

FY19 Budget Workshop



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General Fund Budget

Total	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018
	Actual	Actual	Actual	Actual	Actual	Budgeted
Total	\$82,073,346	\$84,694,078	\$90,121,565	\$91,598,953	\$102,360,010	\$104,992,476

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General Fund Budget

Revenue

FY18 BUDGETED REVENUES	GENERAL FUND
Taxes: Millage per \$1,000	\$49,041,444
Utility Service Taxes	7,543,193
Other General Taxes	4,505,430
Permits, Fees & Special Assessments	13,079,459
Intergovernmental	9,685,720
Charges for Services	14,916,140
Fines & Forfeitures	954,650
Impact Fees	-
Miscellaneous Revenue	2,013,676
Other Financing Sources	121,550
Other Sources	-
TOTAL SOURCES	\$ 101,861,262
Transfers In	3,131,214
Fund Balances/Reserves/Net Assets	-
TOTAL REVENUES, TRANSFERS & BALANCES	\$ 104,992,476

Revenues

General Fund Total Revenues	\$84,640,098	\$86,063,771	\$93,155,900	\$97,982,534	\$101,697,062	\$101,739,712
Top 8 Gen Fund Revenues	FY13 Actual	FY14 Actual	FY15 Actual	FY16 Actual	FY17 Actual	FY18 Budgeted
Ad Valorem Revenues	36,254,701	37,416,388	40,165,716	44,628,669	46,641,484	49,041,444
Franchise Fees - Electricity	5,006,920	5,985,935	6,672,109	5,781,723	5,862,402	5,982,850
Permits - Building	3,476,145	3,132,303	3,102,389	4,744,997	4,210,607	3,000,000
State Shared Revenues LG 1/2C	4,953,037	5,235,964	5,501,009	5,716,493	5,810,920	5,500,000
State Shared Sales Tax	1,731,246	1,862,403	2,034,780	2,125,135	2,239,306	2,079,000
UT Service Tax - Electricity	6,544,218	7,361,689	7,380,459	7,484,103	7,585,499	7,543,193
CST	4,809,552	4,505,876	4,347,197	3,933,430	3,649,720	3,600,430
Charges for Services	7,674,763	5,030,981	7,104,301	7,681,738	8,244,530	8,185,885
Total Top 8 Revenues	\$70,450,582	\$70,531,539	\$76,307,960	\$82,096,288	\$84,244,468	\$84,932,802
Top Revenues	83%	82%	82%	84%	83%	83%
Ad Valorem Taxes	43%	43%	43%	46%	46%	48%
Top Revenues w/o Ad Valorem	40%	38%	39%	38%	37%	35%

Revenues

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General Fund - Total Revenues	\$84,640,098	\$86,063,771	\$93,155,900	\$97,982,534	\$101,697,062	\$101,739,712
	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018
	Actual	Actual	Actual	Actual	Actual	Budgeted
Top 8 Revenues of the General Fund	\$70,450,582	\$70,531,539	\$76,307,960	\$82,096,288	\$84,244,468	\$84,932,802
Top Revenues	83%	82%	82%	84%	83%	83%
Ad Valorem Taxes	43%	43%	43%	46%	46%	48%
Top Revenues w/o ad valorem	40%	38%	39%	38%	37%	35%

Revenues

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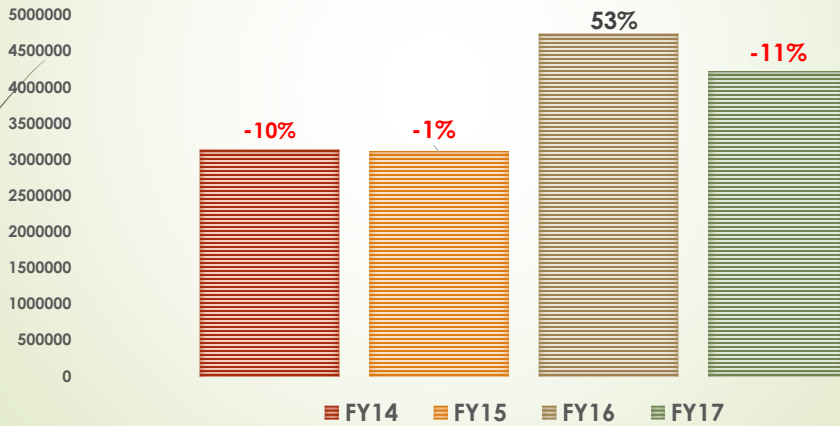
- ▶ Top 8 categories - 83%
 - ▶ Ad-valorem - 48%
 - ▶ Other top 7 categories - 35%

