

# Budget Highlights

## Introduction

The Fiscal Year 2017 Annual Budget, which will be adopted on September 21, 2016, is a numerical reflection of the Fiscal Year 2017 Business Plan. By allocating our resources in alignment with the City Commission's five strategic priorities and departmental performance indicators, we believe this budget will successfully meet the challenges we have before us and set the stage for continued success in the future.

## Budget in Brief

The adopted operating net budget for Fiscal Year 2017 for all funds totals \$174,993,853. This represents an increase of \$8,487,054 or 5.1% more than the Fiscal Year 2016 net budget. The Fiscal Year 2017 budget is balanced, prudent and responsive to community needs as identified in the Fiscal Year 2016-2017 Strategic Plan and 2017 Business Plan.

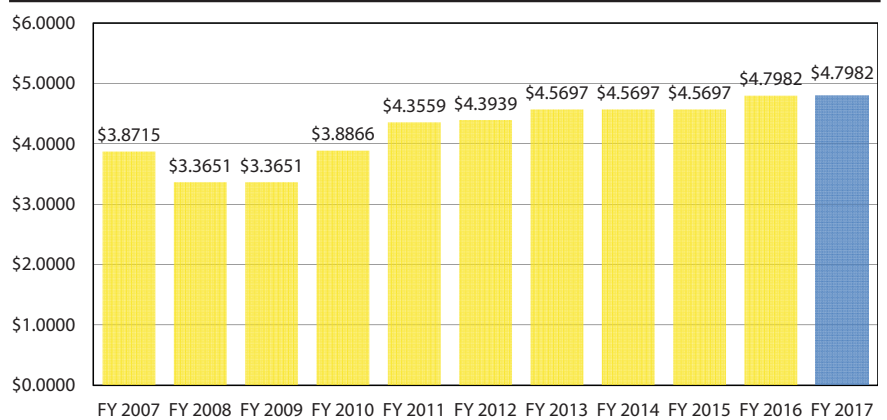
Highlights of the Fiscal Year 2017 budget include:

- Total taxable assessed value increased 6.76% in the City of Coral Springs.
- Operating millage rate will remain at \$4.7982. Due to the increase in assessed values, the City will receive approximately \$2.4 million additional property tax revenue.
- The voter-approved debt service millage rate will increase from \$0.2933 to \$0.2948 an increase of \$0.0015 or 0.5%. This increase is due to Fiscal Year 2017 being the first full year of debt service on the \$12.4 million Public Safety G.O. Bond approved by voters in November of 2014.
- The combined general operating and debt service millage rate is \$5.0930 per \$1,000 of assessed value, an increase of \$0.0015 or 0.03%.
- The Fire Assessment fee for single-family homes will increase by \$8.00, from \$147.00 to \$155.00. Multi-family fee will increase by \$9.25 per unit, from \$186.00 to \$195.25. Commercial, industrial and institutional properties will also see an increase in fire assessment rates.

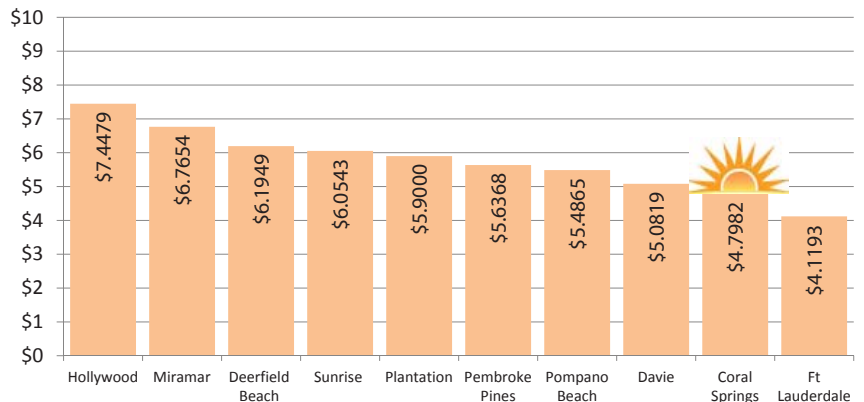
## Tax Rate Fiscal Year 2017

General Operating Millage	\$4.7982
Debt Service Millage	<u>\$0.2948</u>
Combined City Millage Rate	\$5.0930

