

# Business Planning Workshop

July 26, 2011



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# Agenda

- Presentation of Fiscal Year 2011-2012 Business Plan
  - Financial Strategy
  - FY 2012 General Fund
  - Key Initiatives
- Fourth Amendment to Franchise Agreement for Solid Waste Collection and Disposal Services
- Preliminary Assessment Roll and Rate Structure for FY 2011-12 Residential Solid Waste Collection Services Special Assessment

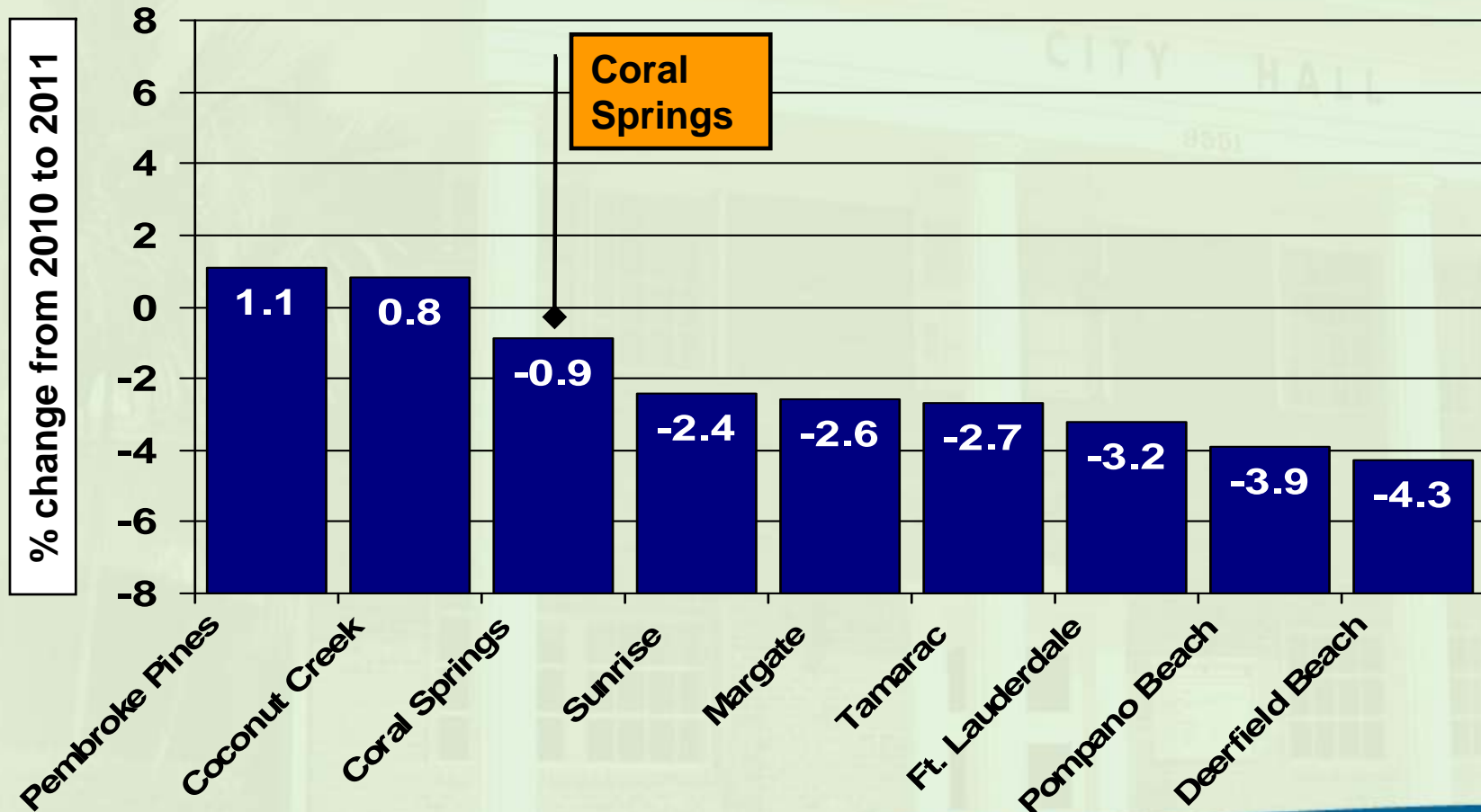


# Agenda

- Preliminary Assessment Resolution for Proposed Rate Structure for FY 2011-12 Fire Services Special Assessment
- Truth in Millage Act (TRIM) Requirements and Proposed FY 2011-12 Budget Schedule
- Adoption of FY 2012 Business Plan



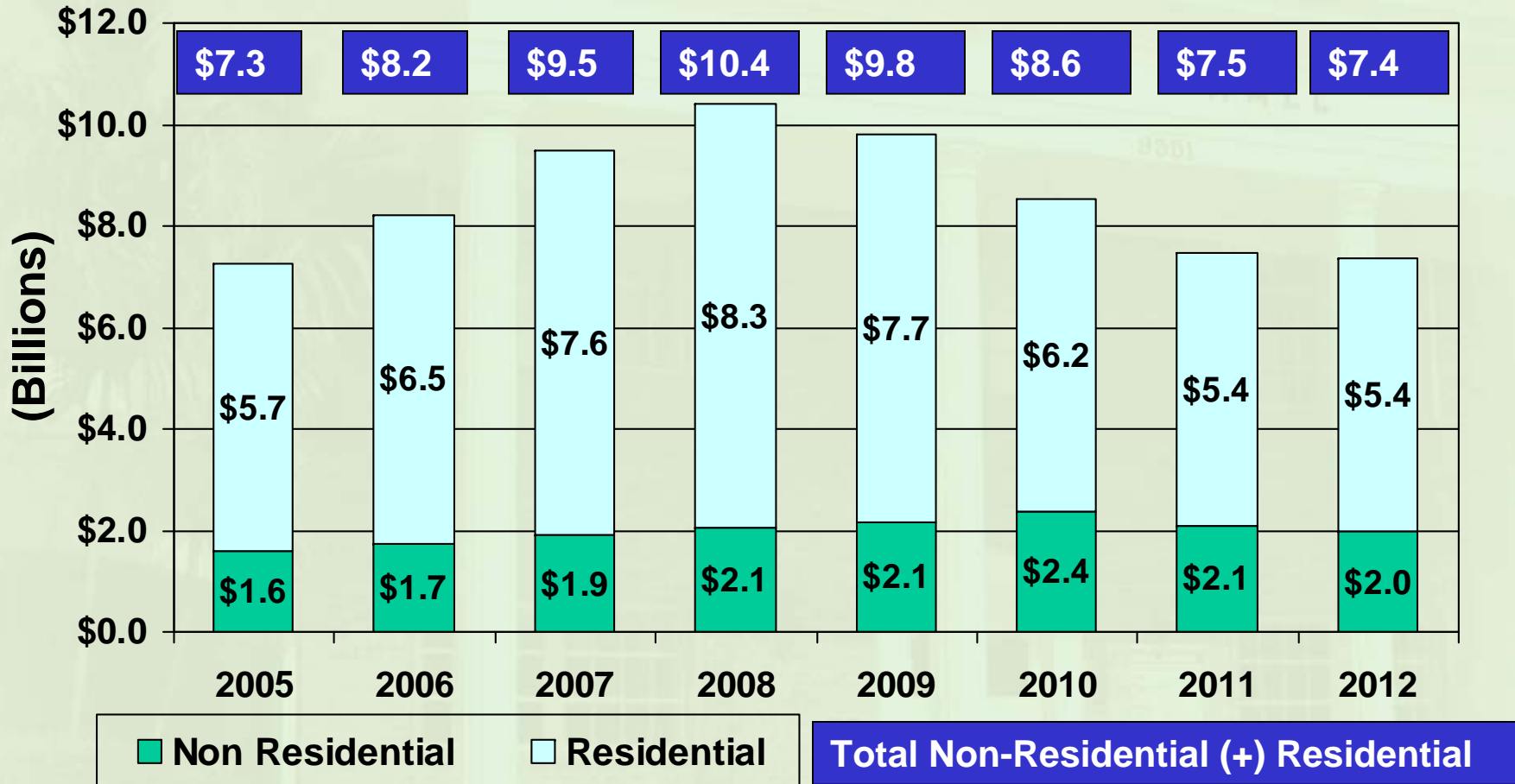
# Percentage Change in Real Estate Taxable Assessed Values



Source: BCPA July 2011

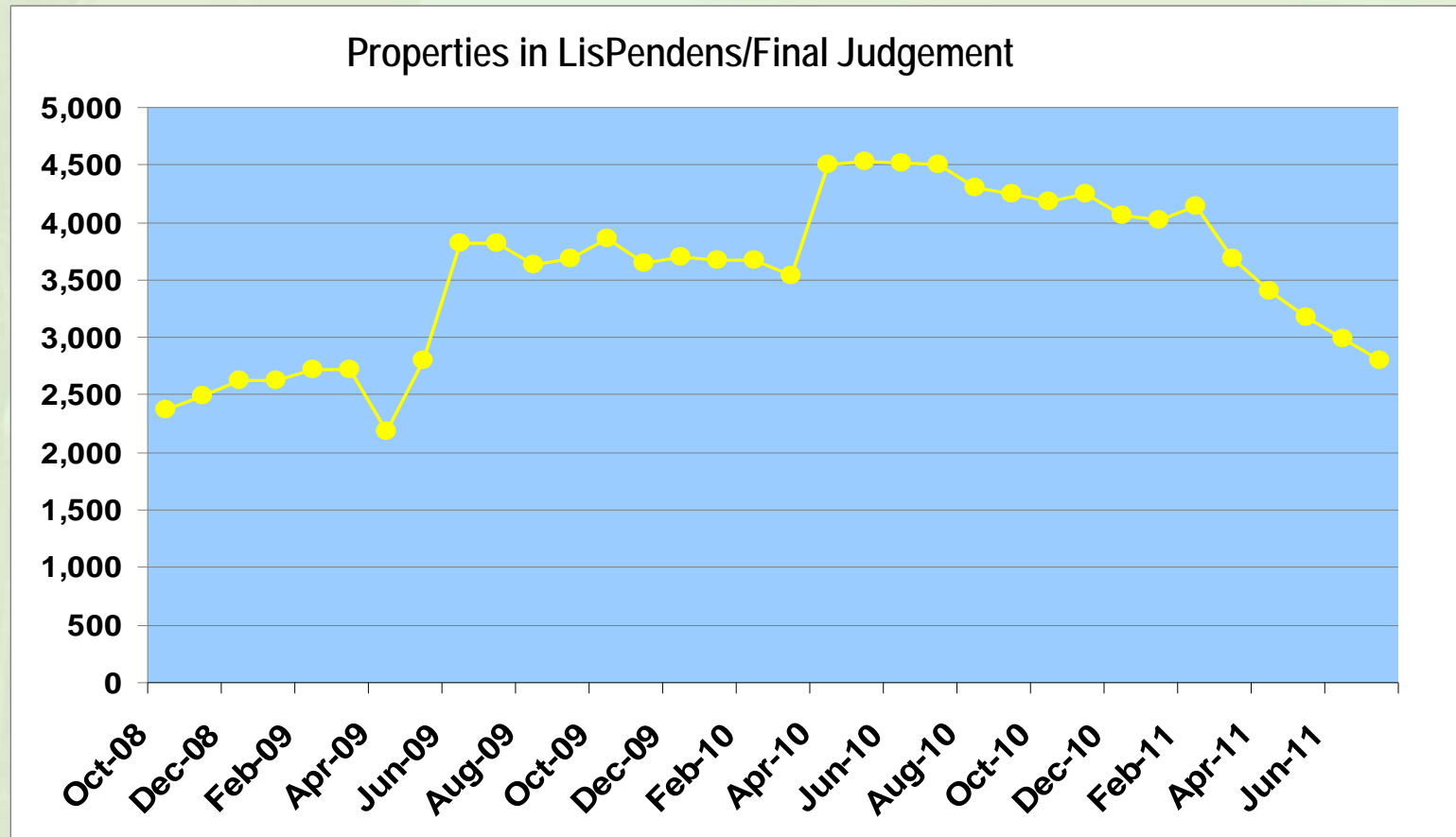
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# Total Taxable Assessed Values Decreased 0.9%

