

Town of Montverde Proposed Budget



Montverde TrailWay Extension, funded through 2015 Florida Department of Environmental Protection Recreational Trail Program Grant

Fiscal Year 2016



Council and Citizens of Montverde:

Submitted in the following packet is the Proposed Budget for the Town of Montverde for FY 2016. This packet provides baseline budget requests, by department, for the new year, as well as supplementary information to aid in decision-making. The organization of this Budget Book is similar to those of prior years, for ease of comparability:

Tab 1

Tab 1 provides an overview of the entire budget process for the Town. A budget calendar, with State deadlines and other significant events, is provided. An organizational chart of the Town is also included, reflecting each department and its employees. The third page in Tab 1 shows an overview of the Proposed FY 2016 Budget, with specific detail being provided in the Tabs that follow.

Tab 2

Summaries of the Town's Revenues are provided in Tab 2. In most cases, three years of data are presented: the FY 2014 actual revenues, the FY 2015 adopted budget, and the FY 2016 proposed budget. Revenues are presented separately for each fund. Some significant highlights within the Revenue Summaries are:

On July 1, 2015, the Lake County Property Appraiser provided the Town with the estimate of taxable value. The value provided was \$80,227,268, which represents an increase of \$2,341,466 from the prior year. Assuming the same millage rate as the prior year, the result of this increase in taxable value is an increase in Ad Valorem Tax Revenue for the Town of Montverde in the amount of \$6,626.

During Fiscal Year 2015, Town Council voted to increase the Fire Assessment Fee charged to residents, to collect this fee on the property tax bills, and to use these revenues to create a separate fund for the Fire Department. It is estimated that the increased fee will generate \$72,063 for the new Fire Fund. To cover expenditures, as well as create a \$20,000 Reserve in the new Fire Fund, the General Fund will be required to transfer \$43,356.

After an extensive water usage study, Council voted to increase water rates 5% annually for the next few years. The FY 2016 budget for the Water Fund will reflect this increase.

Tab 3

Tab 3 presents Summaries of Expenditures within the Town. As with the Revenues, three years of data are presented: the FY 2014 actual expenditures, the FY 2015 adopted budget, and the FY 2016 proposed budget.

There are several accounts within the Expenditure budgets for FY 2016 that show significant variations from the prior year:

1. The budget for Employee Health Insurance was increased by 15% as recommended by the Town's insurance provider.
2. The budget for Law Enforcement includes \$12,000 for extra detail, as provided by the Florida Highway Patrol.

3. Expenditures for engineering and consulting services reflect a significant increase in the current year, due to various studies and on-going projects. The FY 2016 budgets for these services were increased as it is expected that these projects and studies will continue into the new year.

Salaries for the five full-time and two part-time employees were budgeted with a 2% cost of living adjustment (COLA), effective October 1, and a merit increase of up to 3% on the employee's anniversary date.

Tab 4

Included in Tab 4 are each Department's budget requests for FY 2016. The top portion of each Department's page represents a summary of proposed revenues and expenditures, with specific line-item detail being provided in the bottom portion.

Tab 5

Tab 5 contains proposed budgets for Sections within the Town (i.e., those specific areas that have only a few line items and no employees). Summaries and details are also provided for Sectional budgets.

Tab 6

An analysis of Beginning Fund Balance is under Tab 6. Beginning Fund Balance represents the amount of money that a government starts the year with; it is an accumulation of all unspent funds since the inception of the governmental unit. It is important that a Beginning Fund Balance is included in an annual budget as it provides a true picture of a government's financial position. Beginning Fund Balance plus Current-Year Revenues equal the Total Revenues for FY 2016. Total Revenues, then, represents the complete amount that is available to fund all operations and projects of the Town of Montverde.

Tab 7

Under Tab 7 is an analysis of the Reserves ("savings") of the Town. Reserves are the amount of funding left, after departmental budget requests for the new year are put into the budget and subtracted from Total Revenues. A simple formula to note is:

$$\begin{array}{r} \text{Beginning Fund Balance} \\ + \text{Current Year Revenues} \\ = \\ \text{Current Year Expenditures} \\ + \text{Reserves} \end{array}$$

Included in Tab 7 is a recommendation from the Florida Government Finance Officers Association (FGFOA) regarding the appropriate level of Reserves for all Florida governmental units. It is noteworthy that the Town's Reserves, for both the General Fund and the Water Fund, are ten times greater than the amount recommended by the FGFOA.

Also included in Tab 7 is a break-out of Reserves proposed for FY 2016.

Tab 8

Included in Tab 8 is a small list of Enhancements and Capital Projects for consideration by the Town Council. As a note, it is customary to fund only one-time-only projects from Reserves. On-going operations or projects with significant recurring costs should not be funded from Reserves. Simply stated, it would be the equivalent of paying your monthly mortgage from your savings account.

Tab 9

Tab 9 contains a Schedule of Cash and Cash Equivalents to provide a picture of the Town's financial position on October 1, 2015.

Respectfully Submitted,

A handwritten signature in blue ink that reads "Mary Gillis". The signature is written in a cursive style with a large initial "M" and a prominent "G".

Mary Gillis, CPA
Town of Montverde

Budget Adoption Timeline
FY 2016 Budget



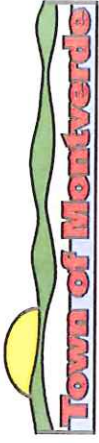
July	
7/1/2015	Preliminary estimate of property tax value due from Property Appraiser.

August	
8/4/2015	Property Appraiser must be notified of proposed millage rate, rollback rate, prior year millage rate, and date, time, and place of First Public Hearing. The First Public Hearing can be held: <ul style="list-style-type: none"> a. Monday thru Friday - must be after 5:00 PM b. Saturday - anytime c. Sunday - not allowed d. Not on the same day as the School District or County Commission.
8/5/2015	Budget Workshop: Overview of all departments, Mayor's Office, 6:30 PM
8/24/2015	Property Appraiser must mail out Notice of Proposed Property Taxes (TRIM) to taxpayers.

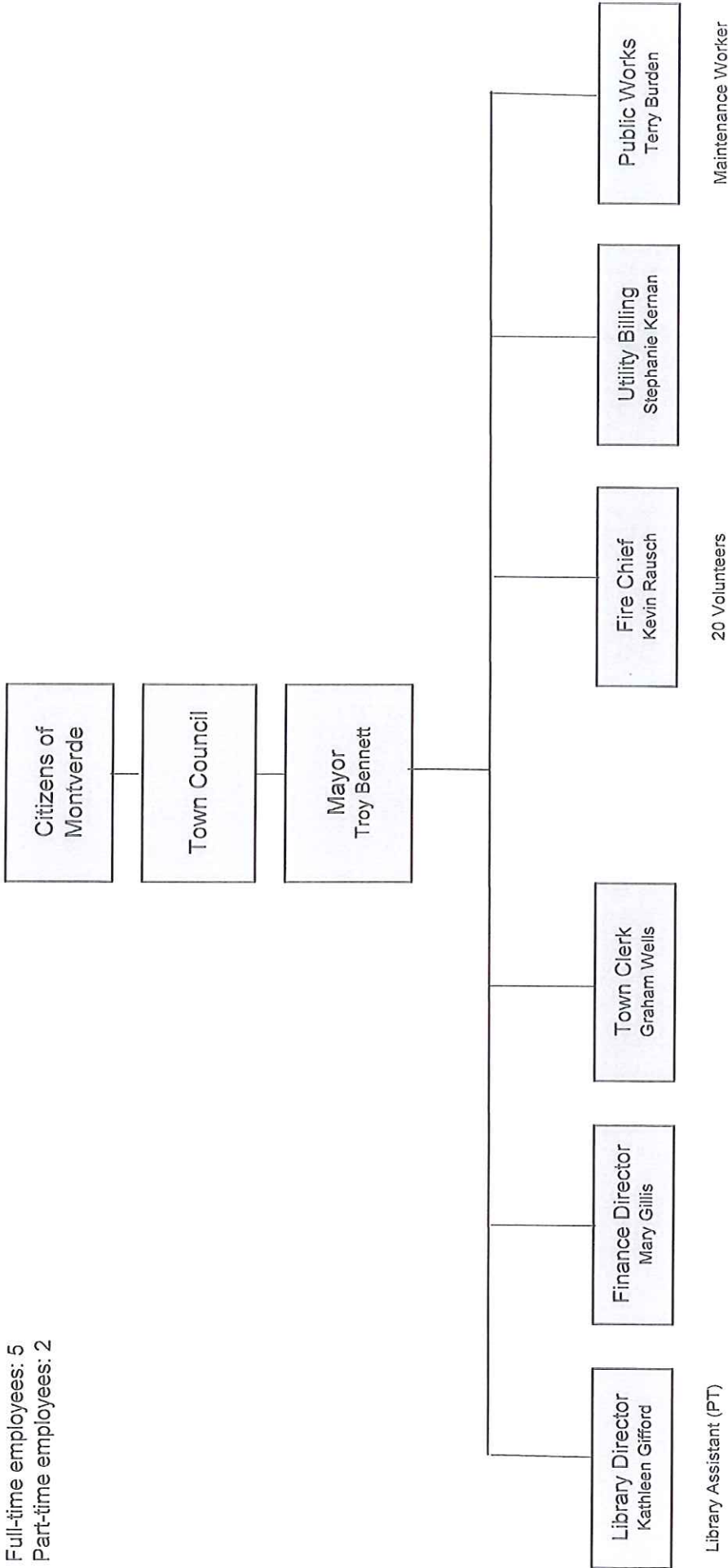
September	
9/3/2015 to 9/18/2015	First Public Hearing for the tentative budget and proposed millage must be held. The meeting is publicized via the TRIM notice. At the Hearing, the Council will amend and adopt the tentative budget, recompute the proposed millage rate, and publicly announce the percent that the recomputed proposed millage exceeds the rolled-back rate. The Council will also adopt a tentative millage and budget. <i>Public Hearing Date: September 9, 2015, 6:30 PM</i>
Within 15 Days After First Budget Hearing	Town must advertise the final millage and budget in a newspaper of general circulation. Advertisement must be published between 2-5 days of the Second Public Hearing. The Second Public Hearing must be held within 15 days after the First Budget Hearing. <i>Suggested Public Hearing Date: September 23, 2015, 6:30 PM</i>
Within 3 Days of Final Budget Hearing	Resolution or ordinance adopting the final millage rate must be sent to the Property Appraiser, Tax Collector, and Department of Revenue.

