City of Gulfport, Mississippi

Agenda

City Council

2309 15th Street
Gulfport, MS 39501

Thursday, September 14, 2017 **11:00 AM** ***Gulfport City Hall Council Chambers***

Policy Issues

1 Resolution - Adopting the Budget for the City of Gulfport Fiscal Year 2018 and for related purposes.

There came on for consideration at a duly constituted meeting of the Mayor and Members of the City Council of the City of Gulfport, Mississippi, held on the ____ day of September, 2017, the following Resolution:

A RESOLUTION BY THE GULFPORT CITY COUNCIL APPROVING AND ADOPTING THE BUDGET AS FINALLY DETERMINED BY THE CITY GOVERNING AUTHORITY

WHEREAS, the City of Gulfport, as a municipal corporation in the State of Mississippi, is required to operate on a fiscal year basis beginning October first and ending September thirtieth each year; and

WHEREAS, the Governing Authority of the City is also required by no later than September 15 of each year to prepare a complete budget of the municipal revenues, expenses, and working cash balances estimated for the next fiscal year for municipal purposes; and

WHEREAS, the Governing Authority, having first held at least one public hearing to provide the general public with an opportunity to comment on the taxing and spending plan incorporated in the proposed budget at least one (1) week prior hereto, does hereby find that the proposed budget as amended and attached hereto should be adopted, as finally determined hereby, as the budget for the City of Gulfport for the fiscal year of October 1, 2017, to September 30, 2018, and entered at length and in detail in the official minutes.

NOW THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF GULFPORT, MISSISSIPPI, AS FOLLOWS, TO WIT:

Section 1. That the matters, facts and things recited in the Preamble hereto are hereby adopted as the official findings of the Governing Authority.

Section 2. That the proposed budget as amended and prepared and attached hereto should be, and hereby is, adopted as the budget for the City of Gulfport, as finally determined hereby, for the fiscal year of October 1, 2017, to September 30, 2018, and should further be entered at length and in detail in the official minutes.

Section 3. That this Resolution be, and it is hereby ordered to be spread on the minutes of the Governing Authority, and to be in full force and effect as provided by law.

The above and foregoing Resolution, after having been first reduced to writing and ready by the Clerk, was introduced by Councilmember _____, seconded by Councilmember _____, and was adopted by the following roll call vote:

AYES: **NAYS:** **ABSENT:**

WHEREUPON, the President declared the motion carried and the Resolution adopted this the ___ day of September, 2017.

(SEAL)

ATTEST: **ADOPTED:**

_____ _____
CLERK OF THE COUNCIL **PRESIDENT OF THE COUNCIL**

The above and foregoing Resolution was submitted to and approved by the Mayor, this the _____ day of September, 2017.

APPROVED:

_____
MAYOR

Annual Budget

Gulfport
MISSISSIPPI

For Year Ending September 30, 2018

Mayor's Proposed Budget

8/25/2017

Comptroller

P.O. Box 1780
Gulfport, MS 39502
Phone: 228-868-5705
Email: lelias@gulfport-ms.gov

To: Mayor Billy Hewes and Members of the City Council
From: Linda Elias, Comptroller
Date: August 25, 2017
RE: Proposed Budget for Fiscal Year Ending September 30, 2018

Introduction

The Comptroller is pleased to submit the proposed budget for fiscal year ending September 30, 2018. An executive summary has been prepared in a manner that will assist the reader in understanding the overall financial conditions of the City, identify material changes in the City's resources (revenues and cash), identify how funds will be spent as compared to the prior year (expenses), and communicate currently known facts or conditions that are expected to have a major impact on the financial position and operations of the City during the upcoming and perhaps subsequent years.

The Mississippi economy, as measured by gross domestic product (GDP) appears to have increased by 1.5 % for 2017 with an estimated forecasted increase in GDP of 1.9 %[1] for 2018. As another measure, personal income growth in Mississippi for 2018 is projected to equal 4.4%. This forecast would see the strongest income growth in Mississippi since 2008.[1]

The overall financial condition of the City can be best described as "Steady Growth." The cost of insurance and insurability issues continue to create challenges for homeowners, local businesses, and investors. Unemployment continues to remain high, but consumer confidence is improving as indicated by increased sales tax revenue starting in 2012 and continuing through current times.

Proposed Calendar for 2018 Budget Adoption

- ✓ August 22rd and August 29th - Advertisement for notice of tax levy and public hearing.
- ✓ September 5th – Public Hearing and Tax Levy Adoption
- ✓ September 12th – Final Adoption of Budget

Note: The Administration <u>does not</u> support a tax increase. However, if the City Council chooses to consider this, a final determination must be made as to a tax increase no later than August 29th in order to meet legal advertisement requirements and deadlines.

[1] Mississippi Economic Outlook, Publication of the University Research Center, Mississippi Institution of Higher Learning , Winter 2016, Volume 2, Number 1

Major Issues, Challenges, and Considerations for the 2018 Budget

This section identified the major issues and challenges that were considered in the formulation of this budget. Solutions to these issues will be presented in a subsequent section of this report.

1. **General Fund Operating Surplus –**
   The most recent completed audit for the City's 2016 fiscal year revealed that the City's General Fund operated in the black with revenues at $55.1 million and expenditures at $54.6 million. It is expected for the current 2017 fiscal year that the City will operate at a surplus of $836,000. The Administration feels the City's outlook is beginning to reflect a more positive outcome. The Administration is of the opinion that additional budget reductions beyond those being proposed would negatively impact essential services that are provided to our citizens; therefore, much effort needs to be channeled towards increasing the City's revenue stream through economic development activities while creating and maintaining efficiencies within the City's operations to further reduce expenditures.

2. **Economic Development –**
   Continued effort in the area of economic development will be a must as local jurisdictions compete for business. To attract new businesses, the City must continue to review and revise its zoning, architectural and construction standards, and business incentive packages. Some of the City's current incentives include: tax incentive programs in designated areas, city beautification (landscaping, facade grants, streetscapes), and a more developer friendly code department. The City continues to see steady growth in new restaurants and businesses opening throughout the year.

3. **Asset / Infrastructure Deterioration –**
   The City's book value of its capital assets totaled $569.6 million for the most recent audited year with infrastructure totaling $478.6 million or 84% of this amount. Capital assets include the following: Land, Buildings, Machinery, Equipment, Vehicles, and infrastructure, (i.e. roads, drainage systems, and water and sewer systems). Relating to this, the City's annual depreciation expense was $13.7 million. These amounts are significant. In December, 2014 a bond was issued to assist in alleviating this replacement deficit. Fourteen million was earmarked for water and sewer improvements, $10 million for infrastructure and $6 million for drainage and equipment. In addition, the City adopted a twelve year capital Water and Sewer Master Plan which will address some of the infrastructure needs. For FYE 2018, $3.5 million is budgeted for new infrastructure improvements and capital equipment/replacements. However, the City does not have a policy in place regarding a perpetual asset lifecycle replacement program for all of its assets. Depreciation is an important and often underutilized tool in the financial planning process and should become a recurring expense item in future years' budgets to replace assets as their useful lives become expired.

City needs for asset replacement/updates

- Gulfport South Sewer Treatment Facility – It has been communicated to the City by the Harrison County Utility Authority that the Gulfport South Treatment Plant no longer meets EPA standards regarding sewer treatment and disposal. The cost of addressing this issue is expected to exceed $20 million. Although this will not affect the current proposed budget, subsequent years' budgets will be impacted.

4. **Cash Reserves –**

Given the projected surplus, the City is projecting cash reserves for its General Fund for the FYE 17 to be at $8.6 million. This is slightly lower than in 2016 with cash at $9.1 million but much improved from years prior to 2016. It is recommended by the Government Finance Officers' Association (GFOA) that Cities maintain cash reserves equal to 15% of its operating budget. Given the City's General Fund revenue budget of $58.4 million, Gulfport's cash reserves should be approximately $8.8 million. The purpose of unobligated cash reserves is to: stabilize tax rates in the event of an economic downturn, cover short term funding gaps created from federal grants, and cover unforeseen emergencies. Without a doubt, all of these events have been experienced by Gulfport over the past several years; so, it would make perfect sense that cash reserves would have been at low levels; however, the City has been able to increase and stabilize the cash reserves the past four fiscal years and is proposing a budget that will be cash neutral in FYE 18.