- ▶ Other top 7 categories trending downwards
 - ▶ Building permits - (11%)
 - ▶ Communications Service Tax - (7%)
 - ▶ Franchise fees - 1%
 - ▶ UT Service tax - 1%
 - ▶ State's Revenue Share - 2%

General Fund Revenues

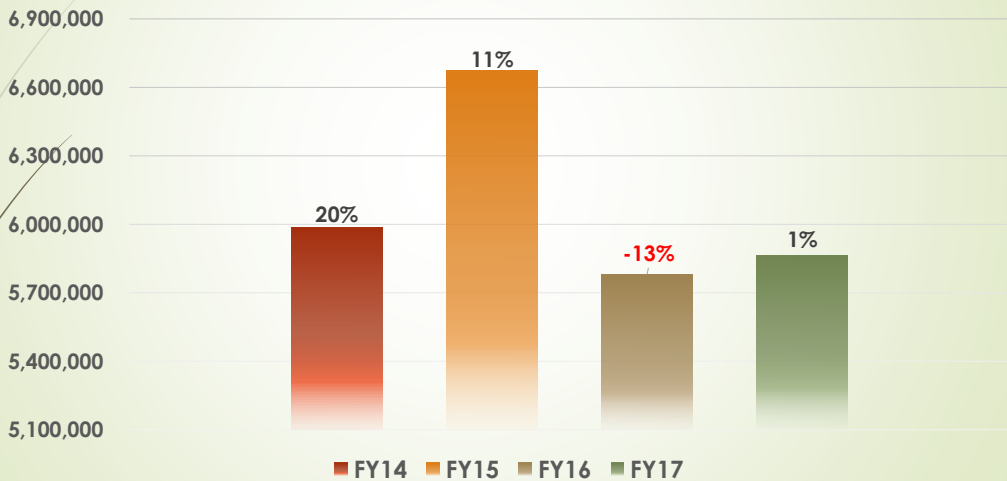
Can these revenue sources support expenditure growth?

