



Town of Southwest Ranches, FL

Fiscal Year 2015 /2016

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

Tuesday, August 25, 2015 @ 7:00pm



Town Council

Jeff Nelson, Mayor

Freddy Fisikelli, Vice Mayor

Steve Breitreuz, Council Member

Gary Jablonski, Council Member

Doug McKay, Council Member

Town Administration

Andrew D. Berns, MPA, Town Administrator

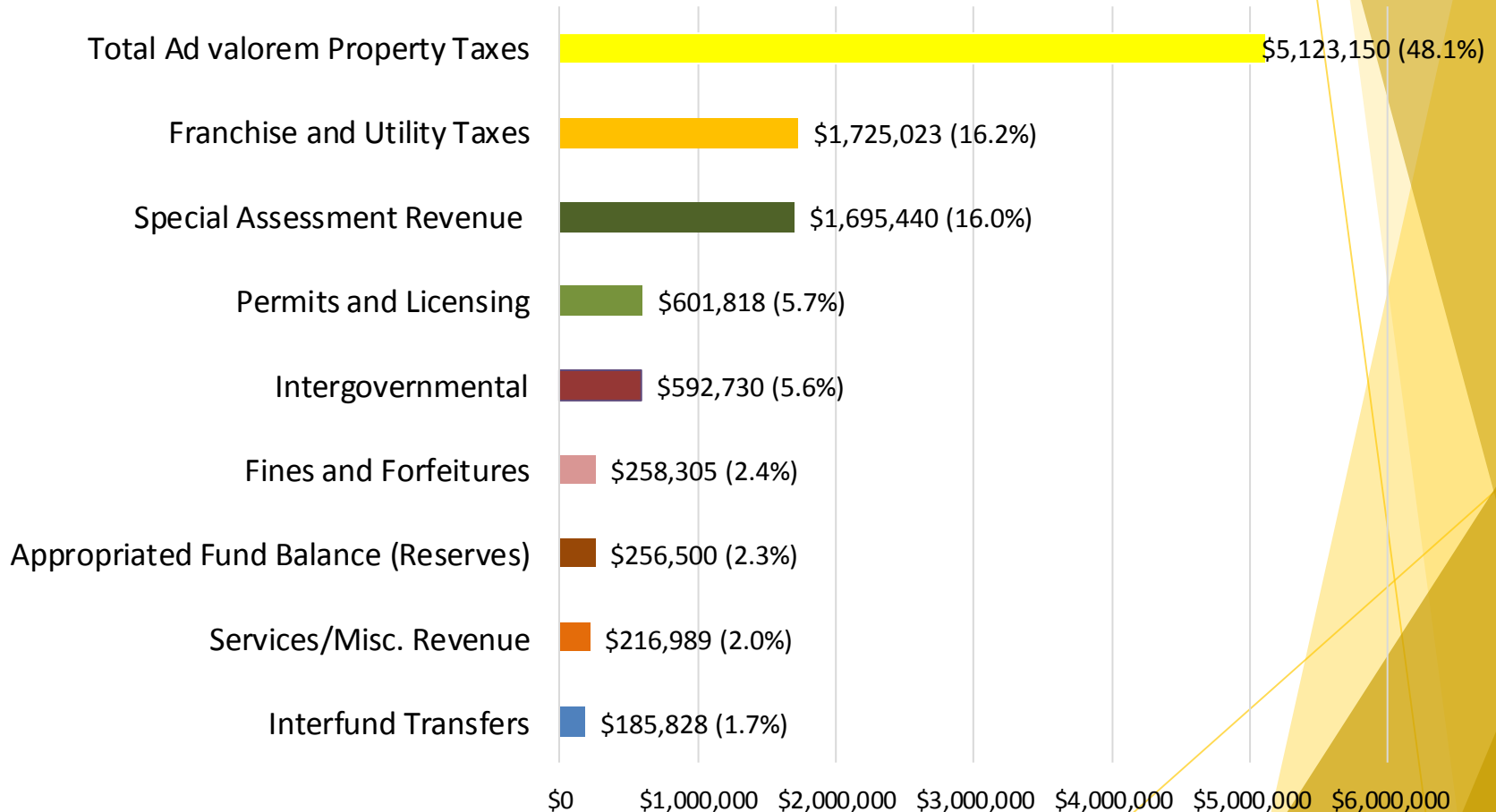
Keith M. Poliakoff, JD, Town Attorney

Russell Muniz, MBA, MPA, MMC, Town Clerk/Assistant Town Administrator

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

Southwest Ranches Proposed FY 2015/2016 budget Total General Fund Revenues: \$10,655,783

Where do the funds come from?

