



**Cooper City Commission Meeting
Agenda Item Request Form**

Commission Meeting/Workshop Date: January 29, 2019

Requesting Department: Administration

Subject: Financial Plan

Section:

Presentation

Consent

Regular

Discussion

Background and Recommendation (attach backup material to Item Request Form):

At the workshop of December 4, 2018 the City Commission was presented with a financial overview regarding the current fiscal year projected budget position. The agenda for the presentation covered a general financial overview of the city's major funds and a discussion regarding a fund balance policy. The objective of the presentation was to review recent fiscal year results leading to the current projected status. In summary, the financial overview suggested a more in-depth review and the development of an appropriate action plan were warranted.

By consensus the City Commission tasked staff with developing a financial plan to address the financial concerns and reporting out the plan within 45 days. Staff has performed the subsequent review and has developed a plan including a FY 19 forecast and a two (2) year outlook. At the City Commission meeting of January 8, 2019 staff advised that the financial plan was ready for presentation prior to the 45 day deadline and requested a special meeting to report out. The City Commission, by consensus, set January 29, 2019 as the special meeting date.

The purpose of this agenda item is to accept the filing of the Financial Plan as directed by the City Commission. Staff recommends the City Commission accept the filing of the City Financial Plan affecting the FY19 Budget and providing for a general outlook for FY 20 and FY 21.

Approvals:

Finance Director _____ City Manager _____ City Clerk _____



City of Cooper City

Financial Action Plan



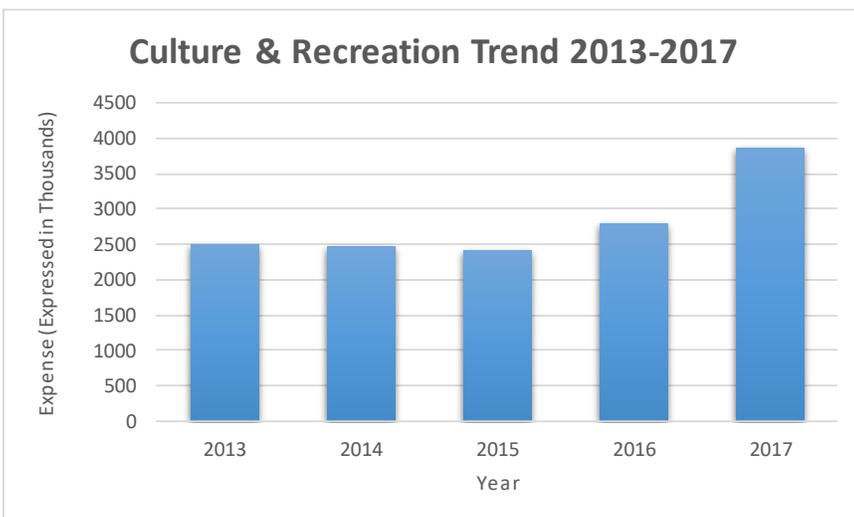
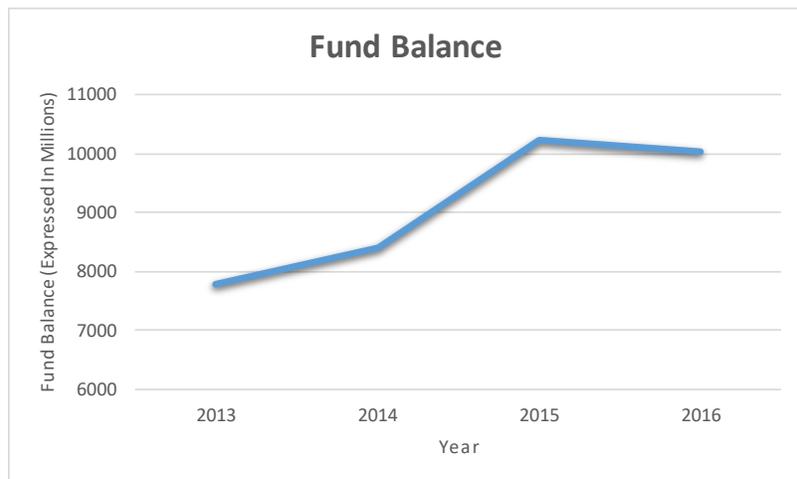
CITY OF COOPER CITY

FINANCIAL ACTION PLAN

The City of Cooper City has experienced financial issues in the last two years which have adversely impacted its financial reserves. Overall, the City’s financial structure is composed of governmental activities and business-type activities, the latter being water-sewer, stormwater and storage services. The business-type activities are for the most part in excellent fiscal condition and won’t be addressed in this document.

