

City of New Smyrna Beach

FY2010-2011 September 28th Public Hearing

Fiscal year 2010–2011 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.

Budget Highlights (Based on 3.6431 millage)

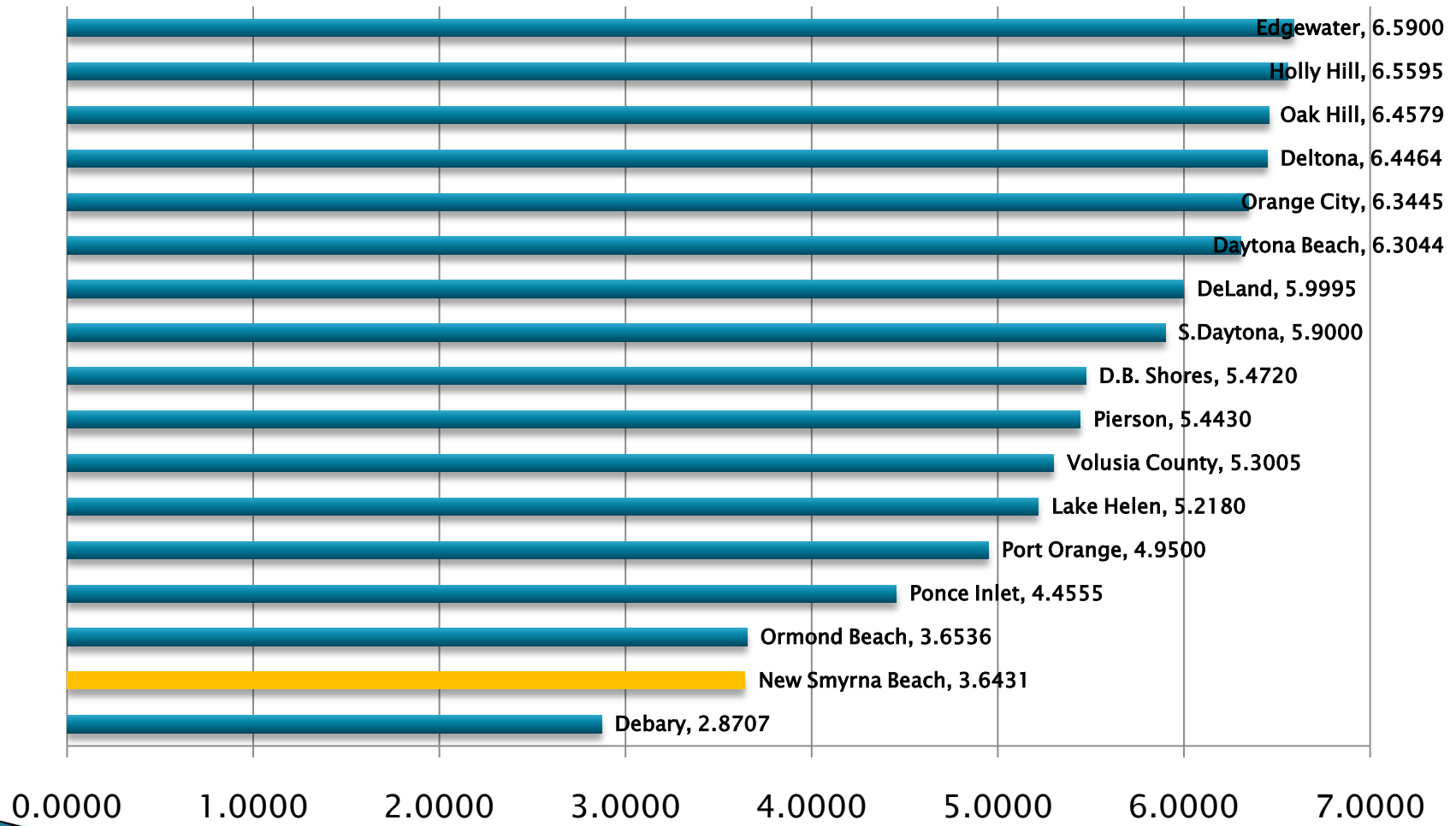
- ▶ FY10-11 total net budget - \$48,090,892
 - (FY09-10 net budget – \$69,453,268)
- ▶ FY10-11 General Fund budget - \$18,022,220
 - (FY09-10 General Fund budget - \$23,308,484)
- ▶ FY10-11 General Fund budget reduced by \$5.2mill
- ▶ FY10-11 workforce reduced by 44 positions
 - (FY09-10 positions 258 to FY10-11 positions 214)
- ▶ Property tax revenue decreased by \$732,658
 - (FY 09-10 \$9.4 mill to FY10-11 to \$8.7mill)

