



City Manager Recommended Budget and Financial Plan



FY2022/23

June 23, 2022



AGENDA

- Recommended FY2022/23 Budget and Financial Plan
 - History
 - Current Situation
 - 5-Year Financial Plan and Proposed Strategies
 - New Proposed Strategies FY2022/23 – FY2026/27

HISTORY

HISTORICAL FACTS

- Financial crisis that has taken approximately nine (9) fiscal years to unfold
- Deficit spending depleted reserves by \$14.5 million in the General Fund (from FY2013/14 to FY2017/18)
- One-time annual fixes year over year
- Lack of new revenue generating programs for steady revenue streams
- Recent challenges - global pandemic, reduced revenues, high budget deficits, failing infrastructure, seriously compromised financial reserves, great resignation
- Extraordinary measures during FY2020/21 to build reserves to offset budget shortfalls

GENERAL FUND HISTORY



GENERAL FUND	REVENUES	REVENUES	REVENUES	EXPENDITURES	EXPENDITURES	EXPENDITURES
	ADOPTED	REVISED	ACTUAL	ADOPTED	REVISED	ACTUAL
(1) FY 2013-14	56,973,017	57,402,246	52,146,968	57,790,373	63,689,595	53,900,767
(1) FY 2014-15	59,544,284	62,064,024	55,663,570	59,756,105	67,333,219	56,435,537
(1) FY 2015-16	62,948,258	68,587,661	55,989,776	63,154,587	69,720,031	58,621,571
(1) FY 2016-17	68,516,988	72,993,612	57,115,541	68,516,988	72,993,612	59,698,247
(1) FY 2017-18	70,178,299	73,803,884	56,349,822	70,178,299	73,931,639	65,583,931
(1) FY 2018-19	71,751,698	74,850,287	62,835,598	71,751,698	74,850,287	60,152,548
(1) FY 2019-20	72,376,424	73,566,180	62,623,019	72,376,424	73,566,180	60,628,244
(2) FY 2020-21	74,062,857	78,364,422	76,305,743	74,062,857	78,364,422	71,824,841
(2) FY 2021-22	85,098,346	88,712,586	88,287,329	85,098,346	88,037,090	83,723,634

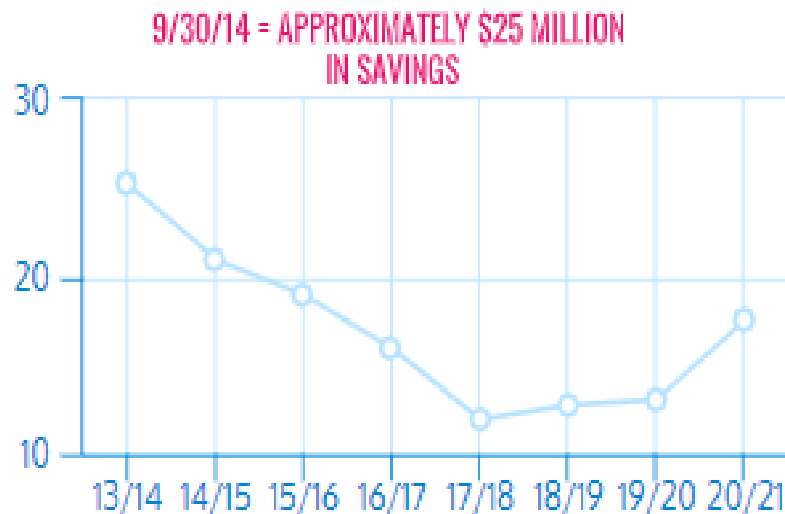
NOTES:

- (1) Retrieved from the Annual Financial Report.
- (2) Unaudited. The revenues and expenditures are based on projections.

Expenditures exceeded revenues from FY2013/14 to FY2017/18

GENERAL FUND HISTORY (CONTINUED)

