City of Gulfport, Mississippi

Agenda

City Council

2309 15th Street
Gulfport, MS 39501

Thursday, September 12, 2019 | **4:00 PM** | ***Gulfport City Hall Council Chambers***

4:00 P.M.

Declaration of Special Call Meeting

Policy Issues

1 Resolution - adopting the Budget for the City of Gulfport Fiscal Year 2020, and for related purposes.

Setting of Next Meeting and Adjournment

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, 2019, the following Resolution:

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

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, 2019, to September 30, 2020, 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, 2019, to September 30, 2020, 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, 2019.

(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, 2019.

APPROVED:

____

MAYOR

Annual Budget

Gulfport
MISSISSIPPI

For Year Ending September 30, 2020

Proposed Budget

Comptroller

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

To: Mayor Billy Hewes and Members of the City Council
From: Gerard Bellocq, Comptroller
Date: August 30, 2019
RE: Proposed Budget for Fiscal Year Ending September 30, 2020

Introduction

The Comptroller is pleased to submit the proposed budget for fiscal year ending September 30, 2020. 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 operation 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 2018 with an estimated forecasted increase in GDP of 1.2 %[1] for 2019 and 2020. As another measure, personal income growth in Mississippi for 2020 is projected to equal 3.6%. This forecast would see the strongest income growth in Mississippi since 2012.[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 2020 Budget Adoption

- ✓ August 21st and August 28th - Advertisement for notice of tax levy and public hearing.
- ✓ September 3rd – 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 2019, Volume 5, Number 1

Major Issues, Challenges, and Considerations for the 2020 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 2017 fiscal year revealed that the City's General Fund operated in the black with revenues at $57.4 million and expenditures at $54.8 million. It is expected for the current 2019 fiscal year that the City will operate at a surplus of $1,072,483. 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 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 $622.0 million for the most recent audited year with infrastructure totaling $488.9 million or 79% 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 $15.6 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 2020, $3.9 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.

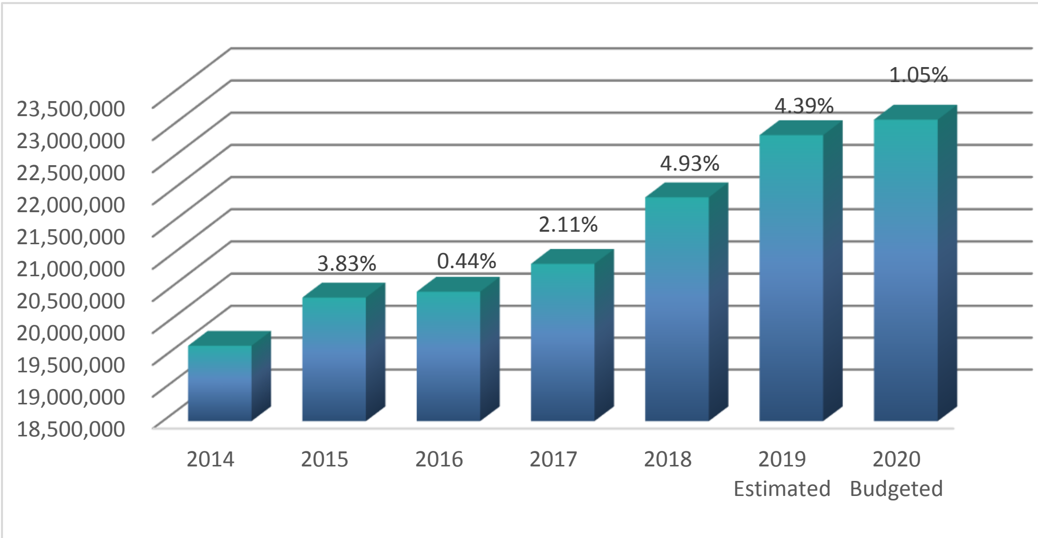
4. **Recovering Economy –**
The current FYE 2019 General Fund's revenue budget is $59.0 million while the proposed FYE 2020 revenue budget is $61.1 million; representing an increase of $2.3 million. This increase in revenue is the result of a small steady increase in sales and property tax revenues in FYE 19.

5. **Water and Sewer Fund –**
For the current 2019 year, expected revenues budget is $34.3 million with budgeted expenses at $34.4 million, not including capital projects of $4.0 million. For FYE 20, revenues are budgeted to be $35.1 million and budgeted expenses at $32.2 million, excluding new and existing capital projects. New capital projects are expected to be $3.9 million.

6. **Cash Reserves –**
Given the projected surplus, the City is projecting cash reserves for its General Fund for the FYE 20 to be at $5.7 million. This is slightly lower than in 2019 with cash at $7.9 million and 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 $61.3 million, Gulfport's cash reserves should be approximately $9.2 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 20.

The Local Economy

Annual Sales Tax History



Sales Tax revenue comprises approximately 38% 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; increasing from $19.0 million to an estimated $23.0 million between 2013 and 2019. The City projects sales tax revenue to increase by approximately 1.0% or $.2 million to $23.2 million in FYE 20.

Staffing Summary Additions

Below are the additions/changes in positions budgeted for fiscal year ending September 30, 2020.
Each department has been affected with an increase in PERS costs from 15.75 to 17.40.

Leisure Services

- Increase five part-time positions to full-time and add one full-time position - $101,000 including benefits

Urban Development

- Eliminate Technical Services Coordinator position – ($39,706) including benefits
- Eliminate a Planning Tech position effective 12/31/19 – ($29,526) including benefits
- Add a Clerk I position - $28, 666 including benefits
- Promotion of Planning Tech to Clerk 3 and one step increase for the other Planning Tech - $2,300

Budget in Brief

Proposed Summary of Revenues and Expenses for Fiscal Year Ending September 30, 2020		
	Estimated FYE 2019 Actual	FYE 20 Proposed Budget
Estimated Revenues:		
Property Taxes	$ 25,200,000	$ 26,838,000
Sales Tax	22,960,000	23,200,000
License/Permits/Franchise Fees	5,065,827	5,066,000
Gaming Fees	4,117,335	4,100,000
Grants (Federal, state & local)	10,300,000	10,500,000
Fines and Forfeitures	1,058,168	1,058,000
Intergovernmental	1,998,373	2,000,000
Charges for Services	36,671,006	37,900,000
Miscellaneous - includes Other Financing Sources	2,500,000	2,600,000
Total Estimated Revenues	$ 109,870,709	$ 113,262,000
Proposed Expenses:		
Capital Projects	$ 44,090,000	$ 44,690,700
Public Works/Water and Sewer	$ 35,950,067	$ 36,159,951
General Government	$ 19,100,000	$ 19,518,141
Police Protection	$ 19,408,788	$ 19,230,336
Debt Service	$ 15,813,641	$ 14,194,850
Fire Protection	$ 12,242,885	$ 12,981,353
Culture and Recreation	$ 8,060,203	$ 8,023,189
Urban, Community & Economic Dev	$ 2,491,568	$ 2,575,452
Total Proposed Expenses	$ 157,157,152	$ 157,373,972

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

Financial Overview

Debt Management

The City currently has $109.7 million in general and special obligation outstanding debt consisting of $62.3 million relating to debt being supported by property taxes for purposes of maintaining and upgrading streets, bridges, drainage systems, parks and state of the art aquarium; while, $47.1 million is related to water and sewer infrastructure expansions and upgrades. For detail of all general fund debt see Page 36 and for water and sewer debt see Page 47.

