures	
General Government	12,259,394
Public Safety	22,179,465
Physical Environment	37,473,636
Transportation/Public Works	4,398,882
Economic Environment	6,364,071
Culture/Recreation	3,495,622
Interfund Transfers	5,768,018
Total Estimated Expenditures	91,939,088
Ending Reserves	56,363,796
Total Estimated Expenditures and Reserves	148,302,884

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Fiscal Year 2020 Adopted Budget

Budget Summary by Fund-General Fund

Description	Dollar Amount
Estimated Revenues	
Ad Valorem Taxes	12,528,000
Other Taxes	5,637,098
Licenses, Permits & Fees	3,629,000
Intergovernmental Revenues	4,774,237
Charges For Services	2,112,683
Fines & Forfeitures	101,000
Miscellaneous Revenue	1,245,648
Interfund Transfers	2,026,829
Total Estimated Revenues	32,054,495
Beginning Reserves	8,215,071
Total Estimated Revenues and Reserves	40,269,566
Estimated Expenditures	
General Government	4,699,849
Public Safety	19,768,367
Physical Environment	923,532
Transportation/Public Works	3,185,745
Economic Environment	146,841
Culture/Recreation	3,111,694
Interfund Transfers	218,467
Total Estimated Expenditures	32,054,495
Ending Reserves	8,215,071
Total Estimated Expenditures and Reserves	40,269,566

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Budget Summary by Fund-Building Services Fund

Description	Dollar Amount
Estimated Revenues	
Ad Valorem Taxes	0
Other Taxes	0
Licenses, Permits & Fees	1,235,000
Intergovernmental Revenues	0
Charges For Services	4,000
Fines & Forfeitures	0
Miscellaneous Revenue	12,000
Interfund Transfers	0
Total Estimated Revenues	1,251,000
Beginning Reserves	1,342,867
Total Estimated Revenues and Reserves	2,593,867
Estimated Expenditures	
General Government	0
Public Safety	1,490,493
Physical Environment	0
Transportation/Public Works	0
Economic Environment	0
Culture/Recreation	0
Interfund Transfers	0
Total Estimated Expenditures	1,490,493
Ending Reserves	1,103,374
Total Estimated Expenditures and Reserves	2,593,867

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Budget Summary by Fund-Infrastructure Surtax Fund

Description	Dollar Amount
Estimated Revenues	
Ad Valorem Taxes	0
Other Taxes	3,809,553
Licenses, Permits & Fees	0
Intergovernmental Revenues	0
Charges For Services	0
Fines & Forfeitures	0
Miscellaneous Revenue	8,000
Interfund Transfers	0
Total Estimated Revenues	3,817,553
Beginning Reserves	192,710
Total Estimated Revenues and Reserves	4,010,263
Estimated Expenditures	
General Government	153,977
Public Safety	595,113
Physical Environment	12,000
Transportation/Public Works	1,003,810
Economic Environment	0
Culture/Recreation	189,000
Interfund Transfers	2,030,697
Total Estimated Expenditures	3,984,597
Ending Reserves	25,666
Total Estimated Expenditures and Reserves	4,010,263

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Budget Summary by Fund-Cemetery Fund

Description	Dollar Amount
Estimated Revenues	
Ad Valorem Taxes	0
Other Taxes	0
Licenses, Permits & Fees	0
Intergovernmental Revenues	0
Charges For Services	0
Fines & Forfeitures	0
Miscellaneous Revenue	112,000
Interfund Transfers	0
Total Estimated Revenues	112,000
Beginning Reserves	1,244,707
Total Estimated Revenues and Reserves	1,356,707
Estimated Expenditures	
General Government	0
Public Safety	0
Physical Environment	0
Transportation/Public Works	110,787
Economic Environment	0
Culture/Recreation	0
Interfund Transfers	0
Total Estimated Expenditures	110,787
Ending Reserves	1,245,920
Total Estimated Expenditures and Reserves	1,356,707

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Budget Summary by Fund-Recreation Impact Fee Fund

Description	Dollar Amount
Estimated Revenues	
Ad Valorem Taxes	0
Other Taxes	0
Licenses, Permits & Fees	900,000
Intergovernmental Revenues	0
Charges For Services	0
Fines & Forfeitures	0
Miscellaneous Revenue	10,000
Interfund Transfers	0
Total Estimated Revenues	910,000
Beginning Reserves	599,652
Total Estimated Revenues and Reserves	1,509,652
Estimated Expenditures	
General Government	0
Public Safety	0
Physical Environment	0
Transportation/Public Works	98,540
Economic Environment	0
Culture/Recreation	194,928
Interfund Transfers	569,636
Total Estimated Expenditures	863,104
Ending Reserves	646,548
Total Estimated Expenditures and Reserves	1,509,652

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Budget Summary by Fund-Police Impact Fee Fund

