



Town of Southwest Ranches, FL

Fiscal Year 2016 /2017

Proposed Budget Workshop: Town Hall Council Chambers

Tuesday, August 23, 2016 @ 7:00pm

Budget Process Calendar Of Events

- Thursday, July 28, 2016:
 - ✓ Preliminary Millage and Initial Fire/Solid Waste Assessment Adoption

- Tuesday, August 23, 2016 (7 pm - Tonight) :
 - FY 2016/2017 Proposed Budget Workshop

- Wednesday, September 14, 2016 (6 pm):
 - First Public Hearing for Tentative Millage and Budget Adoption
 - Final Fire Protection and Solid Waste Special Assessment Adoption

- Saturday, Sept. 24 – Tuesday, Sept. 27, 2016:
 - Final Budget Advertised

- Thursday, September 29, 2016 (6 pm):
 - Second Public Hearing for Final Millage and Budget Adoption



Town Council

Jeff Nelson, Mayor

Doug McKay, Vice Mayor

Steve Breitreuz, Council Member

Freddy Fisikelli, Council Member

Gary Jablonski, Council Member

Town Administration

Andrew D. Berns, MPA, Town Administrator

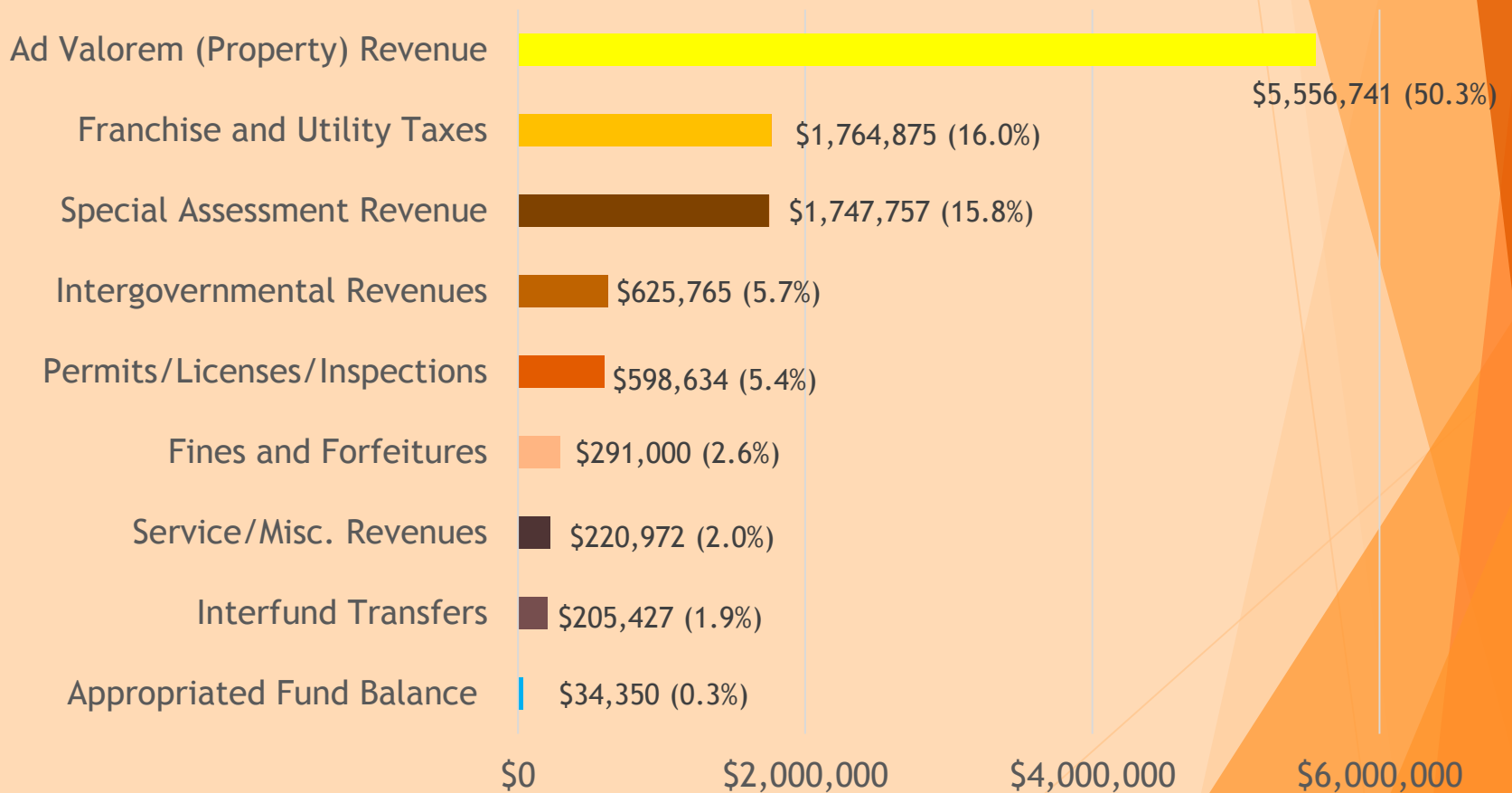
Russell Muñiz, MBA, MPA, MMC, Assistant Town Administrator/Town Clerk

