



Town Council Budget Workshop Introduction

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Town Administrator
June 7, 2017



FY 2018 Strategic and Budget Objectives

- Fiscal Stability
- Transformative Redevelopment
- Embracing the Technology Movement



FY 2018 Budget Outlook

- Eliminate budget gap in the General Fund
- Maintain the Operating Millage Rate
- Reduction of Debt Service Millage Rate
- Analyze the Fire Assessment Methodology Report
- Solid Waste Assessment – reviewing options
- Excludes Transfer of .1 mills for the Capital Improvement Program (CIP)



Agenda

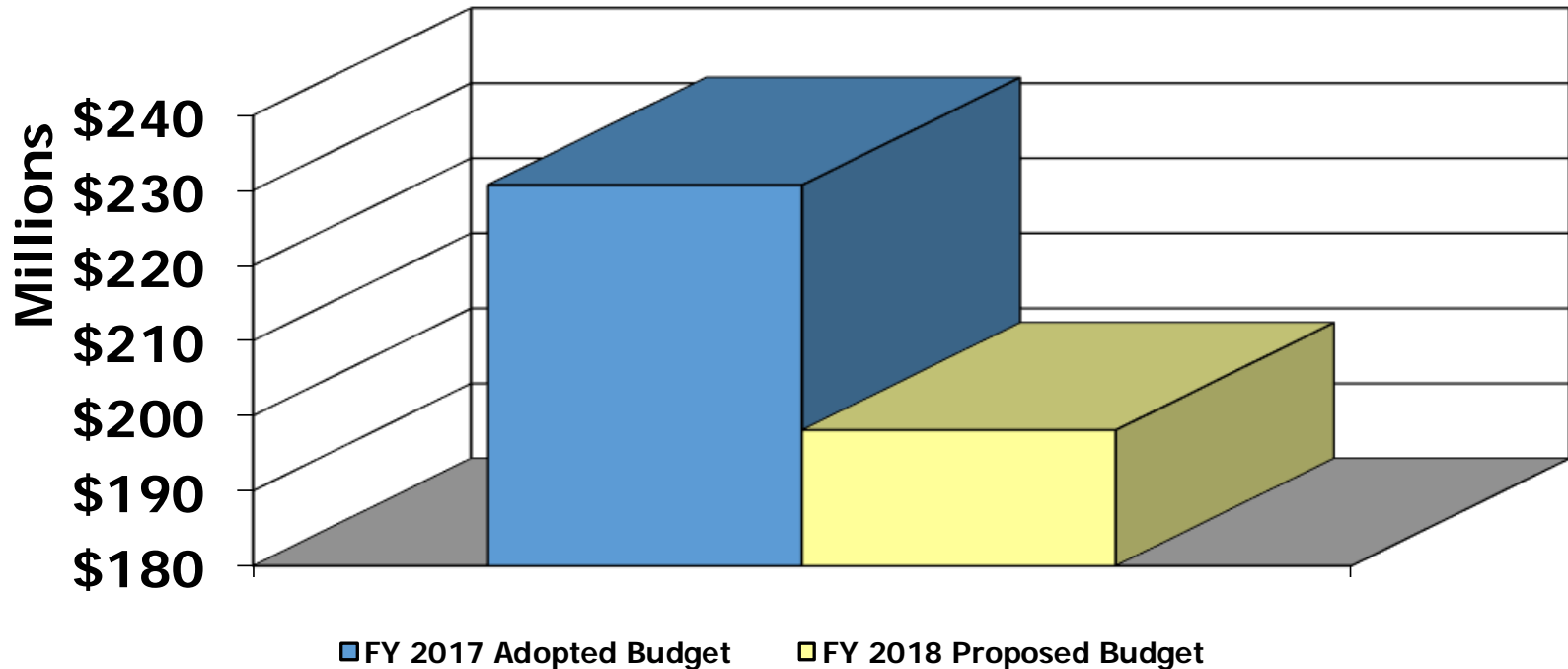
- Focus on the General Fund
- Compare Original FY17 Budget to Proposed FY 18
 - Significant Changes – Revenue & Expenses
- Property Taxes
- General Fund Reserves
- Position Changes
- Debt Service
- Impact on Homeowner
- Next Steps



Town of Davie FY 2018 Budget



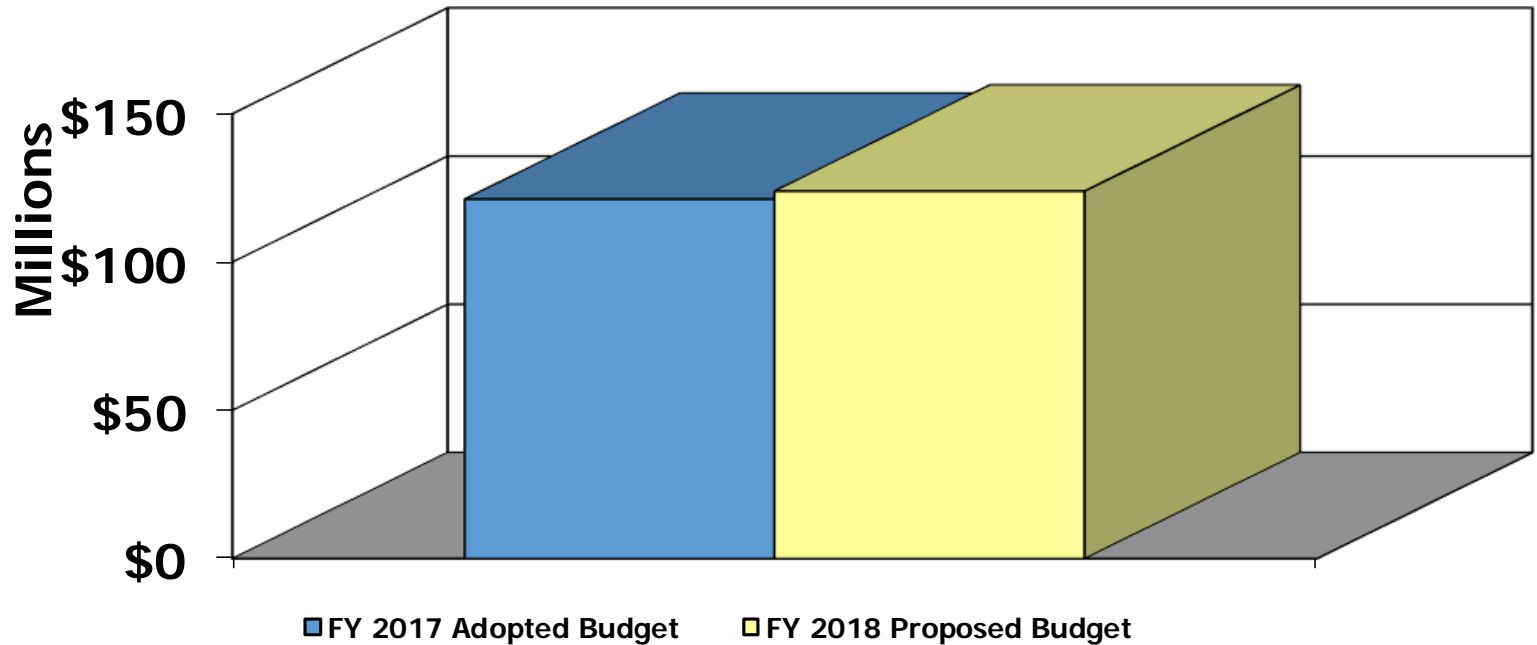
Town of Davie Proposed Budget



Adopted FY 2017 Budget - \$230.7 Million
Proposed FY 2018 Budget - \$198.1 Million
Decrease of \$32.6 million, or 14.1%