THE CITY'S SAVINGS ACCOUNT HAS CONSISTENTLY BEEN USED TO BALANCE BUDGET DEFICITS



9/30/20 = APPROXIMATELY \$13 MILLION
LEFT IN SAVINGS

9/30/201= APPROXIMATELY \$17.6 MILLION
IN SAVINGS



52% of savings used over the
last 8 years

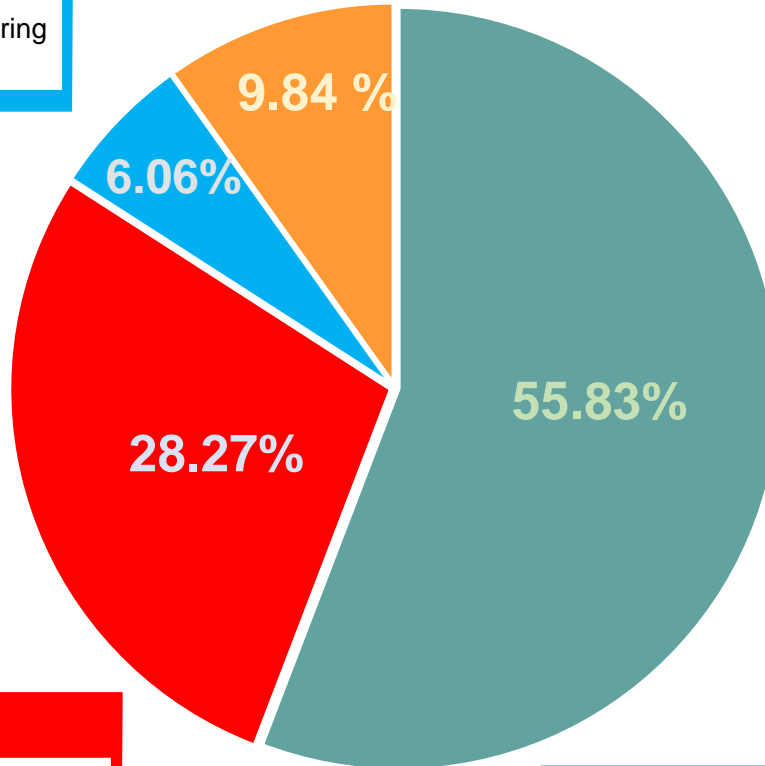
**\$14.5 MILLION IN
SAVINGS USED**

**\$4.5 MILLION
SURPLUS**

CURRENT SITUATION

Total City Manager Recommended Budget \$174.5 Million

The Recommended Budget for FY 2023 is \$174.5 Million and is comprised of six fund types – the General Fund, Enterprise Fund, Special Revenue Funds, and Other Funds that support the Parks GO Bond Debt, Debt Service for Capital, Internal Service Funds (Fleet, General Liability, Worker's Comp.), and Capital Project Fund.



Other Fund Types

\$17,175,140

Debt Service, Capital Fund,
Internal Service Fund

Special Revenue Funds

\$10,580,252

Law Enforcement Trust Fund,
Transportation, GISND, TISND,
Grant, PD Outside Services, Police
Training, Police Equitable Sharing
and Permits & Inspections

Enterprise Fund

\$49,324,518

Cemetery, Sanitation, Utility,
Stormwater, Utility Impact Fee

General Fund

\$97,413,598

BUDGET – FISCAL YEAR 2022/23

Citywide



Increase from
FY 2021/22 are due
to increased General
and Utility capital
projects, Fleet and
R&R Programs,
Personnel Costs



General Fund



Increase from
FY 2021/22
adopted budget is
\$12,315,252

MAJOR COST DRIVERS (GENERAL FUND) FOR FY2022/23

ITEMS

AMOUNT

CRA TIF Payment	\$ 2,800,000
Capital Projects General Fund	2,100,000
Renewal & Replacement Program	2,000,000
Increase Cost for BSO Fire Services	1,100,000
Fleet Replacement Program	962,000
Additional Personnel	330,000
Increase Fuel Costs	320,000
Miscellaneous Items (Includes Health Insurance, P&F Pension, Increases in COLA/Merit	2,600,000

Total	\$ 12,212,000
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Special Revenue Funds

34

Grants Fund (1), Transportation Fund (5), Permits and Inspections Fund (28)

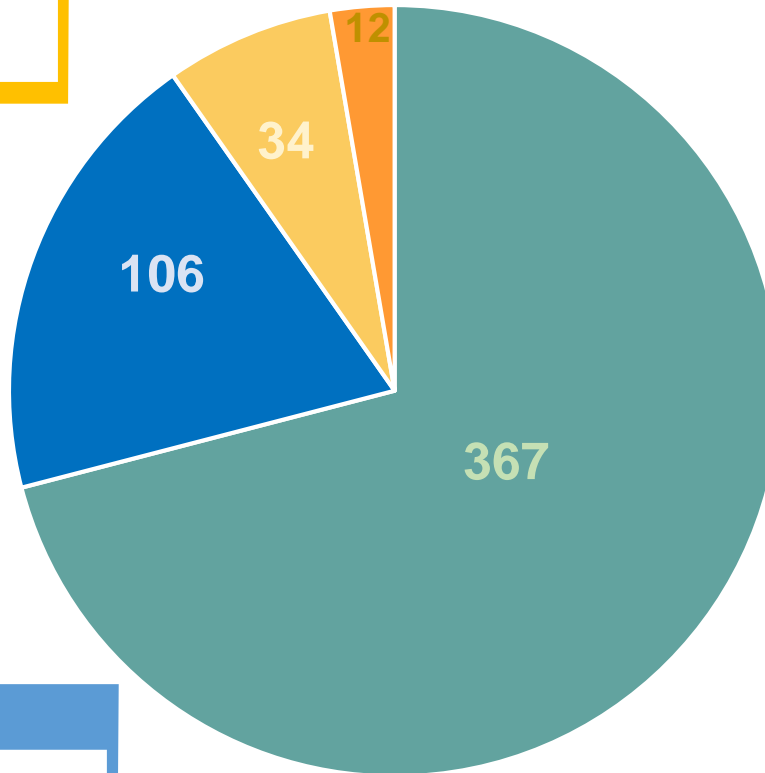
Additional Funds

12

Risk (2), Fleet (8),
GO Bond Capital Fund (2)

Workforce by Fund 519 Positions

A bulk of our workforce is sustained by the General Fund. The majority of the General Fund is sustained by Property Taxes and Other Revenues.



