



FY 21/22 Budget Update

9/13/2021 – FIRST PUBLIC HEARING

AGENDA



Historical Background (General Fund and Millage)

Recap of August 18, 2021 Budget Workshop

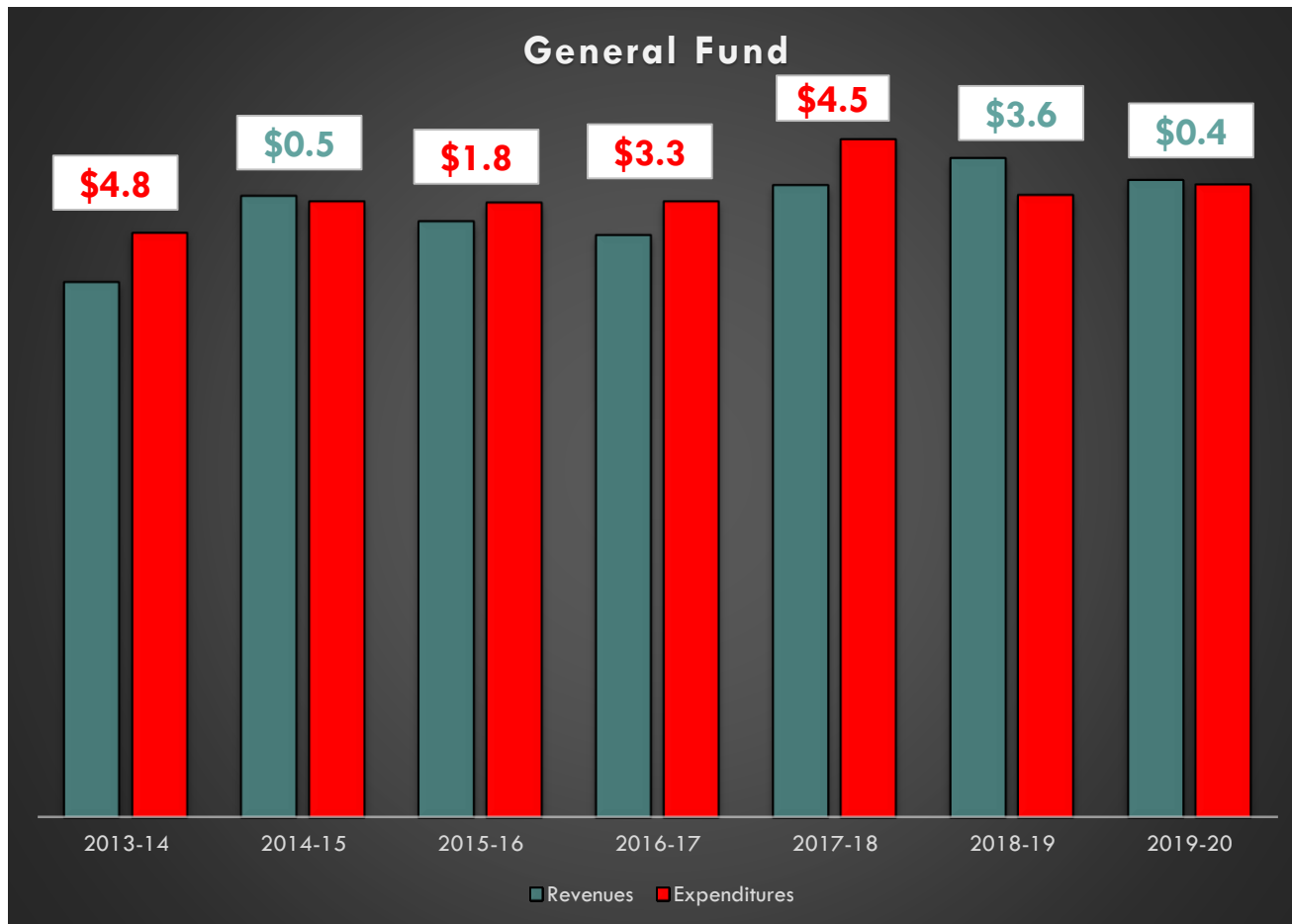
Proposed Changes

Current Situation

Recap of Financial Plan & Strategies