October	
10/1/2015	FY 2016 Adopted Budget goes into effect.
Beginning of Month	Property Appraiser issues Certification of Final Taxable Value (DR 422).
Within 3 Days of Receipt of DR 422	Town must complete the Certification of Final Taxable Value and return to the Property Appraiser.
Within 30 Days of Final Budget Hearing	Final TRIM package must be submitted to the State of Florida, Department of Revenue.

**Reporting Structure
FY 2016 Budget**



Full-time employees: 5
Part-time employees: 2



Current Revenue & Expenditure Summary - Overview
FY 2016 Budget



The amounts shown below represent Current Revenues and Expenditures; accumulated fund balances are ignored (i.e. Beginning Fund Balance and Reserves are excluded). This page, therefore, represents simply the amount of money that will be received in FY 2016 and the amount of money budgeted to be spent in FY 2016.

General Fund	FY 2016 Budget
Ad Valorem Taxes	\$ 219,961
Fuel Taxes	46,324
Franchise Fees	76,000
Utility Service Taxes	89,154
Licenses and Permits	875
Grants	26,000
Sales Taxes - Collected by the State	258,787
Fines and Forfeits	3,000
Charges for Services	157,000
Interest	6,000
Other Revenue Sources	62,700
TOTAL CURRENT REVENUES	\$ 945,801
Personal Services	\$ 156,190
Operating Expenditures	627,809
Capital Outlay	61,950
Grants and Aids	3,800
Transfer to Fire Fund	59,816
TOTAL CURRENT EXPENDITURES	\$ 909,565
INCREASE TO RESERVES	\$ 36,236

Water Fund	FY 2016 Budget
Charges for Services	\$ 286,000
Interest	1,400
TOTAL CURRENT REVENUES	\$ 287,400
Personal Services	\$ 154,151
Operating Expenditures	118,678
Capital Outlay	73,520
TOTAL CURRENT EXPENDITURES	\$ 346,349
DECREASE TO RESERVES	\$ (58,949)*

*There is a budgeted decrease to Reserves due to the re-budget of a SCADA alarm for the wells. The alarm, costing \$40,000, was approved by Council for purchase in the 2015 budget, but the purchase will not be completed until 2016.

Fire Fund	FY 2016 Budget
Charges for Services	\$ 72,063
Transfer from General Fund	59,816
TOTAL CURRENT REVENUES	\$ 131,879
Personal Services	\$ 45,176
Operating Expenditures	61,003
Capital Outlay	5,700
TOTAL CURRENT EXPENDITURES	\$ 111,879
INCREASE TO RESERVES	\$ 20,000

General Fund Revenue Summary
FY 2016 Budget



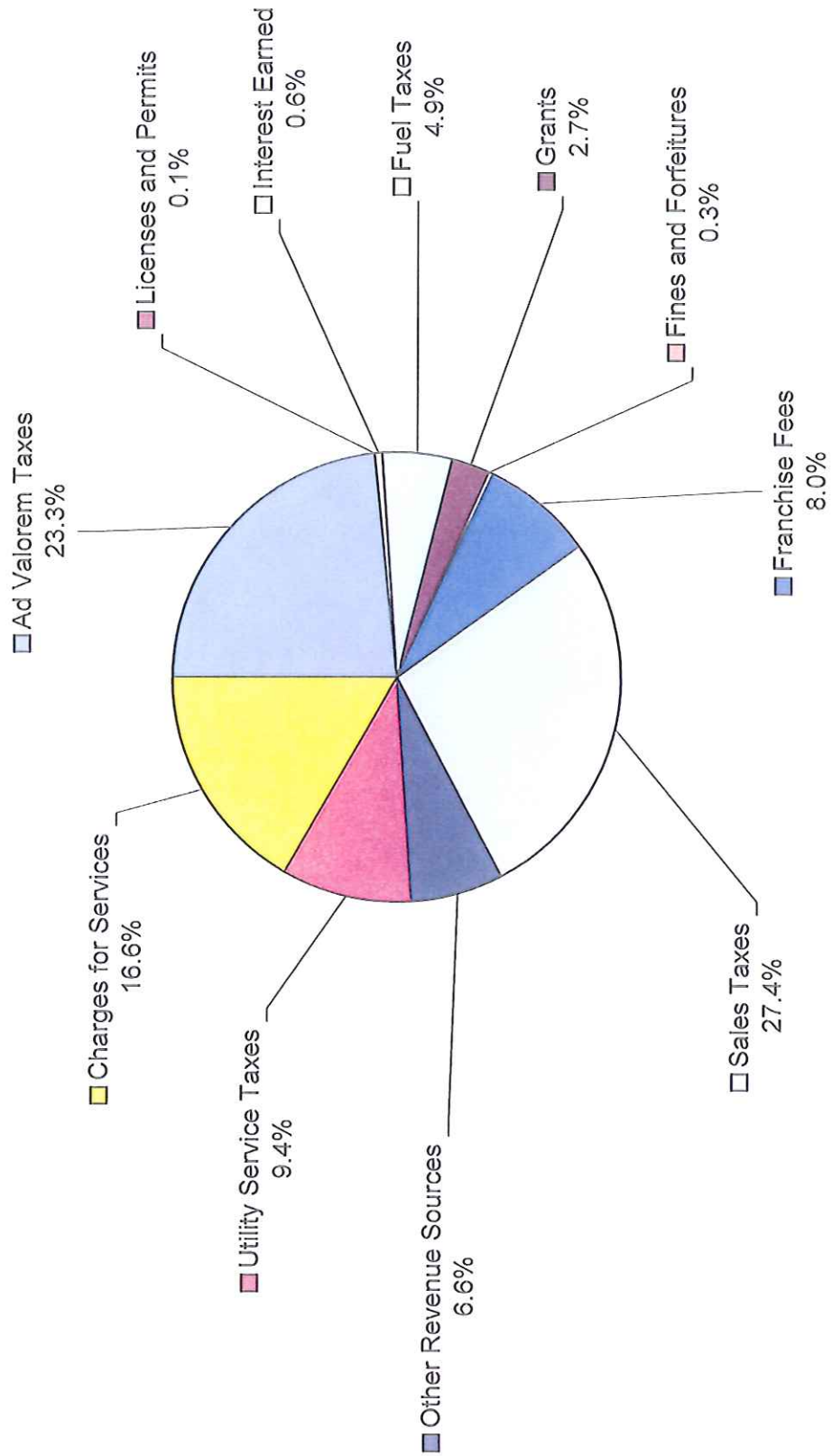
	FY 2014 Actual	FY 2015 Budget	FY 2016 Budget
Ad Valorem Taxes			
Current Ad Valorem Taxes	\$ 200,518	\$ 211,600	\$ 217,961
Delinquent Ad Valorem Taxes	5,046	1,000	2,000
Fuel Taxes			
Local Option Gas Tax	21,876	63,410	40,724
One Cent Gas Tax	5,826	5,300	5,600
Franchise Fees			
Electricity Franchise	93,516	77,000	74,000
Gas Franchise	2,262	2,000	2,000
Utility Service Taxes			
Electricity Service Tax	58,266	45,000	45,000
Natural Gas Service Tax	1,575	1,400	1,700
Communications Service Tax	43,709	42,223	42,454
Licenses and Permits			
Professional and Occupational Licenses	1,041	700	600
Mobile Home Licenses	269	275	225
Alcoholic Beverage Licenses	49	50	50
Grants			
Lake County Board of County Commissioners - Library	26,656	24,000	26,000
Energy Efficiency Grant	15,700	-	-
Recreational Trail Grant	162,396	-	-
Sales Taxes - Collected by the State			
Discretionary Sales Tax	122,724	126,699	134,058
Half Cent Sales Tax	76,207	77,943	83,815
State Revenue Sharing	37,606	38,491	40,914
Fines and Forfeits			
Court Fines	289	250	2,500
Library Fines	955	900	500
Charges for Services			
Fire Assessment	44,255	44,000	-
Garbage Collection	149,583	145,000	147,000
Recycling Revenue	54	-	-
Zoning Fees	13,365	10,000	10,000
Other Revenue Sources			
Interest	7,245	8,000	6,000
Donations - Cemetery	225	150	150
Booth Fees - Montverde Day	16,382	10,000	12,000
Rental of Community Building	470	400	800
License Plate Revenues	110	50	50
Library Book Sales	299	-	200
Cell Tower Income	23,982	24,000	27,000