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 15% of gross assessed value of all assessed value of property within the municipality. However, the limitation is increased to 20% whenever a city issues bonds to repair or replace washed out or collapsed bridges on the public roads of the city. Below is a calculation of Gulfport's legal debt margin for FYE 2020.

Loan Debt Margin Calculation			
FYE 2020 Estimated Gross Assessed Valuation		$	818,761,809
Times 15% Allowable	*		15%
Allowable Debt Outstanding - 15% Rule		$	122,814,271
Actual Debt Outstanding		$	58,733,000
Debt Margin - Borrowing Capacity		$	64,081,271

Gulfport is currently at 47.8% of capacity which allows for $64.1 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 $942,967 for contributions to Not for Profit Agencies who either perform a service for the Citizens of Gulfport or promote economic development activities throughout Gulfport.

CITY OF GULFPORT	2020
Harrison County Library	$ 414,624
Coast Transit Authority-Operating Subsidy	$ 341,000
Gulf Regional Planning	$ 30,943
Motor Vehicles For Hire Authority	$ 25,650
Mental Health Assoc Of MS	$ 20,000
Harrison County Soil & Conservation	$ 15,000
Fairgrounds Horseshow	$ 15,000
Memorial Day Concert (Sounds By The Sea)	$ 9,500
American Red Cross	$ 5,000
Gulf Coast Women's Center For Nonviolence	$ 10,000
CASA - Harrison County	$ 5,000
NAACP - MLK Parade	$ 3,500
Lynn Meadows Discovery Center	$ 3,750
Boys & Girls Clubs of the Gulf Coast	$ 5,000
Gulf Coast Legislative Reception	$ 1,500
Port City Bowl	$ 5,000
Innovation Center Foundation	$ 1,000
Salvation Army	$ 5,000
MS Gulf Coast YMCA	$ 15,000
Crusin the Coast	$ 20,000
TOTAL	$ 951,467

General Fund Financial Summary

2019 Budget Versus 2020 Proposed Budget			
	2019 Revised Budget	2019 Estimated Actual	2020 Proposed Budget
Operating Revenues	$ 59,006,640	$ 59,164,158	$ 61,060,365
Operating Expenditures	60,825,932	58,091,675	61,168,463
Excess/(Deficiency) of Revenues Over Expenditues	$ (1,819,292)	$ 1,072,483	$ (108,098)

* The $1,819,292 expenditures over revenues for 2019 revised budget includes a carry forward of $1,397,346 which will result in a positive $1,072,483 of revenues over expenditures estimated for FY19. The FY 2020 proposed budget is budget neutral; i.e. proposed budgeted revenues less proposed budgeted expenses net to zero.

FYE 2020 General Fund Budget Plan

As per the Financial Summary above, the FYE 2020 reflects a balanced budget.

Revenue Enhancements:

1. Sales Taxes
   - An increase of $240,109 over current year estimated sales tax revenue. The current estimated revenue for this category is $22,960,000. A projection of a 1.0% increase for FYE 2020 over actual estimated revenues for FYE 2019 is due to a general increase of sales taxes collected for Gulfport.

2. Property Taxes
   - An increase of $1,636,000 over prior year estimated revenues. The every "four years new value assessment" was included in the FY 20 fiscal year budget. It is anticipated that actual property taxes collected in FYE 2019 will be $19.3 million with a FYE 20 budget of $20.9 million for the general fund.

3. Court Fines
   - An increase of $41,832 from current estimated budget. Fines and forfeiture revenues have been decreasing for several years. FY19 estimated actual is $282,000 less than the FY19 budget. FY20 proposed budget is $1,100,000.

4. Charges for Service/Rents/Leases
    - An increase of $23,009 from current estimated budget. It is anticipated that this growth is due to the new Sportsplex expansion in both marketing, tournaments and concession sales.

Significant Expenditure Increases:

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

Overall increase for state retirement (PERS) effective July 1, 2019, is included in all salary budgets. The percentage used for FY 20 for PERS is 17.4%

Mississippi Power announced a 9% increase which is included across all departments.

1. Police
    - Addition of $150,000 to the prisoner meals and housing budget for an increase in the number of inmates.
    - Increases for body cameras - $140,000; uniforms - $30,000; storm doors - $30,000; chiller and control and AC machine - $28,500.

2. Public Works
    - Street paving Aquarium and Markham areas - $450,000
    - Intraplex Road Paving (HCDC)
    - Pavement Improvement Master Plan - $20,000
    - ADA compliance project of $50,000
    - Pothole Patch Truck (4 Year Lease) - $62,000
    - Street Sweeper Truck (4 Year Lease) - $71,500
    - Bush Hog Attachment for Bobcat - $16,000
    - Mulching Attachment for Mini-Excavator $20,000
    - Paint Striper - $8,000

3. Leisure Services
    - Department Master Plan - $34,000
    - Bleaches for 6-Plex - $48,000
    - Scoreboards for 6-Plex - $30,000
    - Improvements to Soccer Fields - $25,000

4. Urban Development
    - Increase MUNIS Training - $20,000

Water and Sewer Fund Financial Summary

2019 Budget Versus 2020 Proposed Budget			
	2019 Revised Budget	2019 Estimated Actual	2020 Proposed Budget
Operating Revenues	$ 35,632,002	$ 34,294,015	$ 35,148,269
Operating Expenditures	37,817,142	38,366,536	37,856,359
Excess/(Deficiency) of Revenues over Expenses	$ (2,185,140)	$ (4,072,521)	$ (2,708,090)

Notes:

1. The above amount includes water and sewer capital projects carry forward of $4,072,521 for FY19 and carryforward of $2,708,090 for FY20 which are funded by bond issues.
2. New capital projects for FYE 2020 of $3.9 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 increase in both commercial and residential water and solid waste rates approved by Council.