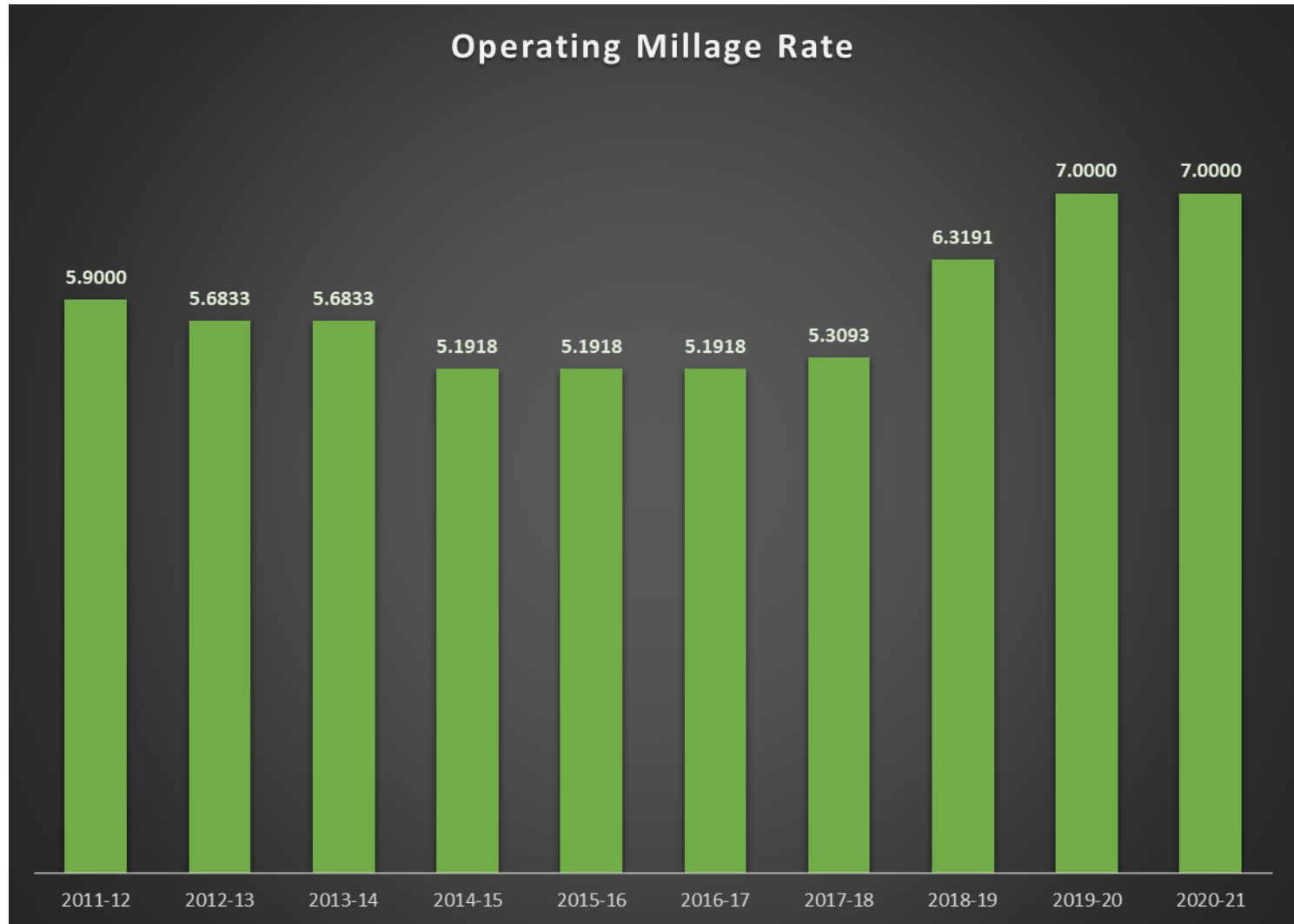
HISTORICAL BACKGROUND

HISTORICAL GENERAL FUND PERFORMANCE & UNASSIGNED BALANCE



- Ending Fund Balance as of 9/30/20: \$13,168,875
(per the last audited fiscal year – includes subsequent year's allocation for expenditures)
- Projected Fund Balance at 9/30/21: \$13,609,280