General Fund Revenue Summary (continued)
FY 2016 Budget



	FY 2014 Actual	FY 2015 Budget	FY 2016 Budget
Other Revenue Sources (continued)			
Rental Income from Post Office	\$ 16,375	\$ 15,000	\$ 16,500
Rental Income from Ballfield	1,092	1,100	2,000
Rental Income from Tennis Court	-	-	-
Notary, Copy, Fax Fees	533	500	500
Reimbursement for T-1 Lines	1,680	3,360	1,500
Other	3,641	150	2,000
TOTAL CURRENT REVENUES	\$ 1,155,776	\$ 979,951	\$ 945,801
Beginning Fund Balance	\$ -	\$ 1,268,622	\$ 1,434,919
Cash Carried Forward From Prior Year	-	166,297	(185,749)
TOTAL BEGINNING FUND BALANCE (CASH CARRIED FORWARD)	\$ -	\$ 1,434,919	\$ 1,249,170
TOTAL GENERAL FUND REVENUES	\$ 1,155,776	\$ 2,414,870	\$ 2,194,971

FY 2016
GENERAL FUND REVENUES, EXCLUDING FUND BALANCE



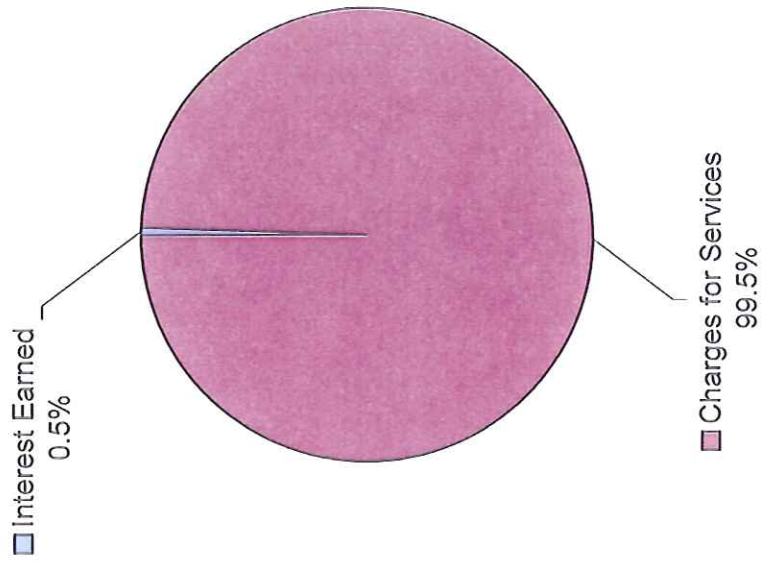
*Chart above reflects current revenues only. Excluded is the Cash Carried Forward (Beginning Fund Balance), estimated to be \$1,249,170 for FY 2016.

Water Fund Revenue Summary
FY 2016 Budget



	FY 2014 Actual	FY 2015 Budget	FY 2016 Budget
Charges for Services			
Water Services Charges	\$ 248,481	\$ 245,000	\$ 283,000
Cut On/Off Fees	4,224	3,000	3,000
Credit Card Usage Fee	13	40	-
Water Impact Fees	18,128	-	-
Installation Charges	8,400	-	-
Other Revenue Sources			
Interest	968	1,200	1,400
TOTAL CURRENT REVENUES	\$ 280,214	\$ 249,240	\$ 287,400
Beginning Fund Balance	\$ -	\$ 412,767	\$ 345,793
Cash Carried Forward From Prior Year (Depleted)	-	(66,974)	49,126
TOTAL BEGINNING FUND BALANCE (CASH CARRIED FORWARD)	\$ -	\$ 345,793	\$ 394,919
TOTAL WATER FUND REVENUES	\$ 280,214	\$ 595,033	\$ 682,319

FY 2016
WATER FUND REVENUES, EXCLUDING FUND BALANCE



*Chart above reflects current revenues only. Excluded is the Cash Carried Forward (Beginning Fund Balance), estimated to be \$394,919 for FY 2016.

**Fire Fund Revenue Summary
FY 2016 Budget**



	FY 2014 Actual	FY 2015 Budget	FY 2016 Budget
Charges for Services			
Fire Assessment Fee	\$ -	\$ -	\$ 72,063
Other Revenue Sources			
Transfer from General Fund	-	-	59,816
TOTAL CURRENT REVENUES	\$ -	\$ -	\$ 131,879
Beginning Fund Balance	\$ -	\$ -	\$ -
Cash Carried Forward From Prior Year (Depleted)	-	-	-
TOTAL BEGINNING FUND BALANCE (CASH CARRIED FORWARD)	\$ -	\$ -	\$ -
TOTAL FIRE FUND REVENUES	\$ -	\$ -	\$ 131,879

Expenditure Summary by Classification
FY 2016 Budget



General Fund	FY 2014 Year-End Actual	FY 2015 Adopted Budget	FY 2016 Budget Request
Classification			
Personal Services	\$ 163,216	\$ 201,485	\$ 156,190
Operating Expenditures	606,536	600,681	627,809
Capital Outlay	242,755	73,700	61,950
Grants and Aids	(1,460)	500	3,800
Transfer to Fire Fund	-	-	59,816
Total Expenditures, before Reserves	\$ 1,011,047	\$ 876,366	\$ 909,565
Reserves	-	1,538,504	1,285,406
Total Expenditures	\$ 1,011,047	\$ 2,414,870	\$ 2,194,971

Water Fund	FY 2014 Year-End Actual	FY 2015 Adopted Budget	FY 2016 Budget Request
Classification			
Personal Services	\$ 175,623	\$ 164,327	\$ 154,151
Operating Expenditures	121,026	118,448	118,678
Capital Outlay	27,410	59,115	73,520
Total Expenditures, before Reserves	\$ 324,059	\$ 341,890	\$ 346,349
Reserves	-	253,143	335,970
Total Expenditures	\$ 324,059	\$ 595,033	\$ 682,319

Fire Fund	FY 2014 Year-End Actual	FY 2015 Adopted Budget	FY 2016 Budget Request
Classification			
Personal Services	\$ -	\$ -	\$ 45,176
Operating Expenditures	-	-	61,003
Capital Outlay	-	-	5,700
Total Expenditures, before Reserves	\$ -	\$ -	\$ 111,879
Reserves	-	-	20,000
Total Expenditures	\$ -	\$ -	\$ 131,879

Town Total	FY 2014 Year-End Actual	FY 2015 Adopted Budget	FY 2016 Budget Request
Classification			
Personal Services	\$ 338,839	\$ 365,812	\$ 355,517
Operating Expenditures	727,562	719,129	807,490
Capital Outlay	270,165	132,815	141,170
Grants and Aids	(1,460)	500	3,800
Total Expenditures, before Reserves	\$ 1,335,106	\$ 1,218,256	\$ 1,307,978
Reserves	-	1,791,647	1,641,376
Total Expenditures	\$ 1,335,106	\$ 3,009,903	\$ 2,949,354

