



Town of Southwest Ranches

Fiscal Year 2012 / 2013

Finance Department Agenda Items

September 12, 2012



Town Council

Jeff Nelson, Mayor

Doug McKay, Vice Mayor

Steve Breitkreuz, Council Member

Freddy Fisikelli, Council Member

Gary Jablonski, Council Member



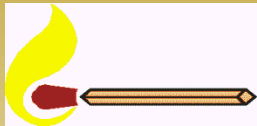
Andy Berns, Town Administrator

Keith M. Poliakoff, Town Attorney

Erika Gonzalez-Santamaria, CMC, Town Clerk

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

Southwest Ranches Proposed FY 2012 / 2013 Budget Rate Changes

Description	FY 2013 Proposed Budget Change
Ad valorem (Property Tax) Rate	Reduced to Rolled-Back Rate: 3.9042 mills 
Solid Waste Residential Assessment Rates	A 30% decrease across all residential categories. 
Fire Assessment Rates: Residential & Industrial/Warehouse Commercial & Institutional Vacant / Agricultural	Unchanged Nominal Decrease Nominal Increase 



Town of Southwest Ranches

Fiscal Year 2012 / 2013

Final Fire Assessment Rate and Special Tax
Exemption for Disabled Veterans Adoption

September 12, 2012

Fire Assessment Rate Adoption

- Funds operating costs for fire prevention, fire readiness, fire suppression, and capital improvements (specifically, fire wells).
- The only proposed increase in rates is \$1.73 per acre for the Vacant / Agricultural category. As proposed, the other four property categories will reflect either no change (for Residential and Industrial/Warehouse or a nominal decrease (\$0.01 and \$0.02 for Institutional and Commercial rates respectively). If not adopted, the anticipated net fiscal impact for the Town would be a reduction in General Fund revenue of approximately 18.5%.
- The total dollar impact to the Towns General Fund from the Disabled Veteran exemption is \$3,098 ($\442.51×7).

Proposed Fire Assessment Schedule – FY 2013

Based On Consultant Study

Property Category	Assess Unit Type	% Effort Allocation	Amount	Total Proposed Rates FY 12/13	Total Assessed Rates FY 11/12	Difference Increase (Decrease)
Residential - 2454 Units	Per Dwelling Unit	62.8912%	1,085,930	442.51	442.51	0.00
Commercial - 331,702 SF	Per Sq.Ft. Bldg Area	15.0283%	259,491	0.78	0.80	(0.02)
Indust/Warehouse - 125,036 SF	Per Sq.Ft. Bldg Area	9.5818%	165,447	1.32	1.32	0.00
Institutional - 531,932 SF	Per Sq.Ft. Bldg Area	6.2499%	107,916	0.20	0.21	(0.01)
Vacant/Agricultural - 2,094 Acre	Per Acre	6.2488%	107,897	51.53	49.80	1.73
Total		100%	\$1,726,680			



Town of Southwest Ranches

Fiscal Year 2012 / 2013

Final Solid Waste Assessment Rate
Adoption

September 12, 2012

Solid Waste Rate Adoption

- In FY 2012, negotiations lead to a price reduction and the aggregate cost for residential collections can be reduced in the coming year.
- Includes Solid Waste, Recycling and Bulk Collections.
- Residential customers can generally anticipate a savings of approximately thirty percent (30%) should the recommended assessment rates be adopted.
- The proposed assessment structure and rates were utilized to balance the Solid Waste Enterprise Fund contained within the proposed budget document.



