

Town of Davie Annual Budget Fiscal Year 2015



**Councilmember Susan Starkey, Councilmember Marlon Luis
Mayor Judy Paul
Councilmember Bryan Caletka and Vice Mayor Caryl Hattan**

**Richard J. Lemack, Town Administrator
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GOVERNMENT FINANCE OFFICERS ASSOCIATION

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Florida**

For the Fiscal Year Beginning

October 1, 2013

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to Town of Davie, Florida for its annual budget for the fiscal year beginning October 1, 2013. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

TABLE OF CONTENTS

	<u>Page</u>
Table of Contents	3
Town Administrator's Budget Message	5
Council Districts Map	20
Town Organizational Chart	21
Budget Calendar	22
Budget Process	23
Fund Structure	25
Fund Structure Chart	27
Fund-Department Matrix	28
Financial Policies Summary	29
Davie at a Glance Statistics	34
How Does Davie Compare?	36
History in Brief	38
Long Range Planning	
Town of Davie Strategic Plan	1 - 1
FY 2014 Strategic Plan Department Annual Reports	1 - 3
Five-Year Financial Forecast	1 - 34
10-Year Capital Improvements Program	1 - 39
Budget Overview	
Budget Overview	2 - 1
Where Does the Money Come From and Go?	2 - 4
Budget Summary, All Funds	2 - 6
Budget Summary, All Funds, Budget by Category & Fund Type	2 - 7
Fund Balance Summary	2 - 8
General Fund Budget Summary, Comparison by Category	2 - 10
General Fund Budget Summary, Comparison by Department	2 - 11
Major Revenue Sources and Trends	2 - 12
Fund Balance / Fund Equity Budgeted	2 - 19
Estimated Revenues by Fund	2 - 21
Estimated Revenues by Source	2 - 22
Estimated Revenues by Source, Five Year Budget Trend	2 - 23
Estimated Revenues by Source, Five Year Actuals Trend	2 - 24
Expenditures Summary and Trends	2 - 25
Debt Service Schedule	2 - 34
Interfund Transfers Schedule	2 - 35
Expenditure Appropriations by Fund & Department, Five Year Budget Trend	2 - 36
Expenditure Appropriations by Fund & Department, Five Year Actuals Trend	2 - 37
Expenditure Appropriations by Fund & Category	2 - 38
Expenditure Appropriations by Category, Five Year Budget Trend	2 - 39
Expenditure Appropriations by Category, Five Year Actuals Trend	2 - 40
Budgeted Positions by Department	2 - 41
General Fund Revenues	
Revenues by Source	3 - 1
Revenues by Source - Detailed	3 - 2
Revenues by Department	3 - 6
Revenues by Department - Detailed	3 - 7

TABLE OF CONTENTS

	<u>Page</u>
General Fund Appropriations	
Appropriations by Department	4 - 1
Appropriations by Department and Expenditure Category	4 - 2
Appropriations by Expenditure Category, Five Year Budget Trend	4 - 3
Appropriations by Expenditure Category, Five Year Actuals Trend	4 - 4
Appropriations by Function, Five Year Actuals Trend	4 - 5
General Fund Expenditures Multi-Year Comparison	4 - 6
Department or Division Summaries & Appropriations	
Administration Department	4 - 8
Office of the Town Attorney	4 - 16
Police Department	4 - 20
Fire Rescue Department	4 - 33
Building Division	4 - 44
Engineering Division	4 - 49
Planning & Zoning Division	4 - 54
Public Works & Capital Projects Department	4 - 59
Parks, Recreation & Cultural Arts Department	4 - 68
Human Resources Department	4 - 82
Budget & Finance Department	4 - 89
Town Clerk's Office	4 - 95
Office of Community Development, Community Services Division	4 - 100
Debt Service	4 - 106
Non Departmental	4 - 106
Special Revenue Funds	
Community Redevelopment Agency Fund	5 - 1
Community Development Block Grant Fund	5 - 11
Parks & Open Space Impact Fees Fund	5 - 17
Fire Impact Fees Fund	5 - 19
Police Impact Fees Fund	5 - 21
General Government Impact Fees Fund	5 - 23
Forfeiture Fund	5 - 25
Community Endowment Fund	5 - 27
Enterprise Funds	
Utilities Department	6 - 1
Water & Sewer Fund	6 - 6
Water & Sewer Capital Projects Fund	6 - 18
Golf Fund	6 - 21
Internal Service Funds	
Vehicle Maintenance Fund	7 - 1
Self Insurance Fund	7 - 4
Information Technology Fund	7 - 7
Appendix	
Budget Ordinance	8 - 1
Millage Rate Ordinance	8 - 19
Town of Davie Financial Polices	8 - 22
Acronyms	8 - 33
Glossary of Terms	8 - 34



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October 1, 2014

TOWN COUNCIL

Judy Paul
MAYOR

COUNCILMEMBERS

Bryan Caletka
District 1

Vice Mayor
Caryl Hattan
District 2

Susan Starkey
District 3

Marlon Luis
District 4

Dear Mayor and Members of the Town Council:

I am pleased to provide you the Town of Davie adopted Fiscal Year 2015 Operating Budget. This adopted budget includes a number of operating and fiscal initiatives resulting from the ongoing collaborative process amongst the Town's community, our employees, and Town Council. Under your guidance, our taxpayers' hard-earned tax dollars have been strategically aligned to best meet the Town's needs. Further, this adopted budget preserves our quality of life and the services that define the Town of Davie, while striving to ensure financial, economic and environmental sustainability.

Despite the fiscal challenges over the last few years, the Town has maintained its emergency operating reserves, retained its high-quality AA bond credit rating, preserved core public services, and facilitated a number of development projects, which have been instrumental in our economic development efforts. The Town's property tax revenue has finally achieved Fiscal Year 2008 pre-recession level. However, the recovery from one of the worst economic downturns in our history will require continued focus on adapting to an ever changing and unpredictable economic environment in order to secure the Town's future.

The strategic planning process, as guided by the Town Council, has identified the key goals of the Town. The strategic plan is a three-year plan and is reviewed annually, with an emphasis on modifications according to organizational and operational needs. Strategic planning is an integral part of the annual budget process, and as such, the Fiscal Year 2015 Budget operation and budget priorities are set forth:

- **Fiscal Stability:** Implement a financial plan that maintains the Town's commitment to providing the highest level of services to our residents and businesses.
- **Responsible Economic Growth:** Grow the Town's tax while being mindful of the Town's culture and rural characteristics.
- **Infrastructure Development:** Provide for a Capital Improvement Plan that is viable and consistent with Town's long-term infrastructure needs and is capable of meeting current and future development.

It is not the strongest of species that survive, nor the most intelligent. It is the one that is most adaptable to change.

-Charles Galton Darwin

The adopted Fiscal Year 2015 Operating Budget totals \$203,073,258 for all budgeted funds, an increase of 3.5% compared to the original Fiscal Year 2014 Operating Budget of \$196,196,682. Said increase is mainly associated with capital projects, primarily in the Utilities Department (Water and Sewer Funds). These Utilities expenditures are mostly offset by increases in charges for services or by utilizing appropriate reserves, as approved by Council. Overall, there are also increases to personnel services, which are offset by a variety of funding sources.

We began the Fiscal Year 2015 budget development process with a projected balanced operating budget for the General Fund. This marks the first time during this Administration that this feat has been accomplished. For the last few years, the budget process began with a deficit, primarily due to the structural budget issue of expenses outpacing revenues, compounded by the use of one-time revenues to cover operating expenses. Increased revenues, primarily property taxes, enables this balanced budget, providing the ability to substantially fund critical positions and infrastructure maintenance and upgrades.

Fund	FY 2014	FY 2015
	Original Budget	Adopted Budget
General Fund	\$101,579,726	\$106,799,719
Community Redevelopment Agency	30,468,695	28,005,465
Community Dev. Block Grant	1,723,987	1,331,168
Impact Fees & Forfeiture Funds	1,709,373	1,731,511
Community Endowment	216,711	211,445
Water & Wastewater Funds	43,114,129	45,007,273
Golf	270,000	520,000
Vehicle Maintenance	3,993,348	4,479,880
Self Insurance	10,989,165	12,242,130
Information Technology	2,131,548	2,744,667
TOTAL BUDGETED FUNDS	\$196,196,682	\$203,073,258

For Fiscal Year 2015, there is continued emphasis on strategically assessing and implementing our multi-year operational and capital strategy to address the many competing needs and challenges facing the Town. This budget plan provides for maintaining and improving upon the Town’s current infrastructure, facilities, services and programs. We are poised for tremendous growth in the next few years as the influx of new residential and commercial developments will bring more residents, jobs, and recreation opportunities to the Town. This new growth increases the demand for Town services, which is addressed in this budget.

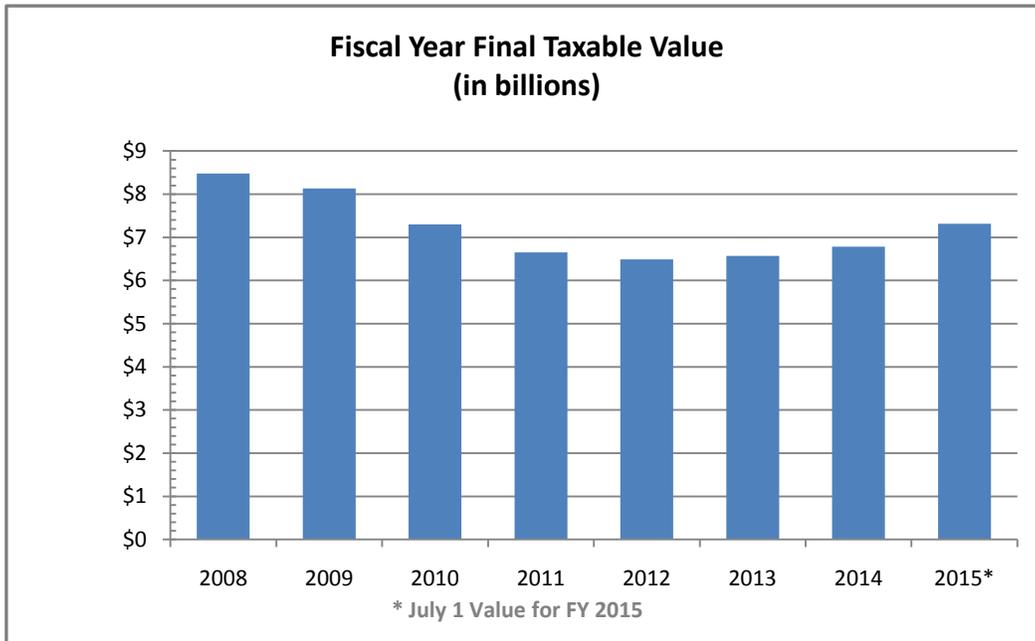
Fiscal Year 2015 Budget-In-Brief

The Fiscal Year 2015 Budget includes an adopted operating millage rate of 5.0829, the same rate as assessed in Fiscal Year 2014. Budgeted property tax revenues in the General Fund will increase by approximately \$2.36 million from Fiscal Year 2014, entirely due to improved property values and new construction.

Budget at a Glance		
	FY 2014	FY 2015
New Construction Value	\$30,786,440	\$146,360,470
Total Property Value	\$6,781,196,317	\$7,316,721,257
Property Tax Rate, Operating	5.0829 mils	5.0829 mils
Property Tax Rate, Voted Debt	.8621 mils	.8081 mils
Average Home Taxable Value	\$208,335	\$219,284
Fire Assessment Fee	\$166	\$166
Solid Waste Fee	\$212.92	\$222.23
Water Rate	\$19.52	\$20.01
Sewer Rate	\$34.95	\$35.82
Number of Employees	699	702

According to the July 1, 2014 certification of taxable value provided by the Broward County Property Appraiser’s Office, the Town of Davie experienced a 7.9% increase in gross taxable value for Fiscal Year 2015. This equates to a gross taxable value of \$7.32 billion as of July 1, 2014 compared to the final taxable value of \$6.78 billion for the prior year. Chart 1 below displays the fluctuation in the Town’s taxable value over the past eight (8) years, which includes a 13.7% decrease from the final taxable value for Fiscal Year 2008 to the July 1 taxable value for Fiscal Year 2015.

Chart 1



The adopted Fiscal Year 2015 millage rate of 5.0829 is 5.5% above the rolled-back rate of 4.8180 and allows the Town to realize the recovery of property values after prior years' declines. This rate provides funding for critical capital improvements delayed by the budget challenges of past years and for service delivery in the form of new positions. It also allows the Town to maintain its current workforce, including funding for the full year cost of the contractual bargaining agreements salary adjustments and six previously grant-funded police officers. Such workforce preservation costs also include associated benefit adjustments for health insurance, taxes, and retirement contributions. Finally, the millage rate permits operational and program enhancements requested during budget development, some of which are simply returns to pre-recession service levels.

Economic Trends

With modern port facilities and a world-class airport only minutes away and linkage to several interstate and toll highways, the Town has proven to be attractive for individuals and businesses wishing to be part of the growing South Florida community. The Town of Davie is also home to an educational center that is unsurpassed in South Florida. Davie's daytime population grows significantly as students and staff travel to the one square mile South Florida Education Center. As a result of this educational presence, over 30% of Davie adults have a bachelors' degree or higher (45% higher than the national average). The Town's median household income of \$59,362 exceeds national and state averages (29% of these households boast incomes exceeding \$100,000). Through its smart growth and business friendly initiatives, the Town has been able to harness these factors to promote diversified growth.