General Fund Proposed Budget



Adopted FY 2017 Budget - \$121.2 Million
Proposed FY 2018 Budget - \$123.9 Million
Increase of \$2.7 million or 2.3%



FY 2018 Proposed Budget

General Fund Summary

FY2018 Projected Revenues	\$122,661,710
FY2018 Projected Expenditures:	- <u>\$ 123,938,748</u>
Deficit	(\$1,277,038)



FY 2018 Budgeted Revenues Compared to FY 2017 Budget

- Ad Valorem: \$3.0 million Increase
- Fire Assessment: pending adoption of new methodology report
- Waste Management Franch. Fees: \$197k Increase
- FP&L Franchise Fees: \$325k Decrease
- Court Fines: \$175k Decrease
- Half Cent Sales Tax: \$204k Increase

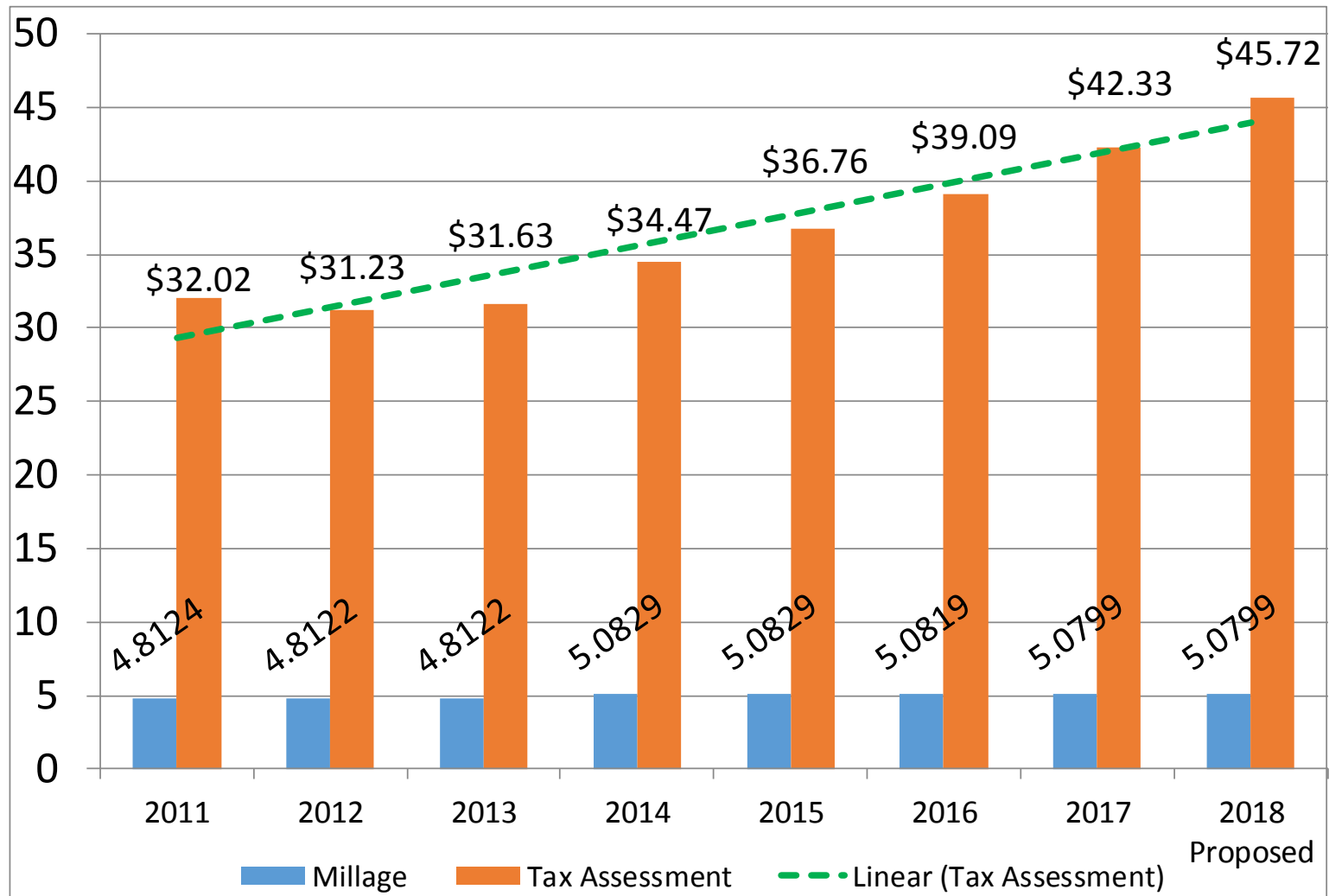


FY 2018 Budgeted Revenues Compared to FY 2017 Budget

- SWR Contractual Services: \$515k Increase
- PRCA Revenue: \$105k Increase
- Communications Services Taxes: \$534k Decrease
- Use of Reserves:
 - Frontloading: \$698k Increase
 - Building Division: \$249k Increase
- Use of Reserves for CIP: \$2.5 million Decrease
- Planning & Landscaping Fee Schedule: \$158k



Property Tax Assessment & Millage Rate Comparison (\$ millions)





Millage Rate & Tax Assessment

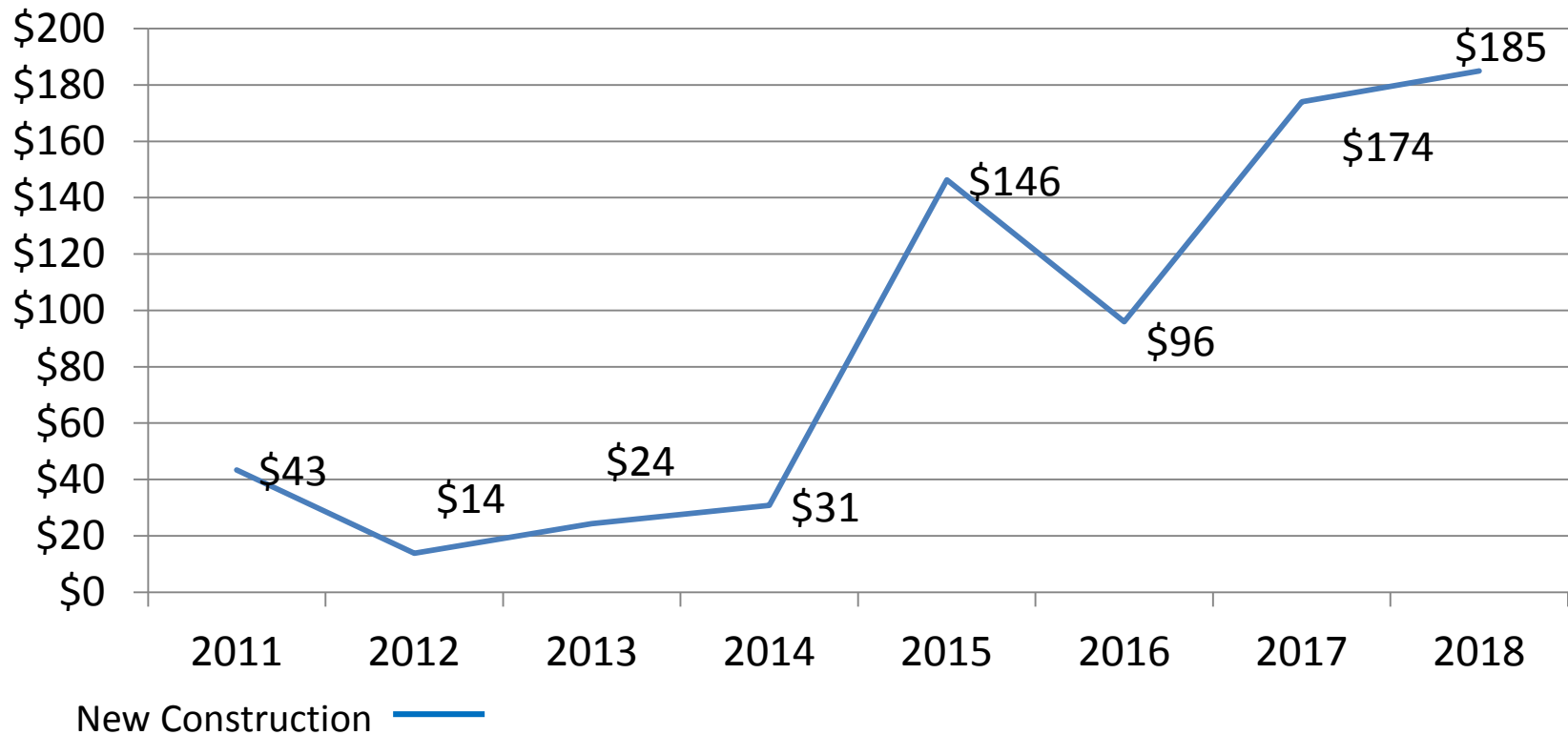
Fiscal Year	Millage	Gross Taxable Value	Tax Assessment
2007	4.9879	\$7,502,023,626	\$37,419,344
2008	4.1215	\$8,482,011,941	\$34,958,612
2009	4.2456	\$8,195,293,709	\$34,531,838
2010	4.8124	\$7,385,029,317	\$35,539,715
2011	4.8124	\$6,711,266,748	\$32,297,300
2012	4.8122	\$6,572,436,113	\$31,627,877
2013	4.8122	\$6,614,262,744	\$31,829,155
2014	5.0829	\$6,828,101,369	\$34,706,556
2015	5.0829	\$7,316,721,257	\$37,190,162
2016	5.0819	\$7,750,245,282	\$39,385,971
2017	5.0799	\$8,333,580,493	\$42,595,067
2018 Proposed	5.0799	\$9,080,329,048	\$45,719,100