HISTORICAL BACKGROUND OPERATING MILLAGE RATE



**RECAP OF
FY 2021/2022
AUGUST 18, 2021
BUDGET WORKSHOP**

PROPOSED CHANGES BY FUND

Categories/Items	General Fund (001)	Transportation Fund (160)	Building Inspection Fund (170)	Utility Fund (490)	Stormwater Fund (440)	Sanitation Fund (410)	Fleet Services Fund (530)
Positions:							
Plumbing Inspector Plans examiner (.5 Position)*	-		65,772	-			
Building Code Compliance/Building Inspector *	-		102,936	-			
Records Technician*	-		71,004	-			
Plans Examiner/Inspector – 40 Year Program*	-		102,936	-			
Floodplain Manager*	-		74,832	74,832			
GIS Positions (2)	105,000			105,000			
Marketing/PIO (City's Portion - 24% of Cost)*	23,520						
Sustainability & Resiliency Officer (Splitting Salaries)	(70,041)	5,936		22,555	26,117	9,497	5,936
Strategic Innovation Officer (Split 50/50)	(58,097)		-	58,097			
Sub-Total	382	5,936	417,480	260,484	26,117	9,497	5,936
Other Items:							
Security for City Hall and City Commission Meetings	67,003		-	-			
GIS Consultant	40,000		-	-			
LED Streetlight Project	-	20,818					
Development Services Enhancements	25,000	11,000	187,686				
After School Program CSC funding shortfall	17,648		-	-			
Transfer to Transportation Fund	37,754						
Reallocation of Funds For Project Designs				1,783,350			
Sub-Total	187,405	31,818	187,686	1,783,350	-	-	-
Fund Total	187,787	37,754	605,166	2,043,834	26,117	9,497	5,936

*Approved as part of the budget amendment second reading (8/4/21)

**CRA will cover 76% of the cost of this position

NEW POSITIONS

502*
Personnel

10 General Fund (001)

- Marketing/Public Information (76%
CRA/24% GF)
- GIS Position – Development Services

10 Building & Inspections (170)

- Plumbing Inspector Plans examiner (.5
position)
- Building Code Compliance/Building
Inspector
- Records Technician
- Plans Examiner/Inspector – 40 Year
Program
- Floodplain Manager (50%)

10 Utility Fund (490)

- Floodplain Manager (50%)
- GIS Position - DPW

Cost Increase: \$725,832

(Refer to Slide #7 for cost by Fund)

*Includes new positions

INFRASTRUCTURE PROJECT DESIGN SAVINGS REALLOCATION – UTILITY FUND

□ *Additional design projects proposed for funding:*

P2129	Design Lift Station #1 FM Improvements	\$281,325
P2130	Design Lift Station #15	\$162,554
P2131	Design Lift Station #9	\$199,070
P2132	Design Lift Station #12	\$297,102
P2133	Design Lift Station #3	\$110,145
P2134	Lift Station #13	\$203,636
P2135	Lift Station #4	\$204,410
P2136	Design Lift Station #10	\$162,554
P2137	Design Lift Station #11	\$162,554
		\$1,783,350