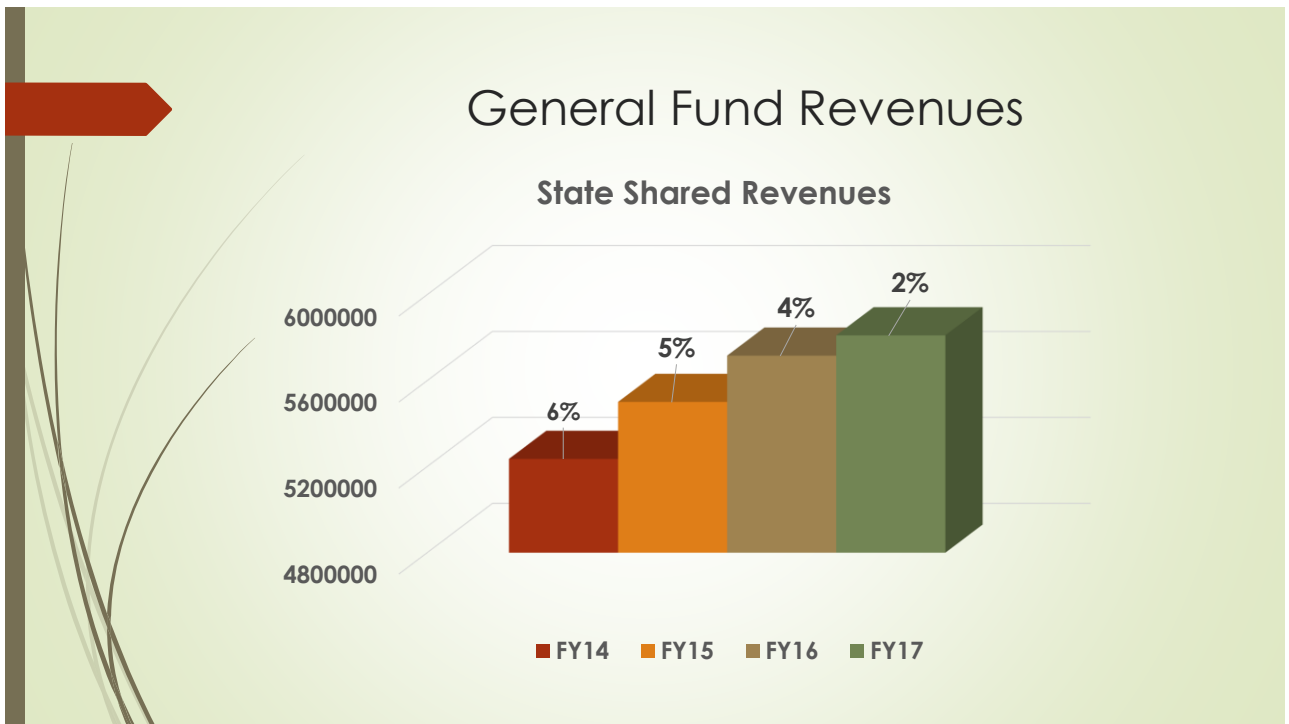
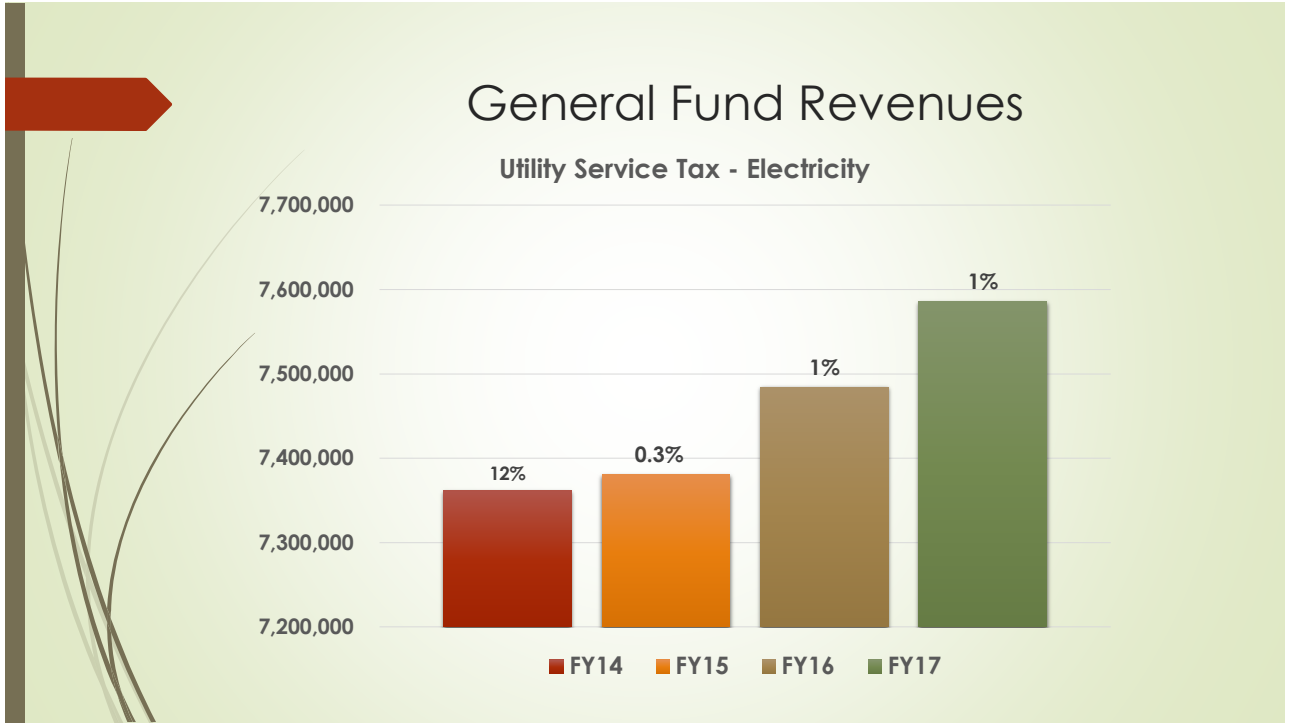
BUILDING PERMIT FEES