Keith M. Poliakoff, JD, Town Attorney

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

Southwest Ranches
Proposed FY 2016/2017 budget
Total General Fund Revenues: \$11,045,521

Where do the funds come from?

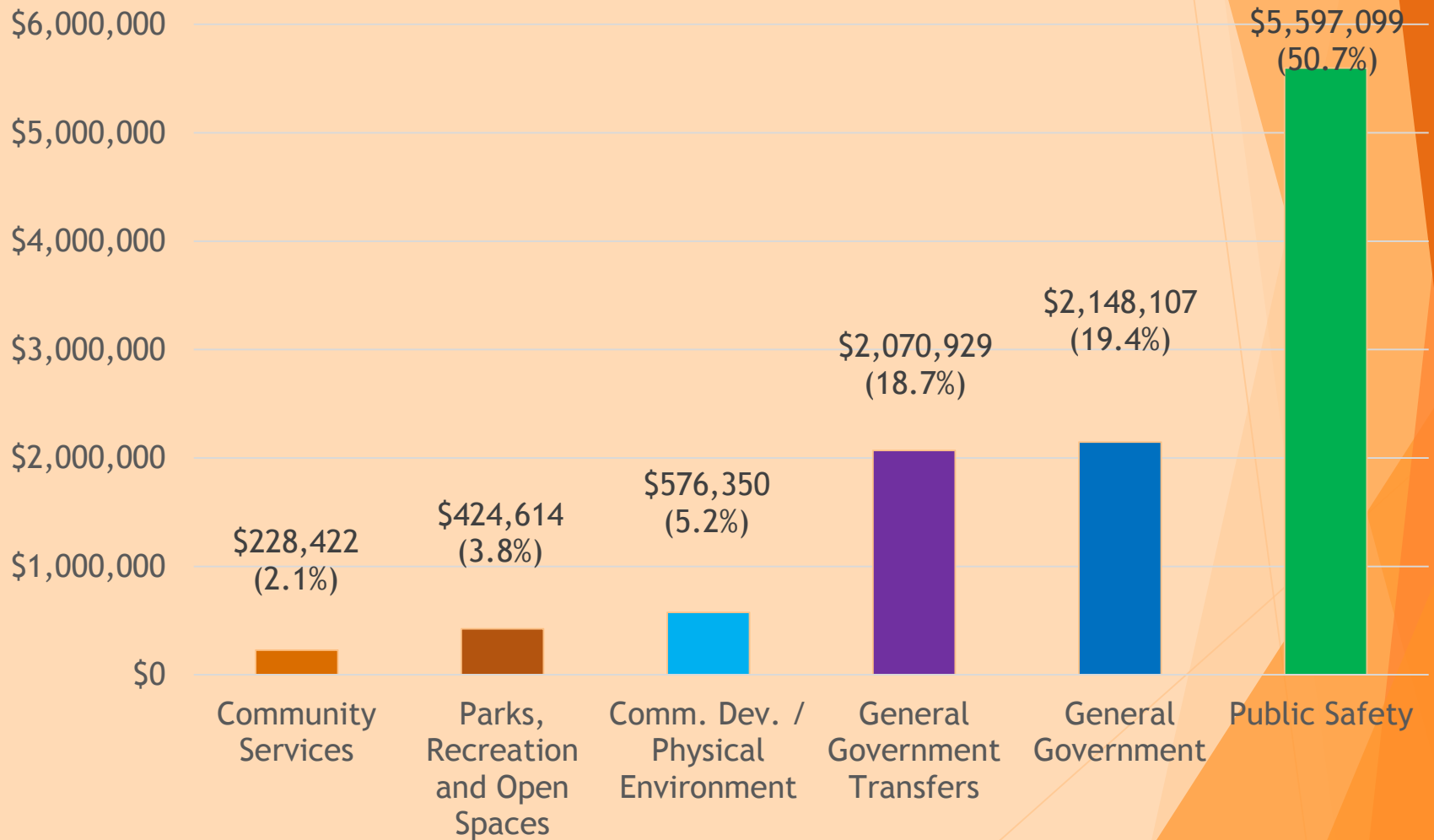


Southwest Ranches

Proposed FY 2016/2017 budget

Total General Fund Expenditures by Function: \$11,045,521

Where Do The Funds Go?



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

Adopted FY 2016: Rate/Fee

- ▶ Operating Millage: 3.9404 mills
- ▶ TSDOR Millage: 0.3950 mills
- ▶ 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

Proposed FY 2017: Rate/Fee

- ▶ Operating Millage: 4.1404 mills
- ▶ TSDOR Millage: 0.4050 mills
- ▶ Fire Assessment: \$9.11 increase (approx. 2% per residential dwelling unit to \$448.13)
- ▶ Solid Waste: Stable Rate - No Change

COMBINED RATE IMPACTS

▶ Operating Millage:

- ▶ The proposed rate for operating (4.1404 mills) represents the first millage increase for operating purposes in over a decade. The rate proposed equals the Town's "roll-back" rate which is defined as the millage rate which generates the same ad valorem revenue as the prior year (which includes Operation and TSDOR millages).

▶ Transportation Surface Drainage Ongoing Rehabilitation (TSDOR):

- ▶ The proposed rate (.4050 mills) is a nominal increase from prior year TSDOR millage rates. However, since these are already included in the roll-back rate, the combined proposed millage (Operating+TSDOR) represents a \$101 increase per \$250,000 of taxable value.

▶ Residential Fire Rates

- ▶ The proposed rate would result in no change to Commercial and a slight increase to all other property categories while maintaining the Town's 100% cost recovery assessment policy. Annual Residential rates would increase by \$9.11 per dwelling unit.