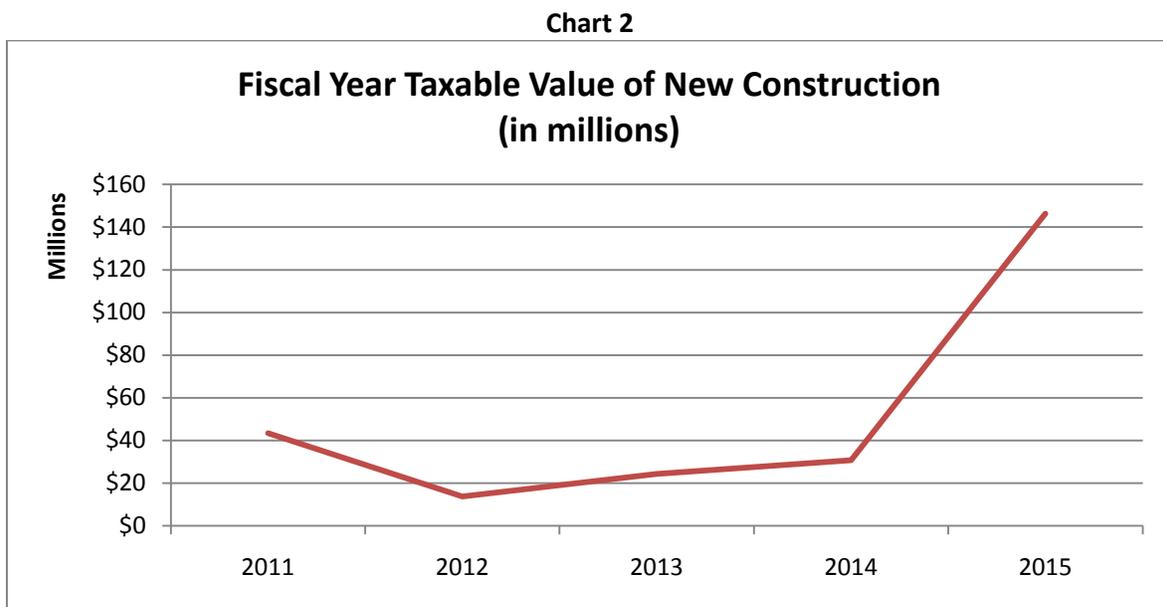
For FY 2015, the Town saw its tax base grow over \$140 million dollars. From a residential perspective, nearly 800 units were completed throughout the Town, resulting in population growth exceeding 1,900 residents. The majority of these units were apartment projects (Signature at Davie and Elan at College Crossings) along the Davie Road corridor. In the past year, the Town welcomed new or expanded businesses to Davie, including Rick Case Volkswagen, Hobby Lobby, Panera Bread and Nexus Shooting Range. The Rick Case Volkswagen dealership, which opened in November 2013 stands eight stories in height and has over 328,000 square feet of space, making it the largest Volkswagen dealership in the world. In addition, Restaurant Depot opened its new and

expanded location on Davie Road and Industrial Development Industries (IDI) completed its first industrial building (120,000 square feet) of a project that will eventually exceed 1.3 million industrial square feet, also on Davie Road. Cumulatively, over 500,000 square feet of new commercial and industrial space was built Town-wide in 2013 and added to Fiscal Year 2015 tax roll.

In 2014, the residential boom has diversified to include a mixture of single family, townhomes, and apartments. At this time, approximately 120 single family homes (Taralyne, Taralyne Oaks and Sterling Ranches) and 150 townhomes (Signature at Davie Phase II and Bella Terra) are under construction. Later this year, we anticipate that three (3) apartment projects totaling 750 units (Palm Ranch, Lakeview Residences and Shalimar) and a townhome project totaling 75 units (Vaquero Trails) will break ground. Upon completion of these projects, the Town’s population could exceed 100,000 residents.

The Town is also seeing a continued influx of new commercial and industrial projects. Actavis, formerly Watson Pharmaceuticals, is exploring the opportunity to expand its facilities, resulting in the addition of 220 high wage jobs and a total investment of \$40 million. The Value Place hotel on Reese Road has broken ground and is expected to open in 2015. The Tower Shops recently completed façade renovations and has approvals to add 55,000 square feet of new retail space. The Town and Country Shopping Center, at the southwest corner of State Road 84 and University Drive, is currently under renovation to include a new Whole Foods store. Finally, the Town will be the home to Porsche and Alfa Romeo car dealerships along the I-75 corridor.

The Town is finally seeing indications of economic recovery, as evident of Chart 2, which displays the taxable value of new construction during the past five (5) fiscal years.



Legislative Challenges

The Town of Davie adopted a proactive posture during the 2014 State legislative session. The Town opposed legislation that would have negatively impacted the Communications Services Tax (CST), a \$3.75 million revenue source for the General Fund. The Town also opposed legislation implementing restrictions on Davie’s ability to levy local business taxes, an \$895,000 revenue source for the General Fund. None of these initiatives gained the support needed to be passed in 2014; however, as similar items have been proposed in prior years, we believe we will face such challenges to our budget again in the future.

The Town of Davie strives to be good neighbors with other local governments, including the Seminole Tribe of South Florida. We continue to closely monitor the Seminole Compact with the State as it nears its expiration, and will work closely with both the Seminole Tribe and State of Florida as a new pact is negotiated. Compact-related revenue received by the Town via State revenue sharing is an important source of funding for the General Fund, and helps to offset our related impacts for police, fire and public works services as we respond in areas surrounding the Tribe's Hard Rock Hotel and Casino and for mutual aid requests. Davie will be steadfast to ensure no revenues are lost and that zoning remains compatible with Davie's surrounding neighborhoods as the new compact is negotiated.

It is anticipated the aforementioned issues will again be at the forefront of the 2015 session of the Florida Legislature. One issue the Town will be more vocal on this session is the emergency services rendered on Interstate 595 (I-595) and the new express lanes. The Town of Davie Fire Rescue Department provides emergency medical and fire services for the majority of the interstate's span. The Davie Police Department also supplements law enforcement efforts of the Florida Highway Patrol on the interstate, as needed. The Town will actively seek a partnership with the State to share the cost burden for these services and resources, which are currently borne by the Town.

Governing for Effectiveness

Office of Community Development

In Fiscal Year 2015, the Office of Community Development will be created to provide a holistic approach to neighborhood revitalization, housing assistance, and community development projects that build or expand infrastructure; upgrade public facilities; upgrade the existing housing stock; expand homeownership opportunities and affordable rental housing; and promote economic development to enhance the tax base as well as the health, wealth and safety of a geographic designated area.

The Office of Community Development combines two distinctly separate functions that have overlapping initiatives: the previous Housing and Community Development Department and the Community Redevelopment Agency (CRA). Both offices develop and administer programs, activities, and policies that assist in the creation of economically viable and sustainable neighborhoods and business districts.

The new Community Services Division of the Office of Community Development will manage the Town's federal and state housing grant programs, the Town's federal and state community development grant programs, the Town's Community Bus program, and the Town's Neighborhood Service Center. Through the Neighborhood Service Center, the Division also functions as an information hub for residents in need of access to local social service agencies.

The CRA is a special purpose district of the Town of Davie, which strives to make the 1,104 acre redevelopment area a better place to live, work and play. The CRA is governed in terms of make-up, power and duties by Chapter 163 Part III of Florida Statutes, and works to eliminate and prevent conditions of slum and blight, to enhance the tax base, to encourage affordable housing, and to facilitate redevelopment activities by the private sector within the limits of the redevelopment area. In Fiscal Year 2015, the CRA will largely focus on implementing capital projects, particularly water and sewer infrastructure improvements and roadway projects. Property improvement grants, sponsorships of events in the downtown area, and the community policing program also will remain priorities in the coming year.

Code Compliance: Revised Business Model

During the Fiscal Year 2015 Goal and Vision Setting Session, Town Council directed staff to assess an alternative model to provide for code compliance Townwide, inclusive of soliciting bids from private firms via a Request for Proposal (RFP) process. One bid submittal was received, which included a turnkey Code Compliance Service Program for an estimated \$990K. Upon review, Council elected to enhance the in-house business model for Code Compliance. The new business model restructured the former assignment designations for code compliance inspectors. The new assignment designations work in conjunction with the Police Department's Community Oriented Policing (COP) officers. The change to the business model now allows code compliance inspectors to work more closely with the COP officers offering a more synergistic approach to handling issues within the community. This new business model also includes the addition of new vehicles, radios to improve field communications, the addition of an Animal Enforcement Officer, and a Trail Monitoring Program.

Pension Costs

Pension costs are a significant Town expense and despite the significant pension reform the Town recently implemented, the Town will continue to focus on reducing these costs and getting the pension plans at a reasonable funded ratio. The overall goal is to have each pension plan accumulate assets that are equal to 100% of the related pension obligation (100% funded). Although there is no single level of funding that identifies a "healthy" or "unhealthy" pension plan, having an 80% funded plan appears to be the barometer in which a pension plan is considered healthy. For example, the credit rating agency Standard & Poor's considers a funding ratio of 80% to be above average. The Town's ultimate goal is to have all pension plans 100% funded but will endeavor initially to attain the 80% funded ratio. Currently, the Town has one pension plan over 80% funded, one plan that is just under 80% and a plan that is at 70%.

Budget Process

The Town of Davie strives to involve many different stakeholders in the budget development process, including the public, local businesses, the Town Council, advisory committees, and Town staff. The Town officially began the Fiscal Year 2015 annual budget process on March 7, 2014 with a Management Retreat for key departmental staff and the administration. One week later, on March 14, 2014 the Town Council conducted its annual Vision and Goal Setting Session. During this session, staff advised Council of the current financial outlook and projections from the 5-Year Financial Forecast. Operational and capital project updates also were provided, as well as preliminary budget projections for Fiscal Year 2015, which projected a balanced budget for the General Fund. The Town Council then focused on public policy and the Council's initiatives. Initial discussion centered on funding for capital projects, information technology (IT) challenges, code compliance and the red light camera program. The Council additionally explored revenue enhancements related to new cell towers, a natural gas franchise agreement, textile recycling, and wastewater virtual reuse agreements with other utility service providers also were discussed, with Council providing feedback and preliminary direction for development of the Fiscal Year 2015 Budget.

Between March 31 and April 3, 2014, Town Management conducted three meetings with Town employees to discuss the Town's financial standing and to solicit feedback pertaining to the Fiscal Year 2015 Operating Budget. The Town additionally conducted six Community Forums in April and May. These forums focused on district projects and priorities, the Town's current financial position, and the projected budget outlook for Fiscal Year 2015.

Departments submitted their budget requests for Fiscal Year 2015 by April 16, 2014. Following budget meetings between the Administration and each department, and many budget revisions, the draft budget was provided to the Town Council at the beginning of June 2014. The first Budget Workshop was conducted on June 11, 2014.

Following the workshop, the draft budget was updated per Council direction, and with state intergovernmental projections and certified taxable values that were released in July. The Town held an additional Budget Workshop on July 30, 2014 during which Council provided their input and direction to staff for finalization of the proposed operating budget. The Council subsequently approved the proposed millage rates and preliminary special assessment rates to be placed on the Truth in Millage (TRIM) Notices that would be sent to all property owners by the Broward County Property Appraiser in August. On August 6, 2014, the Council conducted its final budget-related workshop, which focused on the Fiscal Year 2015 Capital Improvement Plan and Community Endowment grants.

Adopted Fiscal Year 2015 Budget Overview

The adopted Fiscal Year 2015 Budget submitted for your consideration includes budgets for the following funds:

- General Fund;
- CRA Fund;
- CDBG Fund;
- Parks & Open Space Impact Fees Fund;
- Fire Impact Fees Fund;
- Police Impact Fees Fund;
- General Government Impact Fees Fund;
- Forfeiture Fund;
- Community Endowment Fund;
- Water & Sewer Fund;
- Water & Sewer Capital Projects Fund;
- Golf Fund;
- Vehicle Maintenance Fund;
- Self Insurance Fund; and
- Information Technology Fund.

The adopted Fiscal Year 2015 Budget totals \$203,073,258 for all budgeted funds, an increase of 3.5% compared to the original adopted Fiscal Year 2014 Budget of \$196,196,682. This increase is largely due to a \$5.2 million increase in the General Fund budget and a \$6.8 million increase in the Water & Sewer Fund budget. Both of these fund increases are largely driven by increased spending on capital projects and payroll. As mentioned, the budget of the Town’s primary operating fund, the General Fund, will increase by approximately 5% in Fiscal Year 2015.

Position Changes

The information below summarizes the position changes for Fiscal Year 2015 by Department:

Administration

Public Relations Assistant - reclassified from part-time to full-time
Secretary Confidential Part Time (temporary) - temporary FY 2014 position eliminated

Law Enforcement

Animal Enforcement Officer - addition
Human Resources Coordinator - addition
Police Officer - addition

Fire Protection Services

Fire Rescue Service Aide - addition

Engineering Division

Engineer II Part Time - reclassified to Assistant Town Engineer

Public Works

Superintendent - reclassified to Assistant Public Works Director
Operations Supervisor - addition

Parks, Recreation & Cultural Arts

Secretary Part Time - reclassified to Clerk Typist II Part Time
Equipment Operator - reclassified to Maintenance Technician I
Fitness Specialist - reclassified to Recreation Coordinator
Fitness Technician - reclassified to Recreation Coordinator
Recreation Leader Part Time - reclassified to Recreation Leader Full Time
Operations Supervisor - unfunded
Operations & Management Professional I - addition

Human Resources

Risk Management Technician - reclassified to Assistant Risk Management Coordinator
Human Resources Assistant Part Time - reclassified to Human Resources Assistant Full Time

Town Clerk

Assistant Town Clerk - reclassified to Deputy Town Clerk

Office of Community Development / Community Services Division

Housing & Community Development Director - unfunded
Assistant to Department Director - reclassified to Operations & Management Professional I
Grants Coordinator Part Time - unfunded
Programs Specialist Part Time - unfunded

Office of Community Development / Community Redevelopment Agency

Community Development Director - addition
Administrative Aide – reclassified to CRA Coordinator

Information Technology

Systems Analyst – reclassified to Information Systems Specialist II

Water and Sewer

Utilities Maintenance Supervisor - addition
Superintendent of Operations, Utilities - unfunded
Plant Operator Trainee - addition
Plant Operator Trainee Part Time - addition
Plant Operator I (temporary) - temporary FY 2014 position not continued
Chief Operator Contractual – reclassified to Chief Operator Full time

General Fund Budget

The General Fund is the Town's primary operating fund. By definition, all services not specifically funded by other sources, such as the Water and Sewer Funds or the Golf Fund, are funded by the General Fund. The General Fund supports services within the Town, such as the Town Council, Town Administration, Police, Fire, Public Works, Parks, Recreation and Cultural Arts, Planning and Zoning, Budget and Finance, Human Resources/Risk Management, Town Clerk, Town Attorney, Building (self-sufficient), Engineering (self-sufficient),

Community Services, debt service, and other non-departmental items. In addition, the General Fund is responsible for major transfers to fund the Town's internal services, such as Information Technology, Self Insurance (health and worker's compensation) and Vehicle Maintenance.

