June 13, 2017

TO: Town of Olla Mayor and Council Members

**RE: Budget Message**

I submit to you the proposed budget for the fiscal year ending June 30, 2018. The budget has been prepared in accordance with Louisiana Act R.S. 39:1301-1315. The proposed budget represents a continuation of the present service levels and the current rates in every department with the exception of a state assessed increase to the Safe Drinking Water Fee. The rate increased from 26 cents to 95 cents per meter. The budget document is attached.

**General Fund**

**General Administrative:**

* There are no significant changes to the funding levels within the general fund area.

**Police Department:**

* The revenue seems to be maintaining at a consistent level. The increase in assessment for the North Louisiana Crime Lab is significant and approximately $10000 has been added to the new budget to cover this cost.

**Fire Department:**

* There is no 2% Fire Insurance Return in the current budget. The Police Jury submitted two payments last fiscal year. The next payment will be included on a revision. Capital Outlay is reduced in the new budget; work on Station #2 is basically complete.

**Streets and Sanitation:**

The revised 2016-17 budget included capital outlay and engineering fees for Shuler Consulting for work on the Downtown Enhancement project. When additional funding is known, the 2017-18 will be revised. Streets are in poor condition and $9000 was spent in the 2016-17 budget year to patch an extreme need. This will be revised out of the 2017-18 budget.

**Recreation Complex:**

* Grant funding shifted from The Rapides Foundation and Blue Cross, Blue Shield to the LEDD-Heathy Places in this year’s budget.

The general fund will have an anticipated beginning fund balance of $384,942.00 as of June 30, 2017 and an ending fund balance of $435,248.00 on June 30, 2018.

**Water and Sewer Departments:**

* Proceeds from this Drinking Water Revolving Loan were entered as a liability and are not included in the revenue section of the budget. An additional $115,016.00 was added to the liability in the 2016-2017 fiscal year bringing the liability to approximately $480,000. A portion of the liability is subject to “loan forgiveness”.