5. **Recovering Economy –**

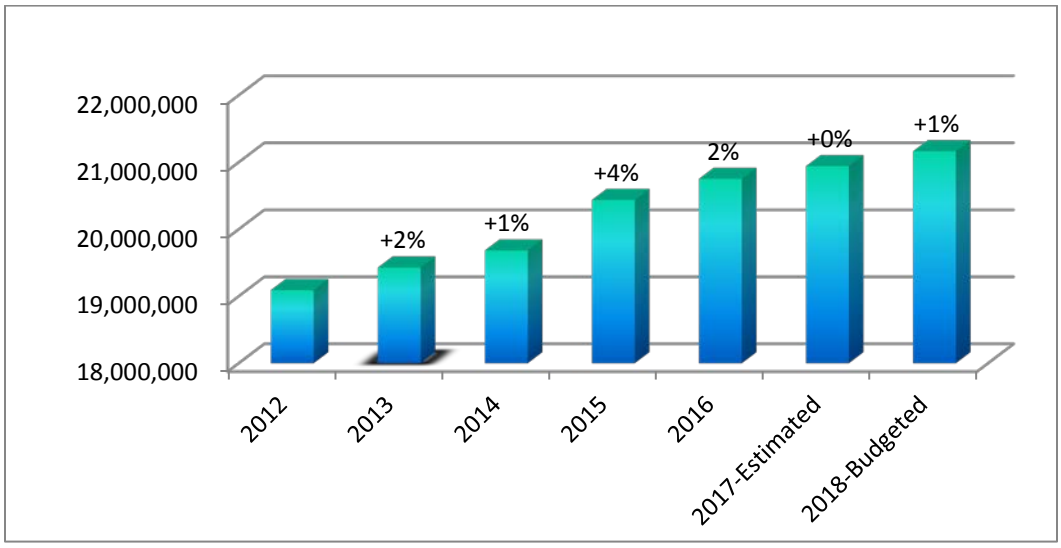
The current FYE 2017 General Fund's revenue budget is $57.6 million while the proposed FYE 2018 revenue budget is $57.8 million; representing an increase of $0.2 million. This neutral revenue is the result of a small steady increase in property, sales and gaming revenues in FYE 17.

6. **Water and Sewer Fund –**

For the current 2017 year, expected revenues will be $34.4 million with expenses at $31.7 million, not include capital projects of $9.2 million. For FYE 18, revenues are budgeted to be $34.9 million and budgeted expenses at $31.4 million, excluding capital projects of $9.9 million.

The Local Economy

Annual Sales Tax History



Sales Tax revenue comprises approximately 36% of the City's total general fund revenue and is considered the most important indicator of how the local economy is performing. As evidenced by the above chart, the City has experienced a steady increase in sales tax revenue between; increasing from $19.0 million to an estimated $20.9 million between 2012 and 2017. The City projects sales tax revenue to increase by approximately 1.0% or $.3 million to $21.2 million in FYE 18.

Staffing Summary Additions

Below are the additions/changes in positions budgeted for fiscal year ending September 30, 2018

Judicial

- Various Deputy Court Clerk 1 positions small step increases
    - Cost will be mostly be absorbed internally by reducing another staff salary
- 75% grant funded Domestic Violence Coordinator position at salary/benefits of $43,680-dependent upon receiving grant

Legal

- Two Domestic Violence positions at a salary/benefits of $43,680 each, 75% grant funded
- Step increases for two legal administration staff

Police

- One new sergeant patrol officer position at salary/benefits of $64,410
- Eight new patrol officer 1 positions-positions are partially by grant at salary/benefits of $51,689 each
- Step increases for court liaison officer and superintendent of maintenance

Public Works

- Step increases for three GSE 1 employees
- One new part time community service driver at salary/benefits of $13,104
- One new storm water/solid waste inspector at salary/benefits of $56,066
- Budget analyst position moved to water and sewer and water and sewer assistant budget analyst position eliminated

Engineering

- Step increase for one CAD/GIS operator

Leisure Services

- Step increases for two recreation aide 1 employees
- Step increase for one swimming pool rec aide employee
- Step increases for 15 GSE employees
- Step increase for one light equipment operator
- One new Sportsplex expansion GSE 111 position at salary/benefits of $33,322
- One new part-time Sportsplex expansion GSE 1 position at salary/benefits of $13,104
- One new light equipment operator for Sportsplex expansion position at salary/benefits of $31,681

Urban Development

- Step increases for two Clerk 1 employees
- Step increase for one Clerk 3 position

Mainstreet

- One new business outreach position at salary/benefits of $49,000
- Reduction of director's salary

Budget in Brief

Proposed Summary of Revenues, Expenses, for Fiscal Year Ending September 30, 2018		
	Estimated FYE 2017 Actual	**FYE 18 Proposed Budget**
Estimated Revenues:		
Property Taxes	$ 25,112,256	$ 25,329,152
Sales Tax	20,940,893	21,162,929
License/Permits/Franchise Fees	4,944,826	5,180,685
Gaming Fees	3,912,439	4,108,061
Grants (Federal, state & local)	15,131,046	20,839,140
Fines and Forfeitures	1,202,631	1,302,631
Intergovernmental	3,291,792	2,032,976
Charges for Services	37,708,589	38,380,568
Miscellaneous - includes Other Financing Sources	37,614,459	2,607,241
Total Estimated Revenues	$ 149,858,931	$ 120,943,383
Proposed Expenses:		
Capital Projects	$ 33,418,549	$ 63,377,904
Public Works/Water and Sewer	32,040,514	32,280,815
General Government	19,414,879	21,074,445
Police Protection	19,843,795	19,406,661
Debt Service	13,985,159	14,289,371
Fire Protection	12,173,955	12,633,253
Culture and Recreation	7,329,834	7,559,949
Urban, Community & Economic Dev	1,919,614	2,465,192
Total Proposed Expenses	$ 140,126,298	$ 173,087,589

Note: Does not include Self Insured Health Insurance Fund and Self Insurance Claims Fund

Assumption of $35 million bond received in September, 2017 and not spent until FY 18

Financial Overview

Debt Management

The City currently has $73.1 million in general and special obligation outstanding debt consisting of $31.7 million relating to debt being supported by property taxes for purposes of maintaining and upgrading streets, bridges, drainage systems, and parks; while, $41.4 million is related to water and sewer infrastructure expansions and upgrades. Additionally, the City is responsible for approximately $55 million in debt through the Harrison County Utility Authority bringing the total debt being serviced by the City to around $128.1 million. For detail of all general fund debt see Page 32 and for water and sewer debt see Page 44. More than likely there will be a $35 million bond for the aquarium which may be funded in late September, 2017. This is included in the debt calculation below as actual debt outstanding.

Legal debt Margin Calculation

- State Law restricts the amount of outstanding debt a Municipality can have which is repaid through property taxes. Debt that is repaid by rates and fees is exempt from this calculation, i.e. water and sewer. Total debt outstanding repaid through property tax shall not exceed 20% of gross assessed value of all assessed value of property within the municipality. Below is a calculation of Gulfport's legal debt margin for FYE 2017 including an anticipated $35 million bond expected to be funded in September, 2017.

Loan Debt Margin Calculation		
FYE 2017 Gross Assessed Valuation	$	755,954,726
Times 20% Allowable		*20%
Allowable Debt Outstanding-20% Rule	$	151,190,945
Actual Debt Outstanding	$	66,701,400
Debt Margin - Borrowing Capacity	$	84,489,545

Gulfport is currently at 44.1% of capacity which allows for $84.5 million for further debt issuance(s) under the State's formula. Gulfport currently is in excellent shape with regards to the amount of outstanding debt (subject to being repaid through property taxes) as a percentage of property value.