Self-Insurance Funds Financial Summary

City of Gulfport Self Insured Fund (Health Insurance) Proposed Budget For the Fiscal Year Ending 9/30/2020			
	FYE 2019 Current Budget	FYE 2019 Estimated Actual	FYE 2020 Proposed Budget
Estimated Revenues			
Employer Contributions	4,493,934	4,424,135	4,334,980
Employee Contributions	1,203,247	1,203,247	1,214,099
Retiree Contributions	149,717	149,717	96,686
Other Revenues	225,000	214,835	225,000
Total Projected Revenues	6,071,898	5,991,934	5,870,765
Proposed Expenditures			
Professional Fees	260,000	259,979	260,000
Administrative Fees	200,000	169,879	231,455
Bank Fees	-	-	-
Specific Stop Loss Insurance	675,000	672,338	648,000
Insurance Premium -Vision	-	-	-
Claims	4,900,000	4,830,117	4,800,000
Total Proposed Expenditures	6,035,000	5,932,313	5,939,455
Excess/(Deficiency) of			
Revenues over Expenditures	36,898	59,621	(68,690)

City of Gulfport Self Insured General Liability and Claims Fund Proposed Budget For the Fiscal Year Ending 9/30/2020			
	FYE 2019 Current Budget	FYE 2019 Estimated Actual	FYE 2020 Proposed Budget
Estimated Revenues			
Interest Earnings and Miscellaneous Revenue	270,000	67,411	270,000
Employer Contributions	2,250,816	2,009,091	2,200,000
Total Projected Revenues	2,520,816	2,076,502	2,470,000
Proposed Expenditures			
Claims and judgments	677,000	687,903	700,000
Insurance premiums	1,644,146	1,609,034	1,815,000
Other services and charges	176,000	115,671	170,000
Total Proposed Expenditures	2,497,146	2,412,608	2,685,000
Excess/(Deficiency) of Revenues over Expenditu	23,670	(336,106)	(215,000)

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 Spring 2020. 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 and is currently being restored for hotel accommodations. This downtown icon will enhance the attraction to downtown Gulfport.

3. Centennial Plaza – The long anticipated renovations for Centennial Plaza with multiple hotels including a water theme pool were completed and opened in early August 2019.

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, additional 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,
Gerard Bellocq
Gerard Bellocq
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 are being used to fund activities such as the downtown façade 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:

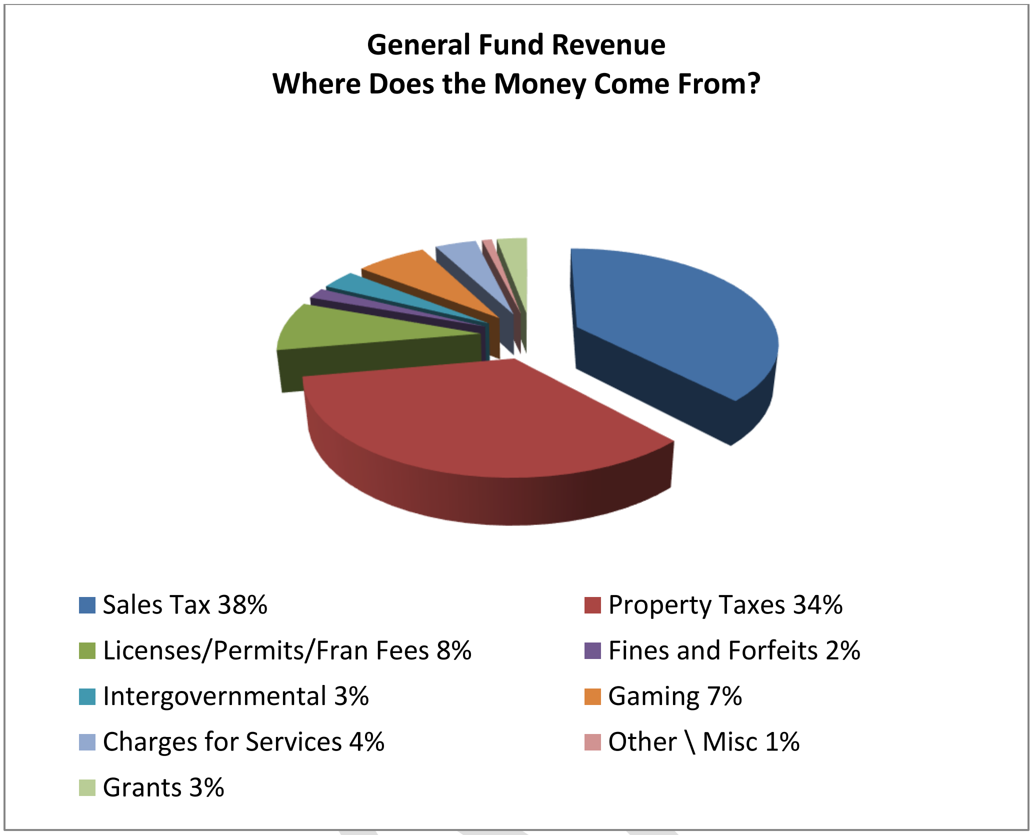
- General Government – Serves as the administrative arm of the city. Departments which carry out this function include: Executive (Mayor), Legislative (Council), Judicial (Courts), Legal (City Attorney), General Administration, and Public Transportation.

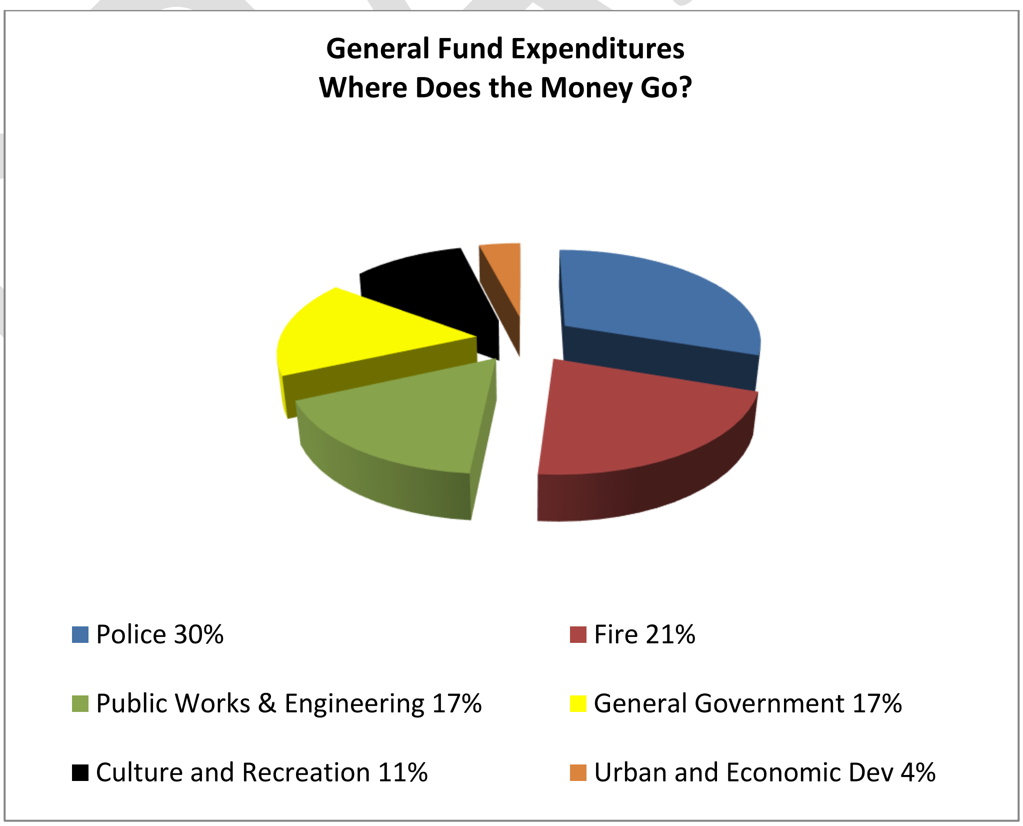
- Public Safety – Serves as protection to the general public with regards to life, health, and property. Departments which carry out this function include Police and Fire.