Economic Development

(\$ in millions)

Net New Taxable Value



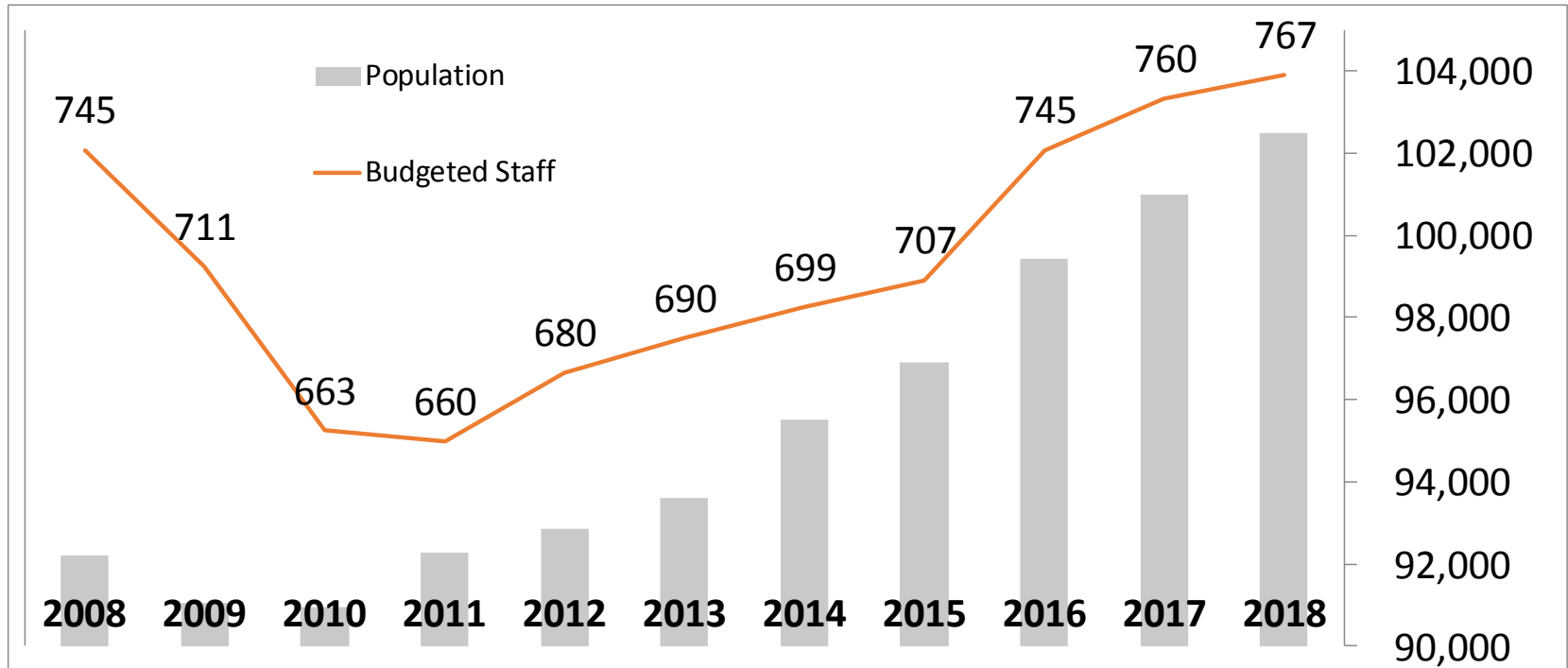


Millage Rate Scenarios

- **Proposed millage rate: 5.0799**
 - Allowable with 2/3 vote
 - Advertised tax increase
 - Estimated ad valorem revenue of \$43,820,805 (at 95% receipt rate)
- **Est. Rolled-back millage rate: 4.7713**
 - Allowable with simple majority vote
 - No advertised tax increase
 - Estimated ad valorem revenue decrease \$2,662,080 (at 95% receipt rate)
- **Est. Maximum majority vote millage rate: 4.9197**
 - Allowable with simple majority vote
 - Advertised tax increase
 - Estimated ad valorem revenue decrease \$1,381,935 (at 95% receipt rate)



Population to Staff





Broward County Municipal Millage Rates

1	West Park	8.6500	17	Wilton Manors	5.9900
2	Lauderdale Lakes	8.5000	18	Plantation	5.9000
3	Pembroke Park	8.5000	19	Pembroke Pines	5.6736
4	Lauderhill	7.5898	20	Hallandale Beach	5.1918
5	North Lauderdale	7.5000	21	Davie	5.0799
6	Sea Ranch	7.5000	22	Pompano Beach	4.8252
7	Hollywood	7.4479	23	Coral Springs	4.7982
8	Tamarac	7.2899	24	Lazy Lake	4.7931
9	Miramar	6.7654	25	SW Ranches	4.4629
10	Margate	6.4554	26	Fort Lauderdale	4.1193
11	Cooper City	6.3847	27	Parkland	3.9800
12	Oakland Park	6.1555	28	Lauderdale by the Sea	3.6873
13	Coconut Creek	6.1370	29	Lighthouse Point	3.5893
14	Sunrise	6.0543	30	Hillsboro Beach	3.5000
15	Deerfield Beach	6.0493	31	Weston	2.3900
16	Dania Beach	5.9998	32	Unincorporated	2.3353



