

TOWN OF JUPITER



DATE: September 05, 2019
TO: Honorable Mayor and Members of Town Council
THRU: Matt Benoit, Town Manager
FROM: Michael Villella, Finance Director
SUBJECT: Consideration of Adopting Ordinance 10-19 to approve the Town of Jupiter 2020 millage rate of 2.4633 for the fiscal year beginning October 1, 2019 and ending September 30, 2020.

EXECUTIVE SUMMARY:

Staff seeks approval of Ordinance 10-19 for adoption of the 2020 millage rate of 2.4633 (excluding a debt service millage of .1978) for the fiscal year beginning October 1, 2019 and ending September 30, 2020. The proposed millage rate includes the ad valorem requirements to fund both operating and capital needs per State regulations. The operating and capital millage rate of 2.4633 is 3.75% higher than the rollback rate of 2.3742 as calculated by the State TRIM provisions.

In addition to the rate of 2.4633 to fund operating and capital needs, the Town has a voter-approved debt service millage of .1978, which results in a total millage rate of 2.6611. This combined rate represents a .0101 reduction from the combined rate in FY 2019.

The following table outlines the potential impact on various property owners in Jupiter by comparing the tax cost of maintaining a flat millage compared to the rollback millage rate. This analysis looks at Jupiter's ad valorem tax costs for 3 categories of property owners; 1) homesteaded residents, 2) non-homesteaded residents and 3) commercial property. The homesteaded property owner is insulated from a majority of the valuation increases as the Save Our Homes initiative caps their increase at 1.9% for 2020. Thus, the non-homesteaded part time residents bear the larger share of the increase in valuations as intended by the State Legislature.

Homes valued at \$400,000 & \$300,000 in 2019...

Town of Jupiter Taxes

(Millage rates are excluding voter-approved debt of 0.1978)

Flat Millage	\$400,000			\$300,000		
	2019 Taxes (2.4633)	2020 Taxes at proposed budget rate of 2.4633	Difference	2019 Taxes (2.4633)	2020 Taxes at proposed budget rate of 2.4633	Difference
Homesteaded Property	\$862.16	\$880.88	\$18.72	\$615.83	\$629.87	\$14.04
Non - Homesteaded Property	\$985.32	\$1,035.57	\$50.25	\$738.99	\$776.68	\$37.69
Commercial Property - \$418,573 in 2018	\$1,031.07	\$1,083.66	\$52.58			

Total ad valorem tax revenue for FY 2020 for both operations, CIP and the CRA (excluding Debt assessments) is anticipated to be \$28.0 million compared to the \$26.7 million assessed in FY 2019. This increase in tax revenue is a result of an increase in property values in 2019.

The additional funds raised will go to assist in funding of strategic priorities of the council and to keep up with the growing demands of the community and capital improvements required to maintain the quality of infrastructure in the Town.

RECOMMENDATION:

Approval of Ordinance 10-19 Adopting the Town of Jupiter millage rate for the fiscal year beginning October 1, 2019 and ending September 30th, 2020.

Strategic Priority: Fiscal Responsibility

Attachments:

1. Ordinance 10-19	Presentation
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Funding Source:

<input type="checkbox"/> Approved in Budget	\$ _____	Sources: _____
<input type="checkbox"/> Additional Funding Required	\$ _____	Sources: _____

ORDINANCE NO. 10-19

AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF JUPITER, FLORIDA, ADOPTING A MILLAGE RATE TO BE LEVIED BY THE TOWN OF JUPITER ON TAXABLE REAL AND TANGIBLE PERSONAL PROPERTY WITHIN THE TOWN FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2019 AND ENDING SEPTEMBER 30, 2020; STATING THE ROLLED-BACK MILLAGE RATE; STATING THE PERCENT BY WHICH THE MILLAGE RATE EXCEEDS, IF ANY, THE ROLLED-BACK MILLAGE RATE; AND LEVYING AD VALOREM TAXES ON ALL TAXABLE REAL AND TANGIBLE PERSONAL PROPERTY IN THE TOWN OF JUPITER FOR THE SAID FISCAL YEAR.

