

Fiscal Year 18/19 Fourth Budget Workshop



FY 18/19 Budget Overview

**WHERE WE ARE
TODAY!**

Goals of Special Meeting – Budget Workshop

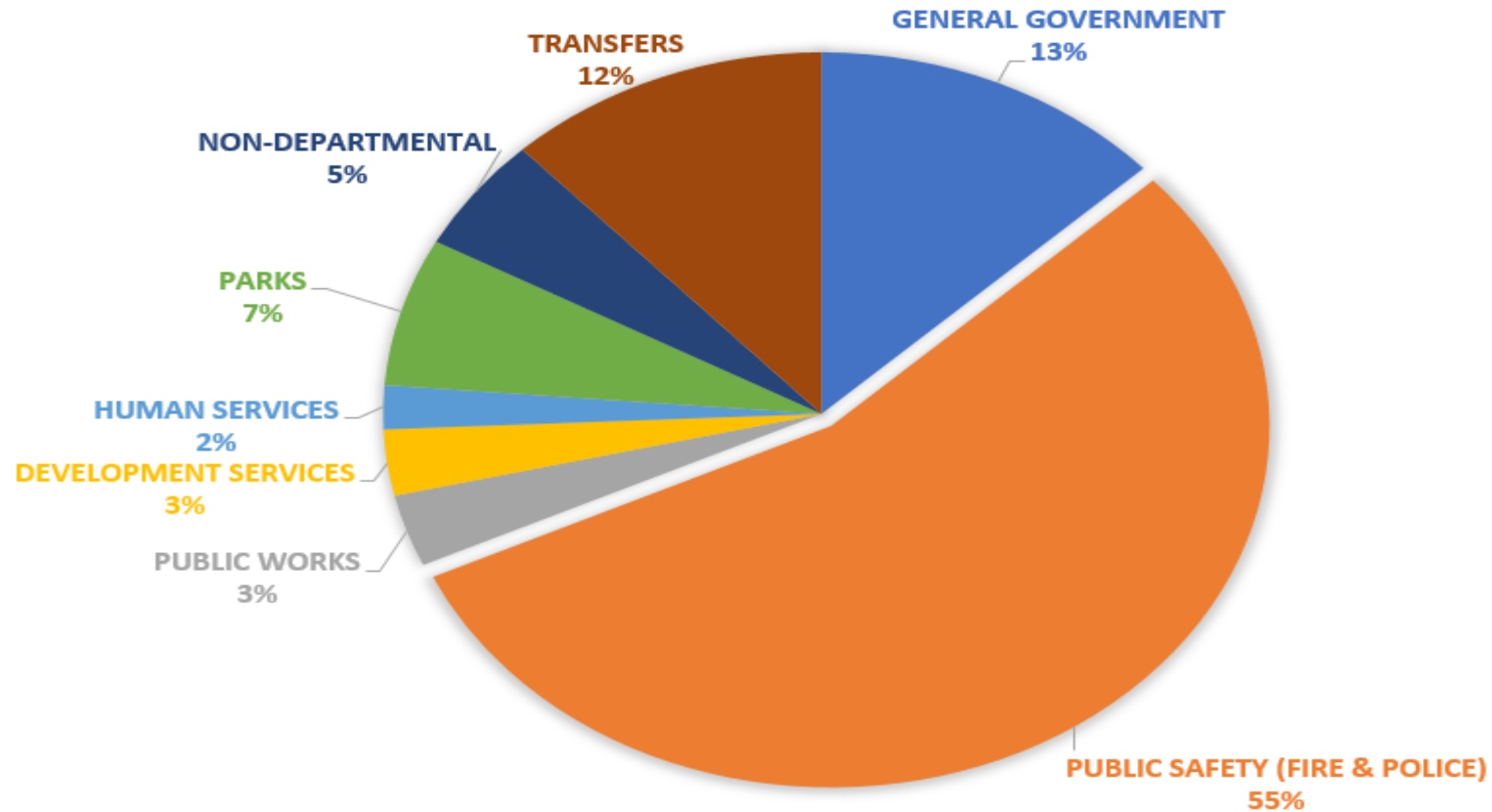


- ✓ Present FY 18/19 Recommended Budget with changes made since the August 13th Special Meeting/Budget Workshop.
- ✓ Discuss Options/Strategies to Balance the FY 18/19 Recommended Budget.
- ✓ Get direction from City Commission to finalize the FY 18/19 Budget in order to present for adoption during the September 12 and September 24, 2018 Public Hearings.