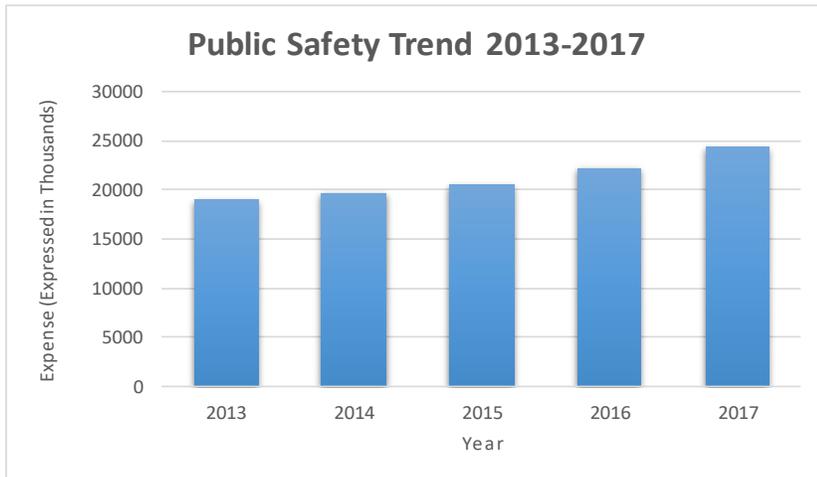
HISTORICAL ACCOUNT OF THE CITY’S FINANCIAL CONDITIONS

The governmental funds had been in good financial condition for much of the past decade. From FY 13 through FY 16 governmental fund revenue exceeded expenditures by \$1.4 million, strengthening reserves. However, the picture began to change in FY 17 when expenditures exceeded revenue by \$1.5 million with normal revenue growth exceeded by a \$2.4 million increase in public safety and a \$1.1 million increase in culture and recreation expenditures, nearly 40% of which was attributable to initial Hurricane Irma expenditures. This history through FY 17 is reflected in the attached page from the City’s FY 17 Comprehensive Annual Financial Report (CAFR).



In FY 18 this adverse situation was significantly exacerbated with expenditures exceeding revenue by \$8.0 million. Although revenue growth continued to be normal, this was more than offset by growth in culture and recreation expense \$3.1 million, with all this growth attributable to Hurricane Irma expense, and a growth in capital outlay of \$4.9 million, primarily attributable to the Flamingo West Park and Community Center projects.

A further \$1.3 million increase in public safety expense further added to this deficit. Although these two years more than offset the prior progress that had been made in strengthening City reserves, City reserves still appear adequate, although marginally below limits established by the City’s recently adopted fund balance policy. It should be noted that without the burden of nearly \$4 million in Hurricane Irma-related expense, governmental reserves would be well above the limits established in this policy.



As discussed in the next section, even though the adopted FY 19 budget appeared to have continued this problem, this isn’t accurate.

In view of what is known at this time, it appears that the FY 19 budget presented for adoption inadvertently excluded certain available resources, and consequently reflected an unnecessary further severe drawdown of General Fund reserves. More specifically, the adopted FY 19 budget implied that available General Fund reserves would be a negative \$239,000 at the end of FY 19. This compares with the current FY 19 year-end General Fund available reserves forecast of a positive \$5,179,000. Although nearly a million dollars of this improvement is attributable primarily to an aggressive review of operating and departmental capital expense and eliminating many non-essential expenditures, as well as small revenue improvements, much of the improvement is attributable to taking advantage of alternate sources of funding to take the pressure off the General Fund.

FINANACIAL ACTION PLAN

The assumptions and actions taken for this forecast and a FY 20 and FY 21 outlook are outlined in the accompanying presentation.

To ensure that the maintenance and strengthening of reserves continues to be a major priority as well as taking those actions to improve the efficiency and effectiveness of operations to further facilitate a strong reserves position, the following actions are recommended.

FISCAL YEAR	FINANCIAL ACTION TAKEN	PRIORITY
2019	Prepare a Request For Qualifications (RFQ) to engage the services of a well-qualified consulting firm to initially provide an organizational assessment of one facet of City operations, and depending on the results, potentially conduct similar assessments of other major components of City operations	Medium
2019	Engage the BS&A software company, the provider of the City’s Enterprise Resource Planning (ERP) system, which is the IT skeleton for many City functions (Finance, Purchasing, Customer Service and Utility Billing, Human Resources, etc.) to conduct an operational assessment of Customer Service to ensure efficient and effective business processes and to also ensure that maximum advantage is being taken of the capabilities of ERP system. Depending on the results, potentially conduct similar reviews of other functions which are heavy users of BS&A software.	High
2019	Engage the Florida League of Cities Telecommunications Cost-Reduction Program to identify potential savings and efficiencies in the City’s telecommunications and IT networking environment.	Medium
2019	Work with the Florida League of Cities to ensure maximum awareness of all relevant available grants and enhance grant application skills.	High
2019	Provide monthly financial results to ensure continual focus on fiscal stability and serve as an early-warning system when corrective action is required.	High
2019	Enhance the budget process to be more performance-oriented, measurement-based and to maintain continual focus on City reserves in the budgeting process to ensure that the City fiscal position remains sufficiently robust to handle most unanticipated shocks.	High
2019	Establish an emergency line of credit as a back-stop in the event an extremely catastrophic incident occurs with the potential to overwhelm the City, even with a strong reserve position.	Medium
2019	Conduct a review of the City’s compensation plan to ensure competitiveness and appropriateness when compared to other employment opportunities available to staff.	High
2019	Develop a strategy for keeping public safety cost growth in line with what the City can afford.	High