Contributions to Not for Profit Agencies

The City has budgeted $520,350 for contributions to Not for Profit Agencies who either perform a service for the Citizens of Gulfport or promote economic development activities throughout Gulfport.

To be provided by Council at a later date.

General Fund Financial Summary

2017 Budget versus 2018 Proposed Budget			
	2017 Revised Budget	2017 Estimated Actual	2018 Proposed Budget
Operating Revenues	57,594,466	57,141,539	58,461,870
Operating Expenditures	59,429,875	56,304,783	59,586,280
Excess/(deficiency) of Revenues over expenditures	(1,835,406)	836,756	(1,124,410)*

* The $1,124,410 expenditures over revenues include a carry forward of $1,293,641 which will result in a positive $169,231 of revenues over expenditures for FY 18.

FYE 2018 General Fund Budget Plan

As per the Financial Summary above, the FYE 2017 reflects a surplus with projected revenues exceeding expenditures by $1.3 which exceeds 2%.

Revenue Enhancements:

1. Sales Taxes
   - An increase of $222,036 over current year estimated sales tax revenue. The current estimated revenue for this category is $20,940,893. A projection of a 1.1% increase for FYE 2018 over actual estimated revenues for FYE 2017 due to an increase of gas sales tax from the State making an estimated sales tax revenue budget of $21,162,929.

2. Property Taxes
   - A very moderate increase of $10,000 over prior year estimated revenues. Total assessed values of taxable property for FYE 2018 are estimated at $2.7 million less than for the last fiscal. The every four year new value assessment was included in the prior fiscal year budget. It is anticipated that actual property taxes collection in FYE 2017 will be $25.1 million with a budget of $25.2. Due to these factors, the total estimated FYE 18 property tax revenue budget is estimated at $19.7 million for the general fund, $1.0 for the Public Employees' Retirement Fund and $4.6 million for the Debt Service Fund.

3. Licenses / Permits / Franchise Fees
    - Increase of $235,859 over current estimate of $4.9 million.
    - The reason for the increase is due to final reduction from the FYE 2016 refunds to Mississippi Power customers which reduced the franchise fees paid to the City and anticipated increase in building permits due to anticipated building activity for next year.

4. Gaming Revenues
    - An increase of $195,622. The current anticipated revenue for this category is $3.9. Island View Casino has recently made a $50-$60 million expansion and is currently building another casino which is expected to be completed in 2018. For the current year, it is expected that gaming revenue will exceed current budget by $117,753 (a 3.1% increase over budget). Due to this current year increase and the increases experience over the last three years, the projected gaming revenues were increased over current estimated revenues by a conservative $195,622 (5.0 %).

5. Court Fines
    - An increase of $100,000 from current estimated budget. Fines and forfeiture revenues have been decreasing for several years; however, due to new policies and procedures and the hiring of a new collection manager, collections are expected to be $83,500 over budget for FY 17. With these new steps in place in FYE 2017, it is anticipated that an additional $100,000 in revenue over current year will be received.

Significant Expenditure Increases:

Below are discussions of significant increases in expenditures excluding salary costs described on Page 5.

1. Public Works
    - Fund reallocation in privatization contract including CPI increase, but offset by other expenditure reductions
    - Addition of $300,000 to the current unit price contract to be utilized for a drainage crew

2. Economic Development
    - Potential purchase of building and renovations to be used for the City garden
    - Nature trail improvements

Water and Sewer Fund Financial Summary

2017 Budget versus 2018 Proposed Budget			
	2017 Revised Budget	2017 Estimated Actual	2018 Proposed Budget
Operating Revenues	34,668,469	34,438,704	34,914,623
Operating Expenditures	43,959,470	40,852,070	41,303,123
Excess/(deficiency) of Revenues over expenditures	(9,291,001)	(6,413,366)	(6,388,940)

Notes:

1. The above amount includes water and sewer capital projects carry forward of $6,388,940 and funded by bond issues.
2. New capital projects for FYE 2017 of $3.5 million are funded due to approved rate increases in prior years as outlined in the 2013 Water and Sewer Master Plan.
3. Operating revenues include an anticipated increase in both commercial and residential solid waste rates.

Self-Insurance Funds Financial Summary

Health Insurance 2017 Revised Budget versus 2018 Proposed Budget			
	2017 Revised Budget	2017 Estimated Actual	2018 Proposed Budget
Operating Revenues	6,495,000	6,501,927	6,349,317
Operating Expenditures	7,028,992	6,549,125	5,174,640
Excess/(deficiency) of Revenues over expenditures	(533,992)	(47,197)	45,690

Claims Contingency 2017 Revised Budget versus 2018 Proposed Budget			
	2017 Revised Budget	2017 Estimated Actual	2018 Proposed Budget
Operating Revenues	3,051,000	3,415,381	2,622,554
Operating Expenditures	2,841,000	2,761,500	2,601,210
Excess/(deficiency) of Revenues over expenditures	210,000	653,881	21,344

Future Economic Development Activities on the Horizon

1. Aquarium–The City has received State and Federal funding to build a state of the art aquarium which is expected to be completed in the Spring of 2019. This aquarium is expected to attract tourists from all around the country and will bring a large boost to the local economy.

2. Markham Building–The Markham building was recently sold to an investor and is anticipated to be restored for hotel accommodations. This downtown icon will enhance the attraction to downtown Gulfport.

3. Fishbone Alley and the Walk able Social District–Fishbone Alley was renovated to create an outdoor social area where patrons can eat and drink in a lively atmosphere. In addition, the passing of the Walk able Social District will allow downtown businesses within the district to add to their offerings to patrons.

4. Centennial Plaza – The long anticipated renovations for Centennial Plaza is expected to begin in the next fiscal year.

5. Island View – The Island View Casino has recently renovated their hotel tower south of Highway 90. The renovations include over 400 additional hotel rooms, several restaurants, and convention space. In addition, Island View Casino has announced an additional casino to be located on the beach side of their property.

Future Issues, Concerns, and Uncertainties

1. **Unfunded Katrina Projects-**
   In excess of $250 million in Hurricane Katrina Recovery related work was performed in Gulfport. Ninety eight percent (98%) of this work was performed without any eligibility issues; however, It has been determined that several Katrina related recovery projects which were originally thought to be wholly funded by FEMA may not meet FEMA's eligibility requirements. In total, these items are estimated in excess of $4-$5 million which represents about 2% of all City FEMA funded Katrina Recovery projects. The City is currently appealing the outcome of this decision and anticipates a positive outcome.

2. **Infrastructure Deterioration and Obsolescence and Machinery and Equipment Replacements-**
   As discussed on Page 3 of this report, there is a need for an overall plan for capital asset replacements and upgrades. While progress has been made through the Water and Sewer Master Plan and the issuance of a $30 million bond in December, 2014, addition funds and planning are needed to meet the future needs of the City and its Citizens through the upcoming years.

3. **Gulfport South Sewer Treatment Facility –**
   It has been communicated to the City by the Harrison County Utility Authority that the Gulfport South Treatment Plant no longer meets EPA standards regarding sewer treatment and disposal. The cost of addressing this issue is expected to exceed $20 million. Although this will not affect the current proposed budget, subsequent years' budgets will be impacted.

Closing

In closing, I would like to commend all of those City Directors and department heads who worked so hard in streamlining and reducing their respective budgets to help ensure the City's continued financial solvency. This has been an ongoing process over the past several years. None of this has been easy.

Also, I would like to thank the Mayor, Chief Administrative Officer, and City Council in supporting the Administration during the budget process. As a result, many positive discussions took place; which in turn, provided an appropriate forum for citizens to learn about the financial and economic challenges facing this City while allowing the City to continue to move in a positive direction.

Sincerely,

Linda K. Elias
Comptroller

Appendix A

State of Mississippi Budgeting Laws and Regulations

- ✓ Budget shall be adopted no later than September 15 for the subsequent year's budget beginning October 1.
- ✓ A public hearing shall be held no later than one week prior to the adoption of the budget. Also, the Tax Levy must be adopted at this same meeting or at a separate meeting at least one week before final adoption of budget.
- ✓ Advertisement for both tax levy and public hearing shall take place two weeks prior to public hearing and adoption of levy and no less than seven (7) days from the first advertisement.

