



# Town of Southwest Ranches, FL

Fiscal Year 2017 /2018

**Proposed Budget Workshop: Town Hall Council  
Chambers**

**Tuesday, August 22, 2017 @ 7:00pm**

# Budget Process Calendar Of Events

- Thursday, July 27, 2017:
  - ✓ Preliminary Millage and Initial Fire/Solid Waste Assessment Adoption
  
- Tuesday, August 22, 2017 (7 pm) **(TONIGHT)**:
  - ✓ FY 2017/2018 Proposed Budget Workshop
  
- Wednesday, September 13, 2017 (6 pm):
  - First Public Hearing for Tentative Millage and Budget Adoption
  - Final Fire Protection and Solid Waste Special Assessment Adoption
  
- Saturday, Sept. 23 – Tuesday, Sept. 26, 2017:
  - Final Budget Advertised
  
- Thursday, September 28, 2017 (6 pm):
  - Second Public Hearing for Final Millage and Budget Adoption



***Town Council***

**Doug McKay, Mayor**

**Steve Breitkreuz, Vice Mayor**

**Freddy Fisikelli, Council Member**

**Gary Jablonski, Council Member**

**Denise “Dee” Schroeder, Council Member**

***Town Administration***

**Andrew D. Berns, MPA, Town Administrator**

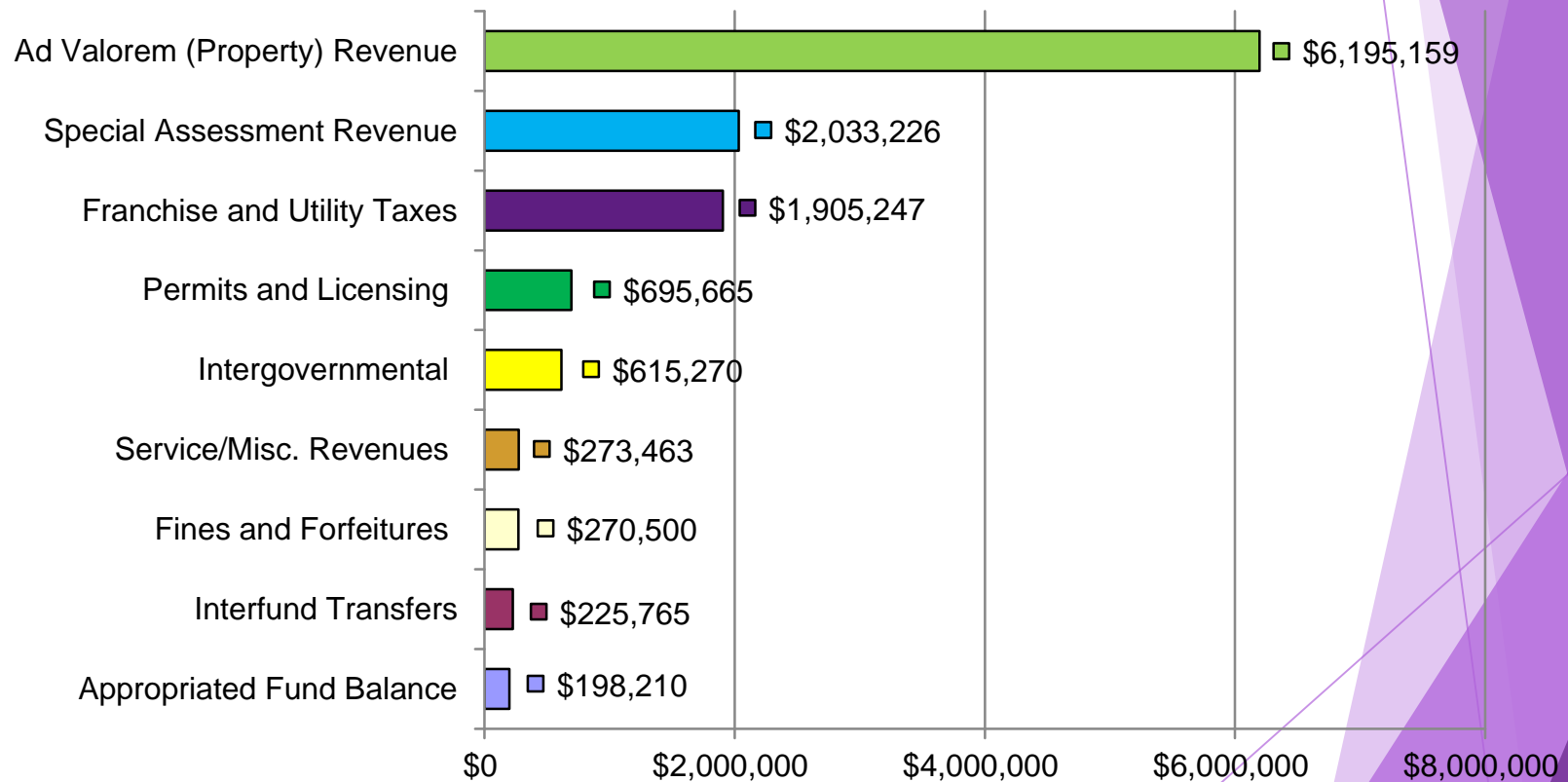
**Russell C. Muniz, MBA, MPA, MMC, Assistant Town Administrator/Town Clerk**