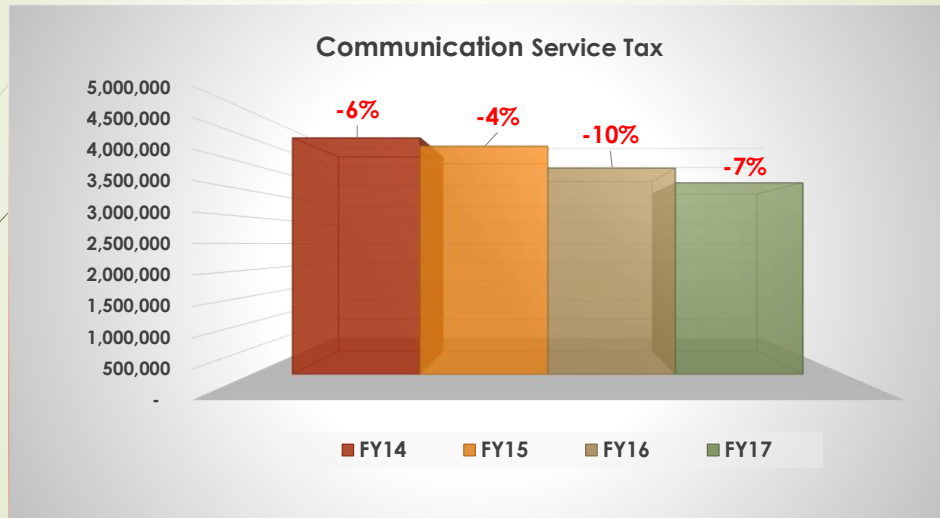
General Fund Revenues

FRANCHISE FEES - ELECTRICITY





General Fund Revenues



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“Top 7” revenue decreases vs increase in Expenditure

- More reliance on ad valorem to bridge gap
- Ad valorem increases not sustainable
- With more exemptions, burden falls to fewer participants
- Ad valorem perceived as “unfair” & “burdensome”
- Look to diversification of revenues

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Ad Valorem Exemptions

- Exemptions:
 - Homestead (Currently \$50,000 soon to be \$75,000)
 - Save Our Homes (Varies)
 - Non-homestead Cap (10%, except Schools)
 - Widow/Widower (\$500)
 - Totally & Permanently Disabled (100%)
 - Service-Connected Disability (100%)

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Ad Valorem Exemptions

- Exemptions continued..
 - Veteran's Disability (5,000)
 - Blind Persons (\$500)
 - Surviving Spouse of Disabled Veteran (\$5,000)
 - Surviving Spouse of Veteran (100%)
 - Veterans with Combat Disabilities (100%)
 - Low-Income Seniors (100%, except schools)
 - Surviving Spouse of Veteran/First Responder (100%)
 - Housing for parents/Grandparents (100%)
 - Institutional
 - Agricultural
 - Conservation Land

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Impact of Tax Exemptions

City of Plantation – FY2017 Real Property			Ad Valorem Dollars
Assessed Value	10,683,271,110	100%	\$61,428,809
Less:			
Homestead & Save our Homes Exemption	1,865,377,684	18%	(\$10,725,922)
Net Taxable Value	8,829,971,762	96%	\$48,741,444