FY2010/2011 Budgets by Fund

FUNDS	FY09-10	FY10-11	Changes	%
GENERAL FUND	\$23,308,484	\$18,022,220	\$(5,286,264)	-23%
STORMWATER FUND	\$6,737,228	\$2,656,721	\$(4,080,507)	-61%
SPECIAL LAW ENFORCEMENT	\$145,055	\$93,600	\$(51,455)	-35%
AIRPORT FUND	\$5,043,898	\$3,505,904	(1,537,994)	-30%
IMPACT FEE FUNDS	\$51,900	\$155,000	103,100	N/A
CITY MARINA FUND	\$ 263,600	\$268,000	\$4,400	2%
SPECIAL EVENTS FUND	\$61,500	\$63,000	\$1,500	2%
BULDING & INSPECTION	\$499,635	\$632,840	\$133,205	27%
CRA FUND	\$12,955,953	\$8,977,377	\$(3,978,576)	-31%

FUNDS	FY09-10	FY10-11	Changes	%
DEBT SERVICE FUNDS	\$2,688,580	\$2,625,575	\$(63,005)	-2%
GOB CAPITAL PROJECTS FUND	\$9,914,000	\$3,619,611	\$(6,294,389)	-63%
SANITATION FUND	\$5,216,435	\$5,344,017	\$127,582	2%
GOLF COURSE ADMINISTRATION	\$1,299,880	\$1,217,776	\$(82,104)	-6%
FLEET MAINTENANCE	\$941,000	\$909,251	\$(31,749)	-3%
WATER TAXI OPERATIONS	\$326,120	-	(326,120)	N/A
TOTAL CITY-WIDE BUDGET	\$69,463,268	\$48,090,892	\$(21,372,376)	-31%

County-wide tentative operating Millages



Grants & Aids FY2010/2011

Agency	FY2010 Funding	FY2011 Requested	FY2011 Recommended
Images	\$ 5,000	\$10,000	\$0 *
Score	\$ 1,000	\$ 2,000	\$ 2,000
Fannie Hudson	\$ 1,500	\$ 5,000	\$ 2,250
Children's Advocacy	<u>\$0</u>	<u>\$10,000</u>	<u>\$ 2,250 **</u>
Total	\$ 7,500	\$31,500	\$ 6,500

* Images – CRA funding in FY2010/11 –\$7,500

**Children's Advocacy funded by Special Law Enforcement Trust Fund in FY09 –\$6,000



Proposed Adjustments

- ▶ The City Commission at its 09/15/10 Public Hearing requested, for discussion purposes, that staff provide a list of changes for a millage rate of 3.4793(FY09/10 Rate).
- ▶ Recommended Changes:
 - ▶ Transportation Impact Fee Study from General Fund to Impact Fee Fund– (\$50,000)
 - ▶ Revisions from Sage Building (Lease approved 09/14/2010; Lease executed, \$10,000 security deposit received)–(\$54,000)
 - ▶ FY10–11 Property Taxes – (\$16,704) Will be budgeted in FY12
 - ▶ Munis permitting upgrade – (\$10,275 General Fund portion) would be required by FY11–12, when building permit system upgrade occurs (after litigation)
- ▶ These changes would result in a millage rate of 3.5839/\$17.9M or the adjustments can be utilized to restore two vacant/unfunded positions in the Police Department.

Additional Adjustments (Not Recommended)

- ▶ Additional Changes required for 3.4793/\$17.7 Budget include:
 - ❑ Reduce Labor Attorney – \$25,000 (Numerous FY2011/2012 Concerns)
 - ❑ Lorick Review of Maintenance Function – \$56,335
 - ❑ Reduce street resurfacing budget – \$150,000 from \$300,000, this action defers the following streets resurfacing until FY2011–2012 (FY10 Street Resurfacing bids were the lowest since FY2007):
 - Bouchelle Drive (From SR 44 to 443/446 Bouchelle Dr)
 - Magnolia Circle (Club House Blvd. (cul-de-sac))
 - North Atlantic Avenue (Crawford Rd. to Flagler Ave.)
 - Fox Tail Court (Pine Shore Circle (cul-de-sac))
 - Bromely Circle (Prestwick Drive (cul-de-sac))

To Be Considered.....

- ▶ Five year millage and General Fund projections are provided to assist with long-term policy decisions:
- ▶ The projections are based on local real estate values and US/global economic issues, we are “estimating” a 8% deduction in taxable values in FY2011/2012.
- ▶ With a 3.4793 rate or a 3.5839 rate there is a two-year projected deficit of \$1.5 million, which would require a combination of further reductions and the generation of additional non-ad valorem revenues.
- ▶ Thus it’s an issue of long-term initiatives required to balance the budget, which will be tackled, with the City Commission, in the process outlined for FY11-12.

Fiscal year 2011–2012 budget preparation

- ▶ Budget topics would be grouped by function or department for quarterly City Commission workshops 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

- ▶ Approve distribution of Grants & Aids for FY2010/2011
- ▶ Adopt millage
- ▶ Adopt debt service millage
- ▶ Adopt Fiscal Year 2010-2011 budget