**Keith M. Poliakoff, JD, Town Attorney**

**Martin D. Sherwood, CPA, CGMA, CGFO, Town Financial Administrator**

# Southwest Ranches Proposed FY 2017/2018 budget Total General Fund Revenues: \$12,412,505

## Where do the funds come from?

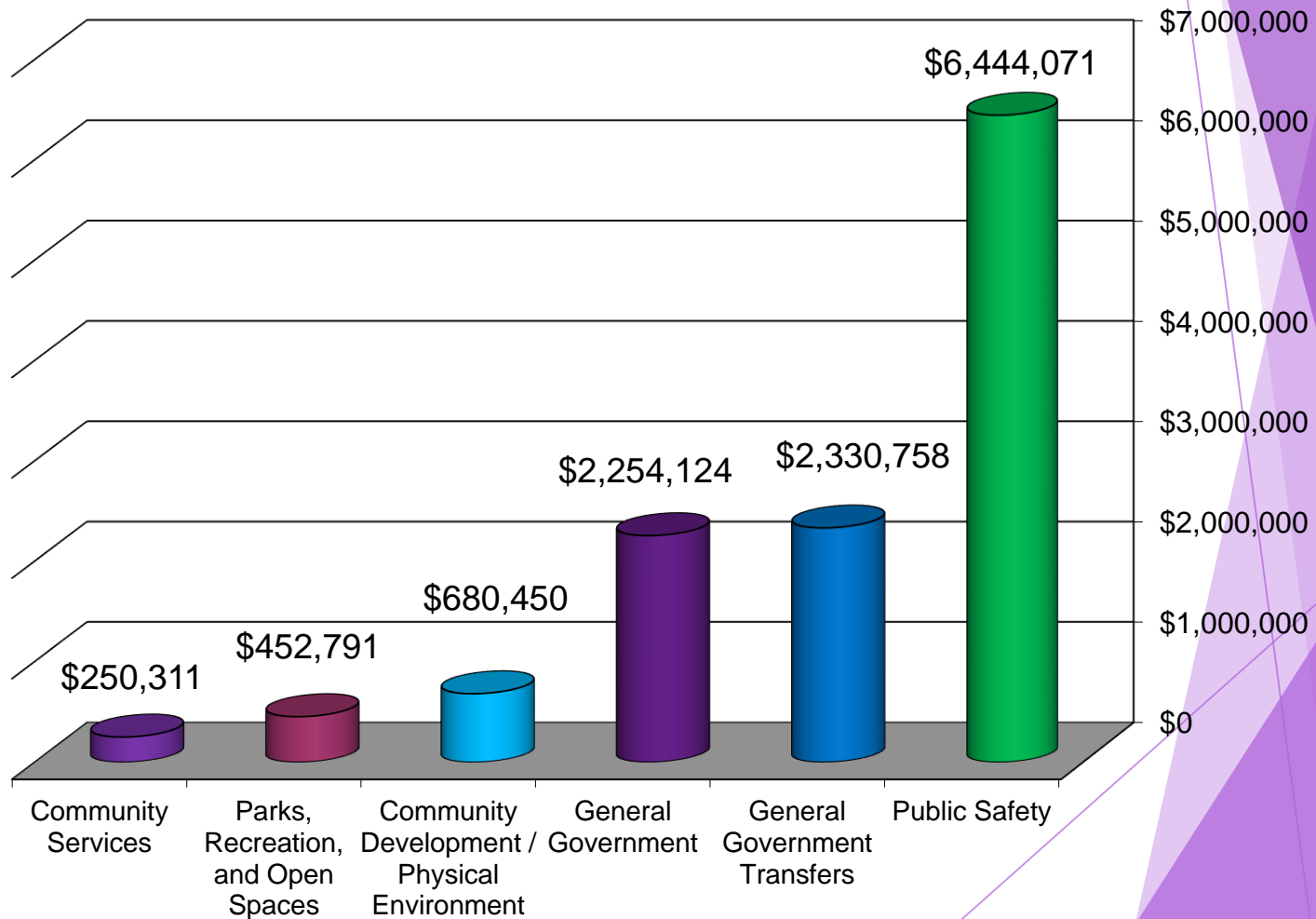


# Southwest Ranches

## Proposed FY 2017/2018 budget

Total General Fund Expenditures by Function: \$12,412,505

### Where Do The Funds Go?



# Summary of FY 2017/2018 Proposed Rates and Fees Compared to Adopted FY 2016/2017

## Adopted FY 2017: Rate/Fee

- ▶ Operating Millage: 4.0579 mills
- ▶ TSDOR Millage: 0.4050 mills  
Total FY2017: **4.4629 mills**
- ▶ Fire Assessment: \$9.11 increase (approx. 2% per residential dwelling unit) from FY 2016
- ▶ Solid Waste: Stable Rates – No Change from FY 2016

## Proposed FY 2018: Rate/Fee

- ▶ Operating Millage: 4.3801 mills
- ▶ TSDOR Millage: 0.3804 mills  
Total Proposed: **4.7605 mills**
- ▶ Fire Assessment: \$70.36 increase (approx. 16% per residential dwelling unit) from FY 2017
- ▶ Solid Waste: \$65.79 or greater (overall average of an approx. 25% increase throughout all residential parcel lot sizes)

# COMBINED RATE IMPACTS

## ▶ Operating Millage:

- ▶ The proposed rate for operating purposes (4.3801 mills) represents a .2976 millage and a \$141 increase per \$250,000 of taxable value which primarily covers significant increases in Public Safety Services as well as funding for new and/or ongoing program modifications and capital improvement projects.

## ▶ Transportation Surface Drainage Ongoing Rehabilitation (TSDOR):

- ▶ The proposed funded amount is the same from last fiscal year (\$495,000) and therefore represents no increase per \$250,000 of taxable value. The millage rate (.3804 mills) is a decrease from the prior years adopted TSDOR millage rate due to the fact the Town experienced a rise in overall taxable value.

## ▶ Residential Fire Rates:

- ▶ The proposed rate would result in a \$70.36 increase per residential dwelling unit.

## ▶ Solid Waste Rates:

- ▶ The proposed rate structure reflects a new collections, disposal and recycling contract with the impact similar to that of Public Safety Services. Therefore, these rates require an increase of \$65.79 or more depending upon lot square footage.