*Expenditure Summary by Department
FY 2016 Budget*

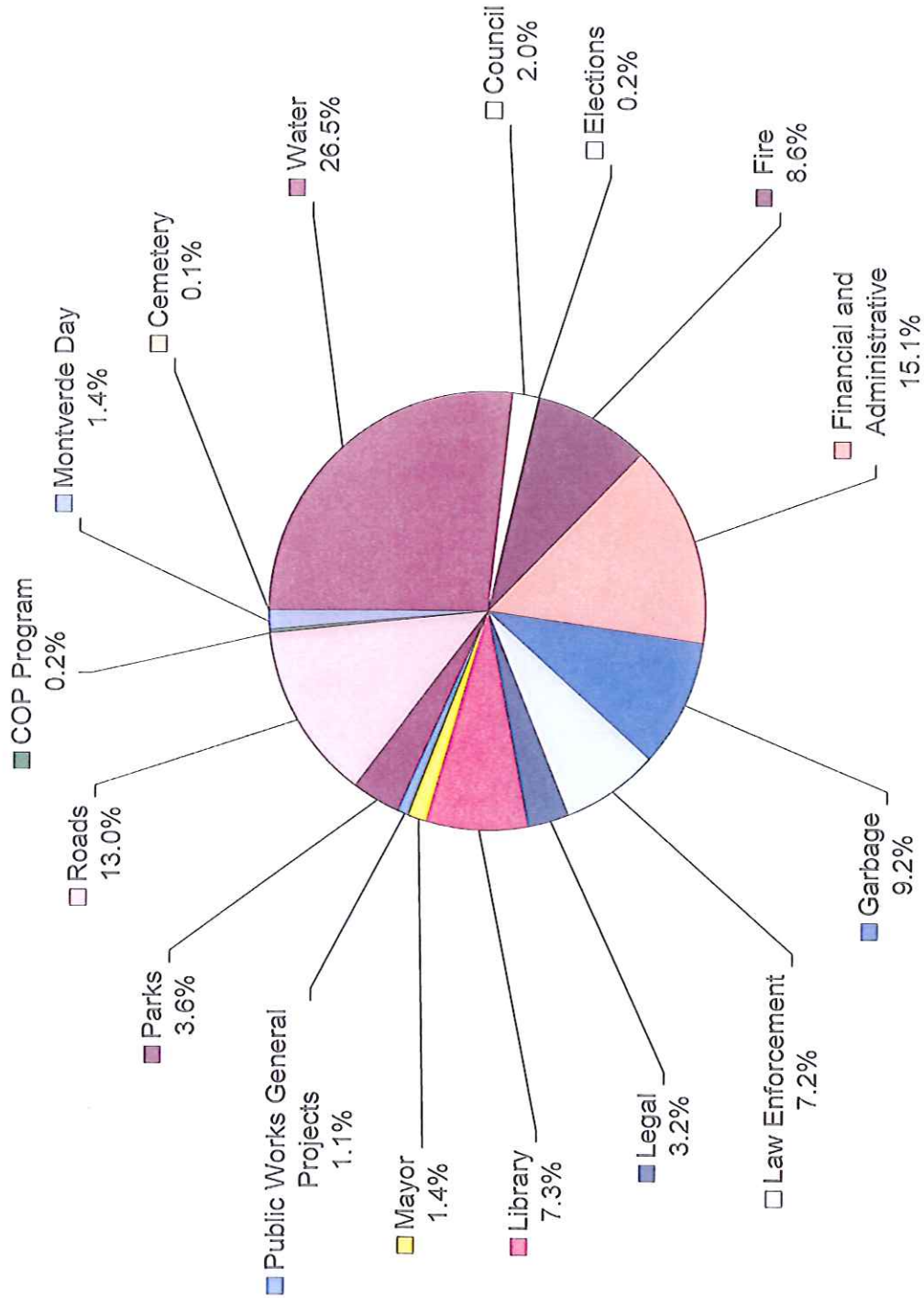


General Fund Expenditures by Department	FY 2014 Actual	FY 2015 Budget	FY 2016 Budget
Cemetery	\$ 1,600	\$ 1,000	\$ 1,000
COP Program	399	2,925	2,925
Council	25,615	25,740	25,740
Elections	2,050	2,300	2,300
Financial and Administrative	171,126	148,725	197,540
Fire	109,193	118,184	-
Garbage	121,826	118,161	120,209
Law Enforcement	82,149	84,772	94,764
Legal	51,121	54,700	42,500
Library	75,610	87,484	95,766
Mayor	16,850	17,825	17,825
Montverde Day Special Project	15,713	12,500	18,000
Parks	212,046	46,889	46,670
Public Works General Projects	8,850	14,950	13,950
Roads	116,900	140,211	170,561
Transfer to Fire Fund	-	-	59,816
TOTAL GENERAL FUND, BEFORE RESERVES	\$ 1,011,046	\$ 876,366	\$ 909,565
Reserves	-	1,538,504	1,285,406
TOTAL GENERAL FUND	\$ 1,011,046	\$ 2,414,870	\$ 2,194,971

Water Fund Expenditures by Department	FY 2014 Actual	FY 2015 Budget	FY 2016 Budget
Water	\$ 324,060	\$ 341,890	\$ 346,349
TOTAL WATER FUND, BEFORE RESERVES	\$ 324,060	\$ 341,890	\$ 346,349
Reserves	-	253,143	335,970
TOTAL WATER FUND	\$ 324,060	\$ 595,033	\$ 682,319

Fire Fund Expenditures by Department	FY 2014 Actual	FY 2015 Budget	FY 2016 Budget
Fire	\$ -	\$ -	\$ 111,879
TOTAL FIRE FUND, BEFORE RESERVES	\$ -	\$ -	\$ 111,879
Reserves	-	-	20,000
TOTAL FIRE FUND	\$ -	\$ -	\$ 131,879

FY 2016
BUDGETED EXPENDITURES, EXCLUDING RESERVES



*Chart above reflects current expenditures only. Excluded are the Reserve balances, budgeted at \$1,285,406 for the General Fund, \$335,970 for the Water Fund, and \$20,000 for the Fire Fund.

**Council's Department
FY 2016 Budget**



Department Summary	FY 2014 Year-End Actual	FY 2015 Adopted Budget	FY 2015 Estimated Actual	FY 2016 Budget Request
Expenditures				
Operating Expenditures	\$ 25,615	\$ 25,740	\$ 25,456	\$ 25,740
Total Expenditures	\$ 25,615	\$ 25,740	\$ 25,456	\$ 25,740

FY 2016 Department Detail

Operating Expenditures

Contractual Services	\$ 24,600	Councilmen's stipend budgeted at \$400 per month, stipend of Council President budgeted at \$450 per month.
Travel	100	Workshop retreats, etc.
Printing and Binding	200	Business cards and name plates for new Councilmen, if necessary.
Membership	700	South Lake County Chamber of Commerce, annual dues.
Membership	125	Lake County League of Cities, annual dues.
Membership	15	Other, as necessary.
Total Expenditures	<u>\$ 25,740</u>	

**Financial and Administrative Department
FY 2016 Budget**



Department Summary	FY 2014 Year-End Actual	FY 2015 Adopted Budget	FY 2015 Estimated Actual	FY 2016 Budget Request
Expenditures				
Personal Services	\$ 56,432	\$ 53,368	\$ 42,925	\$ 52,311
Operating Expenditures	114,524	91,907	135,680	140,979
Capital Outlay	2,000	3,450	250,370	3,450
Aids to Government Agencies	(1,829)	-	600	800
Total Expenditures	\$ 171,126	\$ 148,725	\$ 429,575	\$ 197,540

FY 2016 Department Detail

Personal Services

Salaries	\$ 26,730	Town Clerk, half-salary, split with Water Fund.
	12,728	Finance Director, full salary.
Health Insurance	6,777	Insurance for .5 position; 15% increase budgeted.
Retirement	2,908	Florida Retirement System for 1.5 position.
FICA Matching	3,018	7.65% of total salaries.
Workers' Compensation	150	

Operating Expenditures

Planning Consultant	\$ 26,000	Consulting fees for various projects; some reimbursed by applicant.
Town Engineer	60,000	Engineering services, non-project related.
Bank Fees	75	
Audit Fees	9,000	Annual audit fees, General Fund portion.
Municode Fees	1,000	Fees for Ordinance codification.
Janitorial Services	1,500	Cleaning of Town Hall and auditorium.
Website	220	Internet domain.
Recording Services	3,600	Recording of minutes of Town Council meetings.
Travel	200	Mileage for any travel.
Cell Phone	20	
Telephone Service	3,480	Town Hall phone service.
Internet/Cable Service	1,800	Town Hall internet/cable service.
Postage	2,870	Rental of postage meter (\$500), refilling postage meter (\$1,800), PO Box fee (\$70), overnight/certified mail (\$500).
Utilities	5,300	Electricity at Town Hall and auditorium.
Copier Rental	2,150	Lease contract for copier/scanner/fax/printer.
Insurance	5,774	Property insurance, 5% increase budgeted.
Pest Control	570	Terminix yearly contract for termite inspections (\$250), pest control (\$320).
Software Maintenance	2,650	Financial software maintenance contract, backup maintenance contract, and Code software maintenance.
Alarm System Maint.	1,160	Quarterly maintenance contract for alarm system at Town Hall.
Computer/Server Maint.	1,000	Computer set-up and repair, server maintenance.
Repair and Maintenance	1,800	Replacement of mechanical and electrical fixtures, as needed.
Fire Equipment Inspect.	150	



FY 2016 Department Detail (continued)

Operating Expenditures (continued)

Repair and Maint.	\$ 5,000	Renovation of Auditorium.
Printing and Copying	1,900	Color copies for newsletters, printing of Code Enforcement tickets, etc.
Food/Beverages	400	Food and beverages for the public at Town Hall meetings, workshops.
Recording Fees	200	Recording with Lake County and the State of Florida.
Office Supplies	1,000	
Operating Supplies	1,300	Janitorial supplies.
Subscriptions, Dues	860	Florida League of Cities dues (\$410), FL Government Finance Officers Association membership (\$35), FL Association of City Clerks dues (\$150), International Institute of Municipal Clerks dues (\$165), other (\$100).