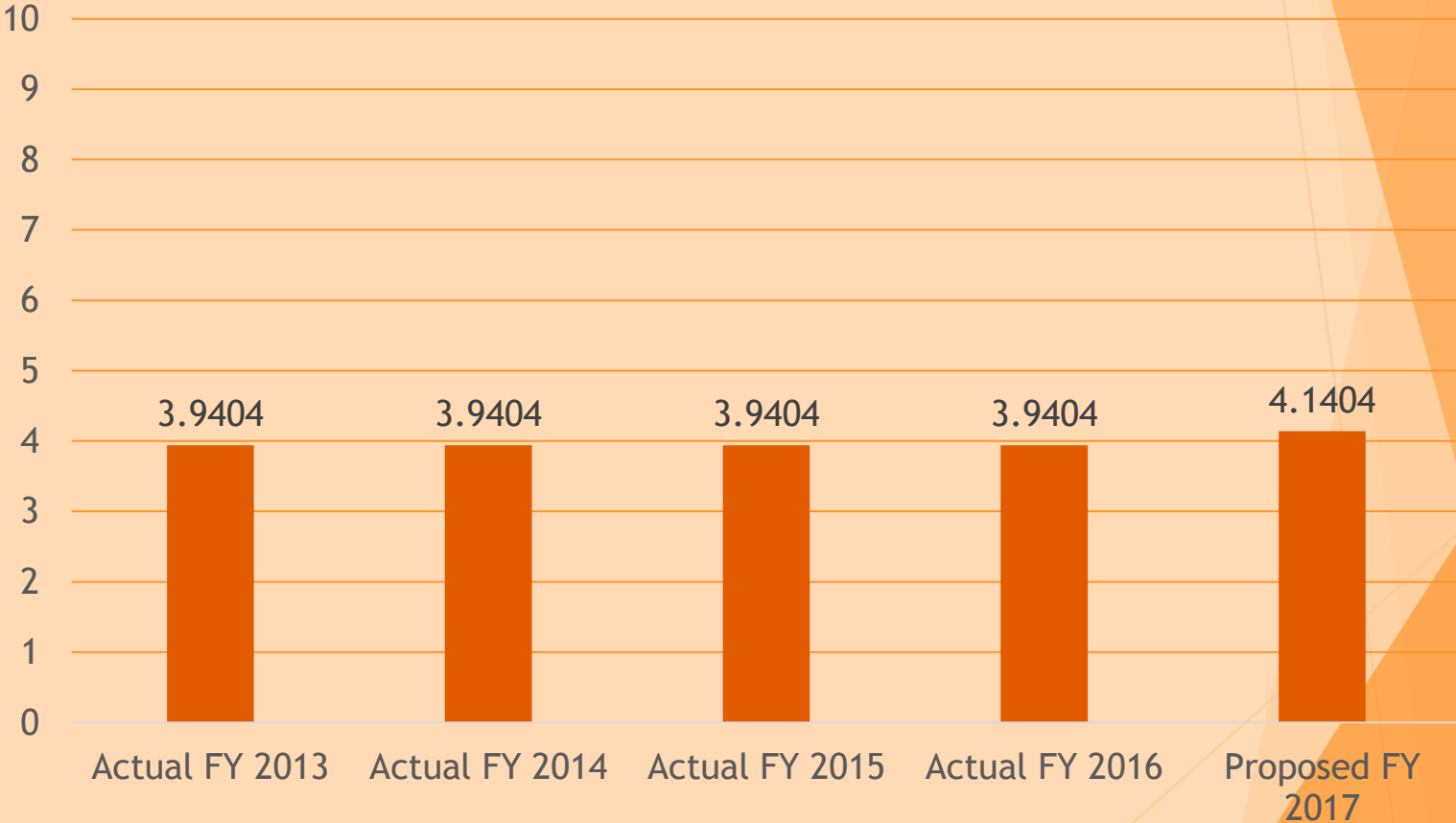
▶ Solid Waste Rates

- ▶ The proposed rate structure would result in no change to rates for all Residential parcels.

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 2016/2017	\$495,000	0.4050 mills

Why is an increase needed in Millage?

- ▶ Quality of life and level of service improvements based on Council and Resident input: Program Modifications
- ▶ Capital Improvement Projects
- ▶ Normal inflation/Cost of Living Adjustments(i.e. FP&L, Insur., etc.)
- ▶ Reduced Overall Grant Funding

MILLAGE COMPARISON NARRATIVE:

Currently, (FY 2016) Southwest Ranches (Operating Millage plus TSDOR Millage) is the 7th lowest combined operating and debt millage rate in Broward County (excluding Unincorporated Broward County).

The Proposed FY 2017 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 25th percentile (22.58%). Twenty-four Municipalities (77.4%) are proposing millage rates higher than SWR for Fiscal Year 2016 – 2017.

Municipal Millage Rate Comparisons
(FY 2017 PROPOSED COMBINED MILLAGES)

	Municipality	FY 16 Actual Operating and Debt Millage	FY 17 Proposed Operating and Debt Millage
1	Weston	2.3900	2.3900
2	Hillsboro Beach	3.5000	3.6000
3	Lauderdale-By-The-Sea	3.7379	3.6873
4	Lighthouse Point	3.8028	3.7892
5	Parkland	3.9870	3.9800
6	Ft Lauderdale	4.2952	4.2803
7	Southwest Ranches	4.3354	4.5454
8	Lazy Lake	4.7931	4.7931
9	Pompano Beach	4.9865	4.8252
10	Coral Springs	5.0915	5.0930
11	Davie	5.7976	5.6962
12	Hallandale Beach	5.1918	5.7998
13	Plantation	5.9000	5.9000
14	Oakland Park	6.1995	6.1555
15	Coconut Creek	6.1803	6.1803
16	Pembroke Pines	6.2385	6.2381