# Property Tax / Millage

1. Millage proposed for TSDOR
2. Municipal Rates Compared



# **SOUTHWEST RANCHES PROPOSED MILLAGE RATE FOR ROAD RESURFACING, RESTORATION, AND REHABILITATION (TSDOR)**

<b>Fiscal Year</b>	<b>Millage Cost</b>	<b>Net Millage Equivalent</b>
<b>FY 2017/2018</b>	<b>\$495,000</b>	<b>0.3804 mills</b>

# ***Why is an increase needed in Millage?***

- ▶ Public Safety Cost Increases - new combined Town of Davie contract
- ▶ Quality of life and level of service improvements based on Council and Resident input: Program Modifications
- ▶ Capital Improvement Projects
- ▶ Reduced Overall Grant Funding
- ▶ Normal inflation/Cost of Living

# MILLAGE COMPARISON NARRATIVE:

Currently, (FY 2017) Southwest Ranches (Operating Millage plus TSDOR Millage) is the 7<sup>th</sup> lowest combined operating and debt millage rate in Broward County (excluding Unincorporated Broward County).

The Proposed FY 2018 Millage Rate, including TSDOR, does not move the relative position of SWR.

The relative position of Southwest Ranches among Broward County Municipalities remains within the upper 25<sup>th</sup> percentile (22.58%). Twenty-four Municipalities (77.42%) are proposing millage rates higher than SWR for Fiscal Year 2017 – 2018.

**Municipal Millage Rate Comparisons  
(FY 2018 PROPOSED COMBINED MILLAGES)**

	<b>Municipality</b>	<b>FY 17 Actual Operating and Debt Millage</b>	<b>FY 18 Proposed Operating and Debt Millage</b>
1	Weston	2.3900	2.3900
2	Lighthouse Point	3.7892	3.5893
3	Hillsboro Beach	3.6000	3.6000
4	Lauderdale-By-The-Sea	3.6873	3.6873
5	Parkland	3.9800	3.9800
6	Ft Lauderdale	4.2803	4.1884
7	Southwest Ranches	4.4629	4.7605
8	Lazy Lake	4.7931	4.7931
9	Pompano Beach	4.8252	4.9865
10	Hallandale Beach	5.7998	5.7998
11	Davie	5.6962	5.8485
12	Dania Beach	6.2462	6.1909
13	Plantation	5.9000	6.2380
14	Coral Springs	5.0930	6.3235
15	Sunrise	6.4293	6.3838
16	Wilton Manors	6.5947	6.4917

**Municipal Millage Rate Comparisons  
(FY 2018 PROPOSED COMBINED MILLAGES)**

	<b>Municipality</b>	<b>FY 17 Actual Operating and Debt Millage</b>	<b>FY 18 Proposed Operating and Debt Millage</b>
17	Deerfield Beach	6.5438	6.5007
18	Coconut Creek	6.1803	6.5378
19	Pembroke Pines	6.2381	6.6452
20	Oakland Park	6.1555	6.9085
21	Miramar	6.7654	6.9999
22	Margate	7.3093	7.0593
23	Cooper City	6.5272	7.2678
24	Tamarac	7.3771	7.2899
25	No. Lauderdale	7.5000	7.4000
26	Sea Ranch Lakes	7.5000	7.5000
27	Hollywood	7.7363	7.7363
28	Pembroke Park	8.5000	8.5000
29	West Park	8.6500	9.0040
30	Lauderhill	8.6180	9.5362
31	Lauderdale Lakes	9.7100	9.5950

# Fire Assessment (Introduction):

Note: the 3 step assessment methodology is unchanged from the prior year (2012 Consultant study)