FY 18/19 General Fund Operations



FY 18/19 GENERAL FUND OPERATIONS



General Government - includes City Commission, City Manager, City Attorney, City Clerk, Finance, Budget & Program Monitoring, Human Resources, Innovation Technology and Procurement

August 13th Budget Special Meeting/Workshop

During this Special/Meeting, the City Commission took the following action:

1. List of approved projects/Items from the .9355 mill tax increase

GENERAL FUND USE OF TAX INCREASE	REVISED	
	AMOUNTS	MILLS
REVENUES/EXPENSES		
● Proposed Tax Increase - June Valuation	\$ 5,078,217	0.9359
● Proposed Tax Increase - June Valuation Versus July	\$ (2,255)	-0.0004
Available for Expenses	\$ 5,075,962	0.9355
● CRA TIF Payment	\$ 951,555	0.1754
● Reserve for increased medical insurance costs (General Fund)	\$ 491,295	0.0905
● Reserve for negotiated union contracts COLA (General Fund)	\$ 635,732	0.1172
● Support for \$20,000 Pet Friendly Grant	\$ 10,000	0.0018
● Transfer to balance the Transportation Fund	\$ 300,000	0.0553
● Pension Extra Cost	\$ 1,517,207	0.2796*
● Health Reimbursement Account - to continue FY 17/18 City Contribution	\$ 600,000	0.1106
● HBCRA will not fund Code Enforcement in FY 18/19	\$ 334,288	0.0616
● First year lease-purchase payment for surveillance camera replacement	\$ 50,000	0.0092
● Radio Replacement Project first year of lease-purchase payment	\$ 135,885	0.0250
● Audit on Human Services and Parks and Recreation Programs	\$ 50,000	0.0092
● Hardship Health Reimbursement Account	\$ -	0.0000*
TOTAL	\$ 5,075,962	0.9355
NET	\$ (0)	0.0000

* Only partial funding from the millage increase \$533,274 is still needed and \$30,000 for the hardship reimb.

August 13th Budget Special Meeting/Workshop

During this Special/Meeting, the City Commission took the following action:

2. Reductions to Balance the General Fund

Shortfall	\$ 1,222,779
Reductions/Additions:	
● Debt Service for Covenant to Budget and Appropriate	(\$131,140)
● First year establishment of funds for implementing the SAP	(200,000)
● First repayment of City amount due to HBCRA	0
● Funding to clear prior fiscal years deficit in the General Liability Fund	0
● Commission Sponsored Programs	(10,000)
● Roger's Raiders Program	(72,000)
● Business Survey	(25,000)
● Temporary Outside Staffing	(32,000)
● Computer Hardware and Software	(20,000)
● November 2018 Election	(10,000)
● Police Overtime	(40,000)
● Fire Overtime	(40,000)
● Holiday Decorations and Lights	(50,000)
● Consultants/Professional Services	(79,000)
● Building Material and Supplies	(30,000)
● Pet Grant Funding	10,000
● Employee Training	(14,010) *
● CM Projects/Programs and Supplies	(15,000)
● Existing and Projected Vacancies for 9-Months	(680,930) *
Total Reduction	(\$1,439,080)
Difference Surplus/(Shortfall)	\$ 216,301

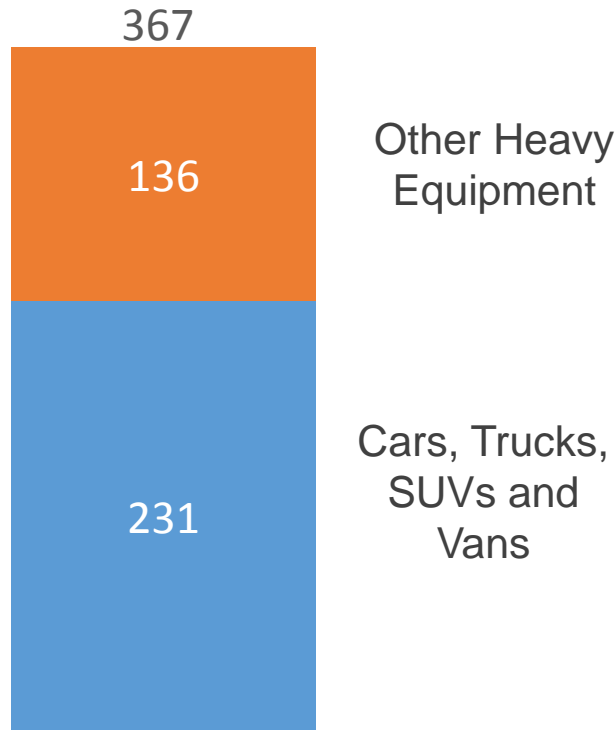
* Number has changed since the August 13th Workshop

August 13th Budget Special Meeting/Workshop

During this Special/Meeting, the City Commission took the following action:

3. Vehicle Replacement - \$1,380,500

Existing Vehicles Inventory:

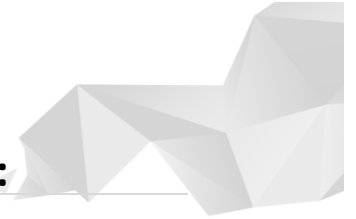


FY 18/19 Replacement Vehicles	33
FY 18/19 Additional Vehicles	0



August 13th Budget Special Meeting/Workshop

During this Special/Meeting, the City Commission took the following action:



4. Health Insurance Rates

Percentage Increase

The estimated increase in health insurance costs is 10.8%

Cost to the City

This increase equates to \$491,295 for the General Fund. This amount has been budgeted under the additional .9355 millage increase.

