



Town of Southwest Ranches, FL

Fiscal Year 2013 /2014

Proposed Budget Workshop
Tuesday, August 20, 2013 @ 7:00pm



Town Council

Jeff Nelson, Mayor

Steve Breitkreuz, Vice Mayor

Freddy Fisikelli, Council Member

Gary Jablonski, Council Member

Doug McKay, Council Member

Andy Berns, Town Administrator

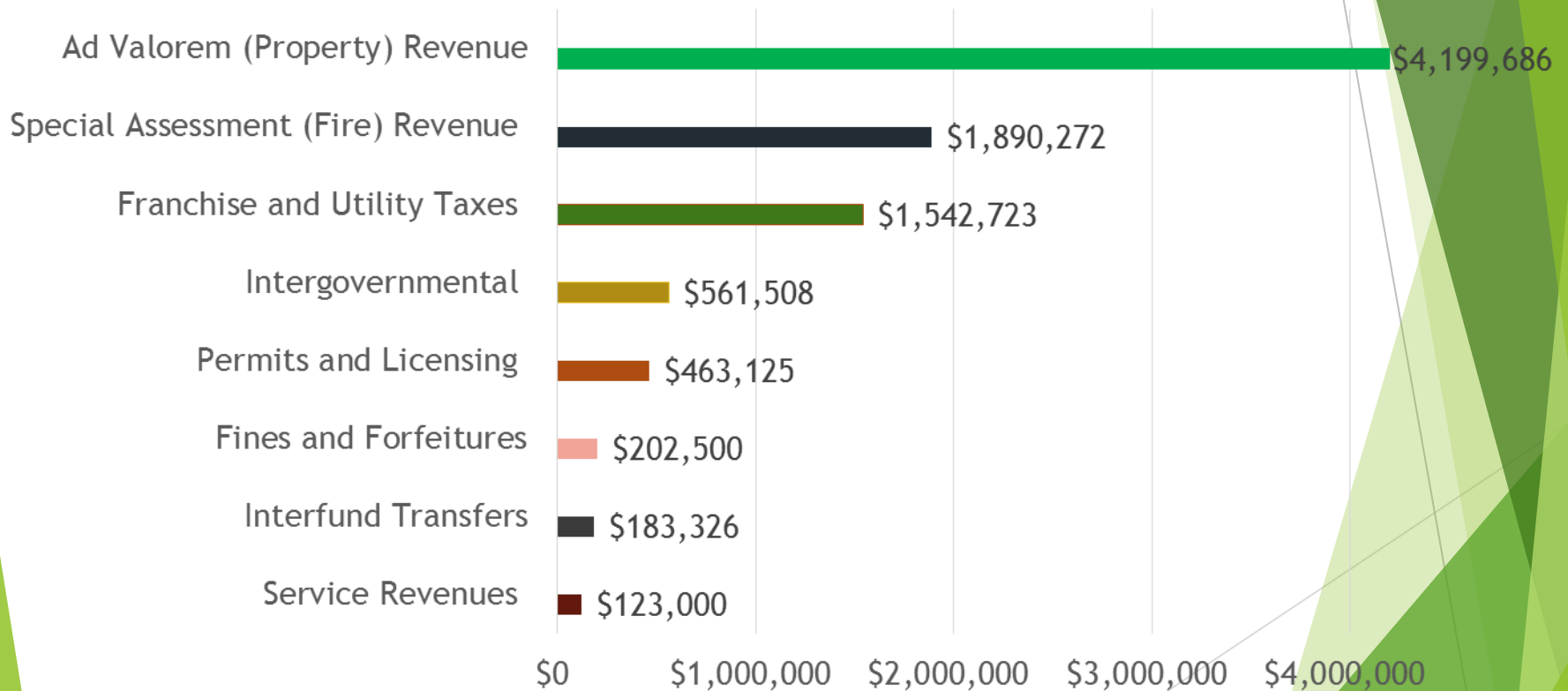
Keith M. Poliakoff, Town Attorney

Erika Gonzalez-Santamaria, CMC, Town Clerk