## Coral Springs Operating millage rate

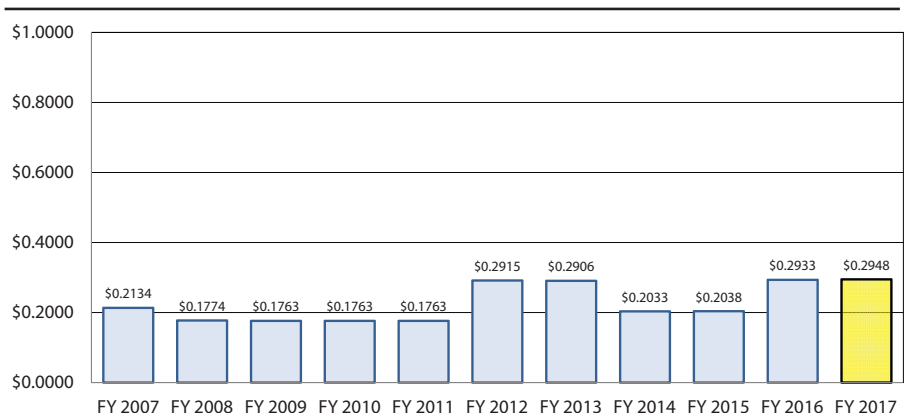


## Operating millage rate comparison with other municipalities



When comparing Broward County cities with populations greater than 70,000, Coral Springs' proposed operating millage rate continues to be one of the lowest of the 10 municipalities.

## Voter-approved debt service millage rate



- Water and Sewer rates will increase by 3.5%, an increase of \$2.16 per month for the average residential customer.
- The Residential Solid Waste Special Assessment will increase by \$5.00, from \$234.75 to \$239.75 per single-family home.
- General Fund debt service for franchise and capital revenue bonds, as a percentage of total budget, will equal 6.1% in Fiscal Year 2017 as compared to 6.4% in the current year, well within the General Fund debt service policy limitation of 12.5% of total General Fund expenditures.
- With a General Obligation bond indebtedness of 0.30% of total taxable assessed value, the City is well below its debt policy limit of 5%.

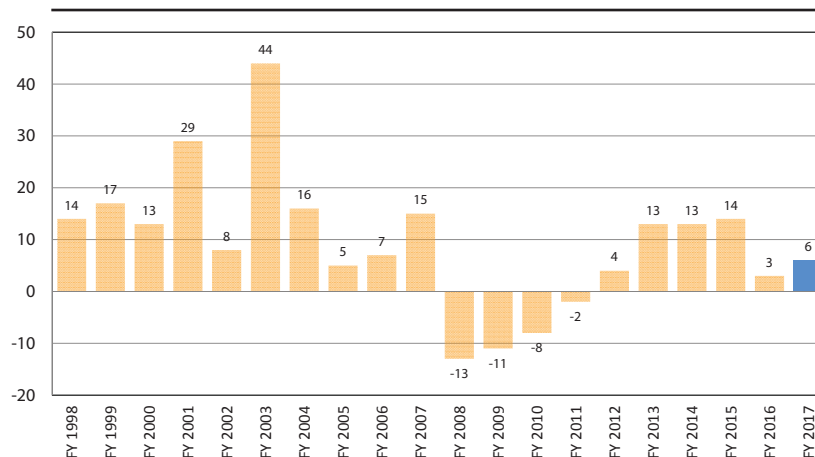
### Full-time additions for Fiscal Year 2017

Position title	Dept—Division	# of positions
(1)Law Enforcement Sergeant	Police-General Investigations	1
(2)Investigator	Police-General Investigations	1
(3)Maintenance Worker	Parks-Landscape	1
(4)Pension Analyst	Human Resources	1
(5)Lead Neighborhood Service Worker	Public Works-Streets	1
(6)Community Paramedic	Fire-EMS	1
<b>Total</b>		<b>6</b>

### Staffing

- For Fiscal Year 2017 the number of full-time positions is 803 (excludes Fire/EMS services contract staff). This represents an addition of six full-time employees, offset partially by the conversion of four part-time positions to full-time status. The table to the right shows the new authorized positions for the upcoming budget year. The new (1) Law enforcement Sergeant and (2) Investigator positions will enhance the Economic crimes unit. In the past three years, economic crime has increased 34.7% and investigations are extensive and highly technical. The City plans to add these new positions to the Police Department to address this alarming trend. (3) Coral Springs employs a tree trimming crew that applies specialized attention and care to the City’s tree inventory, which is essential in limiting losses in the event of another hurricane. There has been frequent turnover of the part time employees, disrupting the crew’s productivity. For these reasons the City will convert two of the tree trimmer’s part-time positions to one full time Maintenance Worker to support the tree trimming crew. With a stable crew, more extensive work plans can be developed and implemented and more trees can be serviced. (4) A Pension part-time position will be converted to a full time Pension Analyst in order to deal with the level of complexity and ongoing demands to effectively manage two separate pension plans. (5) The Lead Neighborhood Service Worker will be converted from part time to a full time position. In addition to managing the span of control in the field, coordinating and supervising continuity throughout the work day, the Lead Neighborhood Service Worker will be able to continue service after the part time crew leaves for the day. (6) A permanent Community Paramedic position will be added in Fiscal Year 2017. In March 2015, the Coral Springs Fire Department launched a pilot of a Community Paramedic program, based on best practices from several agencies across the nation. The cost of this position, like other firefighter/paramedics, will be split between the General Fund (EMS) and the Fire Fund.
- In Fiscal Year 2016, the City added 3 full-time employees, from which two were converted from part-time status. The 3 positions were budgeted as follows: 1 in the General Fund, 1 in the Fire Fund, and 1 in the General Insurance Fund.