Capital Outlay

Assisted Listening Device	\$ 3,450	Approved in FY 2015, not completed.
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Grants and Aids

Engineer	<u>\$ 800</u>	Engineering services for South Lake Water Studies (split with other cities).
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Total Expenditures	<u><u>\$ 197,540</u></u>	
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**Fire Department
FY 2016 Budget**



Department Summary	FY 2014 Year-End Actual	FY 2015 Adopted Budget	FY 2015 Estimated Actual	FY 2016 Budget Request
Revenues				
Beginning Fund Balance	\$ -	\$ -	\$ -	\$ -
Fire Assessment	-	-	-	72,063
Transfer from General Fund	-	-	-	59,816
Total Revenues	\$ -	\$ -	\$ -	\$ 131,879
Expenditures				
Personal Services	\$ 36,806	\$ 36,438	\$ 38,262	\$ 45,176
Operating Expenditures	68,827	61,496	85,184	61,003
Capital Outlay	3,560	20,250	25,000	5,700
Reserves	-	-	-	20,000
Total Expenditures	\$ 109,193	\$ 118,184	\$ 148,446	\$ 131,879

FY 2016 Department Detail

Personal Services

Officers' Stipends	\$ 20,400	Stipends per month: Fire Chief - \$700, First Assistant Chief - \$400, Assistant Chief - \$300, Lieutenants - \$300.
Uniforms and Clothing	3,450	Allowance of \$200 per officer, \$150 per firefighter.
Call Pay	11,714	Pay for firefighters to respond to calls: officers - \$15 per call, all others - \$12 per call.
Training Pay	8,112	Pay for firefighters to attend training sessions once per week: officers - \$15 per session, all others - \$12 per session.
Workers' Compensation	1,500	

Operating Expenditures

Professional Services	\$ 280	Background checks.
Telephone	3,900	Cable service (\$1,600), Fire Department telephone and internet (\$2,100), Cell phone (\$200).
Postage	100	Refills on postage meter for mailings of Fire Assessments.
Utilities	3,300	Electricity for Fire Department.
Insurance	9,328	Property insurance.
Apparatus Maintenance	4,500	General repair and maintenance on all apparatus and equipment.
(total \$6,900)	1,650	E-85 PM annual service and annual pump test.
	750	A-85 annual inspection, service, and pump service.
Equipment Maintenance	500	Annual homatro service.
(total \$8,630)	800	Annual airpak flow testing.
	180	SCBA cylinder hydrostatic testing.
	3,000	Annual hose and ladder testing.
	2,500	Annual radio maintenance.
	500	Maintenance of turnout gear.
	650	Annual SCBA mask fit testing.
	500	Annual ice machine service.
Firehouse Maintenance	2,500	Repairs as necessary.
Fire Extinguisher Insp.	350	Inspections on fire extinguishers.
Computer Repair	400	Maintenance on computer and printer, as necessary.
Termite Protection	530	
Printing and Binding	395	Printing of training manuals.
Promotional Activities	350	Fire prevention materials, annual Santa Run, other promotional items.
Other Charges and Obl.	150	



FY 2016 Department Detail (continued)

Operating Expenditures (continued)

Office Supplies	\$ 500	Paper, toner cartridges, etc.
Office Tools	1,250	Identification maker, phone system, etc.
Recliners	1,400	
Operating Supplies	4,250	Hand tools, fire hoses, hurricane supplies, household items.
Medical Devices	2,700	ETCo2 detectors, portable suction units
Tools	7,110	Vehicle struts, K12 saw, multi gas detector, gas shut off tool.
Fuel	4,500	
Training	200	Training materials and classes
Subscriptions	1,980	Fire Programs Software (\$1,700), Lake Sumter Fire Chief Association (\$120), Florida Fire Marshall and Inspectors Association Membership (\$65), Florida Fire Chief's Association membership (\$95).
Capital Outlay	\$ 5,700	Turnout Gear (three sets)
Reserves	<u>\$ 20,000</u>	
Total Expenditures	<u><u>\$ 131,879</u></u>	

**Library Department
FY 2016 Budget**



Department Summary	FY 2014 Year-End Actual	FY 2015 Adopted Budget	FY 2015 Estimated Actual	FY 2016 Budget Request
Revenues				
Library Fines - late return fees	\$ 955	\$ 900	\$ 600	\$ 500
Library Book Sales	299	-	375	200
Lake County Library Services Annual Grant	26,656	24,000	28,538	26,000
Total Revenues	\$ 27,910	\$ 24,900	\$ 29,513	\$ 26,700
Expenditures				
Personal Services	\$ 55,597	\$ 60,103	\$ 70,011	\$ 67,234
Operating Expenditures	19,493	22,381	44,785	25,032
Capital Outlay	520	5,000	1,200	3,500
Total Expenditures	\$ 75,610	\$ 87,484	\$ 115,996	\$ 95,766

FY 2016 Department Detail

Personal Services

Salaries	\$ 37,138	Library Director.
Other Salaries & Wages	9,817	Part-time Library Assistant.
Health Insurance	13,026	Insurance for Library Director position; 15% increase budgeted.
Retirement	3,461	Florida Retirement System for two positions.
FICA Matching	3,592	7.65% of total salaries.
Workers' Compensation	200	5% increase budgeted.

Operating Expenditures

Collection service	\$ 100	Collection service for library fines.
Special Program Speakers	800	
Cleaning Service	1,500	
Travel	200	
Telephone Service	7,200	Centurylink monthly charges, T-1 Line charge, high-speed Internet.
Postage	200	
Utilities	4,300	
Insurance	4,867	Property insurance.
Pest Control	250	
Repair and Maintenance	2,000	General repair and maintenance, as needed at the Library.
Alarm System Fees	365	
Fire Extinguisher Insp.	100	
Promotional Activities	700	Promotional items for children.
Other Charges	800	Coffee and food for public consumption.
Office Supplies	1,000	General office supplies.
Operating Supplies	400	Games, labels, light bulbs, flood lights, janitorial supplies, etc.
Subscriptions, Training	250	

Capital Outlay

Books, Magazines	\$ 3,500	General books, magazines, newspapers for library.
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Total Expenditures **\$ 95,766**

*Mayor's Department
FY 2016 Budget*



Department Summary	FY 2014 Year-End Actual	FY 2015 Adopted Budget	FY 2015 Year-to-Date	FY 2016 Budget Request
Expenditures				
Operating Expenditures	\$ 16,850	\$ 17,825	\$ 17,750	\$ 17,825
Total Expenditures	\$ 16,850	\$ 17,825	\$ 17,750	\$ 17,825

FY 2016 Department Detail

Operating Expenditures

Contractual Services	\$ 14,400
Employee Recognition	3,000
Membership	275
Membership	150
	<u>150</u>

Mayor's Salary.
As approved by Council during prior year budgets.
Florida League of Mayors membership.
Other, as necessary.

Total Expenditures \$ 17,825

**Parks Department
FY 2016 Budget**



Department Summary	FY 2014 Year-End Actual	FY 2015 Adopted Budget	FY 2015 Estimated Actual	FY 2016 Budget Request
Revenues				
Rental of Community Building	\$ 470	\$ 400	\$ 1,000	\$ 800
Rental of Ballfield	1,092	1,100	2,100	2,000
Recreational Trails Grant	162,396	-	-	-
Total Revenues	\$ 163,958	\$ 1,500	\$ 3,100	\$ 2,800
Expenditures				
Personal Services	\$ 2,805	\$ 18,474	\$ -	\$ -
Operating Expenditures	23,093	28,415	43,630	36,670
Capital Outlay	186,148	-	3,560	10,000
Total Expenditures	\$ 212,046	\$ 46,889	\$ 47,190	\$ 46,670

FY 2016 Department Detail

Operating Expenditures

Engineering Services	\$ 5,000	
Contractual Services	2,000	Tree removal in parks.
Janitorial Services	2,200	Services at the Community Building.
Telephone and Internet	1,475	
Utilities	4,150	Electricity at Kirk Ballfield (\$1,800) and Community Building (\$1,900), gas at Community Building (\$450).
Insurance	3,245	Property Insurance.
Pest Control	600	Pest control and termite protection for Community Building.
Rentals and Leases	200	Rental of tools, if necessary.
Clearing of Lakes	650	Monthly service from Florida Wetlands Enhancement.
Tree Trimming	2,000	
Fire Extinguisher Insp.	200	
Maintenance on Vehicles	1,600	Repairs on Ford Ranger (\$1,500), oil changes (\$100).
Repairs at Comm. Bldg.	1,800	Miscellaneous repairs.
Maintenance on Parks	1,500	Miscellaneous repairs.
Mowing	5,000	Repair parts and maintenance for mowers, bush hog, etc.
Other Current Charges	50	Permits, vehicle tags, keys, etc.
Operating Supplies	2,000	Hand tools, fire extinguishers, janitorial supplies, rakes, shovels, etc.
Fuel	3,000	Fuel for Ranger and all mowing equipment.

Capital Outlay

Truskett Park	\$ 10,000	Additional equipment.
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Total Expenditures \$ 46,670

**Roads Department
FY 2016 Budget**



Department Summary	FY 2014 Year-End Actual	FY 2015 Adopted Budget	FY 2015 Estimated Actual	FY 2016 Budget Request
Expenditures				
Personal Services	\$ 11,578	\$ 33,102	\$ 32,831	\$ 36,645
Operating Expenditures	54,427	61,609	89,153	85,916
Capital Outlay	50,526	45,000	40,226	45,000
Grants and Aids	369	500	406	3,000
Total Expenditures	\$ 116,900	\$ 140,211	\$ 162,616	\$ 170,561

FY 2016 Department Detail

Personal Services

Salaries	\$ 26,947	Facilities Maintenance Worker.
Health Insurance	3,800	Health Insurance for Facilities Maintenance Worker.
Retirement	1,986	Florida Retirement System.
Uniforms and Clothing	250	
FICA Matching	2,062	7.65% of total salaries.
Workers' Compensation	1,600	

Operating Expenditures

Professional Services	\$ 5,000	Engineering Services, if necessary.
Contractual Services	10,000	Removal of trees in island on Lowry Road.
Telephone	50	
Utilities	15,265	Street lighting - SECO (\$4,590), Ridgewood Avenue (\$900), Porter Avenue (\$175), and Magnolia Terrace (\$1,300), prior Clermont grid (\$4,700), Pines of Montverde (\$3,600).
Removal of Trees	2,500	Removal of trees in right of way, as necessary.
Rentals and Leases	27,650	Street light pole rental - SECO (\$1,750), Ridgewood Avenue (\$5,500), Porter Avenue (\$200), and Magnolia Terrace (\$6,700), prior Clermont grid (\$11,500), Pines of Montverde (\$2,000).
Insurance	7,301	Property insurance.
Repair and Maintenance	1,500	Truck service.
Tree trimming	7,000	Tree trimming on various roads.
Tractor Repairs	1,000	
Operating Supplies	600	Hand tools, fire extinguishers, janitorial supplies, rakes, shovels, etc.
Fuel	250	Fuel for dump truck.
Road Materials, Supplies	7,800	Signs, temporary barriers, asphalt, concrete, striping, as needed.