WHEREAS, pursuant to Chapter 166, Florida Statutes and Article VIII, §2 of the Florida Constitution the Town of Jupiter, Florida (Town) has the governmental, corporate and proprietary powers to conduct municipal government; and

WHEREAS, these powers include the power to adopt millage rates to be levied by the Town Council on all taxable real and tangible personal property within the Town each fiscal year; and

WHEREAS, the Town Council of the Town deems it necessary and advisable to adopt and levy a millage rate for the Town for the fiscal year 2019 - 2020; and,

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF JUPITER, FLORIDA:

Section 1. In order to fund the budget of the Town, a millage rate is hereby adopted and levied by the Town Council of the Town, pursuant to the Laws and Constitution of the State of Florida, as follows:

A. Upon first reading hereof, the proposed millage rate computed to fund the Town's tentative budget is hereby approved and adopted in the sum of 2.4633 mills. For each \$1,000.00 of assessed valuation, said millage rate will raise a tax of \$2.46.

B. Upon second reading hereof, the final millage rate computed to fund the Town's final budget is hereby approved and adopted in the sum of _____ mills. For each \$1,000.00 of assessed valuation, said millage rate will raise a tax of \$ ____.

Section 2. The rolled back millage rate computed by the Town pursuant to the instructions furnished by the Palm Beach County Property Appraiser for the fiscal year 2019-2020 is 2.3742 mills. The percentage by which the above specified millage rate to be levied by the Town exceeds, or is less than, the rolled-back rate, is as follows:

A. The proposed millage rate is 3.75% higher than the rolled-back millage rate. This figure is declared to be the percentage increase in property taxes for the Town proposed to be adopted by the Town Council.

B. The final millage rate is ___% higher than the rolled-back millage rate. This figure is declared to be the percentage increase in property taxes for the Town actually adopted by the Town Council.

Section 3. In order to fund the voter approved debt service for the Town, a millage rate of .1978 is hereby adopted by the Town Council of the Town, pursuant to the Laws and Constitution of the State of Florida.

Section 4. Pursuant to the millage rate aforesaid, the following amount of ad valorem taxes shall be raised and collected by the Town for municipal purposes and expenses for the fiscal year beginning October 1, 2019 and ending September 30, 2020, to-wit:

Under the proposed millage rate: \$28,078,602

Under the final millage rate: _____

Section 5. Pursuant to the applicable provisions of the Florida Constitution, the Laws of the State of Florida and the Charter of the Town , there is hereby levied a general municipal millage rate as above stated, respectively, upon the dollar amount of the assessed valuation of all taxable real and tangible personal property in the Town as returned by the Palm Beach County Property Appraiser in the Town's behalf and fixed by the Town Council as shown by the 2019 tax roll for the Town , allowing the homestead and all other lawful exemptions as shown therein.

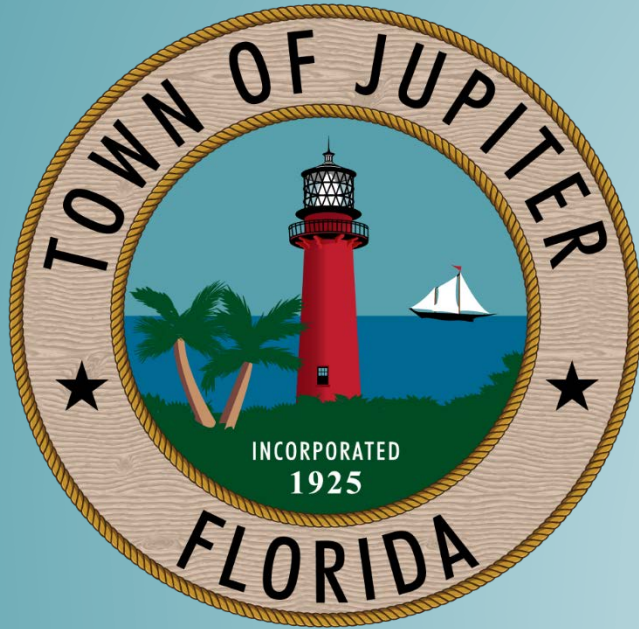
Section 6. The millage hereby levied, as above stated, respectively, is hereby approved and certified by the Town Council of the Town, pursuant to the laws of the State of Florida.

