



Plantation
the grass is greener®

City of Plantation Budget Presentation

September 3, 2014

Diane Veltri Bendekovic, Mayor



Agenda



Going Into This Year's Budget



Proposed Millage Increase

- Discussion on Capital



General Fund Highlights



Other Fund Highlights



Summary

Going into this year's budget

- ◆ The City has faced deficits over the past several years reaching as high as \$12 million.
- ◆ While the City's unassigned reserves still remain low, at approximately \$2.95 million, we are making substantial progress.
- ◆ While we are still not at our 2008 peak taxable value, according to BCPA, the City of Plantation experienced a 7.42% increase in gross taxable value.
- ◆ It is important to note that this Administration no longer balances the budget using reserves, one-time revenues, or on speculation.
- ◆ Despite the continued economic situation, the City continues to provide the level of service to which our citizens are accustomed.

Change in taxable property values

2011	• \$6,625,655,188	(11.4%)	(25.6%)
2012	• \$6,677,220,055	1.0%	(24.6%)
2013	• \$6,758,907,031	2.2%	(22.4%)
2014	• \$6,974,221,785	3.56%	(18.8%)
2015	• \$7,461,800,463	7.42%	(11.4%)

Reserve balances

General fund reserve balances (as of September 30, 2013)



Unassigned reserves: city comparison

City	Year ending Sept 30, 2012*	Year ending Sept 30, 2013*
Pompano Beach	\$55.4	\$56.6
Ft. Lauderdale	\$36.6	\$39.7
Pembroke Pines	\$36.1	\$42.1
Hallandale	\$18.4	\$18.7
Tamarac	\$16.8	\$20.6
Sunrise	\$12.6	\$44.6
Dania Beach	\$9.8	\$11.4
Weston	\$9.8	\$7.4
Miramar	\$7.1	\$9.4
Plantation	\$0.94	\$2.95

*In millions

Proposed millage increase

- ◆ While we were able to achieve a balanced budget, there are a number of challenges expected in coming years:
 - The cost of doing business continues to increase
 - Healthcare and pension costs continue to rise
 - The City's capital assets must be maintained and improved
- ◆ The Fiscal Year 2015 proposed budget contains no major capital improvements or projects, but approximately \$3.3 million in operating capital expenditures (out of \$21 million total capital needs).
- ◆ In addition, during Fiscal Year 2015 the City will return to the negotiation table with our FOP union members, which will also have a cost associated with it.

General Fund Budget Statement

Balanced With Reduced Capital, No Millage Increase

Taxes, fees, revenue sharing, other income	\$76,235,630
Other miscellaneous revenue	13,077,627
Total revenue	\$89,313,257

Personal services (salary, wages, benefits)	\$70,426,631
Operating costs, services & allocated costs	15,345,703
Grants and aids	46,300
Capital expenditures	1,169,520
Debt service	127,560
Non-operating transfer – out	2,197,543
Total expenditures	\$89,313,257

What this buys ...