Capital Outlay

Road Repair	\$ 45,000
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Grants and Aids

Grants	<u>\$ 3,000</u>	Annual contribution to the Lake Sumter MPO, GIS Interlocal Agreement.
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Total Expenditures	<u>\$ 170,561</u>
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**Water Department
FY 2016 Budget**



Department Summary	FY 2014 Year-End Actual	FY 2015 Adopted Budget	FY 2015 Estimated Actual	FY 2016 Budget Request
Revenues				
Water Service Charges	\$ 248,481	\$ 245,000	\$ 270,000	\$ 283,000
Cut On/Off Fees	4,224	3,000	4,300	3,000
Installation Charges	8,400	-	10,500	-
Credit Card Usage Fee	14	40	-	-
Interest Earnings	968	1,200	1,400	1,400
Water Impact Fees	18,128	-	22,660	-
Beginning Fund Balance	-	345,793	-	394,919
Total Revenues	\$ 280,214	\$ 595,033	\$ 308,860	\$ 682,319
Expenditures				
Personal Services	\$ 175,623	\$ 164,327	\$ 158,272	\$ 154,151
Operating Expenditures	121,026	118,448	113,457	118,678
Capital Outlay	27,410	59,115	25,000	73,520
Reserves	-	253,143	-	335,970
Total Expenditures	\$ 324,060	\$ 595,033	\$ 296,729	\$ 682,319

FY 2016 Department Detail

Personal Services

Salaries	\$ 115,102	Town Clerk (half of salary, split with General Fund), Utility Billing Clerk, Facilities Supervisor.
Health Insurance	18,761	Insurance for 2.5 positions; 13% increase budgeted.
Uniforms and Clothing	500	
Retirement	8,483	Florida Retirement System for 2.5 positions.
FICA Matching	8,805	7.65% of total salaries.
Workers' Compensation	2,500	5% increase budgeted.

Operating Expenditures

Engineering Services	\$ 10,000	As necessary.
Bank Fees	500	
Professional Services	200	Annual Consumer Confidence Report.
Audit Fees	9,500	Water Fund portion of audit fees.
Water/well Testing	8,900	Performed by Plant Technicians.
Digging for Water Lines	200	Sunshine State One Call - monthly charge.
Software Payments	400	Software charges for eBill and ePay services for Water Utility bills.
Travel	2,400	Annual Florida Rural Water Conference, training for waste water.
Telephone	3,000	Cell phone charges for Director (\$900), phone at Water Department and 2 wells (\$1,200), phone at Public Works Office (\$900).
Postage	3,600	Rental of postage machine (\$500), refills for postage meter (\$3,025), PO Box fees (\$75).
Utilities	16,380	Well 2 (\$7,000), Well 3 (\$8,000), Stecher property (\$580), Lake Apopka Natural Gas (\$800).
Copier Lease	2,100	
Insurance	10,140	Property insurance.
Pest Control	175	
Well, Water Main Repairs	4,238	As necessary.
Software Maintenance	3,300	Water Department software - EZRoute (\$900), Financial software - USTI (\$2,400).
Water Tank Maintenance	11,400	Contracted services - Hill Tank (\$9,100) and Hydro Tank (\$2,300).
Pipe Repairs	2,000	Repairs for water pipe breaks, as necessary.

**Water Department
FY 2016 Budget**



FY 2016 Department Detail (continued)

Operating Expenditures (continued)

Vehicle Repairs	\$ 1,500	F150 repairs and maintenance.
Water Pump Motor Maint.	1,050	Annual motor maintenance on both wells.
Fire Extinguisher Insp.	75	
Computer Repair	1,200	
APS Major PMI Insp.	1,500	Annually, on both wells.
Printing and Binding	1,700	Color copies for Council books, printing of newsletter.
Licenses	2,200	Drinking water license fee.
Other Current Charges	300	Recording of water liens, etc.
Permit	5,700	MS4 Stormwater permit.
Office Supplies	2,100	General office supplies, including new computer for Public Works Director.
Operating Supplies	8,100	Aquamag - 4 drums (\$3,600), water meters, water boxes, back flows, fittings (\$3,000), hand tools (\$1,000), and janitorial supplies (\$500).
Fuel	2,500	Fuel for F150.
Training	2,320	For software and water training, as necessary.

Capital Outlay

SCADA Alarm	\$ 40,000	Approved in FY 2015 budget, will not be completed by end of year.
Line Locator	5,000	
Backflow Check Valves	8,520	
Water Meters	20,000	Cellular retrofit; one-third of Town.

Reserves

Water	<u>\$ 335,970</u>	This account represents the accumulation of Water revenues. Funds can be used for any Water Department-related purpose. If Council approves transfer of funds for the Stecher Property (\$235,000) in August, the total Reserves in this account will be \$590,970.
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Total Expenditures \$ 682,319

**Cemetery Section
FY 2016 Budget**



Section Summary	FY 2014 Year-End Actual	FY 2015 Adopted Budget	FY 2015 Estimated Actual	FY 2016 Budget Request
Revenues				
Donations	\$ 225	\$ 150	\$ 125	\$ 150
Total Revenues	\$ 225	\$ 150	\$ 125	\$ 150
Expenditures				
Operating Expenditures	\$ 1,600	\$ 1,000	\$ -	\$ 1,000
Total Expenditures	\$ 1,600	\$ 1,000	\$ -	\$ 1,000

FY 2016 Section Detail

Operating Expenditures		
Repair & Maintenance	<u>\$ 1,000</u>	Repair sprinkler system, replace sod, trim trees, or other repair and maintenance as needed.
Total Expenditures	<u><u>\$ 1,000</u></u>	

* There is a Reserve of \$8,654 for Cemetery operations. This account reflects citizen donations for the repair and maintenance of the Cemetery that have been accumulating over the years. Funds can be spent for any Cemetery-related purpose.

**COP Program Section
FY 2016 Budget**



Section Summary	FY 2014 Year-End Actual	FY 2015 Adopted Budget	FY 2015 Estimated Actual	FY 2016 Budget Request
Expenditures				
Operating Expenditures	\$ 399	\$ 2,925	\$ 1,520	\$ 2,925
Total Expenditures	\$ 399	\$ 2,925	\$ 1,520	\$ 2,925

FY 2016 Section Detail

Operating Expenditures

Telephone	\$ 125	Cell phone for volunteers.
Repair and Maint.	2,000	Repairs and maintenance on COP vehicle (oil changes, brake repair, etc.).
Fuel	<u>800</u>	Fuel for COP vehicle.
Total Expenditures	<u>\$ 2,925</u>	

**Elections Section
FY 2016 Budget**



Section Summary	FY 2014 Year-End Actual	FY 2015 Adopted Budget	FY 2015 Estimated Actual	FY 2016 Budget Request
Expenditures				
Operating Expenditures	\$ 2,050	\$ 2,300	\$ 96	\$ 2,300
Total Expenditures	\$ 2,050	\$ 2,300	\$ 96	\$ 2,300

FY 2016 Section Detail

Operating Expenditures

Election \$ 2,300 Expenses for Town election, if necessary.

Total Expenditures \$ 2,300

**Garbage Section
FY 2016 Budget**



Section Summary	FY 2014 Year-End Actual	FY 2015 Adopted Budget	FY 2015 Estimated Actual	FY 2016 Budget Request
Revenues				
Garbage Service Charges	\$ 149,583	\$ 145,000	\$ 147,000	\$ 147,000
Total Revenues	\$ 149,583	\$ 145,000	\$ 147,000	\$ 147,000
Expenditures				
Operating Expenditures	\$ 121,826	\$ 118,161	\$ 119,210	\$ 120,209
Total Expenditures	\$ 121,826	\$ 118,161	\$ 119,210	\$ 120,209

FY 2016 Section Detail

Operating Expenditures

Garbage Collection \$ 120,209

The Town is currently being charged for residential collections for 587 households, twice per week, at a rate of \$16.14 per month. In addition, the Town is charged for roll-off disposals each month for various residents and businesses.

