**Memorandum**

**DATE: July 8, 2019**

**TO: Town Commission**

**FROM: Leonard garner, Tax oversight Committee**

**SUBJECT: ANNUAL Committee Report**

The Citizens Tax Oversight Committee held its annual meeting on July 8, 2019 9:30am at 501 Bay Isles Road and reviewed the following:

1. **Audited Results**

The Budget Analyst reviewed the 2018 audited results of operations with the Citizens’ Tax Oversight Committee which showed that the fund balance decreased $494,455 for a total fund balance of $472,301 as follows:

|  |  |  |
| --- | --- | --- |
|  |  | **Audited** |
|  |  | **Actual** |
|  |  | **FY2017-18** |
| **Revenue:** | |  |
|  | Infrastructure Surtax | $685,829 |
|  | Net Investment Income | 4,395 |
|  | **Total Revenue** | $690,224 |
|  |  |  |
| **Expenditures:** | |  |
|  | Public Facilities - Roof Upgrades | $83,986 |
|  | Public Facilities - HVAC Upgrades | $16,619 |
|  | Public Facilities - Police Space Renovation | $44,012 |
|  | Public Facilities - Fire Fitness Equipment | $26,427 |
|  | Canals- Transfer to Canal Fund | $700,000 |
|  | Public Safety- Ambulance | $288,550 |
|  | Public Safety - Radios | 4,656 |
|  | Parks/Rec- Tennis Court Resurfacing | 15,529 |
|  | Parks/Rec -Tennis Center fencing | 4,900 |
|  | **Total Expenditures** | $1,184,679 |
|  |  |  |
| Revenues over expenditures | | (494,455) |
|  |  |  |
| **Fund Balance, Beginning** | | $966,756 |
|  |  |  |
| **Fund Balance, Ending** | | $472,301 |

1. **Town Process Compliance**

The Citizen Tax Oversight Committee’s role is to ensure the Town is complying with proper procedures with regards to the infrastructure surtax budget process.

The Committee has determined, based on the materials provided, that the Town has complied with the proper process regarding infrastructure surtax approvals.

The current budget covering Phase III Allocation of Funds for the period FY2009-FY2024 is presented below:

|  |  |  |  |
| --- | --- | --- | --- |
|  |  |  | **PHASE III** |
| **Project List** |  |  | **ALLOCATION** |
| Beach Nourishment |  |  | $1,015,569 |
| Streets & Drainage |  |  | 0 |
| Park& Recreation Improvements |  |  | 2,922,000 |
| Canal Dredging |  |  | 900,000 |
| Public Safety |  |  | 3,803,168 |
| Public Facility Improvements |  |  | 922,000 |
|  |  |  | $9,562,737 |

Resolution 2018-10 was brought to the Town Commission in June 2018 for the purpose of adding $1.5 million to the Public Safety category based on forecasted projections of additional revenues expected through 2024. The prior amendment occurred on July 5, 2016, amended the allocation by moving $715,000 from the Beach Nourishment Functional Area to the Public Safety Function.

1. **Project Commitments (Budget)**

There have been no expenditures of Infrastructure Surtax funds except for items on the approved project list. The approved project list was developed as part of the five-year capital plan during the budget process.  The project lists for FY2018 and FY2019 Budgets are shown below and on page 3:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Public Safety** | **Facility** | **Parks** | **Canal** |
|  | **Improvements** | **Improvements** | **Improvements** | **Dredging** |
| **FY 2017-18 BUDGET** |  |  |  |  |
| North Station - Fitness Equipment |  | $35,000 |  |  |
| Task Chair Seating - Town Hall |  | $16,400 |  |  |
| Commission Chambers Audio |  | $34,000 |  |  |
| Police - Space Renovation |  | $50,000 |  |  |
| Tennis Court Resurfacing |  |  | $17,000 |  |
| Irrigation Well with filter system |  |  | $17,000 |  |
| Fencing |  |  | $4,000 |  |
| Canal Dredging |  |  |  | $700,000 |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Public Safety** | **Facility** | **Parks** | **Canal** |
|  | **Improvements** | **Improvements** | **Improvements** | **Dredging** |
| **FY 2018-19 BUDGET** |  |  |  |  |
| Task Chair Seating- Town Hall |  | $18,000 |  |  |
| HVAC Upgrades |  | $25,000 |  |  |
| Police-Flooring Replacement |  | $20,000 |  |  |
| Tennis Watering System Phase 1 |  |  | $150,000 |  |
| Rec Center Roof |  |  | $25,000 |  |
| Tennis Fencing |  |  | $5,000 |  |
| Tennis Center - Pickleball Court Planning |  |  | $20,000 |  |
| Rec Center Flooring |  |  | $10,000 |  |
| Pickleball Design |  |  | $20,000 |  |

The Current budget is shown below with respective balances after FY2019 expenses have been paid, providing for a remaining budget of $3,938,868 for future use.

|  |  |  |  |
| --- | --- | --- | --- |
|  | **PHASE III** | **AMOUNT EXPENDED OR COMMITTED** |  |
| **Project List** | **ALLOCATION** | **THROUGH FY19** | **BALANCE** |
| Beach Nourishment | $1,015,569 | $300,000 | $715,569 |
| Streets & Drainage | 0 | 0 | 0 |
| Park& Recreation Improvements | 2,922,000 | 1,599,040 | 1,322,960 |
| Canal Dredging | 900,000 | 900,000 | 0 |
| Public Safety | 3,803,168 | 1,961,494 | 1,841,674 |
| Public Facility Improvements | 922,000 | 863,335 | 58,665 |
|  | $9,562,737 | $5,623,869 | $3,938,868 |

1. **Conclusion**

The Citizens’ Tax Oversight Committee has reviewed expenditures to insure they are in accordance with the scope of the project budget and we have no findings to report to you at this time.

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Leonard Garner

Citizens’ Tax Oversight Committee