You get

A balanced budget

Raises (3% / 5%),
pensions & medical
benefits

Majority of
capital in IT

You don't get

Needed capital improvements

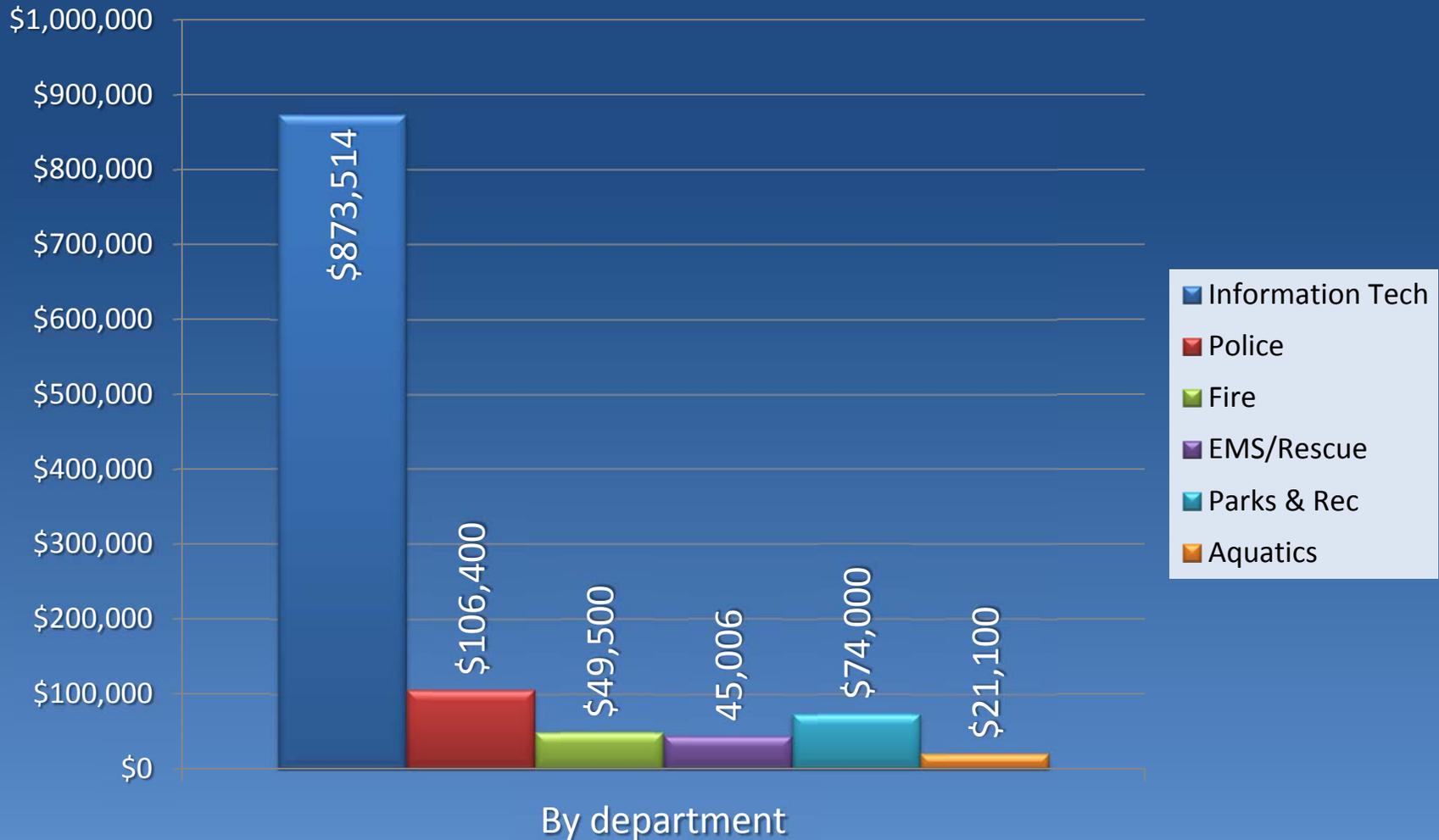
Replenishing unassigned reserves

Reserved funds for collective
bargaining – April 2015

Funding for a City Mgr
contingency account

Barely hanging on!

Capital by dept, .0 mil increase



Majority in IT (\$873,514)
Reduced capital = \$1.17 million

Proposed General Fund Budget Statement

Balanced with reduced capital; 0.3 Mil Increase

Taxes, fees, revenue sharing, other income	\$78,384,628
Other miscellaneous revenue	13,077,627
Total revenue	\$91,462,255

Personal services (salary, wages, benefits)	\$70,426,631
Operating costs, services & allocated costs	15,345,703
Grants and aids	46,300
Capital expenditures*	3,318,518
Debt service	127,560
Non-operating transfer – out	2,197,543
Total expenditures	\$91,462,255

*Balanced with \$1.94 million capital cut.

What this buys ...

You get

\$3.3 million in capital improvements

Raises (3%/5%)

