

CITY OF NEW SMYRNA BEACH

FY2010-2011 September 15th Public
Hearing

Changes Since July 28th budget Workshop

▣ Savings

▪ *City-Wide*

- ▣ General Liability/Worker's Compensation Insurance premium – (\$92,152)
- ▣ Health Insurance Renewal - (\$37,497)
- ▣ Liuna Union Contract Agreement - (\$71,631)

▪ *General Fund*

- ▣ Finance Director position savings - (\$31,985)
- ▣ Information Technology Dept. capital equipment cost - (\$37,233)

▪ *Other Funds*

- ▣ Building & Inspections Dept. Munis permitting module upgrade- \$137,822 (Fund reserves unable to support system upgrade)
- ▣ CRA -Elimination of Equipment Operator & Redevelopment Coordinator position (\$79,958)
- ▣ Stormwater Debt Service annual adjustments – (\$72,597)

Changes Since July 28th budget workshop

▣ Adjustments

▪ *General Fund*

- ▣ Due diligence regarding the sale of City properties (i.e. surveys & appraisals) - \$25,000
- ▣ Agent of Record (Brown & Brown) - \$35,000
- ▣ Street Resurfacing budget restored - \$150,000
- ▣ Team Volusia Membership - \$12,500 (Shared Cost w/CRA)

▪ *Other Funds*

- ▣ CRA - Contractual Main Street Coordinator - \$50,000
- ▣ CRA – Adjustments to Grants & Aids- \$115,000
- ▣ CRA- Adjustments to Consultant Services – \$50,000
- ▣ CRA – Team Volusia Membership - \$12,500 (Shared Cost w/General Fund)

Budget Highlights since July 28th budget workshop

- ▣ FY10-11 total net budget - \$48,090,580
 - (FY09-10 net budget – \$69,453,268)

- ▣ FY10-11 General Fund budget - \$18,022,220
 - (FY09-10 General Fund budget - \$23,308,484)

- ▣ FY10-11 General Fund budget reduced by \$5.2mill

- ▣ FY10-11 workforce reduced by 44 positions
 - (FY09-10 positions 258 to FY10-11 positions 214)

- ▣ Property tax revenue decreased by \$732,658
 - (FY 09-10 \$9.4 mill to FY10-11 to \$8.7mill)

Property Taxes

Tax Rates:

Description	FY 09-10	FY 10-11 Tentative	Percentage Change from FY 2009-10 to FY 2010-11
General Operating	3.4793	3.6431	4.7%
2005 Debt Service	<u>0.5206</u>	<u>0.5947</u>	14.2%
Total City Millage	3.9999	4.2378	5.9%

- FY11 tentative millage of 3.6431 to fund expenditures
- Revenue estimated at 95% collection rate as per state statute

Tax Revenue:

Description	Budget FY2010	Tentative Budget FY2011 at 3.6431 millage rate	Change from FY 2009-10 to FY 2010-2011
General Operating	8,691,336	8,058,281	(633,055)
TIF Fund (CRA)	761,295	661,692	(99,603)
2005 Debt Service (GOB)	<u>1,419,337</u>	<u>1,423,449</u>	<u>4,112</u>
Total Property Tax Revenue	10,871,968	10,143,422	(728,546)