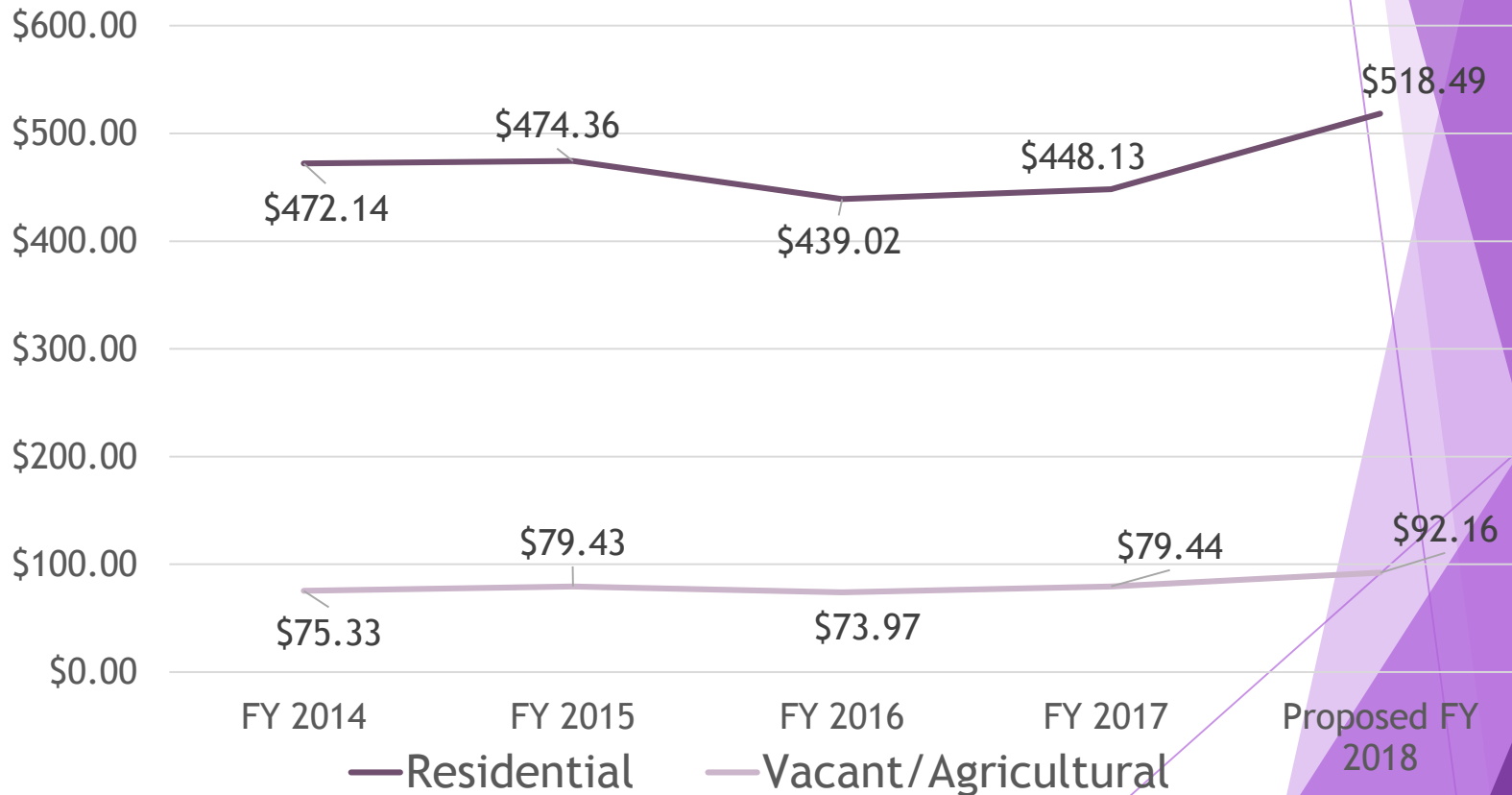
Proposed and Actual Rates (History) by Category