Cost Increase (to be funded from Savings): \$1,783,350

Special Revenue Funds

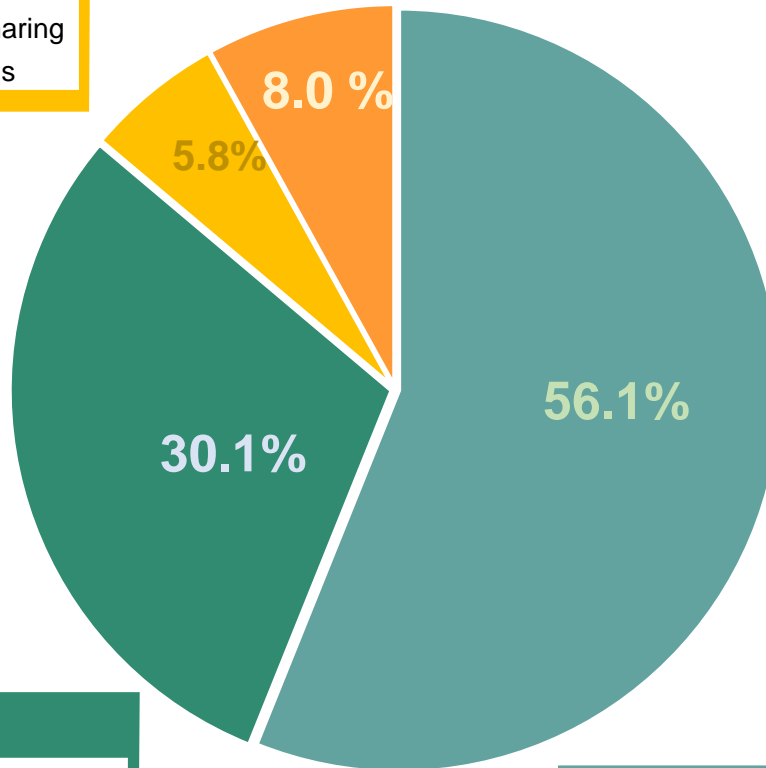
\$8,746,879

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

Other Fund Types

\$12,042,720

Debt Service, Capital Fund,
Internal Service Fund



Enterprise Fund

\$45,097,438

Cemetery, Sanitation, Utility,
Stormwater, Utility Impact Fee

General Fund

\$84,162,342

Total City Budget \$150 Million

The Recommended Budget for FY 2022 is \$150 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.

Special Revenue Funds

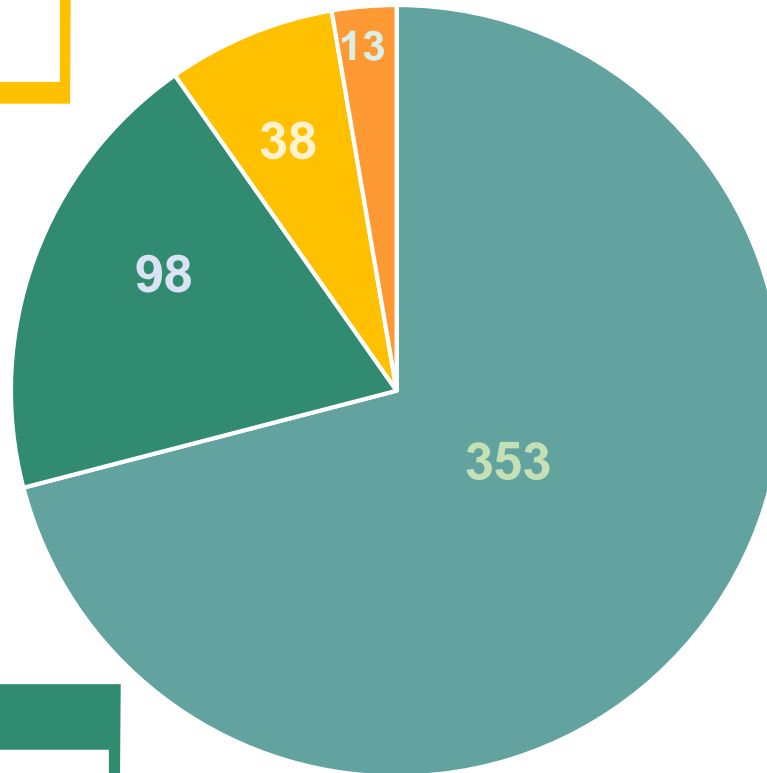
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Grants Fund (1), Transportation Fund (10), Permits and Inspections Fund (27)

Additional Funds

13

Risk (2), Fleet (9),
GO Bond Capital Fund (2)



Workforce by Fund 502 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

98

Cemetery (3), Sanitation (23),
Utility (64), Stormwater (7)

General Fund

353

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

PROPOSED CHANGES

JULY 1 TAXABLE VALUE REPORT

GENERAL FUND

- ❑ The July 1 Taxable Value Report provided by the Broward County Property Appraiser decreased by \$1,545,610 from June 1. This represents a revenue decrease of \$10,495 in the General Fund.
- ❑ The CRA's Taxable Value decreased by \$871,760 from June 1. This represents an expense decrease of \$5,798 from the General Fund to the CRA.