Enterprise Fund

106

Cemetery (4), Sanitation (25),
Utility (69), Stormwater (8)

General Fund

367

HR, Finance, CM Office,
Procurement, City Attorney, Parks &
Rec, Budget, Development Services,
IT, PD, DPW, Human Services

GENERAL FUND HIGHLIGHTS



FY 2022 revenues Compared to FY 2023

The General Fund has a combined gain in revenues in the amount of \$12,315,252 in comparison to the FY 2021/22 Adopted Budget—largest revenues increase is in Property Taxes and non ad-valorem strategies

Expenditure Increase

General Fund increased by \$12,315,525 or 14.47% from the previous year

General Fund Balanced

The FY 2022/23 General Fund is currently balanced without the use of either one-time revenue sources or reserves

Property Value

Property Value increased 9.59% from June 1, 2022 Certified Value

TIF / CRA

Increase of \$2,884,154 resulting from the Tax Increment Financing (TIF) payment to the CRA as a result of higher property values in comparison to the July 1, 2021 Certified Value

WHERE DOES MY GENERAL FUND TAX DOLLAR GO?



	Police	\$ 0.29
	Fire/Rescue	\$ 0.22
	Other (Non-Departmental, Administrative Charges, Transfers to Other Funds)	\$ 0.21
	Administrative. (Commission, City Manager, City Attorney, Finance, Budget & Program Monitoring, City Clerk, Human Resources, IT, Procurement, Office of Capital Improvement and Grants Office)	\$ 0.12
	Parks and Recreation	\$ 0.08
	Development Services (Code Compliance & Planning)	\$ 0.04
	Human Services	\$ 0.02
	Public Works	\$ 0.02

OPERATING, DEBT, GOLDEN ISLES, AND THREE ISLANDS MILLAGE



Operating & Debt Service Millage

The Operating millage is 8.2466 and Debt Service Millage is 0.4946. Average Taxable Value for a Single-Family Home in the City of Hallandale Beach is \$302,257. This equates to \$2,642 in property taxes. This equates to an **increase** of \$363 over last year's property tax bill.

Golden Isles Millage

Golden Isles millage is 1.0934. Based on the Assessed Taxable Value of \$500,000 for a Single-Family Home in the district, this equates to \$547 in property taxes.

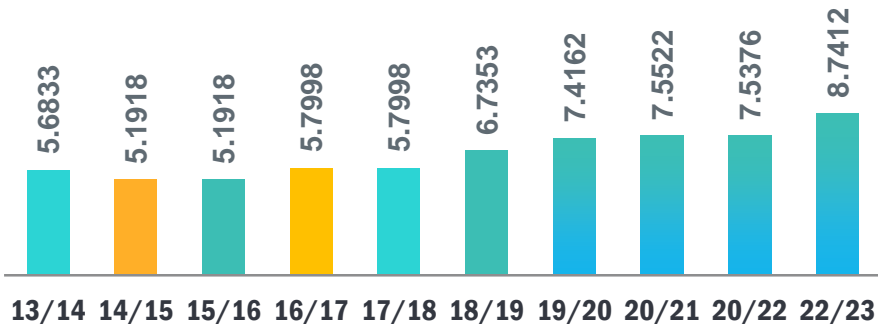
Three Islands Millage

Three Islands millage is 0.6600. Based on the Assessed Taxable Value of \$500,000 for a Single-Family Home in the district, this equates to \$330 in property taxes.