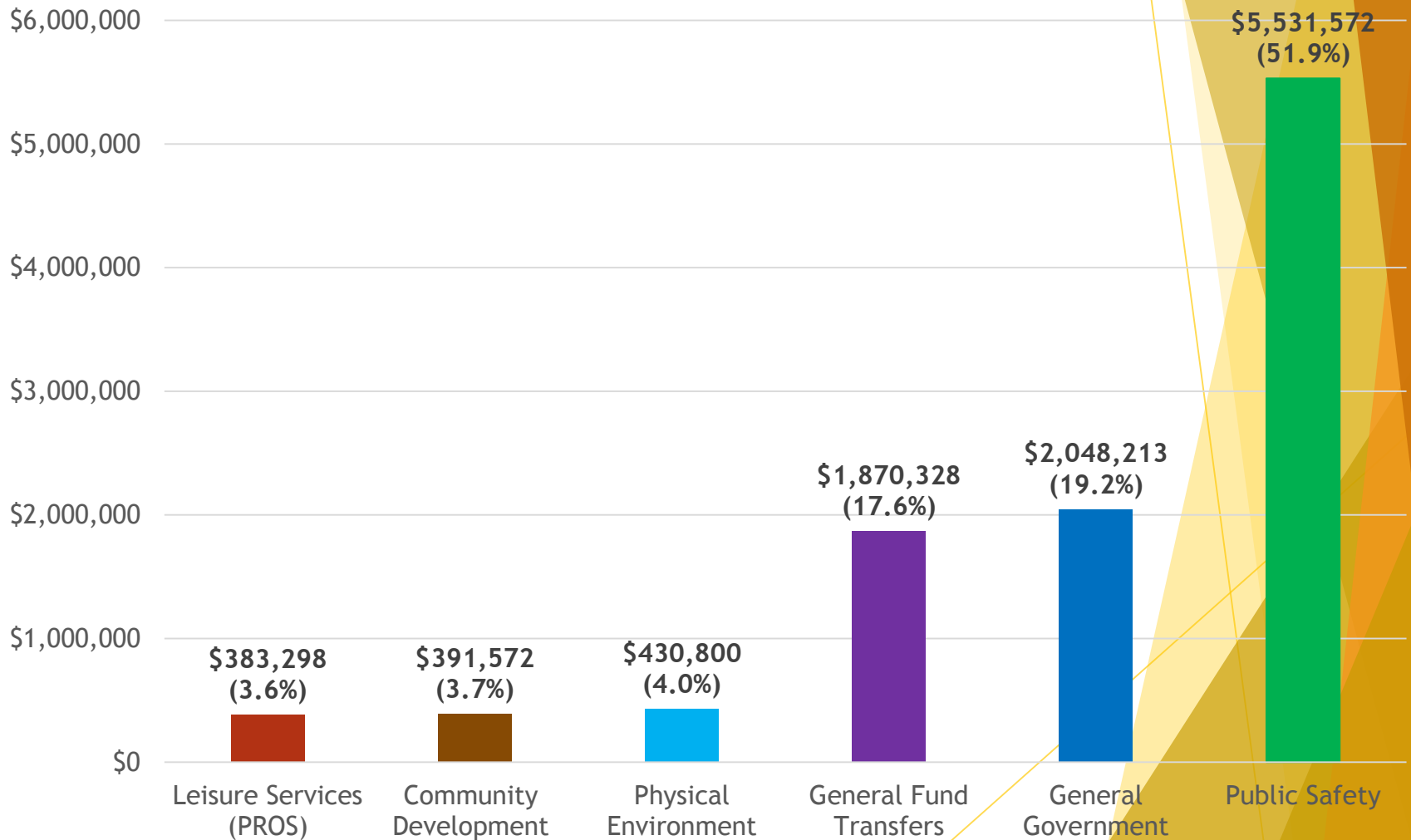


Southwest Ranches

Proposed FY 2015/2016 budget

Total General Fund Expenditures by Function: \$10,655,783

Where Do The Funds Go?



Summary of Proposed FY 2016 Rates and Fees Compared to Adopted FY 2015

Adopted FY 2015: Rate/Fee

- ▶ Operating Millage: 3.9404 mills
- ▶ TSDOR Millage: 0.3315 mills
- ▶ Fire Assessment: \$2.22 increase from FY 2014 (\$474.36 per residential dwelling unit)
- ▶ Solid Waste: \$0.77 to \$2.67 decrease from FY 2014

Proposed FY 2016: Rate/Fee

- ▶ Operating Millage: 3.9404 - unchanged from FY 2015
- ▶ TSDOR Millage: 0.3950 mills - 6 cents per thousand in taxable value increase
- ▶ Fire Assessment: \$35.34 decrease from FY 2015 (\$439.02 per residential dwelling unit)
- ▶ Solid Waste: \$0.77 to \$9.80 increase from FY 2015

COMBINED RATE IMPACTS

▶ Operating Millage:

- ▶ Maintaining 3.9404 mills means slight property tax increases based on increases in assessed valuations or decreased exemptions, if applicable.

▶ Transportation Surface Drainage Ongoing Rehabilitation (TSDOR):

- ▶ The proposed rate would result in an increase of approximately 6¢ per \$1,000 of taxable values (0.6% or \$60 per \$1,000,000). Changes in taxable value or exemptions (above addressed) would combine with the rate change to increase the tax bill.

▶ Fire Rates

- ▶ The proposed rate would reduce costs to all property categories while maintaining the 100% Town cost assessment policy. Specifically, residential rates would decline by \$35.34.