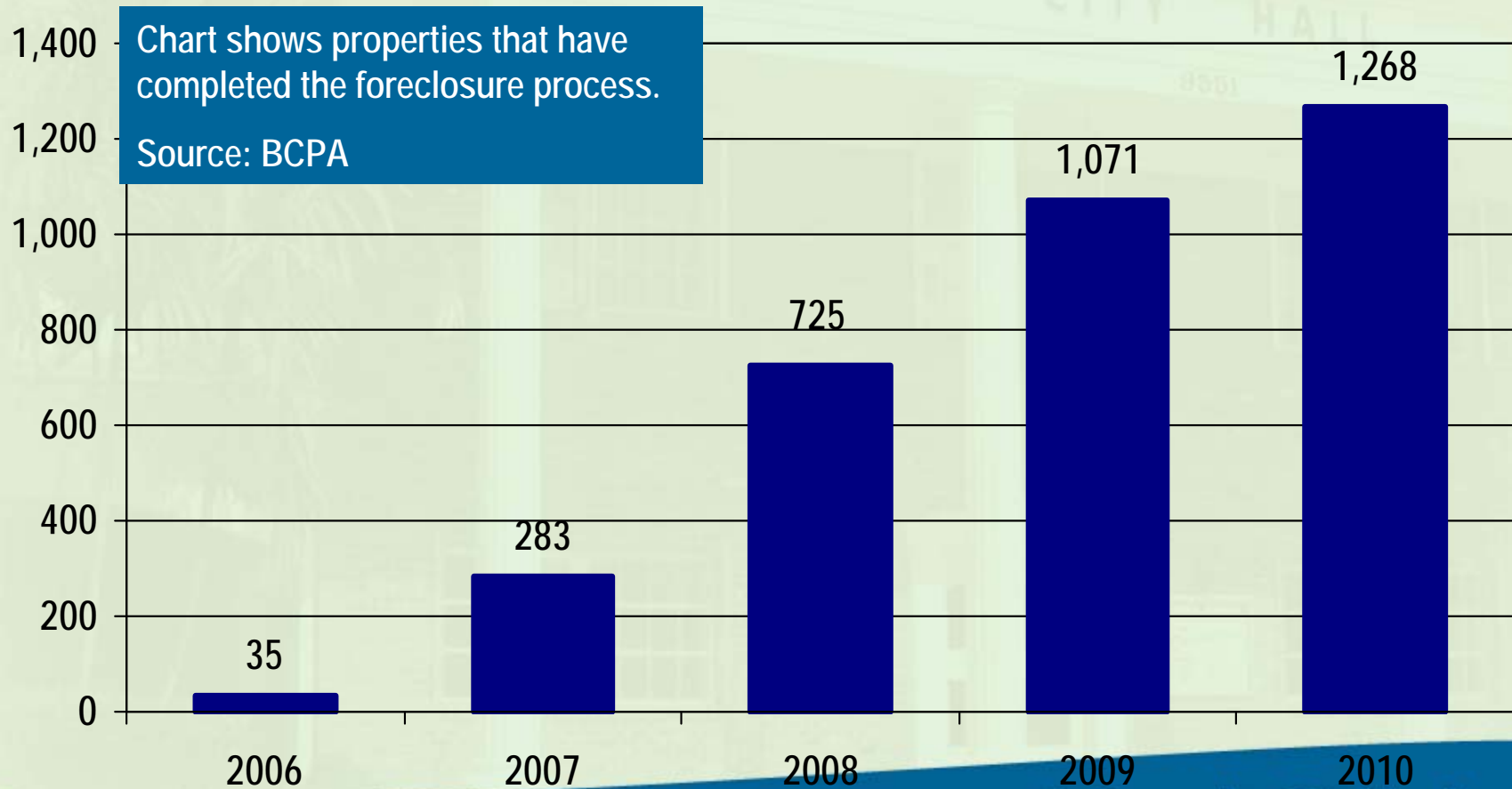


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# Leading Indicator of Foreclosures



# Foreclosures in Coral Springs Expected to Decline in 2011



209 January through May 2011

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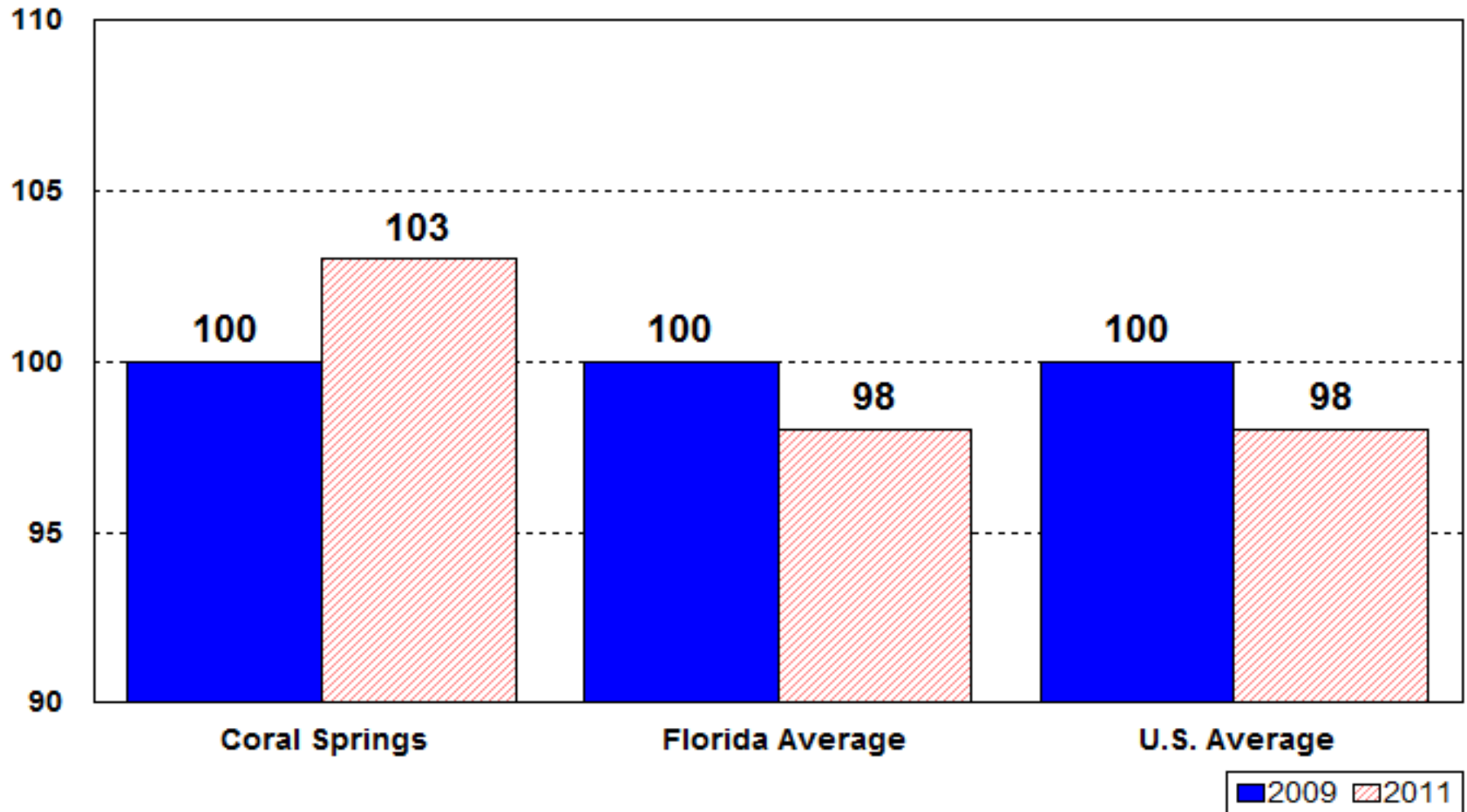
# Despite Economic Turmoil, City Has Continued to Serve the Needs of its Customers



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# Overall Composite Customer Satisfaction Index 2009 vs. 2011

