

2021



FY 2020-21 FIRST PUBLIC HEARING

September 14, 2020

Agenda



Historical Background

FY20/21 Recommended Budget Highlights

Proposed Changes to the Recommended Budget

Current Situation

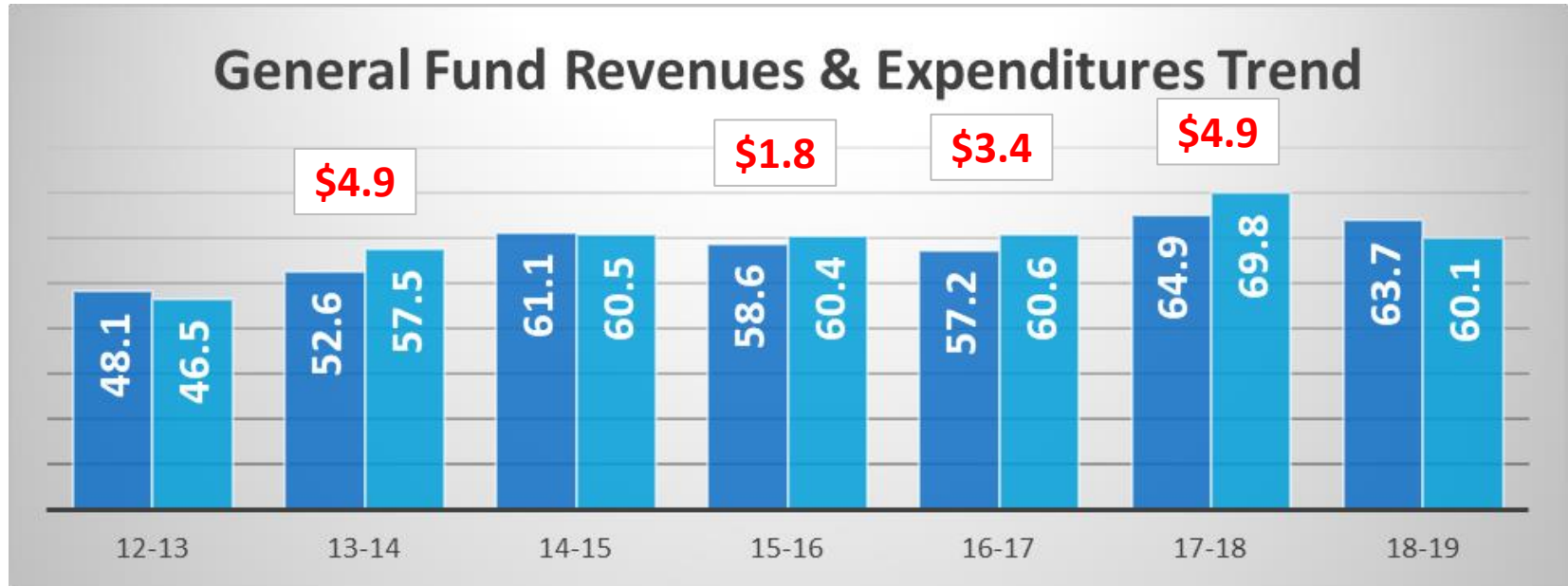
Other Challenges

Conclusion



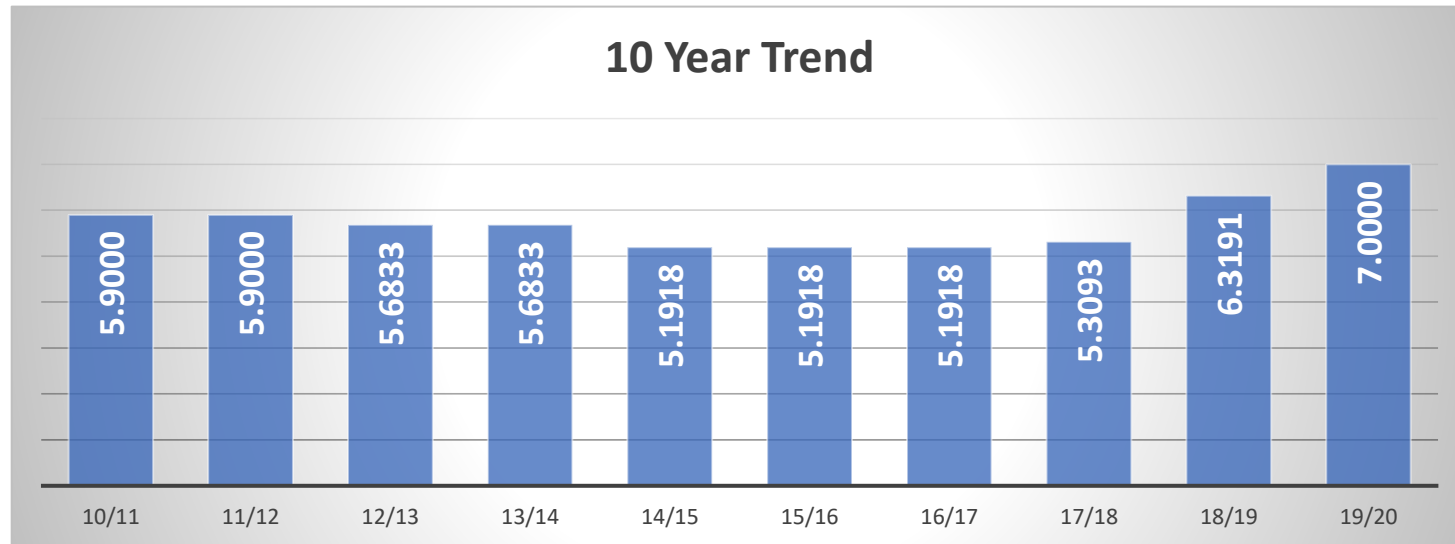
Historical Background

Historical Background Reserves



- Deficits depleted reserves in all funds by nearly \$31 million starting in FY12/13
- Approximately \$15 million affected the General Fund in the last seven years

Historical Background Millage



- Rate increased by only 0.4191 from FY10/11 – FY18/19
- Rate rolled back twice in the last ten years
- FY19/20 millage rate increased to 7.0000
- Unsustainable practices and one-time solutions



FY20/21 Recommended Budget Highlights

Recommended Budget Highlights

General Fund



- Total budget presented was approximately \$143.8 million, which was a 7.22% increase from FY19/20 adopted budget
- The General Fund budget was approximately \$73.2 million
- Unbalanced General Fund of approximately \$2.0 million
 - Primary Revenue loss of approximately \$1.6 million are:

- Sales Tax	\$183,522
- Franchise Fees – Electricity	\$420,916
- Utility Service Tax	\$282,696
- Slot Machine Proceeds	\$315,000
 - Expenditure increase of \$356,841
- City Manager Recommended Operating Millage Rate of 7.0000, will remain constant for the Proposed Budget

Recommended Budget Highlights

Other Funds (Except General Fund)



Surtax	Added approximately \$8.4 Surtax Capital Fund that will be used for crosswalks, sidewalks, bus shelter improvements, bus stops digital signage, and 8 th Avenue complete street