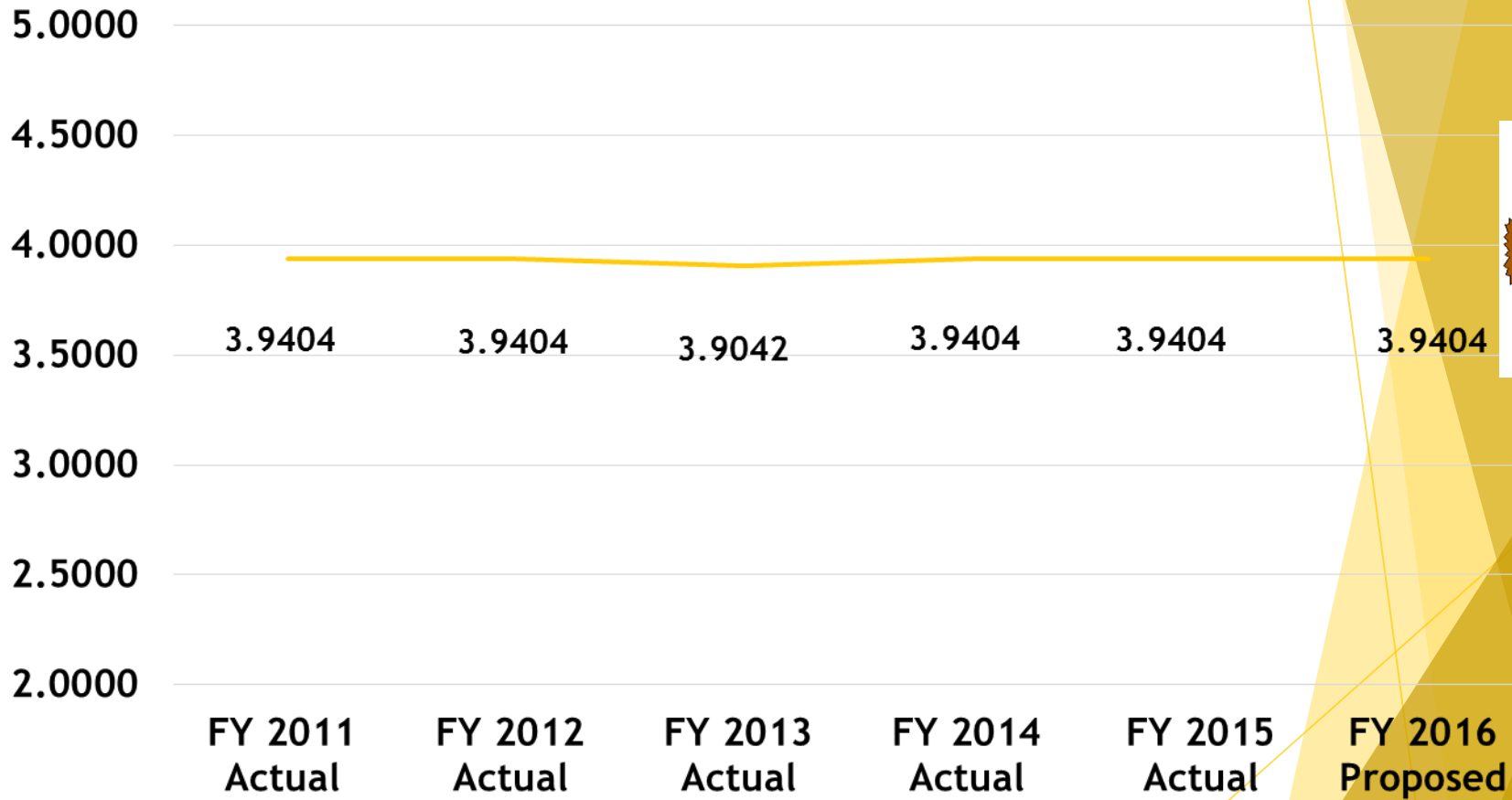
▶ Solid Waste Rates

- ▶ The proposed rate structure would result in a modest increase (less than 2%) after three consecutive years of reduced rates.

Property Tax / Millage

1. Millage Trend for Operating
2. Millage proposed for TSDOR
3. Municipal Rates Compared

SOUTHWEST RANCHES HISTORIC & PROPOSED MILLAGE RATES FOR OPERATING PURPOSES



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

Fiscal Year	Cost	Net Millage Equivalent
FY 2015/2016	\$466,700	.3950 mils

MILLAGE COMPARISON NARRATIVE:

Currently, (FY 2015) Southwest Ranches (at the Historic Rate plus TSDOR) is the 7th lowest combined operating and debt millage rate in Broward County (including Unincorporated Broward Cty).

The Proposed FY 16 Millage Rate, including TSDOR, moves SWR to 8th place in combined operating and debt service millage rates. Without including TSDOR, SWR would be in 6th place!

In short, the relative position of Southwest Ranches (even with the TSDOR millage) among Broward County municipal service providers remains within the upper 25th percentile (lower than 75% of all of Broward County municipal providers – including unincorporated Broward).