The adopted Fiscal Year 2015 General Fund Budget totals \$106,799,719, an increase of \$5.2 million or approximately 5% compared to the original Fiscal Year 2014 adopted budget amount of \$101,579,726. It should be noted that this adopted budget includes \$2.3 million in funding for a portion of the Fiscal Year 2015 Capital Budget, whereas the original Fiscal Year 2014 budget included \$1.3 million funding for that purpose.

The General Fund budget increase for Fiscal Year 2015 primarily results from the increase of the Fiscal Year 2015 Capital Budget, increased personnel in the Police Department related to the police services contract with the Town of Southwest Ranches, and increased payroll costs for employee salaries and associated benefits.

General Fund Revenue

Although the ad valorem operating millage rate will remain unchanged for Fiscal Year 2015, the Town is anticipating an increase of \$2.7 million in budgeted ad valorem revenue due to increased property values and new construction. The Town's taxable value of new construction for Fiscal Year 2015 is \$146.4 million, an increase of \$132 million or 961% from Fiscal Year 2012, which was the lowest year for new construction in the 21st century. The Town's residential fire assessment will remain unchanged at \$166 per residential unit and the solid waste assessment will increase slightly by \$9.31 to \$222.23 based on contractual obligations for garbage collection and disposal. The Town will reduce the voted debt service millage rate from .8621 to .8081.

The adopted General Fund budget for Fiscal Year 2015 does not utilize any General Fund reserves or one-time revenues to balance the budget. This is a dramatic improvement from previous years. The Fiscal Year 2014 original budget included approximately \$1.5 million of one-time revenue sources to balance the General Fund operating budget, while the Fiscal Year 2013 original budget included \$2.0 million of General Fund reserves and approximately \$2.2 million of one-time revenue sources for the same purpose.

Another significant revenue impact in the General Fund's adopted budget relates to the Town's contracts with the Town of Southwest Ranches for police and fire services. The combined increase to the Fiscal Year 2015 Budget for both contracts, compared to the original Fiscal Year 2014 Budget, is approximately \$2.3 million. In 2013, Southwest Ranches solicited a request for proposals related to law enforcement services. The Town of Davie's proposal was accepted, introducing a resourceful and uncommon approach of a municipality providing another municipality police services. The police contract became effective in February 2014, and was thus not included in the original Fiscal Year 2014 Budget. Based on this contract, the Town hired eight additional police officers in Fiscal Year 2014. The fire services contract was included in the original Fiscal Year 2014 Budget, so the increase in the adopted Fiscal Year 2015 Budget is solely based on the contracted amount.

General Fund Expenditures

General Fund expenditures will increase in Fiscal Year 2015 for a variety of reasons, primarily payroll related costs, which will rise by approximately \$3.1 million (4%) and other uses, which will increase by \$2.2 million (153%).

As it relates to payroll related costs, salary increases for police, general represented and non-represented personnel are the primary drivers of this increase. The Town is currently negotiating with the firefighters' union (IAFF) since their contract expires on September 30, 2014. The Town also continues to negotiate with the Battalion Chiefs for an initial agreement. Since negotiations are on-going, the Fiscal Year 2015 Budget does not

include salary increases for these two groups. Once a contract is in place for each of these bargaining units, staff will review the contract and determine if a budget amendment is needed during Fiscal Year 2015 to accommodate the new contracts.

As in prior years, the Police Department will utilize a significant portion of the Town's General Fund resources in Fiscal Year 2015. The new police services contract with the Town of Southwest Ranches contributes to the department's budget increase, as will our concerted effort over the past few years to increase the number of sworn officers and provide better service to the increasing number of Davie residents. Toward this end, three positions are added to the department in Fiscal Year 2015. These positions include an Animal Enforcement Officer, Human Resources Coordinator and a Police Officer. With these additions, the department has added twenty (20) sworn positions since Fiscal Year 2010. As discussed earlier, the Animal Enforcement Officer addresses an identified need in the community, and the addition of the Human Resources Coordinator will free up the sworn officer currently performing these duties to be redeployed on the street. Also impacting the Police Department's budget are contractual obligations related to the police pension's Deferred Retirement Option Program (DROP) and cash-ins of sworn personnel's sick and holiday time. These two items impact the Fiscal Year 2015 Budget by \$520,000.

The rising costs of healthcare coupled with an increase in the amount of medical claims have also impacted the General Fund. In order to try to offset the rise in healthcare costs, the Town has made some significant plan designs to the Town's health plan program that will take effect in January 2015. Despite these changes, the Town will still experience a 4% to 4.5% increase per employee for health related benefits in Fiscal Year 2015.

Contrary to the increased health insurance costs, the Town's pension related expenditures in the General Fund will marginally decrease by \$113k in Fiscal Year 2015. This decrease in pension costs results from the Town's reform of the Management and General Employees Pension Plan in 2013 as well as improved plan performance. In addition, the Town's debt service obligation will decrease by approximately \$305,000 next year as one bond reached maturity in 2014 and no longer has associated principal and interest payments.

As the General Fund budget situation improves, we can begin to re-invest in program areas that experienced significant budget reductions during the recession. Some of these areas include Parks, Recreation and Cultural Arts and Public Works. The Parks, Recreation and Cultural Arts budget will receive approximately \$295,000 more for its programs in Fiscal Year 2015 than it did in Fiscal Year 2012, its lowest budget year. The Town is working to grow the department's entertainment programs, such as the new Concerts on the Corner and Classic Car Show, as well as expand annual events such as the Orange Blossom Festival and July 4th celebration. The department also has created new aquatics and fitness programs that are seeing excellent community participation and increased revenues.

Public Works likewise will receive some additional dollars in Fiscal Year 2015 to enhance its maintenance of the Town's facilities, roads and other infrastructure and make improvements delayed by the recession. Much of the General Fund's investment in infrastructure, however, is not seen directly in the department's budget, but instead can be found in the Fiscal Year 2015 Capital Budget.

A significant increase in General Fund expenditures for Fiscal Year 2015 is a \$2.2 million increase for the other uses expenditure category. Within other uses is a \$2.3 million transfer to the Capital Projects Fund to support the Fiscal Year 2015 Capital Budget, compared to \$1.3 million budgeted in Fiscal Year 2014 for this purpose. Also, there is a \$1.3 million transfer to the Community Redevelopment Agency (CRA) Fund for the Town's pass-through of Tax Increment Financing (TIF) ad valorem revenues. In previous years, this expenditure was categorized as an operational expense of the Town, but now is classified as a transfer/other use as recently

directed by the State of Florida. For Fiscal Year 2015, the Town’s payment of TIF related ad valorem revenues to the CRA will increase by \$143,806.

Below is a comparison of the budgeted expenditures for the General Fund from Fiscal Year 2014 to Fiscal Year 2015 by category:

Category	FY 2014	FY 2015	%
	Original Budget	Adopted Budget	Change
Personnel Services	\$72,337,486	\$75,471,621	4.33%
Operating & Grants/Aids	\$19,237,181	\$19,447,965	1.10%
Capital Outlay	\$1,037,866	\$1,055,932	1.74%
Debt Service	\$7,558,336	\$7,253,747	-4.03%
Other Uses	\$1,408,857	\$3,570,454	153.43%
Total	\$101,579,726	\$106,799,719	5.14%

Capital Improvement Plan

The Town’s Capital Improvement Program (CIP) achieved notable successes in Fiscal Year 2014, including the completion of the new water/wastewater plant, completion of the Town’s first roadway widening project (College Avenue), and replacement of the N-17 bridge with a canal culvert. The Town has many important projects in the capital pipeline, including roadway improvement projects benefiting the Davie Road corridor and construction of its sixth fire station at Shenandoah Park. The fire station project also includes improvements to the park infrastructure, a community room and an emergency operations center.

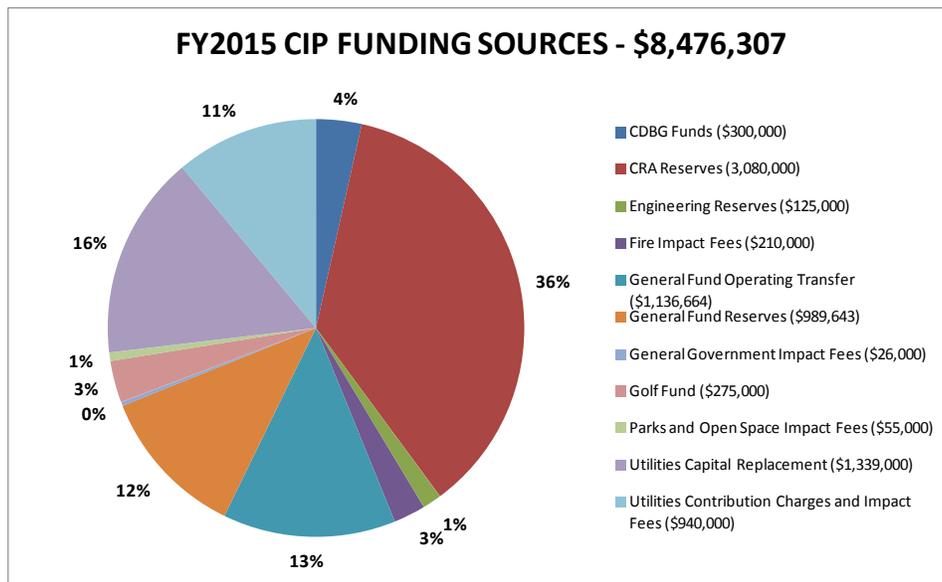
Planning for the Fiscal Year 2015 CIP focused on capital equipment acquisition and replacement, communication enhancements, and projects that maintain our excellent service delivery to the residents. Significant capital equipment expenditures include: the purchase of a new fire pumper and refurbishment of an EMS ambulance in the Fire Department (\$685,000); purchase of a new tractor for the Bergeron Rodeo Grounds (\$40,000); purchase of new Public Works equipment, including an asphalt recycler and hot box trailer, backhoe and dump truck (\$305,000); and the purchase of a new Utilities dump truck (\$150,000). There are also several projects designed to improve the Town’s public information activities. In late Fiscal Year 2014, the Town allocated funds towards the re-launching of its website since its current architecture is out of date and the overall site needs reinvigoration. The Town will complete this project in Fiscal Year 2015. New audio-visual equipment will be installed in the Council Chambers to provide a better experience for the viewing public over Davie TV and the internet (\$15,000). The Bergeron Rodeo Grounds will host an electronic marquee sign spotlighting special events (\$55,000), and new roadway entrance signage at strategic entry points into the Town of Davie (\$50,000).

One of the Town’s five strategic priorities is “dedication to excellence in service delivery.” We seek to provide this excellence through the appropriate maintenance and repair of the Public Works and Utilities infrastructure. Public Works will continue its asphalt overlay program for the local public roadways most in need (\$540,000), will be replacing and repairing guardrails (\$90,000), and is implementing a pilot swale regrading project to demonstrate the benefits of drainage swales to the community (\$50,000). In addition, the Town is undertaking a stormwater master plan to analyze the Town’s existing stormwater system and determine future capital improvement needs and levels of service. The Utilities Department will continue to fund rehabilitation projects for its lift stations to ensure they are operating efficiently and up to regulatory standards (\$212,000) and will be replacing water mains that have reached useful life (\$424,000).

The resulting Fiscal Year 2015 CIP budget includes 45 projects totaling \$8.5 million. These projects are funded from 11 different funding sources (see table). Annually, General Fund Reserves has been utilized towards unfunded projects since no recurring revenue source exists for the Capital Program. In Fiscal Year 2015, these reserves will contribute \$990,000 towards 15 projects. The Town also will utilize \$1.1 million of General Fund Operating Transfers to fund capital projects. This transfer is of significant note as recurring revenues are being utilized to fund capital projects. This recurring revenue is not specifically allocated annually to capital projects and its availability could vary every budget year. Therefore, the Town still needs to secure a long-term recurring funding source for its unfunded capital projects.

Over the next 5 years, roadway improvements will be a central focus of the CIP. These improvements revolve around the Davie Road corridor and include efforts to enhance traffic capacity, beautification and improvement of multi-modal capabilities. In Fiscal Year 2015, the Town will begin widening Davie Road from 4 to 6 lanes (from Nova Drive to State Road 84), including a landscaped median, bike lanes and wider sidewalks. In addition, this project will include accessibility improvements to the Reese Road intersection. The Town will also be designing a traffic capacity enhancement project for Nova Drive. The Town will be widening Nova Drive to 4 lanes between Davie Road and College Avenue with a designated turn lane added for the remainder of the roadway to University Drive. For the segment of Davie Road from Nova Drive to SW 39 Street, the Town will be designing its Transportation Alternatives project, which will include a landscaped median, bike lanes and wider sidewalks. This project is programmed to be constructed in Fiscal Year 2016. Finally, the Town anticipates completing a design for the new Downtown Davie cross-section that will establish a unique presence for the area. This is a CRA-funded project which will include medians, landscape enhancements, and gateway entry features.

To ease traffic congestion within the Downtown area, the Davie CRA is designing and constructing two bypass roadways: SW 67 Avenue and SW 61 Avenue. SW 67 Avenue currently runs southbound from SW 39 Street and dead ends approximately 1,300 feet from Orange Drive. The CRA will complete the roadway, which will serve as the western bypass for Downtown. SW 61 Avenue currently runs northbound from Stirling Road to within 50 feet of the proposed Oakes Road. Oakes Road currently runs eastward from Davie Road but stops 500 feet short of SW 61 Avenue. Therefore, the CRA will be constructing this eastern bypass for Downtown, which will extend Oakes Road to SW 61 Avenue then southward to the existing SW 61 Avenue. Both projects are slated for completion by Fiscal Year 2016.