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General Fund Budget

Expenditures

FY18 BUDGETED EXPENDITURES	GENERAL FUND
Personnel Services	\$80,398,034
Operating Expenses	17,932,725
Grants and Aids	761,939
Capital	3,100,840
Debt Service	1,082,040
Non-Operating	-
TOTAL USE	\$103,275,578
Transfers Out	1,716,898
TOTAL USE, TRANSFERS & BALANCES	\$104,992,476

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Expenditures by Function

Total	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018
Description	Actual	Actual	Actual	Actual	Actual	Budgeted
Total General Fund	\$82,073,346	\$84,694,078	\$90,121,565	\$93,598,953	\$102,360,010	\$104,992,476
Public Safety (Police, Fire, EMS, etc.)	39,536,713	41,720,463	50,568,132	51,074,148	55,670,023	60,585,896
	48%	49%	56%	56%	54%	58%
Quality of Life (Parks, Museum, Library, etc.)	19,537,417	20,316,457	22,630,389	22,281,393	26,015,012	28,140,698
	24%	24%	25%	24%	25%	27%
Other Departments (Admin & support services)	8,328,737	7,258,827	8,032,425	8,542,927	8,216,009	9,125,223
	10%	9%	9%	9%	8%	9%
All Other Departments	14,670,479	15,398,331	8,890,619	9,700,485	12,458,966	7,140,659
	18%	18%	10%	11%	12%	7%
All Departments	100%	100%	100%	100%	100%	100%

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Expenditures by major category

Total	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018
Description	Actual	Actual	Actual	Actual	Actual	Budgeted
Total General Fund	\$82,073,346	\$84,694,078	\$90,121,565	\$93,598,953	\$102,360,010	\$106,974,987
Personnel Costs	58,953,001	60,659,676	69,312,867	70,531,650	73,785,277	80,398,034
	72%	72%	77%	77%	72%	75%
Operating Expenditures	12,781,615	12,926,843	14,435,568	15,579,560	20,419,900	17,932,725
	16%	15%	16%	17%	20%	17%
Capital Outlay	1,742,898	2,019,424	3,649,001	2,885,219	4,556,704	3,100,840
	2%	2%	4%	3%	4%	3%
Grants, Aid & Debt Service	8,595,831	9,088,136	2,724,130	2,602,524	3,598,128	3,560,877
	10%	11%	3%	3%	4%	3%
All Departments	100%	100%	100%	100%	100%	100%

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Expenditures – Personnel Costs

Total	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018
Description	Actual	Actual	Actual	Actual	Actual	Budgeted
Total GF Exp	\$82,073,346	\$84,694,078	\$90,121,565	\$93,598,953	\$102,360,010	\$106,974,987
Total Salary/Benefits	58,953,001	60,659,676	69,312,867	72,531,650	73,785,277	80,398,034
Salary/Ben % of GF Total	72%	72%	77%	77%	72%	75%
Public Safety Personnel Costs	36,669,212	37,857,650	45,749,327	46,331,974	48,683,650	52,861,239
	62%	62%	66%	66%	66%	66%
Quality of Life	13,941,474	14,180,041	15,001,096	15,521,475	16,584,955	18,141,009
	24%	23%	22%	22%	22%	23%
Support Services	5,092,955	5,186,747	5,171,433	5,369,370	5,612,790	6,298,084
	9%	9%	7%	8%	8%	8%
All Other Departments	3,219,360	3,435,239	3,391,010	3,308,831	2,903,882	3,097,702
	5%	6%	5%	5%	4%	4%
All Departments	100%	100%	100%	100%	100%	100%

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Expenditures

- ▀ Increasing trends since FY13
- ▀ Personnel costs represent - 75%
 - ▀ Public Safety 66%
 - ▀ Quality of Life 21%
 - ▀ Admin & support 13%
- ▀ Operating costs - 17%
- ▀ Capital costs - 3%