- 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 38%
Property Taxes 34%
Licenses/Permits/Fran Fees 8%
Fines and Forfeits 2%
Intergovernmental 3%
Gaming 7%
Charges for Services 4%
Other \ Misc 1%
Grants 3%


General Fund Expenditures
Where Does the Money Go?
Police 30%
Fire 21%
Public Works & Engineering 17%
General Government 17%
Culture and Recreation 11%
Urban and Economic Dev 4%

City of Gulfport
General Fund Proposed Budget
For Fiscal Year Ending 9/30/2020

		FYE 2019 Budget	FYE 2019 Estimated Actuals	FY 2020 Proposed Budget
	Operating Revenues			
1	Sales Tax	22,334,900	22,959,891	23,200,000
2	Property Tax	20,153,609	19,284,130	20,920,000
3	Licenses, Permits, & Franchise Fees	4,839,660	5,065,827	5,066,000
4	Gaming Fees	4,101,790	4,117,335	4,100,000
5	Grants (Federal, State, Local)	1,635,000	1,739,588	1,750,000
6	Court Fines	1,340,054	1,058,168	1,058,000
7	Intergovernmental	1,885,000	1,998,373	2,000,000
8	Charges for Service/Rents/Leases	2,447,277	2,376,991	2,400,000
9	Misc/Other	269,350	563,855	566,365
10	Total Projected Revenues	59,006,640	59,164,158	61,060,365
	Operating Expenses			
11	**Executive (Mayor)**			
12	Personal Services	304,223	295,408	306,712
13	Materials and Supplies	1,200	917	1,200
14	Other Services and Charges	28,144	30,885	32,809
15	Capital Outlay	-		-
16	Total Executive	333,567	327,210	340,721
17	**Legislative (Council)**			
18	Personal Services	358,137	331,623	368,007
19	Materials and Supplies	5,700	2,206	5,700
20	Other Services and Charges	1,557,898	1,559,257	1,475,490
21	Capital Outlay	10,593	5,998	10,593
22	Total Legislative	1,932,328	1,899,084	1,859,790
23	**Judicial (Courts)**			
24	Personal Services	1,130,412	1,025,371	1,116,824
25	Materials and Supplies	16,200	7,064	16,200
26	Other Services and Charges	445,616	371,057	442,220
27	Capital Outlay	5,000	3,225	5,000
28	Total Judicial	1,597,228	1,406,717	1,580,244
29	**Legal**			
30	Personal Services	954,183	907,885	964,934
31	Materials and Supplies	7,854	3,393	7,854
32	Other Services and Charges	445,167	368,156	443,247
33	Capital Outlay	8,920	8,920	8,920
34	Total Legal	1,416,124	1,288,354	1,424,955

City of Gulfport General Fund Proposed Budget For Fiscal Year Ending 9/30/2020		FYE 2019 Budget	FYE 2019 Estimated Actuals	FY 2020 Proposed Budget
35	**Administration and Finance**			
36	Personal Services	1,456,058	1,465,000	1,458,773
37	Materials and Supplies	56,600	47,720	56,600
38	Other Services and Charges	592,467	580,000	588,441
39	Capital Outlay	10,000	10,000	10,000
40	Total Admin and Finance	2,115,125	2,102,720	2,113,814
35	**Information Technology**			
36	Personal Services	879,483	855,303	886,969
37	Materials and Supplies	19,391	12,446	26,400
38	Other Services and Charges	885,866	1,066,293	894,038
39	Capital Outlay	419,363	419,598	404,182
40	Total Information Technology	2,204,103	2,353,640	2,211,589
41	**Public Transportation**	356,933	356,933	371,943
42	**Police**			
43	Personal Services	14,689,102	14,229,055	14,417,511
44	Materials and Supplies	1,387,354	1,164,467	1,414,000
45	Other Services and Charges	2,044,430	1,813,441	2,273,325
46	Capital Outlay	27,000	149,097	58,500
47	Total Police	18,147,886	17,356,060	18,163,336
48	**Fire**			
49	Personal Services	11,285,176	10,486,820	11,374,999
50	Materials and Supplies	817,238	799,566	817,238
51	Other Services and Charges	616,351	571,826	589,116
52	Capital Outlay	120,000	16,673	200,000
53	Debt service	-	-	223,437
53	Total Fire	12,838,765	11,874,885	13,204,790
54	**Public Works**			
55	Personal Services	1,627,443	1,527,008	1,635,790
56	Materials and Supplies	1,477,198	1,367,708	1,525,297
57	Other Services and Charges	3,685,111	3,993,310	3,907,111
58	Capital Outlay	1,008,923	718,027	707,924
59	Total Public Works	7,798,675	7,606,053	7,776,122

City of Gulfport General Fund Proposed Budget For Fiscal Year Ending 9/30/2020			
	FYE 2019 Budget	FYE 2019 Estimated Actuals	FY 2020 Proposed Budget
60 **Engineering**			
61 Personal Services	532,885	573,772	540,423
62 Materials and Supplies	15,264	13,708	17,864
63 Other Services and Charges	1,904,839	1,981,970	1,909,239
64 Capital Outlay	4,000	2,371	-
65 Total Engineering	2,456,988	2,571,821	2,467,526
66 **Leisure Services**			
67 Personal Services	3,297,308	3,239,932	3,474,944
68 Materials and Supplies	961,072	889,061	961,702
69 Other Services and Charges	1,940,079	2,117,975	1,981,565
70 Capital Lease Payments	131,883	135,333	123,499
71 Capital Outlay	-	135,992	140,000
72 Total Leisure Services	6,330,342	6,518,293	6,681,710
73 **Urban Development**			
74 Personal Services	1,589,972	1,500,775	1,561,496
75 Materials and Supplies	44,940	25,229	44,940
76 Other Services and Charges	287,267	168,185	307,267
77 Capital Outlay	-	-	-
78 Total Urban Development	1,922,179	1,694,189	1,913,703