Broward County Residential Fire Assessment Rates

1	Southwest Ranches	\$448.13
2	Lauderhill	\$438.00
3	Weston	\$426.90
4	West Park	\$381.00
5	Miramar	\$372.84
6	Tamarac	\$350.00
7	Lauderdale Lakes	\$292.60
8	Pembroke Pines	\$261.28
9	Fort Lauderdale	\$256.00
10	Margate	\$225.00
11	Hollywood	\$222.00
12	Wilton Manors	\$210.18
13	Parkland	\$210.00
14	Dania Beach	\$200.00

15	Sunrise	\$199.50
16	Oakland Park	\$199.00
17	Hallandale Beach	\$198.00
18	North Lauderdale	\$197.00
19	Unincorporated	\$190.00
20	Davie	\$189.00
21	Coconut Creek	\$177.79
22	Deerfield Beach	\$175.00
23	Cooper City	\$161.28
24	Coral Springs	\$155.00
25	Pompano Beach	\$134.00
26	Lauderdale by the Sea	\$129.85
27	Lighthouse Point	\$ 90.34



FY 2018 Significant Nonrecurring Revenue

- One-time revenue sources (SAFER) - \$373k
- General Fund Reserves (Frontloading) - \$698k
- Building Reserves - \$249K



CIP Funding

- Facts
 - The Town formalized a partial funding source for CIP
 - \$0 set aside for FY 2018 CIP
 - CIP has had several different funding options over the years (reserves, operating revenue, bonds, other funding sources)
- Issue
 - Aging infrastructure and a growing municipality
 - CIP needs are expected to continue to grow



General Fund Reserves

- Town Resolution to maintain:
 - Emergency reserve amount equal to 25% of the General Fund Budget
 - Future unanticipated expenditures (i.e. infrastructure, equipment or multiple hurricanes/disasters) reserve amount up to 3% of the General Fund Budget
- 28% of FY 2018 Proposed Budget - \$34.7 million

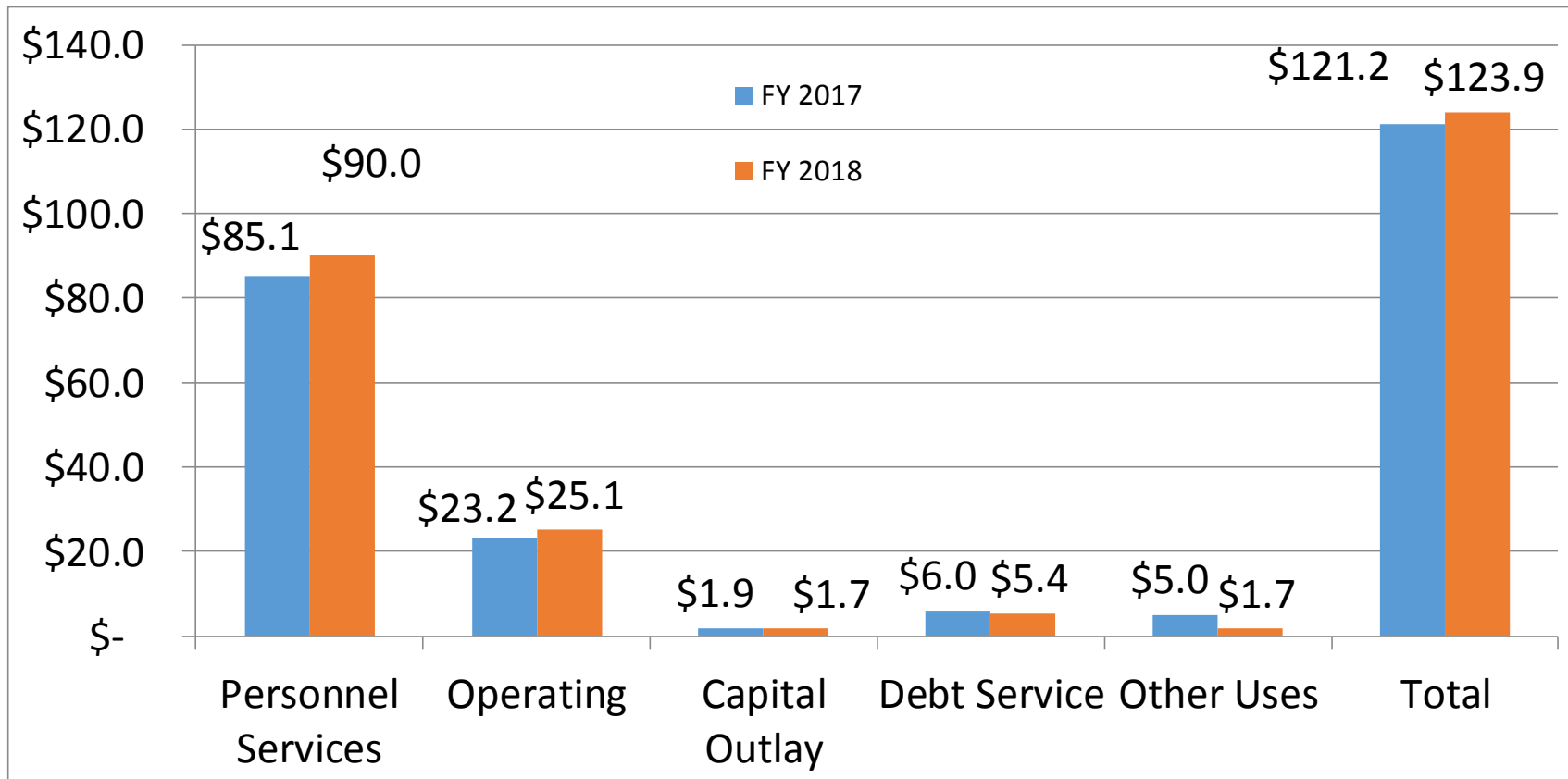


General Fund Reserves

- Significant pending items that may impact Reserves:
 - CIP Funding Source
 - Farm Park
 - Golf Clubhouse
 - Union contract negotiations