HB MILLAGE TRENDS


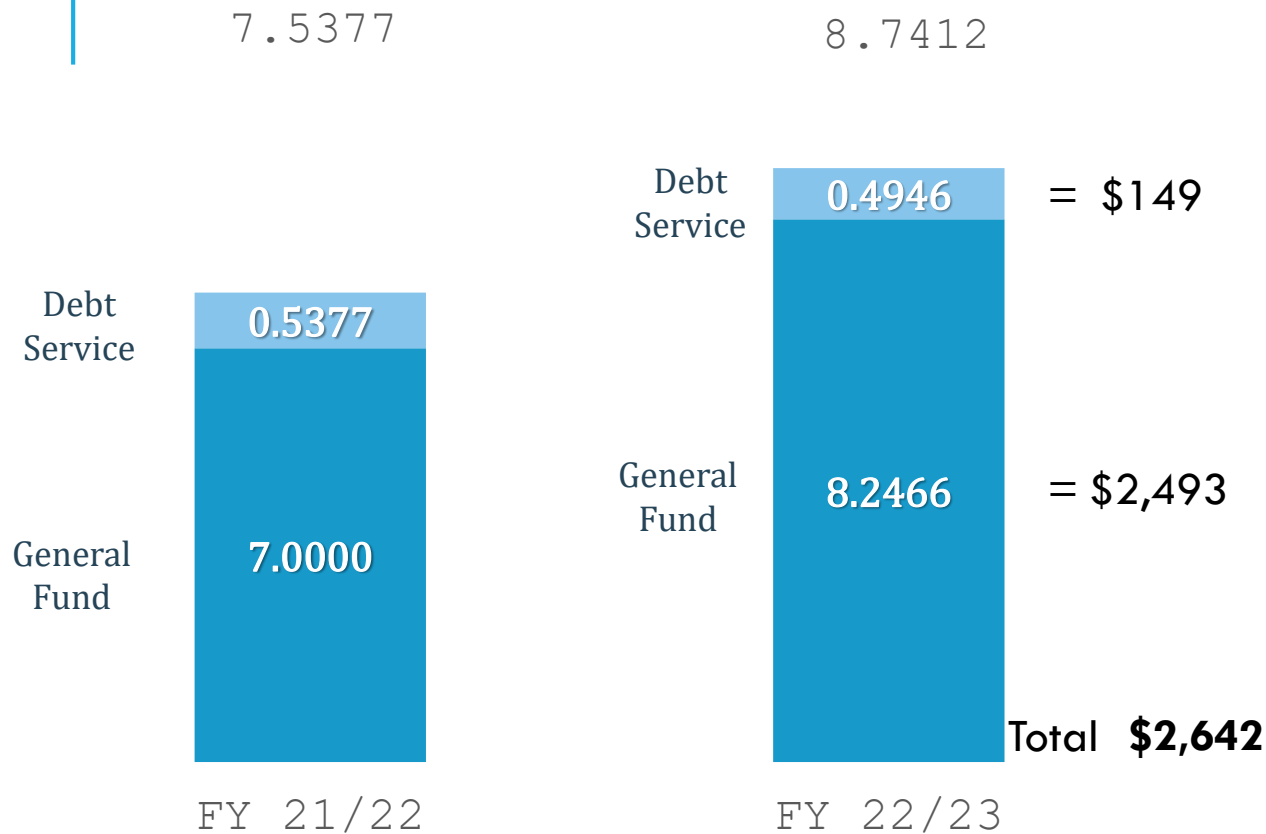
TOTAL MILLAGE RATE

Total Millage Rate is used to determine operating millage (the amount of property taxes that property owners pay) and the debt service millage. The City is proposing a millage rate increase of 1.2466 mills and a decrease of 0.0431 mills for debts service in the City Manager Recommended FY 2022/23 Budget. **The other municipalities have not set their proposed millage rates for FY 22/23 as of June 1, 2022.**



MUNICIPALITY	OPERATING	DEBT	TOTAL	RANK
LAUDERHILL	8.1999	1.6944	9.8943	1
LAUDERDALE LAKES	8.6000	1.0950	9.6950	2
HALLANDALE BEACH (Proposed)	8.2466	0.4946	8.7412	3
PEMBROKE PARK	8.5000		8.5000	4
WEST PARK	8.5000	-	8.5000	5
HOLLYWOOD	7.4810	0.4156	7.8966	6
MARGATE	7.1171	0.5974	7.7145	7
HALLANDALE BEACH (Current)	7.0000	0.5377	7.5377	8
NORTH LAUDERDALE	7.4000	-	7.4000	9
SEA RANCH LAKES	7.2500		7.2500	10
TAMARAC	7.2000	-	7.2000	11
MIRAMAR	7.1172	-	7.1172	12
LAZY LAKE	6.5000	-	6.5000	13
SUNRISE	6.0543	0.4066	6.4609	14
COCONUT CREEK	6.4463	-	6.4463	15
OAKLAND PARK	5.8890	0.5198	6.4088	16
DEERFIELD BEACH	6.0018	0.3107	6.3125	17
CORAL SPRINGS	6.0232	0.2303	6.2535	18
PLANTATION	5.8000	0.4007	6.2007	19
DANIA BEACH	5.9998	0.1441	6.1439	20
COOPER CITY	6.1250	-	6.1250	21
PEMBROKE PINES	5.6690	0.4159	6.0849	22
WILTON MANORS	5.8360	0.2419	6.0779	23
POMPANO BEACH	5.1875	0.7041	5.8916	24
DAVIE	5.6250	0.2311	5.8561	25
BROWARD COUNTY	5.6690	0.1556	5.8246	26
FORT LAUDERDALE	4.1193	0.2613	4.3806	27
PARKLAND	4.2979	-	4.2979	28
SOUTHWEST RANCHES	4.2500	-	4.2500	29
LIGHTHOUSE POINT	3.5893	0.5212	4.1105	30
HILLSBORO BEACH	3.5000	-	3.5000	31
LAUDERDALE-BY-THE-SEA	3.3923	-	3.3923	32
WESTON	3.3464	-	3.3464	33
UNINCORPORATED	2.3353	-	2.3353	34
AVERAGE	6.0079	0.2669	6.2748	

CITY MILLAGE-OPERATING & G.O. BOND



*Average Taxable Value for \$302,257 Home equates to approx.