Total Expenditures \$ 120,209

**Law Enforcement Section
FY 2016 Budget**



Section Summary	FY 2014 Year-End Actual	FY 2015 Adopted Budget	FY 2015 Estimated Actual	FY 2016 Budget Request
Expenditures				
Operating Expenditures	\$ 82,149	\$ 84,772	\$ 90,232	\$ 94,764
Total Expenditures	\$ 82,149	\$ 84,772	\$ 90,232	\$ 94,764

FY 2016 Section Detail

Operating Expenditures

Contractual Services	\$ 81,134	Lake County Sheriff's Office Deputy. Salary and benefits - \$58,299, operating expenses - \$22,835.
	12,000	Weekend duty for Deputy, if necessary.
Electricity	370	Electricity costs at substation.
Telephone	40	Cellular phone for deputy.
Phone and Internet	1,020	
Pest Control	150	Pest control for Sheriff substation.
Fire Extinguisher Insp.	50	Inspections on fire extinguishers.
Total Expenditures	\$ 94,764	

**Legal Section
FY 2016 Budget**



Section Summary	FY 2014 Year-End Actual	FY 2015 Adopted Budget	FY 2015 Estimated Actual	FY 2016 Budget Request
Expenditures				
Operating Expenditures	\$ 51,121	\$ 54,700	\$ 56,000	\$ 42,500
Total Expenditures	\$ 51,121	\$ 54,700	\$ 56,000	\$ 42,500

FY 2016 Section Detail

Operating Expenditures

Professional Services	\$ 39,000	Town Attorney: legal guidance as needed to prepare and review ordinances, resolutions, and other documents.
Legal Ads	<u>3,500</u>	Advertisements for Public Hearings, Ordinances, etc.
Total Expenditures	<u>\$ 42,500</u>	

**Montverde Day Special Event
FY 2016 Budget**



Department Summary	FY 2014 Year-End Actual	FY 2015 Adopted Budget	FY 2015 Estimated Actual	FY 2016 Budget Request
Revenues				
Montverde Day Event	\$ 16,382	\$ 10,000	\$ 11,000	\$ 12,000
Total Revenues	\$ 16,382	\$ 10,000	\$ 11,000	\$ 12,000
Expenditures				
Operating Expenditures	\$ 15,713	\$ 12,500	\$ 22,500	\$ 18,000
Total Expenditures	\$ 15,713	\$ 12,500	\$ 22,500	\$ 18,000

FY 2016 Department Detail

Operating Expenditures

Montverde Day \$ 18,000 Montverde Day expenditures, plus annual match by Council of \$2,500 for Concerts and Movies in the Park.

Total Expenditures \$ 18,000

**Public Works General Projects
FY 2016 Budget**



Department Summary	FY 2014 Year-End Actual	FY 2015 Adopted Budget	FY 2015 Estimated Actual	FY 2016 Budget Request
Expenditures				
Operating Expenditures	\$ 8,850	\$ 14,950	\$ 7,900	\$ 13,950
Total Expenditures	\$ 8,850	\$ 14,950	\$ 7,900	\$ 13,950

FY 2016 Department Detail

Operating Expenditures

Lake Florence Maintenance	\$ 2,500	Purchase of five compressors.
Lake Florence Electricity	9,000	Yearly electricity cost on Lake Florence restoration.
Electricity at PW Bldg.	500	
Landscape at PW Bldg.	1,200	Replace sod, sprinklers, other landscaping.
Operating Supplies	<u>750</u>	

Total Expenditures **\$ 13,950**

**Beginning Fund Balance
FY 2016 Budget**



DESCRIPTION:

The Beginning Fund Balance represents the amount of dollars remaining in a fund as of the close of the fiscal year; it is the amount of revenue that is carried forward into the new fiscal year. Simply stated, it is the accumulation of unspent dollars since the beginning of a Town's existence. For example, if the Town of Montverde collected \$1 million in revenue in Year 1, and spent \$800,000 in Year 1, the Beginning Fund Balance for Year 2 would be \$200,000. The Town's budget for Year 2 should then include \$200,000 of revenue, plus the new-year budgeted revenues and the new-year budgeted expenditures.

Fund Balance is intended to serve as a measure of the financial resources available in a governmental fund.

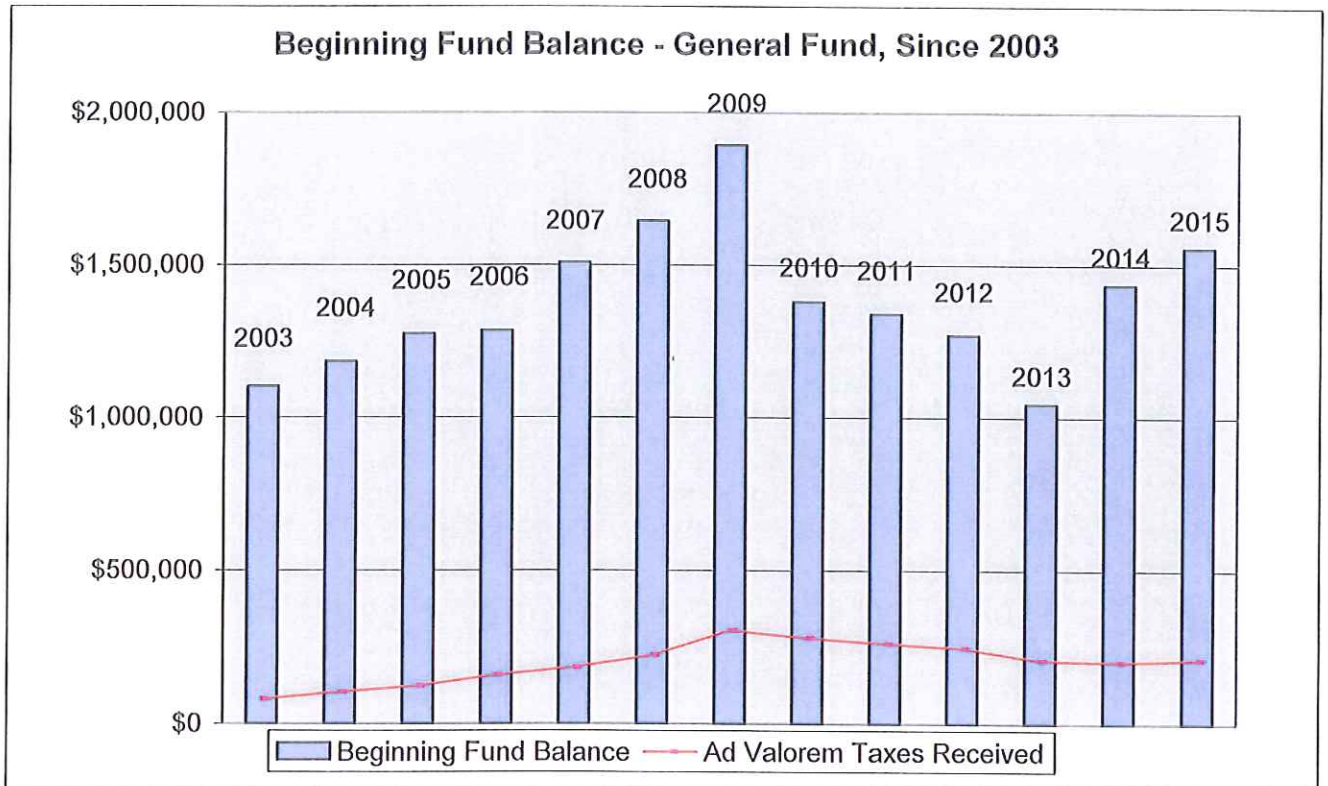
RESERVED AND UNRESERVED FUND BALANCE:

Fund Balances can either be put into Reserve accounts ("savings" accounts) for unexpected events ("emergencies"), or they can be classified as unreserved and be used for anything deemed appropriate by the Town Council.

Please see Tab 7 for a complete analysis on Reserved Fund Balance ("Reserves").

HISTORY OF MONTVERDE'S BEGINNING FUND BALANCE:

The chart below shows the correlation between Beginning Fund Balance and the amount of Ad Valorem Taxes collected each year. As reflected in the chart, as Ad Valorem Taxes rose, the Beginning Fund Balance ("savings") increased in a corresponding manner:



The next page shows how the Beginning Fund Balance is calculated and estimated each fiscal year.

CALCULATING THE ESTIMATED BEGINNING FUND BALANCE FOR FY 2016:

The Beginning Fund Balance for FY 2016 was calculated based on the Beginning Fund Balance for the current year, the estimated revenues that will be collected in the current year, and the estimated expenditures that will be paid in the current year:

	<u>GENERAL FUND</u>	<u>WATER FUND</u>
2015 Actual Beginning Fund Balance:	<u>\$ 1,557,081</u>	<u>\$ 382,788</u>
Plus: 2015 Estimated Total Revenues	<u>\$ 936,576</u>	<u>\$ 308,860</u>
Less: 2015 Estimated Total Expenditures		
Cemetery	\$ -	\$ -
COP Program	1,520	
Council	25,456	
Elections	96	
Fire	148,446	
Financial and Administrative	429,575	
Garbage	119,210	
Law Enforcement	90,232	
Legal	56,000	
Library	115,996	
Mayor	17,750	
Montverde Day	22,500	
Parks	47,190	
Public Works General	7,900	
Roads	162,616	
Water	-	296,729
Total 2015 Estimated Expenditures	<u>\$ 1,244,487</u>	<u>\$ 296,729</u>
2016 Estimated Beginning Fund Balance	<u>\$ 1,249,170</u>	<u>\$ 394,919</u>
Total 2016 Beginning Fund Balance for Town: \$1,644,089		

It can be noted that the estimated Beginning Fund Balance for the General Fund shows a decrease of over \$300,000 from the prior year. This is mainly attributable to the unbudgeted purchase of the Harden property for \$250,000, approved by Town Council during the 2015 fiscal year.