Revenue Decrease: (\$10,495) / Cost Decrease: (\$5,798)

JULY 1 TAXABLE VALUE REPORT SAFE NEIGHBORHOOD DISTRICTS

- ❑ The July 1 Taxable Value Report in the Three Islands District provided by the Broward County Property Appraiser decreased by \$227,900 from June 1. This represents a revenue decrease of \$369 in the fund.
- ❑ The July 1 Taxable Value Report in the Golden Isles District provided by the Broward County Property Appraiser decreased by \$587,820 from June 1. This represents a revenue decrease of \$236 in the fund.

Revenue Decrease: (\$605)

JULY 1 TAXABLE VALUE REPORT

GO BOND FUND

- The July 1 Taxable Value Report provided by the Broward County Property Appraiser decreased by \$1,545,610 from June 1. This represents a revenue decrease of \$217 in the General Obligation (GO) Bond Fund.

Revenue Decrease: (\$217)

SOFTWARE FOR ACFR PREP (FINANCE)

- ❑ - Streamlines the preparation of the Annual Financial Report
- ❑ - Allows the ability to track the process of the annual audit
- ❑ - Ensures ADA compliance

Cost Increase: \$25,000

PARKING PROGRAM

- ☐ - Operating Expenditures including Start-Up Costs
 - ☐ Outside Services
 - ☐ Transaction Fees
 - ☐ Traffic Control/Signs
 - ☐ Uniforms

NOTE: There was \$36,000 budgeted for Credit Card Fees in the Transportation Fund. Because the credit card fees are now included in the \$300,000 request for Parking Operations in the General Fund, the Transportation Fund budget will decrease by \$36,000. Respectively, the General Fund transfer to the Transportation Fund will also decrease by \$36,000. The net budget impact to the General Fund is \$264,000.

Cost Increase: \$264,000

INTERLOCAL AGREEMENT STRATEGIC INTELLIGENCE UNIT (SIU)

The following items were not included in the previous Interlocal Agreement with the Community Redevelopment Agency (CRA) as part of the City Manager's Recommended Budget:

- ☐ CCTV also known as Public Safety Cameras - \$450,000
- ☐ LPRs and Software - \$117,334
- ☐ Other Personnel and Training - \$85,468

Cost Increase: \$652,802

SUSTAINABILITY PROJECTS & WASTE CHARACTERIZATION STUDY

Sanitation Fund:

- ☐ Waste Characterization Study - \$40,000

Utility Fund:

- ☐ NatureScape Irrigation Study - \$3,000
- ☐ Solar Thermal Hot Water - \$14,000
- ☐ EV Charging Infrastructure - \$20,000
- ☐ LED Interior Lighting - \$41,000

Cost Increase: \$118,000

LATE PENALTY FOR GENERAL BILLING

- ❑ - A late penalty is being added to general billing customer bills when payment is not made by the due date
- ❑ - This will offset the cost of monthly statements that are mailed out to customers and improve collections for general billing
- ❑ - The amount proposed is a conservative figure based on the average receivable balance aged over 30 days at fiscal year-end 2019 and 2020

Revenue Increase: \$42,000

PROPOSED CHANGES BY FUND

- ❑ GENERAL FUND – Increase of \$936,004
- ❑ THREE ISLANDS DISTRICT – Decrease of \$369
- ❑ GOLDEN ISLES DISTRICT – Decrease of \$236
- ❑ TRANSPORTATION FUND – Decrease \$36,000
- ❑ GO (GENERAL OBLIGATION) BOND FUND – Decrease of \$217
- ❑ SANITATION FUND – Net effect of \$0
- ❑ UTILITY FUND – Net effect of \$0