\$363

increase in FY2022/23

*Based on taxable value not market value

PROJECTED RESERVES ON SEPTEMBER 30, 2022

- Based on the projected budget shortfalls, reserves would decrease from approximately \$22.8 Million at the beginning of FY2022/23 to approximately \$8.4 Million at the end of FY2026/27
- Financial strategies need to be undertaken to ensure that the City can sustain operations through FY2026/27

5-YEAR FINANCIAL PLAN AND PROPOSED STRATEGIES

RECOMMENDED FINANCIAL STRATEGY FY 2023-FY 2027

BUDGET PROJECTIONS BEFORE STRATEGIES	FY21	FY22	FY23	FY24	FY25	FY26	FY27
Revenue (Income)	\$ 76,305,743	\$ 77,175,532	\$ 81,329,458	\$ 86,717,602	\$ 90,021,809	\$ 91,858,321	\$ 93,955,253
Expenses	\$ (71,824,841)	\$ (83,723,634)	\$ (97,257,881)	\$ (102,330,544)	\$ (108,330,907)	\$ (111,621,224)	\$ (114,791,525)
Budget Surplus/Shortfall	\$ 4,480,902	\$ (6,548,102)	\$ (15,928,423)	\$ (15,612,942)	\$ (18,309,098)	\$ (19,762,903)	\$ (20,836,272)

APPROVED STABILIZATION STRATEGIES

Federal American Rescue Plan Act Assistance	\$ -	\$ 9,978,757	\$ 4,989,379	\$ 4,989,379	\$ -	\$ -	\$ -
New Certificate of Use Program	\$ -	\$ -	\$ 430,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000
Parking Program (meters & citations)	\$ -	\$ 1,133,040	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000
Total Approved Offset to Shortfalls	\$ -	\$ 11,111,797	\$ 6,619,379	\$ 6,789,379	\$ 1,800,000	\$ 1,800,000	\$ 1,800,000
Budget Surplus/Shortfall after Approved Strategies	\$ 4,480,902	\$ 4,563,695	\$ (9,309,044)	\$ (8,823,563)	\$ (16,509,098)	\$ (17,962,903)	\$ (19,036,272)

RECOMMENDED STABILIZATION STRATEGIES FY 23

Property Tax Increase FY23 (1.2466 mills)	\$ -	\$ -	\$ 6,079,388	\$ 6,444,151	\$ 6,637,476	\$ 6,836,600	\$ 7,041,698
Payment in Lieu of Franchise Fee - Water & Wastewater	\$ -	\$ -	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
Solid Waste Franchise Fees at 22%	\$ -	\$ -	\$ 1,298,000	\$ 1,298,000	\$ 1,298,000	\$ 1,298,000	\$ 1,298,000
Solid Waste Franchise Fees at additional 3%	\$ -	\$ -	\$ 202,000	\$ 202,000	\$ 202,000	\$ 202,000	\$ 202,000
Elimination of 14 Firefighter Grant Funded Positions	\$ -	\$ -	\$ -	\$ 890,679	\$ 1,919,962	\$ 2,073,290	\$ 2,239,153
Implementation of Hybrid Fleet Program	\$ -	\$ -	\$ 385,373	\$ 495,349	\$ 377,349	\$ 296,349	\$ 296,349
Defer GF Capital Projects-Defer to FY24	\$ -	\$ -	\$ 165,000	\$ -	\$ -	\$ -	\$ -
Hiring Freeze (Select Vacancies)	\$ -	\$ 600,000	\$ -	\$ -	\$ -	\$ -	\$ -
Total Proposed Offset to Shortfalls	\$ -	\$ 600,000	\$ 9,629,761	\$ 10,830,179	\$ 11,934,787	\$ 12,206,239	\$ 12,577,200
Ending Budget Surplus/Shortfall after Recommended	\$ 4,480,902	\$ 5,163,695	\$ 320,717	\$ 2,006,616	\$ (4,574,311)	\$ (5,756,664)	\$ (6,459,072)

BUDGET PROJECTIONS AFTER STRATEGIES

Year over Year Expenditure Change	-	16.57%	15.97%	4.48%	4.90%	2.95%	2.74%
Revenue (Income)	\$ 76,305,743	\$ 88,287,329	\$ 97,413,598	\$ 103,446,481	\$ 101,836,634	\$ 103,791,270	\$ 106,093,300
Expenses	\$ (71,824,841)	\$ (83,723,634)	\$ (97,092,881)	\$ (101,439,865)	\$ (106,410,945)	\$ (109,547,934)	\$ (112,552,372)
Budget Surplus/Shortfall	\$ 4,480,902	\$ 4,563,695	\$ 320,717	\$ 2,006,616	\$ (4,574,311)	\$ (5,756,664)	\$ (6,459,072)

RESERVES

Beginning Balance	\$ 13,168,875	\$ 17,649,777	\$ 22,813,472	\$ 23,134,189	\$ 25,140,805	\$ 20,566,494	\$ 14,809,830
Budget Surplus/Shortfall after Implementation of Strategies	\$ 4,480,902	\$ 5,163,695	\$ 320,717	\$ 2,006,616	\$ (4,574,311)	\$ (5,756,664)	\$ (6,459,072)
Ending Reserves Balance	\$ 17,649,777	\$ 22,813,472	\$ 23,134,189	\$ 25,140,805	\$ 20,566,494	\$ 14,809,830	\$ 8,350,758