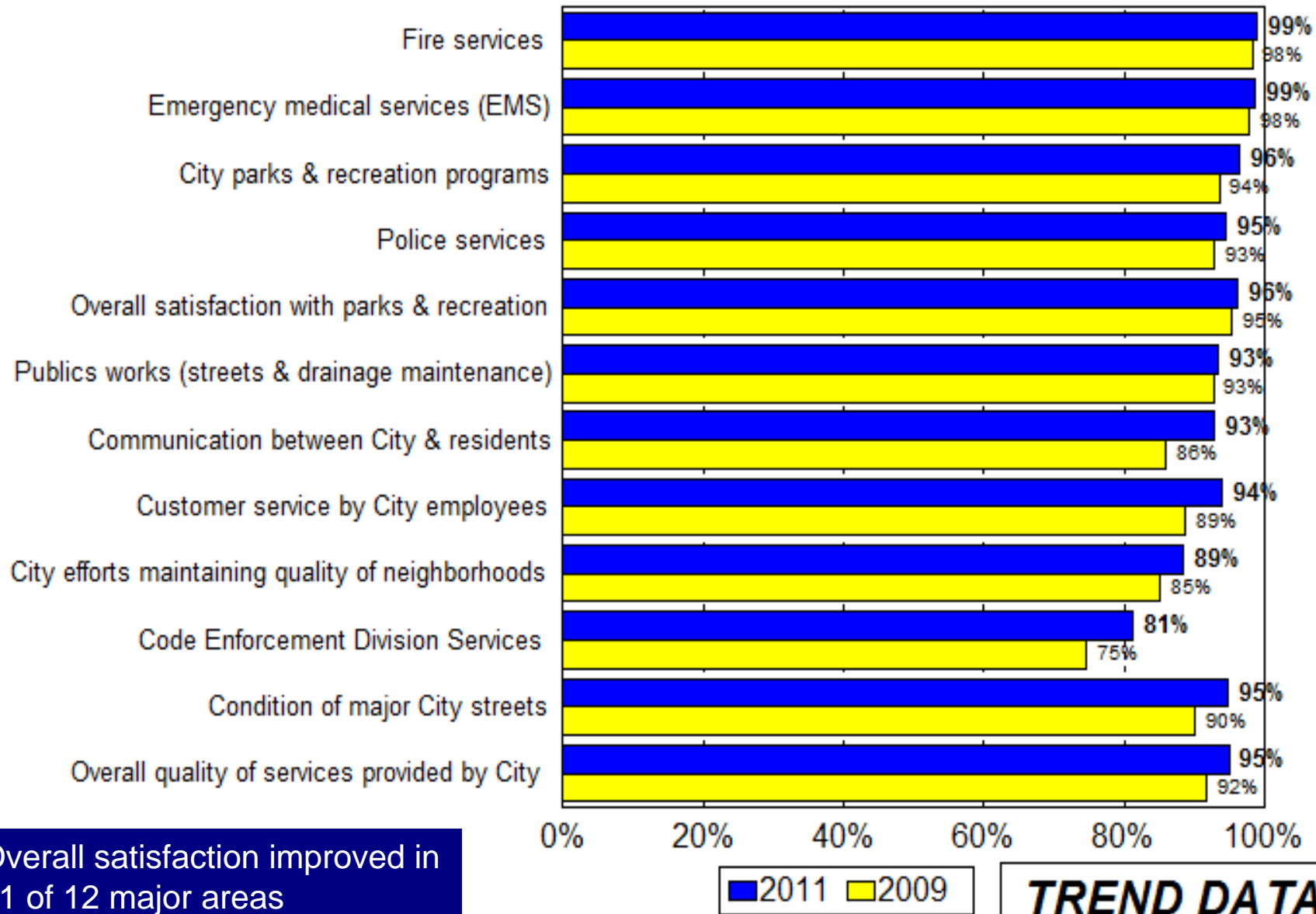
(Base Year 2009=100)



Coral Springs's Results Have Improved While the National Average and Florida Average Declined

# Overall Satisfaction With City Services by Major Category - 2011 vs 2009

By percentage of respondents (excluding don't knows)



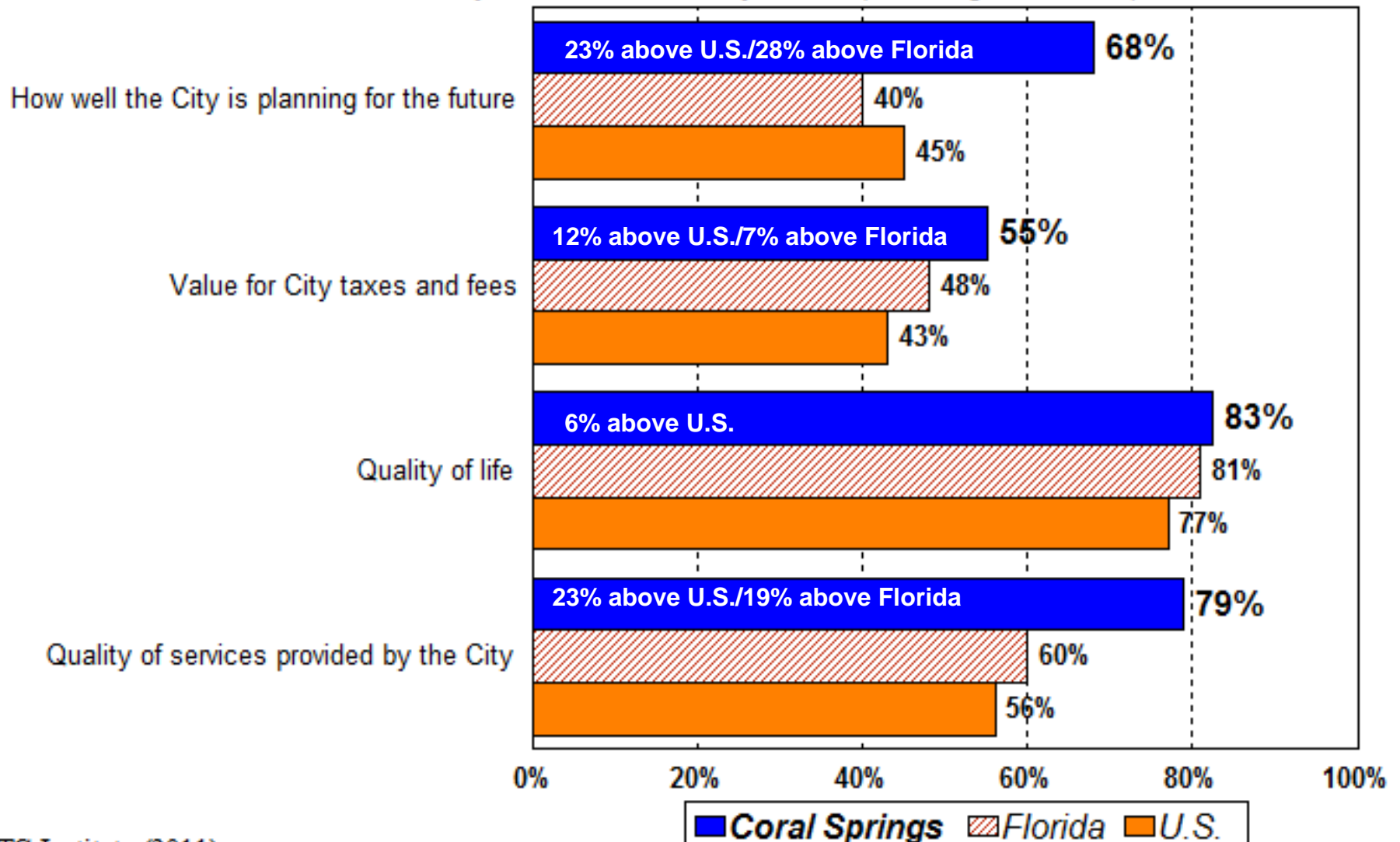
Overall satisfaction improved in 11 of 12 major areas

**TREND DATA**

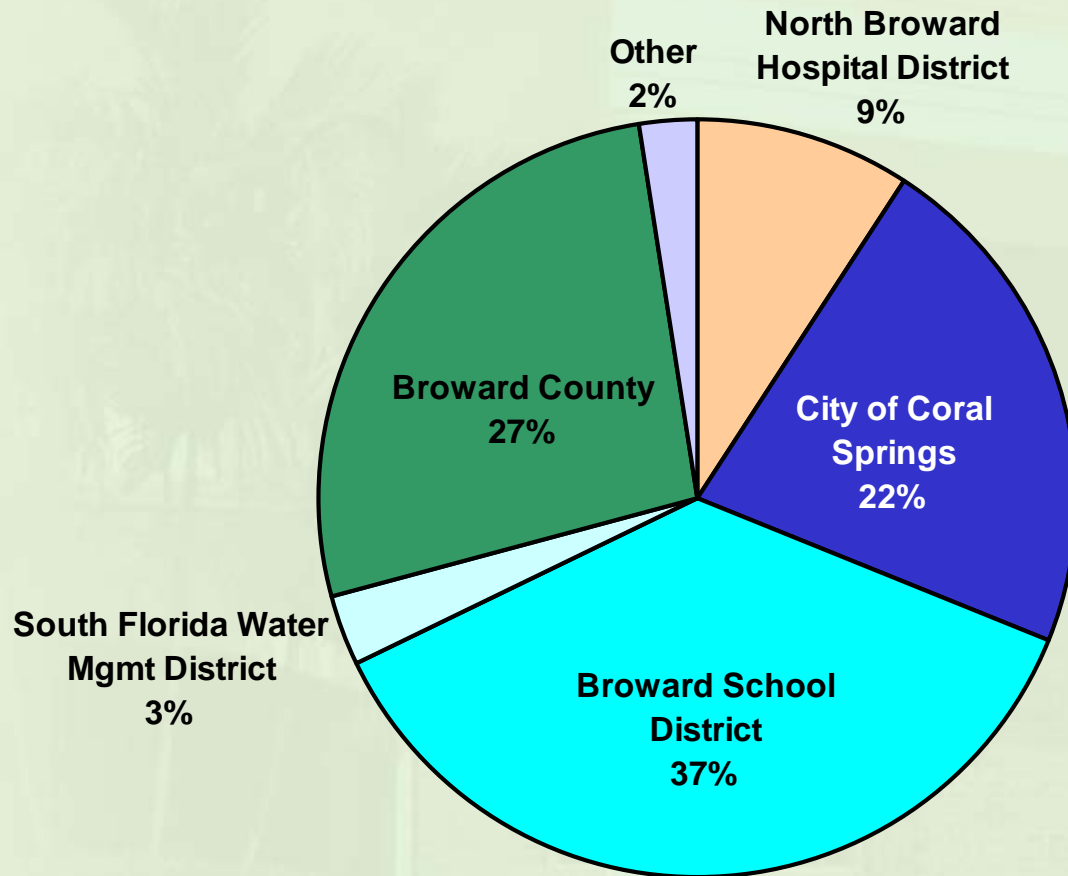
# Satisfaction With Items That Influence the Perception Residents Have of the City

## Coral Springs vs. the U.S. and Florida Avg.

by percentage of respondents who rated the item 4 or 5 on a 5-point scale where 5 was "very safe" and 1 was "very unsafe" (excluding don't knows)