Town of Southwest Ranches

Fiscal Year 2012 / 2013

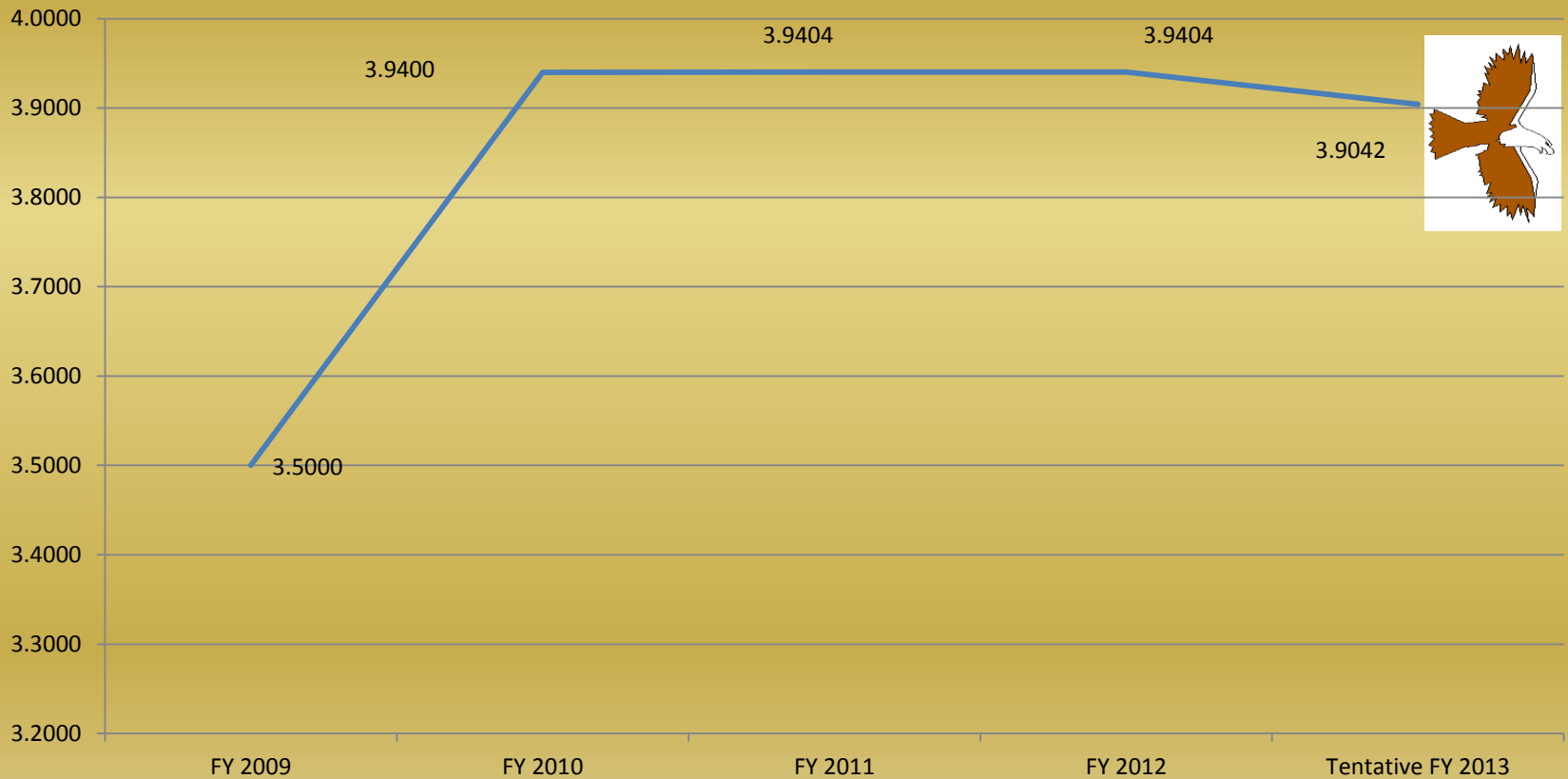
Tentative Millage Public Hearing

September 12, 2012

**Fiscal Year 2013 Millage Maximums and Related Information
(Based on Certified Assessment Information)**

Millage Name	Votes Required	Maximum Millage	Total Resulting Net Revenues	Net Revenue Change (from proposed funding level)	FY 2013 levy increase on \$250,000 taxable value
Current Year Roll-Back Rate	3	3.9042	\$4,074,913	(\$37,783)	\$0
Town of Southwest Ranches Historic Rate (Used for FY 2012 and for FY 2013 Proposed Budget)	3	3.9404	\$4,112,695	\$0	\$9
Adjusted Current Year Roll-Back Rate	3	4.3995	\$4,591,870	\$479,174	\$115
Maximum Majority Vote	3	4.5962	\$4,797,171	\$684,475	\$173
Maximum Super Majority Rate	4	5.0558	\$5,276,867	\$1,164,171	\$288