Blue = 1 X revenue or expenditure reduction

Fund Balance - Less than minimum reserves shown in red	24.6%	27.2%	23.8%	24.8%	19.3%	13.5%	7.4%
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NO STRATEGY FY2023 THROUGH FY2027



BUDGET PROJECTIONS BEFORE STRATEGIES	FY21	FY22	FY23	FY24	FY25	FY26	FY27
Revenue (Income)	\$ 76,305,743	\$ 77,175,532	\$ 81,329,458	\$ 86,717,602	\$ 90,021,809	\$ 91,858,321	\$ 93,955,253
Expenses	\$ (71,824,841)	\$ (83,723,634)	\$ (97,257,881)	\$ (102,330,544)	\$ (108,330,907)	\$ (111,621,224)	\$ (114,791,525)
Budget Surplus/Shortfall	\$ 4,480,902	\$ (6,548,102)	\$ (15,928,423)	\$ (15,612,942)	\$ (18,309,098)	\$ (19,762,903)	\$ (20,836,272)

\$90 million deficit

PREVIOUSLY APPROVED & IMPLEMENTED STRATEGIES

APPROVED STABILIZATION STRATEGIES (FY2022 - FY2027)



BUDGET PROJECTIONS BEFORE STRATEGIES	FY21	FY22	FY23	FY24	FY25	FY26	FY27
Revenue (Income)	\$ 76,305,743	\$ 77,175,532	\$ 81,329,458	\$ 86,717,602	\$ 90,021,809	\$ 91,858,321	\$ 93,955,253
Expenses	\$ (71,824,841)	\$ (83,723,634)	\$ (97,257,881)	\$ (102,330,544)	\$ (108,330,907)	\$ (111,621,224)	\$ (114,791,525)
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APPROVED STABILIZATION STRATEGIES

Federal American Rescue Plan Act Assistance	\$ -	\$ 9,978,757	\$ 4,989,379	\$ 4,989,379	\$ -	\$ -	\$ -
New Certificate of Use Program	\$ -	\$ -	\$ 430,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000
Parking Program (meters & citations)	\$ -	\$ 1,133,040	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000
Total Approved Offset to Shortfalls	\$ -	\$ 11,111,797	\$ 6,619,379	\$ 6,789,379	\$ 1,800,000	\$ 1,800,000	\$ 1,800,000
Budget Surplus/Shortfall after Approved Strategies	\$ 4,480,902	\$ 4,563,695	\$ (9,309,044)	\$ (8,823,563)	\$ (16,509,098)	\$ (17,962,903)	\$ (19,036,272)

\$72 million deficit

WHERE ARE WE NOW?



Over the next 5 years (FY2023-2027) the City faces a

**\$72 MILLION BUDGET
DEFICIT/SHORTFALL**

NOT OUT OF THE WOODS YET



Due to ongoing budget deficits and the state of the economy,
the City will run out of savings by the end of FY2024

2024 = BANKRUPTCY/INSOLVENCY

NEW PROPOSED STRATEGIES FY2022/23 – FY2026/27

PROPERTY TAX INCREASE



- Proposed tax increase of 1.2466 mills
- Revenue increase of approximately \$6.1 million in FY 23, and approximately \$26.9 million between FY2023/24 and FY2026/27
- The ability to tax is capped at 10.0000 mills, including that of independent districts such as Golden Isles and Three Islands

PAYMENT IN LIEU OF FRANCHISE FEE – WATER & WASTEWATER UTILITY



- Target transfer of \$1.5 million based on 6% of the proposed water and wastewater sales revenue budget of approximately \$25 million as a PILOF (Payment-in-Lieu of Franchise Fee)
- The City has engaged a third-party consultant to prepare a PILOT (Payment-in-Lieu of Taxes) and PILOF cost study for FY2022/23
- Adoption of recommendations in the study will enable the City to collect a reasonable payment from the Utility Fund for the use and occupancy of the rights-of-way and public lands within the City

SOLID WASTE NEW FRANCHISE FEES



- A 22% franchise fee, which is in line with the private hauler franchise fee, would generate approximately \$1.3 Million in revenues for FY 23
- To reach a target of \$1.5 Million, an additional 3% would be necessary
- As a result of a thorough business analysis of the Solid Waste Fund, outsourcing is no longer recommended

HYBRID FLEET PROGRAM



- The General Fund ceased contributions for replacement vehicles in FY 2018/19 as a budgeting strategy creating a “Kicked Can” situation
- Inadequate funding of a vehicle replacement plan has created a replacement backlog for various departments city-wide
- In FY2021/22, 62 police vehicles were purchased with funding from ARPA and Fleet fund balances, and six (6) Public Works trucks were purchased also using fund balance from fleet. In order to “catch-up” in FY2022/23, 112 vehicles or approximately \$7.8 million is needed across all funds
- This budget includes \$962,982 in the general fund which is the 25% allocation to fully “catch-up” in FY2022/23. This will fund 18 critical vehicle replacements within the general fund
- As a stabilization strategy, financing options will be explored which utilizes both a pay-as-you-go methodology, and loans, which will jump start the program while providing the critically necessary vehicles

