



FY 2023-24 BUDGET WORKSHOP

May 31, 2023



AGENDA

- 5 Year Plan Overview & General Fund Reserve History
- General Fund Major Cost Drivers for FY2023-24
- FY 2023-24 Proposed General Fund Highlights
- Budget Stressors/Risks

FY 2021-2027 PLAN AS PRESENTED ON SEPTEMBER 12, 2022

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

		16.57%	15.97%	4.48%	4.90%	2.95%	2.74%
Year over Year Expenditure Change	-						
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)

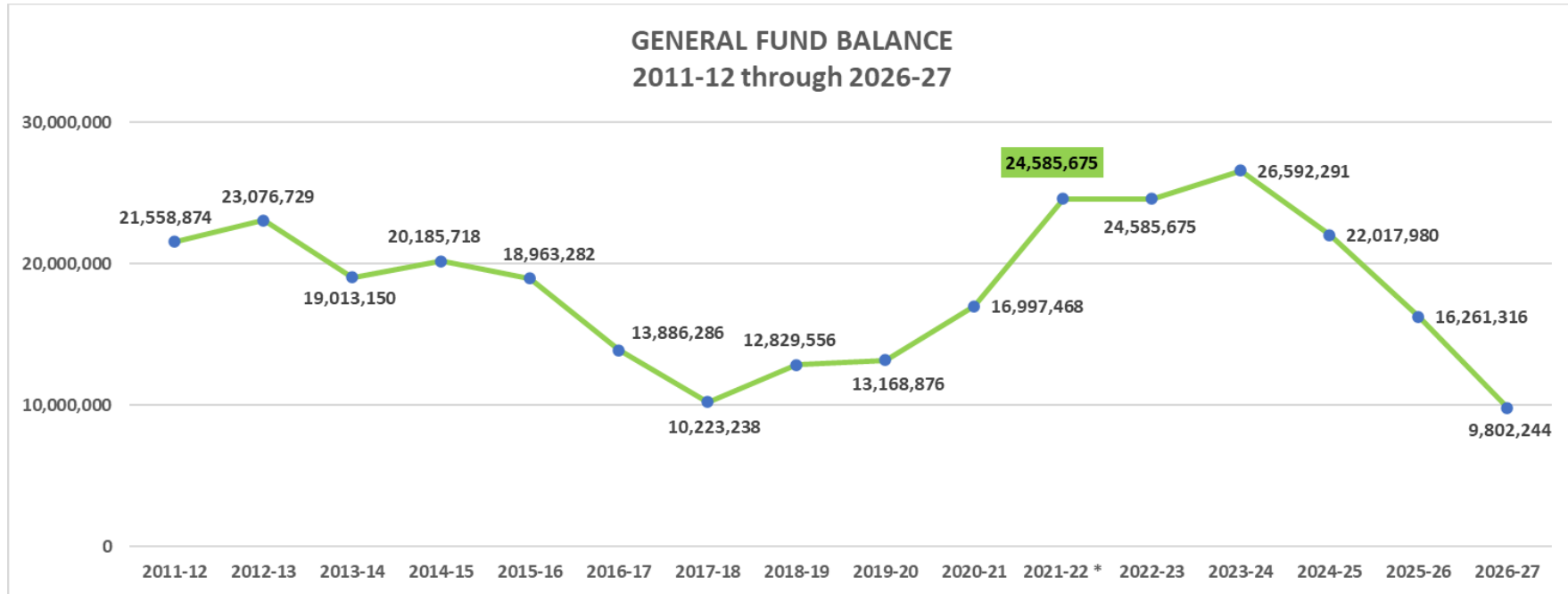
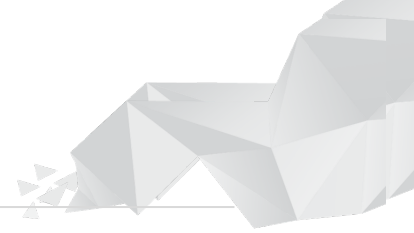
RESERVES

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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GENERAL FUND RESERVES FY 2011/12 – FY 2026/27



*FY 2021-22 General Fund Balance is unaudited

GENERAL FUND MAJOR COST DRIVERS FOR FY2023/24



ITEMS	PROPOSED COST - FY24	% of Total General Fund Budget	% Increase/Decrease from FY 23 to FY 24
*Salaries & Wages	\$ 24,967,754	24.21%	8.86%
BSO Fire	17,019,115	16.50%	0.17%
TIF Payment	13,751,967	13.33%	11.23%
Police & Fire Pensions	11,771,780	11.41%	-7.41%
Health Insurance	4,731,831	4.59%	5.97%
Capital Projects	1,992,539	1.93%	-44.71%
Replacement Vehicles (Set Aside)	2,603,527	2.52%	170.36%
General Liability Insurance	1,375,428	1.33%	0.00%
Renewal & Replacement	1,000,000	0.97%	-33.33%
TOTAL	\$ 79,213,941	76.81%	

NOTES:

FY 24 PROPOSED GENERAL FUND BUDGET \$103,127,613 AS OF 05/22/23

THE REMAINING \$23M INCLUDES BENEFIT AND DEPARTMENTAL EXPENDITURES

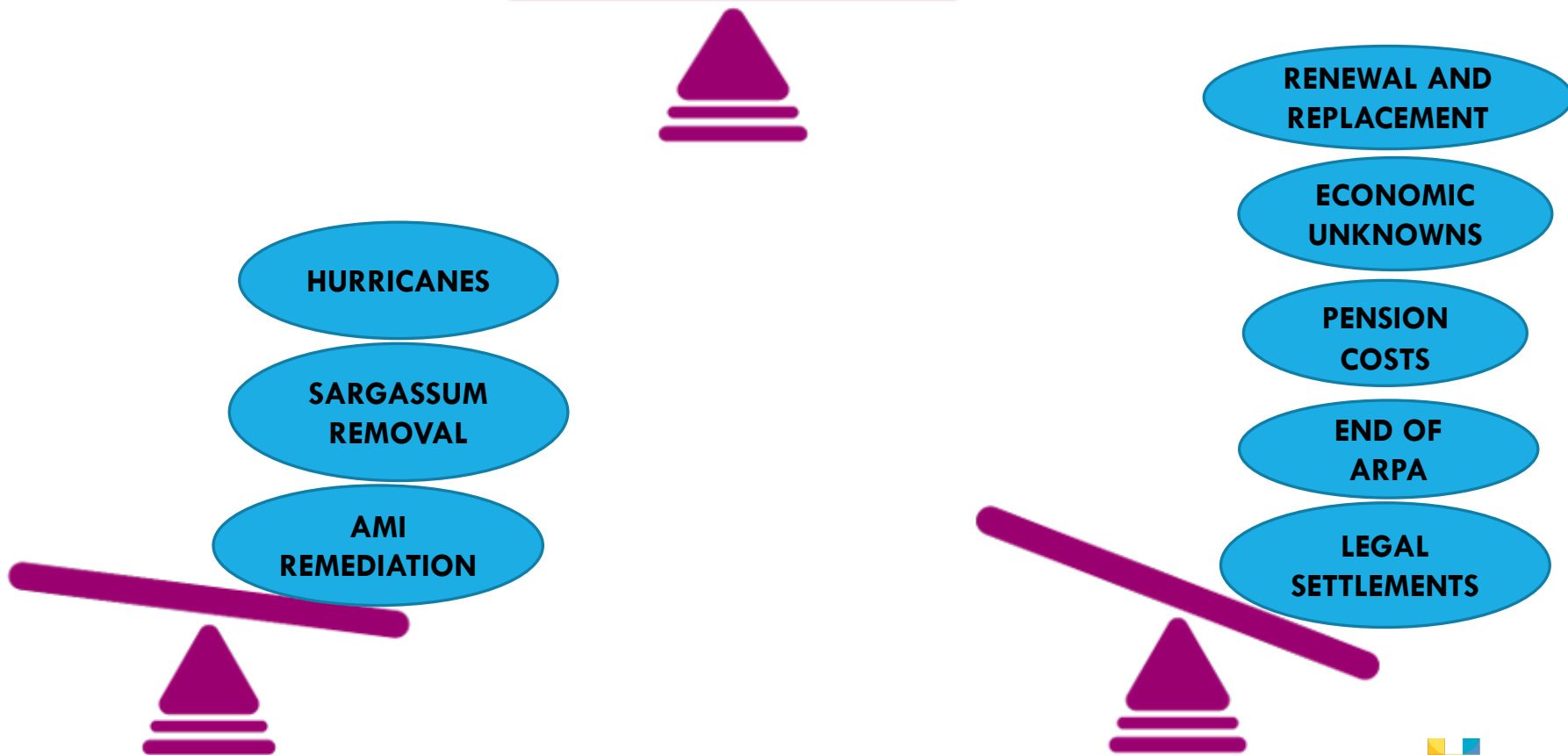
*SALARIES & WAGES INCLUDES THE UPDATED COMP STUDY

FY 2023/24 PROPOSED GENERAL FUND HIGHLIGHTS

- The projected fund balance for FY 2021-22 is approximately \$24.5M.
- The goal is to present the FY 2023-24 Proposed Budget as a balanced budget without the use of General Fund reserves.
- Preliminary taxable value will be released from Broward County Property Appraiser on June 1, 2023.
- **Any additional increases in expenses will place the budget out of balance.**
- The American Rescue Plan Act (ARPA) of 2021 was signed into law on March 11, 2021 and provided the City of Hallandale Beach with \$19.9M in relief funding due to the impact of the COVID-19 pandemic. The budget allocation for ARPA ends in FY 2023-24 and is \$4.9M.

POTENTIAL BUDGET STRESSORS/RISKS

BALANCED BUDGET



NEXT STEPS

PENDING ACTIONS

JUNE 7TH

BUDGET WORKSHOP

- UTILITY RATES UPDATE
- STREETS & REPAVING UPDATE
- AMI REMEDIATION UPDATE

JUNE 21ST

BUDGET WORKSHOP

- FLEET UPDATE
- RENEWAL & REPLACEMENT UPDATE
- EV TRANSIT FACILITY UPDATE

COMMISSION MEETING

**FY 2023-24 SETTING TENTATIVE
MILLAGE & BUDGET**

QUESTIONS