Pensions

Medical benefits

Funding for a City Manager contingency account

You don't get

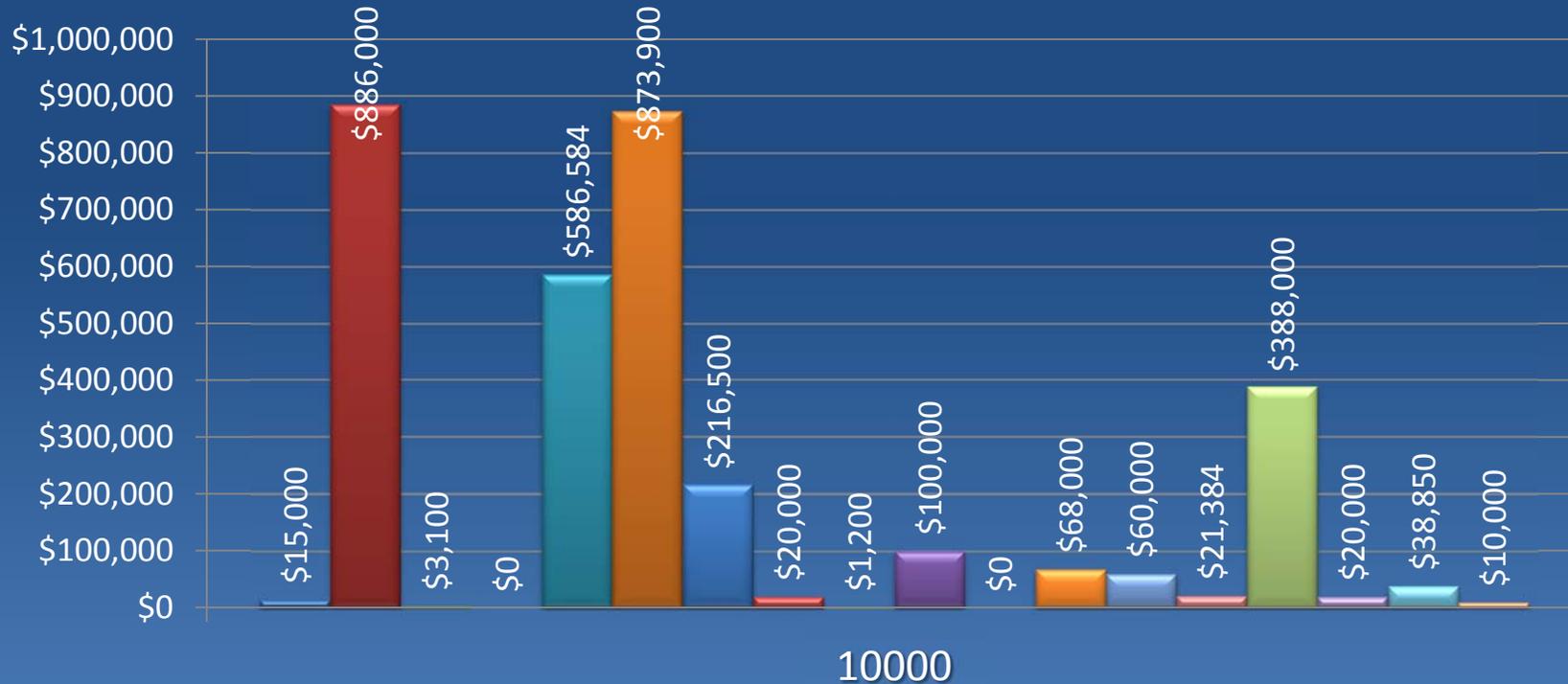
Needed capital improvements

Replenishing unassigned reserves

Reserved funds for collective bargaining – April 2015

Placing a band-aid on Plantation's needs

Capital by dept, .3 mil increase



- City Clerk
- Information Technology
- Planning & Zoning
- Design, Land & Const
- Police
- Fire
- EMS/Rescue
- Building
- Engineering
- Public Works
- Landscaping
- Central Svcs/Crafts
- Facility Mgmt
- Library
- Parks & Rec
- Tennis
- Aquatics
- Equestrian Center

Reduced capital = \$3.3 million

Summary of proposed scenarios

	0 Millage increase	0.3 mil increase
Ad valorem revenue	\$40,216,359	\$42,365,357
Total revenue	\$89,313,257	\$91,462,255
Vs. expenditures	(\$4,092,174)*	(\$1,943,176)*

* Based on total 2015 operating capital needs of \$5.26 million

Summary of scenarios

Property tax impact: annual & (per month)

		2014/15 taxes*			
		No millage increase		.3 mil increase	
Neighborhood	2014 SOH Value	5.6142	\$ increase*	5.9142	\$ increase*
Plant. Acres	\$555,530	\$3,119	\$179	\$3,286	\$346 (\$28.83)
Park East	\$132,680	\$745	\$11	\$785	\$51 (\$4.23)
Royal Palm	\$204,500	\$1,148	\$17	\$1,209	\$78 (\$6.53)
Jacaranda	\$196,920	\$1,106	\$16	\$1,165	\$75 (\$6.28)
CC Estates	\$145,830	\$819	\$12	\$862	\$56 (\$4.65)
Plant. Park	\$137,880	\$774	\$11	\$815	\$53 (\$4.40)
Fox Run	\$270,400	\$1,518	\$22	\$1,599	\$104 (\$8.63)

*Increase over 2014 property taxes, including 7.42% property value increase and millage rate increases.

City of Plantation



General Budget Overview

General fund budget overview

	2015
Taxes, fees, revenue sharing, charges for services	77,613,075
Other miscellaneous revenue	13,849,180
Total revenue	\$91,462,255

Personal services	\$70,426,631
Operating expenditures	15,345,703
Grants and aid	46,300
Capital	3,318,518
Debt service	127,560
Non operating transfers-out	\$2,197,543
Total expenditures	\$91,462,255

