

FY 2018/2019 BUDGET PROCESS

The purpose of this narrative is to provide some detail to the process of developing the Town of Jupiter Inlet Colony's Annual Budget for FY 2018/2019. This budget, sometimes referred to as "the Mayor's Budget," was developed over many hours by a dedicated team of professionals led by our volunteer Finance Director, Gasper Taormina, Town Clerk Jude Goudreau, and Town Administrator John Pruitt. Please note that this budget is the 8th version of the current budget.

The budget process starts with an estimate of **REVENUE** for the upcoming fiscal year. Unlike the vast majority of municipalities in Florida, over 75% of our revenue is generated by ad-valorem taxes which increased by 6.76% from last year. The total taxable value of JIC is \$341,323,617 for the 2018 tax roll. Most of other sources of revenue (State and County taxes, the new Penny Sales Tax, FPL Franchise Fee, and Solid Waste Authority) are fairly consistent from year to year. Building Permit Fees vary from year to year based on building activity and are estimated in consultation with the Building Official, Zoning Consultant, and contractors. **FINALLY, FOR BUDGETARY PLANNING PURPOSES, A TENTATIVE MILLAGE IS SET AND MULTIPLIED BY THE TAXABLE VALUE AND 97% IN ORDER TO ALLOW FOR THE SHORTFALL FROM EARLY PAYMENT OF TAXES IN NOVEMBER.** This total is the Ad Valorem Tax amount that appears on the first line of the budget.

Next, the budget process estimates **EXPENDITURES** in multiple categories (Administration, Planning, Building Department, Public Safety, Beautification, and Roads and Walkways). Over 90% of our costs from year to year are fixed leaving us with very little discretion. Our estimates in each category are based on a lengthy historic record dating back to 2004 which was created by Gasper and myself. These records track the costs of all of our insurances, repairs, supplies, maintenance agreements, memberships, travel, salary, benefits, taxes, and capital outlays. If, and when, we have any questions, we contact the vendors directly for clarification. We did contact Rob Mancuso while preparing this year's Beautification budget to determine how much money should be allocated to each category of that area based on last year's expenditures and next year's forecast. In addition, breaking out the Building Department and Planning function, as well as adding some clarification to the Comments column is an attempt to further refine the budget and make it easier to understand.

This year's budget is a departure from those of the past, in that, it proposes that the administrative staff position currently held by John Pruitt who is also our Chief of Police, returned to being a separate position. We are proposing that John Pruitt continue to be our full time Chief of Police and that a separate person be hired as our Town Administrator to perform all of the duties that John performs in that function. Simply put, the complexities and the time demands of the two jobs have become too much for one person. We believe that by separating the functions, the Town can run more efficiently. Historically, JIC had always functioned in a bifurcated manner with separate persons operating independently from one another. Years ago, the two jobs were merged on an emergency basis. Now, years later, as the Town and the functions of government have grown, we believe that it is time to return to "the way things were." I believe that both sides of our government will operate more effectively and provide better service to our residents and our customers. Also, as indicated by our budget, we can

afford the change. John will be here to mentor the new Administrator. And finally, the Town of Jupiter Inlet Colony will continue to serve its residents in the manner which they have come to expect.

Finally, we were able to achieve several noteworthy goals with this budget. First, again this year, the budget is balanced! Second, we have reduced the millage. Third, we have put another \$100,000 into this budget toward paying off the mortgage early on the Town Hall. And lastly, we are giving our Town employees a raise.

On behalf of our staff and myself, I hope that this explanation of our process has helped you understand how the budget for the Town of Jupiter Inlet Colony is constructed. The budget will be discussed at our August 13th Commission Meeting and at the Budget Hearings on September 10th and 24th. If you have any questions, please contact me at (561) 746-3787 or at comerfordd@jupiterinletcolony.org.

Thank you,

A handwritten signature in blue ink that reads "Mayor Dan". The signature is written in a cursive, flowing style.

Dr. Daniel J. Comerford, III
Mayor