Appendix B

Accounting Structure

State Law requires the City establish individual Funds to separately account for resources and expenses relating to such activities as capital projects, debt service, public utility, etc. Funds are similar in nature to a private sector's division or segment. Listed below is a breakdown of the City's individual funds with a brief explanation of their purpose:

Fund Name	Fund Purpose
General Fund	Established to account for activities that are traditional in nature to governmental entities and which are not required to be reported in another fund. Examples of General Fund activities include: public safety (police and fire), public works (non-water and sewer), recreation, planning \ zoning, general administration, legal, courts, etc.
Capital Projects	This fund is used to account for resources relating to the acquisition and construction of major facilities and infrastructure improvements other than those financed by the water and sewer utility fund. Primary funding for this fund comes from Grants, bond issues, funds transferred in from the General Fund.
Debt Service	This fund is used to account for resources relating to the repayment of debt (principal and interest). Note: this does not include water and sewer related debt which is paid by the water and sewer utility fund. This fund's primary source of revenue is property taxes.
Public Employees Retirement Fund	This fund is used to account for resources used in funding the "old" Police and Fire retirement system. This fund's primary revenue source is property taxes.
Community Development Block Grant Fund (CDBG)	This fund is used to account for resources associated with various Federal Grants. These funds must be spent according to strict guidelines. Resources of this fund is being used to fund activities such as the downtown facade program, downtown streetscapes, long term workforce housing, housing rehab, and activities benefiting low to moderate income households.
Disaster Relief Fund	This fund is used to account for resources associated with "major" natural and man-made disasters when Federal and State Grants will be received by the City to help in its recovery. Recent examples of this are Hurricanes Katrina, Gustav, and BP oil spill.
Employee's Health Insurance Fund	This fund is used to account for resources relating to providing health care to City employees.
Claims Contingency Fund	This fund is used to account for resources relating to property, general liability, and worker's compensation claims.
Police Forfeits and Seizure Fund	This fund is used to account for resources relating to assets seized by the City's Police Department.
Joseph T. Jones Fund	This fund is used to account for resources relating to the operations and maintenance of leasing of boat slips and other facilities within the Joseph T. Jones Yacht Basin.
Water and Sewer Fund	This fund is used to account for resources relating to the operations of the City's water and sewer utility system. It is intended that all of the resources associated with this fund are to be derived from user charges.

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GENERAL FUND

The General Fund is the City's largest fund and is used to account for all activities that are traditional in nature to governmental entities and which are not required to be accounted for in another fund. Examples of General Fund activities include the following:

- General Government – Serves as the administrative arm of the city. Departments which carry out this function include: Executive (Mayor), Legislative (Council), Judicial (Courts), Legal (City Attorney), General Administration, and Public Transportation.

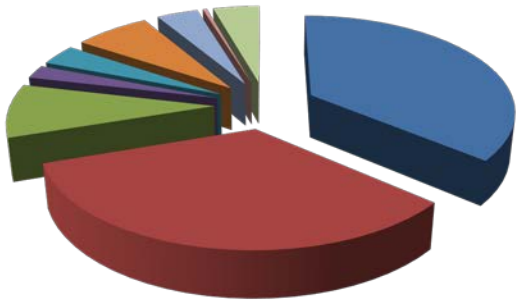
- Public Safety – Serves as protection to the general public with regards to life, health, and property. Departments which carry out this function include Police and Fire.

- Public Works – Serves to manage the City's overall infrastructure. This includes but is not limited to road and bridge maintenance, drainage prevention and control, and traffic signalization.

- Culture and Recreation – Serves to promote cultural activities for all ages. These activities include summer day camps for our youth, senior citizen programs for our elderly, various sports and recreational programs, and maintenance of parks and playgrounds. Divisions which carry out this function include Leisure Services, Building Maintenance, Senior Citizens, and Cemetery.

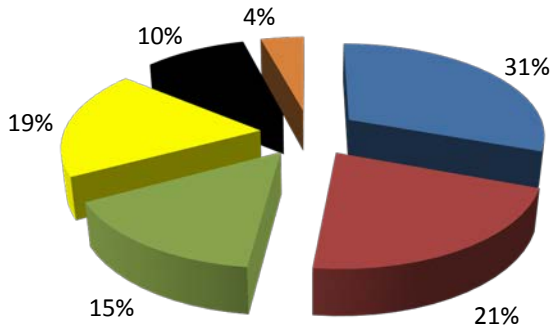
- Urban and Economic Development – Serves to ensure zoning laws and building codes are enforced. This entails such activities as building plans review, inspections, and the issuance of building permits. The major divisions which carry out this function are Building Code, Planning and Zoning, and Code Enforcement.

General Fund Revenue
Where Does the Money Come From?



- Sales Tax 36%
- Property Taxes 34%
- Licenses/Permits/Fran Fees 9%
- Fines and Forfeits 2%
- Intergovernmental 3%
- Gaming 7%
- Charges for Services 4%
- Other \ Misc 0%
- Grants 4%

General Fund Expenditures
Where Does the Money Go?



- Police
- Fire
- Public Works & Engineering
- General Government
- Culture and Recreation
- Urban and Economic Dev

	City of Gulfport General Fund Proposed Budget For Fiscal Year Ending 9/30/18			
		FYE 2017 Revised Budget 2017	FYE 2017 Estimated Actuals 2017	FY 2018 Proposed Budget
	Operating Revenues			
1	Sales Tax	21,257,600	20,940,893	21,162,929
2	Property Tax	19,551,000	19,650,000	19,660,000
3	Licenses, Permits, & Franchise	5,277,624	4,944,826	5,180,685
4	Gaming Fees	3,794,686	3,912,439	4,108,061
5	Grants (Federal, State, Local)	2,116,444	2,116,444	2,534,849
6	Court Fines	1,119,107	1,202,631	1,302,631
7	Intergovernmental	2,090,000	2,032,976	2,032,976
8	Charges for Service/Rents/Lea	2,235,000	2,114,536	2,252,945
9	Misc/Other	153,005	226,794	226,794
10	Total Projected Revenues	57,594,466	57,141,539	58,461,870
	Operating Expenses			
11	Executive (Mayor)			
12	Personal Services	274,740	282,651	289,621
13	Materials and Supplies	1,469	1,469	1,200
14	Other Services and Charges	25,307	25,269	24,115
15	Capital Outlay			-
16	Total Executive	301,516	309,389	314,936
17	Legislative (Council)			
18	Personal Services	376,316	372,589	383,107
19	Materials and Supplies	5,700	1,501	5,700
20	Other Services and Charges	1,667,229	737,213	1,680,774
21	Capital Outlay	12,311	2,738	12,311
22	Total Legislative	2,061,556	1,114,042	2,081,892
23	Judicial (Courts)			
24	Personal Services	1,144,746	963,372	1,174,026
25	Materials and Supplies	24,000	6,149	15,700
26	Other Services and Charges	550,625	473,955	505,096
27	Capital Outlay	31,284	31,284	5,000
28	Total Judicial	1,750,655	1,474,760	1,699,822
29	Legal			
30	Personal Services	901,924	903,981	1,028,493
31	Materials and Supplies	4,222	5,112	5,079
32	Other Services and Charges	268,164	201,745	306,779
33	Capital Outlay	5,607	5,607	8,000
34	Total Legal	1,179,917	1,116,446	1,348,351