FINANACIAL ACTION PLAN

FISCAL YEAR	ADMINISTRATIVE ACTION TAKEN
2018	Engaged consultant to conduct review of position titles, pay grade, and job descriptions
2018	Reviewed vacancies and filling only critical positions
2018	Recommended moving forward with Strategic Planning Process
2018	Adopted fund balance policy providing for plan of action
2019	Implement plan to replenish fund balance and reserves
2019	Implement fiscal policies to ensure that all City funds are balanced and self-sustaining
2019	Develop enhanced financial reporting and cash flow monitoring
2019	Provide monthly financial reports to the City Commission

The above observations and conclusions will be discussed in-depth at the January 29th Special Commission meeting.

CONCLUSION

This Plan represents an opportunity for the City to change current budgeting practices to better ensure the future financial stability of the City. The City’s Financial Action Plan focuses on critical issues, such as improving accountability, improving budgeting practices, increasing the effectiveness of City government operations, and realizing operational efficiencies and cost reductions.



CITY OF COOPER CITY, FLORIDA
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(Table 4)
(Amounts expressed in thousands)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Revenues										
Property taxes	\$ 10,559	\$ 10,153	\$ 9,387	\$ 9,469	\$ 9,602	\$ 11,657	\$ 12,652	\$ 13,441	\$ 14,808	\$ 16,688
Franchise fees and utility taxes	5,539	5,712	5,639	5,566	5,740	5,939	6,273	6,310	6,126	6,072
Licenses and permits	984	925	1,682	2,175	1,897	1,576	1,151	1,195	1,105	1,154
Intergovernmental revenues	3,594	3,024	2,986	2,999	2,950	3,533	3,468	5,013	4,294	4,375
Charges for services	2,245	2,952	3,051	3,521	4,589	4,804	4,353	4,743	5,641	5,931
Fines and forfeitures	144	154	155	94	241	227	479	543	550	273
Impact fees	-	-	-	1,479	710	896	41	481	88	377
Grant revenues	-	-	-	-	-	-	-	-	907	33
Investment earnings	716	546	273	151	100	41	106	109	156	203
Miscellaneous revenues	2,082	252	845	849	594	944	379	372	316	283
Total revenues	25,863	23,718	24,018	26,303	26,423	29,617	28,902	32,207	33,991	35,389
Expenditures										
General government	4,212	4,096	4,010	4,056	3,976	4,299	3,918	4,224	5,121	4,848
Public safety	14,467	15,933	16,910	17,532	18,419	19,056	19,695	20,564	22,201	24,333
Physical environment	496	482	483	457	473	497	484	515	648	718
Transportation	810	908	747	758	643	1,750	1,422	1,196	1,242	1,494
Culture and recreation	2,567	2,773	2,713	2,804	2,641	2,493	2,473	2,406	2,784	3,854
Human services	205	141	155	-	-	-	-	-	-	-
Capital outlay	387	386	501	377	420	823	704	1,365	1,591	1,300
Debt service										
Principal retirement	740	765	799	562	458	327	334	341	349	356
Interest and fiscal charges	224	193	158	136	65	49	42	35	27	19
Total expenditures	24,108	25,677	26,476	26,682	27,095	29,294	29,072	30,646	33,963	36,922
Excess of revenues over (under) expenditures	1,755	(1,959)	(2,458)	(379)	(672)	323	(170)	1,561	28	(1,533)