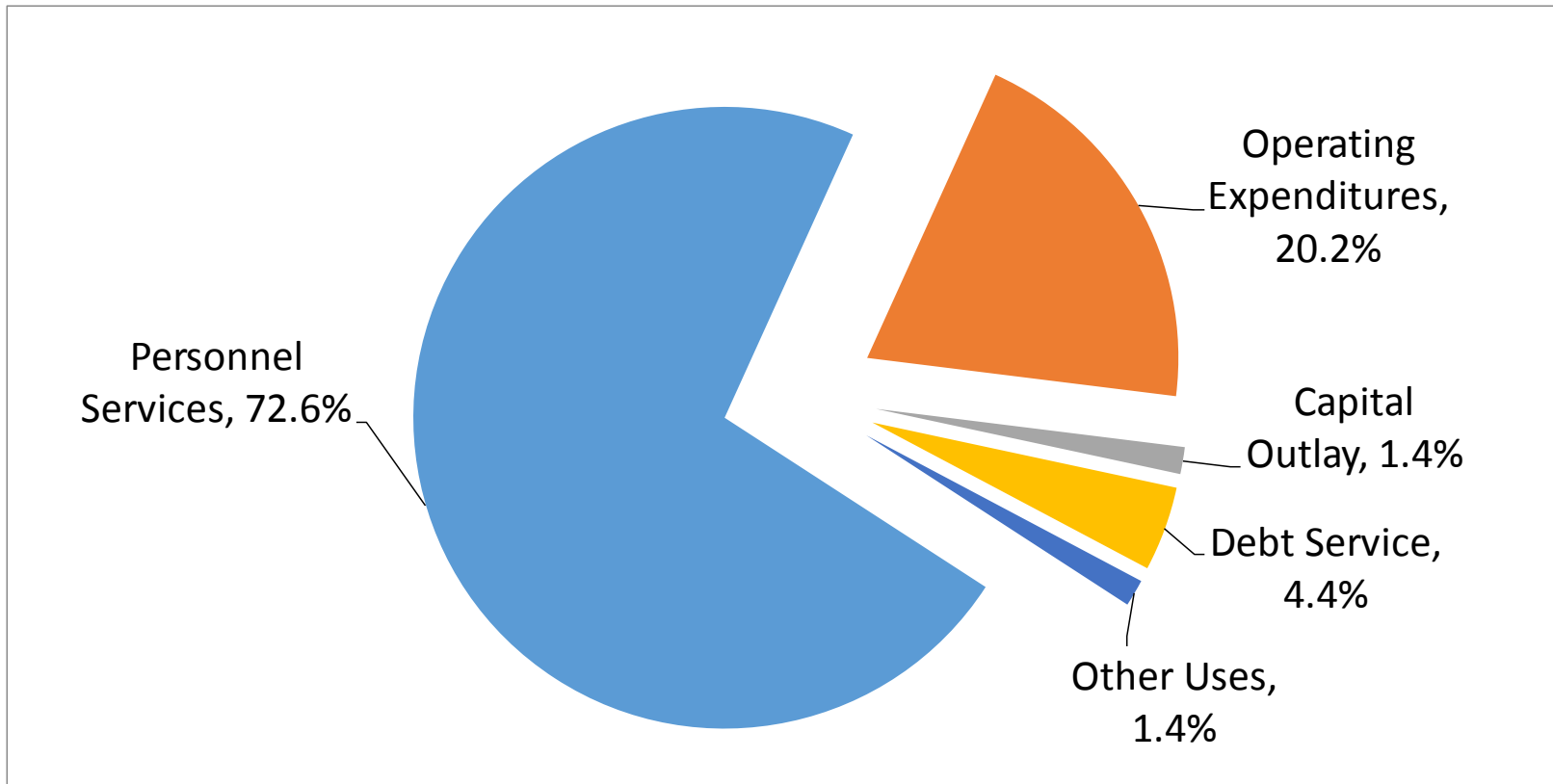
General Fund Expenditures (in millions)



Adopted FY 2017 Budget - \$121.2 Million
Proposed FY 2018 Budget - \$123.9 Million
Increase of \$2.7 million or 2.2%

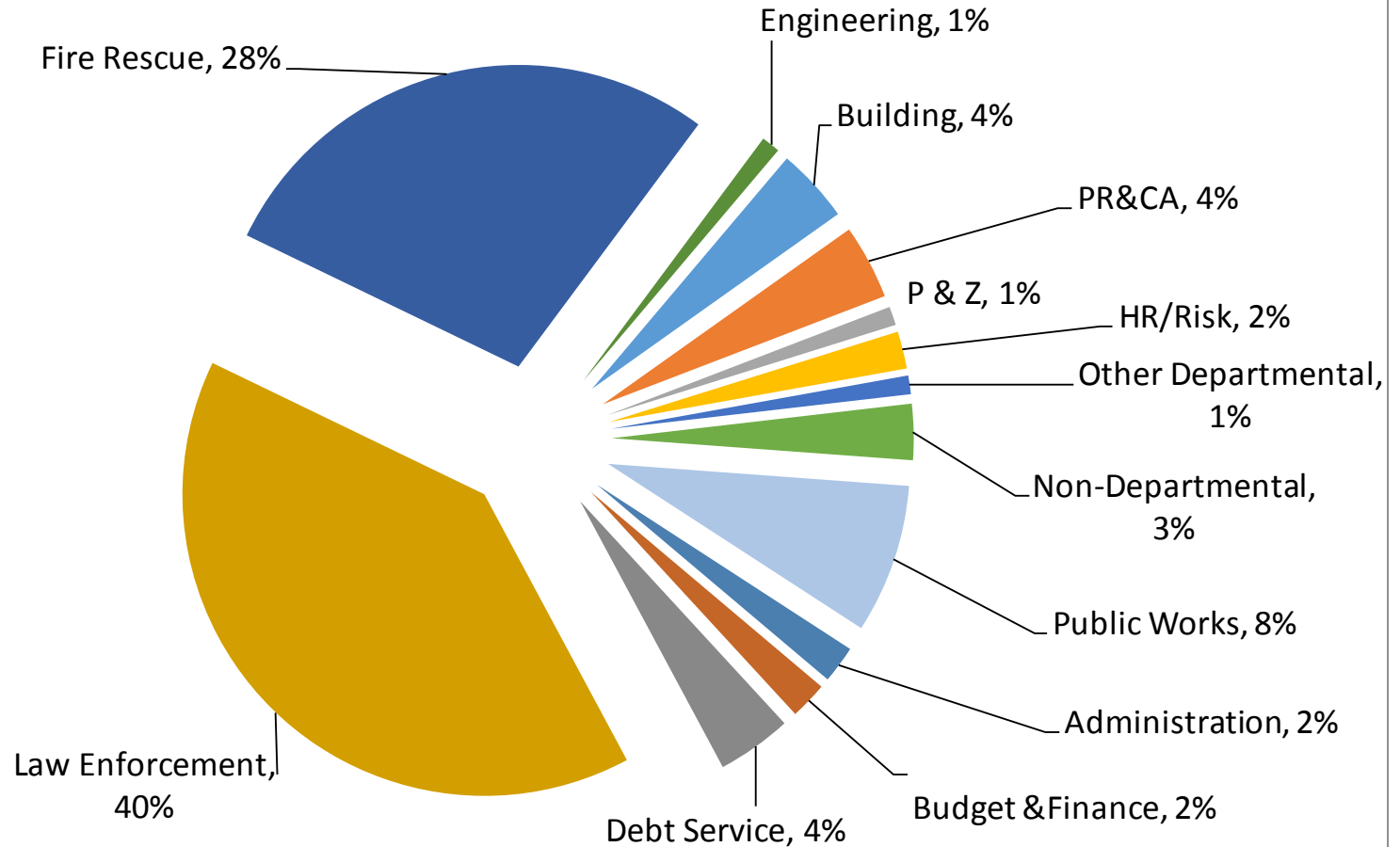


Projected 2018 General Fund Expenditures by Category





Projected 2018 General Fund Expenditures by Department





Budgeted Expenditure Increases / Decreases by Department from FY 2017 to FY 2018

DEPARTMENT	FY 2017 Original	FY 2018 Proposed	Percent Increase/ Decrease
Town Administrator	\$ 2,540,566	\$ 2,723,357	7%
Town Attorney	451,554	421,753	-7%
Law Enforcement	45,957,682	49,366,019	7%
Fire Rescue	33,533,216	34,571,576	3%
Building Division	3,460,405	4,583,111	32%
Engineering Division	1,286,850	1,390,191	8%
Planning & Zoning Division	1,333,081	1,472,659	10%
Public Works	8,871,672	9,369,871	6%
Parks, Rec. & Cultural Arts	5,069,935	5,314,924	5%
Human Resources	1,015,961	1,087,838	7%
Risk Management	1,708,097	1,717,166	1%
Budget & Finance	2,337,895	2,400,256	3%
Town Clerk	598,848	631,663	5%
Community Services Div.	460,832	346,862	-25%
Debt Service	5,968,258	5,404,168	-9%
Non-Departmental	6,612,651	3,137,334	-53%
EXPENDITURE TOTALS	\$ 121,207,503	\$ 123,938,748	2%