Deductible

The deductible will remain the same for City employees: \$600,000 has been budgeted under the additional .9355 millage increase for this purpose.

City will absorb the total increase at a cost of: \$491,295

August 13th Budget Special Meeting/Workshop

During this Special/Meeting, the City Commission took the following action:



5. Additional items not included in the .9355 mill

↑ Approved funding for

	AMOUNT	MILLS
1. Additional amount needed for Police/Fire Pension	\$533,274	0.0983
2. Hardship Health Reimbursement Account Decreased from \$50,000 to \$30,000	\$30,000	0.0055
Total	\$ 563,274	0.1038

Changes during the August 13th Budget Workshop

General Liability

Added back funding to clear prior fiscal years deficit in the General Liability Fund – \$189,505.

HBCRA

Added back the first repayment of City amount due to HBCRA - \$250,000.

Commission Programs

Added back \$2,500 to Commission Sponsored Programs.

Grants

An additional \$10,000 was added as match to the Pet Friendly City Grant.

CM Programs

Added back \$15,000 to CM Projects/Programs and Supplies.

Changes during the August 13th Budget Workshop

Position Vacancies

Increased the position freeze savings from existing and projected vacancies for 9 months to \$680,930, exempting first responders and sworn Police Officers' vacant positions.

Fees Changes

Approved to increase parking meter hourly rates, the annual resident beach parking pass, and to institute a new holiday/special event beach parking flat rate of \$20.00 per day (Fee Booklet Tab, page 32).

Sanitation Division

Did not approve \$4 million estimated revenues from sale of Sanitation Franchise; directed staff to bring back options for Sanitation Division.

FEMA Reimbursement

Did not approve budgeting \$1,457,295 from FEMA reimbursement as a revenue.

Changes since the August 13th Budget Workshop

Voluntary Employees' Beneficiary Associations (VEBA)

Was not included in the FY 18/19 Budget proposal (2.5 percent of salary in current contract), it has been added to the budget as it is a contractual obligation - \$150,000.

Recruitment

\$25,000 added to FY 18/19 budget for City Manager recruitment.