Section 7. The ad valorem taxes hereby levied are for the purpose of raising funds, revenues and moneys to be used, set aside and expended for the functions and purposes of the municipal government of the Town pursuant to the Constitution and Laws of the State of Florida and the Town Charter.

Section 8. The ad valorem taxes which are hereby levied are in excess of and above all other revenues to be received by the Town of Jupiter and are to be collected during the fiscal year beginning October 1, 2019 and ending September 30, 2020. All such ad valorem taxes so specified and levied are ordered to be extended upon the tax rolls, books and records of Palm Beach County in the proper millage in proportion to the valuation of such property as returned by the Palm Beach County Property Appraiser and fixed by the Town Council of the Town.

Section 9. The Finance department shall furnish a certified copy of this Ordinance upon first and second readings, respectively, to the Palm Beach County Property Appraiser, the Palm Beach County Tax Collector and the Department of Revenue of the State of Florida, as required by Law

Section 10. This Ordinance shall take effect immediately upon its execution.



First Public Hearing September 5, 2019

Fiscal Year 2020
Proposed Operating Budget &
Community Investment Program

Fiscal Year 2020 Budget Meetings:

- June 21, 2019 – Operating Budget Workshop
- July 16, 2016 – Set TRIM and date of first public hearing
- August 14, 2019 – CIP Workshop



Budget Objectives & Assumptions

Objectives

- Structure a proposed budget that allows for a flat millage rate which will result in modest increases for residents and businesses based on property valuation increases.
- Make investments in public safety, maintenance of infrastructure, landscaping.
- Support strategic priorities of the Town Council.
- Maintain or enhance levels of service.