# How Much of Your Tax Bill Goes to the City? (FY 2011)

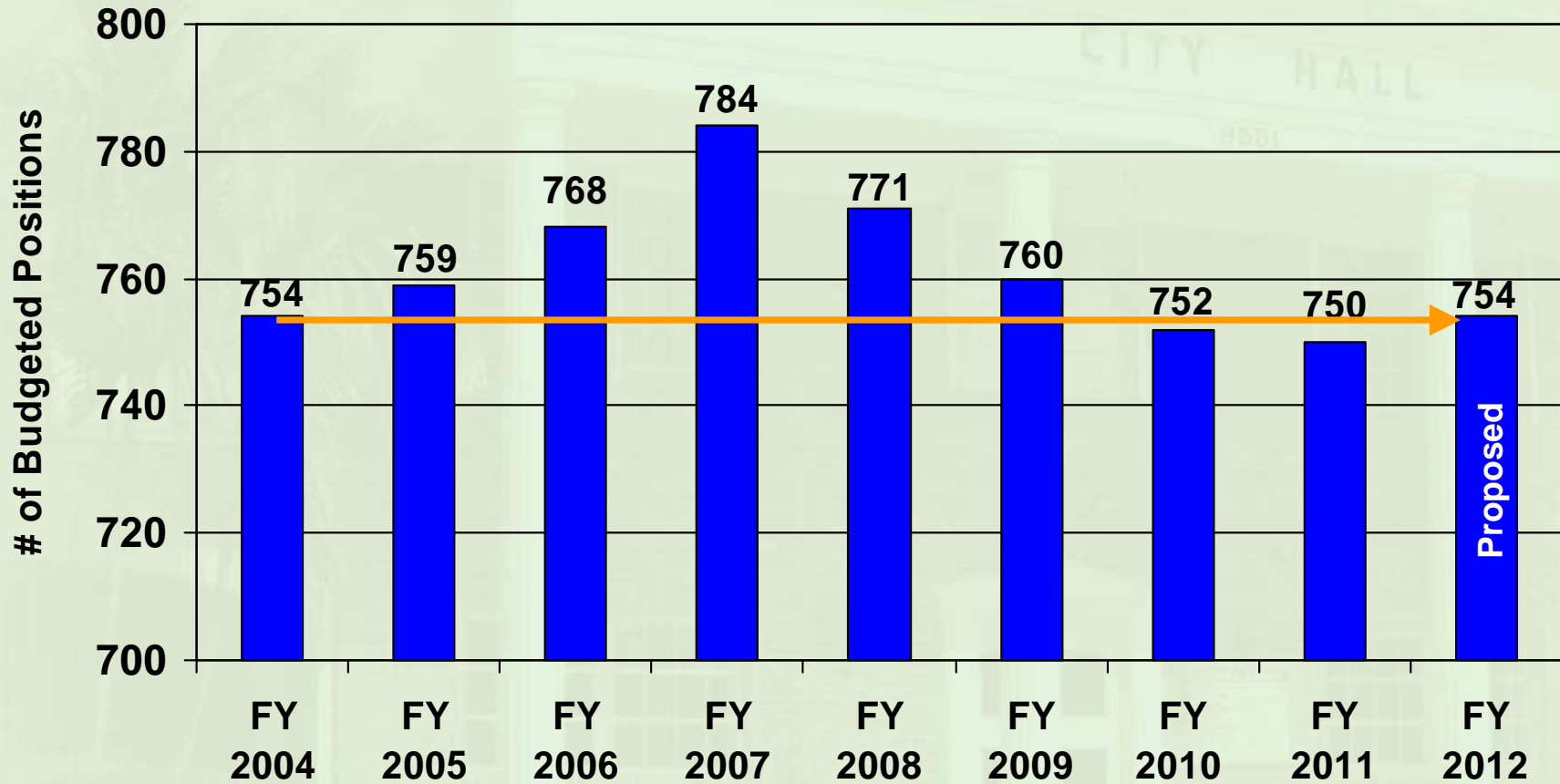


Broward School District	\$1,196.31
Broward County	870.55
City of Coral Springs	710.51
North Broward Hospital District	293.94
South Florida Water Mgmt District	97.82
Other (Children's Service and Florida Inland Navigation District)	79.03
<b>Total Ad Valorem/debt Tax Bill</b>	<b>\$3,248.16</b>



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# The City Will Have the Same Number of Full-Time Employees as 8 Years Ago



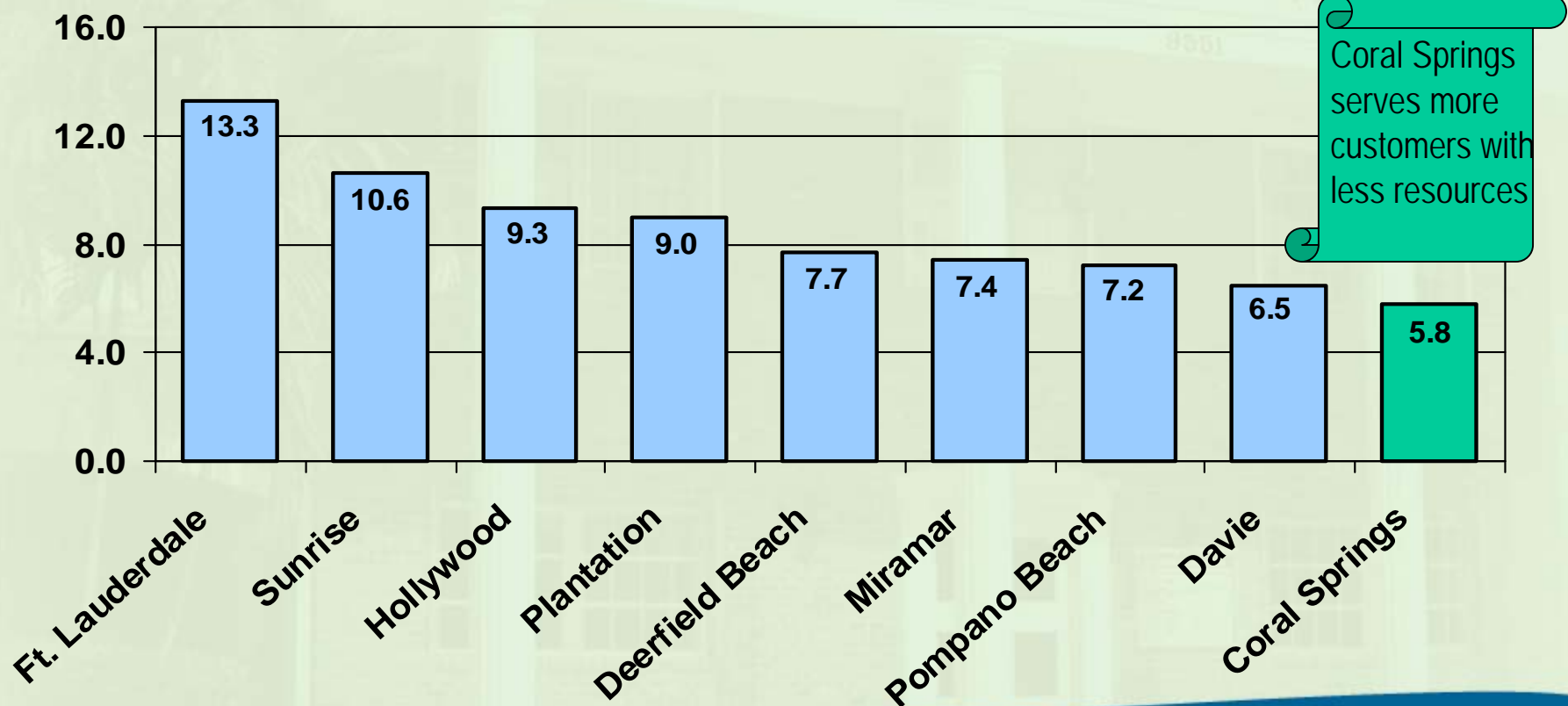
# Staffing Changes General Fund

•Eliminate PW Facilities Superintendent	(1)
•Reallocate vacant C&M position to CRA Coordinator	0
<i>Parks Department additions:</i>	
•Arborist	1
•Parks & Recreation Coordinator	1
•Parks Technician	1
•Maintenance Workers	2
<b>Net New Positions</b>	<b>4</b>



# Coral Springs Employee Productivity Remains High

Comparison of Full-Time Employees Per 1,000 Population—FY 2011





# FY 2012 Business Plan Highlights



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# FY 2012 Business Plan Highlights

- Adopt the rolled-back rate
  - Increase by 0.9% from \$4.3559 to \$4.3939
- Increase Debt Service millage rate as required by bond covenants,
  - from \$0.1763 to \$0.2915
- As called for in Ordinance, user fees will go up by the rate of inflation, which is 4%
  - With the exception of most recreation fees which will not increase



# FY 2012 Business Plan Highlights


- Fire Assessment Fee will increase by \$13.93, or 12%, from \$114.84 to \$128.77
- Increase water rates by 3% rate per the 2007 Water and Wastewater Rate Study
  - Increase of \$1.74 per month for the average home
- Residential solid waste special assessment will decrease nearly 7%, or \$16.56, per single-family household
- Four focus areas Community Aesthetics; Public Safety; Educational Excellence; and Local Business Vitality



# Complimentary Efforts Underway

- Infrastructure improvements to jump start Downtown Development plan
- Mullins park revitalization – includes replacing three aging buildings
- Community Pride – pressure cleaning, enhanced tree canopy, median maintenance, upgrade landscaping on City property
- Fire Station 71 construction





# FY 2012 General Fund



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# Financial Strategy

## Putting the Pieces Together

- Adopt the rolled-back rate
- Use \$1.25 million undesignated debt service reserve to offset revenue bond debt service
- Allocate \$3.5 million in GF reserves (\$3 million of which is from Financial Policy reserve)
- Provide staff a 4% performance bonus rather than a salary increase
- Continue pension reform negotiations
- Explore areas of opportunity to reduce employee health plan expenses
- Eliminate up to 5 positions via attrition and restructuring