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

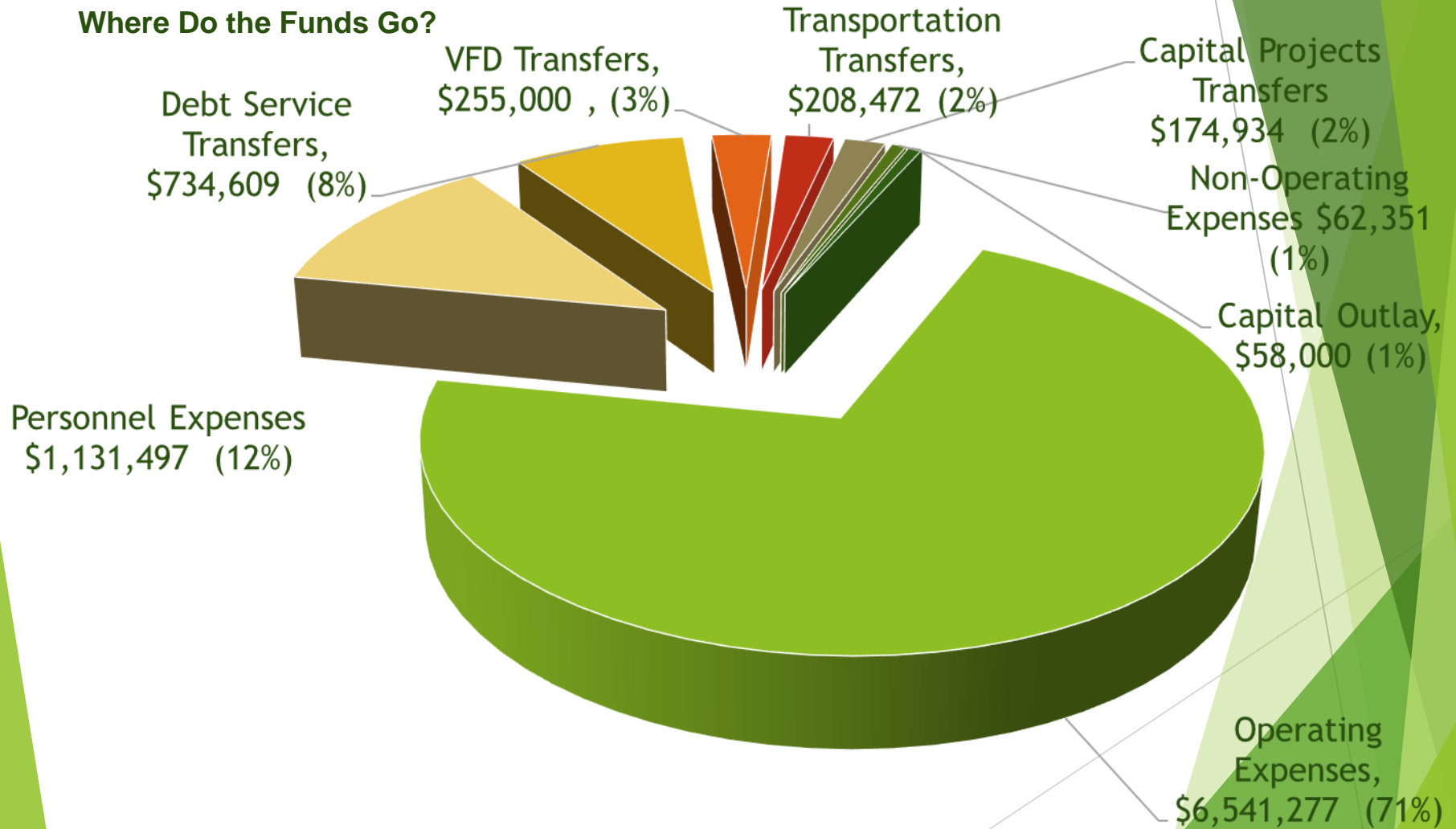
Southwest Ranches Proposed FY 2013/2014 budget Total General Fund Revenues: \$9,166,140

Where Do the Funds Come From?



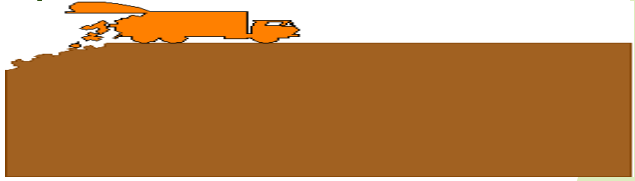

**Southwest Ranches
Proposed FY 2013/2014 budget
Total General Fund Expenditures by Function: \$9,166,140**

Where Do the Funds Go?