ELIMINATION OF SAFER GRANT FIREFIGHTER POSITIONS



- In September 2019, the City received a SAFER Grant award in the amount of \$5.7 million to fund 14 firefighter positions for a period of 3 years (March 2020 through the end of March 2023)
- There is a possible no-cost extension that will allow the City to keep the 14 positions for an additional year through the end of March 2024
- Per the grant guidelines, the City is not obligated to keep the positions at the end of the grant period
- Should the City decide to keep the positions, the financial obligations would be as follows:
 - FY2023/24 – \$890,679
 - FY2024/25 through FY2026/27 – approximately \$6.2 million
- The 5-year plan accounts for the elimination of the 14 Firefighter positions

RECOMMENDED FINANCIAL STRATEGY FY 2023-FY 2027



BUDGET PROJECTIONS BEFORE STRATEGIES	FY21	FY22	FY23	FY24	FY25	FY26	FY27
Revenue (Income)	\$ 76,305,743	\$ 77,175,532	\$ 81,329,458	\$ 86,717,602	\$ 90,021,809	\$ 91,858,321	\$ 93,955,253
Expenses	\$ (71,824,841)	\$ (83,723,634)	\$ (97,257,881)	\$ (102,330,544)	\$ (108,330,907)	\$ (111,621,224)	\$ (114,791,525)
Budget Surplus/Shortfall	\$ 4,480,902	\$ (6,548,102)	\$ (15,928,423)	\$ (15,612,942)	\$ (18,309,098)	\$ (19,762,903)	\$ (20,836,272)

APPROVED STABILIZATION STRATEGIES

Federal American Rescue Plan Act Assistance	\$ -	\$ 9,978,757	\$ 4,989,379	\$ 4,989,379	\$ -	\$ -	\$ -
New Certificate of Use Program	\$ -	\$ -	\$ 430,000	\$ 600,000	\$ 600,000	\$ 600,000	\$ 600,000
Parking Program (meters & citations)	\$ -	\$ 1,133,040	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000
Total Approved Offset to Shortfalls	\$ -	\$ 11,111,797	\$ 6,619,379	\$ 6,789,379	\$ 1,800,000	\$ 1,800,000	\$ 1,800,000
Budget Surplus/Shortfall after Approved Strategies	\$ 4,480,902	\$ 4,563,695	\$ (9,309,044)	\$ (8,823,563)	\$ (16,509,098)	\$ (17,962,903)	\$ (19,036,272)

RECOMMENDED STABILIZATION STRATEGIES FY 23

Property Tax Increase FY23 (1.2466 mills)	\$ -	\$ -	\$ 6,079,388	\$ 6,444,151	\$ 6,637,476	\$ 6,836,600	\$ 7,041,698
Payment in Lieu of Franchise Fee - Water & Wastewater	\$ -	\$ -	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
Solid Waste Franchise Fees at 22%	\$ -	\$ -	\$ 1,298,000	\$ 1,298,000	\$ 1,298,000	\$ 1,298,000	\$ 1,298,000
Solid Waste Franchise Fees at additional 3%	\$ -	\$ -	\$ 202,000	\$ 202,000	\$ 202,000	\$ 202,000	\$ 202,000
Elimination of 14 Firefighter Grant Funded Positions	\$ -	\$ -	\$ -	\$ 890,679	\$ 1,919,962	\$ 2,073,290	\$ 2,239,153
Implementation of Hybrid Fleet Program	\$ -	\$ -	\$ 385,373	\$ 495,349	\$ 377,349	\$ 296,349	\$ 296,349
Defer GF Capital Projects-Defer to FY24	\$ -	\$ -	\$ 165,000	\$ -	\$ -	\$ -	\$ -
Hiring Freeze (Select Vacancies)	\$ -	\$ 600,000	\$ -	\$ -	\$ -	\$ -	\$ -
Total Proposed Offset to Shortfalls	\$ -	\$ 600,000	\$ 9,629,761	\$ 10,830,179	\$ 11,934,787	\$ 12,206,239	\$ 12,577,200
Ending Budget Surplus/Shortfall after Recommended	\$ 4,480,902	\$ 5,163,695	\$ 320,717	\$ 2,006,616	\$ (4,574,311)	\$ (5,756,664)	\$ (6,459,072)

BUDGET PROJECTIONS AFTER STRATEGIES

Year over Year Expenditure Change	-	16.57%	15.97%	4.48%	4.90%	2.95%	2.74%
Revenue (Income)	\$ 76,305,743	\$ 88,287,329	\$ 97,413,598	\$ 103,446,481	\$ 101,836,634	\$ 103,791,270	\$ 106,093,300
Expenses	\$ (71,824,841)	\$ (83,723,634)	\$ (97,092,881)	\$ (101,439,865)	\$ (106,410,945)	\$ (109,547,934)	\$ (112,552,372)
Budget Surplus/Shortfall	\$ 4,480,902	\$ 4,563,695	\$ 320,717	\$ 2,006,616	\$ (4,574,311)	\$ (5,756,664)	\$ (6,459,072)