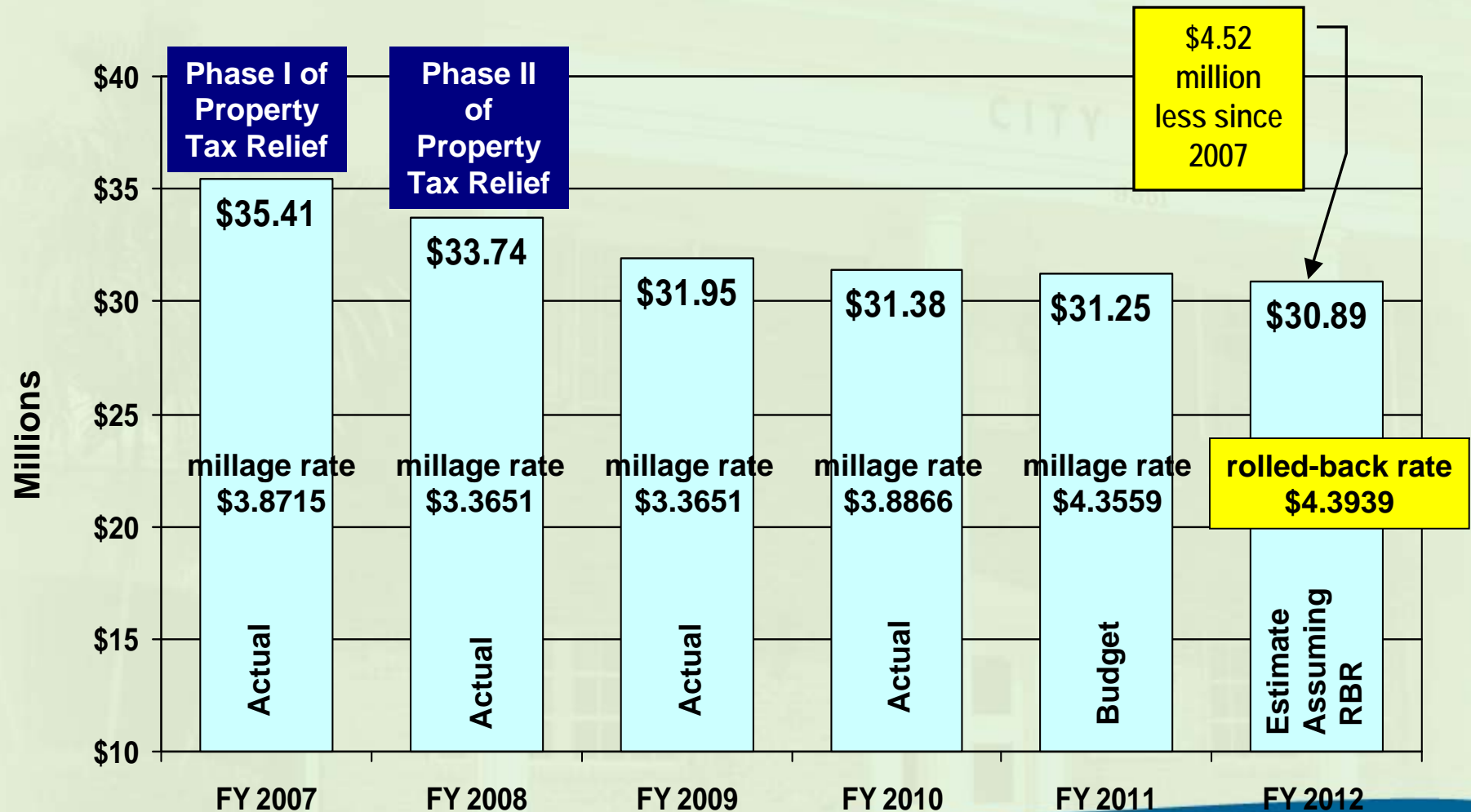


# We'll Collect Less Tax Revenue in FY 2012 Than in FY 2011

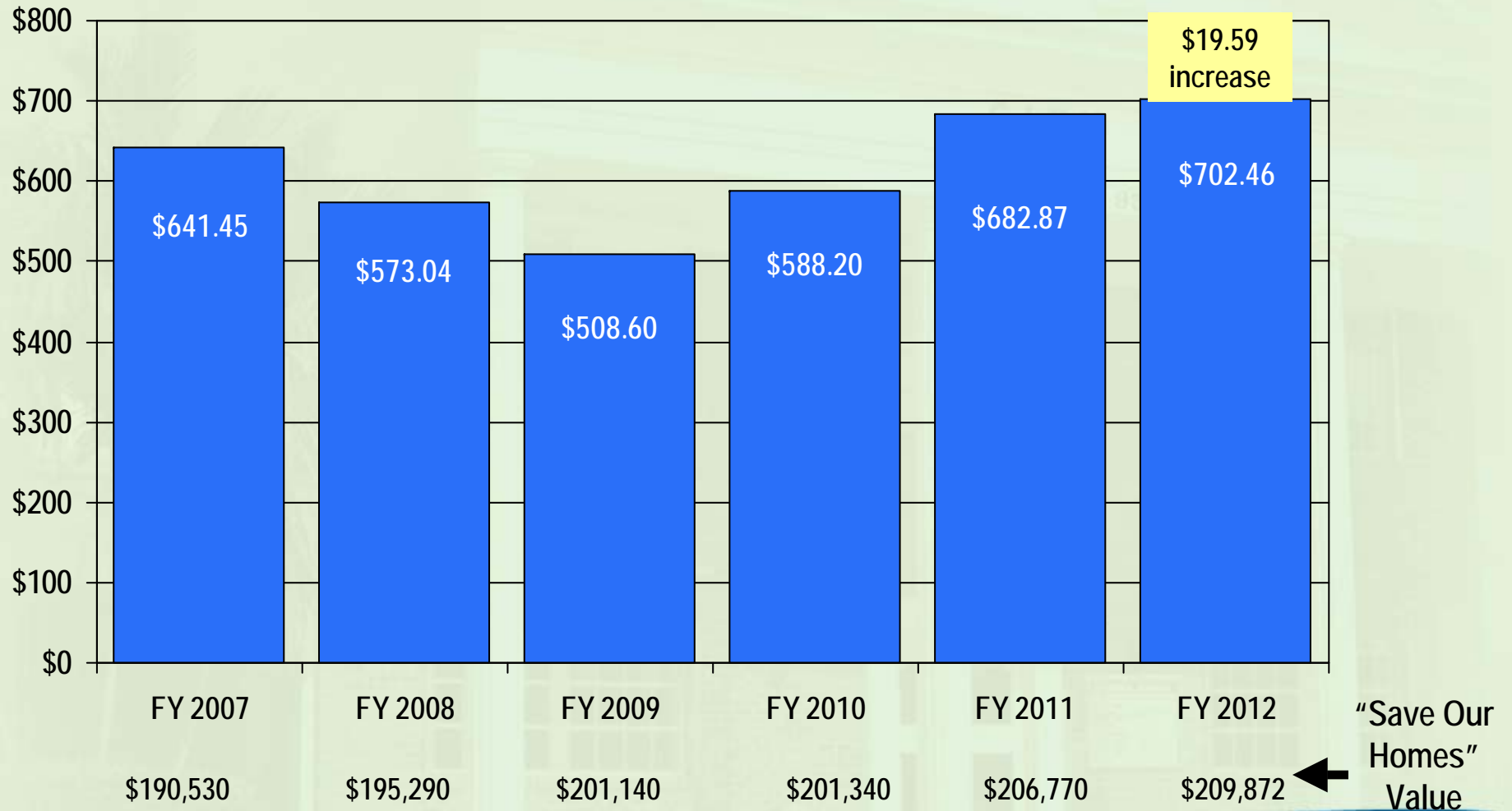
- Recommend adopting the rolled-back rate
  - Rate increase by 0.9% from \$4.3559 to \$4.3939 mils
  - This rate will provide **\$351,000** less property tax revenue than the FY 2011 rolled-back rate



# Property Tax Revenue Eroded by Tax Relief and the Recession



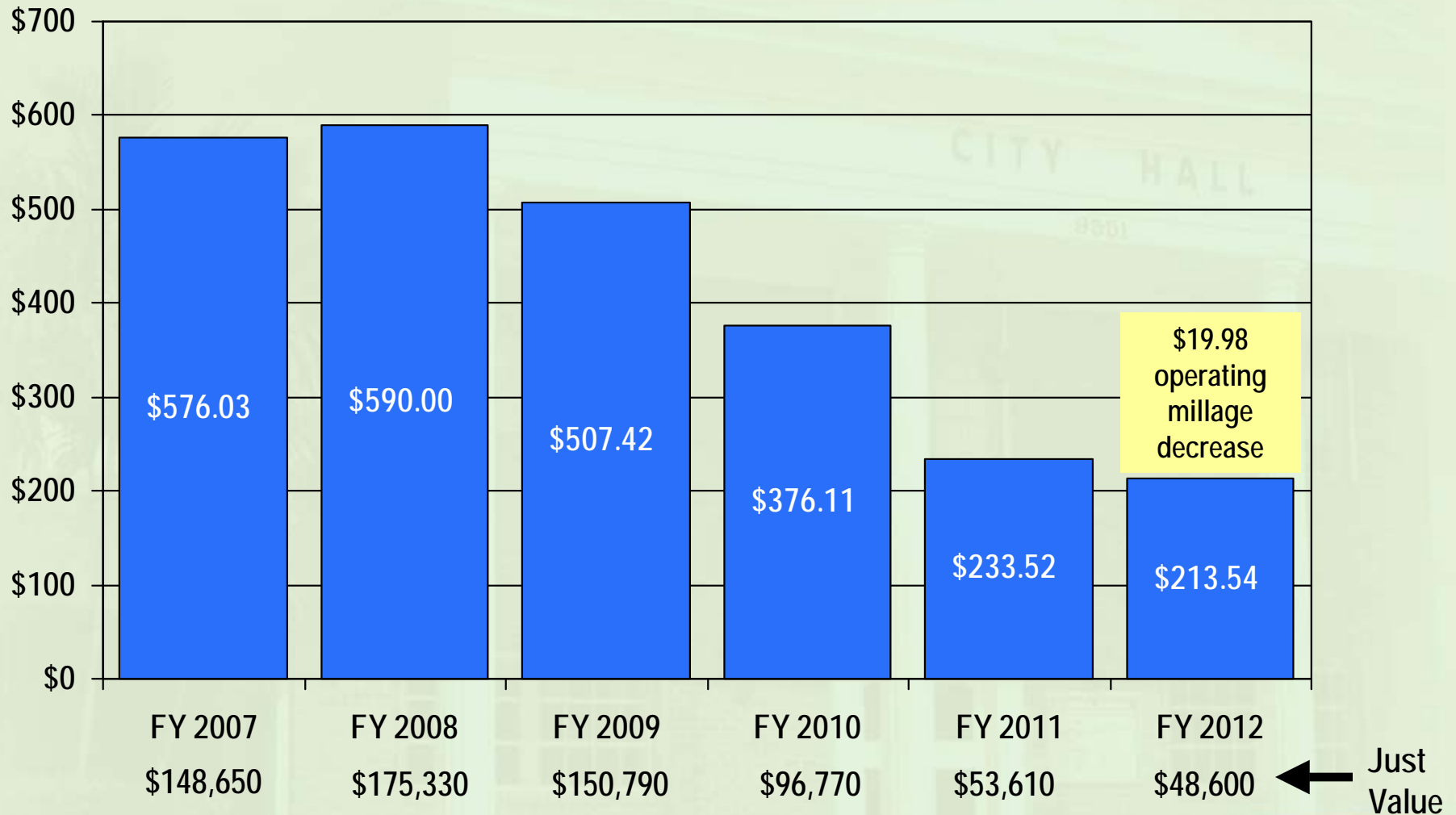
# Long-time SF Homesteaded Homeowner Will Have A Property Tax Increase