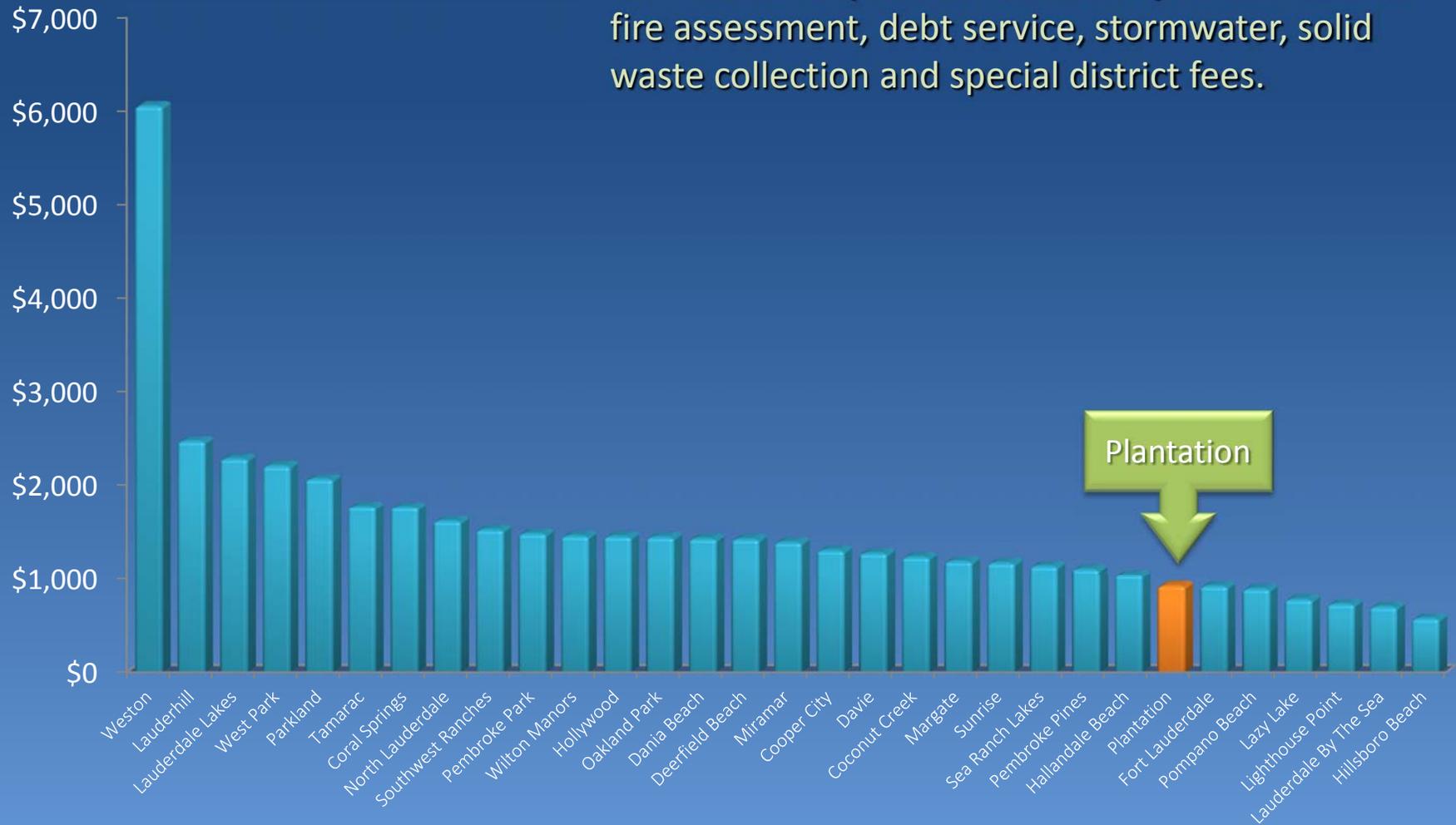
Proposed millage rate

2015 City comparison



Proposed millage rate comparison

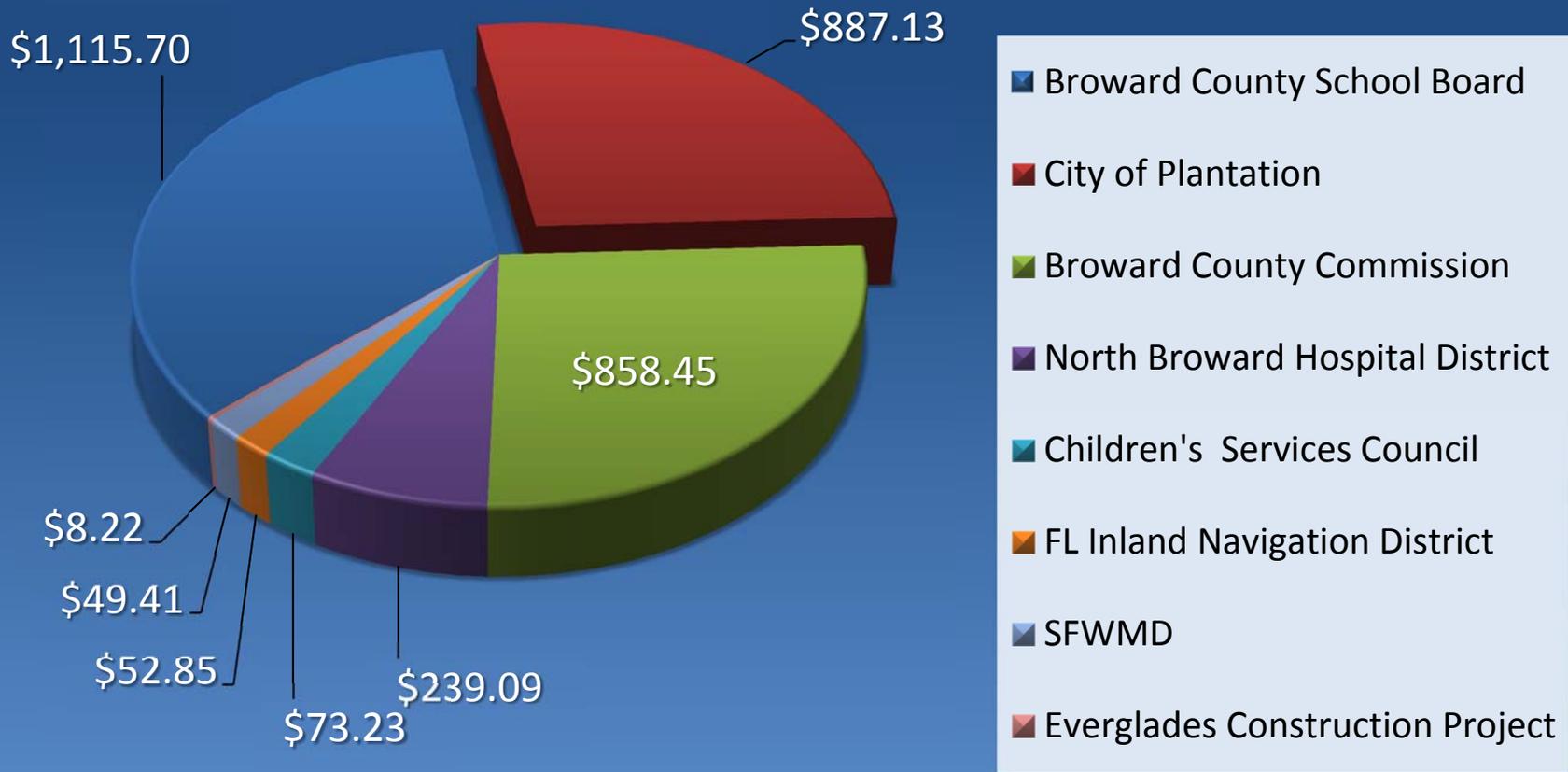
Our value really stands out when you also consider fire assessment, debt service, stormwater, solid waste collection and special district fees.