Other Funds

Town services and functions such as water and sewer services are budgeted within other funds and are significant in the overall operation of the Town. Other funds that are included in the adopted Fiscal Year 2015 budget include: Community Redevelopment Agency, Community Development Block Grant, Impact Fees (Fire, Police, General Government and Parks and Open Space), Forfeiture, Community Endowment, Self-Insurance, Water & Sewer, Water & Sewer Capital Projects, Golf, Vehicle Maintenance, and Information Technology. The largest of these funds are the Water and Wastewater Fund and the Community Redevelopment Agency Fund.

Water and Sewer Fund

The purpose of the Water and Sewer Fund is to provide water and wastewater management services to the citizens in the Town's water district. For Fiscal Year 2015, this fund totals approximately \$36 million, an increase of \$6.8 million, or 18%, compared to the original Fiscal Year 2014 Budget. This increase is due primarily to the capital projects in this fund which increased nearly \$7.5 million. During Fiscal Year 2014, the Town amended this fund in excess of \$7 million based on the Fiscal Year 2014 Capital Improvement Plan (CIP), prior year CIP project balances not previously appropriated and the Fiscal Year 2014 CIP Amendments 1 and 2. Additionally, the following are some of the new capital projects associated with this fund in the Fiscal Year 2015 CIP: SW 83 Terrace Water and Sewer Line Installation, Water Main Replacement, Waste Treatment #3 Rehab, Lift Station Rehabilitation, Tindall Hammock Master Meter Installation and a Dump Truck Replacement.

The Fiscal Year 2015 personnel costs will increase approximately \$134,000 compared to the Fiscal Year 2014 Budget. This increase results from salary and benefit cost increases, and the addition of the three positions: Utilities Maintenance Supervisor, Plant Operator Trainee and Plant Operator Trainee Part Time, which are mostly offset by the reduction of the Superintendent of Operations.

With substantially 100% of the new water and sewer facility completed, there is an increase in related operational expenses. However, in Fiscal Year 2015, budgeted debt service expenditures for all of the water and sewer debt will actually decrease by more than \$900k based on slightly high estimates for Fiscal Year 2014. Debt service expenditures in the Water & Wastewater Funds total nearly \$9.3 million per year, compared to \$1.8 million in Fiscal Year 2010 before borrowing for the new facility began. Finally, the Fiscal Year 2015 Budget of the Water & Sewer Fund includes estimated rollover budget balances of capital projects that were not completed by September 30, 2014.

Operating revenues of the Water and Sewer Fund will largely remain flat in Fiscal Year 2015. The Town continues to implement the Council-approved rate structure that was implemented in January 2008 after a consultant's study determined the Town had an aging water plant that would not be able to handle future capacity for the Regional Activity Center and the Transit Oriented Corridor. The Town's approved rate structure was designed to help fund the new plants and also keep pace with increasing operating expenses. In accordance with this rate structure, water and sewer rates are tied to an index and thereby will increase by 2.5% in Fiscal Year 2015. Based on the average residential dwelling unit, this will be an approximate increase of \$55 per year for the user.

With increasing operating costs and only a small increase in operating revenues, the Fiscal Year 2015 Water and Sewer Fund budget will use approximately \$.7 million from the Rate Stabilization Fund to support utility operations. The Rate Stabilization Fund was established through the adoption of the water and sewer rate study approved by Council in Fiscal Year 2008. The Town established this reserve to accrue funds that can be used to offset or delay future rate adjustments and provide a contingency for unplanned, non-recurring, or emergency expenditures that could affect the Town's ability to meet the rate covenants delineated in the Bond Resolution.

This will be the second time the Town utilizes this fund and will leave a balance of approximately \$2.56 million if the Town uses the amounts budgeted for Fiscal Year 2014 and Fiscal Year 2015.

Community Redevelopment Agency Fund

The Community Redevelopment Agency (CRA) Fund accounts for the activities of the Davie CRA. The fund's Fiscal Year 2015 Budget of \$28,005,465 is approximately 8% lower than the original Fiscal Year 2014 Budget of \$30,468,695. In Fiscal Year 2015, CRA staff will join with the former Housing & Community Development Department to create a new Office of Community Development. The CRA will be a distinct division within the new office, and will be overseen by a new, shared Community Development Director.

Budgeting for the CRA Fund is unique among the Town's funds, as state law requires that the entire fund balance, also known as "reserves," be appropriated. For Fiscal Year 2015, approximately \$25.1 million, or 90%, of the fund's \$28.0 million budget is an appropriation of fund balance. This includes both the balance of the 2010 CRA Bonds, and the fund's regular reserves. The other \$2.9 million of the budget is comprised of current year revenues, almost entirely ad valorem Tax Increment Financing (TIF) revenues paid to the CRA by the Town of Davie and other taxing districts. TIF revenues are expected to grow by an estimated \$250,000 in Fiscal Year 2015 due to growth in the tax base, but actual amounts will not be known until all taxing districts adopt their Fiscal Year 2015 millage rates in September.

In Fiscal Year 2015, \$24.8 million from the CRA fund balance will be appropriated for capital improvement projects in the district. The largest of these projects include the Eastside Infrastructure Phase II project for which \$16.2 million is budgeted, the Westside Infrastructure and Rodeo Roadways project at \$4.5 million, and the Davie Road Downtown Improvements project at \$2.1 million. Fund balance of approximately \$307,500 is also appropriated for four Commercial Property Improvement Grants and sponsorship of the 2015 Orange Blossom Festival.

The CRA's Fiscal Year 2015 Budget for general operations totals just under \$2.9 million. Nearly 60% of this budget is dedicated to debt service on the 2010 Bonds. Personnel costs will increase approximately \$17,450 compared to the Fiscal Year 2014 Budget. This increase results from salary and benefit cost increases, as well as position changes for the CRA. In Fiscal Year 2015, the Administrative Aide will be reclassified to CRA Coordinator and the CRA will share costs for the new Community Development Director with the General Fund. As the new Director assumes greater responsibility for the CRA, the part-time Davie CRA Consultant will take on fewer responsibilities and hours.

Over the next few years, the budget of the CRA Fund should decrease significantly as its major capital projects are completed and the fund's reserves are depleted. Ultimately, the fund's budget should return to approximately \$3-\$4 million and be almost entirely supported by current year TIF revenues.

Conclusion

The Town of Davie has been at the forefront of managing economic growth as evident in an increase of \$146 million of new taxable value construction. As the recession is in the rearview mirror, Council should take a moment to reflect on the fruits of your labor over the past seven very tough economic years. The Town's land availability, services and characteristics have been enticing to the development community. Although significant development is in the forefront, adding to the tax base has not outweighed the need to continue to scrutinize land use and zoning applications. This balance of preservation (rural and open space) and growth (new development) continues to secure the town's identity.

Although we have introduced a balanced budget, we should move forward with cautious optimism to take steps to ensure fiscal stability with regards to operational and capital needs. The primary focus is on funding operational expenses with ongoing revenues without relying on one time revenue sources.

We will continue to invest in our community, in our businesses, in our infrastructure, and in our employees. We continue to look for ways to evolve as a Town and create malleable and functional business models for the public we serve.

Finally, my thanks to the Mayor and Town Council, especially at a time we are challenged to do what is necessary in providing for a progressive approach in fiscally prudent governance.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Richard Lemack", written in a cursive style.

Richard J. Lemack
Town Administrator



Town of Davie

Council District Map

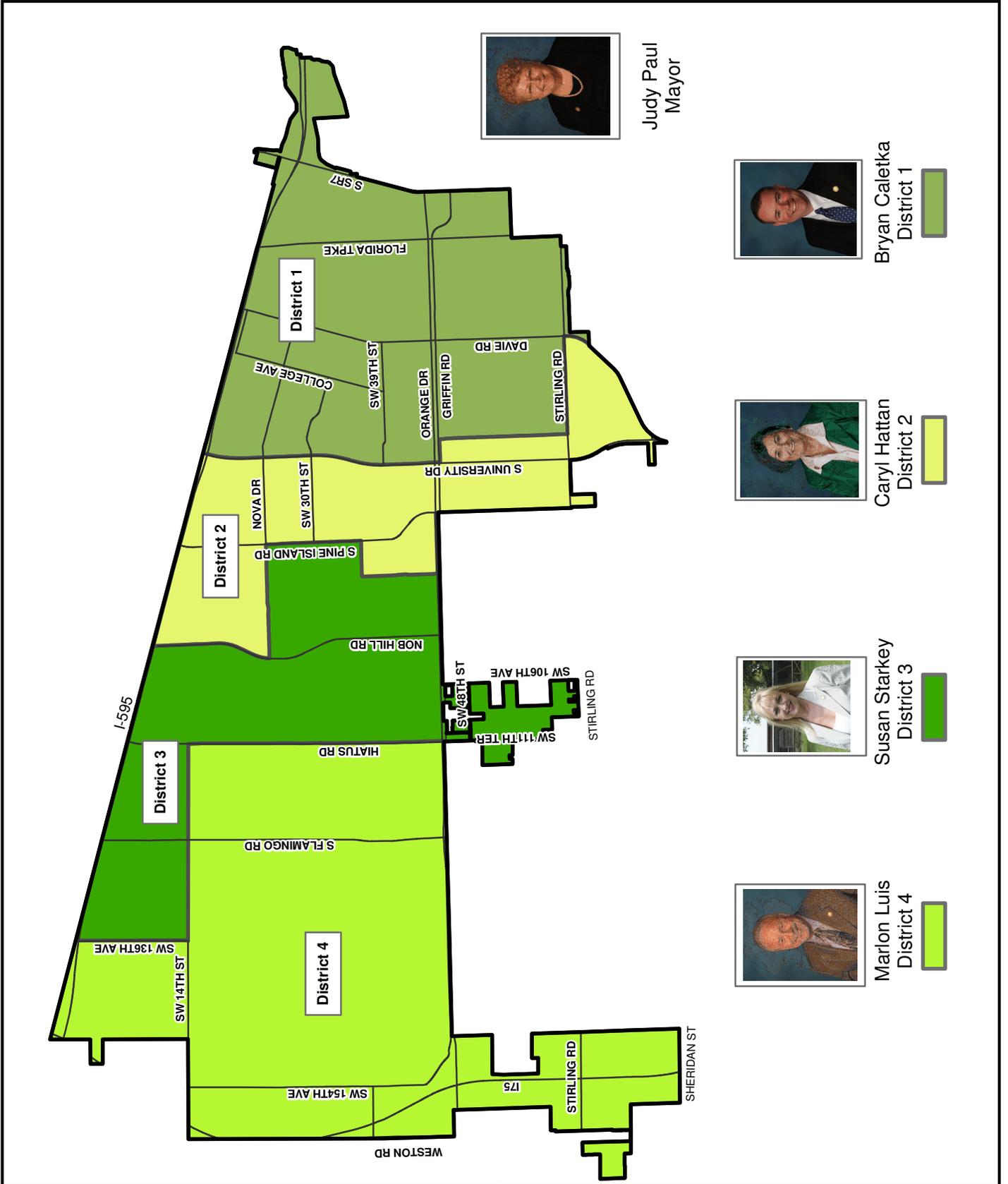
LEGEND

Council Districts

-  District 1 - Bryan Caleika
 -  District 2 - Caryl Hattan
 -  District 3 - Susan Starkey
 -  District 4 - Marlon Luis
- Mayor - Judy Paul

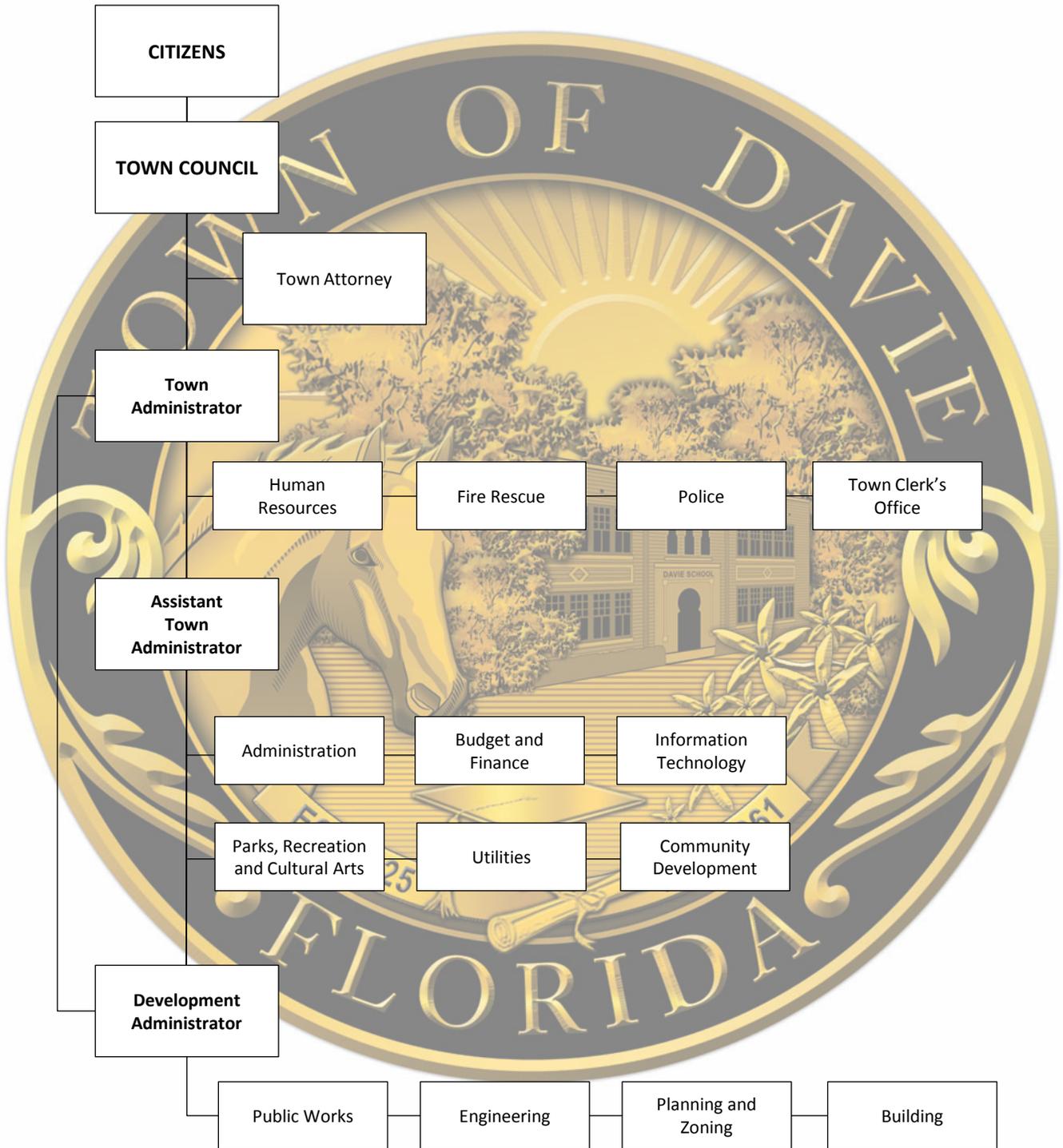


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Town of Davie, Florida

Table of Organization



BUDGET CALENDAR

START



October 1

Adopted budget goes into effect. Finance certifies TRIM compliance to State of Florida.

