



# “General Fund Executive Summary”

Proposed Fiscal Year 2019-20

Significant Budget Expenditure – Changes Per Department

Attachment “A”

## First Budget Hearing

### **Significant Changes from Second Budget Workshop (July 29, 2019)**

#### GENERAL FUND SUMMARY (Page 1):

- **Increased** ad valorem revenue as a result of utilizing the advertised “ceiling” rate of 2.6047 mills.
- Communications Services Taxes and Municipal Revenue Sharing revenues were adjusted due to revised estimates issued by the Department of Revenue.
- Electrical Franchise Fees (FPL) were **increased** as a result of the projected commencement in June 2020 of the Town’s independent franchise fee agreement with FPL.
- Judgements and Fines were reduced based on recent downward trends for this category.
- Miscellaneous revenues were **increased** based on recent collections history for this category.
- Investment income was adjusted based on fine tuning of projected balances available for investment.

#### GENERAL GOVERNMENT (Page 5):

- Salaries and related benefits **decreased** (\$44,879) due to the elimination of the part-time grant writer position. These savings were offset by an **increase** in other contractual services (\$36,000) as a result of anticipated use of a contracted grant writer.

## Second Budget Workshop

### **Significant Changes from First Budget Workshop (June 27, 2019)**

#### GENERAL GOVERNMENT (Page 4):

- Insurance **increased** (\$1,500) as a result of higher estimated premium for cyber security coverage.

#### COMMUNITY DEVELOPMENT (Page 8):

- Salaries and benefits **decreased** (\$7,039) based on employment offer accepted by Community Development Director applicant.

#### PARKS & RECREATION (Page 11):

- Salaries and benefits **increased** (\$95,271) as a result of budgeting four (4) part-time Park Service Aides rather than enter into an agreement to contract out those duties.
- Other contractual services **decreased** (\$437,080) as a result of renegotiating landscaping and ancillary services at current rates rather than move forward with a revised arrangement that encompasses additional services at significantly higher costs, offset by additional adult programming activities (funded with \$2,500 mini grant award).
- Repairs & Maintenance **decreased** (\$20,000) as a result of elimination of planned pool resurfacing.
- Capital Outlay **increased** (\$13,000) as a result of providing for fencing at Lincoln City Park.

## First Budget Workshop

### **Significant Changes**

### **June 27, 2019 Workshop Versus Adopted Fiscal Year 2018-19**

#### MAYOR & COUNCIL (Page 2):

- Salaries and Benefits **increased** as a result of cost of living adjustments (COLA) and projected increases in health insurance premiums.
- Communications & Freight **decreased** (\$6,120) as a result of consolidation of certain telecommunications costs in the General Government Department as well as a result of certain Council members electing not to receive a cell phone allowance.

#### TOWN CLERK (Page 3):

- Salaries and Benefits **increased** as a result of projected COLA and merit pay increases, as well as a result of projected increases in health insurance premiums.
- Other Contractual Services **decreased** (\$50,000) as a result of a decrease in budgeted election costs.
- Repairs and Maintenance **decreased** (\$9,000) as a result of transitioning away from the current web site host (Vision) to Municode Web (which will be accounted for in the General Government Department).

#### GENERAL GOVERNMENT (Page 4):

- Salaries and benefits **increased** primarily as a result of COLA and merit pay increases, as well as a result of projected increases in health insurance premiums.
- Professional Services **increased** primarily as a result of budgeting for a marketing consultant for the 2020 Census (\$25,000) as well as a result of an increase in budget (\$5,000) for financial advisory services.
- Communications & Freight **decreased** approx. (\$11,000) primarily as a result of savings by consolidating the phone/internet services through our Interlocal agreement with Miami-Dade ITD, offset by an approx. (\$5,000) increase consolidating phone/data services.
- Insurance **increased** (\$61,500) based on anticipated increases in property and other business insurance premiums.

- Dues, Subscriptions & Memberships *increased* (\$23,000) primarily as a result of increased IT licensing costs approx. (\$17,000) and increased staff training at seminars/workshops approx. (\$5,000).
- Capital Outlay *increased* approx. (\$7,500) primarily as a result of budgeting for software database licenses that were not budgeted in the prior year.
- Debt Service *decreased* due to normal amortization of the Town’s outstanding debt.

FINANCE (Page 6):

- Salaries and benefits *increased* primarily as a result of COLA and merit pay increases and the addition of a part-time Accounting Clerk, as well as a result of projected increases in health insurance premiums (full-time staff eligible only).
- Repairs & Maintenance *increased* (\$3,850) primarily as a result of the maintenance costs associated with a planned implementation of an online payment system for receivables and licensing approx. (\$4,000), offset to some extent by changes in maintenance costs for other software systems.
- Accounting Software *increased* approx. (\$13,000) as a result of planned implementation of online payments for receivables and licensing (this initiative was proposed in the prior year budget but was deferred).

TOWN ATTORNEY (Page 7):

- No proposed changes.

COMMUNITY DEVELOPMENT (Page 8):

- Salaries and benefits *decreased* primarily as a result of restructuring the department, offset to some extent by anticipated COLA and merit pay increases and projected increases in health insurance premiums.

PUBLIC WORKS (Page 9):

- Salaries and benefits *increased* primarily as a result of COLA and merit pay increases, as well as a result of projected increases in health insurance premiums.
- The *increase* in Other Contractual Services (\$88,000) results primarily from an anticipated increase in landscape maintenance services to be provided for through the Request for Proposals (RFP) No. 19-04 awarded contract approx. (\$95,000), offset by elimination of holiday lighting (\$7,500).
  - The landscape maintenance services RFP process is still ongoing and under the Cone of Silence and the bid has not yet been awarded. As a result, the amounts used in this initial proposed budget are “placeholder” amounts that are subject to change after the Council awards the contract pursuant to the RFP No. 19-04.

**POLICE SERVICES (Page 10):**

- Professional Services *increased* (\$335,100) as a result of increased union negotiated costs for MDPD local police services that are passed through to the Town for the appropriate police employees. The budget reflects no change in personnel.

**PARKS & RECREATION (Page 11):**

- Salaries and benefits *increased* primarily as a result of the staffing mix anticipated for the upcoming year, as well as for COLA and merit pay increases and projected increases in health insurance premiums.
- Other Contractual Services *increased* approx. (\$459,000) primarily as a result of anticipated increases in landscape maintenance services to be provided for through the RFP No. 19-07 awarded contract approx. (\$405,000), as well as to increases for Town sponsored events approx. (\$32,000), janitorial services (\$20,000), summer camp activities (\$5,000) and other programs/events (\$12,000), offset by a decrease in costs related to the clearing of Saga Bay Park (\$15,000).
  - The landscape maintenance RFP process is still ongoing and under the Cone of Silence and the bid has not yet been awarded. As a result, the amounts used in this initial proposed budget are "placeholder" amounts that are subject to change after the Council awards the contract pursuant to the RFP No. 19-07.
- Repairs & Maintenance *increased* approx. (\$42,500) reflecting pool resurfacing costs (\$20,000), playground and shade structure inspections and maintenance (\$12,000), as well as an increase in general park maintenance approx. (\$10,500).

**CUTLER BAY TOWN CENTER (Page 12):**

- Professional Services *decreased* (\$20,000) reflecting decreased broker commissions from leasing activities.
- Capital Outlay *decreased* (\$68,000) reflecting an intended reduction in capital improvements to the Cutler Bay Town Center building.
- Debt Service *decreased* due to normal amortization of the Town's outstanding debt.