Unanimous	5	10.0000	\$10,437,254	\$6,324,558	\$1,524

Southwest Ranches Historic & Tentative Millage Rates



Municipal Millage Rate Comparisons (Ranked by FY12/13 Proposed Operating Millage Rate)

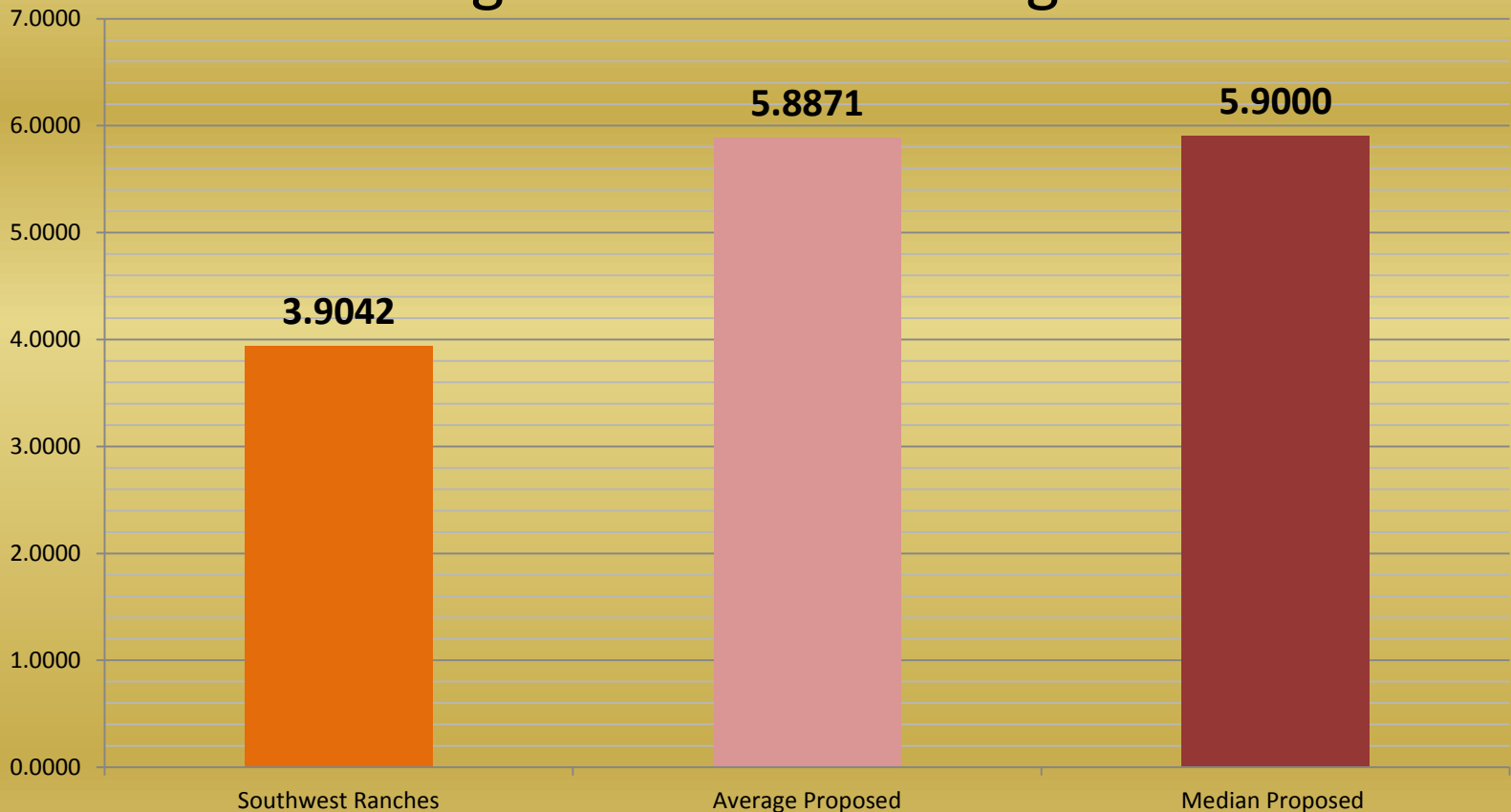
Municipality		ADOPTED FY 11/12 OPERATING MILLAGE RATES	PROPOSED FY 12/13 OPERATING MILLAGE RATES
1	Weston	2.0000	2.0000
2	Lighthouse Point	3.5893	3.5893
3	Hillsboro Beach	3.3900	3.8000
4	Southwest Ranches	3.9404	3.9042
5	Lauderdale By The Sea	3.9990	3.9312
6	Parkland	4.0198	3.9999
7	Fort Lauderdale	4.1193	4.1193
8	Coral Springs	4.3939	4.3939
9	Davie	4.8122	4.8122
10	Unincorporated	2.3353	4.8577
11	Pompano Beach	4.7027	4.9700
12	Pembroke Pines	5.6368	5.6368
13	Cooper City	5.0526	5.6866
14	Deerfield Beach	5.1865	5.7688
15	Lazy Lake	4.9481	5.8349
16	Hallandale Beach	5.9000	5.9000