**Municipal Millage Rate Comparisons
(FY 2017 PROPOSED COMBINED MILLAGES)**

	Municipality	FY 16 Actual Operating and Debt Millage	FY 17 Proposed Operating and Debt Millage
17	Dania Beach	6.2432	6.2462
18	Sunrise	6.4426	6.4293
19	Cooper City	6.0772	6.5272
20	Deerfield Beach	6.6688	6.5438
21	Wilton Manors	6.6764	6.5947
22	Miramar	6.7654	6.7654
23	Margate	7.3093	7.3093
24	Tamarac	7.3851	7.3771
25	No. Lauderdale	7.5000	7.5000
26	Sea Ranch Lakes	7.5000	7.5000
27	Hollywood	7.7677	7.7363
28	Pembroke Park	8.5000	8.5000
29	Lauderhill	8.6615	8.6180
30	West Park	8.6500	8.6500
31	Lauderdale Lakes	9.8400	9.7100

Fire Assessment (Introduction):

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

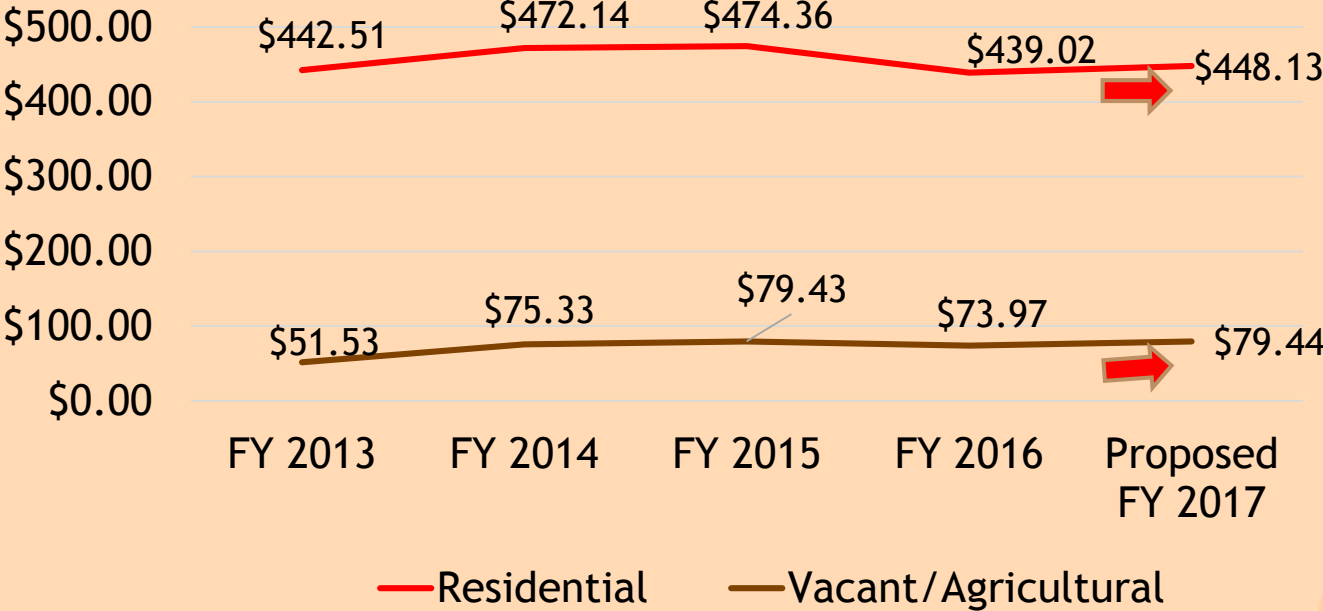
Proposed and Actual Rates (History) by Category