Prior to October 1

Budget is loaded into the accounting system and placed on Town's website.

September

Budget is legally adopted by ordinance following two public hearings. Special Assessments are approved at a special public hearing. Capital Improvements Plan is approved by resolution.

August

Proposed Capital Budget is submitted to Town Council. Additional Budget Workshops are held, if necessary. Final revisions are made to the draft budget. Town Administrator submits the Budget Message & recommended Budget to the Town Council.

January & February

Five-Year Financial Forecast is completed. Revenue estimating begins. Payroll projecting begins. Budget Calendar & Instructions are drafted.

March

Town Council holds its Annual Goal Setting Session. Management retreat and budget kickoff are held. Instructions, calendar and draft payroll projection are distributed to Directors. Departments submit fleet, technology and position requests, if applicable.

April

Community forums and employee budget workshops are held. Budgets for Town-wide expenses are developed. Departments submit their requested budget. Finance reviews & analyzes requests and submits the combined budget to the Town Administrator.

May

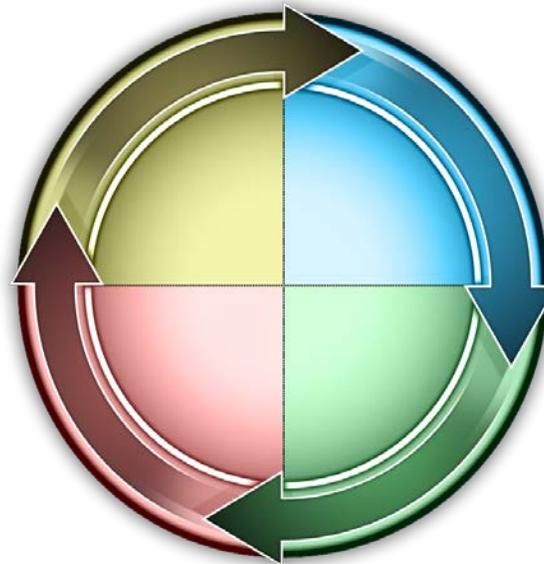
Town Administrator meets with Department Directors to review the requested budget. Finance revises payroll, updates revenue projections, and revises the draft budget. Updated budget is provided to the Town Administrator for consideration.

July

Property Appraiser certifies taxable value of the Town. State of Florida provides intergovernmental revenue estimates. Second budget workshop is held. Preliminary special assessments rates and millage rates are determined for placement on TRIM Notice.

June

Property Appraiser delivers estimate of taxable values and revenue projections are updated. Town Administrator submits the proposed budget to the Town Council. First budget workshop is held.



KEY DATES	
March 7, 2014	Management Staff Retreat
March 14, 2014	Town Council Vision & Goal Setting Session
March 20, 2014	Budget Kick-off Meeting
April 16, 2014	Department Budget Requests due
April 21-May 19, 2014	Community Forums held (6)
April 30-May 15, 2014	Department Budget Meetings with Administration & Finance
June 11, 2014	Town Council Budget Workshop #1
July 30, 2014	Town Council Budget Workshop #2
August 6, 2014	Capital Improvements Plan and Community Endowment Workshop
September 3, 2014	First Public Hearing - Tentative Budget is adopted Capital Improvements Plan is adopted
September 12, 2014	Fire Assessment & Solid Waste Assessment Public Hearings
September 17, 2014	Second Public Hearing - FY 2015 Budget is adopted

BUDGET PROCESS

Developing the Budget

The annual budgeting process starts in early January when the Budget & Finance Department forecasts revenues for the next five years and drafts the budget calendar and budget instructions. Meetings and/or workshops are subsequently held with the community, Town employees, and the Budget Advisory Committee to solicit input for the budget. The Town Council conducts its annual Goal Setting Session and provides direction on budget priorities. The Budget & Finance Department prepares payroll and revenue projections and drafts budgets for town-wide costs, such as fuel, electric, water, fleet maintenance and insurance.

In March, the budget process officially begins for the departments with the “Budget Kickoff Meeting.” The Budget & Finance Department and Town Administration provide the departments with an overview of the budget picture and discuss the budget guidelines for the year. Departments are given the budget calendar, written budget instructions, payroll estimates and other cost estimates. Training is also provided on budget entry into the Annual Budget Processing module.

Each department then prepares and submits its proposed budget comprised of the following elements:

- Revenue and expenditure projections by program/division and line item;
- Budget Narrative describing budget highlights and including Key Performance Indicators;
- Organizational Chart;
- Fleet related requests;
- Technology related requests;
- Position related requests; and
- Education, training and travel requests.

In April, the requested budgets are reviewed by the Budget & Finance Department for accuracy, completeness and form and a budget package is prepared for the Town Administrator. Department Directors then meet individually with the Town Administrator and the Budget & Finance Department to discuss their proposed budget. Per the Town Administrator’s direction, the Budget & Finance Department revises the budget as necessary.

The draft operating budget is prepared and distributed to the Town Council in late May or early June in preparation for the first Budget Workshop. Following the workshop, the budget is updated per Council’s programmatic direction and to incorporate all other necessary revisions to the projected revenues and expenditures. Additional Town Council Budget Workshops are conducted throughout the summer months as necessary to discuss and modify the proposed budget. Updated budgets are prepared before and after each session. Town Council workshops also may be held regarding the proposed Capital Improvements Program and to determine donations that will be made to nonprofit agencies through the Community Endowment Fund.

In July or early August, the Town Council approves the proposed millage rates and the preliminary assessment rates for two non-ad valorem assessments that will appear on the Truth in Millage (TRIM) Notice. The TRIM Notice is mailed to all property owners by the Broward County Property Appraiser in August to inform them of the proposed tax rates, tax amounts, special assessments and budget hearing dates related to their property.

Adopting the Budget

By Florida Statute, the Town must adopt its millage rate and operating budget for the fiscal year after holding two public hearings during the month of September. The first of these hearings is advertised to property owners via the TRIM notice. The second hearing and the tentative budget are advertised in the newspaper 2 to 5 days before the hearing. The budget is adopted by Ordinance and becomes effective on October 1st.

Amending the Adopted Budget

The Town’s Charter and State law allow changes to the adopted budget at any time throughout the fiscal year and up to 60 days after fiscal year end. These changes include budget transfers, which reallocate already appropriated dollars within the same fund without increasing or decreasing the fund’s total budget, and budget amendments, which increase or decrease the total budget of a fund.

Per the Town's Charter, intradepartmental budget transfers \$5,000 and under may be approved by the Town Administrator and carried out by the Budget & Finance Department. Budget transfers exceeding \$5,000, budget transfers between departments in the same fund, and all budget amendments may occur only upon approval by the Town Council. The level of budgetary control is established at the department level.

To amend the adopted budget, department directors submit a request to the Budget & Finance Director. The request is reviewed for correctness and budget availability, and then provided to the Town Administrator for approval to move forward, or denial. If necessary, the Budget & Finance Director submits all pending departmental requests as a unified request to the Town Council for approval. The request includes a description of all transfers and amendments for both revenues and expenditures. Such requests are specified by fund, and also by department, if appropriate. At a regularly scheduled meeting of the Town Council, budget transfers may be approved by resolution. Budget amendments require an ordinance with two public hearings.

Budget Monitoring

The budget is monitored monthly by the Budget & Finance Department to track variances between the actual and budgeted amounts, to identify trends, and to estimate end-of-year results. Monthly budget reports are distributed to all departments and the Town Administrator. Departments may be required to submit budget transfer or amendment requests to accommodate significant variances. A summary of each monthly report is posted on the Town's website for public access.

At the end of each quarter, a thorough review of year-to-date actuals and projections for end-of-year results are conducted. Particular attention is given to the General Fund. The Budget & Finance Department composes a written report and submits it to the Town Administrator, Town Council and to the public via the Town's website. The Budget & Finance Director additionally provides a quarterly presentation of financial results to the Town Council and public during a regularly scheduled Council meeting.

In addition to monthly analysis, the Budget & Finance Department monitors the budget on a near daily basis. Such activities involve position control, reviewing all payments for sufficient budget and documentation, monitoring requests to fill vacant positions, and tracking Council meeting agenda for items with budget impacts.

Capital Budget Process

Capital expenditures include money spent to acquire, construct or upgrade physical assets such as buildings, infrastructure, machinery/equipment and land. Each year, Department Directors submit plans and cost estimates for necessary capital improvements, which are combined to form the proposed Ten-Year Capital Improvements Program (CIP). Funding sources for each project must be identified, and departments also must identify the ongoing operating budget impact of their projects.

Projects in the CIP are separate from capital outlay expenditures which may be included in the annual operating budget and which are approved in the budget development process previously described. Capital expenditures in the annual operating budget are generally for acquisition or improvements with a cost of less than \$10,000 and an expected life of less than five years. Exceptions to this general policy are grant-funded projects, which often exceed the \$10,000 threshold, can be completed within the fiscal year, and are included in the operating budget. Capital improvements, constructed or purchased, that have a minimum useful life of five (5) years and a minimum cost of \$10,000 are generally budgeted in the CIP.

Per the Town's Charter, the Town Administrator shall submit the proposed CIP to the Town Council by August 15 for the ensuing fiscal year. The first year of the adopted CIP is considered the Capital Budget. Following CIP adoption, the proposed or adopted Annual Budget is revised to accommodate projects included in the appropriated funds, as well as any other budget impacts such as an appropriation of fund balance and inter-fund transfers.

FUND STRUCTURE

As a municipal corporation, the Town's finances and budget are comprised as a collection of smaller, separate entities known as funds. Funds are the control structures that ensure that public monies are spent only for those purposes authorized and within the limits authorized.

Each fund is a distinct financial entity with its own revenues and expenditures, and each fund is classified according to the type of activity that is involved in the fund. Fund types include:

- ✓ *Governmental Funds* – includes the General Fund, Capital Project Funds, and Special Revenue Funds;
- ✓ *Propriety Funds* – includes Enterprise Funds and Internal Service Funds; and
- ✓ *Fiduciary Funds* – includes funds used to account for assets held in a trustee or agency capacity for others.

The following is a description of the budgeted funds of the Town.

Governmental Funds

General Fund (001) – The General Fund is the general operating fund of the Town. This fund incorporates a broad range of services, such as police, fire rescue, public works, parks, recreation, cultural arts, building, engineering and the Town's administrative functions. General tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. General operating expenses, fixed charges, and capital improvement costs not paid through other funds are paid from this fund.

Capital Projects Funds (300 & 310) – The Capital Projects Funds are used for the acquisition of fixed assets and the construction of major capital projects not being financed by proprietary or other such funds. Most projects in these funds are financed by the General Fund or long-term debt issues, which are repaid by the recurring operating revenues in the General Fund. Improvements made through this fund are approved in the Town's ten-year capital program and generally have no regard for fiscal periods. These funds are not included in the operating budget adopted in September, but are included in the Town's financial statements.

Special Revenue Funds:

Special revenue funds are used to account for specific revenue sources that are restricted to expenditures for specific purposes. Dedicated operations that cover only a substantial portion of their costs by user fees and charges, and therefore require ongoing operating subsidies, will be classified as special revenue funds.

Community Redevelopment Agency Fund (100) – The Community Redevelopment Agency (CRA) Fund accounts for the activities of the Town's Community Redevelopment Agency, a blended component unit of the Town.

Community Development Block Grant Fund (110) – The Community Development Block Grant Fund (CDBG) accounts for the activities of the Town's housing and community development grants received from the U.S. Department of Housing and Urban Development and/or the State of Florida.

Parks & Open Space Impact Fees Fund (120) – The Parks and Open Space Impact Fees Fund accounts for the activities of the Town's impact fees received for its parks and recreational facilities.

Fire Impact Fees Fund (130) – The Fire Impact Fees Fund accounts for the activities of the Town's impact fees relating to the provision of fire and rescue services.

Police Impact Fees Fund (140) – The Police Impact Fees Fund accounts for the activities of the Town's impact fees relating to the provision of law enforcement services.

General Government Impact Fees Fund (150) – The General Government Impact Fees Fund accounts for the activities of the Town's impact fees relating to general governmental services.

Forfeiture Fund (160) – The Forfeiture Fund is used to track the revenue and expenses from State and Federal forfeitures that the Town receives from various law enforcement agencies.

Community Endowment Fund (180) – The Community Endowment Fund was established with a residual equity transfer from a terminated General Employees’ Pension Plan. The funds are to be applied to unfunded liabilities, to other liabilities of the Town as may from time to time need funding, to projects or programs that need capital creation that will be repaid over time, or to community projects or charitable programs that have one-time needs.