FY 2012 assumes SOH value increase by  
CPI of 1.5%

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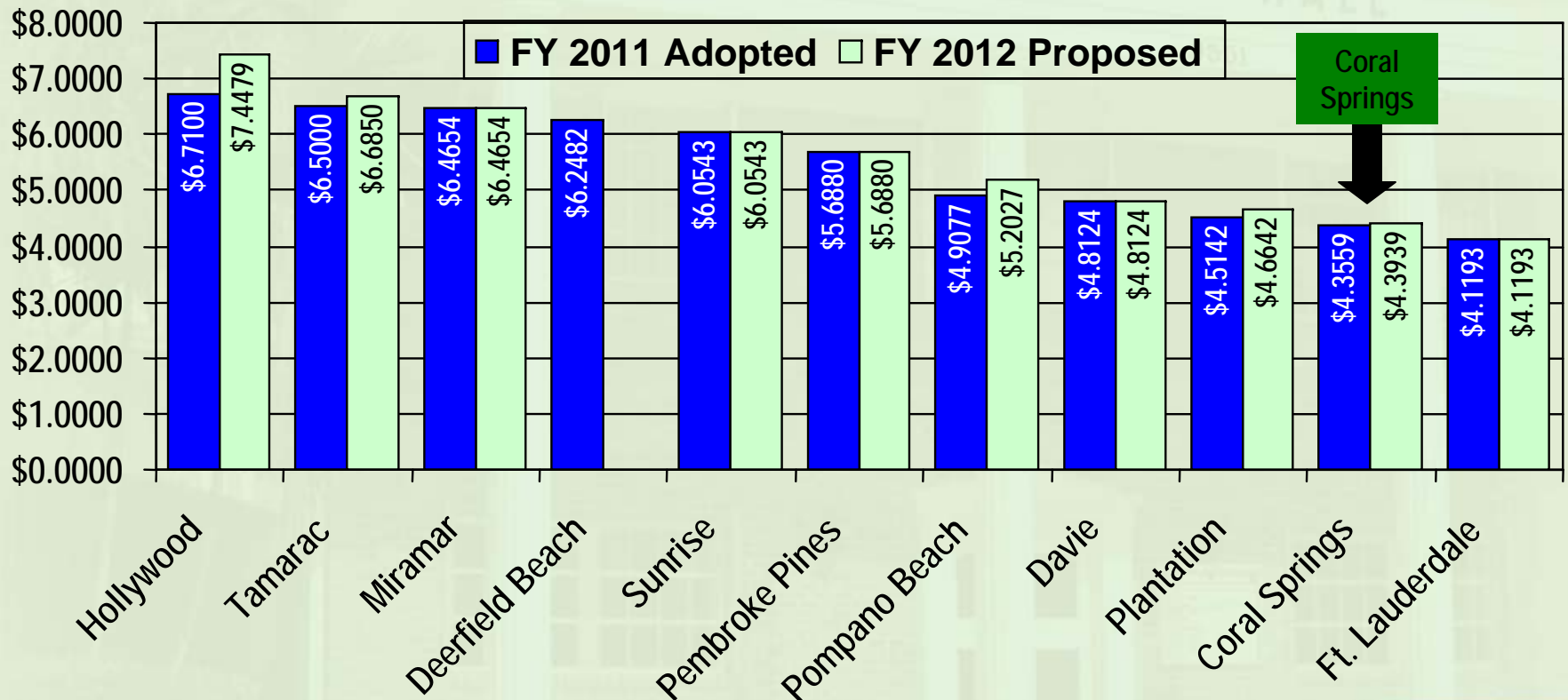
# Non-Homesteaded Condo Owner



FY 2012 assumes decrease of 9.3% in market value

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# FY 2012 Proposed Operating Millage Remains One of Lowest in County



# Increasing Use of Reserves

Source	Original Strategy	Revised Strategy
General Fund (Fin Policy reserve increased from \$2 M to \$3 M)	\$2,550,000	\$3,550,000
Resource Recovery Signing Bonus	\$1,000,000	\$0
Debt Service Fund	\$0	\$1,250,000
Library/Charter School Parking Reserve	\$0	\$500,000
<b>Total</b>	<b>\$3,550,000</b>	<b>\$5,300,000</b>



# Use of Reserves Consistent with Financial Strategy

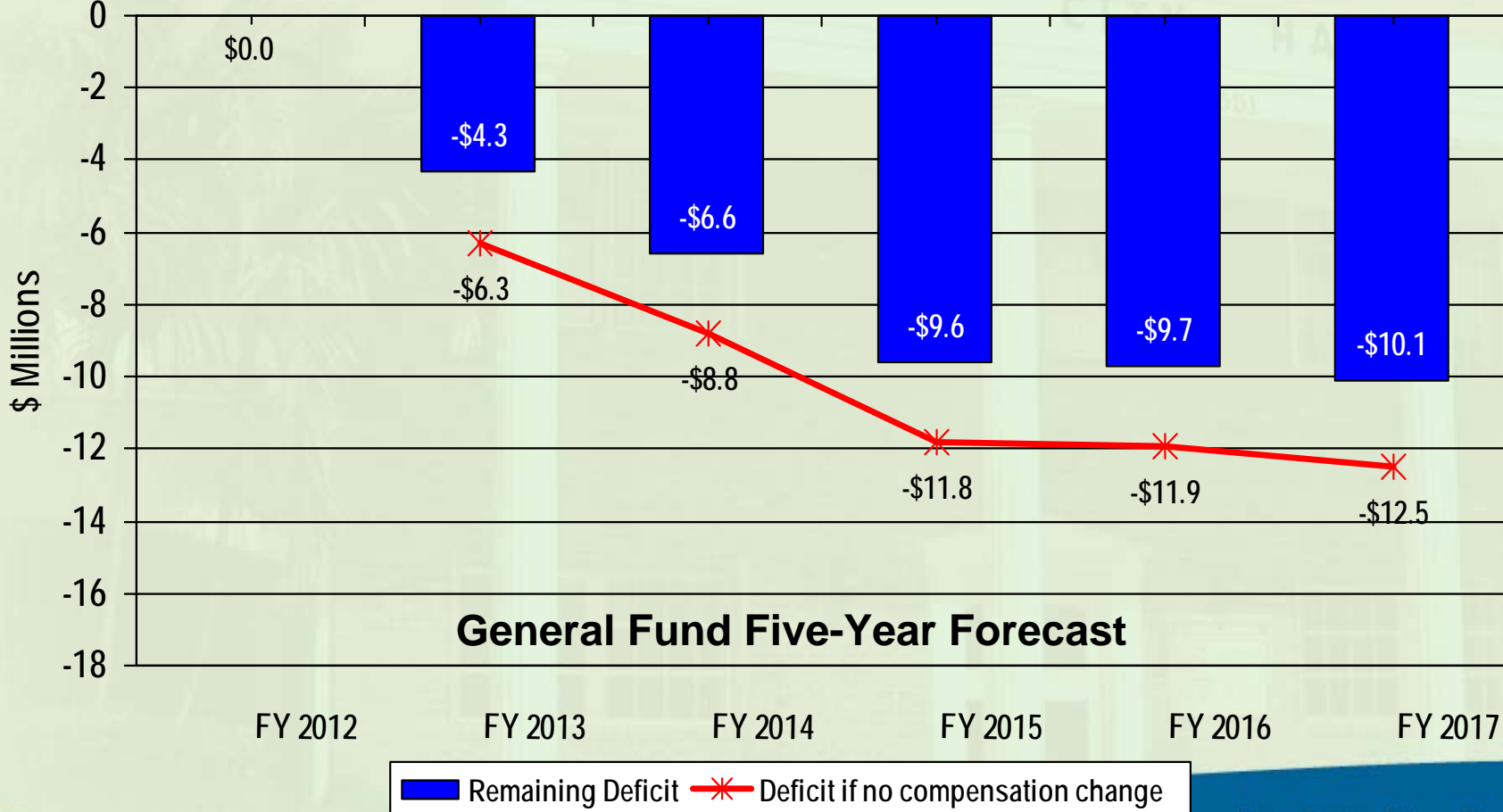
- Although use of reserves increased from \$3.55 to \$5.3 million, we will not exceed the total reserves set aside for use in FY's 2011-2014 (\$12 million), per our Financial Strategy



# Reserves Available in Case of Emergency

- Although GF Financial Policy reserve will temporarily decrease below 17% of expenditures, have the ability to use designated reserves in case of emergency, e.g.,
  - GF Financial Policy Reserve - \$13 million
  - Equipment Services Fund - \$10 million
  - Facility Reserve - \$2 million
  - Computer Replacement Reserve - \$2 million

# One-Time Change to Employee Compensation Structure Offsets One-Time Use of Reserve



This chart is for planning purposes and illustrates the potential shortfalls the General Fund could face if no positive action is taken. By Florida law, the proposed budget will be balanced. Financial Strategies will be formulated to address future year shortfalls and will be included in the FY 2012 Business Plan.