Funds	All non-General Fund budgets were balanced
Cemetery	Cemetery Fund used \$150,051 in reserves
Transportation Fund	Transportation Fund is subsidized by the General Fund in the amount of \$549,950
Vehicle Replacements	Proposal to use approximately \$1.7 million in Utility Fund reserves for the Fleet Services Fund. This is for vehicles in the General Fund

Recommended Budget Personnel



467
Personnel

386 Full-Time
81 Part-Time

- 6 new positions were added

Code Compliance Officer
Senior Systems Analyst
IT Support Analyst
Police Training Coordinator
Permit Clerk
Administrative Assistant

- 4 positions were removed

Community Service Aide I
Community Service Aide II
Project Manager
Administrative Assistant



Proposed Changes to the Recommended Budget

Proposed Changes General Fund Revenues

General Fund revenues are decreasing by \$112,802

Ad Valorem Revenue (Property Taxes)	\$ 13,854
Slot Machine Proceeds	(200,000)
Community Redevelopment Agency Interlocal Agreement	40,836
Fire Assessments	32,508
	<u>\$ (112,802)</u>

Proposed Changes

General Fund Expenditures



Expenditures are increasing by \$857,868

Projected payment to be received from BSO for Employees that participate in the City's Police and Fire Pension are reducing from approximately \$1.6 million to approximately \$1.0 million	\$ 574,349
Florida Retirement System for City Commission	103,000
Sidewalk Repairs around the City	100,000
Police Training	100,000
Records Management Coordinator - City Clerk's Office	85,731
Living Wage Increase for Part-Time Employees	62,337
Other Miscellaneous Expense Decreases in Multiple Accounts	(167,549)
	<u>\$ 857,868</u>