Proprietary Funds

Enterprise Funds:

Enterprise funds are used to account for those activities where the costs are expected to be funded by user fees and charges.

Water & Sewer Fund (400) – The Water and Sewer Fund accounts for the operations of the water and sewer utility system. The cost of operating the water and sewer system is recovered almost entirely by user charges. Tax dollars are not used in this fund. The acquisition, maintenance, and improvement of the physical plant facilities are financed from existing cash resources, issuance of revenue bonds and state or federal grants.

Water & Sewer Capital Projects Fund (410) – The Water and Sewer Capital Projects Fund accounts for bond revenues and expenditures related to the construction of the Town’s new water and sewer treatment plant.

Golf Fund (470) – The Golf Fund accounts for all financial activities associated with the Town’s golf facility.

Internal Services Funds:

Internal Service Funds are used to account for the cost of providing specific goods or services to Town departments where those services can reasonably be apportioned to the users on a cost-reimbursement basis.

Vehicle Maintenance Fund (500) – The Vehicle Maintenance Fund accumulates the cost of operating the central garage facility for vehicle and equipment maintenance. The cost allocation utilized provides for capital accumulation for the purpose of replacement vehicles. Costs of operating vehicles (replacement reserve, insurance, maintenance, etc.) are established as a monthly rental rate per class of vehicle and the user department is charged for each vehicle it uses.

Self Insurance Fund (510) – The Self Insurance Fund accounts for and finances the Town’s insured and uninsured risks of loss related to worker’s compensation and employee health benefits.

Information Technology Fund (520) – The Information Technology Fund accumulates the cost of providing technology equipment, networks, software and support. The cost allocation utilized provides for operation costs of the IT department and for capital accumulation for the purpose of equipment replacement.

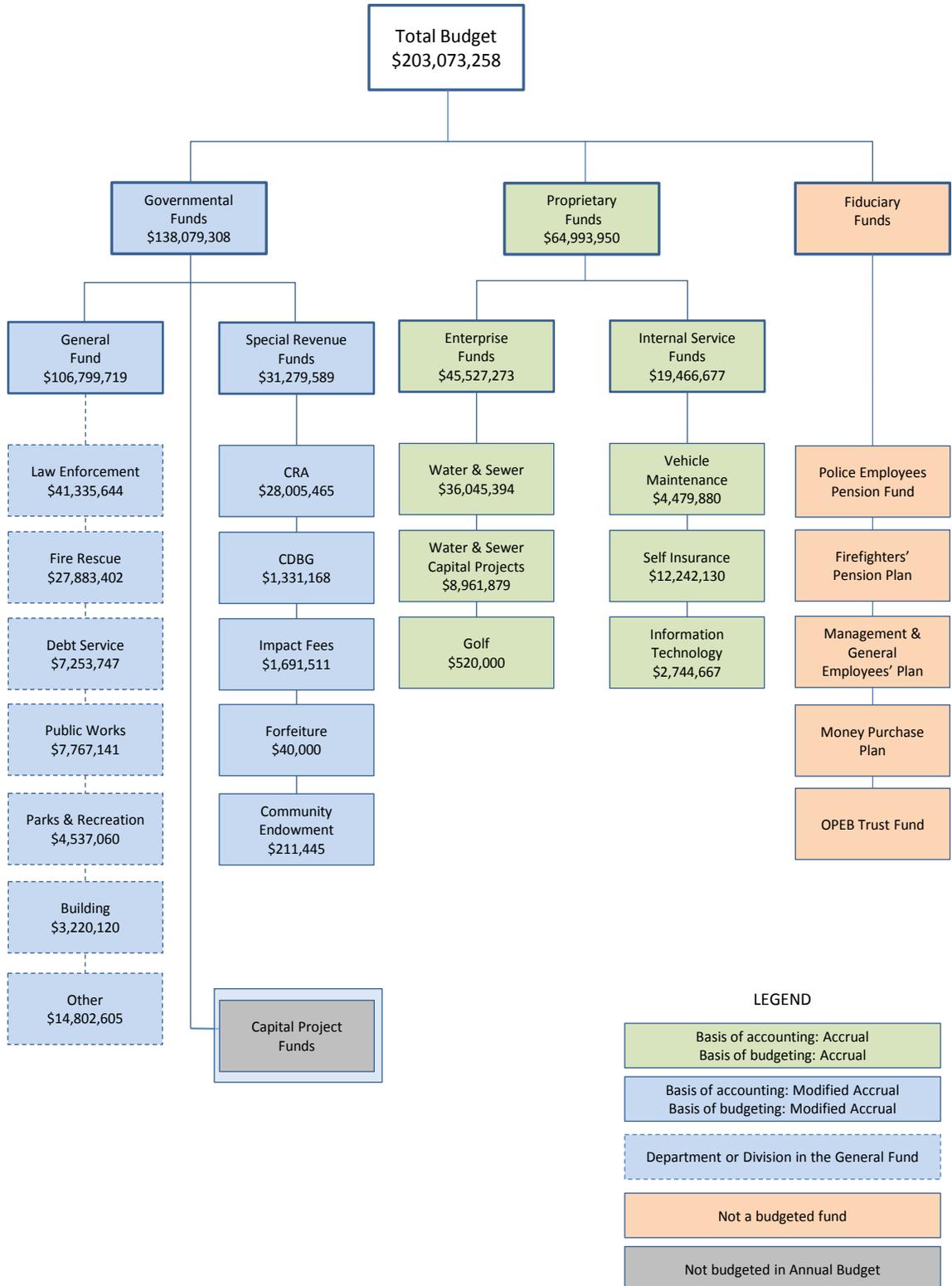
Fiduciary Funds & Funds Excluded from the Adopted Budget

In addition to the Capital Projects Funds previously mentioned, the Town has other funds that appear in its audited financial statements, but which are not included in this budget document. These non-budgeted funds include the Town’s Fiduciary Funds, which are used to account for assets held by the government in a trustee capacity. Such funds include:

- Police Employees Pension Trust Fund;
- Firefighters Pension Fund;
- Other Post Employment Benefits Trust Fund;
- Management & General Employees Defined Benefit Plan Fund; and
- Money Purchase Plan Fund (Defined Contribution Plan).

A graphic display of the Town’s fund structure and each fund’s related budget is located on the following page. The relationship between the various funds and the Town’s organizational units is broken out into greater detail on the Fund-Department Matrix page immediately after the Fund Structure chart.

Fund Structure



Fund-Department Matrix

As described in the preceding pages and displayed on the Fund Structure chart, the Town of Davie's funds are categorized into Governmental Funds, Proprietary Funds, and Fiduciary Funds. Correspondingly, the Town government and employees are organized into departments and divisions to provide services to the community. Funding for each of these organizational units and its services originates in one or more of the budgeted funds.

The following table lists the Town's organizational units and the funds that they utilize in their operating budgets. The Town's Fiduciary Funds and Capital Projects Funds are not included in the table since they are not budgeted funds in the annual budget.

USE OF FUNDS BY ORGANIZATIONAL UNIT													
ORGANIZATION UNIT (Department or Division)	FUND												
	Governmental Funds						Proprietary Funds						
	GF	C	CD	IF	F	CE	WS	WCP	GO	VM	SI	IT	
Budget & Finance	✓					✓							
Building Division	✓												
Community Redevelopment Agency		✓											
Community Services Division	✓		✓										
Engineering Division	✓												
Fire Rescue	✓			✓									
Garage									✓				
Human Resources	✓										✓		
Information Technology													✓
Law Enforcement	✓			✓	✓								
Parks, Recreation & Cultural Arts	✓			✓					✓				
Planning & Zoning Division	✓												
Public Works	✓												
Town Administration	✓			✓									
Town Attorney's Office	✓												
Town Clerk's Office	✓												
Water & Sewer							✓	✓					

Governmental Funds: **GF** - General Fund, **C** - CRA Fund, **CD** - CDBG Fund, **IF** - Impact Fee Funds, **F** - Forfeiture Fund, **CE** - Community Endowment Fund

Proprietary Funds: **WS** - Water & Sewer Fund, **WCP** - Water & Sewer Capital Projects Fund, **GO** - Golf Fund, **VM** - Vehicle Maintenance Fund, **SI** - Self Insurance Fund, **IT** - Information Technology Fund

FINANCIAL POLICIES

The Town of Davie Financial Policies set forth the basic framework for the overall fiscal management of the Town. These policies represent a foundation, provide guidelines for evaluating both current activities and proposals for future programs, and assist the Town Council and the Town Administrator in making decisions. A complete copy of the Town of Davie Financial Policies can be found in the Appendix. Below is a summary of some of those policies.

Basis of Accounting & Basis of Budgeting

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made, regardless of the measurement focus applied.

All governmental funds are accounted for using the modified accrual basis of accounting and the current financial resources measurement focus. Revenues are recorded when susceptible to accrual, both measurable and available. Expenditures are recorded when a liability is incurred. At year-end, open encumbrance balances lapse, excluding those in the Capital Projects Funds. The basis of budgeting for these funds is the same as the basis of accounting used in the Town's audited financial statements.

All enterprise and internal service funds are accounted for using the accrual basis of accounting and the economic resources measurement focus. Revenues are recognized when earned and expenses are recognized when a liability is incurred. The basis of budgeting for these funds is the same as the basis of accounting used in the Town's audited financial statements. The following are budgeting exceptions to the accrual basis of accounting for the Town's proprietary funds:

- Capital outlays are budgeted as expenditures rather than depreciating them;
- Proceeds from the issuance of debt are considered to be revenues, not an increase in liabilities; and
- Both principal and interest payments of debt service are budgeted as expenditures, rather than only interest payments being budgeted and principal payments representing a reduction in the liability.

The Town shall maintain its accounting records in accordance with accounting principles generally accepted in the United States of America (GAAP) and applied to governmental units as promulgated by the Governmental Accounting Standards Board (GASB), and the Uniform Accounting System prescribed by the Florida Department of Financial Services.

Budget Policies

The annual budget shall be adopted in September of each year following two public hearings. The budget shall coincide with the fiscal year, commencing on October 1 and ending on September 30. The budget is adopted by Fund and must be balanced. A balanced budget is defined as current revenues will be sufficient to support current expenditures.

The budget shall be in such format as to allow correlation with the costs reported in the Town's Comprehensive Annual Financial Report (CAFR). Detailed estimates are provided by account at the division or program level, summarized by department, then summarized and adopted by fund.

The annual operating budget should balance the public service needs of the community with the fiscal capabilities of the Town. New programs or changes in policies that would require the expenditure of additional operating funds will be funded either through a reduction in programs of lower priority or through adjustments to rates, service charges or taxes. Requests for new programs or policies or changes to existing ones will be accompanied by an analysis of the short and long-term impact on the operational budget caused by such changed or new program or policy.

In no event will the Town levy ad valorem taxes against real property and tangible personal property in excess of 10 mills, except for voted debt levies.

Budgets and expenditures for the Town are under Town Council appropriation control. The level of budgetary control is established at the department level.

The adopted budget can be amended at any time throughout the fiscal year and up to 60 days after fiscal year end. Intradepartmental budget transfers \$5,000 and under may be approved by the Town Administrator. Budget transfers exceeding \$5,000, budget transfers between departments and all budget amendments may occur only upon approval by the Town Council.

Capital Budget

Per the Town Charter, the Town shall prepare and implement a 10-Year Capital Improvement Program (CIP). The CIP is consistent with State requirements, the Town Charter and the Comprehensive Plan. Capital expenditures include money spent to acquire or upgrade physical assets (i.e. buildings, infrastructure, machinery, land).

Per the Town Charter, the Town Administrator shall submit the proposed to the Town Council by August 15 for the ensuing fiscal year.

The projects and project funding for the first year of the CIP, also known as the "Capital Budget," must be specifically identified and approved by Town Council. Revenue sources for the first year of the CIP shall be based on conservative assumptions of dedicated revenue sources.

Estimated budget requirements for capital projects shall include all costs reasonably associated with the completion of the project and the ongoing operating budget impact.

Revenue Policies

Revenue projections will be based on an analysis of historical trends and reasonable assumptions made on a conservative basis of future conditions. The operating budget of the General Fund will be prepared based on 95% of the certified taxable value of the property tax roll and conservative estimates of other sources of General Fund revenue.

The Town will not use long-term debt to finance expenditures required for operations.

One-time revenues will be applied toward one-time expenditures to the extent feasible. The Town will avoid using temporary revenues to fund mainstream services. Ongoing revenues should be equal to or should exceed ongoing expenditures.

A diversified and stable revenue system will be maintained to shelter the government from fluctuations in any one revenue source.

Unless otherwise stated explicitly by the Town Council, the Town will not earmark discretionary revenues for specific purposes.

The Town may charge the direct beneficiaries of Town services the full cost of providing those services based on comparative studies of other public and private sector entities and other considerations, such as public health and safety or ability to pay. The amount of a fee should not exceed the overall cost of providing the facility, infrastructure or service for which the fee is imposed. In calculating a cost, direct and indirect costs may be included. Service costs may be recalculated periodically, and fees will be adjusted accordingly.

Any inter-fund loan must be supported by a fiscally sound source of funds available for repayment.

Expenditure Policies

It is unlawful for the Town to expend or contract for the expenditures of more than the amount budgeted in any fund's annual appropriation for any fiscal year. An exception may be made for multi-year construction contracts where funding has been approved in the Capital Improvements Program and sufficient monies are available in the current year's budget to meet the progress payments within the current fiscal year.

Contractual obligations required by labor agreements and compensation plans for employees will be included in the budget, dependent upon available funds.

Normal maintenance requirements necessary to sustain the basic asset value of fixed assets will be included in the expenditure budget of the proper operating fund.

Capital will be provided for major improvements and automation of services based on multiple-year planning and appropriate cost-benefit analyses. Future capital improvement requirements and equipment replacement will be included in operating plans or in the CIP. The annual amount set aside to provide reserves for future capital requirements will be tailored to the needs of the specific operation, if not established by bond resolution, and will be above the normal fund balance.