# Closing the Gap

Starting Point	(\$2.8 million)
Debt Service offset (Total=\$1.25M)	\$1 M
Add'l SRO funding (Total=\$1.5M)	\$500k
Payroll savings resulting from performance bonus (e.g., overtime, holiday pay, stand-by pay, etc)	\$250k
Attrition/restructuring	\$250k
Add'l Solid Waste Franchise fees	\$166k
Operating Reductions (postage, electricity, temporary salaries, etc)	\$150k



# Closing the Gap

Increase user fees (4% CPI)	\$100k
Increase Water & Sewer Fund overhead	\$75k
CRA contribution to Build America Bond debt service	\$50k
Crossing guard contract adjustment (NO reduction in number of guards/stations)	\$59k



# Closing the Gap

Employee health plan refinements	\$50k
Code lien inquiry	\$50k
Code Enf. Admin Cost Recovery	\$50k
Churches and Schools fire fee adjustment	\$50k
<b>Remaining Deficit</b>	<b>\$0</b>



# Mitigating Risk

To protect against a stalled economic recovery or unexpected expenses, the City maintains three contingencies within the General Fund.

FY 2012:

- Financial Policy Contingency - \$421,000
  - 0.5% of GF expenditures
- Economic Conditions Contingency - \$400,000
- Market Adjustments - \$75,000
- Total - \$896,000



# Propose Raising Franchise Fee \$0.30/Month

## Residents Still Save \$16.56/Year

Residential	FY 2011		June 28 <sup>th</sup> Proposal FY 2012	Revised Proposal FY 2012
Collection	\$68.28		\$69.72	\$69.72
Disposal	\$128.28		\$93.84	\$93.84
Franchise Fee	\$35.52		\$48.12	\$51.60
Recycling	\$18.12		\$18.48	\$18.48
Single-Family Solid Waste Assessment	\$250.20		\$230.16	\$233.64
City Revenue	\$1,003,191		\$1,358,963	\$1,456,963

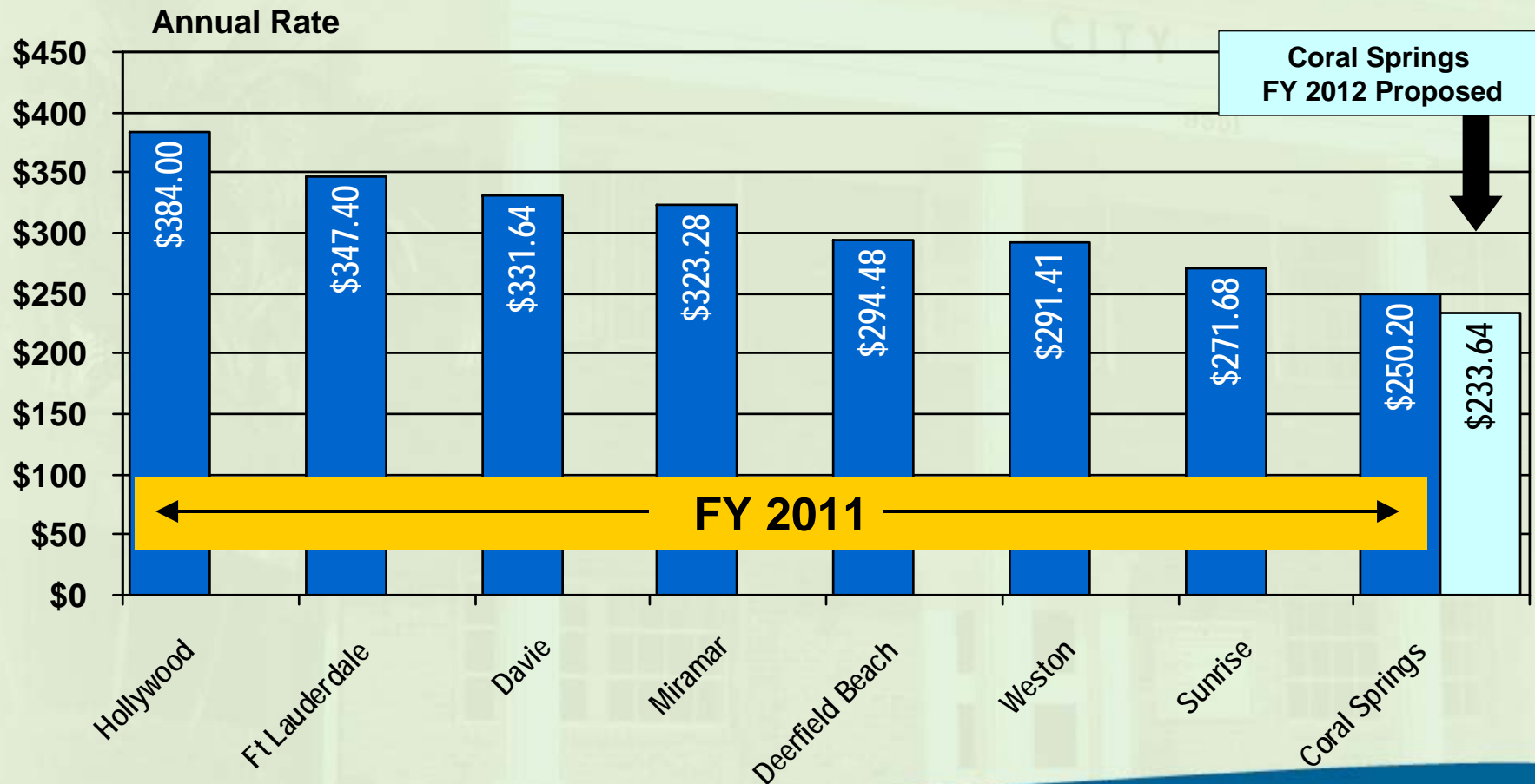


# Commercial Customers Will Also Benefit from Reduction in Tipping Fees

(Price Per Yard)

	FY 2011	June 28 <sup>th</sup> Proposal FY 2012	Revised Proposal FY 2012
Collection	\$6.68	\$6.82	\$6.82
Disposal	\$5.44	\$3.98	\$3.98
Franchise Fee	\$1.82	\$2.16	\$2.25
Total	\$13.94	\$12.96	\$13.05
City Revenue	\$1,376,343	\$1,633,642	\$1,701,642

# Solid Waste Special Assessment Comparison



# General Fund Departmental Budget

## FY 2012 Proposed Vs. FY 2011

Expenditures		FY 2012	\$	%
	FY 2011 Budget	Proposed Budget	Change From FY11 Budget	Change From FY11 Budget
<b>Departmental</b>				
City Commission	\$291,651	<b>\$298,557</b>	\$6,906	2.37%
City Manager	2,183,473	<b>2,175,052</b>	(8,421)	-0.39%
Human Resources	1,326,691	<b>1,319,696</b>	(6,995)	-0.53%
Financial Services	3,009,036	<b>3,196,812</b>	187,776	6.24%
Information Services	2,605,489	<b>2,645,775</b>	40,286	1.55%
City Attorney	937,612	<b>836,739</b>	(100,873)	-10.76%
Development Services/Engineering	452,521	<b>459,099</b>	6,578	1.45%
Community Development	1,258,133	<b>1,347,818</b>	89,685	7.13%
Police	45,346,087	<b>46,554,720</b>	1,208,633	2.67%
Code Enforcement	1,648,690	<b>1,750,482</b>	101,792	6.17%
Emergency Medical Services	8,470,148	<b>8,656,182</b>	186,034	2.20%
Building	2,502,196	<b>2,556,579</b>	54,383	2.17%
Public Works	4,151,259	<b>4,113,127</b>	(38,132)	-0.92%
Parks & Recreation	8,634,215	<b>9,322,067</b>	687,852	7.97%
Aquatics	2,287,404	<b>2,370,232</b>	82,828	3.62%
Sportsplex & Tennis	1,620,678	<b>1,658,300</b>	37,622	2.32%
<b>Total Departmental</b>	<b>\$86,725,283</b>	<b>\$89,261,237</b>	<b>\$2,535,954</b>	<b>2.92%</b>
<b>Total Budget</b>	<b>\$94,994,960</b>	<b>\$98,403,812</b>	<b>\$3,408,852</b>	<b>3.59%</b>

# General Fund Non-Departmental Budget

	FY 2011 Budget	FY 2011 YTD	FY 2012 Budget	\$ Change	% Change
<b>Non-Departmental Operating Expenditures</b>		as of 7-25-11	Proposed		
<i>Miscellaneous Cross-Departmental Expenses</i>					
Other Contractual Services	\$111,575	\$80,659	\$100,000	(\$11,575)	-10.37%
Festival of the Arts	10,000	10,000	12,500	2,500	25.00%
Lobbyist	42,500	22,000	42,500	0	0.00%
Center for the Arts Rentals	10,000	5,605	10,000	0	0.00%
Hurricane Preparedness (Safety)	6,500	0	6,500	0	0.00%
Special Event Banner Printing	10,000	5,237	50,000	40,000	400.00%
<i>Special Projects</i>					
Business Development/EDF	20,000	24,390	20,000	0	0.00%
<i>Boards &amp; Advisory Committees</i>					
Boards & Commissions Expense	17,500	8,519	17,500	0	0.00%
Accessibility Issues (Disability)	2,500	1,500	2,500	0	0.00%
Historical Advisory Committee	15,000	6,330	15,000	0	0.00%
Multi-Cultural Events	35,000	21,974	35,000	0	0.00%
Martin Luther King, Jr. Day Celebration	15,000	13,533	15,000	0	0.00%
<i>Grants</i>					
Youth & Family Grants	19,000	19,807	0	(19,000)	-100.00%
Special Events Grants	15,000	14,603	0	(15,000)	-100.00%
Sports Event Grants	20,000	19,840	25,000	5,000	25.00%
Community Chest	50,000	50,000	50,000	0	0.00%
<i>Events</i>					
Holiday Parade	20,000	17,442	20,000	0	0.00%
4th of July	40,000	32,650	40,000	0	0.00%
Anniversary Committee		0	25,000	25,000	n/a
<b>Total Non-Departmental Expenditures</b>	<b>\$459,575</b>	<b>\$354,089</b>	<b>\$486,500</b>	<b>\$26,925</b>	<b>5.86%</b>