Net full-time position changes per fiscal year



### Capital Improvements

- In Fiscal Year 2017, the City will invest \$26,352,799 in capital improvements and upkeep of City-owned facilities. For details of the projects planned for this year, refer to the Capital Improvement Program section included in this document.

## Financial Condition

The improving local and regional economy has begun to favorably impact the City's financial outlook. The City's unemployment rate (May 2016 3.8%) is expected to remain below the National (5.0%) and State (4.5%) rate and signs point toward a moderate economic growth. Despite downward pressure on revenues due to residential build-out, tax relief legislation, and the lingering effects of the economic recession, our City continues to lead the nation in fiscal management and stability. The City's healthy financial position can be attributed to our long-term financial planning that identifies emerging issues which may affect our ability to provide the level and type of service our customers expect. We were able to achieve a structural balance between expenditures and revenues for Fiscal Year 2017 by relying on sound financial practices, not reserves.

### Bond Ratings

The City is proud to have earned the highest bond rating available from Standard and Poor's (AAA) and Fitch Ratings (AAA). The City also received the Aa1 rating from Moody's Investors Service. The City's goal is to maintain the AAA from S&P and Fitch while making the changes needed to earn the Aaa bond rating from Moody's. Increasing fund balance is an important change the City can make to achieve this goal. Achieving AAA bond rating is important for our residents because it indicates to investors that the City is a low investment risk which translates into lower interest rates and corresponding lower interest payments on general obligation bonds.

### Revenues

The City's intergovernmental, franchise, and other demand-driven revenues fluctuate with the economy. Most economists agree the economy will continue to grow at a modest rate in the near term. However, rather than growth returning to normal levels, the economy will move slowly but steadily upward. We have, therefore, adopted a more muted growth philosophy for Fiscal Year 2017 revenue estimates with a budgeted increase in revenues of about 3.7% overall, compared to 4.5% last year. Longer term, the City's revenue growth is forecast to be slow and more closely approximate inflation, with current out-years' forecasts exhibiting revenue growth under 3%.

Fund balances improved as a result of growth-related revenues, improved productivity, and prudent financial management policies. Those fund balances have been leveraged to avoid future debt service by equity financing capital purchases.

### Annual net operating budget and capital

	FY 2016 Budget	FY 2017 Budget	\$ Change	% Change
Net Operating Budget	\$166,506,799	\$174,993,853	\$8,487,054	5.1%
Capital Improvements (CIP)	39,127,935	26,352,799	(\$12,775,136)	-32.6%
<b>Total Financial Program</b>	<b>\$205,634,734</b>	<b>\$201,346,652</b>	<b>(\$4,288,082)</b>	<b>-2.1%</b>

	FY 2016 Budget	FY 2017 Budget	\$ Change	% Change
<b>Net Operating Budget</b>				
General Fund	\$71,444,599	\$75,079,944	\$3,635,345	5.1%
Special Revenue Funds				
Fire Fund	13,270,342	14,195,194	\$924,852	7.0%
C.S. Charter School Fund	10,632,503	10,647,868	\$15,365	0.1%
Public Art Fund	207,000	357,000	\$150,000	72.5%
Enterprise Funds				
Water and Sewer Fund	16,988,178	19,128,376	\$2,140,198	12.6%
Solid Waste Fund	4,291,174	4,331,688	\$40,514	0.9%
Internal Service Funds				
Health and General Insurance Funds	17,771,875	18,854,360	\$1,082,485	6.1%
Equipment Services Fund	9,520,887	9,942,672	\$421,785	4.4%
Pension Fund	12,684,265	12,216,095	(\$468,170)	-3.7%
Debt Service Fund	9,695,976	10,240,655	\$544,679	5.6%
<b>Total Net Operating Budget</b>	<b>\$166,506,799</b>	<b>\$174,993,853</b>	<b>\$8,487,054</b>	<b>5.1%</b>



## Major Policy Considerations

Expecting the economic recovery to maintain its slow but steady progression, the City's strategy is focusing its efforts on continuing to invest in the community, as well as providing high quality services to our residents, maintaining and improving our aging infrastructure and building up our reserves.