Fixed Assets Policies

The Town shall maintain its capital and non-capital asset records in accordance with the policy and procedures set forth by the Budget and Finance Director. The Town's Asset Inventory will be updated annually.

Individual assets costing \$1,000 or more shall be accounted for.

Normal maintenance requirements necessary to sustain the basic asset value will be included in the expenditure budget of the proper operating fund.

Fund Balance Policies

An adequate fund balance should be maintained for fiscal management purposes, to secure and maintain the Town's investment grade credit ratings, to meet seasonal shortfalls in cash flow and reduce susceptibility to emergency or unanticipated expenditures and/or revenue shortfalls.

Fund balance is the difference between a fund's assets and its liabilities.

The Fund Balance Policy established in Resolution 2012-44 applies to the General Fund and all other governmental funds. The policy provides for reservations of fund balance classified as non-spendable, restricted, committed, assigned and unassigned, and establishes the spending order of fund balances.

The Town shall maintain a General Fund committed fund balance reserve known as the Hurricane/Emergency & Disaster Recovery Operating Reserve at 25% of the fund's budgeted operating revenues. The reserve is established for the purposes of responding to and providing relief and recovery efforts during emergency situations. Should reserve funds be utilized, they should be replenished over a five-year period beginning with the completion of recovery from the event for which reserve funds were used.

For special revenue funds, the restricted or committed proceeds of specific revenue sources should be expected to continue as a minimum of 50% of the inflows reported in the fund.

Disbursement of funds within the fund balance reserves shall be authorized by an ordinance of the Town Council and may be approved by inclusion in the approved annual budget and amendments thereto.

The Town spends restricted amounts first when both restricted and unrestricted fund balances are available. The Town would first use committed fund balance, followed by assigned fund balance and then unassigned fund balance when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications can be used.

The entire fund balance of the CRA Fund shall be appropriated each year as required by Florida law.

Any anticipated deficit of operating expenditures over revenues at year-end will be provided for in the current year's budget amendment process through fund balance/net asset appropriations.

Enterprise Fund Policies

Enterprise funds will be used to account for those activities where the costs are expected to be funded by user fees and charges.

Service charges, rent and fee structures will be established to ensure recovery of all direct and indirect costs.

Enterprise funds capital improvements may be funded from operating revenue or unrestricted net assets, the sale of revenue bonds, loans, special assessments and grants. Enterprise funds should be able to produce sufficient revenue from service charges to fully recover all direct operating costs and overhead, plus provide for debt service and major capital outlay.

The expenditure requirements of the operating enterprise funds will include all expenses of the operations, as well as debt payments for interest.

Enterprise operating funds will pay the General Fund for their proportionate share of the cost of general administrative departments.

Internal Service Fund Policies

The internal service funds will be used to account for the cost of providing specific goods or services to Town departments where those services can reasonably be apportioned to the users on a cost-reimbursement basis.

Charges to departments for internal services rendered will be sufficient to cover the total cost of performing services on an efficient basis.

Rates or rate schedules for such charges shall be prepared. Replacement of equipment, including considerations for inflation, will be included in the cost of furnishing services.

Lease purchase or borrowing of funds will be considered appropriate only if it involves a major conversion from which the cost saving benefits will accrue in future years during the useful life of assets acquired by such methods.

Investment Policies

The investment of Town funds shall be controlled by the Town's Investment Policy as approved in Resolution 2003-070. The highest priority for the investment program is safety of principal, followed by maintenance of liquidity and return on investment.

Bond or loan proceeds for construction funds are to be held in a qualified financial institution separate from the Town's operating accounts.

Arbitrage restricted bond proceeds for construction funds may be held in a separate account and earn applicable interest income and investment income, as guided by the Town's Investment Policy.

Debt Policies

The Town will not use long-term debt to finance expenditures required for operations.

A policy of full disclosure will be followed in all financial reports and official statements for debt.

In no event will the Town levy ad valorem taxes against real property and tangible personal property in excess of 10 mills, except for voted debt levies, as limited by Section 200.081 Florida Statutes.

General capital improvements, or those improvements not related to municipally-owned enterprises, may be funded from General Fund revenues or fund balances, the sale of revenue bonds or general obligation bonds/loans, special revenues, special assessments and grants.

Enterprise funds' capital improvements may be funded from operating revenue or unrestricted net assets, the sale of revenue bonds, loans, special assessments and grants. Enterprise Funds should be able to produce sufficient revenue from service charges to fully recover all direct operating costs and overhead, plus provide for debt service and major capital outlay. The expenditure requirements of the enterprise operating funds will include all expenses of the operations, as well as any debt payments for interest.

Debt Limits

The general obligation (GO) debt limit is 10% of the total assessed taxable value of the Town. This type of debt is also referred to as voted debt. In no event will the Town levy ad valorem taxes against real property and tangible personal property in excess of 10 mills, except for voted debt levies, as limited by Section 200.081 Florida Statutes.

The sale of revenue bonds for capital improvements will be limited to that amount which can be supported from the pledge of the specific revenue.

The sale of revenue bonds for enterprise funds will be limited to that amount which can be supported from user fees generated, or combination of other revenues.

- For FY 2015, the GO debt limit is calculated as $.10 \times \$7,316,721,257 = \$731,672,126$.
- For FY 2015, GO debt service totals \$5,616,279.
- For FY 2015, the millage rate for GO debt service is .8081 mills.

Debt Financing

Consistent with IRS regulations, debt repayment will not exceed the average life of improvements.

Long Term Debt: Annual debt service payments will be level over the life of a bond issue, unless fiscal or other constraints dictate an alternative approach. A policy of full disclosure will be followed in all financial reports and official statements for debt.

Medium Term Debt: Lease-purchase agreements, bonds, loans, or other debt instruments may be used as a medium-term (3-10 years) method of borrowing for the financing of vehicles, specialized types of equipment, or other capital improvements. The equipment or improvement must have an expected life of more than three years. The Town will determine and utilize the least costly financing methods available. Such debt arrangements will be repaid within the expected life of the equipment or improvement acquired.

Short Term Debt: Short-Term borrowing may be utilized as temporary funding for anticipated tax revenue, grant payments and bond proceeds, or for other expected revenues. Anticipated funding is defined as an assured revenue source with the anticipated amount based on conservative estimates. Such borrowing may utilize a short-term note maturing before the end of the current appropriation period. Other short-term debt, such as tax-exempt commercial paper, bond anticipation notes or tax anticipation notes, may be used when it provides immediate financing and an interest advantage, or delays long-term debt until market conditions are more favorable. The Town will determine and utilize the least costly method for short-term borrowing. Short-term debt may be refunded in accordance with applicable Federal laws.

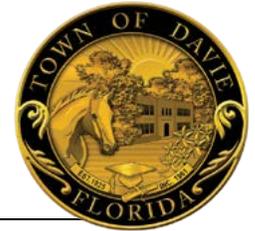
Bond Ratings

The Town shall periodically review actions possible to maintain or improve its bond ratings. The Town shall maintain good communications with bond rating agencies about its financial condition. A policy of full disclosure will be followed in all financial reports and official statements for debt.

Most Recent Bond Ratings

- Moody's Investors Services: A2/A1
- Standard and Poors: A+
- Fitch Rating Services: A/A

Davie at a glance



- Established 1925
- Incorporated 1961
- Land Area in Miles: 35.59
- Five-member Town Council, nonpartisan, an at-large Mayor and four Councilmembers elected by districts
- Town Administrator appointed by the Town Council

Population

1980	20,515
1990	47,143
2000	75,720
2010	91,992
2014	95,499
Median Age	37.3
Number of Households	33,249
Median Household Income	\$58,796
Persons Per Square Mile	2,637



Composition of Population

White, non-Hispanic	57%
Hispanic	29%
African-American	8%
Asian American	5%
Other	1%
High School Graduates	90%
Bachelor's Degree or Higher	30%

Principal Employers	# Employees
Nova Southeastern University	4,037
Actavis (Watson Pharmaceutical)	1,820
Town of Davie	680
Publix Supermarkets	610
Mako Surgical Corp	435

Economics

Property Tax Millage Rate	
Operating Millage Rate	5.0829
Voter Approved Debt	<u>.8081</u>
Total	5.8910

Education Facilities

Number of Public Schools	12
Elementary	7
Middle School	2
High School	3
Students Enrolled at Public Schools	15,100

Town of Davie Bond Ratings

Moody's Investors Services	A2/A1
Standard and Poors	A+
Fitch Rating Services	A/A

Number of Private Schools (K-12)

Number of Private Schools (K-12)	19
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Principal Property Taxpayers

Principal Property Taxpayers	Rank
CC Davie LLC	1
City National Bank of FL Trustee	2
GSG Residential Sunforest LLC	3
FR Tower Shops LLC	4
CRP-GREP College Crossings LLC	5

Accredited Higher Education Institutions

Accredited Higher Education Institutions	7
Nova Southeastern University	
Florida Atlantic University	
University of Florida	
Broward College	
McFatter Vocational	
Broward County Fire Academy	
Broward County Police Academy	

Town Staff

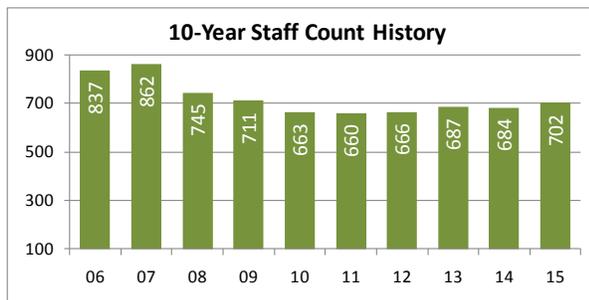
Full-Time	635
Part-Time	40
Part-Time Seasonal	22
Mayor & Town Council	5
Total Budgeted Positions	702

Police

Sworn Police Officers	185
School Resource Officers	5
Contract SROs	2
Campus Police Officers	6
Number of Calls	74,000
Arrests	3,300
Citations	15,600

Fire Rescue

Certified Firefighters	148
Number of Calls	13,121
Fire Inspections	4,926
Davie Fire Stations	5
Fires – Value Saved (Structures/Vehicles)	\$52,713,905



Parks, Recreation & Cultural Arts

Number of Town Parks	43
Acreage of Town Parks	882
County Parks in Davie	5
Acreage of County Parks	928
Recreation Attendance	500,000
Sports Program Participants	3,227
Summer Camp Participants	510
Aquatics Program Participants	91,895
Multipurpose Open Gym Usage	2,314
Athletic Field Rentals	884
Rodeo Arena Rental Days	214
Arena and Special Events Attendance	113,000
Meeting Room Rentals	2,090
Shelter Rentals	410
Volunteer Hours	117,900



Building & Engineering Divisions

Building Permits	6,000
Building Inspections	24,000
Engineering Permits	111
Engineering Inspections	2,778

Public Works

Roadways Miles Maintained	210
Paved Rec. Trails Miles Maintained	122
Equestrian Trails	65
Parks & Open Space Maintained	43
Trees Maintained (approximately)	10,100
Structures Maintained (243,392 s/f)	222
Drainage Structures Maintained	3,486
Street Lamps	5,828
Sports Lights	1,200
Irrigation Pumps	58

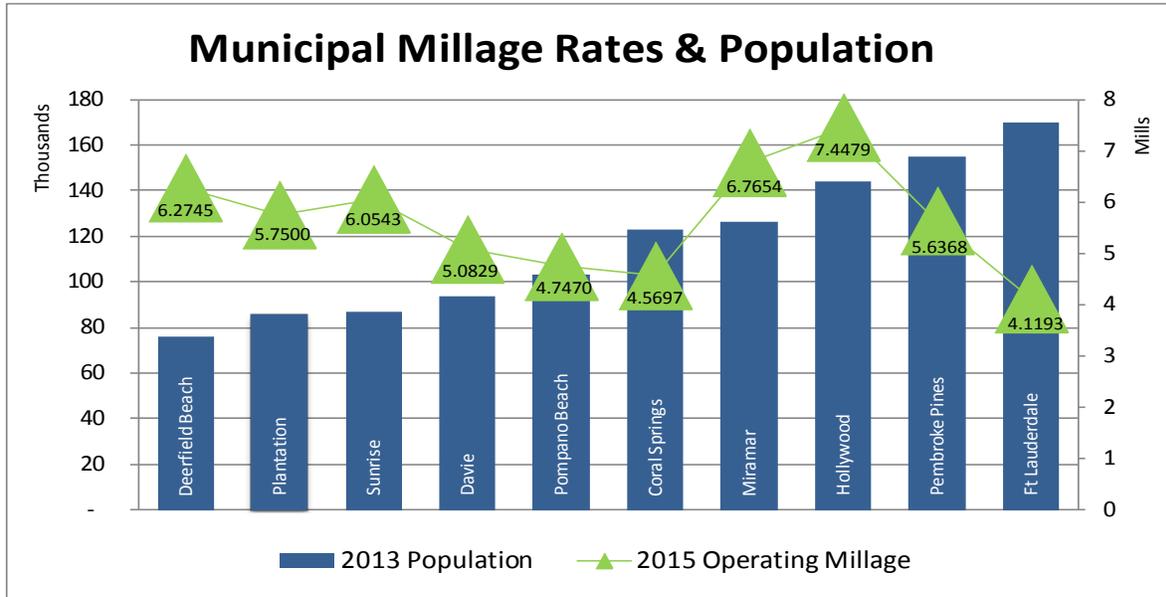
Utility District

Size in square miles (approximately)	12
Miles of Water Lines	163
Fire Hydrants	1,303
Miles Gravity Sewer Mains	72
Miles Force Main Piping	28
Miles of Reuse Piping	3
Manholes	1,675
Lift Stations	62
Water Treatment Capacity	10.0 MGD*
Wastewater Treatment Capacity	8.3 MGD*
Average Water Flow	3.9 MGD*
Average Wastewater Flow	3.5 MGD*
Number of Accounts	9,721
Est. Population Served	34,024