City of Gulfport General Fund Proposed Budget For Fiscal Year Ending 9/30/2020	FYE 2019 Budget	FYE 2019 Estimated Actuals	FY 2020 Proposed Budget
79 **Economic Development**			
80 Personal Services	307,958	211,388	231,749
81 Materials and Supplies	14,100	14,918	16,000
82 Other Services and Charges	128,460	156,927	160,000
83 Capital Outlay	191,000	90,000	106,000
84 Total Economic Development	641,518	473,234	513,749
Operating Transfers	1,397,346	938,447	452,000
85 Total Proposed Operating Expenditures	60,825,932	58,091,675	61,168,463
86 Excess/(deficiency)	(1,819,292)	1,072,483	(108,098)

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 9/30/2020		
	FYE 2019 Estimated Budget	FYE 2020 Proposed Budget
Estimated Revenues		
Grants - (Federal, State & Local)	234,537	-
Other Revenue		
Total Projected Revenues	234,537	-
Proposed Expenditures		
Capital Projects Fund- Work in Progress	39,104,343	33,764,391
Total Proposed Expenditures	39,104,343	33,764,391
Excess/(deficiency) of Revenues over Expenses	(38,869,806)	(33,764,391)

Note:
See detail on following pages for project balances remaining as of 8/14/19

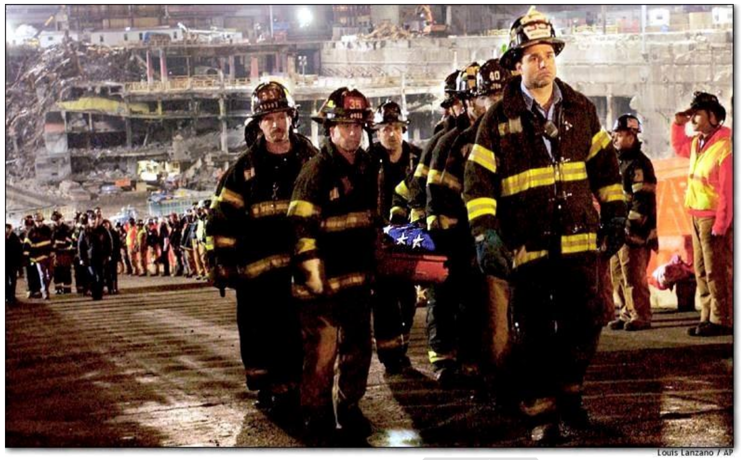
CAPITAL PROJECTS AS OF AUGUST 8, 2019				
ACCOUNT DESCRIPTION	REVISED BUDGET	AVAILABLE BUDGET	COUNCIL ADJUST	NEW AVAIL BUDGET
00100 Bayou Vista Golf Clubhouse	157,406	0		-
00101 Splash Pad North of Dede	125,000	125,000		**125,000**
00106 Dedeaux Rd Widening Phas	3,956,775	194,681		**194,681**
00108 34TH ST BOX CULVERT	119,850	0		-
00109 SHIP ISLAND FERRY TERMIN	146,403	0		**0**
00110 40th St Paving (Wash to	0	0		-
00111 19th St Paving (49th to	46,400	80		**80**
00112 John Ross Rd Paving (605	123,000	0		-
00113 Trace/Angela/Whitney Dr	0	0		-
02386 JONES PARK \ HARBOR IMP	804,932	804,932		**804,932**
02393 28TH STREET WIDENING(TEA	283,329	157,881		**157,881**
02405 DEDEAUX ROAD WIDENING PH	93,512	93,512		**93,512**
02444 JONES PARK LIGHTING AND	12,614	0		**0**
02506 AIRPORT RD WDNG/WASH AVE	609,982	550,169		**550,169**
02507 WAYFINDING PROJECT	29,042	484		**484**
02508 ORANGE GROVE ROOF	383,261	96,952		**96,952**
02748 HAR CO DIST 4 PAVING PRO	16,740	16,740		**16,740**
02765 JONES PARK IMP-BARKSDALE	8,694	0		**0**
02770 JONES PARK IMP-LEO SEAL	26,621	0		**0**
02785 2012 BOND ISSUE-PHASE 5	0	0		-
02796 COURTHOUSE RD IMP/WIDENI	2,034,891	109,348		**109,348**
02804 LANDON RD WIDENING	1,909,774	1,660,800		**1,660,800**
02810 PASS RD TRAFFIC SIGNAL S	0	0		-
02814 TIDELANDS 14 YACHT BASIN	227,218	227,218		**227,218**
02817 TIDELANDS 15-COURTHOUSE	69,349	60,622		**60,622**
02818 SEASONAL LIGHT SHOW	26,783	26,783		**26,783**
02819 AQUARIUM	31,468,566	17,143,002		**17,143,002**
02820 TIDELANDS 16-IMPROV JONE	88,285	29,020		**29,020**
02821 E TAYLOR RD TRAFFIC STUD	0	0		-
02822 20TH AVE MATCH	629,184	601,318		**601,318**
02823 Seaway Road Pedestrian P	1,245,738	39		**39**
02824 Tidelands-FY17 Yacht Bas	125,000	101,971		**101,971**
02826 Tidelands-FY17 Bulkhead	22,500	22,500		**22,500**
02914 ROYAL STREET/ST CHARLES	0	0		-
02918 MILL RD DRAINAGE PROJECT	40,000	40,000		**40,000**
02919 53RD AVE BOX CULVERT PRO	35,000	35,000		**35,000**
02920 LEISURE SERVICES PROJECT	0	0		-
02921 FLAT BRANCH/QUBBIE CREEK	453,646	448,332		**448,332**
02930 SOCCER FIELDS	163,666	-1,056		**(1,056)**
02935 BAYOU VIEW ADA IMPROVEME	46,620	34,220		**34,220**
02940 SOFTBALL FIELD EXPANSION	305,929	35,662		**35,662**
05849 BRICKYARD BAYOU DRAINAGE	3,501	1		**1**
05850 COFFEE CREEK DRAINAGE/RE	10,593	415		**415**
05851 MDA HWY 49 AND 18TH ST D	4,686	1,606		**1,606**
29008 LEASE PURCHASE OF 5 FIRE	1,468,688	129,474		**129,474**
31109 FAIRFIELD III CORRECTION	65,000	65,000		**65,000**
31112 ROBINSON ROAD PAVING	16,040	0		-
31113 Flat Branch Panel Replac	24,326	0		-
41147 PLAYGROUND MODULES	62,552	10,428		**10,428**