### *Investing in the Community*

The City Commission has set the stage for this vision by incorporating language in the 2016-2017 Strategic Plan directing the City to take a leadership role in creating its future by investing in our community. In partnership with the Economic Development Office, Community Redevelopment Agency, the Chamber of Commerce, and other stakeholders, the City will proactively prime the engine of economic growth by assisting our existing business community, devoting resources to encourage the redevelopment of the City's commercial areas such as the Corporate Park, and investing in education. In addition, the City will work to attract businesses and increase property values by investing in the appearance and the safety of our community.

### *Economic Development Strategy*

A key component to building a stronger, more vibrant future for the City of Coral Springs is the expansion of our commercial tax base. Over one-third of the City's revenue comes from property taxes which are the City's single largest revenue source. After several years of declining property values, the City's Total Taxable Assessed Values have steadily increased over the past five years.

The tax base is expected to continue to grow due to new commercial entities, such as Hoerbiger Corp., Lupin Pharmaceuticals, and Cleveland Clinic, as well as key residential development projects currently underway.

### *Upgrade Technology Infrastructure*

The City will continue to invest in tools that allow its employees to achieve high levels of productivity as well as provide customer service that is second to none. A state of the art technology infrastructure is a crucial element in allowing the City to meet its service delivery goals now and in the future. This objective must be balanced against the need to protect the confidentiality, integrity, and availability of information and at the same time control costs. It is also important that all City departments participate in the efforts to utilize technology in an efficient and effective manner.



# Combined Budget Summary

## Appropriated Funds Budget—Fiscal Year 2017

	General Fund	Debt Service Fund	Capital Projects Fund	Public Art Fund	Solid Waste Fund	Water and Sewer Fund	Fire Fund	Charter School Fund	FY 2017 Total Budget
<b>CASH BALANCE BROUGHT FORWARD</b>	\$0	\$400,000	\$752,434	\$334,000	\$0	\$1,597,793	\$0	\$0	<b>\$3,084,227</b>
<b>Revenues By Type:</b>									
Taxes:	<b>Millage Per \$1,000</b>								
Ad Valorem Taxes	<b>\$4.7982</b>								
Ad Valorem Taxes	<b>\$0.2948 (VOTED DEBT)</b>								
Solid Waste Assessment	2,245,712				4,347,900				6,593,612
Fire Fund Special Assessment							11,598,058		11,598,058
Sales and Use Taxes	8,712,500								8,712,500
Franchise Fees	10,728,844								10,728,844
Utility Service Taxes	11,565,708								11,565,708
Licenses and Permits	4,208,100								4,208,100
Intergovernmental Revenue	11,279,106								11,279,106
Charges for Services	14,512,775						5,719,224	12,067,868	29,066,198
Fines and Forfeitures	3,010,292						3,059,010		39,720,046
Miscellaneous Revenues	4,200,714	12,236	194,000				52,020		3,062,312
Other Financing Sources	129,973	7,291,734	13,888,385	23,000		30,502	55,000		4,492,452
							5,887		21,338,979
<b>Total Revenues and Other Financing Sources</b>	<b>\$111,881,119</b>	<b>\$9,840,655</b>	<b>\$14,082,385</b>	<b>\$23,000</b>	<b>\$4,347,900</b>	<b>\$22,178,763</b>	<b>\$20,489,199</b>	<b>\$12,067,868</b>	<b>\$194,910,889</b>
<b>Grand Total Revenues and Balances</b>	<b>\$111,881,119</b>	<b>\$10,240,655</b>	<b>\$14,834,819</b>	<b>\$357,000</b>	<b>\$4,347,900</b>	<b>\$23,776,556</b>	<b>\$20,489,199</b>	<b>\$12,067,868</b>	<b>\$197,995,116</b>
<b>Expenditures By Type:</b>									
General Governmental Services	\$16,004,492								\$16,004,492
Education	545,000							12,067,868	12,612,868
Public Safety	59,639,423						16,991,274		76,630,697
Physical Environment	7,618,515				4,347,900	20,288,182			32,254,597
Economic Environment	442,617					271,050			713,667
Culture and Recreation	15,547,348			357,000					15,904,348
Debt Service	6,860,269	10,240,655				2,213,411	282,860		19,597,195
Capital Improvement Program (Excluding Operating CIP)			14,834,819						14,834,819
Other Financing Sources (Uses)	5,223,455					1,003,913	3,215,065		9,442,433
<b>Total Expenditures and Other Financing Uses</b>	<b>111,881,119</b>	<b>10,240,655</b>	<b>14,834,819</b>	<b>357,000</b>	<b>4,347,900</b>	<b>23,776,556</b>	<b>20,489,199</b>	<b>12,067,868</b>	<b>197,995,116</b>
Reserves	0	0	0	0	0	0	0	0	0
<b>Total Appropriated Expenditures and Reserves</b>	<b>\$111,881,119</b>	<b>\$10,240,655</b>	<b>\$14,834,819</b>	<b>\$357,000</b>	<b>\$4,347,900</b>	<b>\$23,776,556</b>	<b>\$20,489,199</b>	<b>\$12,067,868</b>	<b>\$197,995,116</b>