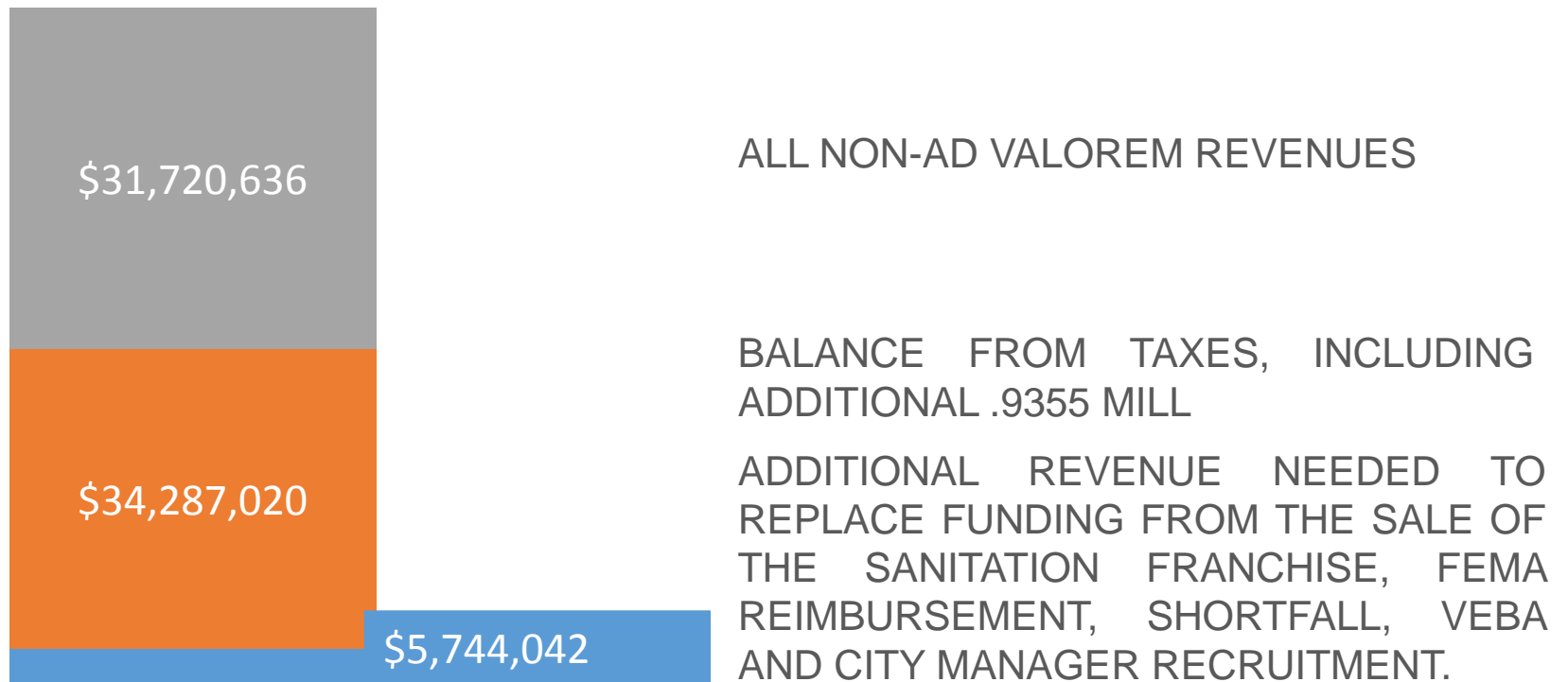
Total Shortfall

Funding from Sale of Sanitation Franchise	\$4,111,747
FEMA Reimbursement	1,457,295
VEBA Contractual Obligation	150,000
City Manager Recruitment	<u>25,000</u>
Total Shortfall as August 23, 2018	<u>\$5,744,042</u>

General Fund - FY 18/19 Recommended Budget

SOURCE TO BALANCE
GENERAL FUND

\$71,751,698 → Recommended Budget



Strategies to replace funding from the sale of the Sanitation Franchise will be discussed with the City Commission during the August 27, 2018 Special Meeting.

Steps taken since the August 13th Budget Workshop

Current PO'S

All non-contractual purchase orders (PO's) will be closed - contributing \$231,336 toward the potential shortfall at the end of FY 17/18 (see Table A).

3 % Reduction

3-percent reduction in the General Fund operating expenses from the FY 18/19 budget - \$386,425 (see Table B).

Fleet Services

FY 18/19 lease payment for vehicle replacement will be deferred for a year - \$ 1,012,569. Therefore, the vehicles in the General Fund will not be replaced. The following are the vehicles that will be replaced:

- Pickup – ¾ Ton – Sewer
- Front Loader Heavy Equipment – Sewer
- Boat – Stormwater
- Boat Trailer – Stormwater

Purchase Orders (PO's) to be Closed



Table A

GENERAL FUND	FY 17/18 PO'S to be Closed
CITY COMMISSION/ CITY MANAGER	\$4,060
BUDGET & PROGRAM MONITORING	\$229
PROCUREMENT	\$3,059
CITY ATTORNEY	\$0
FINANCE	\$58,603
INNOVATION TECHNOLOGY	\$7,367
HUMAN RESOURCES	\$0
CITY CLERK	\$18,160
POLICE	\$888
FIRE	\$3,224
DEPARTMENT OF PUBLIC WORKS	\$67,347
DEVELOPMENT SERVICES	\$34,960
HUMAN SERVICES	\$4,632
PARKS AND RECREATION	\$28,807
TOTAL - GENERAL FUND	\$231,336

Projected 3% Reduction in FY 18/19 General Fund Operating Budget (See Attachment 1)

Table B

<u>GENERAL FUND</u>	<u>FY 18/19 Tentative</u>	<u>Reduction</u>	<u>Net</u>	<u>Percent of Reduction</u>
CITY COMMISSION	\$ 138,010	\$ 24,483	\$ 113,527	18%
CITY MANAGER	\$ 126,287	\$ 4,963	\$ 121,324	4%
BUDGET & PROGRAM MONITORING	\$ 27,077	\$ 1,000	\$ 26,077	4%
PROCUREMENT	\$ 97,374	\$ 3,012	\$ 94,362	3%
CITY ATTORNEY	\$ 527,945	\$ 15,838	\$ 512,107	3%
FINANCE	\$ 142,605	\$ 4,300	\$ 138,305	3%
INNOVATION TECHNOLOGY	\$ 1,274,374	\$ 73,698	\$ 1,200,676	6%
HUMAN RESOURCES	\$ 153,080	\$ 6,000	\$ 147,080	4%
CITY CLERK	\$ 124,570	\$ 4,300	\$ 120,270	3%
POLICE	\$ 2,085,270	\$ 62,650	\$ 2,022,620	3%
FIRE	\$ 992,010	\$ 28,392	\$ 963,618	3%
DEPARTMENT OF PUBLIC WORKS	\$ 717,680	\$ 21,510	\$ 696,170	3%
DEVELOPMENT SERVICES	\$ 334,924	\$ 10,000	\$ 324,924	3%
HUMAN SERVICES	\$ 169,020	\$ 12,500	\$ 156,520	7%
PARKS AND RECREATION	\$ 1,445,583	\$ 49,099	\$ 1,396,484	3%
NON-DEPARTMENTAL	\$ 1,514,451	\$ 64,680	\$ 1,449,771	4%
TOTAL GENERAL FUND	\$ 9,870,260	\$ 386,425	\$ 9,483,835	4%