**Municipal Millage Rate Comparisons
(FY 2016 PROPOSED COMBINED MILLAGES)**

	Municipal Service Area	FY 15 Actual Operating and Debt Millage	FY 16 Proposed Operating and Debt Millage
1	Unincorporated Broward Cty	2.3353	2.3353
2	Weston	2.3900	2.3900
3	Lauderdale-By-The-Sea	3.8000	3.7390
4	Hillsboro Beach	3.3900	3.8000
5	Lighthouse Point	3.8175	3.8118
6	Parkland	3.9890	3.9870
7	Ft. Lauderdale	4.3151	4.2990
8	Southwest Ranches (including TSDOR)	4.2719	4.3354
9	Lazy Lake	5.1496	4.7931
10	Pompano Beach	4.7470	4.9868
11	Coral Springs	4.7735	5.0915
12	Hallandale Beach	5.1918	5.4918
13	Davie	5.8910	5.7976
14	Cooper City	5.8772	6.0772
15	Coconut Creek	6.2301	6.1803
16	Oakland Park	6.2744	6.1995

Municipal Millage Rate Comparisons
(FY 2016 PROPOSED COMBINED MILLAGES)

	Municipal Service Area	FY 15 Actual Operating and Debt Millage	FY 16 Proposed Operating and Debt Millage
17	Pembroke Pines	6.2303	6.2385
18	Dania Beach	6.2593	6.2432
19	Sunrise	6.0543	6.4426
20	Deerfield Beach	6.7668	6.7688
21	Wilton Manors	6.7225	6.8770
22	Plantation	5.7500	6.9000
23	Miramar	6.7654	6.9000
24	Margate	7.3093	7.3093
25	Tamarac	7.3909	7.3851
26	North Lauderdale	7.5000	7.5000
27	Sea Ranch Lakes	7.5000	7.5000
28	Hollywood	7.8007	7.8007
29	Pembroke Park	8.5000	8.5000
30	Lauderhill	8.6502	8.6615
31	West Park	8.9200	8.9200
32	Lauderdale Lakes	10.3454	9.8400

Fire Assessment (Introduction):

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

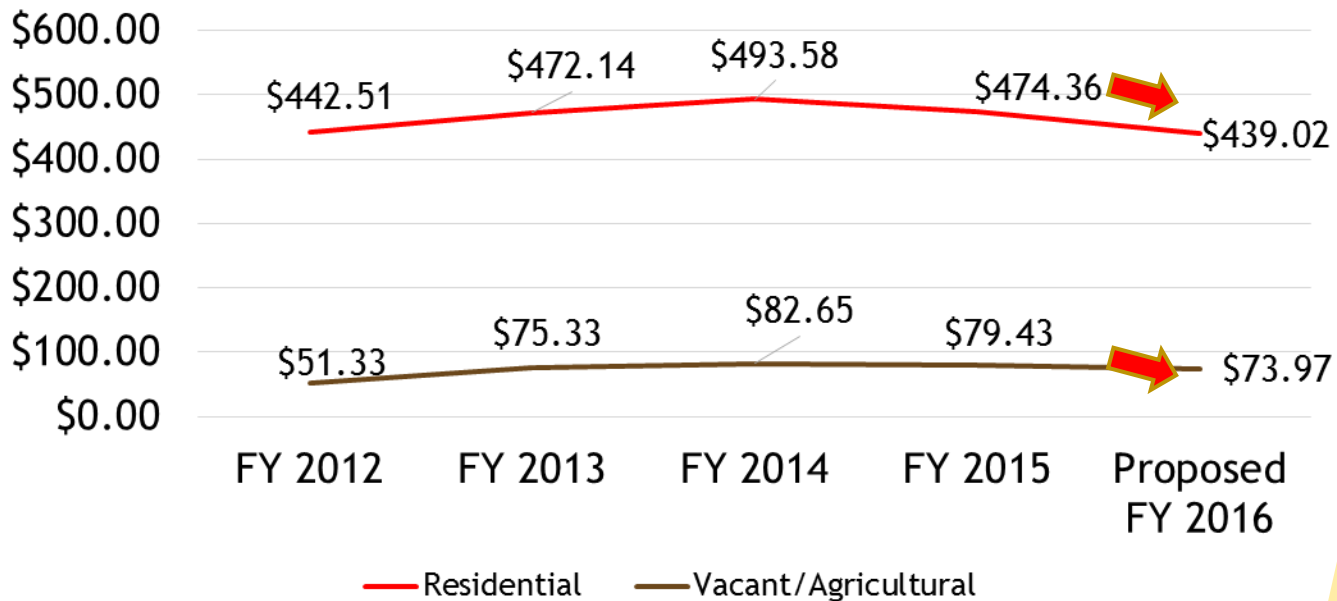
Proposed and Actual Rates (History) by Category