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Budgeting for FY19 & Beyond

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Imminent Financial Issues

Financial Impact	FY19	FY20
Additional Homestead Exemption		\$2,300,000
Retirement of multiple police officers	\$1,000,000	\$225,000
Closing of Recycling Disposal facility	\$500,000	\$500,000
Rescue unit (replacing 1995 unit)	\$450,000	
Equipment for Hurricane & Emergencies	\$1,500,000	\$500,000
Funding the CBA with FOP	\$750,000	\$750,000
Legislative mandates		
• 5 school resource officers	\$500,000	\$500,000
• Risk protection order processing	\$50,000	\$50,000
• Discontinuation/Restructuring of CRA's		\$500,000

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Imminent Financial Issues

Financial Impact	FY19	FY20
Relocation of Plantation General Hospital		\$219,000
New development (revenues)	(\$160,000)	(\$300,000)
Inflationary Adjustment (2.7% CPI)	\$2.8M	\$2.8M
Budget Impact	\$7.4M	\$7.9M

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Imminent Financial Issues

Financial Impact	FY19	FY20
Relocation of Plantation General Hospital		\$219,000
New development (revenues)	(\$160,000)	(\$300,000)
Inflationary Adjustment (2.7% CPI)	\$2.8M	\$2.8M
Budget Impact	\$7.4M	\$5.1M
Restoration of Reserves	\$1M	\$1M
Budget Impact with Reserves	\$8.4M	\$6.1M

Imminent Financial Issues (unable to quantify)

- Support growing community
- Actions of surrounding municipalities
- Traffic mitigation
- Economic downturn
- Economic Incentives for “desirable” industries
- Implementation of the “Midtown Concept”
 - Central gathering place; Sidewalks & promenades
 - Pedestrian overpass for Broward Blvd; Roadway realignment
 - Shuttle (people mover)
- Initiatives/priorities of incoming Council

U.S. NEWS

Cities Look to Higher Fees to Pay the Bills

Charges for garbage, ambulance rides and 911 calls help offset weak tax revenues

By HEATHER GILLERS AND SARAH CHANEY

Scranton, Pa., is turning to an unlikely source for fiscal strength: garbage.

The distressed city in northeastern Pennsylvania began charging residents a \$300 annual fee in 2014 to collect trash, up from \$178. That 68% increase has since raised millions for Scranton, one of the many steps being taken to restore the former coal-mining hub to solid financial footing after decades of decline.

Cash-strapped American cities are asking their residents to pay higher amounts for mundane services as they struggle to pay for mounting pension obligations, cover costly infrastructure improvements and replace revenue de-

pleted by the last recession. Bills are rising for everything from parking tickets and 911 calls to sewer service and trash pickup.

In 73 U.S. cities with more than 30,000 people that have reported results so far, fees and fines increased by a collective \$182 million in 2017, according to financial reports analyzed by Merritt Research Services. That annual tally is up 11% since the 2008 financial crisis.

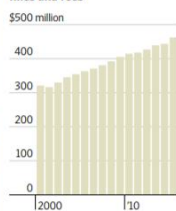
Fees are expected to go even higher because of recent changes at the state and federal levels. New tax legislation passed last year by Congress caps the amount of local property and income taxes Americans can deduct from their federal tax bills, making local tax increases more costly for residents and thus politically difficult for elected officials.

Thirty-four states have also placed separate limits on local-government tax or spending increases, according to the National League of Cities. “What’s left? Basically

Civic Duties

Cash-strapped cities across the U.S. are raising fees for everything from parking tickets and 911 calls to sewer service and trash pickup.

Average city revenue from fines and fees*



*Based on 150 major cities. Sources: Lincoln Institute of Land Policy (revenue); National League of Cities’ Fiscal Conditions report (increase)

Percentage of cities reporting fee and tax increases



Source: National League of Cities’ Fiscal Conditions report (increase)

what’s left are charges,” said Andrew Reschovsky, a professor emeritus of public affairs and applied economics at the University of Wisconsin-Madison. “I think the future probably holds more fee increases.”

Cities began turning to more fees and fines following the financial crisis, which eroded property- and sales-tax revenue due to pullbacks in housing values, employment and consumer spending.

Revenue from property, sales and income taxes has climbed in recent years as the economy has rebounded, but the total collected in 2017 was still below 2008 levels, according to data from the National League of Cities.