General Fund Summary

	FY 19			FY 20		FY 21	
	Bgt	Fcst	Var	O/L	Incr/Decr FY 19	O/L	Incr/Decr FY 20
Revenue							
Property Tax	20,108,800	20,241,020	132,220	21,130,745	889,725	22,059,617	928,873
Fire Assessment	2,800,000	2,800,000	-	2,800,000	-	2,800,000	-
Other Taxes	2,380,000	2,465,000	85,000	2,507,000	42,000	2,548,000	41,000
Franchise Fees	2,889,100	2,736,917	(152,183)	2,764,663	27,746	2,792,564	27,901
Licenses & Permits	656,500	525,000	(131,500)	525,000	-	525,000	-
Grants	165,000	19,000	(146,000)	-	(19,000)	-	-
State Contribution - Police, Fire Per	567,000	520,000	(47,000)	520,000	-	520,000	-
Intergovernmental	4,331,100	4,461,713	130,613	4,524,050	62,337	4,609,200	85,150
Services	2,007,800	2,369,100	361,300	2,399,600	30,500	2,403,600	4,000
Judgments, Fines & Forfeitures	235,000	235,000	-	235,000	-	235,000	-
Miscellaneous Revenue	241,000	256,000	15,000	276,000	20,000	276,000	-
Interest Income	100,000	25,000	(75,000)	25,000	-	25,000	-
Total External Revenue	36,481,300	36,653,750	172,450	37,707,058	1,053,308	38,793,982	1,086,924
Interfund Transfers	1,067,330	1,849,120	781,790	1,652,327	-	1,652,327	-
Total Revenue + Trf In	37,548,630	38,502,870	954,240	39,359,385	856,515	40,446,309	1,086,924
Loans (Direct to CIP)	-	-	-	-	-	-	-
Total Funding Bef Balance	37,548,630	38,502,870	954,240	39,359,385	856,515	40,446,309	1,086,924
Use / (Add) Fund Bal	2,621,426	(2,411,857)	(5,033,283)	(298,589)	2,113,268	(145,227)	153,362
Total Funding	40,170,056	36,091,013	(4,079,043)	39,060,796	2,969,783	40,301,082	1,240,286
Expenditure							
Salary	4,398,743	4,360,057	38,686	4,391,548	31,491	4,477,212	85,663
Benefits	2,920,983	2,896,228	24,755	3,013,322	117,094	3,156,910	143,589
Total Personnel	7,319,726	7,256,285	63,441	7,404,870	148,585	7,634,122	229,252
Operating Expense	3,204,170	2,799,665	404,505	2,720,530	(79,135)	2,771,707	51,177
BSO	26,125,600	24,778,080	1,347,520	26,016,984	1,238,904	27,317,833	1,300,849
Capital	614,700	364,800	249,900	187,100	(177,700)	183,500	(3,600)
Debt Service	-	-	-	430,000	430,000	430,000	-
Transfer Out	2,505,860	385,908	2,119,952	1,601,312	1,215,404	1,263,920	(337,393)
Prior Year Encumbrance	-	106,275	(106,275)	-	(106,275)	-	-
Contingency	400,000	400,000	-	700,000	300,000	700,000	-
Total Expenditure	40,170,056	36,091,013	4,079,043	39,060,796	2,969,783	40,301,082	1,240,286
Fund Balance							
Opening Balance	2,382,426	2,766,801	384,375	5,178,658	2,411,857	5,477,246	298,589
(Use)/Add	(2,621,426)	2,411,857	5,033,283	298,589	(2,113,268)	145,227	(153,362)
Closing Balance	(239,000)	5,178,658	5,417,658	5,477,246	298,589	5,622,473	145,227

Commission Special Meeting

January 29, 2019

Agenda

- Millage Rate Considerations
- Available Reserves
- Tentative Budget Schedule

“Cooper City Has One Of The Highest Millage Rates In Broward County, Making It Very Expensive” –
Conventional Wisdom

“The Rumors Of My Death Have Been Greatly Exaggerated” – Mark Twain,
London - 1890

Millage Rate

Cooper City vs. Oakland Park

Property Tax

Average Homesteaded Residence

	Cooper City	Oakland Park	Difference
Millage (Mills)	7.1347	5.9985	
Taxable Value (\$) *	210,669	210,669	
Property Tax (\$)	1,503	1,264	239

* Average Taxable Value For 9,040 Homesteaded Cooper City Properties - 75.9% Of All Properties

Millage Rate

Cooper City vs. Oakland Park Property Tax, Fire Assessment & Utilities Annual Expense

	Cooper City	Oakland Park	Difference
Property Tax	1,503	1,264	239
Fire Assessment	161	199	(38)
Water (6K Gal/Mon)	380	682	(302)
Utility Tax	-	68	(68)
Sewer (6K Gal/Mon)	549	675	(126)
Solid Waste	340	217	123
Stormwater	39	84	(45)
			(217)