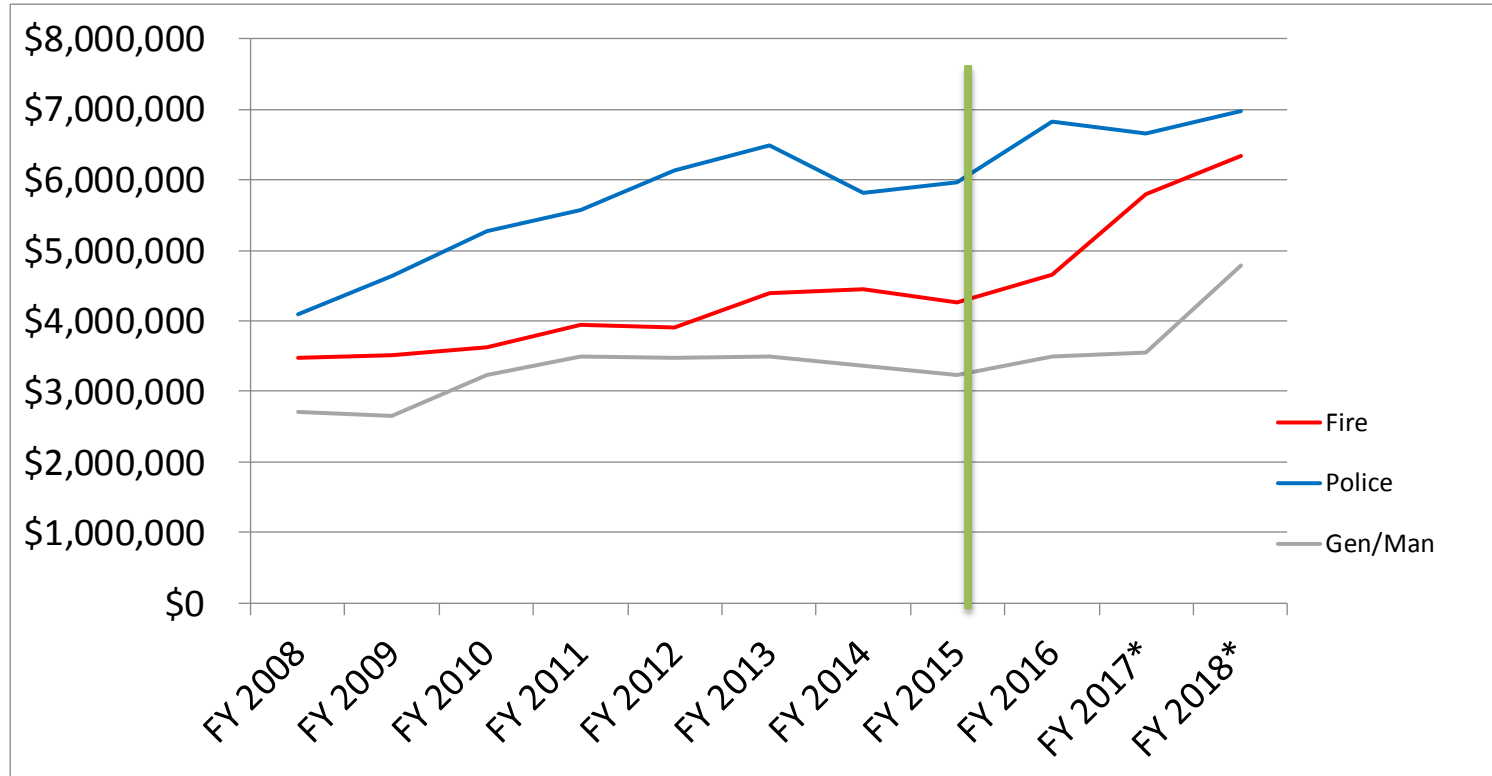


Personnel Summary COLAs/Steps Budgeted for FY 2018 (all funds)

- FOPA Civilian (contractual) - \$723k
 - 3% COLA in October 2017
 - 5% or 2.5% Step in October 2017
- Police - \$0
 - Just settled on a contract
- Fire - \$0
 - Under contract negotiations
- Battalion Chiefs - \$0
 - Under contract negotiations
- Non-Represented Employees – \$0



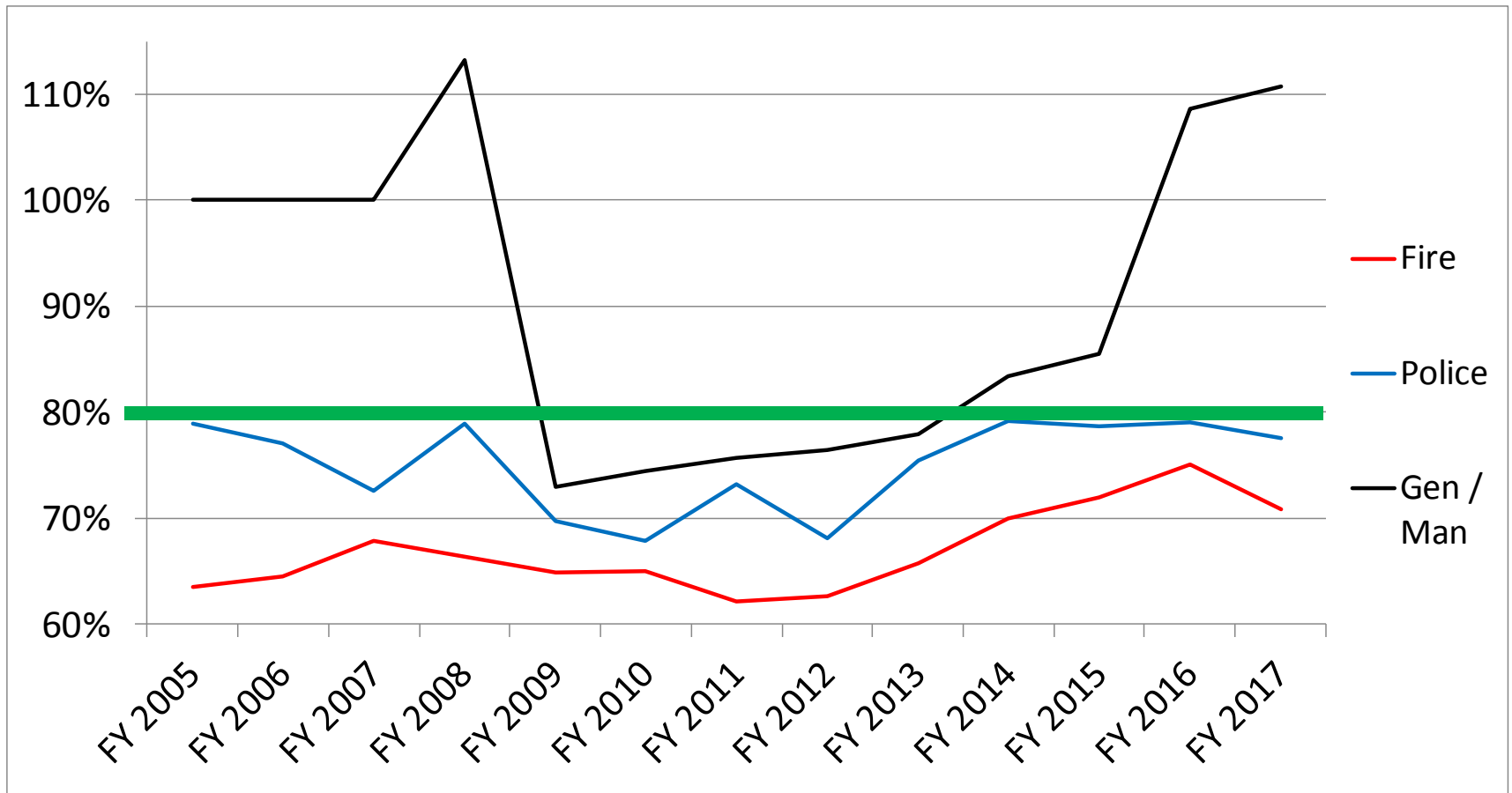
Pension Costs (all funds)