Percentage of reductions by Fund

FUNDS	FY09-10	FY10-11	Changes	%
GENERAL FUND				
PERSONNEL SERVICES	\$ 14,533,972	\$12,665,694	\$(1,868,278)	-13%
OPERATING EXPENSE	5,543,362	4,890,660	(652,702)	-12%
CAPITAL OUTLAY	2,793,705	55,625	(2,738,080)	-98%
TRANSFERS	27,200	-	(27,200)	-100%
DEBT SERVICE	<u>410,245</u>	<u>410,241</u>	(4)	-
TOTAL GENERAL FUND	\$23,308,484	\$18,022,220	\$(5,286,264)	-23%
STORMWATER FUND				
OPERATING EXPENSE	\$ 628,694	\$ 572,955	\$ (55,739)	-9%
CAPITAL OUTLAY	<u>6,108,534</u>	<u>2,083,766</u>	<u>(4,024,768)</u>	<u>-66%</u>
STORMWATER MANAGEMENT	\$6,737,228	\$2,656,721	\$(4,080,507)	-61%
SLETF FUND				
PERSONNEL SERVICES	\$25,000	\$60,000	\$35,000	140%
OPERATING EXPENSE	12,790	33,600	20,810	163%
CAPITAL OUTLAY	<u>107,265</u>	-	<u>(107,265)</u>	<u>-100%</u>
TOTAL SPECIAL LAW ENFORCEMENT	\$145,055	\$93,600	\$(51,455)	-35%

FUNDS	FY09-10	FY10-11	Changes	%
AIRPORT FUND				
PERSONNEL SERVICES	\$ 152,770	\$159,369	\$6,599	4%
OPERATING EXPENSE	727,039	748,759	21,720	3%
CAPITAL OUTLAY	4,080,327	2,514,000	(1,566,326)	-38%
DEBT SERVICE	<u>83,763</u>	<u>83,776</u>	<u>13</u>	-
TOTAL AIRPORT	\$5,043,898	\$3,505,904	(1,537,994)	-30%
IMPACT FEES FUND				
POLICE	\$13,600	\$20,000	\$6,400	47%
FIRE	5,500	10,000	4,500	82%
RECREATION	500	80,000	79,500	0%
TRANSPORTATION ROADS	<u>32,300</u>	<u>45,000</u>	<u>12,700</u>	<u>39%</u>
TOTAL IMPACT FEES	\$51,900	\$155,000	103,100	N/A
CITY MARINA FUND				
PERSONNEL SERVICES	\$ 81,836	79,969	(1,867)	-2%
OPERATING EXPENSE	107,086	107,938	852	1%
CAPITAL OUTLAY	43,978	49,393	5,415	12%
TRANSFERS	<u>30,700</u>	<u>30,700</u>	-	-
TOTAL CITY MARINA	\$ 263,600	\$268,000	\$4,400	2%

Percentage of reductions by Fund

FUNDS	FY09-10	FY10-11	Changes	%	FUNDS	FY09-10	FY10-11	Changes	%
SPECIAL REVENUE FUND					DEBT SERVICE FUNDS				
OPERATING EXPENSE	\$52,591	\$63,000	\$10,409	20%	CAPITAL IMPROVEMENT PLAN	\$341,265	\$342,456	\$1,191	0%
CAPITAL OUTLAY	8,909	-	(8,909)	-100%	FLORIDA MUNICIPAL TRUST FUND	106,768	108,505	1,737	2%
TOTAL SPECIAL EVENTS FUND	\$61,500	\$63,000	\$1,500	2%	SRF DEBT SERVICE	319,451	246,850	(72,601)	-23%
BUILDING & INSPECTIONS					2005 REVENUE REFUNDING	501,759	504,315	2,556	1%
PERSONNEL SERVICES	\$427,237	\$411,762	\$(15,475)	-4%	GENERAL OBLIGATION 2005	1,419,337	1,423,137	3,800	0%
OPERATING EXPENSE	72,398	187,170	114,772	159%	DEBT SERVICE FUNDS	\$2,688,580	\$2,625,263	\$(63,317)	-2%
CAPITAL OUTLAY	-	33,908	33,908	N/A	CAPITAL PROJECTS FUND				
TOTAL BUILDING & INSPECTION	\$499,635	\$632,840	\$133,205	27%	POLICE	\$4,410,618	-	\$(4,410,618)	-100%
CRA					FIRE	4,742,675	2,862,906	(1,879,769)	-40%
PERSONNEL SERVICES	\$456,564	\$385,713	\$(70,851)	-16%	PUBLIC SIDEWALKS	760,706	756,705	(4,001)	-1%
OPERATING EXPENSE	1,354,638	2,043,133	688,495	51%	TOTAL GOB CAPITAL PROJECTS FUND	\$9,914,000	\$3,619,611	\$(6,294,389)	-63%
CAPITAL OUTLAY	11,144,751	6,548,531	(4,596,220)	-41%	SANITATION				
TOTAL COMMUNITY REDEVELOPMENT	\$12,955,953	\$8,977,377	\$(3,978,576)	-31%	OPERATING EXPENSE	\$5,216,435	\$5,344,017	\$127,582	2%
					TOTAL SANITATION	\$5,216,435	\$5,344,017	\$127,582	2%