Other Fund Types

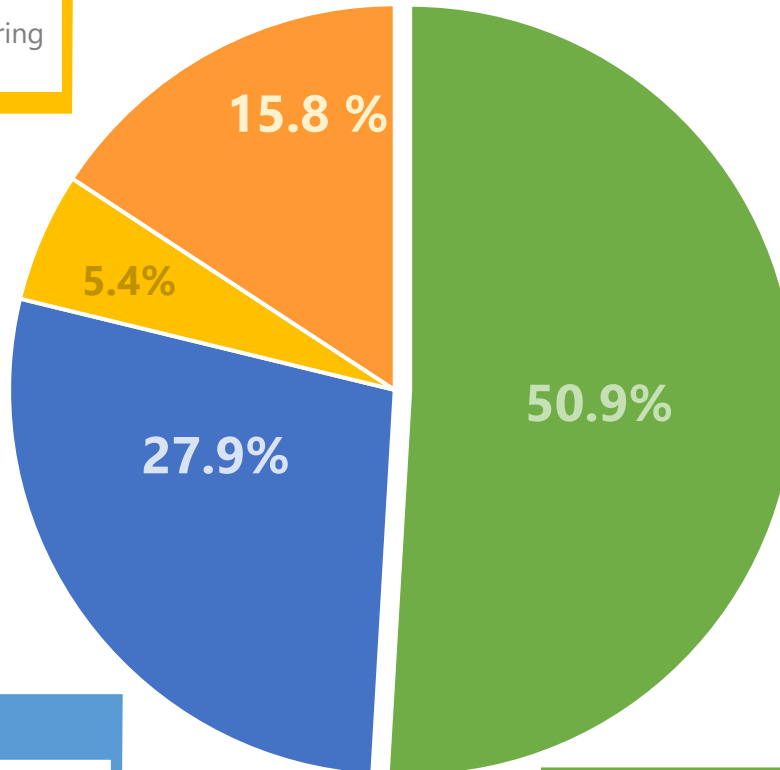
\$22,659,831

Debt Service, Capital Fund,
Internal Service Fund

Special Revenue Funds

\$7,813,731

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



Enterprise Funds

\$40,069,837

Cemetery, Sanitation, Utility,
Stormwater, Utility Impact Fee

General Fund

\$73,219,065

City Manager's Recommended Total City Budget \$143.8 Million

The Recommended Budget for FY 2021 is \$143.8 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.



Current Situation

Special Revenue Funds

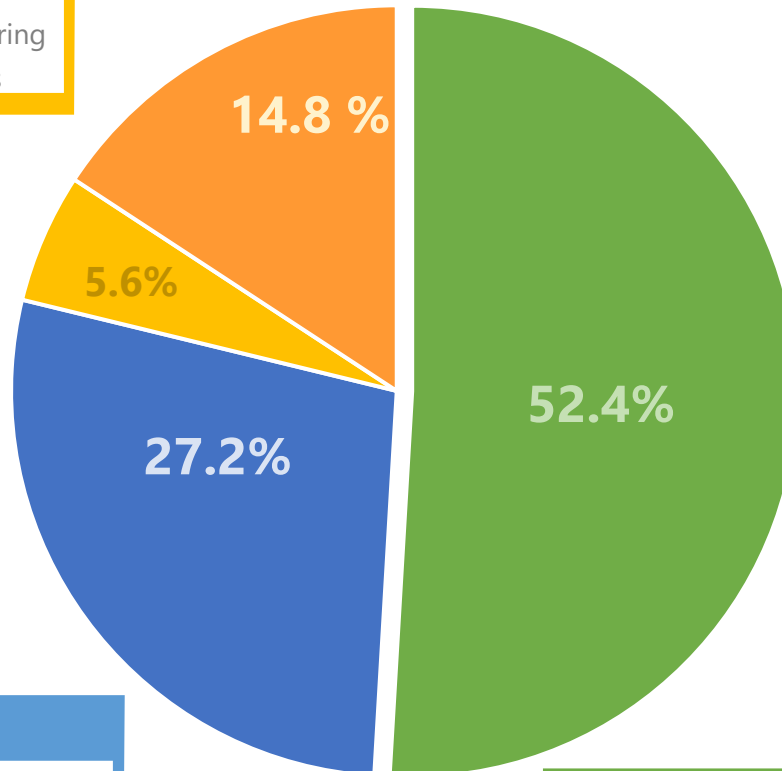
\$7,860,581

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

Other Fund Types

\$20,938,451

Debt Service Funds, Capital
Funds, Internal Service Funds



Enterprise Funds

\$38,352,144

Cemetery, Sanitation, Utility,
Stormwater, Utility Impact Fee

General Fund

\$74,076,933

Tentative Total City Budget \$141.2 Million

The Recommended Budget for FY 2021 is \$141.2 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.

Current Situation

General Fund



Deficit

- Tentative Budget results in a deficit of \$2,966,806

Fund Balance

- As of September 30, 2019, the unassigned fund balance reserve were approximately \$12.8 million
- With a \$2,966,806 deficit the reserves at end of FY 21 would be approximately \$9.8 million, which would be 13.4% of the General Fund total expenditures
- City Commission policy is for the unassigned fund balance to be 16% of the total expenditures of the General Fund

Current Situation

General Fund



CARES Act

The CARES Act funding will bring the FY19/20 ending fund balance to approximately \$14.1 million or 19% of the General Fund

Reserves

The tentative budget proposal is presented to use approximately \$3 million in reserves, which will bring the FY20/21 ending fund balance to approximately \$11.1 million

Projection

Conservative 2-Year Projection for the General Fund

- The first-year (FY21/22) has projected a deficit of approximately \$5.4 million, which means the reserves would fall to \$5.7 million
- The second-year (FY22/23) deficit is projected to be approximately \$9.9 million



Other Challenges

Other Challenges



Negotiations

Negotiations with the Police Union for a new contract

Vehicles

Acquisition of new police vehicles

Capital Projects

Prioritization of capital improvement projects such as sidewalk restorations and streetlights



Conclusion

Conclusion

Next Steps



Aggressive measures and strategies to combat the financial effects of recent events and past budget practices



Formation of Revenue Committee - to help focus on revenue enhancing opportunities



Substantial review city operations to identify opportunities for increased efficiencies