Municipal Rates Compared

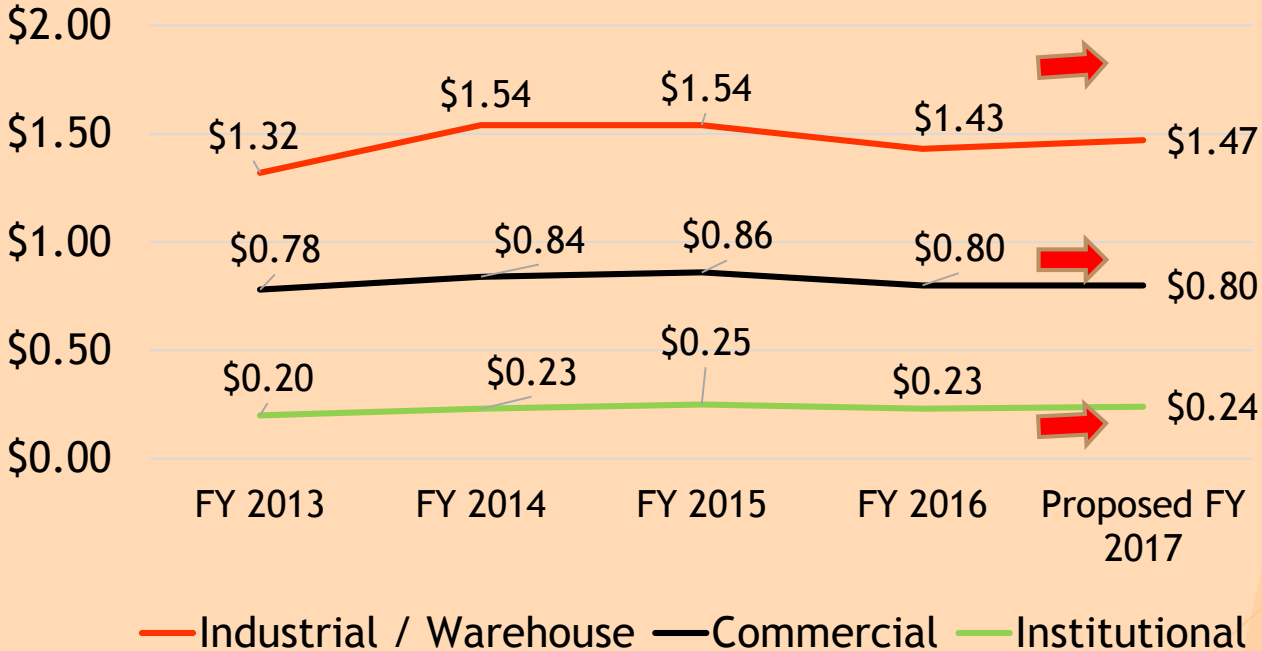
Fire Assessment (Background)

- ▶ 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 2017



Fire Assessment Rate: Per Square Foot Building Area by Category Four Year History and Proposed FY 2017



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 the actual amounts for FY 15/16 and reported (BCPA) proposed rates for FY 16/17. Thirteen munis, including SWR, are proposing increases, Twelve are proposing no changes, and finally none are proposing decreases.
- ❖ Municipalities with an unchanged assessment are likely subsidizing operations from general fund taxes. Of the thirteen Municipalities proposing rate changes only two have a lower percentage increase than SWR.
- ❖ Southwest Ranches proposed increase is 2.08% (\$9.11 per residential dwelling unit) after a \$35.34 **decrease** in the current year.

Municipal Residential Fire Rates compared (rank based FY 2017 Proposed fee)

		FY 2016 Actuals	FY 2017 Proposed	% Change: Increase
1	Southwest Ranches	\$439.02	\$448.13	2.08%
2	Lauderhill	\$438.00	\$438.00	0.00%
3	Weston	\$408.23	\$426.90	4.57%
4	West Park	\$381.00	\$381.00	0.00%
5	Miramar	\$372.84	\$372.84	0.00%
6	Tamarac	\$265.00	\$350.00	32.08%
7	Lauderdale Lakes	\$292.60	\$292.60	0.00%
8	Pembroke Pines	\$259.85	\$261.28	0.55%
9	Ft Lauderdale	\$225.00	\$256.00	13.78%
10	Hollywood	\$209.00	\$222.00	6.22%
11	Wilton Manors	\$195.54	\$210.18	7.49%
12	Parkland	\$210.00	\$210.00	0.00%
13	Dania Beach	\$190.00	\$200.00	5.26%