Description	Dollar Amount
Estimated Revenues	
Ad Valorem Taxes	0
Other Taxes	0
Licenses, Permits & Fees	325,200
Intergovernmental Revenues	0
Charges For Services	0
Fines & Forfeitures	0
Miscellaneous Revenue	6,000
Interfund Transfers	0
Total Estimated Revenues	331,200
Beginning Reserves	454,306
Total Estimated Revenues and Reserves	785,506
Estimated Expenditures	
General Government	0
Public Safety	301,308
Physical Environment	0
Transportation/Public Works	0
Economic Environment	0
Culture/Recreation	0
Interfund Transfers	14,763
Total Estimated Expenditures	316,071
Ending Reserves	469,435
Total Estimated Expenditures and Reserves	785,506

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Budget Summary by Fund-Fire Impact Fee Fund

Description	Dollar Amount
Estimated Revenues	
Ad Valorem Taxes	0
Other Taxes	0
Licenses, Permits & Fees	385,000
Intergovernmental Revenues	0
Charges For Services	0
Fines & Forfeitures	0
Miscellaneous Revenue	6,000
Interfund Transfers	0
Total Estimated Revenues	391,000
Beginning Reserves	719,425
Total Estimated Revenues and Reserves	1,110,425
Estimated Expenditures	
General Government	0
Public Safety	24,184
Physical Environment	0
Transportation/Public Works	0
Economic Environment	0
Culture/Recreation	0
Interfund Transfers	0
Total Estimated Expenditures	24,184
Ending Reserves	1,086,241
Total Estimated Expenditures and Reserves	1,110,425

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Budget Summary by Fund-Debt Service Fund

Description	Dollar Amount
Estimated Revenues	
Ad Valorem Taxes	0
Other Taxes	0
Licenses, Permits & Fees	0
Intergovernmental Revenues	0
Charges For Services	0
Fines & Forfeitures	0
Miscellaneous Revenue	7,000
Interfund Transfers	2,833,562
Total Estimated Revenues	2,840,562
Beginning Reserves	1,773,733
Total Estimated Revenues and Reserves	4,614,295
Estimated Expenditures	
General Government	2,808,768
Public Safety	0
Physical Environment	0
Transportation/Public Works	0
Economic Environment	0
Culture/Recreation	0
Interfund Transfers	0
Total Estimated Expenditures	2,808,768
Ending Reserves	1,805,527
Total Estimated Expenditures and Reserves	4,614,295

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Budget Summary by Fund-Capital Projects Fund

Description	Dollar Amount
Estimated Revenues	
Ad Valorem Taxes	0
Other Taxes	0
Licenses, Permits & Fees	0
Intergovernmental Revenues	950,000
Charges For Services	0
Fines & Forfeitures	0
Miscellaneous Revenue	400,000
Interfund Transfers	0
Total Estimated Revenues	1,350,000
Beginning Reserves	17,554,640
Total Estimated Revenues and Reserves	18,904,640
Estimated Expenditures	
General Government	7,000
Public Safety	0
Physical Environment	6,981,000
Transportation/Public Works	0
Economic Environment	5,870,000
Culture/Recreation	0
Interfund Transfers	0
Total Estimated Expenditures	12,858,000
Ending Reserves	6,046,640
Total Estimated Expenditures and Reserves	18,904,640

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Budget Summary by Fund-Water Fund

Description	Dollar Amount
Estimated Revenues	
Ad Valorem Taxes	0
Other Taxes	0
Licenses, Permits & Fees	0
Intergovernmental Revenues	174,900
Charges For Services	6,270,000
Fines & Forfeitures	0
Miscellaneous Revenue	497,500
Interfund Transfers	320,257
Total Estimated Revenues	7,262,657
Beginning Reserves	12,704,443
Total Estimated Revenues and Reserves	19,967,100
Estimated Expenditures	
General Government	0
Public Safety	0
Physical Environment	9,026,645
Transportation/Public Works	0
Economic Environment	0
Culture/Recreation	0
Interfund Transfers	961,829
Total Estimated Expenditures	9,988,474
Ending Reserves	9,978,626
Total Estimated Expenditures and Reserves	19,967,100

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Budget Summary by Fund-Water Impact Fee Fund

Description	Dollar Amount
Estimated Revenues	
Ad Valorem Taxes	0
Other Taxes	0
Licenses, Permits & Fees	911,000
Intergovernmental Revenues	0
Charges For Services	0
Fines & Forfeitures	0
Miscellaneous Revenue	30,000
Interfund Transfers	0
Total Estimated Revenues	941,000
Beginning Reserves	3,585,398
Total Estimated Revenues and Reserves	4,526,398
Estimated Expenditures	
General Government	0
Public Safety	0
Physical Environment	2,902,000
Transportation/Public Works	0
Economic Environment	0
Culture/Recreation	0
Interfund Transfers	320,257
Total Estimated Expenditures	3,222,257
Ending Reserves	1,304,141
Total Estimated Expenditures and Reserves	4,526,398

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Budget Summary by Fund-Sewer Fund