Municipal Millage Rate Comparisons (Ranked by FY13 Proposed Operating Millage Rate – Cont.)

MUNICIPALITY		ADOPTED FY 11/12 OPERATING MILLAGE RATES	PROPOSED FY 12/13 OPERATING MILLAGE RATES
17	Dania Beach	5.9988	5.9988
18	Sunrise	6.0543	6.0543
19	Plantation	4.6142	6.1100
20	Wilton Manors	6.2068	6.2068
21	Coconut Creek	6.3857	6.3250
22	Oakland Park	6.0138	6.4315
23	Miramar	6.4654	6.4654
24	Tamarac	6.6850	6.6789
25	Lauderhill	6.8198	7.4198
26	Hollywood	7.4479	7.4479
27	Margate	7.7500	7.5000
28	North Lauderdale	7.4066	7.5000
29	Sea Ranch Lakes	7.5000	7.6078
30	Pembroke Park	8.5000	8.5000
31	West Park	8.9900	9.4000
32	Lauderdale Lakes	9.5000	9.5000

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

Note: #13 higher – #13 no change – #6 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 (Unaudited)
(rate per \$1,000 of assessed taxable value)

	<u>Overlapping Rates ¹</u>							
	<u>Direct</u> Southwest Ranches	<u>Broward</u> County	<u>Broward</u> County School Board	<u>South</u> Florida Water	<u>FIN</u> District ²	<u>South</u> Children's Broward	<u>Hospital</u> District	<u>Total</u> Direct and Overlapping
<u>Fiscal</u> <u>Year</u>	<u>Operating</u> <u>Millage</u>	<u>Operating</u> <u>Millage</u>	<u>Operating</u> <u>Millage</u>	<u>Management</u> <u>District</u>	<u>FIN</u> <u>District</u> ²	<u>Services</u> <u>Council</u>	<u>Hospital</u> <u>District</u>	<u>Overlapping</u> <u>Millage</u>
2012	3.9404	5.5530	7.4180	0.4363	0.0345	0.4789	0.7500	18.6111
%	21.17%	29.84%	39.86%	2.34%	0.19%	2.57%	4.03%	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.