Municipal Rates Compared

## Fire Assessment (Background)

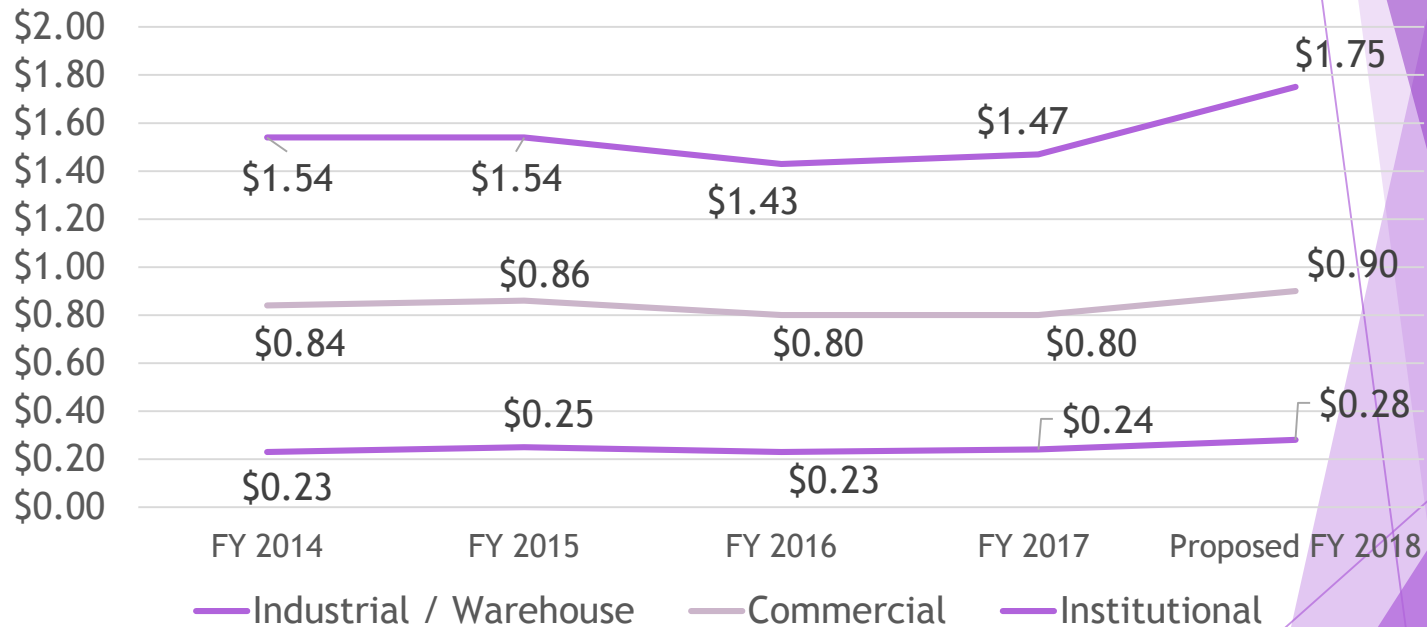
- ▶ This assessment is permitted by Florida Statute Chapters 166.021 and 166.041 and is adopted by Town Ordinance 2001-09.
- ▶ Ordinance 2001-09 requires that the annual rate be established each fiscal year.

# Fire Assessment Residential and Acreage Category Rates Four Year History and Proposed FY 2018





# Fire Assessment Rate: Per Square Foot Building Area by Category Four Year History and Proposed FY 2018



## Broward County Municipal COMPARISONS - *Residential Fire Assessments Explained:*

- ❖ A number of municipalities subsidize fire protection assessment costs with property tax (General Fund) revenue. Actually, several do not even assess a fire protection assessment and therefore fund 100% from their General Fund. SWR policy does not subsidize any fire protection costs from its General Fund.
- ❖ Of the Twenty five municipalities surveyed, several were willing to share the percentage of subsidy coming from the general fund. Consequently, the numbers provided for service cost comparisons are not always the actual assessed amount. They have been calculated to capture the cost without subsidy.
- ❖ Municipalities with an unchanged assessment are likely subsidizing operations (in the case of shortfall) or utilizing fund balance to fund capital projects related to fire services.
- ❖ Southwest Ranches proposes an increase of 15.7% (\$70.36 per residential dwelling unit – RDU).

## Municipal Residential Fire Rates compared (rank based FY 2018 Proposed fee-Survey Adjusted)

		FY 2017 Actuals	FY 2018 Proposed	% Change: Increase
1	Southwest Ranches	\$448.13	\$518.49	15.70%
2	Tamarac	\$495.25	\$495.25	0.00%
3	Lauderhill	\$438.00	\$465.00	6.16%
4	West Park	\$381.00	\$447.86	17.55%
5	Weston	\$426.90	\$433.97	1.66%
6	Miramar	\$372.84	\$372.84	0.00%
7	Lauderdale Lakes	\$327.72	\$337.05	2.85%
8	Parkland	\$296.10	\$308.00	4.02%
9	Dania Beach	\$252.00	\$297.59	18.09%
10	Davie	\$255.15	\$288.12	12.92%
11	Sunrise	\$263.34	\$276.54	5.01%
12	Pembroke Pines	\$261.28	\$271.48	3.90%
13	Coral Springs	\$188.67	\$253.80	34.52%