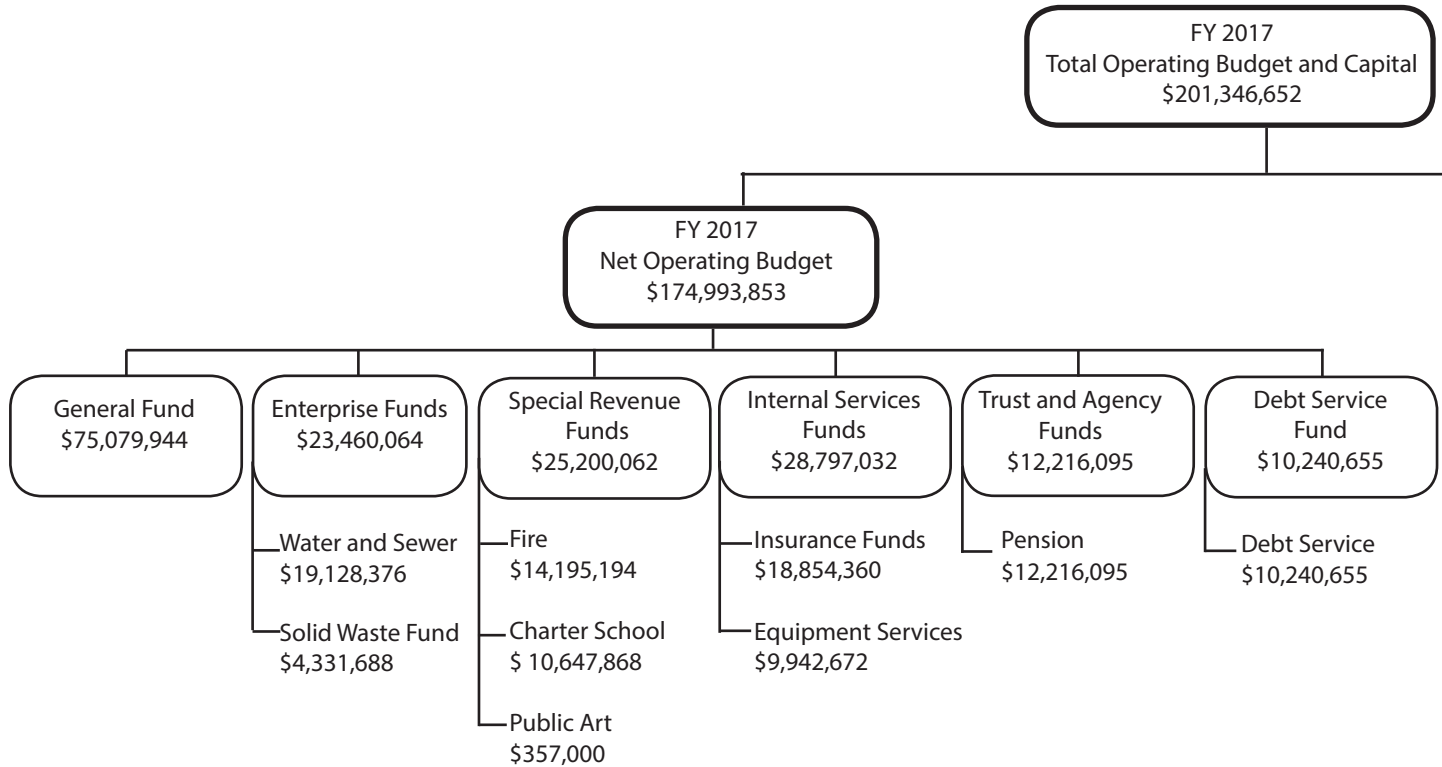
Note: Revenues (sources) and Expenses (uses) for Equipment Services, Health, and General Insurance funds are incorporated within all other appropriated funds included in this summary and thus, not listed separately.