Town of Southwest Ranches

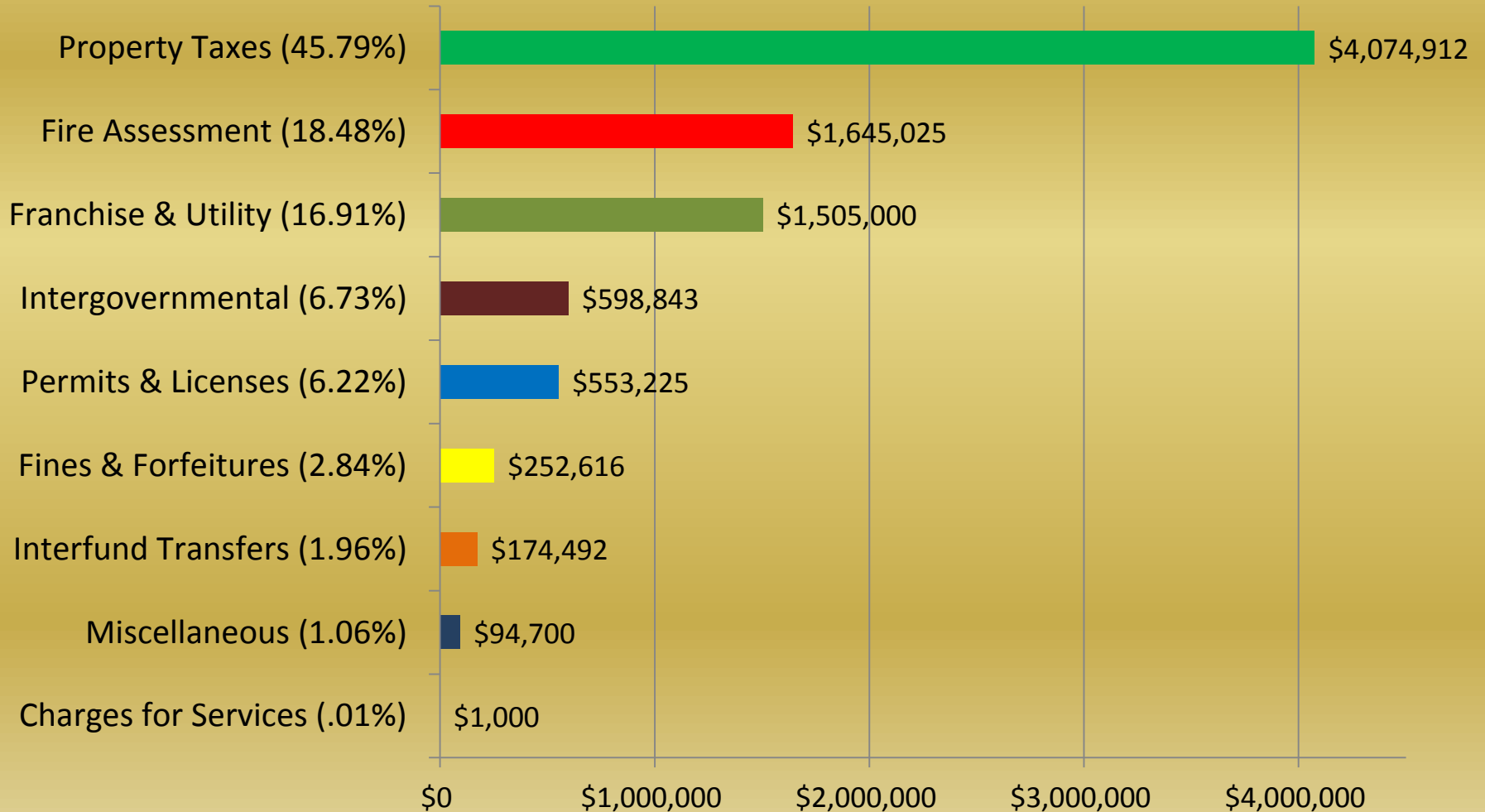
Fiscal Year 2012 / 2013

Tentative Budget Public Hearing

September 12, 2012