## Municipal Residential Fire Rates Compared (con't) (rank based FY 2018 Proposed fee-Survey Adjusted)

				<b>% Change: Increase</b>
		<b>FY 2017 Actuals</b>	<b>FY 2018 Proposed</b>	
14	Ft Lauderdale	\$256.00	\$246.00	-3.91%
15	Hallandale Beach	\$227.70	\$227.70	0.00%
16	Hollywood	\$222.00	\$222.00	0.00%
17	Oakland Park	\$216.90	\$216.91	0.00%
18	N Lauderdale	\$197.00	\$215.00	9.14%
19	Wilton Manors	\$210.18	\$214.72	2.16%
20	Lighthouse Point	\$163.52	\$211.47	29.32%
21	Deerfield Beach	\$205.45	\$205.45	0.00%
22	Coconut Creek	\$177.79	\$177.79	0.00%
23	Cooper City	\$177.79	\$177.79	0.00%
24	Pompano Beach	\$134.00	\$134.00	0.00%
25	Lauderdale-By-The-Sea	\$129.82	\$129.84	0.02%

# **Solid Waste Rate Assessment (Introduction):**

1. Assessment legal requirements
2. Comparisons to prior year

# **Solid Waste (Garbage) Assessment (Background):**

- ▶ Permitted by Florida Statute Chapters 197.3632.
- ▶ Annual rate establishment required by Town Ordinance 2002-08.

# Proposed Solid Waste Rates for FY 17/18 (with changes from FY 16/17)

Based On Consultant Study

Assessment Range	Lot Sq. Ft.	Number of Units in Range	Solid Waste Cost Per Unit	Bulk Waste Cost Per Unit	Total Proposed Rates FY 17/18	Total Assessed Rates FY 16/17	Difference: Increase
A	<41,200 - 41,200	405	\$ 250.10	\$ 205.34	\$ 455.44	\$ 389.65	\$ 65.79
B	41,201 - 46,999	423	\$ 250.10	\$ 240.98	\$ 491.08	\$ 409.45	\$ 81.62
C	47,000 - 62,999	411	\$ 250.10	\$ 291.87	\$ 541.97	\$ 433.30	\$ 108.66
D	63,000 - 95,999	446	\$ 250.10	\$ 314.37	\$ 564.47	\$ 445.84	\$ 118.63
E	96,000 -106,999	452	\$ 250.10	\$ 355.37	\$ 605.47	\$ 469.34	\$ 136.13
F	107,000 -107,000+	431	\$ 250.10	\$ 433.50	\$ 683.60	\$ 510.01	\$ 173.59

# Solid Waste Impact

- ▶ From FY 2013 through 2017, the Town has seen an overall decrease of approximately 35% to community member collection costs. During the same period, solid waste service costs elsewhere (and to the service provider) were increasing.
- ▶ These savings were the result of a now expired contract.



# Solid Waste Impact (continued)

- ▶ After considerable negotiation and an extensive bid process, the lowest responsible bidder was awarded a new contract. It calls for increases of **approximately 73%** (\$1,380,865 vs. \$797,582).
- ▶ Utilizing a “smoothing” approach, the residential assessment rate for up to 41,200 in lot square footage would increase from \$389.65 to \$455.54 (**approximately 17%**) while the assessment rate for more than 106,999 of lot square footage would increase from \$510.01 to \$683.60 (approximately 34%) in FY 2018.
- ▶ Future year increases seem probable to obtain, then remain, a fully user based funded operation in accordance with generally accepted governmental accounting standards (GAGAS).