Municipal Rates Compared

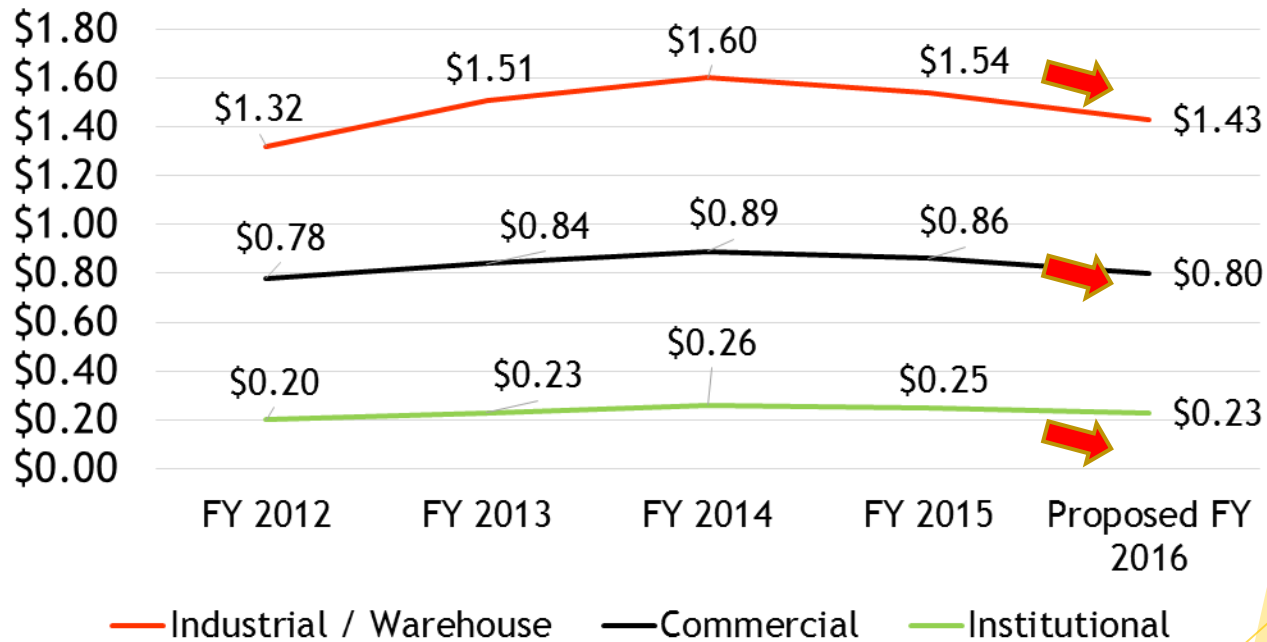
Fire Assessment (Background)

- ▶ 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.
- ▶ Historically for SWR, the only parcels exempted are nine residences owned by eligible disabled U.S. military veterans (totaling \$3,951).

Fire Assessment Residential and Acreage Category Rates Three Year History and Proposed FY 2016



Fire Assessment Rate: Per Square Foot Building Area by Category Three Year History and Proposed FY 2016



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.
- ❖ The following reflects only the actual amounts for FY 14/15 and reported proposed rates for FY 15/16. Municipalities with an identical assessment are likely subsidizing operations from general fund taxes.
- ❖ The Town of Southwest Ranches remains the highest annually in Broward County by only \$1.02 (Lauderhill) and is one of only two municipalities projecting a rate decrease for FY 2016.
- ❖ All other municipalities, which may not provide general fund subsidies, project a 3.57% to 36.55% increase in rates.

