



“Executive Summary”

ATTACHMENT "A" (Page 1 of 6)

Proposed Fiscal Year 2020-21

Significant Budget Expenditure – Changes Per Department

1st Budget Hearing compared to 2nd Budget Workshop

The significant changes to the General Fund budget from the August 26, 2020 2nd Budget Workshop include:

Revenues and Inflows:

- Fund balance carryover from FY 2020 into FY 2021 *increased* \$3 million resulting from the deposit for the acquisition of the land parcel on Old Cutler Road at SW 184 Street not impacting fund balance until FY 2021. Ending fund balance *increased* \$99,949 as a result of the foregoing change as well as to the departmental changes discussed below.

Departmental Expenditures:

MAYOR & COUNCIL:

- Travel & Per Diem *decreased* (\$10,815) as a result of reductions in the travel budgets for the Mayor and each of the Council Members.

TOWN CLERK:

- Other Contractual Services *decreased* (\$53,000) as a result of elimination of election costs for a possible General Obligation Bond referendum.

GENERAL GOVERNMENT:

- Professional Services *decreased* (\$35,800) reflecting elimination of a General Obligation Bond (GOB) Marketing consultant (\$25,000) as well as reduction in the cost of local environmental lobbyist services (\$10,800).
 - Capital Outlay *increased* (\$3 million) reflecting the full purchase of the acquisition of the land parcel on Old Cutler Road and SW 184 Street being recorded in FY 2021.
-

COMMUNITY DEVELOPMENT:

- Salaries and Benefits *increased* (\$16,666) as a result of budgeting for a Planning Administrator in lieu of the now vacant Administrative Assistant position.
- Professional Services *decreased* (\$17,000) as a result of a reduction in planned use of consultants.

There were no changes to any Special Revenue Fund, or to the Capital Projects (Parks) Fund or Stormwater Utility Fund since the 2nd Budget Workshop, except for the Special Revenue – Franjo Road JPA Fund. In that Fund, design services were increased \$49,253. That budget was also changed to reflect that funding from Miami-Dade County that will pay for all the design phase services.

2nd Budget Workshop Compared to 1st Budget Workshop

The significant changes to the General Fund budget from the 1st Budget Workshop include:

Revenues and Inflows:

- Fund balance carryover from FY 2020 into FY 2021 *decreased* \$146,079 resulting from *decreased* utility tax revenue projections for FY 2020 (\$300,000 *decrease*), *increased* projections for staff salaries and benefits (\$21,079 *increase*) due to pending performance evaluations (discussed below), offset by projected *increased* electrical franchise fee revenue (\$175,000 *increase*).
 - FY 2021 revenues *increased* \$320,000, resulting primarily from *increased* electrical franchise fee revenue (\$420,000 *increase*), offset by *decreased* utility tax revenues (\$100,000 *decrease*).
 - Proceeds from the issuance of debt *increased* \$3,115,000, resulting by increasing the expected proceeds from the issuance of bonds from \$15 million to \$15.25 million (\$250,000 *increase*) as well as by the expected issuance of debt to refinance the existing TD Bank 2015B debt (\$2,865,000 *increase*).
-

Departmental Expenditures:TOWN CLERK:

- Salaries and Benefits *increased* (\$5,204) reflecting a higher starting salary for the Town Clerk due to pending performance evaluation.

GENERAL GOVERNMENT:

- Salaries and Benefits *increased* (\$9,651) reflecting a higher starting salary for the Town Manager due to pending performance evaluation.
- Professional Services *increased* (\$25,000) reflecting provision for a GOB Marketing consultant.
- Insurance *decreased* (\$22,500) resulting from lower renewal premiums than anticipated.
- Other Current Charges *increased* (\$40,000) resulting primarily for increased estimates for debt issuance costs for the Town's bond issue and the refinance of the taxable debt.
- Debt Service – Principal *increased* (\$3,852,500) reflecting:
 - i. Estimated principal payoff of 2015A debt (\$4,000,000 *increase*)
 - ii. Change in estimated principal payoff of 2015B debt (\$50,000 *increase*)
 - iii. Estimated principal payment on new 2020 taxable debt (\$157,500 *increase*)
 - iv. Offset by reversal of 2015A principal payment reflected in 1st Workshop budget as loan is being paid off (\$355,000 *decrease*)
- Debt Service – Interest *increased* (\$6,100) reflecting:
 - v. Estimated accrued interest to payoff 2015A debt (\$20,000 *increase*)
 - vi. Change in estimated accrued interest to payoff 2015B debt (\$5,000 *increase*)
 - vii. Estimated interest on new 2020 taxable debt (\$77,400 *increase*)
 - viii. Offset by reversal of 2015A principal payment reflected in 1st Workshop budget as loan is being paid off (\$96,300 *decrease*)