CAPITAL PROJECTS AS OF AUGUST 8, 2019				
ACCOUNT DESCRIPTION	REVISED BUDGET	AVAILABLE BUDGET	COUNCIL ADJUST	NEW AVAIL BUDGET
82585 VEH MOUNTED CAMERA TRUCK	0	0		-
82600 East Chipwd Drng Coll/Re	30,000	30,000		**30,000**
82620 Soria City Sidewalk Repa	30,000	30,000		**30,000**
82640 Ward 1 EmpwDist Sidwlk/C	45,000	45,000		**45,000**
82660 Baker St Flooding Repair	17,933	12,934		**12,934**
100 CAPITAL PROJECTS	47,614,029	22,940,068		**22,940,068**
05433 EMERGENCY HOUSING REPAIR	6,017	6,017		**6,017**
05600 ADMIN 2016	215,823	130,971		**130,971**
05697 GASTON POINT CENTER IMPR	127,700	127,700		**127,700**
05751 ADMIN-CDBG ENTITLEMENT 2	230,651	220,781		**220,781**
05752 CATHOLIC SOCIAL SERVICES	15,000	5,695		**5,695**
05753 DE L'EPEE DEAF CENTER 20	20,000	2,278		**2,278**
05754 OPEN DOORS HOMELESS COAL	20,000	20,000		**20,000**
05755 I.FREDERICKS BASEBALL FE	100,000	100,000		**100,000**
05756 GASTON PT GYM FLOOR/AC 2	250,000	103,052		**103,052**
05757 GULF COAST CENTER FOR NO	15,000	15,000		**15,000**
05803 MDA Streetscape Improvem	2,425,352	378,799		**378,799**
05849 BRICKYARD BAYOU DRAINAGE	3,997,125	1,282,852		**1,282,852**
05850 COFFEE CREEK DRAINAGE/RE	295,300	202,693		**202,693**
05851 MDA HWY 49 AND 18TH ST D	1,316,119	1,209,956		**1,209,956**
05876 CDBG 2018	139,177	137,325		**137,325**
05877 CATHOLIC SOCIAL SERVICES	15,000	15,000		**15,000**
05878 de L'Epee Deaf Center 20	15,000	15,000		**15,000**
05879 Gulf Coast Center for No	15,000	15,000		**15,000**
05880 Gulf Coast Community Min	15,000	15,000		**15,000**
05881 CDBG 2018	170,000	170,000		**170,000**
05882 CDBG 2018	176,712	176,712		**176,712**
05883 CDBG 2018	150,000	150,000		**150,000**
05995 HOUSING REHABILITATION	70,000	70,000		**70,000**
70000 DPA Recaptured Funds	0	18,464		**18,464**
74410 CHDO-GCHI-2014	40,000	40,000		**40,000**
74412 CHDO - GCHI - 2017	43,402	35,320		**35,320**
74500 HOME ADMIN 10-14 AVAIL	0	-107,231		**(107,231)**
75100 ADMIN HOME 2015	0	-243		**(243)**
76320 HARRISON CTY-HOME-DPA 20	98,293	86,293		**86,293**
77100 HOME ADMINISTRATION 2017	29,322	28,588		**28,588**
77120 GULFPORT HOME-DPA-2017	34,910	0		-
77320 HOME-DPA HARRISON CNTY 2	79,612	79,612		**79,612**
78100 HOME ADMINISTRATION 2018	47,688	47,338		**47,338**
78120 GULFPORT - HOME - DPA 20	232,479	232,479		**232,479**
78320 HARRISON COUNTY HOME DPA	125,181	125,181		**125,181**
78400 CHDO - GCHI - 2018	71,532	71,532		**71,532**
91667 SILVER RIDGE PARK 1/2 CO	35,000	35,000		**35,000**
200 COMMUNITY DEVELOPMENT	10,637,396	5,262,164	-	**5,262,164**
00105 FY18 CAPITAL EQUIP/MACHI	21,688	0		-
00107 GRAHAM STREET CAVE-IN	1	1		**1**
00108 34TH ST BOX CULVERT	107,278	0		-
00115 LAURELWOOD	273,268	10,693		**10,693**
00117 N Wastewater Trmt Plant	40,000	0		-
00120 Sweetwater Trail L/S Lin	15,350	2,400		**2,400**
00121 CANAL ROAD RUBBISH PROPE	140,000	3,023		**3,023**
02787 ST PAVING PHASE 7	0	0		-

CAPITAL PROJECTS AS OF AUGUST 8, 2019				
ACCOUNT DESCRIPTION	REVISED BUDGET	AVAILABLE BUDGET	COUNCIL ADJUST	NEW AVAIL BUDGET
02922 PW EQUIPMENT	21,796	16,921		**16,921**
02940 SOFTBALL FIELD EXPANSION	-8,019	-8,019		**(8,019)**
20190 2019 W/S PROJECTS	123,841	123,841		**123,841**
31112 ROBINSON ROAD PAVING	20,912	3,345		**3,345**
31115 FELTON ROAD (3 RVRS TO N	16,237	0		**0**
31116 5TH AVE (5TH ST TO 14335	6,002	1		**1**
31117 5TH ST (OLD HWY 49 TO W	13,117	1		**1**
31118 CHRUCH ST (OLD HWY 49 TO	32,029	0		**0**
31133 3RD ST (ROBERTS - GULF A	9,085	0		**-**
31141 GOULD RD (LORRAINE RD-PI	54,850	0		**-**
31143 PHIFER LANE (OLD 49-W DE	15,800	1,505		**1,505**
31144 MARIE RD (3 RVRS TO N DE	19,250	3,000		**3,000**
31145 ANDY RD (O'NEAL RD-N DEA	55,920	0		**-**
31146 HATTEN LN (S SWAN TO CTY	22,815	0		**-**
31147 S SWAN RD (HATTEN LN-COU	20,745	0		**-**
31148 COUNTRY WOOD DR (S SWAN-	14,820	0		**-**
31149 COUNTRY WOOD PH2	10,554	0		**-**
81103 PURCHASE OF 4 CREW TRUCK	180,000	178		**178**
81104 PURCAHSE OF EXCAVATOR	160,000	0		**-**
81105 VAC-CON TRUCK LEASE PURC	379,359	0		**-**
81519 WATER TANK MAINTENANCE P	223,762	223,762		**223,762**
81522 UTILITY ACQUISITION	1,000,000	0		**-**
81523 WATER METER REPLACEMENT	250,000	250,000		**250,000**
82562 SEAWAY ISLAND WATER MAIN	26,130	13,574		**13,574**
82564 38TH AVE SEWER PROJECT	0	0		**-**
82565 BAYOU VIEW TANK REPLACEM	2,695,679	85,644		**85,644**
82567 POPLAR CIRCLE CHAMBERLAI	0	0		**-**
82568 PH 1WEST 28TH ST WATER M	0	0		**-**
82569 PH 2WEST 28TH ST WATER M	0	0		**-**
82571 PUMP STATION REHABILITAT	24,850	24,850		**24,850**
82572 BENEFIELD SEWER REPLACEM	135,624	73,016		**73,016**
82575 FIBER OPTIC COMM PLAN	0	0		**-**
82578 HERRING ROAD SEWER	0	0		**-**
82579 SAUCIER LN/BEAULAH CHURC	109,700	48,464		**48,464**
82580 HWY 49/OR GR/SSWAN/3 RVR	9,237	9,237		**9,237**
82581 FORREST HEIGHTS SEWER SY	9,345	9,345		**9,345**
82582 LAURELWOOD,SULLIVAN,DUCK	32,409	30,792		**30,792**
82583 THREE RVRS FR ONEAL TO D	369,892	333,029		**333,029**
82584 THREE RIVERS RD/MAYS RD	979,225	254,220		**254,220**
82585 VEH MOUNTED CAMERA TRUCK	99,960	58,310		**58,310**
82587 THREE RIVERS & CLIFFORD	531,874	1,026		**1,026**
400 WATER/SEWER UTILITY FUND	8,264,386	1,572,159	**-**	**1,572,159**