Typical tax bill

Taxpayer Obligation – \$3,284.07

Shown on property assessed at \$200,000 with \$50,000 Homestead



Additional drainage districts that serve the City:

Plantation Acres Improvement District, tax rate = \$428.46/acre (pro-rated for portions of an acre)

Old Plantation Water Control District, tax rate = \$140.20/acre (pro-rated for portions of an acre)

Revenue initiatives

- ◆ Over the past several years the City has explored various initiatives that could increase revenues.
- ◆ They include: increased charges for services performed by the City, a stormwater assessment, public safety impact fees, employee contributions for healthcare benefits and a water rate increase were implemented.
 - Other initiatives including a utility service tax, a fire assessment to offset costs associated with the operation of the Fire Department, and the sale of surplus land were not incorporated.
- ◆ During Fiscal Year 2014, the City realized several one-time revenues.
 - Without these one-time revenues the City would not have been able to fund any capital last year.
- ◆ Consumer spending and the housing market have not fully recovered.
 - This has a negative effect on all state and county shared revenues streams such as sales and fuel taxes as well as property tax values.
- ◆ It is imperative that the City seeks to offset one-time revenues by exploring new initiatives beyond ad valorem.

Change in ad valorem revenue

2011	• 4.5142 mils	\$28,876,900
2012	• 4.6142 mils	\$29,677,628
2013	• 5.6142 mils	\$36,667,714
2014	• 5.6142 mils	\$38,088,489
2015	• 5.9142 mils	\$42,665,357

Revenue by funding source

Taxpayers generate 46.6% of the total General Fund revenue necessary for operations.