* Budgeted



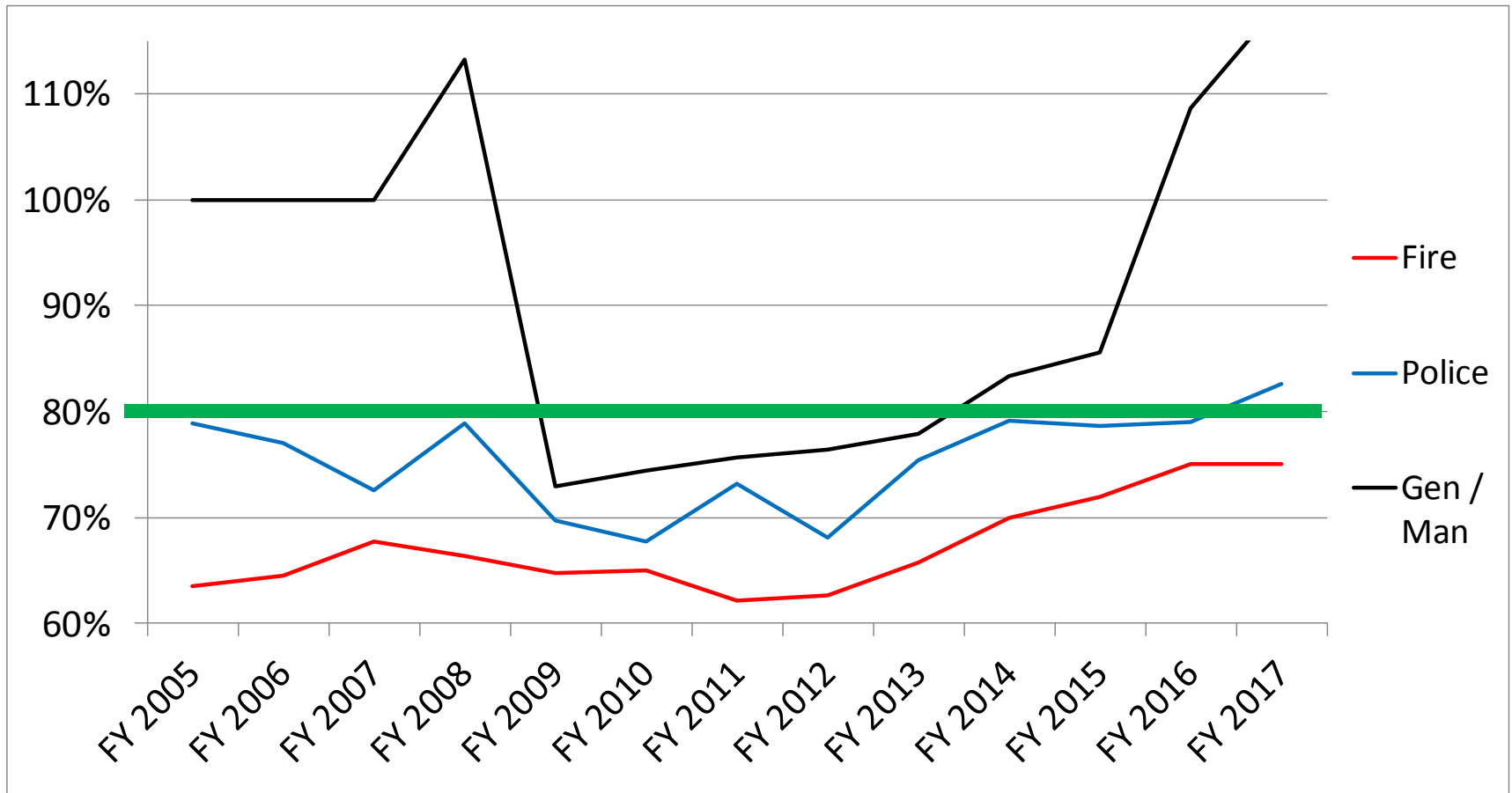
Funding Level – Mortality Table



Goal – 100% Funded; Benchmark – 80%



Funding Level – Without Mortality Table



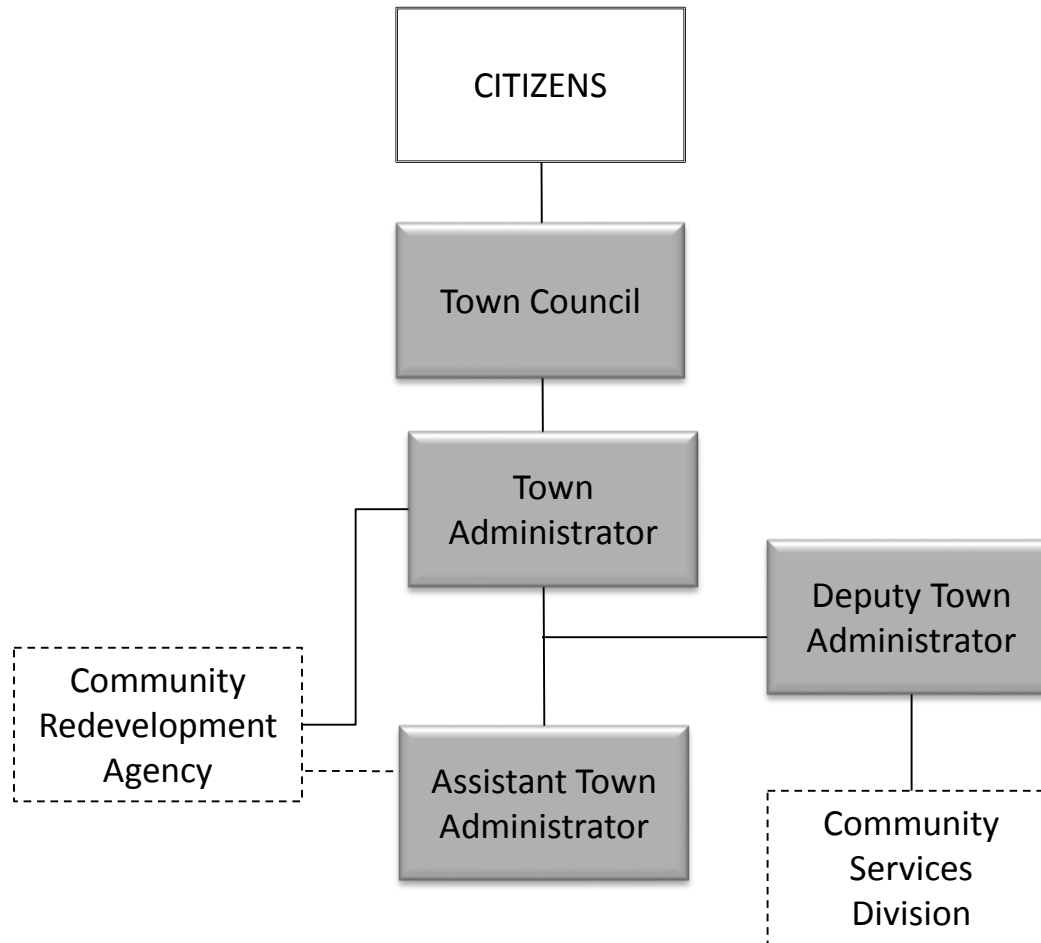
Goal – 100% Funded; Benchmark – 80%



Organization and Position Changes



Changes to the FY 2018 Table of Organization





Positions Adjustments for FY 2018

- Human Resources Department
 - Add Human Resources Manager
 - Eliminate Assistant Human Resources Director
 - Reclassify Admin. Aide to HR Coordinator
- Community Redevelopment Agency
 - Add Secretary Confidential
 - Eliminate CRA Coordinator
 - Reclassify Comm. Development Dir. to CRA Director
- Community Services Division
 - Reclassify Oper. & Man. Prof. I to Community Services Mgr