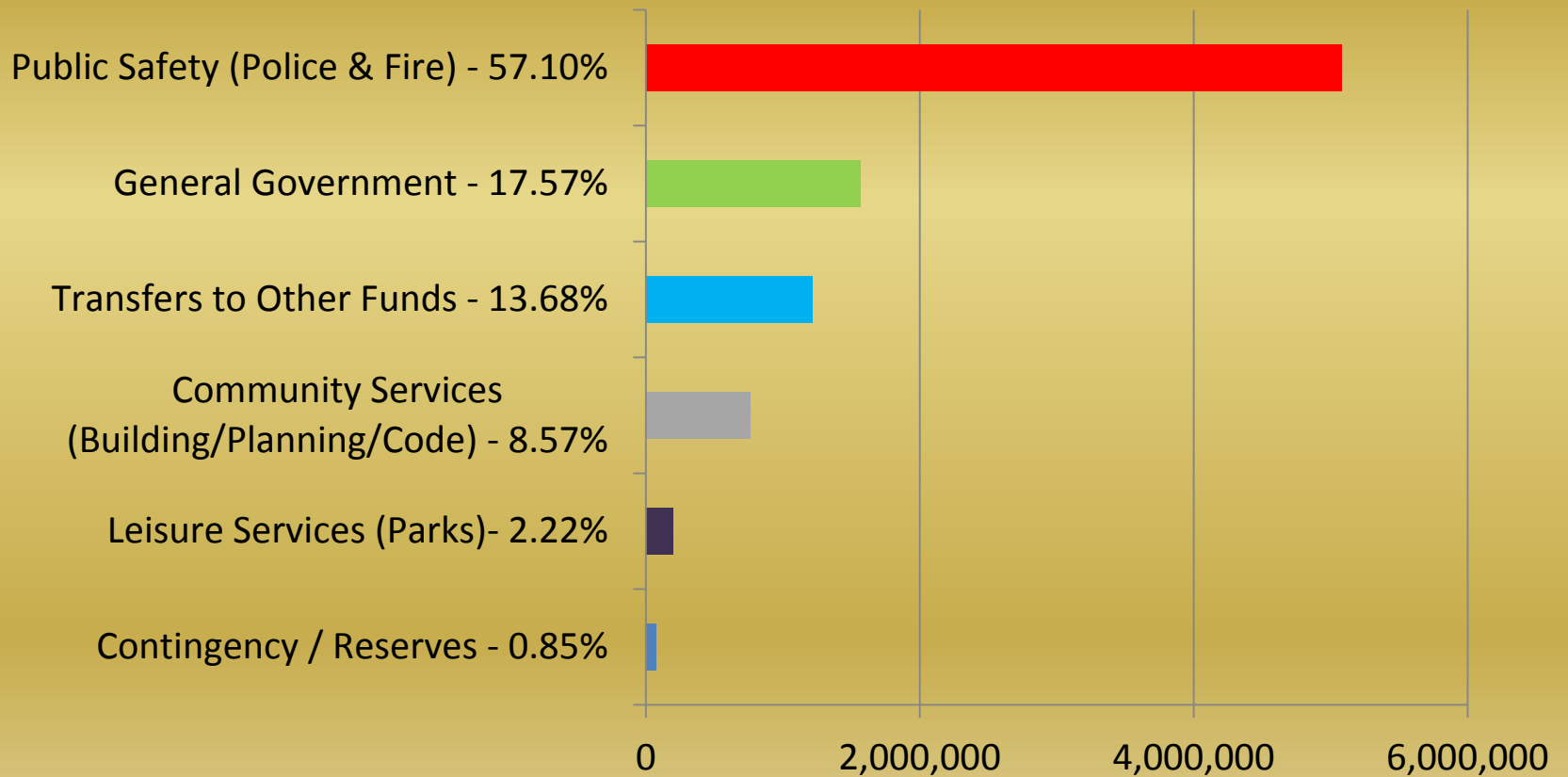
Southwest Ranches
Proposed FY 2012/2013 budget
Total General Fund Revenues: \$8,899,813

Where Do The Funds Come From?