**Reserve for Operations
FY 2016 Budget**



DESCRIPTION:

Reserves are the amounts remaining in a fund after current year revenues and current year expenditures have been budgeted.

APPROPRIATE LEVEL OF RESERVES:

"Best Practices" of the Florida Government Finance Officers Association (FGFOA) indicate that the amount put into Reserve for Operations (or the amount that is "saved") be "of no less than 5-15% of regular general fund operating revenues, or of no less than one to two months of regular general fund operating expenditures." Following these methods, Montverde's Reserves should be:

<u>Method 1</u>	<u>General Fund</u>	<u>Water Fund</u>	<u>Fire Fund</u>
Operating Revenues:	\$ 945,801	\$287,400	\$ 131,879
5% of Operating Revenues:	\$ 47,290	\$ 14,370	\$ 6,594
15% of Operating Revenues:	\$ 141,870	\$ 43,110	\$ 19,782
Recommended Reserves:	\$47,290 to \$141,870	\$14,370 to \$43,110	\$6,594 to \$19,782

<u>Method 2</u>	<u>General Fund</u>	<u>Water Fund</u>	<u>Fire Fund</u>
Operating Expenditures:	\$ 909,565	\$346,349	\$ 111,879
1 Month of Operating Exp.:	\$ 75,797	\$ 28,862	\$ 9,323
2 Months of Operating Exp.:	\$ 151,594	\$ 57,725	\$ 18,647
Recommended Reserves:	\$75,797 to \$151,594	\$28,862 to \$57,725	\$9,323 to \$18,647

MONTVERDE'S LEVEL OF TOTAL RESERVES:

For FY 2016, the Total Reserves budgeted for the General Fund are \$1,285,406. Under FGFOA Best Practices, a level of Reserves between \$47,290 and \$151,594 is adequate.

For the Water Fund, Reserves are budgeted at \$335,970. Under FGFOA Best Practices, Reserves between \$14,370 and \$57,725 is appropriate.

For the Fire Fund, Reserves are budgeted at \$20,000. Under FGFOA Best Practices, Reserves between \$6,594 and \$19,782 is appropriate.

Because Montverde has Reserve balances ten times greater than the recommended levels, some of these funds could be expended to fund capital projects, studies, and other one-time-only expenditures. It is typically NOT recommended that a government use Reserves to fund recurring or on-going expenses.

(Please see a listing of the capital projects and other one-time-only expenditures that the Town of Montverde can fund in Tab 8.)

RESERVE ACCOUNTS TO PREPARE FOR FUTURE CAPITAL REPLACEMENT:

During the budget adoption process for FY 2010, Council approved the establishment of certain Reserve accounts within the General Fund and Water Fund to specifically designate funds for the eventual replacement of significant capital items, as well as segregate unspent donations to their proper department. In addition, a Reserve for Operations account was established to provide funds for cost overruns during the year.

General Fund		
<u>Reserve Accounts</u>	<u>Amount</u>	<u>Purpose</u>
Reserve for Fire	\$ 290,000	Replacement of Fire Apparatus and equipment.
Reserve for COP	1,000	Replacement of COP car.
Reserve for Library	150,000	Replacement building.
Reserve for Parks	150,000	Infrastructure replacement.
Reserve for Roads	240,000	Infrastructure repair and drainage improvements.
Reserve for Town Hall	195,000	Building repair.
Reserve for Cemetery	8,654	Accumulated unspent Cemetery donations.
Reserve for Hist. Assoc.	2,525	Accumulated unspent Historical Association donations.
Reserve for Operations	13,227	Cost overruns during the year, or projects identified after the adoption of the budget.
Transfer to Water Fund	<u>235,000</u>	Transfer of funding for Stetcher Property, if approved by Council.
Total Reserves	<u>\$ 1,285,406</u>	

Water Fund		
<u>Reserve Accounts</u>	<u>Amount</u>	<u>Purpose</u>
Reserve for Public Works	\$ 101,500	Future value of replacement of tractor, dump truck, various tools, and pumps on wells.
Reserve for Impact Fees	90,375	Represents Impact Fees received, to be used only for purposes specified in Impact Fee Ordinance.
Reserve for Black Still	250,000	Prepaid water connection fees (\$225,000) and prepaid legal fees (\$25,000).
Reserve for Operations	20,000	Cost overruns during the year, or projects identified after the adoption of the budget.
Reserve for Project List	<u>109,095</u>	Partial funding for Highland and Lowry Road replacement (\$140,000), Porter and Third Street replacement (\$104,000), and other Paving Project (\$50,000).
Total Reserves	<u>\$ 570,970</u>	This amount includes the transfer from the General Fund for the Stecher Property, if approved by Council.

Fire Fund		
<u>Reserve Accounts</u>	<u>Amount</u>	<u>Purpose</u>
Reserve for Fire	\$ 20,000	Cost overruns during the year.
Total Reserves	<u>\$ 20,000</u>	

**Unfunded Enhancements and Capital Improvements
FY 2016 Budget**



DESCRIPTION:

The following Enhancements and Capital Improvements have been identified as possible additions to the FY 2016 budget. The items listed below require a one-time-only expenditure, with no recurring funding.

ENHANCEMENTS IDENTIFIED IN FINANCIAL AND ADMIN DEPARTMENT:			Approved:
Auditorium	\$ 5,000	Renovation.	\$ 5,000
TOTAL ENHANCEMENTS:	\$ 5,000		TOTAL APPROVED: \$ 5,000

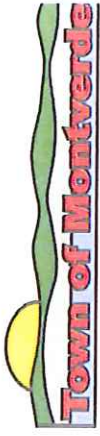
ENHANCEMENTS IDENTIFIED IN FIRE DEPARTMENT:			Approved:
Bay Exhaust Fans	\$ 1,000		\$ 1,000
Piston Intake Valve	950	Engine 85.	950
Rope for Rapid Intervention Kit	1,265		1,265
Partner K12 Saw	2,195	Replacement.	2,195
Gas Squeeze Off Tool	700		700
Medical Devices	5,600		5,600
Phone System for Station	350		350
Recliners	1,400	Replacements.	1,400
Increase to Chief Stipend	900		900
Increase to Asst. Chief Stipend	300		300
Increase to Asst. Chief Stipend	900		900
Increase to Lieutenants' Stipends	900		900
TOTAL ENHANCEMENTS:	\$ 16,460		TOTAL APPROVED: \$ 16,460

ENHANCEMENTS IDENTIFIED IN PARKS DEPARTMENT:			Approved:
Truskett Park	\$ 10,000	Additions	\$ 10,000
Community Building	TBD	Renovation.	0
TOTAL ENHANCEMENTS:	\$ 10,000		TOTAL APPROVED: \$ 10,000

ENHANCEMENTS IDENTIFIED IN ROADS DEPARTMENT:			Approved:
Lowry Road	\$ 10,000	Removal of Trees in Island.	\$ 10,000
TOTAL ENHANCEMENTS:	\$ 10,000		TOTAL APPROVED: \$ 10,000

ENHANCEMENTS IDENTIFIED IN WATER DEPARTMENT:			Approved:
Water Meters	\$ 20,000	Cellular Retrofit of Meters (one third of Town)	\$ 20,000
TOTAL ENHANCEMENTS:	\$ 20,000		TOTAL APPROVED: \$ 20,000

**Current Cash and Cash Equivalents
FY 2016 Budget**



DESCRIPTION:

A good measure of a local government's short-run financial condition is its cash position. Cash position includes cash on hand and in the bank, as well as other assets that can easily be converted to cash ("cash equivalents"). These types of cash determine a government's ability to pay for short-term obligations.

CHECKING ACCOUNTS:

The Town of Montverde has three checking accounts:

Banking Institution	Balance at 7/31/2015	Account Type	Interest
United Southern Bank	\$1,053,192.28	Money Market	0.80%
United Southern Bank (Operating)	\$98,815.68	Checking	N/A
United Southern Bank (Deposits)	\$51,777.12	Checking	N/A
	<u>\$1,203,785.08</u>		

CERTIFICATES OF DEPOSIT:

The Town of Montverde currently has two CD's outstanding:

Banking Institution CD Number	Guaranteed Value	Term	Date of Re-issuance	Maturity Date	Interest	APY	Compounding Frequency	Estimated Value at 10/1/15
Fifth Third	255,432.71	36 months	4/25/2014	4/25/2017	1.14%	1.18%	Monthly	256,285.59
SunTrust Bank	275,460.65	1 year/automatic renewal	4/5/2015	4/5/2016	0.40%	0.44%	Monthly	276,336.65
	<u>\$ 530,893.36</u>							<u>\$ 532,622.24</u>

CONCLUSION:

The Town of Montverde is currently in a sound cash position, with cash on hand as of July 31, 2015 of \$1,734,678.44. In addition, approximately \$1,729 of interest revenue can be recognized at the end of FY 2015 for interest that has accrued.