General Fund Assumptions

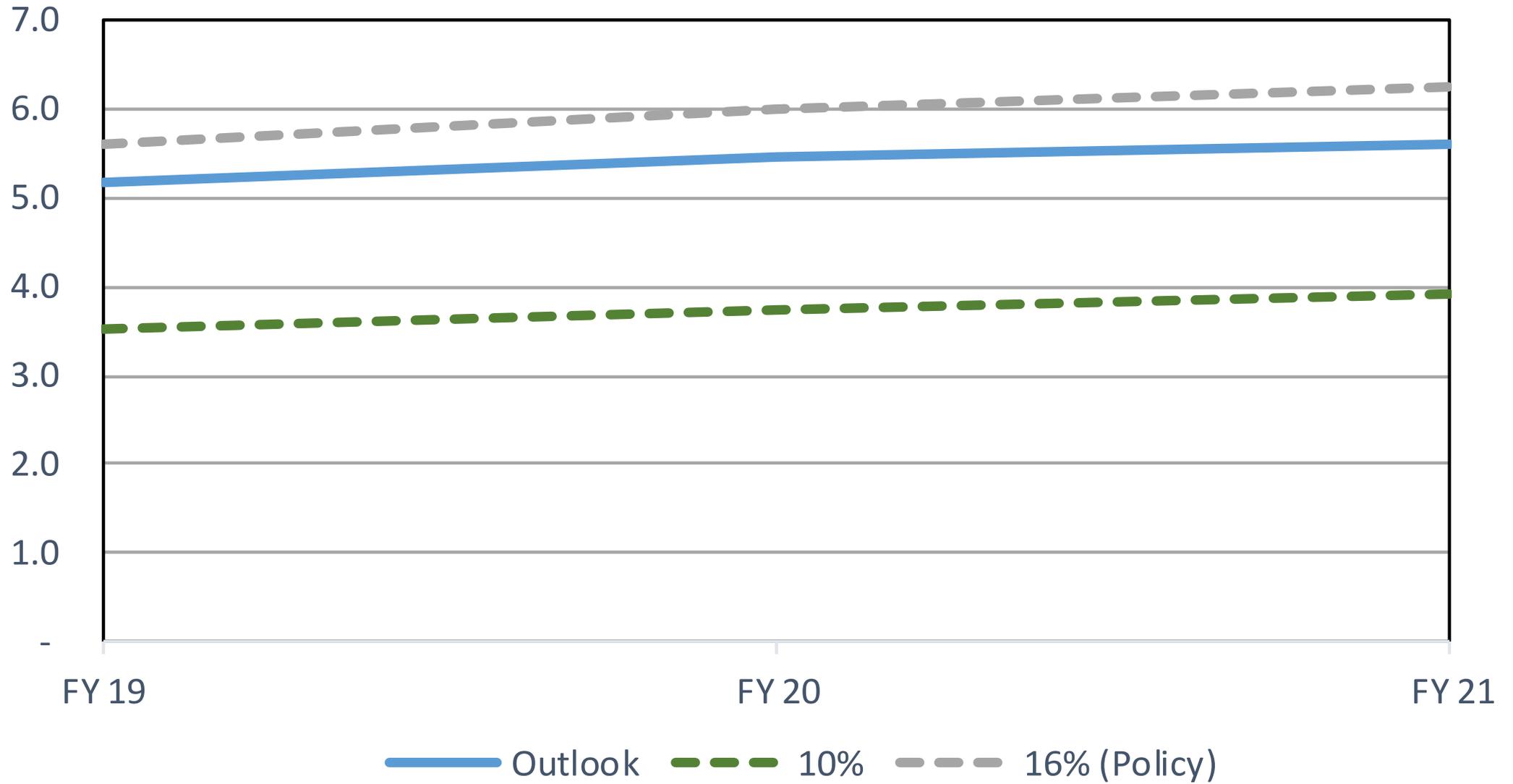
- Operating Millage Rate Unchanged Through FY 21 – 7.1347 Mills
- Tax Base Growth – 4.4% Per year
- Staff Wage Growth – 2% Per year
- Healthcare Growth – 10% Per Year
- BSO Contract – 5% Per Year
- Minor Revenue Enhancements
- No Additional Headcount Growth
- Sufficient Contingency – FY 19 = \$400,000, FY 20 & FY 21 = \$700,000
- Water Sewer Fund Loan To General Fund CIP – Down From \$3.0 Million To \$2.0 Million
- FEMA Irma Reimbursement – Not In Three-Year Outlook

General Fund Available Reserves

FY 19 Adopted Budget (239,000)
FY 19 Forecast	5,179,000
FY 20 Outlook	5,477,000
FY 21 Outlook	5,622,000

\$ Million

General Fund Available Reserves



FY 19 Gen Fund Reserves \$5.4 Million Improvement

➤ Alternate Funding Of CIP	1,838,000
➤ BSO Contract / Vacancy Credits	1,348,000
➤ Updated G&A Fund Allocations To General Fund	781,000
➤ Operating Expense & Dept Capital Expense Reduction	654,000
➤ Updated FY 18 Opening Balance	384,000
➤ Alternate Funding Of Building, Road & Bridge Funds	282,000
➤ Additional Revenue	173,000
➤ Personnel Expense Reduction	64,000
➤ Prior Year Encumbrances	<u>(106,000)</u>
Total	5,418,000

General Fund
Three-Year Outlook ⁽¹⁾

(\$M)	FY 19		FY 20		FY 21		
	Budget	Forecast	Incr Budget	O/L	Incr FY 19 Fcst	O/L	Incr FY 20 Fcst
Funding							
Total Rev + Trans In	37.5	38.5	1.0	39.4	0.9	40.4	1.1
Use/(Add) Fund Bal	2.6	(2.4)	(5.0)	(0.3)	2.1	(0.1)	0.2
Total Funding	40.2	36.1	(4.1)	39.1	3.0	40.3	1.2
Expenditure	40.2	36.1	(4.1)	39.1	3.0	40.3	1.2
Available Fund Bal							
Open	2.4	2.8	0.4	5.2	2.4	5.5	0.3
(Use) / Addition	(2.6)	2.4	5.0	0.3	(2.1)	0.1	(0.2)
Close	(0.2)	5.2	5.4	5.5	0.3	5.6	0.1
Target							
10%	3.7	3.5		3.8		3.9	
Forecast / Outlook	(0.2)	5.2		5.5		5.6	
16% (Policy)	5.9	5.6		6.0		6.3	