Description	Dollar Amount
Estimated Revenues	
Ad Valorem Taxes	0
Other Taxes	0
Licenses, Permits & Fees	0
Intergovernmental Revenues	0
Charges For Services	7,100,000
Fines & Forfeitures	0
Miscellaneous Revenue	101,000
Interfund Transfers	587,369
Total Estimated Revenues	7,788,369
Beginning Reserves	6,851,923
Total Estimated Revenues and Reserves	14,640,292
Estimated Expenditures	
General Government	0
Public Safety	0
Physical Environment	6,881,178
Transportation/Public Works	0
Economic Environment	0
Culture/Recreation	0
Interfund Transfers	1,065,000
Total Estimated Expenditures	7,946,178
Ending Reserves	6,694,114
Total Estimated Expenditures and Reserves	14,640,292

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Budget Summary by Fund-Sewer Impact Fee Fund

Description	Dollar Amount
Estimated Revenues	
Ad Valorem Taxes	0
Other Taxes	0
Licenses, Permits & Fees	2,390,000
Intergovernmental Revenues	0
Charges For Services	0
Fines & Forfeitures	0
Miscellaneous Revenue	125,000
Interfund Transfers	0
Total Estimated Revenues	2,515,000
Beginning Reserves	12,079,284
Total Estimated Revenues and Reserves	14,594,284
Estimated Expenditures	
General Government	0
Public Safety	0
Physical Environment	2,969,750
Transportation/Public Works	0
Economic Environment	0
Culture/Recreation	0
Interfund Transfers	587,369
Total Estimated Expenditures	3,557,119
Ending Reserves	11,037,165
Total Estimated Expenditures and Reserves	14,594,284

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Budget Summary by Fund-Stormwater Fund

Description	Dollar Amount
Estimated Revenues	
Ad Valorem Taxes	0
Other Taxes	0
Licenses, Permits & Fees	0
Intergovernmental Revenues	190,350
Charges For Services	1,800,000
Fines & Forfeitures	0
Miscellaneous Revenue	14,000
Interfund Transfers	0
Total Estimated Revenues	2,004,350
Beginning Reserves	1,634,940
Total Estimated Revenues and Reserves	3,639,290
Estimated Expenditures	
General Government	0
Public Safety	0
Physical Environment	2,042,821
Transportation/Public Works	0
Economic Environment	0
Culture/Recreation	0
Interfund Transfers	0
Total Estimated Expenditures	2,042,821
Ending Reserves	1,596,469
Total Estimated Expenditures and Reserves	3,639,290

City of Clermont

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Budget Summary by Fund-Sanitation Fund

Description	Dollar Amount
Estimated Revenues	
Ad Valorem Taxes	0
Other Taxes	0
Licenses, Permits & Fees	0
Intergovernmental Revenues	0
Charges For Services	3,400,000
Fines & Forfeitures	0
Miscellaneous Revenue	55,000
Interfund Transfers	0
Total Estimated Revenues	3,455,000
Beginning Reserves	4,752,361
Total Estimated Revenues and Reserves	8,207,361
Estimated Expenditures	
General Government	0
Public Safety	0
Physical Environment	5,734,710
Transportation/Public Works	0
Economic Environment	0
Culture/Recreation	0
Interfund Transfers	0
Total Estimated Expenditures	5,734,710
Ending Reserves	2,472,651
Total Estimated Expenditures and Reserves	8,207,361

City of Clermont

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Budget Summary by Fund-Group Self Insurance Fund

Description	Dollar Amount
Estimated Revenues	
Ad Valorem Taxes	0
Other Taxes	0
Licenses, Permits & Fees	0
Intergovernmental Revenues	0
Charges For Services	0
Fines & Forfeitures	0
Miscellaneous Revenue	4,966,876
Interfund Transfers	0
Total Estimated Revenues	4,966,876
Beginning Reserves	1,793,899
Total Estimated Revenues and Reserves	6,760,775
Estimated Expenditures	
General Government	4,589,800
Public Safety	0
Physical Environment	0
Transportation/Public Works	0
Economic Environment	0
Culture/Recreation	0
Interfund Transfers	0
Total Estimated Expenditures	4,589,800
Ending Reserves	2,170,975
Total Estimated Expenditures and Reserves	6,760,775

City of Clermont

Fiscal Year 2020 Adopted Budget

Budget Summary by Fund-CRA Fund

Description	Dollar Amount
Estimated Revenues	
Ad Valorem Taxes	334,793
Other Taxes	0
Licenses, Permits & Fees	0
Intergovernmental Revenues	0
Charges For Services	0
Fines & Forfeitures	0
Miscellaneous Revenue	4,500
Interfund Transfers	0
Total Estimated Revenues	339,293
Beginning Reserves	473,170
Total Estimated Revenues and Reserves	812,463
Estimated Expenditures	
General Government	0
Public Safety	0
Physical Environment	0
Transportation/Public Works	0
Economic Environment	347,230
Culture/Recreation	0
Interfund Transfers	0
Total Estimated Expenditures	347,230
Ending Reserves	465,233
Total Estimated Expenditures and Reserves	812,463