Southwest Ranches Proposed FY 2013 / 2014 Budget Rate Changes

Description	FY 2014 Proposed Budget Change
Ad valorem (Property Tax) Rate	.0362 Mill Increase (less than 4 cents per \$1,000)
Solid Waste Residential Assessment Rates (per unit+lot square footage)	Up to a 7.25% Decrease  A solid brown rectangular bar redacting the specific assessment rates.
Fire Assessment Rates: Residential (per dwelling unit) Commercial, Institutional & Industrial/Warehouse (per sq. Ft.) Vacant / Agricultural (per acre)	6.7% Increase 7.7%, 15.0% & 16.7% Increase 46.2% Increase  A graphic of a lit match with a yellow flame and a red head, positioned in the bottom right corner of the table.

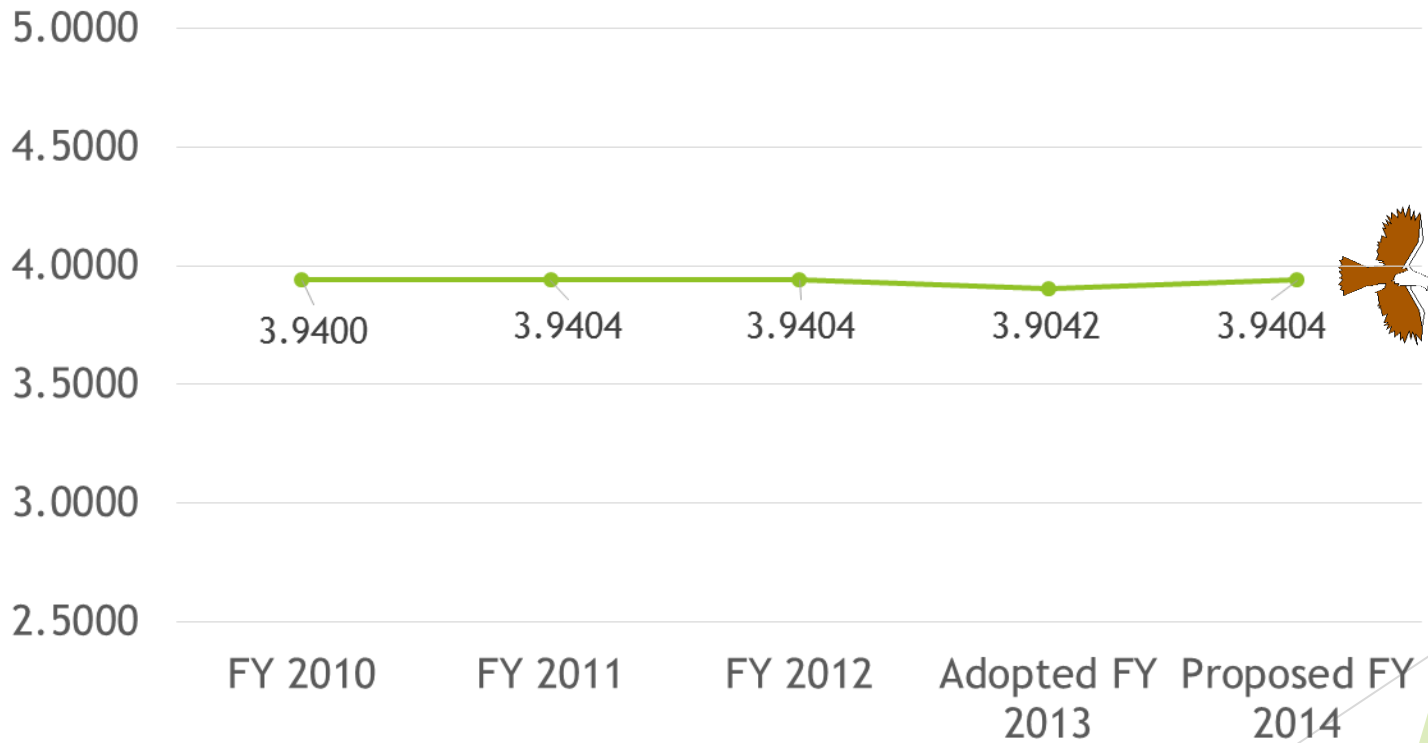
Property Tax / Millage

Millage Trend

Millage Rates Compared

Tax Bill Breakdown

SOUTHWEST RANCHES HISTORIC & PROPOSED MILLAGE RATES



Municipal Millage Rate Comparisons
(Ranked by FY14 Proposed Operating Millage Rate)