Ad Valorem: 5.9142 Mills

Charges for Services

Permits, Fees & Special Assessments

Intergovernmental

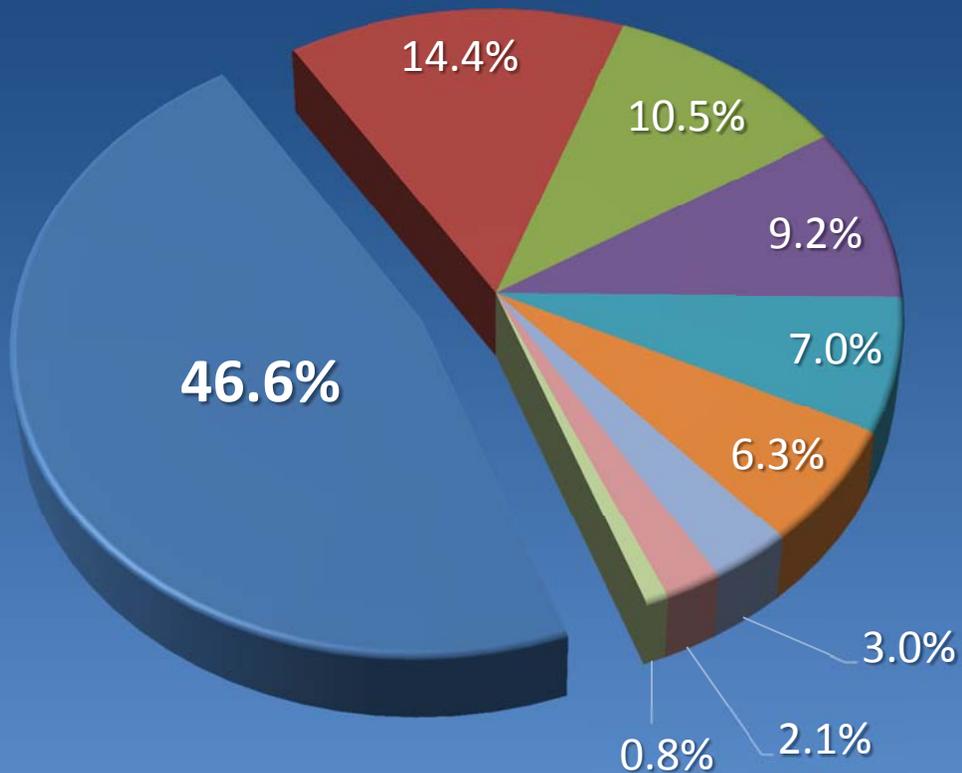
Utility Service Taxes

Other General Taxes

Non Operating Transfer-In

Misc Revenue

Fines & Forfeitures

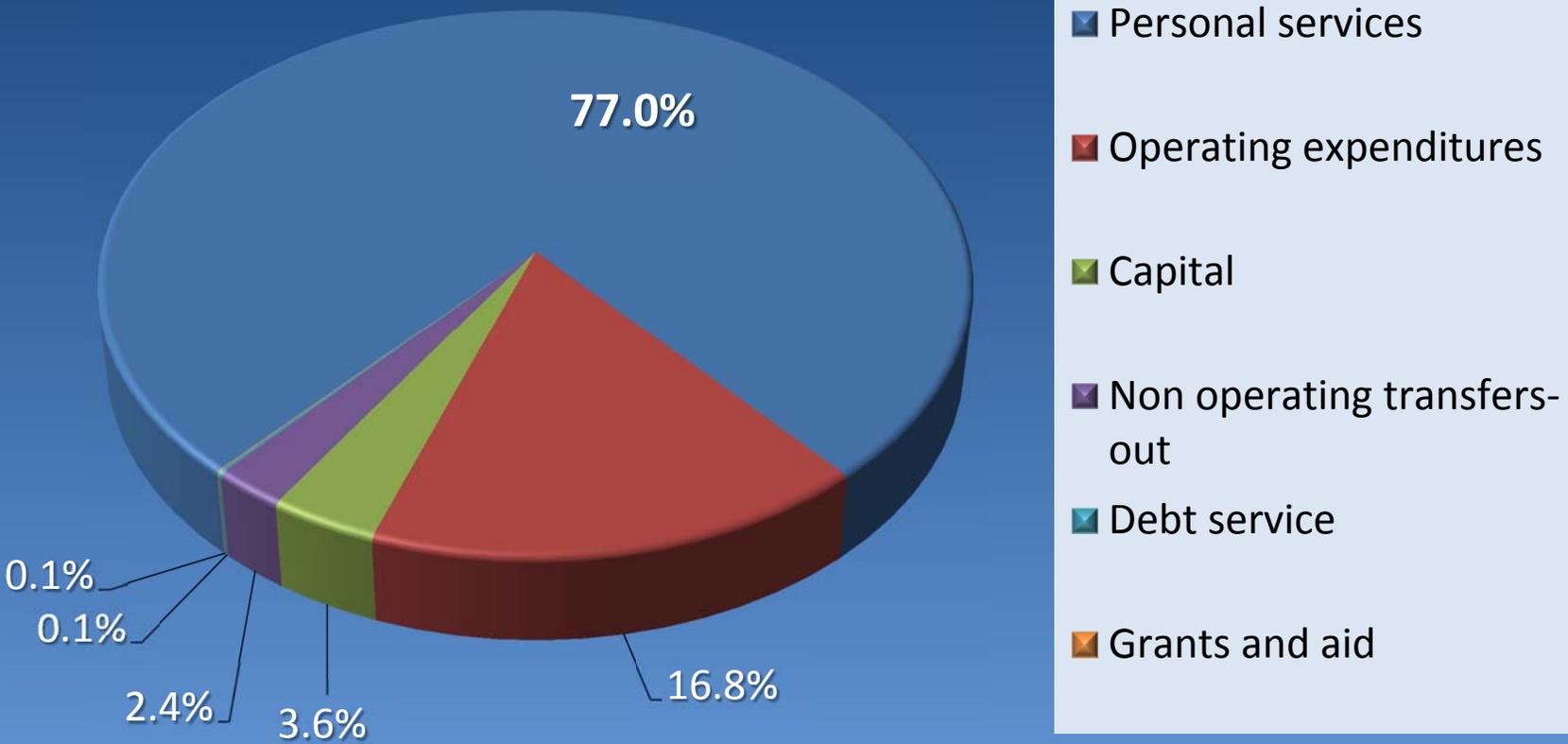


Expenditure reductions

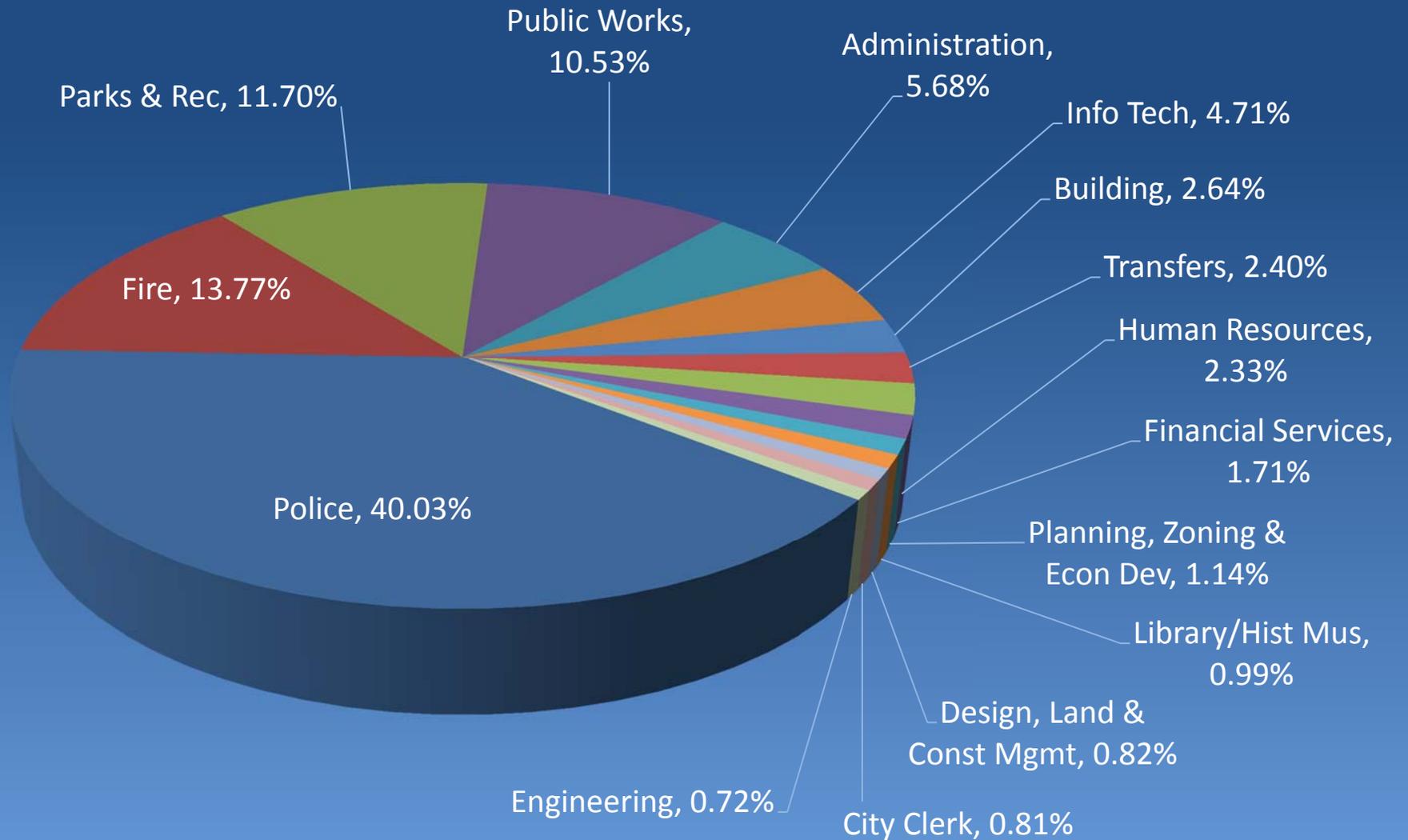
- ◆ Over the past several years, Administration has explored and implemented many expenditure reductions to balance the City's budget.
 - wage freezes (4 years)
 - Privatization
 - Furloughs
 - Debt refinancing
 - Pension and health benefits reform
 - For Fiscal Year 2015, the cancellation of the TRAM service.
- ◆ On a daily basis, Directors continue to look for opportunities to streamline the provision of services through consolidation.
- ◆ The City continues to explore new avenues such as partnerships with the private and non-profit sectors to achieve greater efficiencies in internal operations.
- ◆ Reorganization and restructuring of departments: Administration, Finance, Design, Landscape & Construction, Planning & Zoning, City Clerk