Positions Adjustments for FY 2018

- Police Department
 - Add 2 Police Officers
 - Add Facility Manager (Mounted Unit)
 - Add Police Support Technician
 - Reclassify Administrative Secretary to Office Supervisor
- Fire
 - Add Fire Inspector
 - Reclassify 3 FF/Paramedics to Captains
- Building Division
 - Add Permit Clerk



Positions Adjustments for FY 2018

- Town Administrator Department
 - Eliminate Temporary Public Relations Assistant
- Town Attorney
 - Add Part-Time Secretary Confidential
 - Eliminate Full-Time Secretary Confidential
- Town Clerk's Office
 - Add Records Coordinator
 - Eliminate Office Assistant
 - Equity Adjustment for Deputy Town Clerk
- Budget and Finance Department
 - Add Temporary Accounting Manager



Positions Adjustments for FY 2018

- Information Technology Department
 - Add IT Applications Manager
 - Equity Adjustment
 - » MIS Librarian
 - » Database Analyst
- Utilities
 - Add Utilities Maintenance Supervisor
 - Eliminate Utilities Maintenance Mechanic
 - Reclassify Lift Station Oper. I to Lift Station Operator II
 - Equity Adjustment for Project Manager



Positions Adjustments for FY 2018

- Public Works Department
 - Add Electrician
 - Eliminate Maintenance Tech I
 - Add Clerk Typist I – Full Time
 - Eliminate Clerk Typist I – Part Time
 - Reclassify 2 Maint. Tech I to Maint. Tech II
- Parks, Recreation & Cultural Arts Department
 - Add Crew Leader
 - Eliminate Part Time Pool Lifeguard Regular



Impact on Property Owner



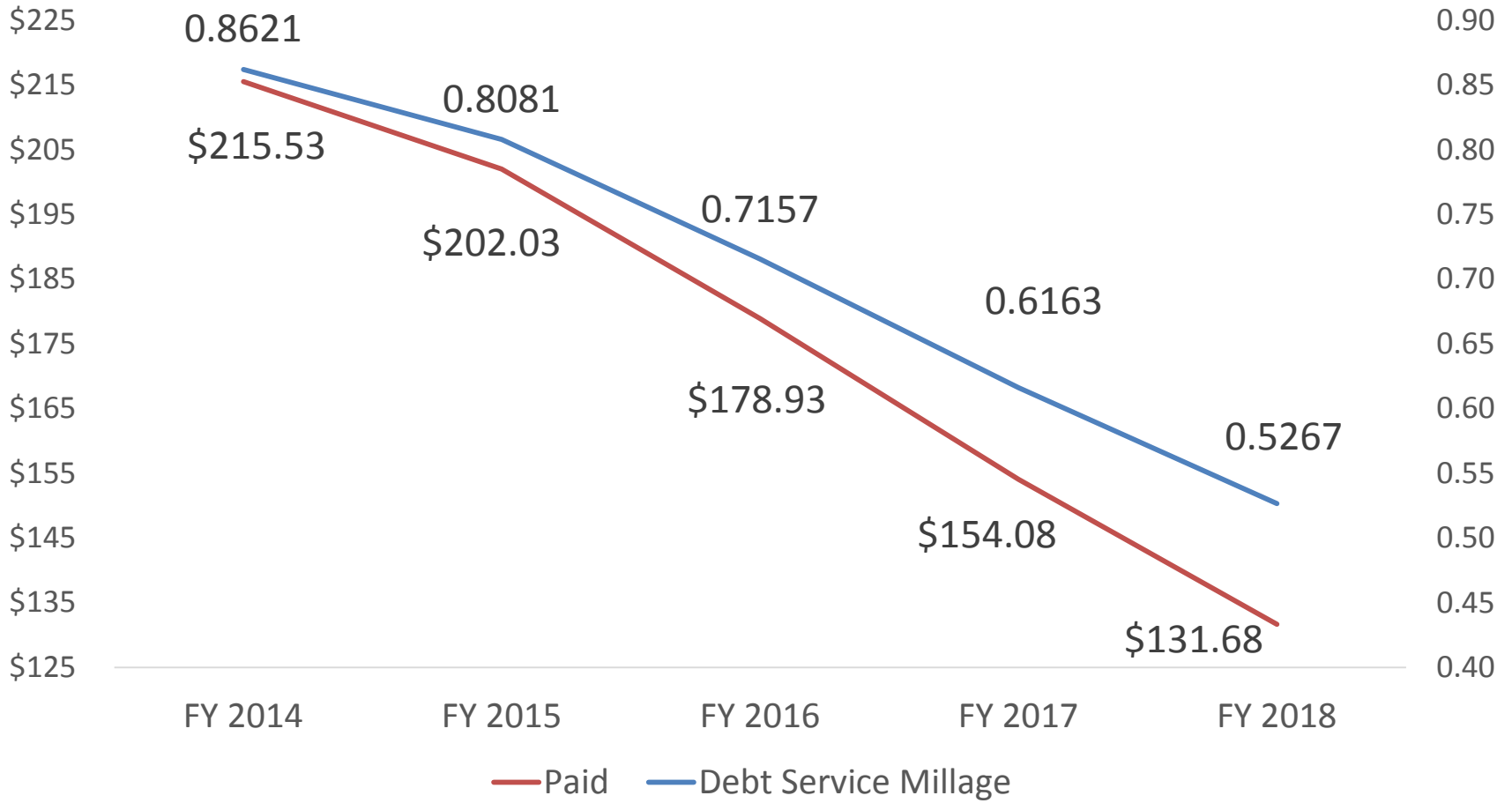
Debt Service – General Obligation (G.O.)

- Reduction of G.O. Debt Service
 - From FY 2016 to FY 2017: Reduced by \$360k
 - From FY 2017 to FY 2018: Reduced by \$367k
 - \$9.8 million General Obligation Bonds (Public Safety)

- Results in a Reduction of Debt Service Millage Rate
 - Property Owners tax bills are reduced



General Obligation Debt Service Savings





Est. Property Tax Change in FY2018 for a Single Family Home with \$250,000 Assessed Value in FY2017

	FY2017	FY2018	Annual Variance
	Tax Bill	Est. Tax Bill	
Ad Valorem	\$1,015.98	\$1,042.65	\$26.67
Debt Service	\$123.26	\$108.11	(\$15.15)
Solid Waste Assessment	\$202.79	\$202.79	Under Review
Fire Assessment	\$189.00	\$189.00	Under Review
Total Bill	\$1,531.03	\$1,542.54	\$11.51

For Fiscal Year 2018, assume a 2.1% increase in assessed value.



Potential Adjustments for the July Workshop

- General Fund
 - Ad Valorem for July 1st Certification
 - Operating
 - Debt Service
 - Fire and Solid Waste Assessments
 - State Related Revenues
 - Tax Increment Payment to CRA
 - Adjustments FOP Potential Contract
- Other Funds
 - CRA Ad Valorem
 - Update CIP – Project Rollover



Dates / Meetings

- Next Budget Workshop
 - July 26 at 4:00pm
- Community Endowment / CIP
 - Community Endowment Workshop – August 2 at 5:00
 - CIP Workshop – August 2 at 5:30
- Special Assessment Hearing
 - September 13 at 4:30
- Budget Hearings
 - September 13 & 27 at 5:15pm (coincide with Council meetings)