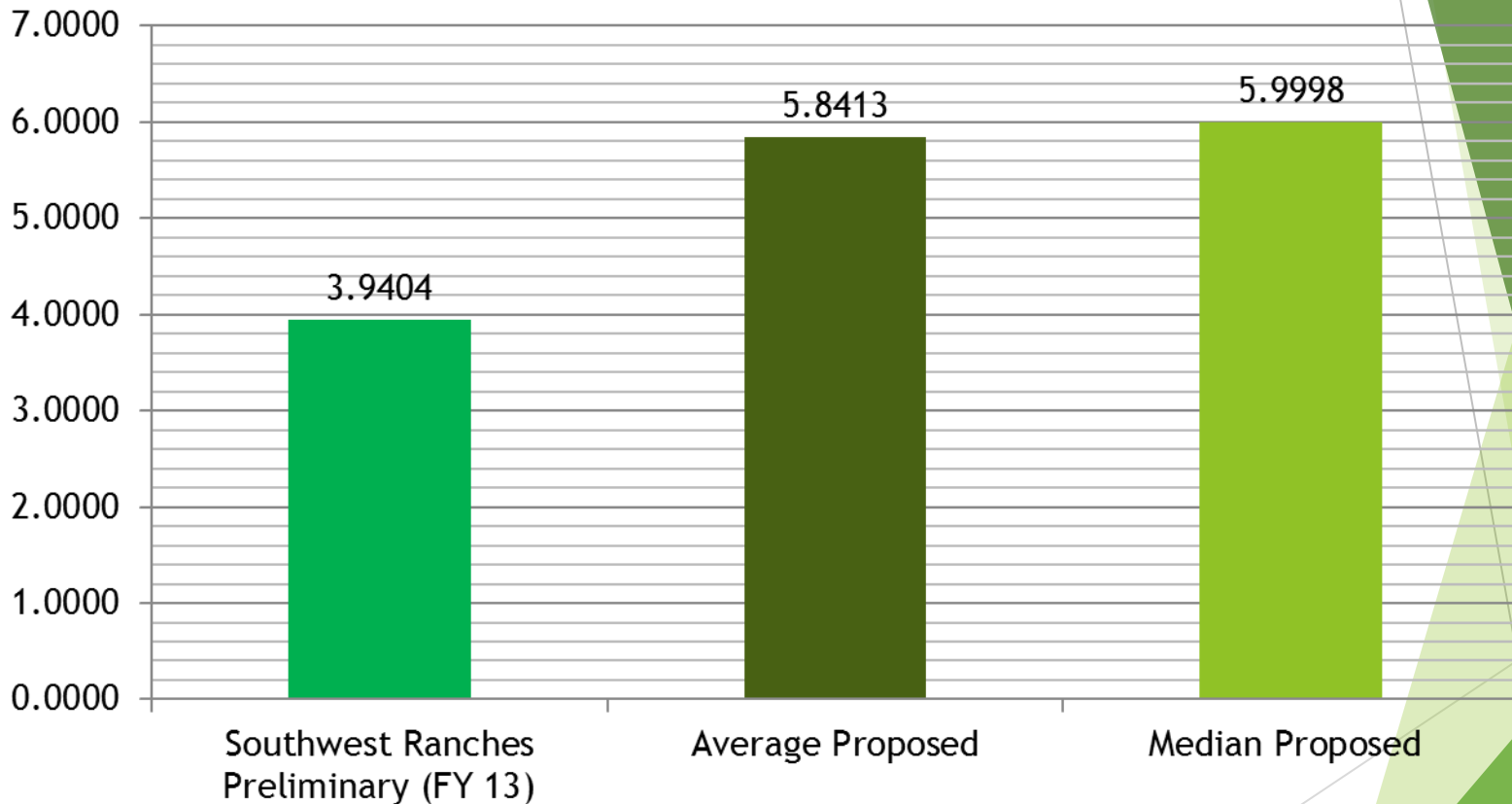
MUNICIPALITY		FY13 ADOPTED OPERATING MILLAGE RATES	FY14 PROPOSED OPERATING MILLAGE RATES
1	Weston	2.0000	2.0000
2	Lighthouse Point	3.5893	3.5893
3	Hillsboro Beach	3.3900	3.8000
4	Lauderdale By The Sea	3.9312	3.9312
5	Southwest Ranches	3.9042	3.9404
6	Parkland	3.9999	3.9900
7	Fort Lauderdale	4.1193	4.1193
8	Coral Springs	4.5697	4.5697
9	Pompano Beach	4.9700	4.8712
10	Davie	4.8122	5.0829
11	Plantation	5.6142	5.6142
12	Pembroke Pines	5.6368	5.6368
13	Cooper City	5.6866	5.7087
14	Hallandale Beach	5.6833	5.8833
15	Lazy Lake	5.8349	5.9363
16	Dania Beach	5.9998	5.9998