RESERVES

Beginning Balance	\$ 13,168,875	\$ 17,649,777	\$ 22,813,472	\$ 23,134,189	\$ 25,140,805	\$ 20,566,494	\$ 14,809,830
Budget Surplus/Shortfall after Implementation of Strategies	\$ 4,480,902	\$ 5,163,695	\$ 320,717	\$ 2,006,616	\$ (4,574,311)	\$ (5,756,664)	\$ (6,459,072)
Ending Reserves Balance	\$ 17,649,777	\$ 22,813,472	\$ 23,134,189	\$ 25,140,805	\$ 20,566,494	\$ 14,809,830	\$ 8,350,758

Blue = 1 X revenue or expenditure reduction

Fund Balance - Less than minimum reserves shown in red	24.6%	27.2%	23.8%	24.8%	19.3%	13.5%	7.4%
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SUMMARY OF NEW STRATEGIES

NEW STRATEGIES TO HEAD OFF FINANCIAL INSOLVENCY (FY2023 - FY2027)



**APPROXIMATELY
\$48 MILLION
IN PROPOSED NEW
REVENUES
&
\$8.9 MILLION IN
COST SAVINGS**

PAYMENT IN LIEU OF FRANCHISE FEE (PILOF)

= \$7.5 MILLION

SOLID WASTE FRANCHISE FEES

= \$7.5 MILLION

PROPERTY TAX INCREASE

= \$33 MILLION

ELIMINATION OF 14 GRANT FUNDED FIREFIGHTER POSITIONS

= \$7.1 MILLION

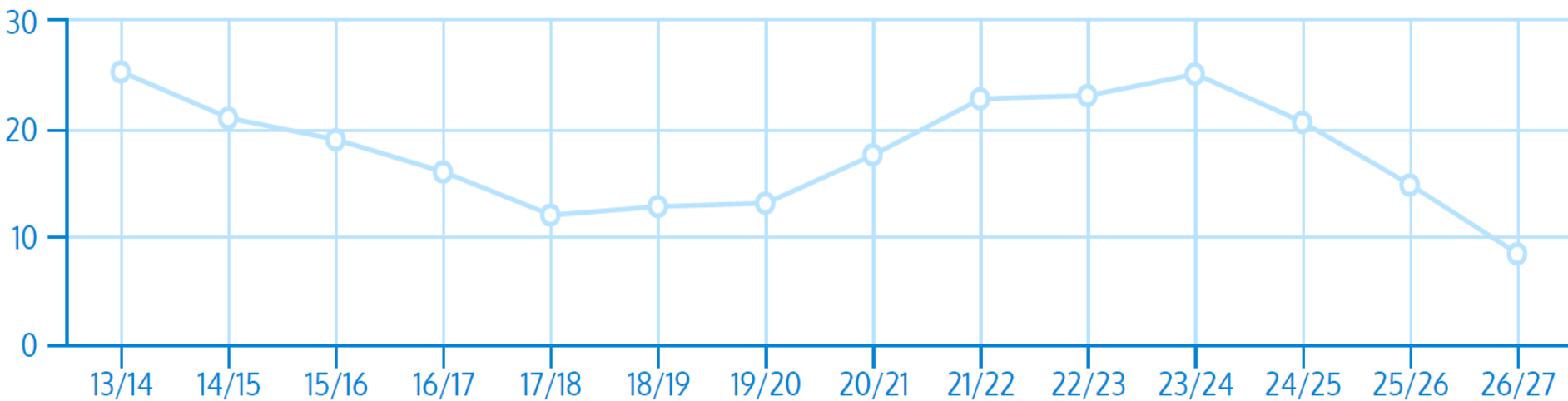
NEW FUNDING MODEL FOR CITYWIDE FLEET PROGRAM

= \$1.8 MILLION

RESERVES AFTER PROPOSED STRATEGIES

- **Strategies result in approximately \$33 million in ad-valorem revenue and approximately \$33.8 million in non ad-valorem revenues**
- If the City Commission approved the full suite of financial stabilization solutions, based on the projected budget shortfalls and the proposed strategies, the reserves will decrease from approximately \$22.8 million at the beginning of FY2022/23, to approximately \$8.3 million at the end of FY2026/27
- While reserves stay above the 16% minimum through FY2024/25, it should be noted that reserves dip starting in FY2023/24 when the ARPA subsidy goes away
- Staff will continue to propose additional strategies to generate revenue and to control expenditures as much as possible

GENERAL FUND RESERVES FY 2013/14 - FY 2026/27



NEXT STEPS

PENDING ACTIONS



**JUNE
23**

Set Millage rate
and Non-Ad
Valorem
Assessments for
TRIM Notice

**AUG
10**

Budget
Workshop

**SEP
12**

First Public
Hearing

**SEP
26**

Final Public
Hearing

QUESTIONS