City of Gulfport General Fund Proposed Budget For Fiscal Year Ending 9/30/18			
	FYE 2017 Revised Budget 2017	FYE 2017 Estimated Actuals 2017	FY 2018 Proposed Budget
35 Administration and Finance			
36 Personal Services	2,311,443	2,277,817	2,309,486
37 Materials and Supplies	103,281	78,204	97,782
38 Other Services and Charges	1,543,041	1,410,927	1,589,848
39 Capital Outlay	377,399	257,399	370,065
40 Total Admin and Finance	4,335,164	4,024,347	4,367,181
41 Public Transportation	398,000	398,000	356,933
42 Police			
43 Personal Services	14,347,470	14,197,470	15,104,929
44 Materials and Supplies	1,387,023	1,387,023	1,267,354
45 Other Services and Charges	2,067,969	2,067,969	1,773,475
46 Capital Outlay	329,952	329,952	-
47 Total Police	18,132,414	17,982,414	18,145,758
48 Fire			
49 Personal Services	11,026,068	11,013,642	11,377,006
50 Materials and Supplies	527,051	558,219	533,674
51 Other Services and Charges	600,795	489,666	596,573
52 Capital Outlay	189,566	112,428	126,000
53 Total Fire	12,343,480	12,173,955	12,633,253
54 Public Works			
55 Personal Services	1,528,445	1,528,445	1,550,855
56 Materials and Supplies	1,310,063	1,310,063	1,320,245
57 Other Services and Charges	3,252,526	3,252,526	3,877,326
58 Capital Outlay	741,605	741,605	135,500
59 Total Public Works	6,832,639	6,832,639	6,883,926
60 Engineering			
61 Personal Services	506,380	533,433	513,792
62 Materials and Supplies	19,700	8,195	9,114
63 Other Services and Charges	1,982,238	1,891,179	1,899,465
64 Capital Outlay	-	-	4,000
65 Total Engineering	2,508,318	2,432,807	2,426,372

City of Gulfport General Fund Proposed Budget For Fiscal Year Ending 9/30/18			
	FYE 2017 Revised Budget 2017	FYE 2017 Estimated Actuals 2017	FY 2018 Proposed Budget
66 Leisure Services			
67 Personal Services	3,418,016	3,076,639	3,135,937
68 Materials and Supplies	993,972	824,128	901,072
69 Other Services and Charges	2,006,983	1,831,957	1,698,077
70 Capital Lease Payments	114,131	114,131	114,131
71 Capital Outlay	1,950	1,950	75,000
72 Total Leisure Services	6,535,052	5,848,805	5,924,217
73 Urban Development			
74 Personal Services	1,547,872	1,459,528	1,570,274
75 Materials and Supplies	38,440	27,164	39,940
76 Other Services and Charges	208,155	129,348	220,471
77 Capital Outlay	15,500	2,204	-
78 Total Urban Development	1,809,967	1,618,244	1,830,685
79 Economic Development			
80 Personal Services	257,716	263,167	281,456
81 Materials and Supplies	13,300	4,264	14,100
82 Other Services and Charges	86,613	20,689	102,951
83 Capital Outlay	206,000	13,250	236,000
84 Total Economic Development	563,629	301,370	634,507
Operating Transfers	677,565	677,565	938,447
85 Total Proposed Operating Expenditures	59,429,872	56,304,783	59,586,280
86 Excess/(deficiency)	(1,835,406)	836,756	(1,124,410)
Adjustments for carryforwards:			
Unused capital c/f- Economic Development			186,000
BP Oil Leak 2010 c/f			987,641
Carryover of IT capital			120,000
Excess/(deficiency) without carryovers			169,231

CAPITAL PROJECTS FUND

The Capital Projects fund is used to account for the acquisition and construction of major capital facilities and infrastructure improvements other than those financed by the Water and Sewer, Hurricane, Insurance, and Joseph T. Jones Funds. Examples of these types of activities include the following:

- Street Improvements – Paving \ Widening
- Drainage prevention and control
- Right of way acquisitions
- Building Construction and Renovation
- Parks and Recreational Facilities

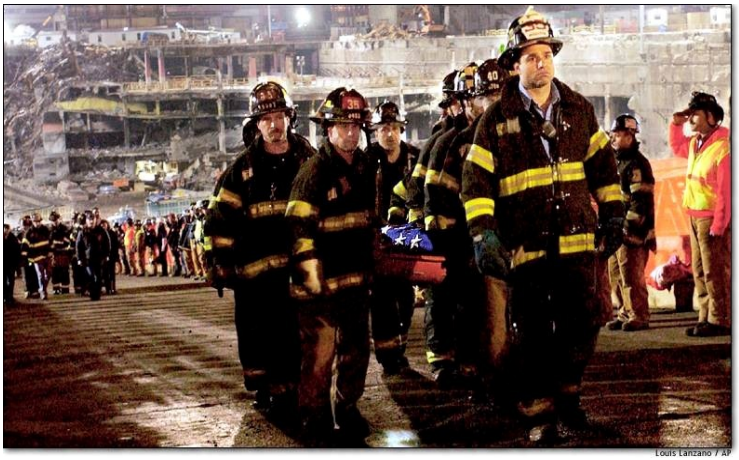
City of Gulfport Capital Projects Funds Revised Proposed Budget For the Fiscal Year Ending 9/30/2018		
	FYE 2017 Revised Budget	FYE 2018 Proposed Budget
Estimated Revenues		
Grants - (Federal, State & Local)	45,169,814	13,416,236
Other Revenue	500,000	500,000
Total Projected Revenues	45,669,814	13,916,236
Proposed Expenditures		
Capital Projects Fund- Work in Progress	21,915,179	49,572,146
Total Proposed Expenditures	21,915,179	49,572,146
Excess/(deficiency) of Revenues over Expenses	23,754,635	(35,655,910)

Bond Issue - 2012 Paving $10.0 Million Org 357
Bond Issue - 2014 $6.0 Million Org 358
Bond Issue - 2014 $10.0 Million Org 359

Notes:
See detail on following pages for project balances remaining as of 7-31-2017.
Assumption of $35 million bond for received in FY 17 but not spent until FY 18.
Other capital projects are contained in the Water and Sewer Fund, CDBG Fund, FEMA Fund and Insurance Fund.

CAPITAL PROJECTS AS OF JULY 31, 2017						
FUND	PROJECT	ACCOUNT DESCRIPTION	REVISED BUDGET	YTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET
030	18846	18846 PIERS - ISAAC PW GCGNS15	473,697	16,140	31,946	425,611
	18847	18847 JETTIES - ISAAC PW GCGNS	42,571	8,203	5,927	28,441
		030 DISASTER RELIEF	516,267	24,343	37,873	454,052
100	02341	02341 SEAWAY ROAD WIDENING TEA	(392,367)	(28,092)	-	(364,274)
	02382	02382 JOSEPH T JONES MEMORIAL	7,365	7,364	-	1
	02386	02386 JONES PARK \ HARBOR IMP	1,011,885	-	-	1,011,885
	02393	02393 28TH STREET WIDENING(TEA	571,057	282,653	1,990,300	(1,701,897)
	02394	02394 LORRAINE ROAD BRIDGE @ B	1,387	-	-	1,387
	02405	02405 DEDEAUX ROAD WIDENING PH	1,394,582	(327,470)	1,228,925	493,127
	02407	02407 WEST SIDE PARK	9,161	8,230	-	931
	02444	02444 JONES PARK LIGHTING AND	381,267	51,830	64,741	264,696
	02503	02503 THREE RIVRS RD/CREOSOTE	(230,018)	32,434	-	(262,452)
	02506	02506 AIRPORT RD WDNG/WASH AVE	150,000	39,034	110,797	169
	02507	02507 WAYFINDING PROJECT	91,092	52,607	3,595	34,890
	02508	02508 ORANGE GROVE ROOF	389,869	6,608	-	383,261
	02748	02748 HAR CO DIST 4 PAVING PRO	21,436	-	-	21,436
	02765	02765 JONES PARK IMP-BARKSDALE	46,931	1,749	45,182	-
	02770	02770 JONES PARK IMP-LEO SEAL	110,049	-	110,049	-
	02775	02775 WARD 1 PARKS IMPROVEMENT	20,000	2,400	-	17,600
	02785	02785 2012 BOND ISSUE-PHASE 5	34,062	-	16,076	17,986
	02788	02788 PHASE 8 / E TAYLOR RD	27,246	2,920	18,089	6,237
	02792	02792 TIDELANDS -2013 - YACHT	(16,751)	(16,751)	-	0
	02796	02796 COURTHOUSE	1,090,268	9,888	5,405,627	(4,325,247)
	02804	02804 LANDON RD WIDENING	283,286	17,580	8,367	257,339
	02810	02810 PASS RD TRAFFIC SIGNAL S	(24,612)	(235,129)	3,300	207,217
	02814	02814 TIDELANDS 14 YACHT BASIN	-	278,572	1,868	(280,440)
	02817	02817 TIDELANDS 15-COURTHOUSE	(113,642)	(113,642)	419	(418)
	02818	02818 SEASONAL LIGHT SHOW	(718,804)	120,374	17,780	(856,957)
	02819	02819 AQUARIUM	11,653,534	8,190,367	-	3,463,167
	02821	02821 E TAYLOR RD TRAFFIC STUD	15,000	8,135	6,865	-
	02822	02822 20TH AVE MATCH	130,000	-	-	130,000
	02823	02823 Seaway Road Pedestrian P	985,380	-	-	985,380
	02901	02901 POOLE STREET DRAINAGE	1,714	-	-	1,714
	02903	02903 WHITNEY DRIVE DRAINAGE	100,000	98,117	-	1,883
	02904	02904 AIRPORT ROAD PAVING	100,000	-	-	100,000
	02905	02905 HAND DRIVE DRAINAGE	53,804	-	-	53,804
	02907	02907 HIGHWAY 49 @ 18TH ST DRA	5,000	-	-	5,000