**Municipal Millage Rate Comparisons
(Ranked by FY14 Proposed Operating Millage Rate
continued)**

MUNICIPALITY		FY13 ADOPTED OPERATING MILLAGE RATES	FY14 PROPOSED OPERATING MILLAGE RATES
17	Sunrise	6.0543	6.0543
18	Deerfield Beach	5.1856	6.2317
19	Coconut Creek	6.3250	6.3250
20	Wilton Manors	6.2068	6.3407
21	Miramar	6.4654	6.4654
22	Oakland Park	6.3142	6.5292
23	Tamarac	7.2899	7.2899
24	Margate	7.5000	7.3300
25	Lauderhill	7.4198	7.3698
26	Hollywood	7.4479	7.4479
27	Sea Ranch Lakes	7.5000	7.5000
28	North Lauderdale	7.6078	7.6078
29	Pembroke Park	8.5000	8.5000
30	West Park	9.4200	9.4200
31	Lauderdale Lakes	9.5000	9.5000

Comparative Proposed Operating Millage Rate Chart With Outliers* (1 very low; 2 very high) Removed

Note: #10 higher – #16 no change – #2 lower



*Weston is excluded as a low outlier. West Park and Lauderdale Lakes are excluded as high outliers.

Town of Southwest Ranches, Florida
Direct and Overlapping Property Tax Rates (Preliminary)
(rate per \$1,000 of assessed taxable value)

NOTE: Property Owners are also subject to SBDD or CBWCD assessment, depending on location

Fiscal Year	Direct Southwest Ranches Operating Millage	Overlapping Rates ¹						Total Direct and Overlapping Millage
		Broward County	Broward County School Board	South Florida Water Management District	FIN District ²	Children's Services Council	South Broward Hospital District	
2014	3.9404	5.7230	7.4800	0.4110	0.0345	0.4882	0.5000	18.5771
%	21.22%	30.81%	40.27%	2.22%	0.19%	2.63%	2.70%	100.00%

Notes:

¹ Overlapping rates are those of governments that overlap the Town's geographic boundaries.

² Florida Inland Navigational District.

Data Source:

Broward County Property Appraiser Office.

Fire Assessment

3 step Methodology

Rates by Category

Municipal Rate Comparison's: Non-General Fund
subsidized

Fire Assessment Process

(Steps implemented by SWR commencing FY 2012 pursuant to Consultant study)

1. Identification of Allowable Expenses
2. Total Allowable Expenses Allocated to predefined Property Categories
3. Total Property Category assessment allocated to Individual Properties

1. Identification of Allowable Expenses (per consultant study)

- ▶ Florida Law: Fairly and Equally Apportioned Expenses Related to Property Protection. Includes Fire Protective Services and First Responses. *Excludes: Emergency Medical (ambulance) Response.*
- ▶ Call Data from Florida State Fire Marshall's Office utilizes the National Fire Incident Reporting System (NFIRS) of classification of calls. Calls are then categorized by their NFIRS code as either "Fire" or "Non-Fire" calls to create a total call count.
- ▶ An "Effort" calculation is applied to the "Fire" and "Non-Fire" categories as "Fire" calls historically take 39% longer to complete on average.
- ▶ The number of NFIRS based calls (Fire/Non-Fire) are multiplied by the "Effort" calculation to determine the percentage of the total Fire Budget which may be assessed. This percentage for SWR is 42.30%.

2. Total Allowable Expenses Allocated to predefined Property Categories (per consultant study)

- ▶ Broward County Property Appraiser (BCPA) tax rolls are correlated to the Florida Department of Revenue's (FDOR) class codes to create 5 property protection categories
- ▶ 5 Property Protection Categories: 1) Residential, 2) Vacant/Agricultural, 3) Commercial, 4) Industrial/Warehouse, and 5) Institutional.
- ▶ Utilizing call volume historical data for the past 5 years, the number of "Fire" calls and the average length of time for a call per property protection category is identified. The aggregate effort (time x number) is converted to a percentage of total effort for each of the 5 Property Protection Categories.
- ▶ As a category, "Residential" calls are greater in number and longer in duration than other categories, utilizing 63% of assessment qualified resources.

3. Total Property Category assessment allocation to individual properties (**per consultant study**)

- ▶ For each of the Property Protection Categories a common unit of analysis was identified by the SWR Fire consultant related to the property being protected.
 - **Residential - *per dwelling unit***
 - **Vacant/Agricultural - *per acre***
 - **Commercial - *per square foot***
 - **Industrial / Warehouse - *per square foot***
 - **Institutional - *per square foot***
- ▶ With the aggregate fire assessment amount known for each property category and the number of assessable units per category known, individual rates can be determined.
- ▶ These rates are then applied to each individual parcel.