Total Budget Increase: \$899,182

CURRENT SITUATION

Special Revenue Funds

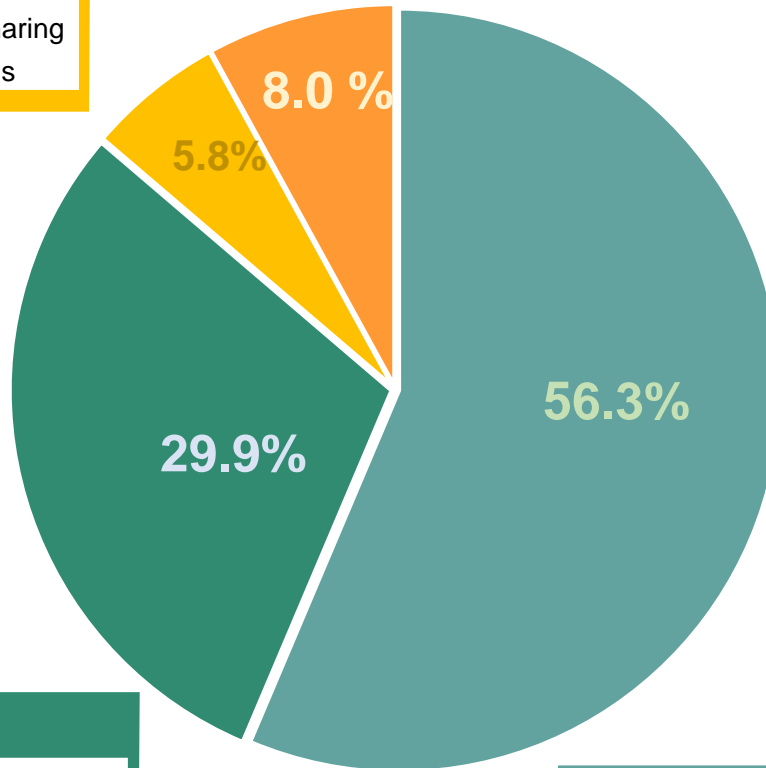
\$8,710,274

Law Enforcement Trust Fund,
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Other Fund Types

\$12,042,503

Debt Service, Capital Fund,
Internal Service Fund



Enterprise Fund

\$45,097,438

Cemetery, Sanitation, Utility,
Stormwater, Utility Impact Fee

General Fund

\$85,098,346

Total City Budget \$151.0 Million

The Recommended Budget for FY 2022 is \$151.0 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.

CARRY-OVER BUDGET/PROJECTS

TOTAL BY FUND			Amount
001	GENERAL FUND*		\$ 1,293,755
120	THREE ISLANDS SND FUND		615,157
121	GOLDEN ISLES SND FUND		150,000
150	GRANTS FUND	-	2,956,746
160	TRANSPORTATION FUND		809,253
170	PERMITS FUND		69,201
348	CAPITAL FUND		587,806
350	SURTAX FUND	-	6,805,852
440	STORMWATER FUND	-	2,153,140
490	UTILITY FUND		18,005,900
	Total City-wide Capital Program		\$ 33,446,810

*Includes approx. \$1.1M ARPA funding that will carry over to next year

BREAKDOWN OF GENERAL FUND PER DOLLAR



*Public Works - General Fund portion only

GENERAL FUND BALANCE

- ❑ FY2021-22 Tentative Budget deficit: \$1,547,455
- ❑ Unassigned Fund Balance (including allocation for subsequent year's expenditures) as of 9/30/20: \$13,168,875
- ❑ Projected ending Fund Balance for FY2020/21: \$13,609,280 (accounts for approximately \$400K surplus)
- ❑ With a \$1,547,455 deficit, the fund balance at the end of FY2021-22 would be \$12,061,825, which would be approximately 14.2% of the General Fund total expenditures
- ❑ Per the City's General Fund Balance Policy, emergency reserves should be at least 16% of operating expenditures of the General Fund