Southwest Ranches
Proposed FY 2012/2013 budget
Total General Fund Expenditures by Function: \$8,899,813

Where Do the Funds Go?



Budget Document Changes

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

Budget Document Changes

- 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 12 Info.

Proposed



Line Item		FY 2010 Actual	FY 2011 Actual	FY 2012 Current Budget	FY 2012 Projected	FY 2013 Proposed
5410	Subscriptions and Memberships	950	807	1,250	1,500	2,000
5510	Training and Education	918	2,443	2,500	1,500	1,000
5520	Conferences and Seminars	761	400	1,500	750	3,500
TOTAL	OPERATING EXPENSES	53,798	54,719	61,500	52,850	57,150
9910	Contingency	-	-	-	-	1,000
TOTAL	NON-OPERATING EXPENSES	-	-	-	-	1,000
TOTAL	Department Total	275,445	229,267	222,800	228,530	241,590

Sample Expenditure Page (Continued)

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5520	Conferences and Seminars	761	400	1,500	750	3,500
TOTAL	OPERATING EXPENSES	53,798	54,719	61,500	52,850	57,150
9910	Contingency	-	-	-	-	1,000
TOTAL	NON-OPERATING EXPENSES	-	-	-	-	1,000
TOTAL	Department Total	275,445	229,267	222,800	228,530	241,590

Variance Analysis

Major Variance from Current Budget FY 2012 to Projected FY 2012

Code	Amount	Explanation
1210	\$15,000	Salary adjustment between new Town Financial Admin - PT to FT
3210	(\$9,500)	New auditor savings adjustment due to RFP

Major Variance or Highlights of the Departmental Budget - FY 2012 Projected to FY 2013 Proposed






Code	Amount	Explanation
3450	\$282,466	Annual contractual increase + provision for increase in scope of services
6410	\$50,000	Increase for public safety grant expenditures 100% offset by revenues

FY 2013 Program Modification Summary - FUNDED

Title	Brief Description	Cost
Classification & Compensation Study	Studies Salary and Compensation Equity	\$7,500
Emergency Notification System Implementation	Council Direction - New Service Mod.	\$5,500
Website Redesign and Maintenance	Improved Display and Functionality	\$18,240
Town Hall A/C Replacement	Begins Replacing old A/C Units	\$10,000
Griffin Road Increase Maintenance	Increases Griffin Road Maint. Frequency	\$13,500
Townwide Maintenance / Landscaping	Council Direction - Service Improv. Modification	\$14,000
Community Forestry	Improves Forestry Area	\$8,000

FY 2013 Capital Improvement Projects

FUNDED

Name	Net Cost
Telephone / Communications (VOIP) System Replacement 	\$5,000
Fire Wells Replacement & Installation	\$25,000
Drainage Improvement Projects 	\$100,000
Pavement Striping and Markers	\$50,000
Fishing Hole Park at Country Estates 	\$398,943
Rolling Oaks Passive Open Space and Barn 	\$110,768
Guardrails Installation Project	\$30,000
SW 210 th Terrace Road Improvements 	\$15,000
Total FY 2013 Infrastructure Improvements Funded	\$759,711

FY 2014 – FY 2017 5-Year Capital Improvement Plan (CIP):

A new planning tool which shows that “out-year” funding for several quality of life improvements **still needs to be identified**

Project Name	Unidentified Funding for FY 2013 FUNDED CIPs
Fire Wells Replacement	\$0
Drainage Improvement Projects	\$0
Pavement Stripping and Markers	\$0
Rolling Oaks Passive Space and Barn	\$138,750
Guardrails Installation Project	\$540,000
Fishing Hole Park at Country Estates	\$554,472
SW 210 th Terrace Road Improvements	\$1,654,000
Total Unidentified Funding	\$2,887,222

