

# 2018 audit: City gets encouraging financial news

Mayor Andrew “FoFo” Gilich and members of the City Council heard some encouraging financial news the other day, as they prepared to begin crafting a new city budget:

“We have better news to report than in a long time,” auditor John Prentiss of the firm Piltz, Williams, LaRosa and Co. told leaders in the city’s latest audit.

The snapshot of the city’s finances covering the period from Oct. 1, 2017 to Sept. 30, 2018, the most-recent fiscal year, was a clean audit, with no discrepancies, Prentiss said, and the city took in more money than it spent, even though the city had forecast a budget deficit in its original spending plan.

The annual city audit, known as the Comprehensive Annual Financial Report, includes reviews of city compliance with state and federal spending laws, budget performance and financial management. The report provides councilmembers the latest audited budget information, which covers FY 2018, as they prepare for FY 2020.

For FY 2018, the city was \$200,000 off its original revenue projection of \$59.6 million, while expenditures planned that year, originally tabbed at \$62.2 million, were held to \$58 million. As a result, Prentiss said, fund balances were on the increase across the board:

- The positive operating budget for the year improved the city’s general fund, or financial cushion, as much as \$9 million to \$15 million, depending on the accounting method.
- The city had a cash balance of \$36 million, which included funds dedicated to major improvement projects and debt service. Part of the city’s encouraging financial news, Prentiss admitted, was attributed to timely receipt of grants as well as “the positive nature of the governmental activities this year.”

## Gilich touts period of significant growth

Mayor Andrew “FoFo” Gilich, in a one-page update contained in the FY 2018 CAFR, touted the city’s growth:

“General Fund and Water/Sewer Fund revenues exceeded expenditures. We experienced a modest increase in both casino and sales tax revenues. The city’s bond rating remained an excellent AA(-).

“Opportunity became reality in this period with the completion of more than 500 non-casino hotel rooms. The construction of new residential homes and businesses in of our City has continued with 160 new home permits being issued during the year.

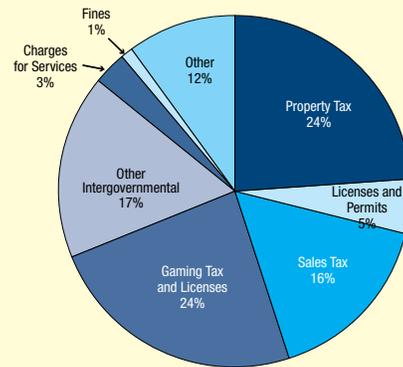


“The revitalization of Howard Avenue was completed bringing new life to the long dormant downtown area and sparking interest in the newly created Downtown Development District.

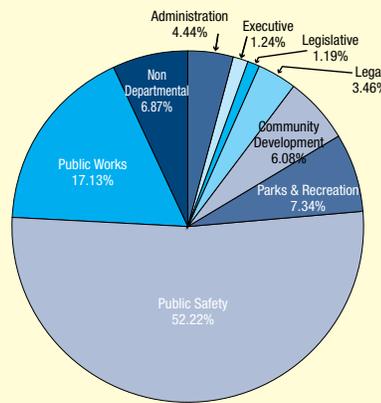
“During the year we moved closer to completing the first phase of the massive federally-funded infrastructure project that is bringing new utilities, drainage and paving to 55 miles of streets in East Biloxi. Work north of the railroad in East Biloxi is nearing completion and work south of the railroad is well underway. This will set the table for more economic growth and an improved quality of life in our city.”

## Where the money came from and where it went in FY 2018

Incoming \$59.4 million



Outgoing \$58 million



- The city’s water and sewer fund, which for years had been subsidized with other revenue (read “gaming revenue”), was now in the black: For FY 2018, the water department, which includes payments to the Harrison County Utility Authority for sewer treatment and garbage collection, saw revenue of \$16.6 million vs. operating expenses of \$15.5 million.

The mayor and councilmembers will conduct budget hearings throughout August, with a goal of having a new municipal spending plan in place for mid-September. The new fiscal year begins Oct. 1, 2019 and runs through Sept. 30, 2020.

- **Public safety openings:** The city is seeking to fill openings in its Police and Fire departments. See applications at [www.biloxi.ms.us/category/job-postings/](http://www.biloxi.ms.us/category/job-postings/) or call Human Resources at 228-435-6259.



• **Personnel:** Biloxi Municipal Clerk Stacy Thacker recently graduated from the Certified Municipal Clerk

program, a three-year program that covers varied topics designed to educate and enhance job performance.

- **Camille documentary world premiere:** “Camille: The Original Monster Storm”, a new compilation about Hurricane Camille, will debut at the Premier Lux at Edgewater Mall on Aug. 16. Showings will follow at the Maritime & Seafood Industry Museum through Nov. 30. Details: 228-435-6320.

- **FEMA:** The city continues to contend with FEMA over \$8.5 million in payments to former infrastructure project manager HNTB. The payments date back to 2008. Said Mayor Andrew “FoFo” Gilich: “FEMA approved all these costs many years ago. It is unfair for them to change course now, and the City will do what is needed to protect our position.”

- **Facebook:** The city’s Facebook page now has more than 36,000 followers. Check it out at [www.facebook.com/cobiloxi/](http://www.facebook.com/cobiloxi/) and don’t forget to like the page.