SWR Residential Fire Assessment Rate

Residential Property (per dwelling units)	Taxable Units	% Change in Units from Prior Year	Rate	% Change in Rate from Prior Year	Total Category Assessment	% Change in Total Category Assessment from Prior Year
Fiscal Year 2010	2482	N/A	\$350.00	N/A	\$868,700	N/A
Fiscal Year 2011	2489	0.28%	\$350.00	0.00%	\$871,150	0.28%
Fiscal Year 2012	2454	-1.41%	\$442.51	26.43%	\$1,085,920	24.65%
Fiscal Year 2013	2448	-0.24%	\$442.51	0.00%	\$1,083,264	-0.24%
Fiscal Year 2014 (preliminary)	2468	0.82%	\$472.14	6.70%	\$1,165,234	7.57%

SWR Vacant/Agricultural Fire Assessment Rate

Vacant/Agricultural Property (per # of acres)	Taxable Units	% Change in Units from Prior Year	Rate	% Change in Rate from Prior Year	Total Category Assessment	% Change in Total Category Assessment from Prior Year
Fiscal Year 2010	1450	N/A	\$79.16	N/A	\$114,782	N/A
Fiscal Year 2011	1419	-2.82%	\$79.15	-0.01%	\$112,314	-2.15%
Fiscal Year 2012	2173*	53.14%	\$49.80	-37.08%	\$80,327	-28.48%
Fiscal Year 2013	2094*	-3.64%	\$51.53	3.47%	\$82,139	2.26%
Fiscal Year 2014(preliminary)	1537	-26.60%	\$75.33	46.19%	\$115,776	40.95%

****With the implementation of the Consultant Fire Study in Fiscal Year 2012 and for FY 2013 the number of taxable unit acres was overstated by over 500 acres resulting in a substantial decrease in rates (and a shortage of category assessment revenues). The revenue loss was absorbed by the General Fund. The preliminary rates for FY 2014 correct this subsidy and restore this category rate back, comparatively (but less than) the FY 2011 rate as highlighted in yellow.***

SWR Commercial Fire Assessment Rate

Commercial Property (per square foot)	Taxable Units	% Change in Units from Prior Year	Rate	% Change in Rate from Prior Year	Total Category Assessment	% Change in Total Category Assessment from Prior Year
Fiscal Year 2010	329,377	N/A	\$0.57	N/A	\$187,745	N/A
Fiscal Year 2011	331,668	0.70%	\$0.57	0.00%	\$189,051	0.70%
Fiscal Year 2012	334,455	0.84%	\$0.80	40.35%	\$267,564	41.53%
Fiscal Year 2013	331,702	-0.82%	\$0.78	-2.50%	\$258,728	-3.30%
Fiscal Year 2014(preliminary)	331,260	-0.13%	\$0.84	7.69%	\$278,441	7.62%

SWR Industrial/Warehouse Fire Assessment Rate

Industrial/Warehouse Property (per square foot)	Taxable Units	% Change in Units from Prior Year	Rate	% Change in Rate from Prior Year	Total Category Assessment	% Change in Total Category Assessment from Prior Year
Fiscal Year 2010	111,061	N/A	\$0.57	N/A	\$63,305	N/A
Fiscal Year 2011	111,425	0.33%	\$0.57	0.00%	\$63,512	0.33%
Fiscal Year 2012	105,896	-4.96%	\$1.32	131.58%	\$139,783	120.09%
Fiscal Year 2013	115,497	9.07%	\$1.32	0.00%	\$152,456	9.07%
Fiscal Year 2014 <preliminary)< td=""> <td>115,497</td> <td>0.00%</td> <td>\$1.54</td> <td>16.67%</td> <td>\$177,529</td> <td>16.45%</td> </preliminary)<>	115,497	0.00%	\$1.54	16.67%	\$177,529	16.45%

Southwest Ranches **Institutional** Fire Assessment Rate

Institutional Property (per square foot)	Taxable Units	% Change in Units from Prior Year	Rate	% Change in Rate from Prior Year	Total Category Assessment	% Change in Total Category Revenue from Prior Year
Fiscal Year 2010	510,206	N/A	\$0.14	N/A	\$71,429	N/A
Fiscal Year 2011	503,746	-1.27%	\$0.14	0.00%	\$70,524	-1.27%
Fiscal Year 2012	512,179	1.67%	\$0.21	50.00%	\$107,558	52.51%
Fiscal Year 2013	514,081	0.37%	\$0.20	-4.76%	\$102,816	-4.41%
Fiscal Year 2014(preliminary)	514,598	0.10%	\$0.23	15.00%	\$115,797	12.63%