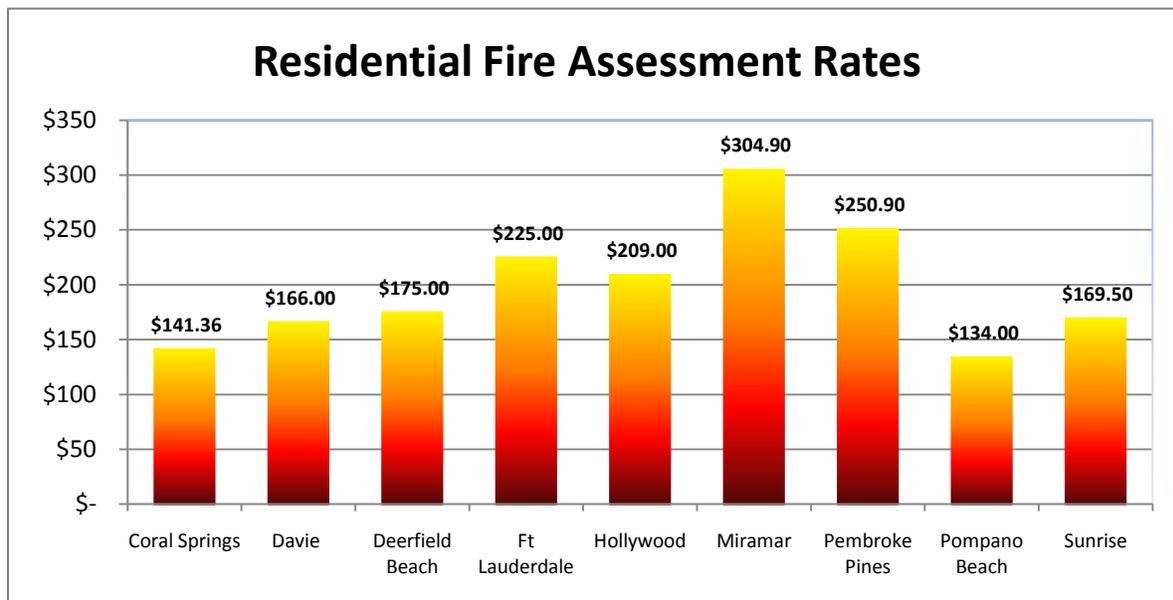
*MGD = Million Gallons per Day

How Does Davie Compare?

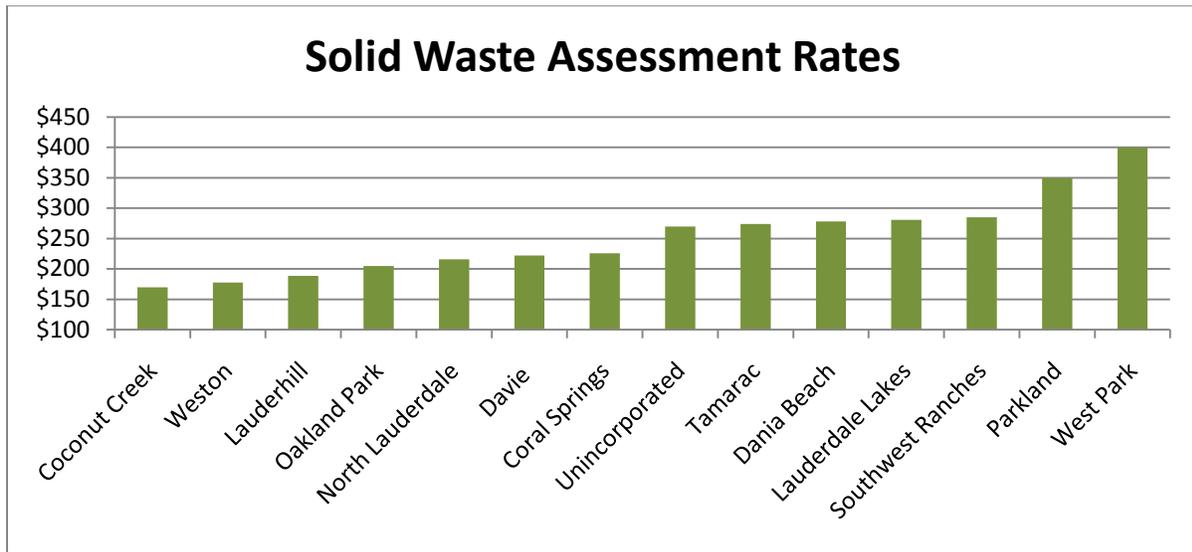
Property Taxes - The Town of Davie has one of the lowest operating millage rates in Broward County. Out of thirty-one municipalities in the County, only nine assessed a lower tax rate than Davie for FY 2015. Of similarly populated municipalities, Davie has the lowest millage rate. The chart below compares the FY 2015 millage rates of ten Broward municipalities in relation to their population, including those with similar population to Davie and the largest municipalities in the county.



Fire Assessment - Davie's residential fire assessment rate is also one of the lowest in Broward County. Out of twenty-six municipalities with this assessment, nine assessed a lower rate. The lowest fire assessment rate in the County is \$90.34 per year, while the highest is \$474.36 per year. The chart below compares Davie's FY 2015 fire assessment rate with other comparable Broward County municipalities.



Solid Waste Assessment - Not all municipalities in Broward County implement an annual solid waste assessment for garbage collection and disposal. Some bill property owners directly monthly or quarterly. Davie's \$222.23 solid waste assessment for FY 2015 is comparable to the other municipalities with such an assessment, as seen in the chart below.



Housing Market / Foreclosures - South Florida was one of the most impacted areas of the country for the housing crisis. One indicator of the hardest hit areas, and of market recovery, is the number of foreclosures in the community. The chart below shows Davie's foreclosure history compared to other Broward municipalities.

City	2009	2010	2011	2012	2013	2014 YTD*	Total
Lauderdale Lakes	225	293	214	201	192	148	1,273
Weston	329	392	280	257	205	155	1,618
Hallandale Beach	355	490	278	289	248	162	1,822
Coconut Creek	417	564	308	351	266	200	2,106
North Lauderdale	472	656	340	342	327	190	2,327
Davie	445	578	337	400	354	219	2,333
Oakland Park	579	719	333	393	309	271	2,604
Margate	574	696	346	435	385	277	2,713
Plantation	502	663	467	504	413	279	2,828
Deerfield Beach	755	927	443	468	377	298	3,268
Lauderhill	605	843	536	671	573	407	3,635
Tamarac	710	1,020	523	662	595	471	3,981
Sunrise	797	1,061	607	787	672	451	4,375
Pompano Beach	944	1,181	668	754	570	405	4,522
Pembroke Pines	950	1,264	755	845	702	521	5,037
Coral Springs	1,167	1,390	742	823	738	498	5,358
Miramar	1,185	1,383	786	848	778	516	5,496
Hollywood	1,184	1,587	782	800	715	530	5,598
Fort Lauderdale	1,388	1,623	796	797	741	525	5,870

* 2014 YTD is through August 2014.

HISTORY IN BRIEF

Archaeological records of human settlement in Davie date to 1000 B.C.E. when the ancient Tequesta Indians lived on a string of islands in the Everglades west of Fort Lauderdale. In the 19th Century, these islands became some of the first permanent settlement sites of the Seminole Indians. U.S. Military expeditions of the islands in 1841 documented three villages, dancing grounds, crops and “an immense number of fleas, cockroaches and mosquitoes.”

In 1905, Florida Governor Napoleon Broward called for a giant “land reclamation project” that would aggressively drain portions of the Everglades and reclaim that land for agriculture. In 1906, Robert Parsell (R.P.) Davie, a Colorado developer, bought about 27,000 acres from the State. Other developers did likewise. Construction of irrigation and drainage canals was begun and smaller parcels of land began to be sold to persons all over the country who responded to Davie’s ads for the “First Improved Town in the Everglades.”



Lawrence Hotel - the oldest building still standing in Davie. Located on Griffin Road west of Davie Road

Permanent settlers began to arrive in the area around 1909 from Michigan, Kentucky, Illinois and the Panama Canal Zone. At that time, the area could still only be accessed by boat on the New River from Fort Lauderdale. A rock road wouldn’t be built until 1917. Finding the frontier terrain and its problems similar to the canal zone, the pioneers named the swampy area Zona. Around 1910, R.P. Davie and the Everglades Sugar & Land Company built a school in Zona. In 1916, the people of the town renamed the town “Davie” after him in recognition of the school and other services. In 1918, the school was replaced by a two story permanent structure named Davie School. This school is now recognized as the first permanent school in the Everglades and is listed on the National Register of Historic Places.

In 1925, the agricultural-based Town of Davie was officially incorporated, but was subsequently dissolved as a municipal corporation by the State of Florida when local residents failed to adopt the necessary taxing powers. The hurricane of 1926 caused massive flooding and destroyed much of the area, but by 1928 the settlers again had homes, productive farms, a school, a church, and a general store including a dock and ice house. Irrigation and drainage canals had improved the terrain, and though there were a few roads connecting Davie with the outside world, mail and supplies came in weekly by boat.

Throughout the next three decades, Davie continued to develop as an agricultural community known for its orange groves, vegetables, cattle farms, horses and rodeo. During the Second World War, Davie was home to the Navy’s flight training base located at Forman Field.

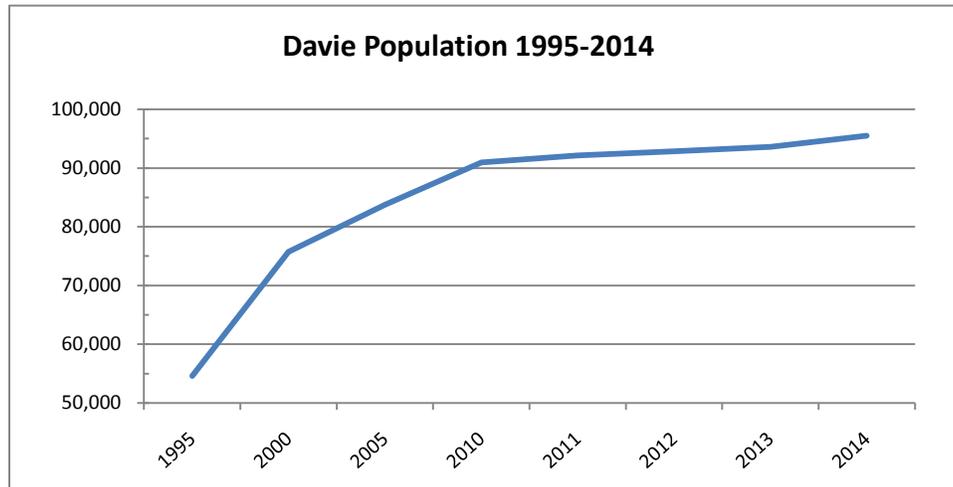


Davie School circa 1919

The Town of Davie was reincorporated in 1961, and largely remained an agricultural community until the 1990s. Today, the Town is a vibrant and diverse community of approximately 95,500 residents, a 26% increase in population since 2000. In urban South Florida, Davie is known for its unique lush landscape, rural atmosphere, western theme downtown area, rodeo arena and higher education opportunities.

The Town’s rapid growth in the 1990s and early 2000s has been accompanied by a

tremendous effort to provide for land preservation. Davie implemented the State's first open space program, has acquired a considerable amount of land and developed connecting trails between its parks and open space areas. The Town currently has 43 parks and 5 County parks totaling 1,810 park acres and more than 220 miles of trails. Between 2000 and 2008, joint land preservation efforts by Davie, Broward County and the State of Florida preserved 269 acres of conservation land, green space and/or open space in the Town. An additional 56 acres were preserved through the county's purchase of property development rights.



Davie is proud to house the South Florida Education Center (SFEC) – the largest higher education center in the State. Home to Nova Southeastern University (NSU) and satellites of five other colleges, much expansion has been seen during the past ten years, particularly on the NSU and Florida Atlantic University campuses. Other college and university facilities at the SFEC include the University of Florida, Florida Atlantic University, Florida International University, Broward College and McFatter Technical School. The Miami Dolphins training camp, NSU Medical School, Law School, School of Dentistry, Broward County Library, and the Huizenga Graduate School of Business have brought new interest and growth to the properties surrounding the campuses. This area, known as the Regional Activity Center, is noted as the economic engine of the Town. It is estimated that 40,000 students and faculty a day visit Davie's higher education facilities.

Under Florida law, the Town of Davie is considered a Municipal Corporation, and the Town exists as a Council-Administrator form of municipal government. The Mayor is elected by all registered voters of the Town, while the four Council members are elected only by the registered voters of a specific district. The Mayor serves as chairperson of public meetings and executes certain documents authorized by charter, ordinance, or resolution. Each elected official currently serves a three-year term of office. A charter amendment approved by the Davie electorate in 2013 revises these terms to four years commencing in 2018. The Council appoints the Town Administrator and the Town Attorney. The Town Administrator appoints Department Directors. Department Directors have the primary responsibility to hire and terminate employees; however, the final decision ultimately rests with the Town Administrator.

Location

While part of the greater Fort Lauderdale metropolitan area, the Town of Davie has maintained much of its pioneering heritage and rural lifestyle. Agriculture, though still present and important to the Town, has given way to higher education facilities and research and development centers. The Town has grown to approximately 36 square miles. The Town's open space, recreational programs, and western themed downtown are a source of great civic pride.

The Town of Davie is centrally located in Broward County, Florida, just southwest of Fort Lauderdale. Davie is approximately five (5) miles from the Atlantic Ocean, five (5) miles from the Florida Everglades Conservation Areas,

and approximately sixteen (16) miles from both Miami and Boca Raton. The Town's municipal neighbors to the north include Plantation and Sunrise. Adjacent to the south is Cooper City, Southwest Ranches, Hollywood and Pembroke Pines. The City of Weston lies along the Town's western limits. Unincorporated Broward County, Fort Lauderdale and Dania Beach adjoin to the east of the Town.

With modern port facilities and a world-class airport only moments away and linked by several interstate and toll highways, the Town has proven to be a mecca for individuals and businesses wishing to be part of the growing South Florida community. Only twenty minutes from downtown Miami, and less than half that to Fort Lauderdale, Davie has capitalized on its central and important location.