Note: In accordance with standard budgeting practice, the main difference between the "Summary of Net Budgeted Revenues/Expenditures" on pages 30 and 31 and the "Fiscal Year 2017 Combined Budget Summary" on this page is that the latter does not include internal service funds to avoid double-counting interfund transfers (movement of money from one fund to another).

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# Fund Structure Overview



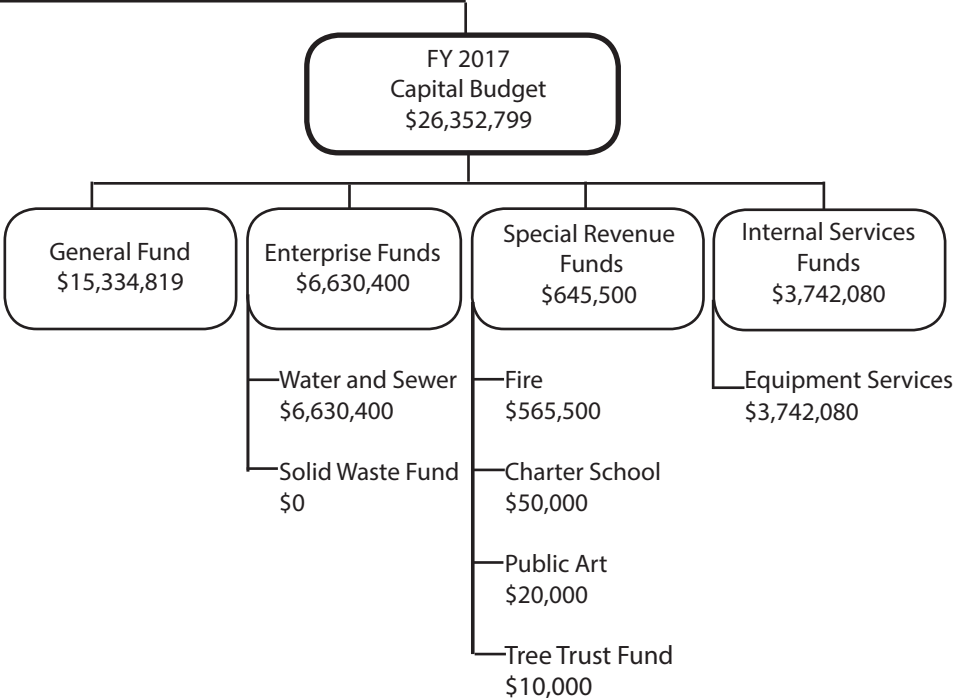
## Major Funds

Fund Name	Fund Type	Fund Description
General Fund*	City Operating Fund	Accounts for police, code compliance, parks and recreation, public works, building, emergency medical services, and administration services
Fire Fund*	Special Revenue Fund	Covers the fire department and subsequent divisions, including administration, suppression, inspection, training, and communications
Water and Sewer Fund*	Enterprise Fund	Provides water and wastewater services to approximately 51% of Coral Springs residents
Solid Waste Fund*	Enterprise Fund	Includes the non-franchise portion of the City's residential solid waste special assessment to cover cost of hauler and disposal fees
Health and General Insurance Funds*	Internal Service Funds	Contribute to the City's insured general liability, property, workers' compensation, life, and employee medical benefits
Coral Springs Charter School Fund*	Special Revenue Fund	Includes the revenues and expenses incurred in the operation of the Coral Springs Charter School
Equipment Services Fund*	Internal Service Fund	Accounts for the costs of maintaining the City's fleet
Public Art Fund*	Special Revenue Fund	Includes the Public Art fee receipts collected during the permitting process for new construction and renovations of existing structures
Pension Fund	Trust and Agency Fund	Accounts for the accumulation of resources to be used for retirement benefit payments to the City's employees
Debt Service Fund*	Debt Service Fund	Covers the revenues and payment of voter approved long-term general obligation debt and revenue bond debt

\*Indicates appropriated funds in accordance with the Budget Ordinance.