CAPITAL PROJECTS AS OF JULY 31, 2017						
FUND	PROJECT	ACCOUNT DESCRIPTION	REVISED BUDGET	YTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET
	02908	02908 GREENVIEW DRAINAGE	198,973	192,315	-	6,658
	02909	02909 EPA STORMWATER PHASE 2 P	25,000	389	24,611	-
	02910	02910 GLENDALE ST PANEL REPLAC	1,438	-	-	1,438
	02911	02911 ONEAL RD WIDENING PHASE	313	-	-	313
	02912	02912 THREE RIVERS RD WIDENING	314	-	-	314
	02913	02913 ADA COMPLIANCE PROJECTS	7,459	3,651	-	3,808
	02914	02914 ROYAL STREET/ST CHARLES	175,062	156,022	9,283	9,757
	02916	02916 GULFPORT HIGH DRAINAGE P	64,424	25,667	3,250	35,507
	02918	02918 MILL RD DRAINAGE PROJECT	40,000	-	-	40,000
	02919	02919 53RD AVE BOX CULVERT PRO	35,000	-	-	35,000
	02920	02920 LEISURE SERVICES PROJECT	223,075	178,673	43,207	1,194
	02921	02921 FLAT BRANCH/QUBBIE CREEK	100,000	-	-	100,000
	02930	02930 SOCCER FIELDS	2,500,000	120,602	2,227,143	152,255
	02935	02935 BAYOU VIEW ADA IMPROVEME	163,757	148,696	6,655	8,406
	02940	02940 SOFTBALL FIELD EXPANSION	6,075,059	1,398,154	4,676,904	1
	05441	05441 28TH ST PARK IMPROVEMENT	13,024	-	-	13,024
	05849	05849 BRICKYARD BAYOU DRAINAGE	614,570	117,422	20,643	476,505
	05850	05850 COFFEE CREEK DRAINAGE/RE	40,608	22,864	6,395	11,349
	31109	31109 FAIRFIELD III CORRECTION	65,000	-	-	65,000
	41147	41147 PLAYGROUND MODULES	423,039	391,135	3,949	27,956
		100 CAPITAL PROJECTS	27,955,296	11,245,366	16,054,020	655,911
200	05338	05338 EAST NORTH GLFPT PARK PL	91,346	91,346	-	-
	05517	05517 VARIOUS PUBLIC FACILITIE	222,722	194,750	-	27,972
	05695	05695 19TH ST INFRASTRUCTURE E	2,000	-	-	2,000
	05801	05801 DOWNTOWN STREET SCAPE EN	359,836	10,359	269,635	79,843
	05849	05849 BRICKYARD BAYOU DRAINAGE	4,500,000	176,441	-	4,323,559
	05850	05850 COFFEE CREEK DRAINAGE/RE	1,559,415	424,548	819,343	315,525
		200 COMMUNITY DEVELOPMENT	6,735,319	897,444	1,088,977	4,748,898



POLICE AND FIREMENS' RETIREMENT FUND

This fund is used to account for tax revenues legally restricted for funding the police and firemen's' retirement plan. All collections are forwarded to the Public Employees' Retirement system (PERS). All resources accumulated in this fund are legally restricted for the above mentioned purpose. This fund's principal source of revenue is General Property Taxes.

City of Gulfport Public Employees' Retirement Fund Budget For the Fiscal Year Ending 9/30/2018		
	FYE 2017 Revised Budget	FYE 2018 Proposed Budget
Estimated Revenues		
General Property Taxes	955,705	1,028,046
Shared Revenues	34,000	34,000
Total Projected Revenues	989,705	1,062,046
Proposed Expenditures		
PERS Contributions	989,705	1,062,046
Excess/(deficiency) of Revenues over Expenses	-	-

MUNICIPAL DEBT SERVICE FUND

This fund is used to account for the accumulation of resources and payment of general obligation bond principal and interest. All resources accumulated in this fund are legally restricted for the above mentioned purpose. This fund's principal source of revenue is General Property Taxes. Note that water and sewer related debt is not included within this fund.

City of Gulfport Municipal Debt Service Fund Proposed Budget For the Fiscal Year Ending 9/30/2018		
	FYE 2017 Revised Budget	FYE 2018 Proposed Budget
Estimated Revenues		
General Property Taxes	4,506,551	4,641,106
Transfer In	737,710	938,447
Interest and Misc Revenue	175,659	183,000
Total Projected Revenues	5,419,920	5,762,553
Proposed Expenditures		
Debt Service Payments	5,028,402	5,802,084
Excess/(deficiency) of Revenues over Expenses	391,518	(39,531)

City of Gulfport, MS
General Fund Long term Debt Schedule

Note Holder	Original Issue	2018 Principal	2018 Interest	2018 Total
General Obligation Bonds--Debt Service Fund				
BancorpSouth/Century Construction	480,000	20,000	17,000	37,000
Hancock Bank	15,025,000	1,471,000	483,095	1,954,095
Hancock Bank	6,160,000	-	-	-
Peoples Bank	10,000,000	-	-	-
General Obligation Bonds--Capital Projects Fund				
Hancock Bank	16,000,000	720,500	421,165	1,141,665
Total GO Bonds	**47,665,000**	**2,211,500**	**921,260**	**3,132,760**
Special Obligation Bonds--Debt Service Fund				
BancorpSouth-MDB	10,000,000	1,010,000	161,100	1,171,100
Total SO Bonds	**10,000,000**	**1,010,000**	**161,100**	**1,171,100**
General Obligation Capital Leases--General Fund				
Trustmark Bank-82.9%	1,163,948	229,428	12,874	242,302
Regions Bank	415,679	85,225	1,800	87,025
Regions Bank	517,622	107,017	1,350	108,367
The First	1,910,117	114,889	48,226	163,115
Total Capital Leases	**2,843,418**	**536,559**	**64,250**	**600,809**
Aquarium LOC Interest Payment	14,000,000	-	189,700	189,700
$35 Million Bond - Aquarium	35,000,000		707,715	707,715
	49,000,000	-	897,415	897,415
	49,000,000	**-**	**897,415**	**897,415**
Total Governmental Activities	**$ 109,508,418**	**$ 3,758,059**	**$ 2,044,025**	**$ 5,802,084**

COMMUNITY DEVELOPMENT FUND

This fund is used to account for resources associated with various federal grants which addresses such areas as affordable housing, community revitalization, and urban and economic development. The following programs are examples of how these funds are used:

- Housing Rehabilitation loans to persons meeting the low to moderate income criteria
- Construction of Park and Recreational facilities in qualifying areas.
- Social service agencies for activities such as day care services, summer day camps, after school programs, job training, and other related programs
- Funding for street upgrades, drainage prevention and control, sidewalks, and other public improvement projects for blighted areas as defined by HUD.
- Downtown Revitalization
- Long Term Workforce Housing

City of Gulfport Community Development Fund Proposed Budget For the Fiscal Year Ending 9/30/2018		
	FYE 2017 Estimated Actual	FYE 2018 Proposed Budget
Estimated Revenues		
Federal Grant Revenue	1,462,700	3,505,967
Proposed Expenditures		
CDBG Grant - Work in Progress	462,700	1,176,023
HOME Grant - Work in Progress	700,000	683,804
MDA - Katrina Supplement Grant Work in Progress	300,000	2,822,163
EPA Brownfield Grant Work in Progress	0	
Total Proposed Expenditures	1,462,700	3,505,967
Excess/(deficiency) of Revenues over Expenses	0	0

See Page 27 for listing of capital projects.