Municipal Residential Fire Rates Compared (based on % change)

		FY 2015 Actuals	FY 2016 Proposed	% Change Increase (Decrease)
1	Southwest Ranches	\$474.36	\$439.02	-7.45%
2	Lauderdale Lakes	\$302.60	\$292.60	-3.30%
3	Cooper City	\$161.28	\$161.28	0.00%
4	Davie	\$166.00	\$166.00	0.00%
5	Deerfield Beach	\$175.00	\$175.00	0.00%
6	Ft. Lauderdale	\$225.00	\$225.00	0.00%
7	Hollywood	\$209.00	\$209.00	0.00%
8	Lauderale-By-The-Sea	\$123.50	\$123.50	0.00%
9	Lighthouse Point	\$90.34	\$90.34	0.00%
10	Oakland Park	\$196.00	\$196.00	0.00%
11	Parkland	\$210.00	\$210.00	0.00%
12	Pompano Beach	\$134.00	\$134.00	0.00%
13	Tamarac	\$265.00	\$265.00	0.00%

Municipal Residential Fire Rates Compared (continued)

		FY 2015 Actuals	FY 2016 Proposed	% Change Increase (Decrease)
14	Unincorporated Brwd Cty	\$190.00	\$190.00	0.00%
15	West Park	\$381.00	\$381.00	0.00%
16	Pembroke Pines	\$250.90	\$259.85	3.57%
17	Coral Springs	\$141.36	\$147.00	3.99%
18	Weston	\$388.31	\$408.23	5.13%
19	Coconut Creek	\$161.23	\$177.79	10.27%
20	Lauderhill	\$388.00	\$438.00	12.89%
21	N. Lauderdale	\$156.00	\$178.00	14.10%
22	Wilton Manors	\$169.80	\$195.54	15.16%
23	Sunrise	\$169.50	\$199.50	17.70%
24	Dania Beach	\$160.00	\$190.00	18.75%
25	Miramar	\$304.90	\$372.84	22.28%
26	Hallandale Beach	\$145.00	\$198.00	36.55%

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 15/16 with changes from FY 14/15

Based On Consultant Study

Assessment	Lot Sq Ft. Range		Number of Units in Range	Total Proposed Rates FY 15/16	Total Assessed Rates FY 14/15	Difference: Increase 
A	up to	41,200	406	389.65	387.31	2.34
B	41,201 -	46,999	419	409.45	405.92	3.53
C	47,000 -	62,999	412	433.30	430.34	2.96
D	63,000 -	95,999	444	445.84	443.07	2.77
E	96,000 -	106,999	441	469.34	468.57	.77
F	107,000 >	107,000	419	510.01	500.21	9.80

 Less than 2%

Solid Waste Impact

- ▶ Approximately 36% decrease over the past three years primarily resulting from changes in both our collection and disposal contractors.
- ▶ A small increase in rates proposed for FY 2016.
- ▶ FY 2016 Residential Solid Waste customer increases are less than 2% and range from \$0.77 - \$9.80 annually depending on lot square footage.

Notes on the FY 2016 Proposed Budget Book Documentation

Proposed Budget Documentation Notes:

- Council Policy Focused Document with input from all Town Council Advisory Boards
- Transparency: Restricted, Committed, Assigned, and Unassigned Fund Balances (Reserves) 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

Sample Expenditure Page

Prior FY
Histories



Current FY 15
Info.



Proposed
FY 16



Line Item Prefix: 001-1200-514-:		FY 2013 Actual	FY 2014 Actual	FY 2015 Current Budget	FY 2015 Projected	FY 2016 Proposed
Suffix	Account Description					
31010	Professional Services	172,868	164,842	200,000	150,000	175,000
31020	Lawsuits & Prosecutions - General	227,995	335,197	250,000	320,000	250,000
31030	Lawsuits - Code Compliance	33,467	76,377	65,000	54,000	55,000
31040	Lawsuits - Planning & Zoning	4,070	18,503	20,000	10,000	20,000
TOTAL	OPERATING EXPENSES	438,399	594,920	535,000	534,000	500,000
TOTAL	Department Total	438,399	594,920	535,000	534,000	500,000