# FY 2012 Fire Fund



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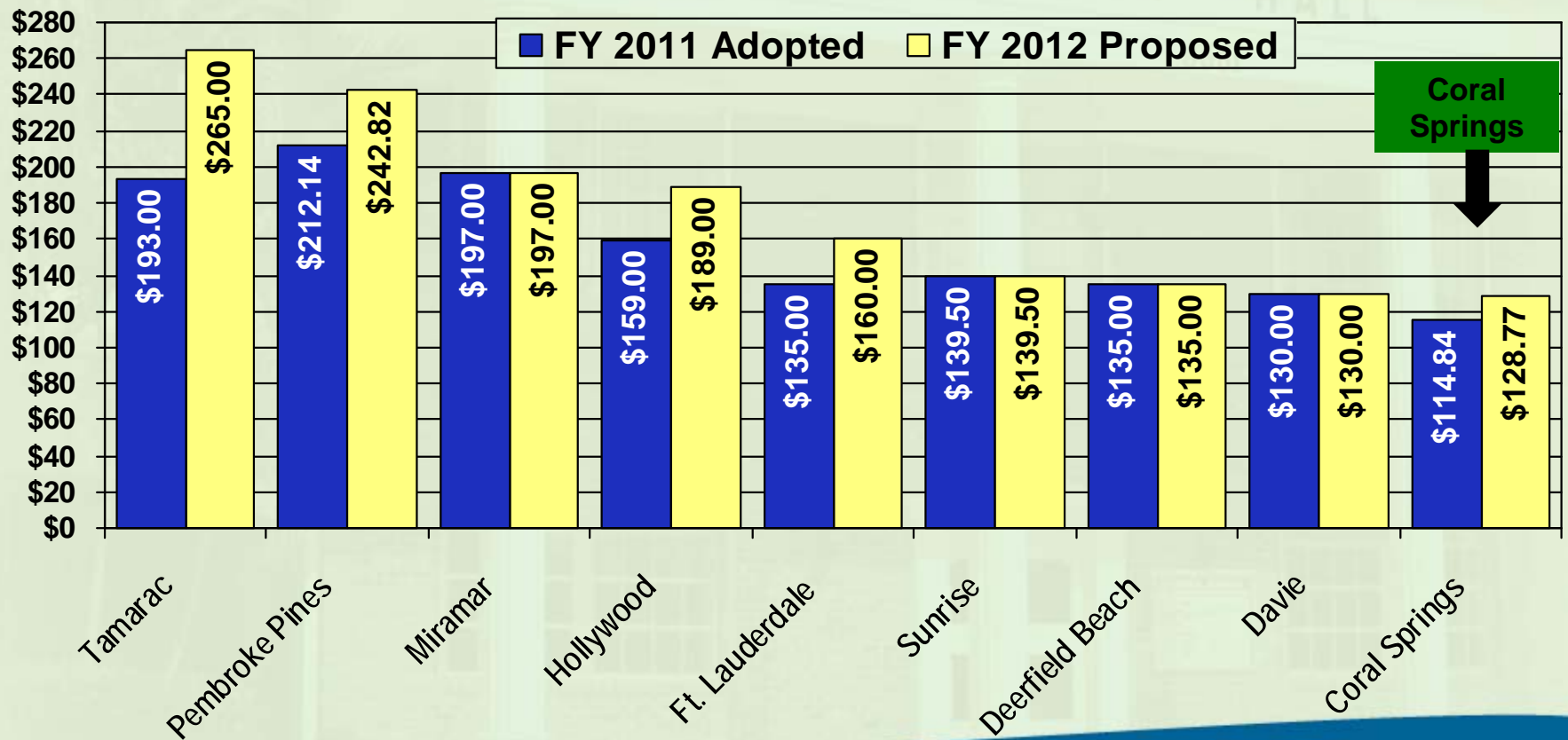
# FY 2012 Fire Assessment Fees

Use Category	FY 2011 Fee	FY 2012 Fee	Increase/Decrease (\$)	Increase/Decrease (%)
Single-family	\$114.84 per unit	\$128.77	\$13.93	12.12%
Multi-family	\$138.55 per unit	\$143.94	\$5.39	3.89%
Commercial	\$17.19 per 100 sq ft	\$17.65	\$0.46	2.67%
Industrial, Warehouse	\$2.25 per 100 sq ft	\$2.45	\$0.20	8.88%
Institutional, Government	\$20.21 per 100 sq ft	\$22.33	\$2.12	10.48%

# Cost to City for Exempt Properties

Institutional and Government Use Category	FY 2010	FY 2011	FY 2012
City Owned Property	\$134,172	\$141,132	\$156,715
Subsidy for Schools and Houses of Worship	\$841,157	\$859,357	\$897,755
Total	\$975,329	\$1,000,489	\$1,054,470

# FY 2012 Fire Assessment Fee Remains Among Lowest



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# Financial Impact



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# Impact on Typical Homeowner

	Single-Family	Condominium
Adopt rolled-back rate	\$19.59	(\$19.98)
Fire Assessment Fee	\$13.93	\$5.39
Solid Waste Assessment	(\$16.56)	(\$16.56)
<b>Total Impact</b>	<b>\$16.96</b>	<b>(\$31.15)</b>

Debt Service millage	\$18.96	\$4.72
<b>Total impact including Debt Service</b>	<b>\$35.92</b>	<b>(\$26.43)</b>



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# User Fees & Administrative Cost Recovery



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# Requests for Information and Recording Liens

	# of Incidents	Current Charge	New Charge
Request for information on outstanding liens—Water billing	3,333	\$20	\$75
Request for information on outstanding liens—Code	3,100	\$20	\$75
Lien preparation and recording	709	\$50	\$100
Lien release without recording	225	\$35	\$90
Lien release with recording	225	\$45	\$100



# Code Enforcement Administrative Cost Recovery

	# of Incidents	Current Charge	New Charge
Processing of case before special magistrate			
a) Complied case prior to special magistrate hearing but after Notice of Violation issued	300	\$0	\$150
b) Complied case after issuance of Final Order but prior to compliance date provided in Order	800	\$0	\$250
c) Non-compliance with Final Order resulting in Certification of Lien Hearing	538	\$200	\$500
Request for reduction of fine (impacts FY 2012 budget)	140	\$0	\$300
Administrative costs for abatement	148	\$50	\$100
Request for stipulated agreement	10	\$0	\$300
Administrative citation	306	\$50	\$100
Special Set Hearing	5	\$0	*\$100



\*plus special magistrate costs

# Community Development User Fees

	# of Incidents	Current Charge	New Charge
Comprehensive plan amendment (CPA)	0-1	\$2,193	\$5,200
Land development amendment (LDA)	0-1	\$1,900	\$3,500
Abandonment of right-of-way (AR)	0-1	\$615	\$2,000
Development review committee – residential (DRC-R)	0-1	\$2,406	\$2,648
Development review committee – non residential (DRC-C)	8	\$2,590	\$2,590
Platting (SUB)	0-1	\$1,479	\$2,000



# Community Development User Fees

	# of Incidents	Current Charge	New Charge
Special exception conditional use (SE)	4	\$1,834	\$1,900
Conditional use	2	\$2,022	\$3,000
Major revision residential (DRC-R)	1	\$956	\$1,674
Major revision non-residential (DRC-C)	10	\$969	\$1,900
Minor revision (DRC-R)	20	\$134	\$510



# Other User Fees

- Parks and Recreation – No increases
- Other increase by 4%
  - Building
  - Code enforcement user fees
  - Alarm registration
  - Engineering (e.g., land clearing permit)



# Business Plan Initiative Summary



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# Business Plan Initiatives

Four key areas our residents have said are important

- Community aesthetics
- Public safety
- Educational excellence
- Local business vitality



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# New Initiatives FY 2012

Customer Involved Government	Proposed at July 7 <sup>th</sup> Workshop	Changes/Additions
50 <sup>th</sup> Anniversary Planning	X	
Street Lighting Improvements	X	
Closed Captioning City TV	X	\$10,000 added to budget for closed captioning services
Applications for Reporting Code Violations/Crimes	X	Renamed "Code Enforcement Process Improvement"
Web-Based Crime Reporting	X	
City Hall Security Improvements	X	
Neighborhood Preservation Program Enhancement		New initiative – requires multi family registration of ownership



# New Initiatives FY 2012

Financial Health & Economic Development	Proposed at July 7 <sup>th</sup> Workshop	Changes/additions
CFA Façade Along Coral Springs Drive	X	Included as part of Mullins Park Revitalization. \$14,000 added for design and engineering
City Marketing Plan	X	
Business Development	X	
Internal Auditor	X	
Commercial Façade Program	X	



# New Initiatives FY 2012

Excellence in Education	Proposed at July 7 <sup>th</sup> Workshop	Changes/additions
Cambridge Advanced Program at Charter School	X	

Strength in Diversity	Proposed at July 7 <sup>th</sup> Workshop	Changes/additions
Visioning Update	X	Changed to a full day meeting format; increased by \$5,000
Rename 29 <sup>th</sup> St. "Avenue of the Arts"	X	
Mentoring Leadership Program	X	



# New Initiatives FY 2012

Youth Development & Family Values	Proposed at July 7 <sup>th</sup> Workshop	Changes/additions
Holiday Fun Run	X	
Nuisance Abatement Ordinance	X	Renamed "Nuisance Abatement Board"
Commission Promotional Video	X	Renamed "Sports Events and Venues Promotion"; includes promotion of assets and sporting events in the community



# New Initiatives FY 2012

Neighborhood & Environmental Sustainability	Proposed at July 7 <sup>th</sup> Workshop	Changes/additions
Park Improvement Master Plan	X	
FPL Transformer Screening Feasibility Study		New initiative
Water Saving Devices	X	
Fats, Oils, and Grease (FOG) Education	X	
Community Pride Phase III	X	
Neighborhood Stabilization Program (NSP3)	X	



# New Initiatives FY 2012

Neighborhood & Environmental Sustainability	Proposed at July 7 <sup>th</sup> Workshop	Changes/additions
Mullins Park Revitalization	X	New initiative, previously included as part of Community Pride
Park VIP's (Volunteers in Parks)	X	New initiative, previously included as part of Community Pride
Inflow and Infiltration Correction	X	



# New Initiatives FY 2012

Traffic Mobility & Connectivity	Proposed at July 7 <sup>th</sup> Workshop	Changes/additions
Bike Path & Walkway Inventory and Master Plan	X	
Downtown Pathways Phase II	X	
NW Broward Consortium for Planning Transportation Improvements	X	
Westview Turn Lane	X	



# Budget Calendar

Date	Meeting
Sept 12	First Public Hearing (5:15 pm)
Sept 20	Second Public Hearing (5:15 pm) Budget Adoption
Oct. 1st	Fiscal Year 2012 Begins





**Thank You**



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# Property Tax Options FY 2012 General Fund

3. Adopt a millage rate above the current millage rate to fund specific initiatives

% Above Current Millage	Additional Revenue (Above RBR)	Millage Rate	Impact on the Average Homeowner
2%	\$347,520	\$4.4430	\$27.44
3%	\$653,839	\$4.4866	\$34.41
4%	\$960,157	\$4.5301	\$41.36
5%	\$1,266,475	\$4.5737	\$48.33