Percentage of reductions by Fund

FUNDS	FY09-10	FY10-11	Changes	%
GOLF COURSE				
PERSONNEL SERVICES	\$691,538	\$636,695	\$(54,843)	-8%
OPERATING EXPENSE	528,023	508,455	(19,568)	-4%
CAPITAL OUTLAY	60,319	50,000	(10,319)	-17%
DEBT SERVICE	20,000	22,626	2,626	13%
GOLF COURSE ADMINISTRATION	\$1,299,880	\$1,217,776	\$(82,104)	-6%
FLEET MAINTENANCE				
PERSONNEL SERVICES	\$221,466	\$209,469	\$(11,997)	-5%
OPERATING EXPENSE	708,129	579,782	(128,347)	-18%
CAPITAL OUTLAY	11,405	120,000	108,595	0%
FLEET MAINTENANCE	\$941,000	\$909,251	\$(31,749)	-3%
WATER TAXI FUND				
PERSONNEL SERVICES	\$110,745	-	\$(110,745)	-
OPERATING EXPENSE	194,809	-	(194,809)	-
CAPITAL OUTLAY	20,566	-	(20,566)	-
TOTAL WATER TAXI OPERATIONS	\$326,120	-	(326,120)	N/A
TOTAL CITY-WIDE BUDGET	\$69,463,268	\$48,090,580	\$(21,372,688)	-31%

Sample Tax Bill

Parcel Number	Assessed Value	Exemption	2010	2010
			School Board	Taxable Value
XXXXXXXX	178,727	25,000	153,727	128,727

	2009 Current	2009 Current	2010 Rollback	2010 Rollback	2010 Tentative	2010 Tentative
TAXING AUTHORITY	MILLAGE RATE	TAXES LEVIED	MILLAGE RATE	TAXES LEVIED	MILLAGE RATE	TAXES LEVIED
School Board	7.8050	1,199.84	8.9546	1,376.56	8.2370	1,266.25
Volusia County	6.3743	820.55	7.3593	947.34	6.3025	811.30
Mosquito Control	0.2097	26.99	0.2379	30.62	0.2080	26.78
Ponce Inlet/Port Authority	0.0936	12.05	0.1062	13.67	0.0929	11.96
New Smyrna Beach	3.4793	447.88	3.9412	507.34	3.6431	468.97
New Smyrna Beach I & S	0.5206	67.02	0.5947	76.55	0.5947	76.55
St Johns River Water Manegement District	0.4158	53.52	0.4700	60.50	0.4158	53.52
Florida Inland Navigation District	0.0345	4.44	0.0388	4.99	0.0345	4.44
SE Volusia Hospital District	3.5987	463.25	3.9195	504.55	3.2500	418.36
	22.5315	3,095.54	25.6222	3,522.13	22.7785	3,138.13
Difference from 2009 Total Tax Bill				426.60		42.60
Change in City Tax				69.00		30.62

