



“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.