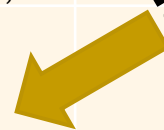
Sample Expenditure Page (continued)

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TOTAL	OPERATING EXPENSES	438,399	594,920	535,000	534,000	500,000
TOTAL	Department Total	438,399	594,920	535,000	534,000	500,000

Major Variance from Current Budget FY 2015 to Projected FY 2015		
Code	Amount	Explanation
31010	(\$50,000)	Lower Townwide legal professional services than anticipated
31020	\$70,000	Higher lawsuits/litigation than anticipated

Major Variance or Highlights of the Departmental Budget - FY 2015 Projected to FY 2016 Proposed		
Code	Amount	Explanation
31010	\$25,000	To provide for annual Townwide legal professional services at \$175k
31020	(\$70,000)	Annual provision for estimated lawsuits/litigation expenses
31040	\$10,000	Annual provision for estimated P&Z costs/expenses

Variance Analysis

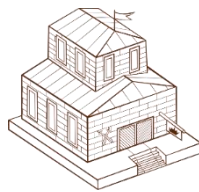


While maintaining the operating millage all of the following items are funded:

- Two Fire Department and one joint Fire Department/Public Safety Capital Improvements as well as SCBA and Bunker Gear Replacement.



- Progress on the Calusa Corners Project as well as staffing adjustments to assist PROS senior staff.



- Town Hall Improvements

Council Agenda Workflow Improvements



Platting of the "Broadwing" parcel

And numerous Transportation Projects: such as: SW 190th Avenue, Pavement stripping and marking, drainage improvements, guardrail installation, street lighting improvements, and Town entranceway signage improvements. TSDOR expenses, however, require funding from outside of operating millage.

*FY 2016 **Funded** Program Modification Highlights:*

- Broadwing parcel platting,
- Part-time Administrative Assistant and Contractual Seasonal Assistance for PROS department,
- Council Agenda Workflow Software, and
- Bunker Gear and Self-Contained Breathing Apparatus (SCBA) Replacement Programs.

Funded FY 2015/2016 Capital Improvement Project Requests

Project Name	Total FY 2016 Project Amount*
Public Safety-Fire Rescue Modular Facilities	\$ 171,530
Volunteer Fire Pumper-Tanker/Engine Vehicle and Equipment	\$ 25,500
Fire Wells Replacement and Installation	<u>\$ 15,000</u>
Public Safety Sub-Total	\$ 212,030
Calusa Corners*	\$ 100,000
Town Hall Roof Replacement	\$ 150,000
Town Hall Drainage and Safety Improvements	<u>\$ 36,775</u>
General Government / PROS Sub-Total	\$ 286,775
Transportation Surface Drainage Ongoing Rehabilitation (TSDOR)	\$ 466,700
SW 190th Street Extension Project*	\$ 219,310
Guardrails Installation Project	\$ 100,000
Drainage Improvement Projects	\$ 100,000
Pavement Striping & Markers	\$ 130,000
Street Lighting	\$ 25,000
Townwide Entranceway Signage	<u>\$ 15,000</u>
Transportation Projects Sub-Total	\$ 1,056,010
Grand Total	\$1,554,815

Budget Process Calendar Of Events

- **Thursday, July 23, 2015:**
 - ✓ Preliminary Millage and Initial Fire/Solid Waste Assessment Adoption

- **Tuesday, August 25 ,2015 (7 pm - Tonight):**
 - ✓ FY 2015/2016 Proposed Budget Workshop

- **Tuesday, September 15, 2015 (6 pm):**
 - First Public Hearing for Tentative Millage and Budget Adoption
 - Final Fire Protection and Solid Waste Special Assessment Adoption

- **Thursday, Sept. 24 – Sunday, Sept. 27, 2015:**
 - Final Budget Advertised

- **Tuesday, September 29, 2015 (6 pm):**
 - Second Public Hearing for Final Millage and Budget Adoption

Questions, Comments and Direction From Town Council