SELF INSURANCE FUNDS

The City of Gulfport is partially self-funded with regards to its Health, Life, Worker's Compensation, and General Liability Insurance. The City has two separate funds established to account for the resources associated with providing the above referenced insurance coverages; Employee Health Care Fund and Claims Contingency Fund. The budget for both of these funds is contained within this section of the report. Significant losses are covered by commercial insurance while smaller losses are absorbed by the City.

	City of Gulfport Self Insured Fund (Health Insurance) Proposed Budget For the Fiscal Year Ending 9/30/2018	FYE 2017 Revised Budget	FYE 2017 Estimated Actual	FYE 2018 Proposed Budget
	Estimated Revenues			
1	Employer Contributions	4,480,000	4,480,000	4,463,732
2	Employee Contributions	1,265,000	1,265,000	1,195,083
3	Retiree Contributions	250,000	182,012	190,502
4	Other Revenues	500,000	574,915	500,000
5	Total Projected Revenues	6,495,000	6,501,927	6,349,317
	Proposed Expenditures			
6	Professional Fees	250,000	250,000	250,000
7	Administrative Fees	259,992	186,500	259,987
8	Bank Fees	1,000	1,000	1,000
9	Specific Stop Loss Insurance	550,000	673,049	550,000
10	Insurance Premium -Vision	68,000	68,000	68,000
11	Claims	5,900,000	5,370,576	5,174,640
12	Total Proposed Expenditures	7,028,992	6,549,125	6,303,627
13	Excess/(Deficiency) of Revenues over Expenditures	(533,992)	(47,197)	45,690

City of Gulfport Self Insured General Liability and Claims Fund Proposed Budget For the Fiscal Year Ending 9/30/2018			
	FYE 2017 Revised Budget	FYE 2017 Estimated Actual	FYE 2018 Proposed Budget
Estimated Revenues			
Interest Earnings and Miscellaneous Revenues	1,000	365,381	225,000
Employer Contributions	3,050,000	3,050,000	2,397,554
Total Projected Revenues	3,051,000	3,415,381	2,622,554
Proposed Expenditures			
Claims and judgments	1,040,900	961,400	898,674
Insurance premiums	1,595,000	1,595,000	1,506,686
Other services and charges	205,100	205,100	195,850
Total Proposed Expenditures	2,841,000	2,761,500	2,601,210
Excess/(Deficiency) of Revenues over Expenditures	210,000	653,881	21,344

Note: For 2018 workers' compensation, a specific rate was used by departments based on established risk rate.

JOSEPH T. JONES FUND
Operations and Maintenance

This fund is used to account for the operations, maintenance, and leasing of boat slips and other facilities within the Joseph T. Jones Memorial Park.

City of Gulfport Joseph T. Jones Fund Proposed Budget For the Fiscal Year Ending 9/30/2018			
	FYE 2017 Revised Budget	FYE 2017 Estimated Actual	FYE 2018 Proposed Budget
Estimated Revenues			
Holiday Events		372,970	385,000
Harbor	607,118	484,024	436,000
Rent/Leases	75,000	54,640	103,500
Fuel/Retail Sales	311,057	243,715	288,500
Total Projected Revenues	993,175	1,155,349	1,213,000
Proposed Expenditures			
Personal Services	315,085	315,085	308,723
Materials and Supplies	511,321	313,672	433,767
Other Services	953,804	849,572	893,243
Capital Outlay/Capital Projects	2,700	2,700	-
Total Proposed Expenditures	1,782,910	1,481,029	1,635,732
Income/(Loss) from Operations	(789,735)	(325,680)	(422,732)

WATER AND SEWER FUND

This fund is used to account for the activities of the City's water and sewer operations. The City of Gulfport is in a joint venture with the Harrison County Wastewater and Solid Waste Management District. "The District" is made up of a governing board consisting of the mayors from the cities of Gulfport, Biloxi, Long Beach, Pass Christian, D'Iberville, and a representative from the Harrison County Board of Supervisors.

This joint venture was formed as a result of the Clean Water Act. The purpose of this act is to ensure that sewage and solid waste disposal is handled in a manner as to not pose a threat to the environment. The district carries out this function by overseeing the construction and operations of sewage treatment facilities and contracting with private companies for solid waste collection and disposal. The district will in turn charge the various municipalities for the cost associated with providing these services.

	City of Gulfport Water and Sewer Proposed Budget For Fiscal Year Ending 9/30/18	FYE 2017 Revised Budget	FYE 2017 Estimated Actuals	FYE 2018 Proposed Budget
	Operating Revenues			
1	Water Charges	7,074,000	6,722,854	6,722,854
2	Sewer Charges	10,635,000	11,022,950	11,463,865
3	Sewer Treatment Charges	10,341,300	10,135,228	10,135,228
4	Solid Waste Charges	4,636,737	4,497,884	4,532,888
5	Rents	213,432	245,817	245,817
6	Other Services and Charges	1,768,000	1,813,971	1,813,971
8	Total Projected Revenues	34,668,469	34,438,704	34,914,623
	Operating Expenses			
9	Billing and Collecting			
10	Personal Services	1,010,772	919,649	964,423
11	Materials and Supplies	68,500	68,500	68,500
12	Other Services and Charges	2,035,977	2,035,977	2,006,896
13	Capital Outlay	30,000	-	30,000
14	Total Billing and Collecting	3,145,249	3,024,126	3,069,819
15	Water Operations			
16	Personal Services			
17	Materials and Supplies	1,802,013	1,802,013	1,823,763
18	Other Services and Charges	2,857,059	2,857,059	2,826,250
19	Capital Outlay	271,750	271,750	353,864
20	Total Water Operations	4,930,822	4,930,822	5,003,877
21	Sewer Operations			
22	Personal Services	113,814	113,814	114,230
23	Materials and Supplies	915,065	915,065	947,120
24	Other Services and Charges	2,517,169	2,517,169	2,612,007
25	Capital Outlay	9,072	9,072	-
26	Total Sewer Operations	3,555,120	3,555,120	3,673,357

	City of Gulfport Water and Sewer Proposed Budget For Fiscal Year Ending 9/30/18			
		FYE 2017 Revised Budget	FYE 2017 Estimated Actuals	FYE 2018 Proposed Budget
27	City Debt (Water and Sewer)	8,905,860	8,905,860	8,436,390
28	HCUA and Solid Waste Costs			
29	Sewer Treatment (Debt and O&	11,265,000	11,265,000	6,995,937
30	Solid Waste			4,227,527
31	Total HCUA Cost	11,265,000	11,265,000	11,223,464
32	Water and Sewer Projects			
33	Capital Projects-new	1,854,000	1,854,000	3,456,819
34	Capital Projects-current	10,252,522	7,266,245	6,388,940
35	Debt Service	50,897	50,897	50,897
	Total Water and Sewer Project	12,157,419	9,171,142	9,896,656
	Transfers out to general fund			
36	Total Projected Expenditures	43,959,470	40,852,070	41,303,563
37	Excess/(Deficiency) of Revenues over Expenditures	(9,291,001)	(6,413,366)	(6,388,940)