PARKS & RECREATION:

- Salaries and Benefits *increased* (\$2,129) as a result of inclusion of projected merit pay for the Youth Program Coordinator.

There were no changes to any Special Revenue Fund, or to the Capital Projects (Parks) Fund or Stormwater Utility Fund since the 1st Budget Workshop.

1st Budget Workshop Versus Adopted Fiscal Year 2020MAYOR & COUNCIL:

- Salaries and Benefits *increased* as a result of cost of living adjustments (COLA) and projected increases in health insurance premiums.

TOWN CLERK:

- 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 *increased* as a result of an increase (approx. \$130,000) in budgeted election costs, offset by a *decrease* (approx. \$5,000) in Municode costs.
- Other Current Charges *increased* as a result of budgeted increases in advertising costs (\$7,000) as well as for costs to remediate documents for ADA compliance (\$10,000).

GENERAL GOVERNMENT:

- 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 *increased* financial advisory services (\$20,000) and budgeting for an environmental lobbyist (\$21,600), offset by *decreased* costs related to a GOB marketing consultant (\$25,000).
- Other Contractual Services *increased* primarily as a result of *increased* IT costs (\$27,000) and provision for an update to the Town's pay plan (\$10,000), offset by a *decrease* in costs related to a process management consultant (\$15,000).
- Rentals *increased* approx. \$592,300 primarily as a result of the Town's office space lease in the CBTC building.
- Other Current Charges *increased* primarily as a result of estimated debt issuance costs (\$120,000) for the Town's planned \$15 million bond issuance, as well as estimated closing costs on the 8.45-acre parcel on Old Cutler Road and SW 184 Street (\$30,000).
- Capital Outlay *increased* primarily as a result of budgeting for balance due payment for the acquisition of the 8.45-acre parcel on Old Cutler Road and SW 184 Street (\$5.45 million).
- Debt Service *increased* primarily to the planned payoff of the TD Bank 2015B revenue bond (\$2.8 million). The remaining debt service amount reflect the projected principal and interest payments due on the remaining existing debt and the restructured debt.

FINANCE:

- 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.
 - Accounting Software *decreased* (approx. \$13,000) as a result of no planned software upgrades in the upcoming budget year.
-

TOWN ATTORNEY:

- No proposed changes.

COMMUNITY DEVELOPMENT:

- 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.
- Other Contractual Services *decreased* (approx. \$136,000) primarily as a result of anticipated decreases in payments to the Town's permitting and inspection contractor. Payments to this contractor are based in large part on a percentage of permit revenues collected. Since the Town is anticipating permit fees to decrease, the payments to the contractor are likewise anticipated to decrease.

PUBLIC WORKS:

- 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 *decrease* in Other Contractual Services (\$69,000) results primarily from an anticipated decrease in sidewalk repairs and replacements through utilization of the 2nd Local Option Gas Tax funds.

POLICE SERVICES:

- Professional Services include 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 and no significant change in budgeted amount is anticipated.

PARKS & RECREATION:

- 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.
 - Other Contractual Services *decreased* (approx. \$21,000) primarily as a result of budgeted *decreases* in planned Town events (\$7,000), janitorial services (\$20,000), adult/senior programs (\$6,000) and Cultural Center tickets (\$3,000), offset by anticipated *increases* in landscape maintenance services (\$15,000).
 - Capital Outlay *decreased* (approx. \$23,000) as a result of fewer budgeted park improvement projects. The primary park improvements for the upcoming year are provided for in the Capital Projects Fund, the Franjo Park restoration project and the Lakes by the Bay (LBTB) Canoe/Kayak Launch project.
-