CAPITAL PROJECTS AS OF AUGUST 8, 2019	
ADD THE FOLLOWING NEW PROJECTS	**NEW BUDGET**
ADA Compliance Projects	50,000
EPA Storm Water Phase II Projects	50,000
Landon Road Widening - Hwy 49 to 34th Street	250,000
Downtown Gulfport Train Depot	250,000
Quad Gates at Hwy 49 and CSX Railroad	50,000
New Water Well	750,000
Water Tank Maintenance Program	700,000
Various Water and Sewer Paving Projects	700,000
Water Meter Replacement Project	1,100,000
Cart Paths for Golf Course	90,000
Total New Accounts	**3,990,000**

Restricted remaining balances after adjusting entries back to their appropriate funds for re-appropriation by council.



Louis Lanzano / AP

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 Police and Firemen's Retirement Fund Budget For the Fiscal Year Ending 9/30/2020		
	FYE 2019 Revised Budget	FYE 2020 Proposed Budget
Estimated Revenues		
General Property Taxes	934,022	1,007,077
Shared Revenues	34,000	34,000
Total Projected Revenues	968,022	1,041,077
Proposed Expenditures		
PERS Contributions	968,022	1,041,077
Excess/(deficiency) of Revenues over Expenditures	-	-

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 9/30/2020		
	FYE 2019 Revised Budget	FYE 2020 Proposed Budget
Estimated Revenues		
General Property Taxes	4,730,858	5,100,886
Transfer In	1,397,345	1,636,417
Interest and Misc Revenue	425,000	566,365
Total Projected Revenues	6,553,203	7,303,668
Proposed Expenditures		
Debt Service Payments	6,522,832	6,911,381
Excess/(deficiency) of Revenues over Expenditures	30,371	392,287

City of Gulfport, MS General Fund Long Term Debt Schedule				
	Original	2020		
Note Holder	Issue	Principal	Interest	Total
General Obligation Bonds--Debt Service Fund				
BancorpSouth/Century Construction	480,000	20,000	15,400	35,400
Hancock Whitney	15,025,000	1,198,000	370,556	1,568,556
General Obligation Bonds--Capital Projects Fund				
Hancock Whitney	16,000,000	747,000	388,410	1,135,410
Total GO Bonds	**31,025,000**	**1,945,000**	**758,966**	**2,703,966**
Mississippi Aquarium				
Hancock Whitney - MSAQ	35,000,000		1,750,000	1,750,000
GRC Aquarium LOC	14,000,000		271,000	271,000
Special Obligation Bonds--Debt Service Fund				
BancorpSouth-MDB	10,000,000	1,075,000	99,600	1,174,600
Total SO Bonds	**10,000,000**	**1,075,000**	**99,600**	**1,174,600**
General Obligation Capital Leases--General Fund				
Trustmark Bank - Various Equipment 5 YR	1,163,948	236,789	5,513	242,302
The First - Street Sweeper and Vac Truck 5 YR	639,209	121,090	16,343	137,433
The First - Fire House 15 YR Lease	2,700,000	144,946	78,491	223,437
The First - 5 Fire Trucks w Accessories 15 YR	1,910,117	121,971	41,144	163,115
First Security Finance - Sportsplex Lighting	1,705,500	202,657	42,871	245,528
Total Capital Leases	**8,118,774**	**827,453**	**184,362**	**1,011,815**
Total Governmental Activities	**$ 98,143,774**	**$3,847,453**	**$ 3,063,928**	**$ 6,911,381**

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 9/30/2020

	FYE 2019 Estimated Actual	FYE 2020 Proposed Budget
Estimated Revenues		
Federal Grant Revenue	4,115,599	9,354,147
Proposed Expenditures		
CDBG Grant - Work in Progress	261,607	2,248,102
HOME Grant - Work in Progress	94,184	1,169,934
MDA - Katrina Supplement Grant Work in Progress	2,616,260	5,936,111
Total Proposed Expenditures	2,972,051	9,354,147
Excess/(deficiency) of Revenues over Expenses	1,143,548	0

Note: See Page 31 for details of capital projects funded by the Community Development Fund

SELF INSURANCE FUNDS

The City of Gulfport is partially self-funded with regards to its Health, Dental, 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 9/30/2020				
		FYE 2019 Current Budget	FYE 2019 Estimated Actual	FYE 2020 Proposed Budget
	Estimated Revenues			
1	Employer Contributions	4,493,934	4,424,135	4,334,980
2	Employee Contributions	1,203,247	1,203,247	1,214,099
3	Retiree Contributions	149,717	149,717	96,686
4	Other Revenues	225,000	214,835	225,000
5	Total Projected Revenues	6,071,898	5,991,934	5,870,765
	Proposed Expenditures			
6	Professional Fees	260,000	259,979	260,000
7	Administrative Fees	200,000	169,879	231,455
8	Bank Fees	-	-	-
9	Specific Stop Loss Insurance	675,000	672,338	648,000
10	Insurance Premium -Vision	-	-	-
11	Claims	4,900,000	4,830,117	4,800,000
12	Total Proposed Expenditures	6,035,000	5,932,313	5,939,455
13	Excess/(Deficiency) of Revenues over Expenditures	36,898	59,621	(68,690)

City of Gulfport Self Insured General Liability and Claims Fund Proposed Budget For the Fiscal Year Ending 9/30/2020	FYE 2019 Current Budget	FYE 2019 Estimated Actual	FYE 2020 Proposed Budget
Estimated Revenues			
Interest Earnings and Miscellaneous Revenues	270,000	67,411	270,000
Employer Contributions	2,250,816	2,009,091	2,200,000
Total Projected Revenues	2,520,816	2,076,502	2,470,000
Proposed Expenditures			
Claims and judgments	677,000	687,903	700,000
Insurance premiums	1,644,146	1,609,034	1,815,000
Other services and charges	176,000	115,671	170,000
Total Proposed Expenditures	2,497,146	2,412,608	2,685,000
Excess/(Deficiency) of Revenues over Expenditures	23,670	(336,106)	(215,000)

Note: For 2019 and 2020 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 Municipal Marina.