Revenue from fees, on the other hand, was 14% higher in 2015 than in 2009, according to a study of 150 cities conducted by the Lincoln Institute of Land Policy. In 2017, 42% of city chief financial officers said their towns raised fees, more than the 27% who said they raised property-tax rates and the 8% who reported sales-tax increases.

In California, more than a dozen city fire departments are now charging hundreds of dollars for ambulance calls and more for ambulance rides. Long Beach, Calif., began imposing a \$250 fee for service calls in 2016 on top of the existing \$1,300 to \$1,900 for a ride. The ambulance-call fee brought in the \$1.6 million that year and \$2.2 million in

2017, the finance director said. One small Midwestern town, Danville, Ill., is raising its fees for a specific purpose: to chip away at more than \$100 million in liabilities owed to police and fire department retirees. The city of about 30,000 first attached a \$2-a-month “public safety pension fee” to residents’ sewer bills in 2014 and in December passed that charge to \$22.25 for those in single-family homes.

Danville Mayor Scott Eisenhauer said the city took this step because it no longer had enough to make its required pension payments without devoting less to firefighting, police, parks, street repairs and code enforcement.

Those who pay the higher fees aren’t always pleased with the new demands. In Scranton, a property owner has filed lawsuits over the \$300 trash-collection fee and a fee for landlords, arguing the levies were higher than needed to pay for the services.

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Expenditure Alternatives

- Defer capital expenditures
- Reduce Service levels
 - Public Safety (police, fire, ems, etc.)
 - Quality of Life (median maintenance, library, museum, parks, etc.)
 - Support Services (payroll, procurement, budget, public records, etc.)

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Revenue Alternatives

- User fee adjustments
- Fire Assessment fees
- Reserves/Fund Balances
- Ad valorem

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Budget Focus

- Enhanced Public Safety
- Maintain Quality of Life
- Develop Sustainable Organization
(financial, staffing, equipment, planning, etc.)

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Purpose of Workshop

- Provide "high level" overview
- Identify future issues/concerns
- Confirm priorities/direction
- Develop alternatives that may be considered
- Get Council input

Council Deliberations & Questions

Potential Revenue Sources

Fire Assessment Fees			
Snapshot of Broward County Cities with Fire Assessment Fees			
City	Residential	COP Res Parcels	Potential Revenue
Pompano Beach	163.00	29771	4,852,673.00
Coral Springs	180.00	29771	5,358,780.00
Davie	196.00	29771	5,835,116.00
Hallandale Beach	198.00	29771	5,894,658.00
Oakland Park	199.00	29771	5,924,429.00
Sunrise	209.50	29771	6,237,024.50
Wilton Manors	214.72	29771	6,392,429.12
N. Lauderdale	215.00	29771	6,400,765.00
Dania Beach	223.75	29771	6,661,261.25
Ft. Lauderdale	256.00	29771	7,621,376.00
Pembroke Pines	271.48	29771	8,082,231.08
Lauderdale Lakes	321.00	29771	9,556,491.00
Tamarac	350.00	29771	10,419,850.00
Miramar	372.84	29771	11,099,819.64
Weston	433.97	29771	12,919,720.87
Lauderhill	460.00	29771	13,694,660.00

Fire Assessment Fees Continued...

- 24 Cities in Broward County currently charging Fire Assessment Fees
- Average Fire Assessment Fee - \$247.80
- Requires a Study
- Requires adoption of a Resolution at a public hearing
- Resolution must be submitted to BCPA by Jan 10

Estimated Ad Valorem Revenues

Millage Increase	New Millage	Estimate Coll's \$\$ at 96%	Increase Amount \$\$
0.0000	5.7500	48,741,444	-
0.1500	5.9000	50,012,960	1,271,516
0.2500	6.0000	50,860,637	2,119,193
0.5000	6.2500	52,979,831	4,238,386
0.7500	6.5000	55,099,024	6,357,580
1.0000	6.7500	57,218,217	8,476,773

Unassigned Reserves

As a % of General Fund