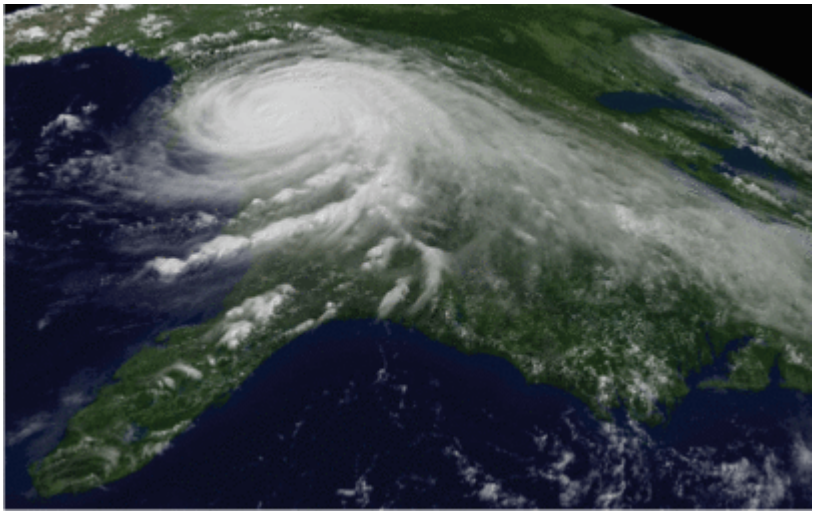
Current projected new projects:	
Dump Truck	125,000
Capital Equipment	200,000
I & I Crew	200,000
Three Rivers/Mays	906,000
Sewer cave in crew	300,000
Sewer cave in equip	175,403
TBD	1,550,416
	3,456,819

Note: Solid waste costs have been transferred from HCUA to the City for FY 18.
Solid waste revenue includes a $1 per month increase for residential customers and a $5 per month increase for commercial customers.

WATER AND SEWER CAPITAL PROJECTS AS OF JULY 31, 2017						
FUND	PROJECT	ACCOUNT DESCRIPTION	REVISED BUDGET	YTD ACTUAL	ENCUMBRANCES	AVAILABLE BUDGET
400	02787	02787 ST PAVING PHASE 7	20,912	-	-	20,912
	02796	02796 COURTHOUSE	43,684	43,684	-	1
	02922	02922 PW EQUIPMENT	659,909	131,337	471,091	57,481
	02940	02940 SOFTBALL FIELD EXPANSION	198,715	-	198,715	-
	81515	81515 WATER TANK RESTORATIONS	50,000	5,550	4,105	40,345
	82562	82562 SEAWAY ISLAND WATER MAIN	352,534	290,293	48,667	13,574
	82564	82564 38TH AVE SEWER PROJECT	389,971	174,986	207,254	7,731
	82565	82565 BAYOU VIEW TANK REPLACEM	2,712,308	41,013	2,671,295	-
	82566	82566 HATTEN LANE SEWER IMPROV	29,387	29,387	-	-
	82567	82567 POPLAR CIRCLE CHAMBERLAI	1,821,173	1,582,946	191,705	46,522
	82568	82568 PH 1WEST 28TH ST WATER M	313,433	237,373	76,060	-
	82569	82569 PH 2WEST 28TH ST WATER M	994,580	481,203	513,378	-
	82570	82570 RETREAT VILLAGE/OAKLEIGH	923,352	906,632	-	16,720
	82571	82571 PUMP STATION REHABILITAT	1,009,741	884,923	124,818	-
	82572	82572 BENEFIELD SEWER REPLACEM	1,147,045	10,065	1,136,980	-
	82575	82575 FIBER OPTIC COMM PLAN	13,652	-	13,652	-
	82578	82578 HERRING ROAD SEWER	507,158	345,122	122,055	39,981
	82579	82579 SAUCIER LN/BEAULAH CHURC	170,000	7,640	12,190	150,170
	82580	82580 HWY 49/OR GR/SSWAN/3 RVR	9,733	9,733	-	-
	82581	82581 FORREST HEIGHTS SEWER SY	9,345	-	9,345	-
	82582	82582 LAURELWOOD,SULLIVAN,DUCK	284,063	209,873	48,303	25,887
	82583	82583 THREE RVRS FR ONEAL TO D	32,203	22,772	8,604	826
	82584	82584 THREE RIVERS RD/MAYS RD	110,077	1,698	9,672	98,707
	82586	82586 HWY 49 RELOCATION OF UTI	672,112	669,917	-	2,195
		400 WATER/SEWER UTILITY FUND	12,475,087	6,086,147	5,867,890	521,050

City of Gulfport, MS
Water & Sewer Fund Long term Debt Schedule

Note Holder		Original Issue	2018 Principal	2018 Interest	2018 Total
General Obligation Bonds					
Hancock Bank		2,850,000	279,000	92,018	371,018
Hancock Bank-MDB		9,500,000	1,060,000	71,977	1,131,977
Hancock Bank		14,000,000	629,500	373,485	1,002,985
Mississippi Development Bank		18,465,000	2,570,000	643,925	3,213,925
Total GO Bonds		**53,825,000**	**4,538,500**	**1,181,405**	**5,719,905**
Special Obligation Bonds					
Peoples Bank	*	47,565,000	-	561,750	561,750
Total SO Bonds		**47,565,000**	**-**	**561,750**	**561,750**
Notes Payable					
State Revolving Fund-MDEQ		3,229,424	172,959	21,242	194,201
State Revolving Fund-MDEQ		8,093,778	413,731	72,989	486,720
State Revolving Fund-MDEQ		2,214,059	118,062	15,081	133,143
State Revolving Fund-MDEQ		15,025,311	763,587	139,961	903,548
State Revolving Fund-MDEQ		5,715,121	287,495	56,184	343,679
Total Notes Payable		**36,275,094**	**1,755,834**	**305,457**	**2,061,291**
Utility Capital Leases					
Trustmark Bank		240,091	47,325	2,655	49,980
BancorpSouth		180,375	15,546	60	15,606
BancorpSouth		86,585	16,607	187	16,794
Total Capital Leases		**734,509**	**79,478**	**2,902**	**82,380**
Total Business-type Activities		**$ 138,399,603**	**$ 6,373,812**	**$ 2,051,514**	**$ 8,425,326**



Disaster Relief Fund

The City has the Hurricane Fund established to account for resources associated with covering the cost of damages caused by acts of nature such as Hurricanes, Tropical Storms, and Floods. The resources associated with this fund are comprised mostly of Federal Emergency Management Funds (FEMA), Mississippi Emergency Management Funds (MEMA), and City funds which are required for matching purposes.

The scope of these funds center around restoring and rebuilding city owned assets which were damaged by Hurricanes Katrina and Gustav. Examples include rebuilding city owned buildings, restoring water and sewer services to citizens who live along the coastline, and restoring streets and drainage systems throughout the City.

City of Gulfport Disaster Relief Fund Proposed Budget For the Fiscal Year Ending 9/30/2018		
	FYE 2017 Revised Budget	FYE 2018 Proposed Budget
Estimated Revenues		
Grants - FEMA & MEMA	1,382,088	1,382,088
Proposed Expenditures		
Work in Progress	920,425	454,032
Excess/(deficiency) of Revenues over Expenses	461,663	1,382,088

See Page 26 for listing of capital projects.

Police Forfeiture and Seizure Fund

This fund is used to account for resources relating to assets which were seized by various law enforcement agencies. These assets fall into two types of categories: County/Local shared and Federal seizures. The federal process is handled by the U.S. Marshall's Service while the County/Local seized assets are handled by municipal and county law enforcement agencies. Drug forfeited assets including both cash and property are subject to strict federal guidelines that dictate the use of these funds and other requirements such as non-supplanting of local funds.

City of Gulfport Police Forfeiture and Seizure Fund For the Fiscal Year Ending 9/30/2018		
	FYE 2017 Revised Budget	FYE 2018 Proposed Budget
Estimated Revenues		
Shared Revenue (Federal and County)	1,258,816	
Proposed Expenditures		
Personal Services	41,402	39,916
Materials and Supplies	95,541	84,499
Other Services and Charges	20,000	13,071
Capital Outlay	1,704,438	1,123,416
Total Proposed Expenditures	1,861,381	1,260,902
Excess/(deficiency) of Revenues over Expenses	(602,565)	(1,260,902)