Municipal Residential Fire Rates Compared (continued)

				% Change: Increase
		FY 2016 Actuals	FY 2017 Proposed	
14	Sunrise	\$199.50	\$199.50	0.00%
15	Oakland Park	\$196.00	\$199.00	1.53%
16	Hallandale Beach	\$198.00	\$198.00	0.00%
17	N Lauderdale	\$178.00	\$197.00	10.67%
18	Davie	\$166.00	\$189.00	13.86%
19	Coconut Creek	\$177.79	\$177.79	0.00%
20	Deerfield Beach	\$175.00	\$175.00	0.00%
21	Cooper City	\$161.28	\$161.28	0.00%
22	Coral Springs	\$147.00	\$155.00	5.44%
23	Pompano Beach	\$134.00	\$134.00	0.00%
24	Lauderdale-By-The-Sea	\$123.50	\$129.85	5.14%
25	Lighthouse Point	\$90.34	\$90.34	0.00%

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 16/17 with changes from FY 15/16

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 16/17	Total Assessed Rates FY 15/16	Difference: Increase (Decrease)
A -	41,200	406	284.39	105.26	389.65	389.65	-
B 41,201 -	46,999	421	284.39	125.06	409.45	409.45	-
C 47,000 -	62,999	411	284.39	148.91	433.30	433.30	-
D 63,000 -	95,999	444	284.39	161.45	445.84	445.84	-
E 96,000 -	106,999	452	284.39	184.95	469.34	469.34	-
F 107,000 -	107,000	422	284.39	225.62	510.01	510.01	-

Solid Waste Impact

- ▶ After three years amounting to an approximately 36% reduction in costs, adopted rates were increased by approximately 2% in the current year (FY 16)
- ▶ No Rate increase is proposed for FY 2017 as mandated contractual increases in the consumer price index were able to be offset by a significant reduction in the fuel index.

Notes on the FY 2017 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 (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

Program Modifications Funded:

➤ Volunteer Fire Department safety equipment:

1) SCBA Bottle Replacement (\$2,800),



2) SCBA Posi-Check/Flow Test Equipment Acquisition (\$13,500),



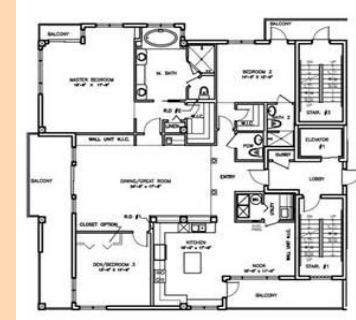
3) Bunker Gear Replacement (\$7,245).

➤ Staffing Adjustments (\$15,364)



Program Modifications Funded (continued):

- Building Department Records Digitalization (\$25,000)



- Quality of Life/Service Improvements:



- 1) Town Hall Exterior Painting (\$5,500)
- 2) Right of Way – Increased Service Levels (\$67,774)
- 3) Griffin Road – West Irrigation System Overhaul (\$43,000)



Program Modifications Funded (continued):

➤ Quality of Life/Service Improvements (continued):

4) Sunshine Ranches
Equestrian and
Country Estates
Parks Playground
Surface Material
(\$21,000)

5) Townwide Parks
Maintenance Level
of Service Increase
(\$21,151)

6) Community Forestry
Maintenance Level
of Service Increase
(\$6,300)



Capital Improvement Projects Funded Include:

- Fire Wells Replacement and Installation and new Public Safety – Fire Rescue Modular Facilities
- Progress on Country Estates Park, Calusa Corners Park, Trailside – “Founders” Park, Sunshine Ranches Equestrian Park, and Rolling Oaks Barn.



And numerous Transportation Projects, such as: 1) Transportation Surface Drainage Ongoing Rehabilitation (TSDOR), 2) Stirling Road Guardrail Installation, 3) Drainage Improvements, 4) Pavement Striping and Markers Program, and 5) Townwide Entranceway Signage.

Reminder: TSDOR expenses, however, require funding separate from the operating millage.

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Questions, Comments and Direction From Town Council