RECAP OF FINANCIAL PLAN & STRATEGIES

FINANCIAL STRATEGY & PROJECTIONS



BUDGET PROJECTIONS	FY21	FY22	FY23	FY24	FY25
Revenue (Income)*	\$ 72,944,238	\$ 73,850,891	\$ 74,113,426	\$ 76,335,668	\$ 77,706,161
Expenses	\$ (74,310,238)	\$ (85,098,346)	\$ (87,272,185)	\$ (92,479,048)	\$ (97,025,569)
Budget Surplus/Shortfall	\$ (1,366,000)	\$ (11,247,455)	\$ (13,158,759)	\$ (16,143,380)	\$ (19,319,408)

STABILIZATION STRATEGIES

Federal American Rescue Plan Act Assistance	\$ 1,500,000	\$ 8,000,000	\$ 5,228,758	\$ 5,228,758	\$ -
New Parking Program	\$ -	\$ 1,400,000	\$ 1,400,000	\$ 1,400,000	\$ 1,400,000
New Certificate of Use Program	\$ -	\$ 300,000	\$ 590,969	\$ 602,788	\$ 614,844
Sanitation Fund Closeout	\$ -	\$ -	\$ 4,500,000	\$ -	\$ -
New Solid Waste Franchise Fees	\$ -	\$ -	\$ 1,500,000	\$ 1,530,000	\$ 1,560,600
Property Tax Increase FY23 (mills .65)	\$ -	\$ -	\$ 2,932,305	\$ 2,990,951	\$ 3,050,770
Property Tax Increase FY24 (mills .65)	\$ -	\$ -	\$ -	\$ 2,990,951	\$ 3,050,770
Elimination of 14 Firefighter Grant Funded Positions	\$ -	\$ -	\$ 890,679	\$ 1,919,962	\$ 2,073,290
Hiring Freeze (Select Vacancies)	\$ 306,405	\$ -	\$ -	\$ -	\$ -
Proposed Offset to Shortfalls	\$ 1,806,405	\$ 9,700,000	\$ 17,042,711	\$ 16,663,410	\$ 11,750,274
Ending Budget Surplus/Shortfall	\$ 440,405	\$ (1,547,455)	\$ 3,883,952	\$ 520,030	\$ (7,569,134)

RESERVES

Beginning Balance	\$ 13,168,875	\$ 13,609,280	\$ 12,061,825	\$ 15,945,777	\$ 16,465,807
Budget Surplus/Shortfall after Implementation of Strategies	\$ 440,405	\$ (1,547,455)	\$ 3,883,952	\$ 520,030	\$ (7,569,134)
Ending Balance	\$ 13,609,280	\$ 12,061,825	\$ 15,945,777	\$ 16,465,807	\$ 8,896,673

Blue = 1 X revenue or expenditure reduction

*Excludes ARPA, Parking, & Certificate of Use Revenue

5-YEAR PLAN & STRATEGIES

NEW REVENUES OR COST SAVINGS IN TOTAL FROM FY21 THROUGH FY25

AMERICAN RESCUE PLAN ACT	=	\$20 MILLION	 APPROXIMATELY \$56.7 MILLION IN PROPOSED NEW REVENUES
PARKING PROGRAM	=	\$5.6 MILLION	
CERTIFICATE OF USE PROGRAM	=	\$2.1 MILLION	
SANITATION FUND CLOSEOUT	=	\$4.5 MILLION	
NEW SOLID WASTE FRANCHISE FEE	=	\$4.6 MILLION	
PROPERTY TAX INCREASES IN FY23 AND FY24	=	\$15 MILLION	
ELIMINATION OF 14 GRANT FUNDED FIREFIGHTER POSITIONS	=	\$4.9 MILLION	

- ❑ The \$56.7 million of proposed revenue increases does not fully address the budget shortfall of \$61.2 million over the 5-year period
- ❑ If the City Commission removes any of these proposed items, it is incumbent upon them to find a substitution for the revenues which would be lost, or it would immediately exacerbate the City's dire financial situation

NEXT STEP



**SEP
27**

Final Public
Hearing