Broward County Municipal COMPARISONS: Residential Fire Assessments (@100%) Explained:

- ❖ A number of municipalities subsidize fire protection assessment costs with property tax (General Fund) revenue.
- ❖ To compare Southwest Ranches costs for Fire Services, municipalities were surveyed: What percentage of your eligible fire services costs are paid through an assessment? (25 municipalities responded).
- ❖ Standardizing the rates at 100% of eligible costs resulted in several municipal “true – what if” fire rates increasing.
- ❖ With the “true-what if” rates considered, the Town of Southwest Ranches still remains the highest in Broward County - but not by a wide margin (**only \$26.78 annually**).
- ❖ The Townwide Fire Operational study contained in the Proposed FY 2014 Budget will seek a responsible solution to potentially lowering these costs.

Municipal Residential Fire Rates Compared at 100% of Assessable

Rank by % change: 2 decreases, 6 no changes, 17 increases

		100% Equivalent	100% Equivalent	% Change (decrease) increase
		FY 2013	FY 2014	FY 13 to FY 14
1	Lauderdale by the Sea	\$130.00	\$123.50	-5.00%
2	Hallandale Beach	\$195.75	\$187.05	-4.44%
3	Cooper City	\$161.28	\$161.28	0.00%
4	Hollywood	\$198.45	\$198.45	0.00%
5	Oakland Park	\$205.80	\$205.80	0.00%
6	Tamarac	\$291.50	\$291.50	0.00%
7	Miramar	\$304.90	\$304.90	0.00%
8	Lauderhill	\$407.40	\$407.40	0.00%
9	Pembroke Pines	\$252.49	\$253.82	0.53%
10	Parkland	\$346.50	\$348.60	0.61%
11	Sunrise	\$257.64	\$263.25	2.18%
12	Coral Springs	\$138.10	\$141.36	2.36%
13	West Park	\$427.00	\$445.36	4.30%

Municipal Residential Fire Rates Compared at 100% of Assessable (continued)

Rank by % change: 2 decreases, 6 no changes, 17 increases

		100% Equivalent	100% Equivalent	% Change (decrease) increase
		FY 2013	FY 2014	FY 13 to FY 14
14	Margate	\$285.75	\$299.25	4.72%
15	Lighthouse Point	\$147.55	\$157.29	6.60%
16	Southwest Ranches	\$442.51	\$472.14	6.70%
17	Coconut Creek	\$137.43	\$148.29	7.90%
18	Pompano Beach	\$172.02	\$188.94	9.84%
19	Wilton Manors	\$141.65	\$156.40	10.41%
20	North Lauderdale	\$143.00	\$164.00	14.69%
21	Weston	\$333.27	\$388.13	16.46%
22	Ft. Lauderdale	\$190.35	\$225.00	18.20%
23	Lauderdale Lakes	\$242.95	\$302.72	24.60%
24	Davie	\$260.00	\$332.00	27.69%
25	Deerfield Beach	\$135.00	\$175.00	29.63%

Solid Waste Rates

Proposed Solid Waste Rates for FY 2014 With Changes from FY 2013



Based On Consultant Study

Assessment	Lot Sq Ft. Range		Number of Units in Range	Total Proposed Rates FY 13/14	Total Assessed Rates FY 12/13	Difference (Decrease)
A	up to	41,200	400	388.08	418.68	(30.60)
B	41,201 -	46,999	413	406.69	435.30	(28.61)
C	47,000 -	62,999	406	430.34	455.94	(25.60)
D	63,000 -	95,999	430	445.12	468.98	(23.86)
E	96,000 -	106,999	421	470.20	489.03	(18.83)
F	107,000 >	107,000	412	502.88	514.60	(11.72)

Solid Waste Impact

- ▶ Approximately 5.5% decrease overall this year in addition to the approximately 30% cost savings for residential collections across all residential categories last year (FY 2012-2013).
- ▶ Residential Solid Waste customer reductions range from \$11.72 - \$30.60 annually depending on lot square footage.