Recommendations to Balance the General Fund – As of August 23, 2018

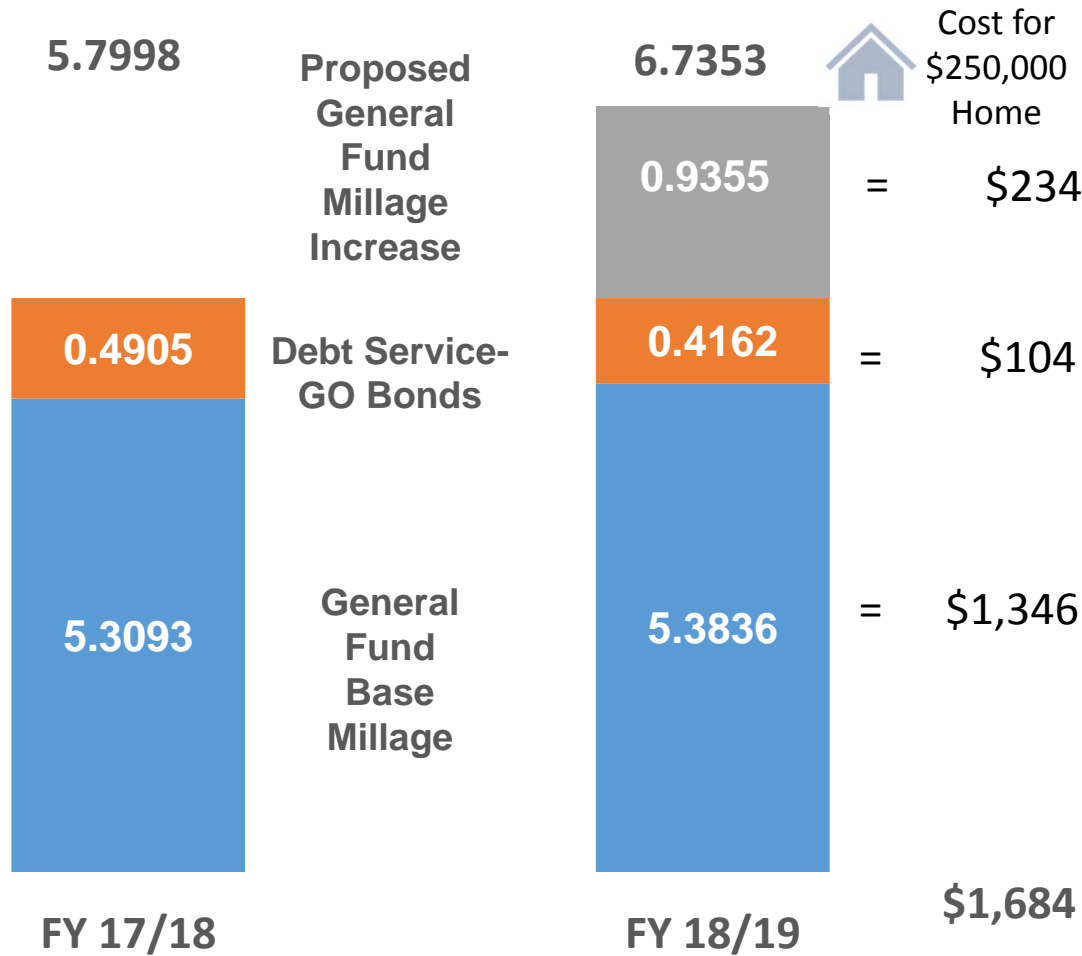
Recommendations to Balance the General Fund - As of August 23, 2018			
	Shortfall from Sanitation for Selling of the Franchise		\$ 4,111,747
	Shortfall from FEMA Reimbursement		\$ 1,457,295
	VEBA Funding		\$ 150,000
	City Manager Recruitment Expense		\$ 25,000
	Total Shortfall		\$ 5,744,042
	Less:		
1	3-Percent Reduction of General Fund Operating		(386,425)
2	Deferred General Fund Fleet Lease Payment		(1,012,569)
3	Defer Further Reduction of Admin Charges from Other Funds to the Gen. Fund		(1,067,238)
4	Transfer from Sanitation		(1,500,000)
6	Miscellaneous Increases/Decreases in the Fund		(102,298)
7	Reappropriation of Health Insurance Savings from FY 17/18		(825,435)
8	ICMA Fall-outs - Separation from the City Prior to Being Vested		(400,000)
9	Community Partnership Grants		(233,776)
	Total Reductions		(5,527,741)
	Net - Surplus/(Shortfall)		(216,301)
	Surplus from August 13, 2018 Workshop		\$ 216,301
	Net - Surplus/(Shortfall)		\$ -