# Notes on the FY 2018 Proposed Budget Book

- Budget Transparency
- Funded Programs and Projects

# Proposed Budget Documentation Notes:

- Council Policy Focused Document with input from all Town Council Advisory Boards
- Transparency: Restricted, Committed, Assigned, and Unassigned Fund Balances pursuant to GASB #54 are disclosed for all funds
- Departmental Descriptions, Accomplishments, Goals and Objectives
- Departmental & Fund Histories

# Proposed Budget Documentation Notes (continued):

- Explanation of material Budget Changes (a/k/a “Variance Analysis”)
- Detailed Program Modifications which highlight proposed customer service level changes
- Detailed Capital Improvements & 5-Year Capital Improvement Program (CIP)
- Glossary and Fund Descriptions

## ***Program Modifications Funded (11 in total):***

- Volunteer Fire Department safety equipment:

Officer Car Replacement-  
170,000 existing mileage  
(\$38,447),



Master Deck Hose Gun  
Replacement (\$4,296),



Communication Equipment  
Replacement/Upgrade  
(\$74,188),

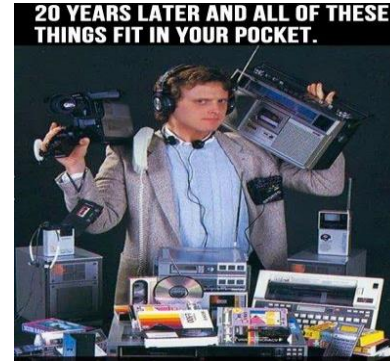
Self-contained Breathing Apparatus Replacement  
(\$77,929 – net of anticipated Grant proceeds).

Bunker Gear Replacement  
(\$1,308),



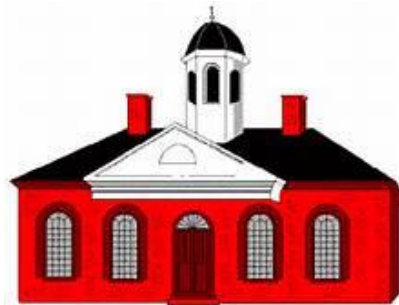
## ***Program Modifications Funded (continued):***

➤ Technology Replacement Program (\$23,500)



➤ Quality of  
Life/Service  
Improvements:

Town Hall Exterior  
Painting (\$17,500) and  
Town Hall Council  
Chamber Floor  
Replacement (\$15,000)



PROS Playground  
Equipment  
Maintenance (\$36,000)



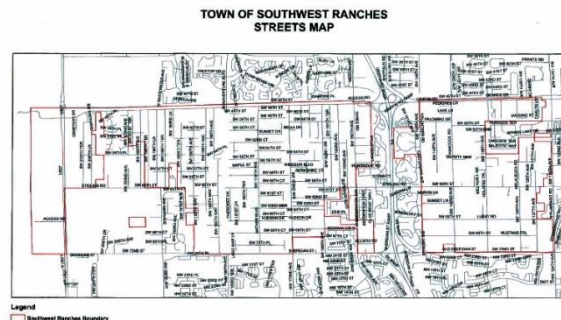
## ***Program Modifications Funded (continued):***

### ➤ Planning Improvements:

Stormwater Master Plan  
(\$50,000)



Comprehensive Plan  
Update: Data, Inventory  
and Analysis (\$20,000  
total - \$10,000 funded in  
FY 2018)





# ***12 Capital Improvement Projects Funded Include:***

- Fire Wells Replacement and Installation and new Public Safety – Fire Rescue Modular Facilities
- Progress on Frontier Trails Conservation Area, Calusa Corners Park, Country Estates Park, Sunshine Ranches Equestrian Park, and new Parks, Recreation and Open Space (PROS) Entranceway Signage.
- Town Hall Complex Safety, Lightning, and Drainage Improvements
- And numerous Transportation Projects, such as: 1) Transportation Surface Drainage Ongoing Rehabilitation (TSDOR), 2) Guardrail Installation, 3) Drainage Improvements, and 4) Pavement Striping and Markers Program. **Reminder:** TSDOR expenses, however, require funding separate from the regular operating millage.





# Questions, Comments and Direction From Town Council