(1) Excludes Possible FEMA Irma Reimbursement

General Fund
Three-Year Detail Outlook

(\$M)	FY 19			FY 20		FY 21	
	Budget	Forecast	Incr Budget	O/L	Incr FY 19 Fcst	O/L	Incr FY 20 Fcst
Funding							
Property Tax	20.1	20.2	0.1	21.1	0.9	22.1	0.9
Fire Assessment	2.8	2.8	-	2.8	-	2.8	-
Other	13.6	13.6	0.0	13.8	0.2	13.9	0.2
Total Revenue	36.5	36.7	0.2	37.7	1.1	38.8	1.1
Transfer In	1.1	1.8	0.8	1.7	(0.2)	1.7	-
Total Rev + Trans In	37.5	38.5	1.0	39.4	0.9	40.4	1.1
Use/(Add) Fund Bal	2.6	(2.4)	(5.0)	(0.3)	2.1	(0.1)	0.2
Total Funding	40.2	36.1	(4.1)	39.1	3.0	40.3	1.2
Expenditure							
Personnel	7.3	7.3	(0.1)	7.4	0.1	7.6	0.2
Operating Expense	3.2	2.8	(0.4)	2.7	(0.1)	2.8	0.1
BSO	26.1	24.8	(1.3)	26.0	1.2	27.3	1.3
Capital (Dept)	0.6	0.4	(0.2)	0.2	(0.2)	0.2	(0.0)
Water Fund Repayment	-	-	-	0.4	0.4	0.4	-
Transfer Out	-	-	-	-	-	-	-
CIP	1.9	0.1	(1.8)	0.6	0.5	0.3	(0.3)
Building	0.1	-	(0.1)	0.0	0.0	0.1	0.0
Road & Bridge	0.4	0.3	(0.2)	1.0	0.7	0.9	(0.1)
Total Trans Out	2.5	0.4	(2.1)	1.6	1.2	1.3	(0.3)
Prior Year Encumbr	-	0.1	0.1	-	(0.1)	-	-
Contingency	0.4	0.4	-	0.7	0.3	0.7	-
	40.2	36.1	(4.1)	39.1	3.0	40.3	1.2

General Fund CIP

Expenditure	Funding						
	Grants	Gen Fund	Fund Balance	CIP Income	Loan	Total Funding	
(\$)							
<u>FY 19</u>							
Budget	2,485,000	550,000	1,935,000	-	-	-	2,485,000
Deferred From FY 19	(1,040,000)	(275,000)	(765,000)	-	-	-	(1,040,000)
Add't Projects	6,121,668	1,506,136	(1,072,474)	3,663,006	25,000	2,000,000	6,121,668
Total	7,566,668	1,781,136	97,526	3,663,006	25,000	2,000,000	7,566,668
<u>FY 20</u>							
Deferred FY 19 Projects	550,000	200,000	350,000	-	-	-	550,000
Other Projects	245,000	-	245,000	-	-	-	245,000
Total	795,000	200,000	595,000	-	-	-	795,000
<u>FY 21</u>							
Deferred FY 19 Projects	40,000	-	40,000	-	-	-	40,000
Other Projects	500,000	250,000	250,000	-	-	-	500,000
Total	540,000	250,000	290,000	-	-	-	540,000

Building Fund

(\$)	FY 19			FY 20		FY 21	
	Budget	Forecast	Variance	O/L	Incr FY 19 Fcst	O/L	Incr FY 20 Fcst
Funding							
Revenue	1,053,669	964,000	(89,669)	989,000	25,000	989,000	-
Transfer In From GF	125,860	-	(125,860)	30,312	30,312	57,920	27,607
Total Rev + Trans In	1,179,529	964,000	(215,529)	1,019,312	55,312	1,046,920	27,607
Use/(Add) Fund Bal	2,900	249,884	246,984	-	(249,884)	-	-
Total Funding	1,182,429	1,213,884	31,455	1,019,312	(194,572)	1,046,920	27,607
Expenditure							
Personnel	950,379	791,841	158,538	954,862	163,022	983,370	28,507
Operating Expense	223,550	216,750	6,800	56,750	(160,000)	56,750	-
Other	8,500	8,500	-	7,700	(800)	6,800	(900)
Transfer Out	-	196,793	(196,793)	-	(196,793)	-	-
	1,182,429	1,213,884	(31,455)	1,019,312	(194,572)	1,046,920	27,607
Available Fund Bal							
Open	249,884	249,884	-	-	(249,884)	-	-
(Use) / Addition	(2,900)	(249,884)	(246,984)	-	249,884	-	-
Close	246,984	-	(246,984)	-	-	-	-