Finance Department Proposed Personnel Changes

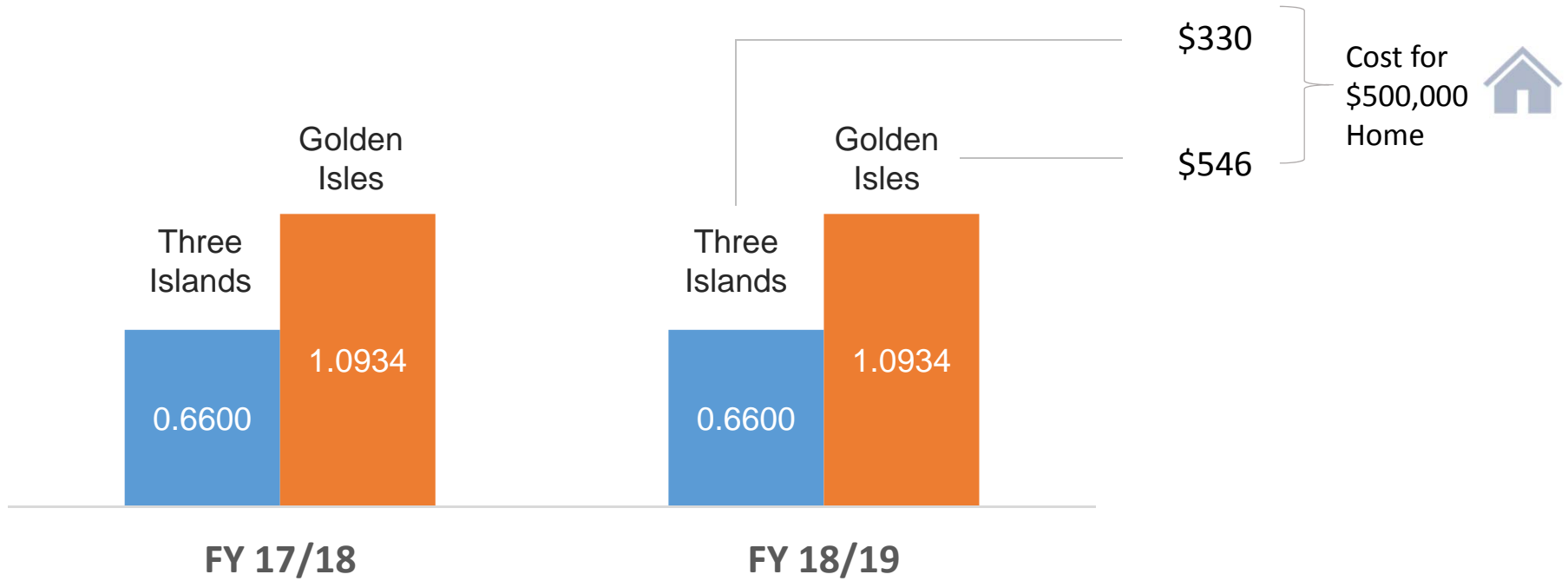
- Eliminate 1 Accountant II Position and Create 2 Accountant I Positions
- 1 Accountant Position including salaries and benefits equates to \$62,607

	<u>Salary</u>	<u>Related Benefits</u>	<u>Total</u>
<u>Position</u>			
Accountant I (add)	\$ 45,000	\$ 17,607	\$ 62,607
Accountant I (add)	45,000	17,607	62,607
Accountant II (remove)	(71,831)	(27,231)	(99,062)
Net change	18,169	7,983	26,152
Reduce Outside Consultant	(32,000)	-	(32,000)
FY18/19 Fiscal impact	(13,831)	7,983	(5,848)

