

To: Town Administrator
From: David Brown, Chair
Town of Davie Budget Advisory Committee (BAC)
Re: Budget Process Recommendations
Date: 12/19/01

The BAC has completed the task assigned to us by the Town Council and by our unanimous vote recommends that you adopt the following operating budget development procedures. We believe that it establishes a firm process through which the Town's operating budget can be developed with greater input, detail, expenditure and revenue review, program examination, goal setting, and workshops. By adhering to the schedule and spirit of the process, Council Members, Town staff, and the public will receive proposed budget detail well in advance of the first required budget hearing.

Based on our questionnaires, Council Members have directed that we produce a process that will ensure that they receive the proposed budget for the next fiscal year by July 21st. This will afford them approximately six weeks to examine it in detail and prepare for the State mandated time table for public participation, hearings and adoption in September. We have accomplished that goal while incorporating ideas that will enhance "intra" and "inter" departmental budget formulation.

We have chosen to present the process in broad time-line segments. Establishing specific dates for the completion of individual tasks was viewed by committee members as too restrictive and as potentially stifling to innovation and critical intra-departmental thinking. Too rigid a process might also present difficulties in years when economic or emergency situations may make revenue or expenditure estimates "extra" complex to determine.

Our recommendations, formulated over the past three months, are the end result of acquiring input from individual Council members through questionnaires, direct contact, input from the Town Administrator's Office, Committee members and the tireless efforts of Carol Menke, our Acting Budget Director and committee resource.

We stand ready to assist you in implementing this process and participating in the formulation of the annual operating budget.

BACKGROUND

The Davie Town Council was frustrated with last year's budget process that ultimately did not give them adequate time to review and examine the budget, have their questions answered and compare the revenue and expenditure items with previous years. They received the budget for the first time immediately before the first required public hearing in September.

In September, the Budget Advisory Committee was charged by the Council to present recommendations for the establishment of a specific process and timetable for the development of future Operating Budgets beginning with the upcoming fiscal year 2002-2003 budget. Our recommendations have been requested by the end of this year. To accomplish that direction, the BAC has met almost every two weeks since September.

At the December 6th BAC meeting, the pen-ultimate process points were developed as a working plan and broad input was received from Council Members and the Town Administrator through Ken Cohen. At the BAC meeting on December 19th we completed our recommendations for presentation at the first Council meeting in January 2002.

DAVIE OPERATING BUDGET PROCEEDURE AND TIMETABLE

RECOMMENDATIONS:

Finance Department should make available a "next year operating budget" computer file for each department head to be able to access beginning 30 days after the start of the current fiscal year. Department heads and designees should be encouraged to use the area to begin to build their next budget request, test potential economies, make budget impact notes on an ongoing basis and set goals.

TIMETABLE – (a checklist will be created for each department to complete as budget process steps are accomplished)

1) JANUARY- FEBRUARY

- o BEGIN "INTRA"-DEPARTMENTAL GOAL SETTING
 - Budget Advisory Committee to appoint one of its members to participate with each department throughout the process
 - Examine first two months of current budget (1st Quarter may be ready)
 - Highlight areas for research into better or alternative systems, equipment, new revenue sources secured by other municipalities, or newly available revenue sources from private or public entities
- o COMBINED DEPARTMENTAL GOAL SETTING –To Follow "Intra" Departmental Goal Setting
 - Designed to facilitate information sharing
 - Identify areas of joint concern
 - Identify areas where shared utilization of personnel, equipment, facilities and/or capital expenditures can produce economies.
 - Review the budget process with departments

2) FEBRUARY-MARCH (have the benefit of 1st quarters financial reports)

JOINT COUNCIL/DEPARTMENT HEAD GOAL SETTING

Focus should be on broad concepts as well as specific departments or programs: i.e. enhance fire safety, speed the code enforcement process, provide specific incentives to attract businesses to re-locate to Davie, public transportation, etc.

Goal setting should identify and separate long and short-term vision from what is financially and/or organizationally achievable in the long and short term.

- 3) MARCH - APRIL (have the benefit of 6 month financial reports)

BEGIN COUNCIL OPERATING BUDGET WORKSHOPS

Focus on specific departmental issues that effect the development of the operating budget.

Bring goal setting into specific budgetary focus.

Provide specific direction to department heads and Town Administrator regarding expenditure priorities and acquiring additional revenue sources.

Consider new budget presentation format (millage rate impact.)

DEPARTMENTAL REVENUE AND PERSONNEL REVIEW

- 4) APRIL -MAY
DEPARTMENTS PREPARE THEIR BUDGET FOR PRESENTATION TO TOWN ADMINISTRATOR

The BAC representative who was assigned to each department at the outset will meet with that department to get an update and offer assistance designed to ensure that the timetable for submitting their budget by will be met (no later than June 1, but may be earlier as determined by Town Administrator.) Specific attention will be focused on accomplishing the items identified in the initial "intra-departmental" goal setting, as well as Council's direction.

- 5) MAY-JUNE

TOWN ADMINISTRATOR BUDGET WORKSHOPS

All departments to submit Department Budget to Town Administrator and to the BAC for comment and to ensure that revenue and expenditure estimates remain realistic and that goal setting, workshop issues, and direction have been addressed. Coordination of departmental resources are to be scrutinized.

- 6) JUNE 1
TOWN RECEIVES PRELIMINARY \$ ESTIMATES FROM BROWARD COUNTY

JULY 1ST - ACTUAL BROWARD COUNTY \$ ESTIMATES RECEIVED ALONG WITH STATE \$ ESTIMATES

Town Administrator and staff make final adjustments based on revenue projections and review the final budget to be presented to Council with BAC.

7) JULY 15th
Begin assembly of Council Member Budget Books

8) JULY 21st
Council Members receive budget books

9) AUGUST
2 – Council Budget Workshops

AUGUST

10) Within 35 days of certification of value by Property Appraiser (typically July 1st), Town shall advise the Property Appraiser of the proposed millage rate, the current year rolled-back rate, and the date, time, and meeting place of the Tentative Budget Hearing.

11) Not later than 55 days after certification of value the Property Appraiser shall mail out the Notice of Proposed Property Taxes (TRIM Notice).

SEPTEMBER

12) Within 80 days of certification of value but not earlier than 65 days after certification, the Town shall hold a public hearing on the tentative budget and proposed millage rate. This hearing is publicized via the TRIM Notice mailed out by the Property Appraiser.

13) Within 15 days following the tentative budget hearing, the Town shall advertise its intent to adopt a final millage and budget. In addition to the advertisement publicizing the final hearing, an adjacent notice meeting the budget summary requirements of Florida Statutes shall also be published.

14) A public hearing to adopt a final millage rate and budget shall be held not less than 2 days or more than 5 days after the day that the advertisement is first published.

15) Within 3 days of the final hearing the resolution adopting the final millage rate shall be forwarded to the Property Appraiser and the Tax Collector.

OCTOBER

16) Within 30 days of the final hearing the Town shall certify that they have complied with the provisions of Chapter 200, F.S. to the Property Tax Administration Program, Department of Revenue.

During the course of the year circumstances may cause this timetable to change, however the final date of submittal to Council will remain firm.