Road & Bridge Fund

\$	FY 19			FY 20		FY 21	
	Budget	Forecast	Variance	O/L	Incr FY 19 Fcst	O/L	Incr FY 20 O/L
<u>Funding</u>							
Revenue	854,000	936,805	82,805	960,000	27,195	990,000	30,000
Transfer In From GF	445,000	288,382	(156,618)	976,000	687,618	916,000	(60,000)
Total Rev + Trans In	1,299,000	1,225,187	(73,813)	1,936,000	714,813	1,906,000	(30,000)
Use/(Add) Fund Bal	450,000	590,799	140,799	-	(590,799)	-	-
	1,749,000	1,815,986	66,986	1,936,000	120,014	1,906,000	(30,000)
<u>Expenditure</u>							
Contract Labor	45,000	45,000	-	140,000	95,000	100,000	(40,000)
Tree Trimming	150,000	150,000	-	150,000	-	150,000	-
Mowing	230,000	230,000	-	230,000	-	230,000	-
Electricity	458,000	425,000	33,000	435,000	10,000	445,000	10,000
Prior Year Encumbranc	-	149,986	(149,986)	-	(149,986)	-	-
Repair - Roads	610,000	610,000	-	750,000	140,000	750,000	-
Repair - Sidewalks	175,000	175,000	-	200,000	25,000	200,000	-
Capital	6,000	6,000	-	6,000	-	6,000	-
Contingency	75,000	25,000	50,000	25,000	-	25,000	-
	1,749,000	1,815,986	(66,986)	1,936,000	120,014	1,906,000	(30,000)
<u>Available Fund Bal</u>							
Open	590,779	590,799	20	-	(590,799)	-	-
(Use) / Addition	(450,000)	(590,799)	(140,799)	-	590,799	-	-
Close	140,779	-	(140,779)	-	-	-	-

Water Sewer Fund Assumptions

- CPI Rate Increases In Accordance With Ordinance
- \$2.0 Million Five-Year Loan To General Fund CIP
- Increased G&A Allocation To General Fund
- \$3.0 Million Well Project Requires Short-Term Bridge Loan



Water Sewer Fund
Three-Year Outlook

(\$M)	FY 19			FY 20		FY 21	
	Budget	Forecast	Incr Budget	O/L	Incr FY 19 Fcst	O/L	Incr FY 20 O/L
<u>Funding</u>							
Total Rev + Loans	11.8	13.3	1.5	13.0	(0.4)	13.2	0.2
Use/(Add) Fund Bal	0.3	1.5	1.2	(0.4)	(1.9)	(0.9)	(0.5)
Total Funding	12.1	14.8	2.7	12.6	(2.2)	12.3	(0.3)
<u>Expenditure</u>	12.1	14.8	2.7	12.6	(2.2)	12.3	(0.3)
<u>Available Fund Bal</u>							
Open	2.3	2.3	-	0.9	(1.5)	1.3	0.4
(Use) / Addition	(0.3)	(1.5)	(1.2)	0.4	1.9	0.9	0.5
Close	2.1	0.9	(1.2)	1.3	0.4	2.2	0.9
<u>Target Fund Balance</u>							
10%	0.8	0.8		0.9		0.9	
Forecast / Outlook	2.1	0.9		1.3		2.2	
16% (Policy)	1.3	1.3		1.4		1.5	

Water Sewer Fund
Three-Year Detail Outlook

(\$M)	FY 19			FY 20		FY 21	
	Budget	Forecast	Incr Budget	O/L	Incr FY 19 Fcst	O/L	Incr FY 20 Fcst
<u>Funding</u>							
Revenue	11.8	12.3	0.5	12.5	0.2	12.8	0.2
Loan	-	1.0	1.0	-	(1.0)	-	-
GF Loan Repayment	-	-	-	0.4	0.4	0.4	-
Total Rev + Loans	11.8	13.3	1.5	13.0	(0.4)	13.2	0.2
Use/(Add) Fund Bal	0.3	1.5	1.2	(0.4)	(1.9)	(0.9)	(0.5)
Total Funding	12.1	14.8	2.7	12.6	(2.2)	12.3	(0.3)
<u>Expenditure</u>							
Personnel	4.3	4.3	(0.0)	4.5	0.1	4.6	0.2
Operating Expense	3.9	3.8	(0.0)	3.9	0.1	4.1	0.2
Capital (Dept)	0.7	0.4	(0.3)	0.2	(0.1)	0.3	0.1
Debt Service	-	-	-	0.5	0.5	0.5	-
Transfer Out							
CIP	2.0	2.5	0.5	1.6	(0.9)	0.9	(0.7)
General Fund	1.0	1.6	0.6	1.6	-	1.6	-
Total Transfer Out	3.0	4.0	1.1	3.2	(0.9)	2.5	(0.7)
Loan (To Gen Fund CIP)	-	2.0	2.0	-	(2.0)	-	-
Contingency	0.3	0.3	-	0.3	-	0.3	-
Total Expenditure	12.1	14.8	2.7	12.6	(2.2)	12.3	(0.3)