Assumptions for Projections

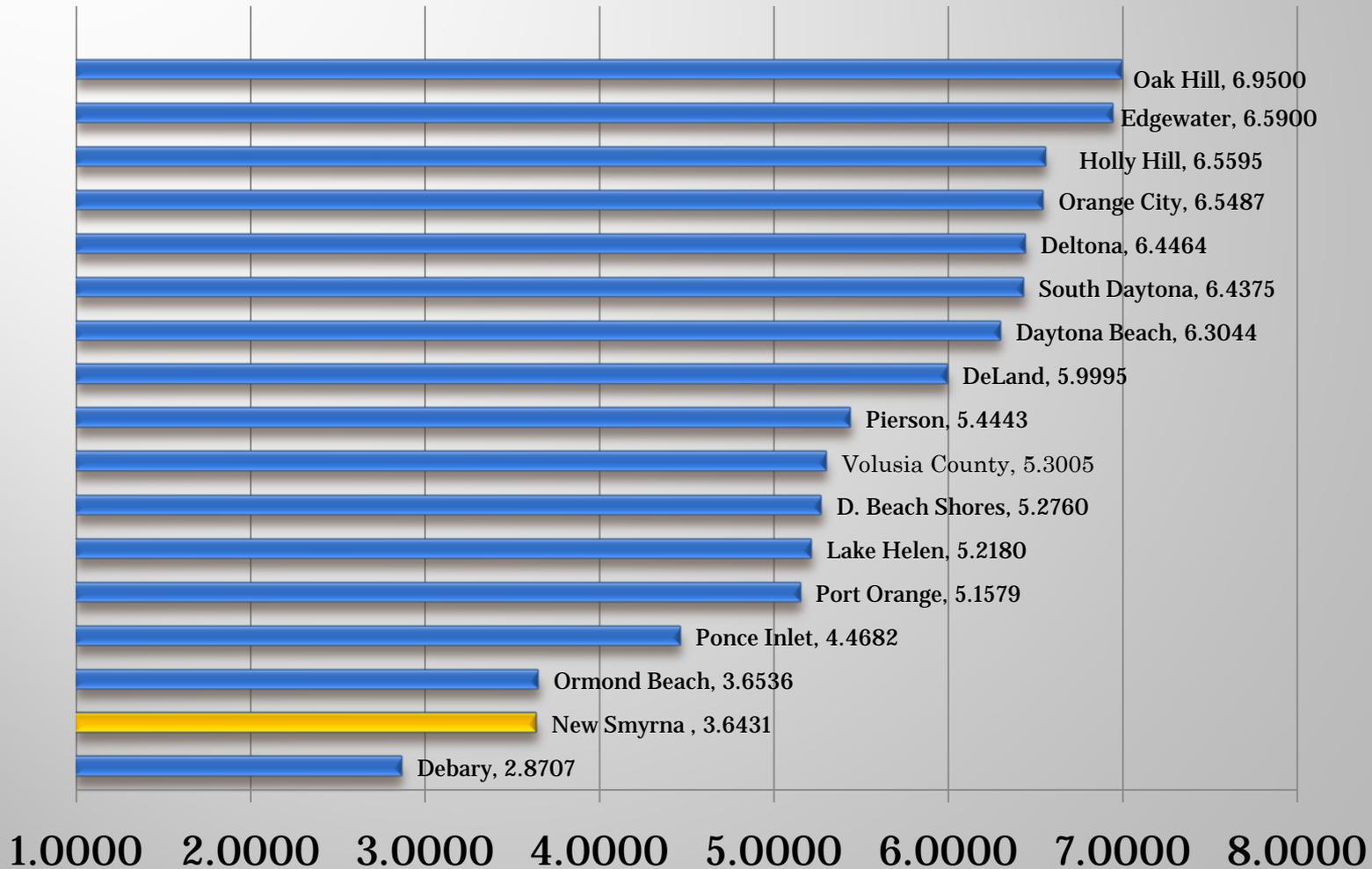
PERCENT INCREASE (DECREASE)