Capital Improvement Projects-NOT FUNDED

Project Name	Brief Description	FY 2013 Request	Total 5 Year Request
Calusa Corners	Park Amenities Enhancement	\$31,000	\$949,225
Southwest Meadows Sanctuary	Park Amenities Enhancement	\$211,095	\$2,284,719
Frontier Trails Conservation	Park Amenities Enhancement	\$390,930	\$1,954,650
	PROS Sub-total	\$633,025	\$5,188,594
Stirling St. (SW 60th) Widening	Widens SW 60th from 1 lane to 2	\$50,000	\$50,000
Streets Paving Program	Paving Improvement Program	\$205,000	\$1,025,000
	Transportation Sub-total	\$255,000	\$1,075,000
Fire Pumper / Tanker Purchase	Purchases & Equip's Replacement	\$60,000	\$600,000
	Public Safety - Fire Sub-total	\$60,000	\$600,000
	Total Requests Not Funded in Proposed FY 2013 Budget	\$948,025	\$6,863,594

Another future CIP not funded is a Public Safety Facility to house both Police and Fire Services and serve as a Emergency Operations Center at \$5,400,000.

**Summary Changes to Proposed FY
12/13 Budget Book**

EXHIBIT A

General Fund Revenues			
	Explanation	Increase	Decrease
Ad Valorem Change	Based on Council Directive-to achieve roll-back rate (3.9042)		\$10,361
Ad Valorem Change	Rounding error-revised estimates to achieve roll-back rate		\$27,422
Appropriation of Unassigned Fund Balance	Based on Council Directive (in lieu of depleting reserves)		\$30,000
Communication Services Taxes	Based on latest FL Dept. of Revenue estimates		\$12,000
Electric Franchise Fees and Utility Taxes	Data received from FPL-pending final PSC action		\$20,000
In-House Engineering	Cost recovery revision-for In-house Engineer services	\$15,000	
Totals General Fund Revenues		\$15,000	\$99,783
		Net Revenue Reduction (\$84,783)	

Attachment to First FY 12/13 Budget Public Hearing Council Communication September 12, 2012

Summary Changes to Proposed FY 12/13
Budget Book

EXHIBIT A (Continued)

General Fund Expenditures

	Explanation	Increase	Decrease
Rancher Newsletter-12 issues	Based on Council Directive	\$18,000	
Emergency Notification System	Based on Council Directive-new program mod(service related)	\$5,500	
Griffin Road			
Maintenance/Landscaping	Based on Council Directive-new program mod	\$13,500	
Townwide			
Maintenance/Landscaping	Based on Council Directive-new program mod	\$14,000	
Town Hall A/C Replacement	Increase requested by Town Administrator	\$5,000	
In-House Engineering expenses	Engineering cost recovery expenses	\$5,000	
PROS Dept. personnel			
adjustment	Requested by Town Administrator	\$5,000	
Clerk Department - P/T staff	Requested by Clerk	\$19,000	
Finance Department - P/T staff	Requested by Finance Administrator	\$17,000	
Public Safety-Police	Anticipated contractual savings		\$266,182
Public Safety-Fire	VFD-Level II background checks-per contract	\$33,750	
Contributions/Grants in Aid	Based on Council Directive-savings (net)		\$1,970
Non-Departmental - VOIP			
System	Adj. for anticipated cost Savings (revised est.)		\$25,000
Contingency/Reserve	Contingency/Reserve	\$72,619	
	Total General Fund Expenditures	\$208,369	\$293,152
	Net Expenditure Reduction	(\$84,783)	

Future FY 2013 Budget Calendar Events

- October 1, 2012:
 - Second Public Hearing for Final Millage and Budget Adoption

- Post October 1, 2012:
 - Budget Monitoring and Reporting

Questions, Comments and Direction From Town Council