Water Sewer Fund CIP

	FY 19			FY 20		FY 21	
	Budget	Forecast	Incr Budget	Outlook	Incr FY 19 Fcst	Outlook	Incr FY 20 O/L
Funding							
Water Sewer Fund	1,952,500	2,457,061	504,561	1,582,958	(874,103)	900,000	(682,958)
Fund Balance	175,000	2,911,673	2,736,673	-	(2,911,673)	-	-
Total	2,127,500	5,368,734	3,241,234	1,582,958	(3,785,776)	900,000	(682,958)
Expenditure							
Budget	2,127,500	1,050,000	(1,077,500)	-	(1,050,000)	-	-
Additional	-	4,318,734	4,318,734	1,582,958	(2,735,776)	900,000	(682,958)
	2,127,500	5,368,734	3,241,234	1,582,958	(3,785,776)	900,000	(682,958)
CIP							
Fund Balance							
Open		2,911,673		-	(2,911,673)	-	-
(Use) / Addition		(2,911,673)		-	2,911,673	-	-
Close		-		-	-	-	-

Stormwater Assumptions / Issues

- Current Rate Structure Inadequate
 - Rate Study Recommended

- No Major Capital Projects Beyond FY 19

Stormwater

(\$)	FY 19			FY 20		FY 21	
	Budget	Forecast	Incr Budget	O/L	Incr FY 19 Fcst	O/L	Incr FY 20 O/L
Funding							
Revenue	328,100	340,000	11,900	310,000	(30,000)	575,000	265,000
Grants	-	279,863	279,863	-	(279,863)	-	-
Use/(Add) Fund Bal	371,412	1,977,343	1,605,931	281,739	(1,695,604)	23,535	(258,204)
Total Funding	699,512	2,597,206	1,897,694	591,739	(2,005,467)	598,535	6,796
Expenditure							
Personnel	126,982	127,505	523	131,690	4,185	136,086	4,396
Operating Expense	94,600	122,200	27,600	95,900	(26,300)	98,300	2,400
Capital	205,000	2,084,352	1,879,352	101,000	(1,983,352)	101,000	-
Debt Service	212,600	212,556	(44)	212,556	-	212,556	-
Trans Out - Gen Fund	30,330	20,593	(9,737)	20,593	-	20,593	-
Contingency	30,000	30,000	-	30,000	-	30,000	-
	699,512	2,597,206	1,897,694	591,739	(2,005,467)	598,535	6,796
Available Fund Bal							
Open	2,369,901	2,369,901	-	392,558	(1,977,343)	110,819	(281,739)
(Use) / Addition	(371,412)	(1,977,343)	(1,605,931)	(281,739)	1,695,604	(23,535)	258,204
Close	1,998,489	392,558	(1,605,931)	110,819	(281,739)	87,284	(23,535)
Target Fund Balance							
10%	43,418	46,226		44,015		44,694	
Forecast / Outlook	1,998,489	392,558		110,819		87,284	
16% (Policy)	69,469	73,962		70,423		71,511	

Tentative High-Level Budget Schedule

- March – Strategic Plan Initiation – Surveys Sent Out
- April – Two Budget Workshops To Solicit Public Input
- April – Distribution Of Assumptions, Budget Packages & Preliminary City Manager Guidance
- May – Strategic Plan – Presentation Of Preliminary Results & Recommended City Priorities
- May – Two Commission Workshops To Evaluate Preliminary Survey Results, Recommended Priorities & Input From April Public Workshops And To Provide Budget & Capital Guidance
- May – City Manager Review Of Departmental Budget & Capital Recommendations
- June – Finalize Budget & Capital Recommendations And Distribute To Commission By July 1st
- July – Commission Budget Workshops To Evaluate Recommended Budget & Capital Plans
- July – Commission Public Hearing To Adopt Preliminary Millage Rate, Budget & Fire Assessment
- September – First Commission Public Hearing To Adopt Tentative Millage Rate, Operating Budget, Capital Plan & Fire Assessment
- September – Second Commission Public Hearing To Adopt Final Millage Rate, Operating Budget & Capital Plan
- September – Submission Of Final Millage Rate & Operating Budget Documentation To County & State

Summary

- City Reserves Are Very Adequate For Most Emergencies
 - Emergency Line Of Credit In Place For Major Catastrophe
- Long-Term Issue That Public Safety Expense Increasing More Quickly Than Revenue
- Efforts To Continue To Streamline Operations For Greater Efficiency And To Identify Additional Revenue Opportunities
- Rate Study Recommended For Stormwater
- City Costs For Services Need To Be Evaluated On Overall Cost Of All Services Rather Than Focus Solely On Millage Rate