City of Gulfport
Joseph T. Jones Fund Proposed Budget
For the Fiscal Year Ending 9/30/2020

	FYE 2019 Current Budget	FYE 2019 Estimated Actual	FYE 2020 Proposed Budget
Estimated Revenues			
* Holiday Events	692,500	757,297	800,000
Harbor	447,000	405,000	450,000
Rent/Leases	83,000	83,000	83,000
Fuel/Retail Sales	290,000	300,000	310,000
Other	39,504	34,677	-
Total Projected Revenues	1,552,004	1,545,297	1,643,000
Proposed Expenditures			
Personal Services	320,745	285,000	319,420
Materials and Supplies	469,767	400,000	460,000
Other Services	1,738,883	1,293,100	1,300,000
Capital Outlay/Capital Projects	23,360	27,442	-
Total Proposed Expenditures	2,552,755	2,005,542	2,079,420
Income/(Loss) from Operations	(1,000,751)	(460,245)	(436,420)

* Revenues do not include $500,000 contribution from Island View Casino Resort
* Contribution from Island View Casino Resort will be $200,000 for Fiscal Year 2020

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 9/30/2020				
		FYE 2019 Budget	FYE 2019 Estimated Actuals	FYE 2020 Proposed Budget
	Operating Revenues			
1	Water Charges	7,122,711	6,830,600	7,103,824
2	Sewer Charges	11,381,609	10,983,157	11,422,483
3	Sewer Treatment Charges	10,029,246	9,598,308	9,598,308
4	Solid Waste Charges	4,997,561	4,725,863	4,867,639
5	Rents	264,528	282,660	282,660
6	Other Services and Charges	1,836,347	1,873,427	1,873,355
8	Total Projected Revenues	35,632,002	34,294,015	35,148,269
	Operating Expenses			
9	Billing and Collecting			
10	Personal Services	980,888	953,216	977,686
11	Materials and Supplies	65,500	64,199	65,500
12	Other Services and Charges	1,964,726	1,592,122	1,967,216
13	Capital Outlay	-	-	-
14	Total Billing and Collecting	3,011,114	2,609,537	3,010,402
15	Water Operations			
16	Personal Services			
17	Materials and Supplies	1,939,650	1,984,477	1,949,650
18	Other Services and Charges	2,906,549	2,108,938	2,916,404
19	Capital Outlay	-	374,786	594,500
20	Total Water Operations	4,846,199	4,468,201	5,460,554
21	Sewer Operations			
22	Personal Services	162,808	59,387	-
23	Materials and Supplies	947,120	1,044,563	962,620
24	Other Services and Charges	2,990,552	5,439,452	3,379,708
25	Capital Outlay	-	160,000	199,022
26	Total Sewer Operations	4,100,480	6,703,402	4,541,350
27	City Debt (Water and Sewer)	9,341,909	8,466,462	7,283,469

City of Gulfport Water and Sewer Proposed Budget For Fiscal Year Ending 9/30/2020	FYE 2019 Revised Budget	FYE 2019 Estimated Actuals	FYE 2020 Proposed Budget
28 HCUA and Solid Waste Costs			
29 Sewer Treatment (Debt and O&M)	7,427,427	7,650,250	7,491,374
30 Solid Waste	4,285,023	4,480,056	4,346,789
31 Total HCUA Cost	11,712,450	12,130,306	11,838,163
32 Water and Sewer Projects			
33 Capital Projects-new	2,569,870		3,900,000
34 Capital Projects-current	2,185,140	3,938,648	1,572,159
35 Debt Service	49,980	49,980	137,434
Total Water and Sewer Projects	4,804,990	3,988,628	5,609,593
Transfers out to general fund			
36 Total Projected Expenditures	37,817,142	38,366,536	37,856,359
37 Excess/(Deficiency) of Revenues over Expenditures	(2,185,140)	(4,072,521)	(2,708,090)

Note:

- Revenues include Council approved water and sewer rate increases as well as a solid waste rate increase.
- See Page 30 for a listing of current capital projects to be carried forward to FY 19

City of Gulfport, MS Water & Sewer Fund Long term Debt Schedule				
	Original	**2020**		
Note Holder	**Issue**	**Principal**	**Interest**	**Total**
General Obligation Bonds				
Hancock Bank	2,850,000	227,000	70,582	297,582
Hancock Bank	14,000,000	653,000	344,440	997,440
Mississippi Development B	18,465,000	2,935,000	380,425	3,315,425
Total GO Bonds	**35,315,000**	**3,815,000**	**795,447**	**4,610,447**
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	179,116	15,086	194,202
State Revolving Fund-MDEQ	8,093,778	428,457	58,263	486,720
State Revolving Fund-MDEQ	2,214,059	122,264	10,879	133,143
State Revolving Fund-MDEQ	15,025,311	790,766	112,782	903,548
State Revolving Fund-MDEQ	5,715,121	297,728	45,951	343,679
Total Notes Payable	**34,277,693**	**1,818,331**	**242,961**	**2,061,292**
Utility Capital Lease				
Total Capital Leases	-	-	-	-
Total Business-type Activities	**$ 117,157,693**	**$ 5,633,331**	**$ 1,600,158**	**$ 7,233,489**

GO debt os at end of FY 18

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 9/30/2020

	FYE 2019 Current Budget	FYE 2020 Proposed Budget
Estimated Revenues		
Grants - FEMA & MEMA	1,192,605	1,300,000
Proposed Expenditures		
Work in Progress	459,532	600,000
Excess/(deficiency) of Revenues over Expenditures	733,073	700,000

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.

Proposed Expenditures		
Personal Services	-	-
Materials and Supplies	-	15,000
Other Services and Charges	-	18,000
Capital Outlay	484,560	167,000
Total Proposed Expenditures	484,560	200,000
Excess/(deficiency) of Revenues over Expenses	(484,560)	(200,000)