Budget Document Notes:

- Council Policy Focused Document
- Fund Balances Disclosed
- Departmental Descriptions, Accomplishments (new), Goals and Objectives
- Departmental & Fund Histories

Budget Document Notes

- Explanation of Budget Changes (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

Sample Expenditure Page

Prior FY
Histories



Current FY 13
Info.



Proposed



Line Item		FY 2011 Actual	FY 2012 Actual	FY 2013 Current Budget	FY 2013 Projected	FY 2014 Proposed
34300	Other Contractual Services-P&Z Permits	-	124,835	75,000	68,000	75,000
TOTAL	OPERATING EXPENSES	190,139	154,108	142,000	143,500	148,000
99100	Contingency	-	-	-	-	-
TOTAL	NON-OPERATING EXPENSES	-	-	-	-	-
TOTAL	Department Total	264,927	311,698	302,850	308,350	329,331

Sample Expenditure Page (Continued)

Line Item		FY 2011 Actual	FY 2012 Actual	FY 2013 Current Budget	FY 2013 Projected	FY 2014 Proposed
34300	Other Contractual Services & Z Permits	-	124,835	75,000	68,000	75,000
TOTAL	OPERATING EXPENSES	190,139	154,108	142,000	143,500	148,000
99100	Contingency	-	-	-	-	-
TOTAL	NON-OPERATING EXPENSES	-	-	-	-	-
TOTAL	Department Total	264,927	311,698	302,850	308,350	329,331

Variance Analysis

Major Variance from Current Budget FY 2013 to Projected FY 2013

Code	Amount	Explanation
34300	\$(7,000)	Decrease projected in P&Z Permits
34310	\$14,500	Increase projected in P&Z Hearings





Major Variance or Highlights of the Departmental Budget - FY 2013 Projected to FY 2014 Proposed

Code	Amount	Explanation
34310	\$(11,000)	Decrease in anticipated P&Z Hearings
34320	\$(13,000)	Decrease due to new account itemization for #34330 (Comp plan board)
34330	\$(13,000)	Increase new acct itemization part from #34320 for Comp plan board

Program Modification Highlights

- Increase in maintenance and appearance at Fishing Hole Park
- Partial Replacement of Town Hall Air Conditioning System
- Townwide Fire Operational Study
- Transportation Surface and Drainage Ongoing Rehabilitation (TSDOR) Program/Assessment Study Implementation
- National Pollutant Discharge Elimination System (NPDES) Program Implementation

FY 2014 Capital Improvement Projects Funded

Name	Cost
Fire Wells Replacement & Installation	\$25,000
Drainage Improvement Projects 	\$100,000
Pavement Striping and Markers	\$40,000
Fishing Hole Park at Country Estates 	\$289,363
Rolling Oaks Passive Open Space and Barn 	\$356,001
Guardrails Installation Project	\$30,000
Town Hall Complex Roof Replacement (reserve)	\$50,000
Townwide Utility Vehicle Purchase	\$27,675
Town Entranceway Signage 	<u>\$15,000</u>
Total FY 2014 Infrastructure Improvements Funded	\$933,039

Capital Improvement Projects Not Funded

Department	Project Name	Total FY 2014 Project Amount
Public Safety - Vol. Fire	Volunteer Fire Pumper/Tanker Vehicle and Equipment	\$ 60,000
General Fund Total		\$ 60,000
Parks and Open Space	Frontier Trails Conservation Areas	\$ 390,930
Parks and Open Space	Southwest Meadows Sanctuary	\$ 211,095
Parks and Open Space	Calusa Corners	\$100,000
Parks and Open Space	Covered Dock on C-11 Canal	\$ 100,000
Capital Projects Fund Total		\$ 802,025
Transportation	SW 210 Terrace Road Improvement	\$ 150,000
Transportation	Streets Paving	\$ 125,000
Transportation	Roadside Drainage Swales	\$ 61,000
Transportation	Street Repairs (non-emergency)	\$ 52,500
Transportation	Sidewalk Repairs	\$ 32,000
Transportation	Street Lightning	\$ 30,000
Transportation	SW 60th Street Widening Project	\$ 15,000
Transportation Fund Total		\$ 465,500
All Funds		\$1,327,525

Future FY 2014 Budget Calendar Events

- Thursday, September 12, 2013 (6 pm):
 - First Public Hearing for Tentative Millage and Budget Adoption
 - Final Fire Protection and Solid Waste Special Assessment Adoption

- Thursday, September 26, 2013 (6 pm):
 - Second Public Hearing for Final Millage and Budget Adoption

- Post October 1, 2013:
 - Budget Monitoring and Reporting

Questions, Comments and Direction From Town Council