General fund expenditures

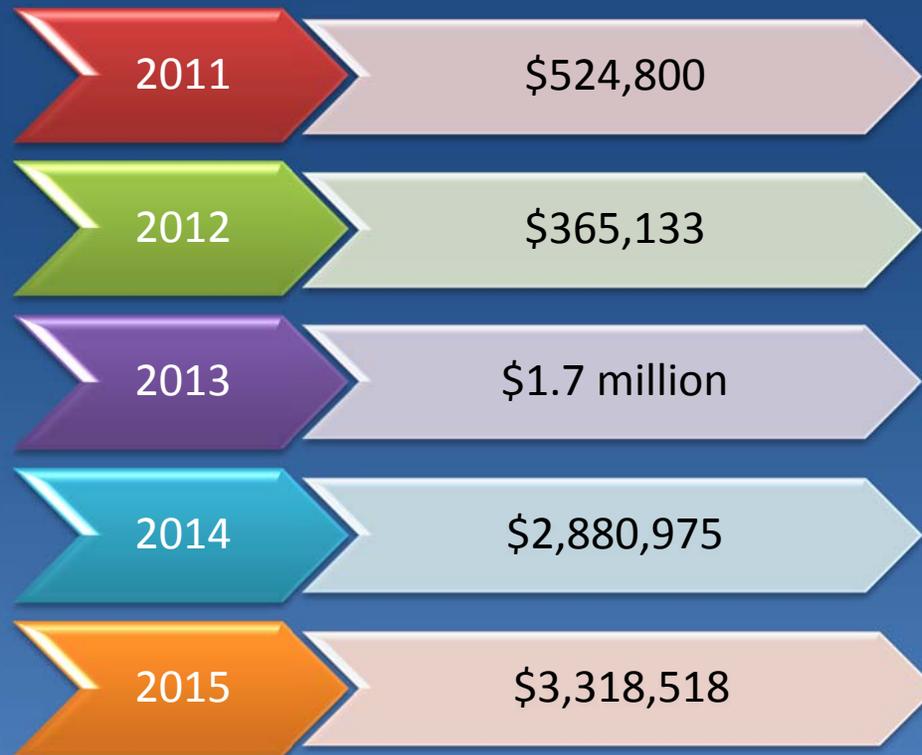
Expenditures by Category – Personnel costs represent 77% of the total General Fund budget.



Expenditures by department



Capital expenses



- ◆ Funded FY 2014 capital with one-time revenues
- ◆ Millage increase of 0.30 will fund MOST of our daily operational capital
- ◆ FY 2016 G.O. bonds – still much unfunded, deferred capital needs

Still playing “catch-up”
total capital needs are \$21.9 million

Balancing the budget

Expenditures

- Reorganization of Finance, Utilities, Planning & Zoning, City Clerk, Design, Landscape & Construction, Administration, and Advisory Boards
- Privatization, benefit changes, wage freezes (4 years), furloughs, refinance, collective bargaining
- TRAM service cancelled: \$220,000
- Restructuring/cost allocations

Revenue

- Millage rate
- Waste Management/Sun Bergeron
- Public Safety impact fees
- Water rate increase to fund infrastructure loan
- Storm water fee
- Grants

City of Plantation



Other Fund Highlights

Enterprise funds – Golf Course

Charges for services	\$3,930,067
Miscellaneous revenue	6,200
Appropriated balance & other revenue	1,204,867
Total revenue	\$5,141,134

Operating expenditures	\$4,247,585
Debt service	755,499
Capital	138,050
Total expenses	\$5,141,134

Full time personnel	0 (Privatized – Guidant Mgmt.)
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Enterprise fund – Utilities

Charges for services	\$28,948,926
Impact fees	1,177,000
Permits, fees & special assessments	28,709
Other revenue sources	348,380
Non-operating transfers, in	2,558,608
Appropriated fund balance	21,141,752
Total revenue	\$54,203,375

Personal services	\$9,408,339
Operating expenditures	17,954,078
Capital	19,385,850
Debt service	2,558,608
Non-operating expenses	44,000
Non-operating transfers – out	4,852,500
Total expenses	\$54,203,375

Enterprise fund - Stormwater

Permits, fees, special assessments	\$1,245,386
Charges for services	1,000
Miscellaneous revenue	2,350
Appropriated fund balance	(207,113)
Total revenue	\$1,041,623

Personal services	\$837,011
Operating expenditures	204,612
Total expenses	\$1,041,623



Other Special Revenue Funds

Fund Name	FY 2015
Community Development Block Grant (CDBG)	\$774,245
Community Redevelopment Agency	\$1,100,461
Library Board	\$52,927
Neighborhood Stabilization Program	\$12,105
Plantation Gateway Development District	\$303,713
Plantation Midtown Development District	\$574,852
Road & Traffic Control	\$2,620,725
State/Federal Forfeitures	\$2,246
State Housing Initiative Program (SHIP)	\$415,491

Summary

- ◆ The objectives of this Administration for Fiscal Year 2015 are to restore merit increases for our employees, to replenish unassigned reserves and to fund the capital necessary to sustain and maintain our City.



The Fiscal Year 2015 Proposed Budget achieves these objectives.

Thank you

- ◆ The Proposed Budget is a result of the hard work of the City Council, Administration, employees, businesses and residents of Plantation – neighbors working together.
- ◆ I would like to thank all of our stakeholders for their collaboration on this budget.
- ◆ It is this continued collaboration that has put the City of Plantation on the road to recovery and will ensure that we continue to implement solutions for long-term sustainability.