# Fund Structure Overview (continued)

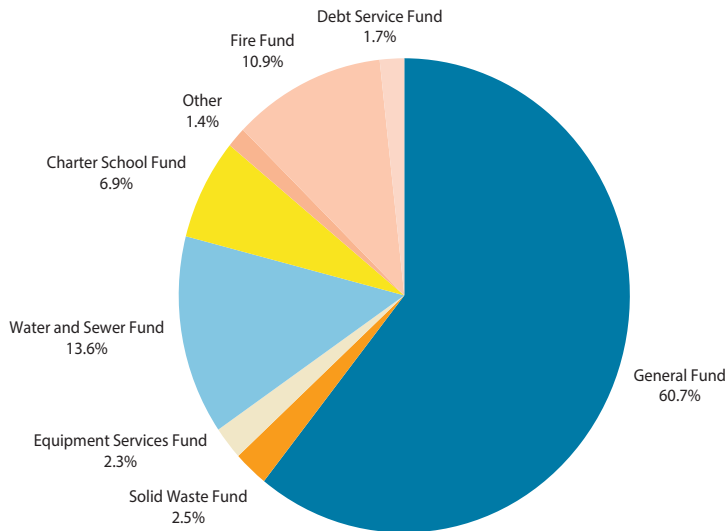


## Summary of net budgeted revenues —Fiscal Year 2017

	<b>FY 2016 Adopted Net Budget</b>	<b>Percent of Total</b>	<b>FY 2017 Adopted Net Budget</b>	<b>Percent of Total</b>	<b>Dollar Change</b>	<b>Percent Change</b>
General Fund	\$102,330,504	61.5%	\$106,191,978	60.7%	\$3,861,474	3.8%
Fire Fund	18,090,533	10.9%	19,160,749	10.9%	1,070,216	5.9%
Water and Sewer Fund	21,442,772	12.9%	23,776,556	13.6%	2,333,784	10.9%
Health and General Insurance Funds	1,735,000	1.0%	2,090,000	1.2%	355,000	20.5%
C. S. Charter School Fund	12,052,503	7.2%	12,067,868	6.9%	15,365	0.1%
Public Art Fund	207,000	0.1%	357,000	0.2%	150,000	72.5%
Equipment Services Fund	3,846,285	2.3%	3,954,275	2.3%	107,990	2.8%
Solid Waste Fund	4,306,918	2.6%	4,347,900	2.5%	40,982	1.0%
Debt Service Fund	2,495,284	1.5%	3,047,527	1.7%	552,243	22.1%
<b>Total</b>	<b>\$166,506,799</b>	<b>100.0%</b>	<b>\$174,993,853</b>	<b>100.0%</b>	<b>\$8,487,054</b>	<b>5.1%</b>

Note: The total net budgeted revenues and expenditures/expenses are equal. However, the total by fund for revenue and expenditure/expenses are different due to inter-fund transfers.