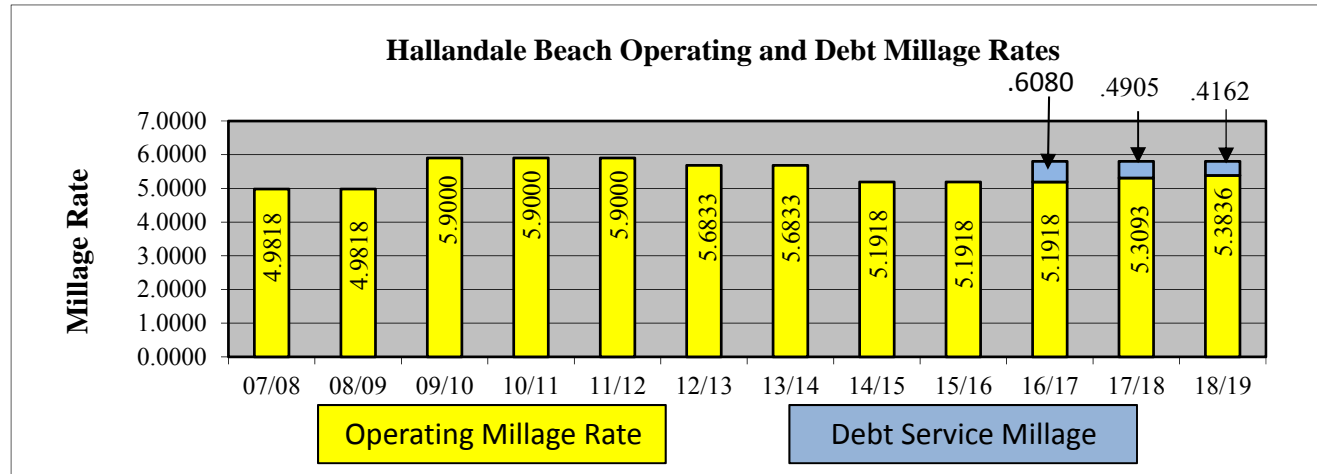
City Millage-Operating and G.O. Bond



Safe Neighborhood Districts Millages

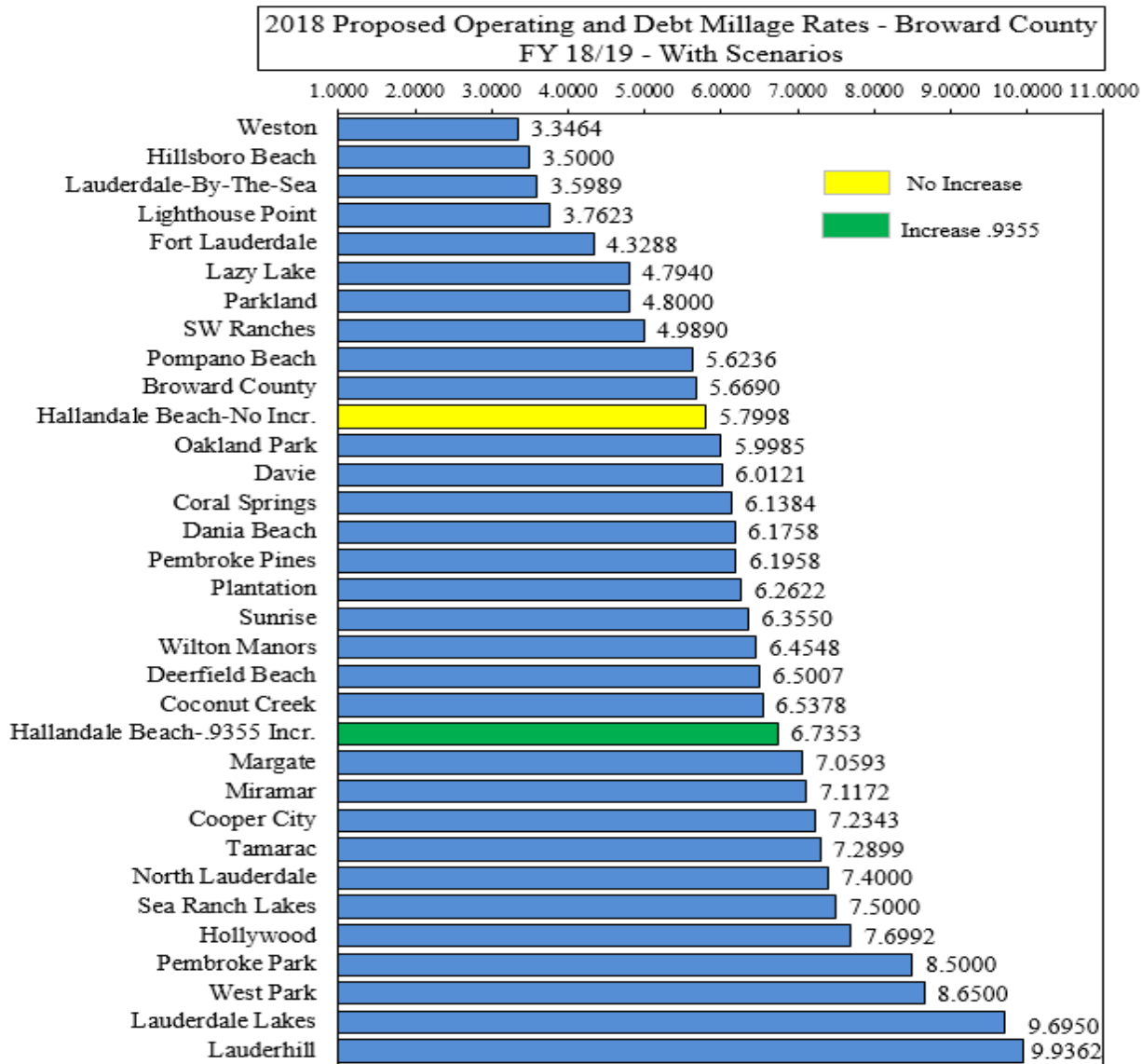


City Millage-Historical Operating and G.O. Bond



- The millage rate has not increased since FY 09/10. In FY 12/13 and FY 14/15, the City adopted the rolled-back rate. In FY 16/17, debt service millage was added for the GO Bond. Any millage increase to the operating millage has been offset by a decrease in the debt service millage until FY 18/19, when an additional operating millage increase of .9355 mills has been proposed.

City's Proposed Millage Rate Scenarios in Comparison to Other Municipalities in Broward County



Golden Isles Safe Neighborhood – Underground Aerial Utilities



- AT&T received the initial pre-billing payment of \$15,000, started the design process and will be sending a second invoice when the design is complete. The second invoice will reflect a deduction in the amount of the first payment.
- Comcast is currently in the design phase. The company's procedure is to design first and invoice for design efforts once completed.
- FPL has received the required design payment of \$33,237 and has requested AutoCAD files of the utilities in the Golden Isles Safe Neighborhood District. Unfortunately, the City's current CAD files do not contain all of the requested information. Staff will be working with the Procurement Department to obtain a proposal(s) for surveys of the area to include subsurface utility surveys and the additional required information to facilitate FPL design work.
- Estimated Timeframe for Design - March 2019.