Fiscal Year	Taxable Value (A)	Taxable Value (A)	Other Revenues (B)
	<i>City Assumption</i>	<i>Volusia County Assumption</i>	<i>Sales Tax, Gas Tax, Franchise Fees, Other</i>
2011	-11.45%	-11.45%	-2.0%
2012	-8.0%	-8.0%	-2.0%
2013	0.0%	-5.0%	0.0%
2014	5.0%	-3.0%	2.0%
2015	5.0%	0.0%	3.0%

FY2011 '3.6431' Millage Example Model for FY2011-FY2015

Set Millage Rate -3.6431											
Millage	Budget Year	Increase (Decrease)	Gross Taxable Value	Value Increase (Decrease)	Adjusted Taxable Value	Projected AV Revenue	Deduct CRA	Projected Other Revenue	Net Projected Revenue	Projected Expenditures	Projected (Deficit) Surplus
3.6431	2011	-11%	2,845,189,751	(325,654,487)	2,519,535,264	8,719,973	661,692	9,963,939	18,022,220	18,022,220	(0)
3.6431	2012	-8%	2,519,535,264	(201,562,821)	2,317,972,443	8,022,375	608,757	9,764,660	17,178,278	18,022,220	(843,942)
3.6431	2013	0%	2,317,972,443	-	2,317,972,443	8,022,375	578,319	9,862,306	17,306,363	18,022,220	(715,857)
3.6431	2014	5%	2,317,972,443	115,898,622	2,433,871,065	8,423,494	560,969	10,059,553	17,922,077	18,022,220	(100,143)
3.6431	2015	5%	2,433,871,065	121,693,553	2,555,564,618	8,844,669	560,969	10,361,339	18,645,038	18,022,220	622,818
										Total Projected Deficit	(1,037,124)

County-wide tentative operating Millages



Fiscal year 2011-2012 budget preparation

- ▣ Fiscal Year 2010-2011 Budget preparation process began in January 2010, and included a Budget Task Force Committee (April-Sept) and four Town Hall meetings (July-Sept) to review the proposed budget. City staff also worked with targeted departmental budgets for initial reductions; implemented a new budget format and established benchmarking with other Florida local governments.

Fiscal year 2011-2012 budget preparation

- ▣ For FY 11-12, a millage rate of 3.6431 would result in a General Fund deficit of \$843,942 (this is without changes to personnel, operational and capital expenditures).
- ▣ A thoughtful process to continue “fiscal revamping” is a must, as the majority of the decisions for FY 11-12 are long-range and complex policy decisions. We are proposing Quarterly City Commission FY 11-12 Budget preparation workshops as a discussion/decision/action model.

Fiscal year 2011-2012 budget preparation – cont'd

- ▣ Budget topics would be grouped by function or department for City Commission discussion and include the following (there are sure to be more as the discussion model evolve):
 - Update to Five year Fiscal Projections (expansion beyond General Fund)
 - Staffing levels, priorities and level of City services provided
 - Long term solutions for Pension Costs (Police and Fire)
 - Finalization of Long-range Fire Station locations for GO Bond Closure
 - Fire Assessment Fees
 - Regional EMS Transport Models
 - Boat Launching Fees
 - Beach Parking Systems
 - YMCA- Recreational program provision
 - Sport Complex-Maintenance, Marketing, and Management
 - Solid Waste Collection RFP (Cost Savings & Recycling Options)
 - Stormwater Fee-5 Year CIP Needs (Phase III Beachside and beyond)
 - Long-term Building Permitting Upgrades (After VCBCA issue resolved)
- ▣ As budget issues are tackled, when possible, implementation would follow within FY 10-11 to receive maximum benefit of the changes rather than wait to October 2011 and beyond.

Actions

- ▣ Adopt tentative millage at 3.6431
- ▣ Adopt tentative debt service millage at .5947
- ▣ Adopt Fiscal Year 2010-2011 tentative budget
- ▣ Final Public Hearing Date
 - September 28 at 5:05pm – City Hall Chambers