Fiscal Year 2017 Net Budget - All Funds - Revenues  
\$174,993,853



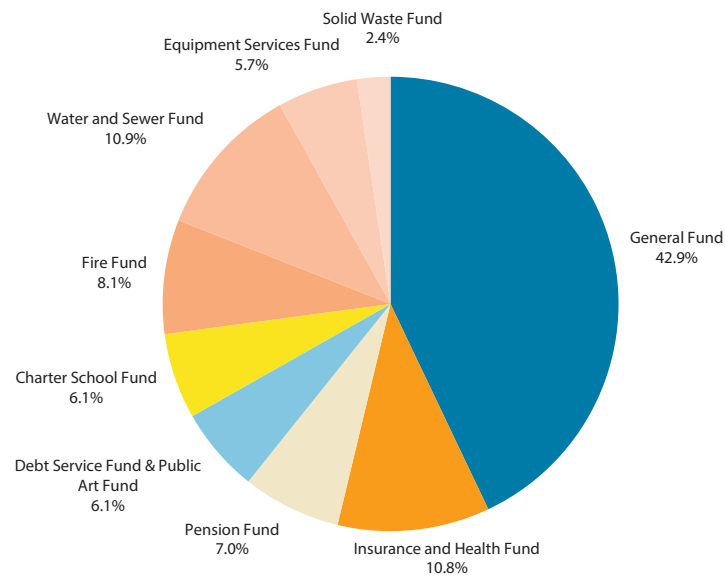


## Summary of net budgeted expenditures —Fiscal Year 2017

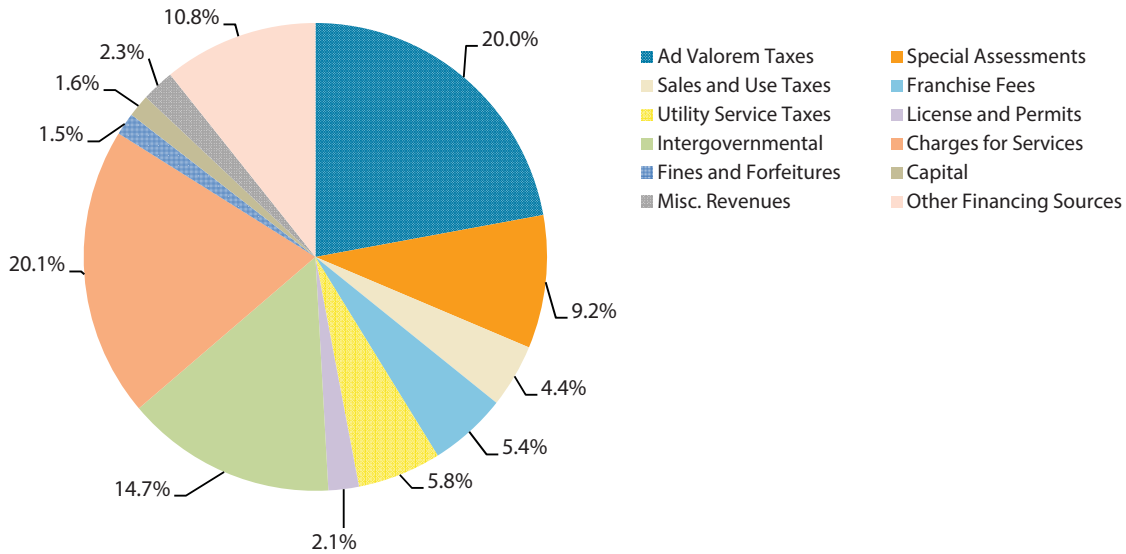
	<b>FY 2016 Adopted Net Budget</b>	<b>Percent of Total</b>	<b>FY 2017 Adopted Net Budget</b>	<b>Percent of Total</b>	<b>Dollar Change</b>	<b>Percent Change</b>
General Fund	\$71,444,599	42.9%	\$75,079,944	42.9%	\$3,635,346	5.1%
Fire Fund	13,270,342	8.0%	14,195,194	8.1%	924,852	7.0%
Water and Sewer Fund	16,988,178	10.2%	19,128,376	10.9%	2,140,198	12.6%
Health and General Insurance Funds	17,771,875	10.7%	18,854,360	10.8%	1,082,485	6.1%
C.S. Charter School Fund	10,632,503	6.4%	10,647,868	6.1%	15,365	0.1%
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Pension Fund	12,684,265	7.6%	12,216,095	7.0%	(468,170)	-3.7%
Solid Waste Fund	4,291,174	2.6%	4,331,688	2.4%	40,514	0.9%
Debt Service Fund	9,695,976	5.8%	10,240,655	5.9%	544,679	5.6%
<b>Total</b>	<b>\$166,506,799</b>	<b>100.0%</b>	<b>\$174,993,853</b>	<b>100.0%</b>	<b>\$8,487,054</b>	<b>5.1%</b>

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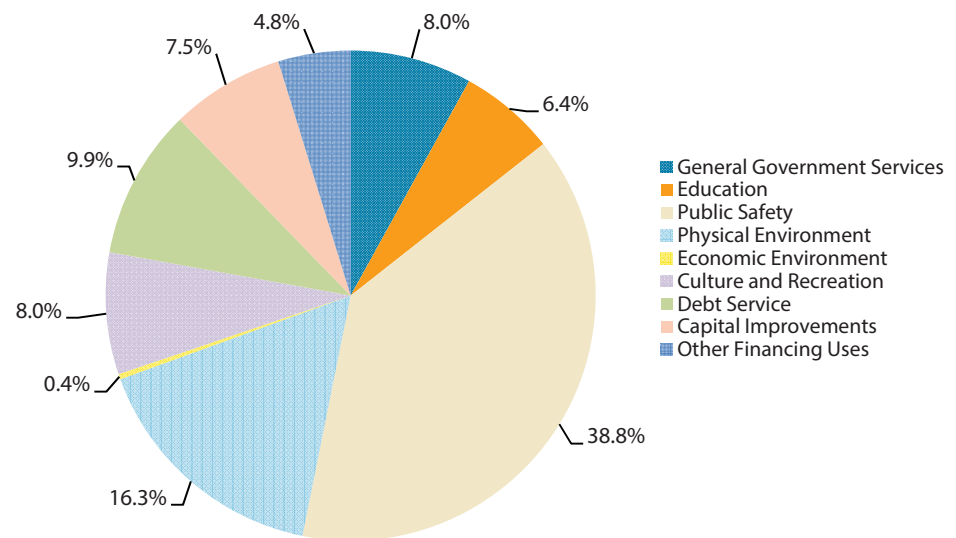
Fiscal Year 2017 Net Budget - All Funds - Expenditures  
\$174,993,853



### Where the money comes from by source (all funds)



### Where the money goes by type of program (all funds)



### Where the money goes by category (General Fund only)