Golden Isles Safe Neighborhood – Proposed Security Options



See Attachment 2

Sanitation Fund – Recommendation



Current Situation

\$3 million was budgeted for the selling of the franchise by the end of December 2018, plus increased franchise fees \$1,111,747 to be paid by the hauler(s). Only three months of revenues and expenditures were budgeted for the collection of solid waste for residential, commercial and multi-family operations. At this point, based on information obtained from other municipalities, staff believes that selling the franchise might not be possible.

Staff's Recommendation

Budget the whole year and work on a plan and strategies to outsource the operation. With this plan, \$1.5 million in revenues is budgeted to be transferred to the General Fund.

Reappropriation of FY 17/18 Funds (Carryover for Multi-Year Programs)



General Fund

- 1) City Manager's Office – Grants Division - \$25,000
Support proposed grant applications in FY 18/19
that might require a match

Stormwater Fund

- 2) Public Works - Stormwater \$50,000
Design and procurement of screens for NE 14th
Avenue stormwater pump stations

Reappropriation of FY 17/18 Funds (Carryover for Multi-Year Programs)



Utility Fund

3) Public Works - Water \$50,000

Design of back-up Transfer Pump and Motor specifications caused delay in formal bidding process.

4) Public Works-Sewer \$135,000

Sewer pumps for some lift stations.

Additional Alternatives Community Partnership Grants



The following tables are a listing of the organizations, programs, funding amount and priority areas:

Organization	Program Name	FY 17/18 Funding	FY 18/19 Funding	Priority Area
Grants Over \$10,000:				
First Call for Help of Broward	2-1-1 Helpline and Touchline Services	\$ 10,960	\$ 7,307	Health and Wellness
Florida Introduces Physical Activity and Nutrition to Youth	Healthy Hallandale Beach	\$ 15,000	\$ 10,000	Health and Wellness
Hallandale Food Pantry	Food Pantry	\$ 40,000	\$ 26,666	Health and Wellness
Hallandale Magnet High	Saturday Academic Success Academy	\$ 50,000	\$ 33,333	Education
Hallandale Symphonic Pops Orchestra	Hallandale Symphonic Pops Orchestra City Concert Series	\$ 30,000	\$ 20,000	Cultural Arts & Enrichment
Junior Achievement of South Florida	Junior Achievement Impact Project-Hallandale Beach	\$ 22,040	\$ 14,693	Education
South Broward Hospital District d/b/a Memorial Healthcare System	Hallandale Beach Families Matter Program	\$ 52,000	\$ 34,667	Health and Wellness
Women In Distress	Domestic Violence Services	\$ 30,000	\$ 20,000	Health and Wellness
	Sub-Total*	\$ 250,000	\$166,666	

Additional Alternatives Community Partnership Grants



Organization	Program Name	FY 17/18 Funding	FY 18/19 Funding	Priority Area
Grants Under \$10,000:				
Jubilee Center of South Broward, Inc.	Jubilee Center Soup Kitchen and Food Pantry	\$ 10,000	\$ 3,600	Health & Wellness
Broward Education Foundation	City of Hallandale Innovative Teacher Grants	\$ 10,000	\$ 3,600	Education
Manhood on the Go Foundation, Inc.	Manhood on the Go Foundation Youth Leadership Academy	New	\$ 3,600	Education
Gulfstream Early Childhood Center of Excellence	City of Hallandale Beach Safety Town	New	\$ 3,600	Education
Inside Out Theater Company, Inc.	Creating a Growth Mind-Set Through Musical Theatre	\$ 5,350	\$ 3,600	Cultural Arts & Enrichment
A Child Is Missing	Child and Adolescent Safety Education (C.A.S.E.) Program	Not funded	\$ 3,600	Education
Broward CHAI Center/Chabad of South Broward	39th Annual Chanukah Festival December 3, 2018	New	\$ 3,600	Cultural Arts & Enrichment
Holocaust Documentation and Education Center, Inc.	Student Awareness Day	\$ 7,650	\$ 3,600	Education
	Sub-Total	\$ 33,000	\$ 28,800	

Additional Alternatives Community Partnership Grants



Organization	Program Name	FY 17/18 Funding	FY 18/19 Funding	Priority Area
Matching Grants:				
Aging & Disability Resource Center	Matching ADRC Funds	\$ 36,014	\$ 24,009	
Early Learning Coalition of Broward County	Matching ELC Funds	\$ 10,000	\$ 6,667	
	Sub-Total	\$ 46,014	\$ 30,676	
Historical Grants:				
Community Civic Association	MLK Festivities	\$ 11,350	\$ 7,567	Historical
Other Miscellaneous Expenses				
	Total	\$ 340,364	\$233,909	

Budget Process Timeline