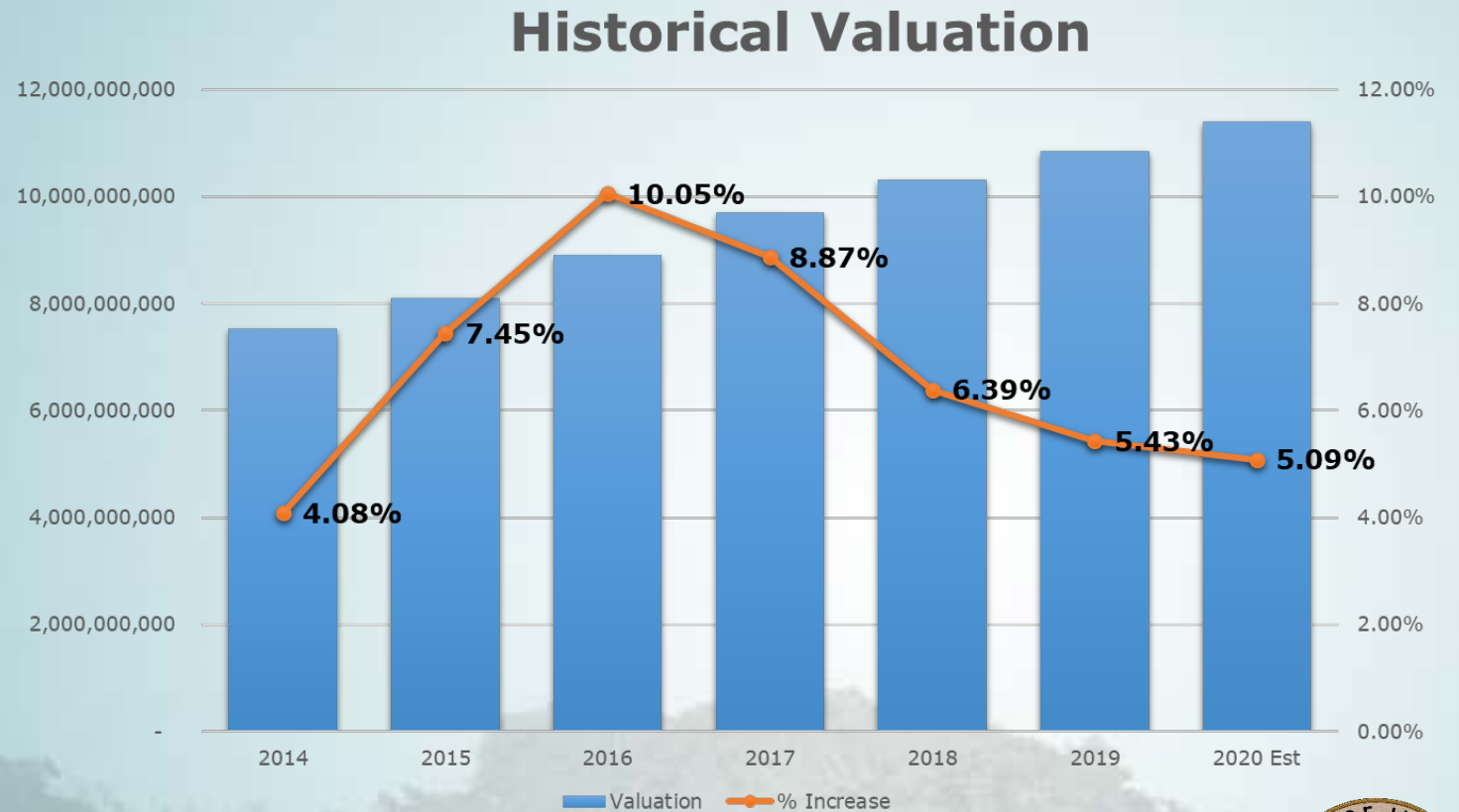
Assumptions

- Ad valorem (property) tax revenues higher than FY 2019 due to minimal increase in property value and new construction.
- Performance salary increase program and employee benefit structure.



Property Valuations Historical Perspective

- The Town has traditionally been an agency within the county that has one of the highest percentage increases in property valuations, but that trend has now reversed as we are approaching build-out and only limited new construction is occurring.
- The table to the right indicates the Town's total taxable valuation along with the percentage increase for each fiscal year presented.



Total Expenditure Overview

FUND	FY 2019 Adopted	FY 2020 Proposed
General Fund	52,806,773	55,611,511
Water Fund	25,961,520	26,097,648
Stormwater Fund	3,034,862	3,519,038
Building Fund	4,108,937	4,340,214
TOTAL OPERATING	85,912,092	89,568,411
Debt Service	6,955,225	7,048,625
Community Investment Program (CIP)	5,275,542	5,946,503
Insurance Fund (New)	-	8,005,251
TOTAL	98,142,859	110,568,790

- Proposed FY 2020 Operating Budget represents a \$3.6 million increase over FY 2019.
- General Fund increase of \$2.8 million consists of 10% increases in PD salary and benefit cost, non-union salary increases, 10% health insurance costs and \$1 million onetime contribution to the CIP fund.
- Insurance Fund being budgeted in FY2020.



General Fund Revenues

	Actual 2017 - 2018	Original 2018 - 2019	Proposed 2019 - 2020
REVENUES:			
Taxes - Current Ad valorem	\$ 20,838,849	\$ 21,743,845	\$ 22,788,395
Taxes - Utility	\$ 4,963,194	\$ 5,101,880	\$ 5,268,817
Franchise fees	\$ 4,780,075	\$ 4,700,000	\$ 4,800,000
Taxes - Other	\$ 4,048,608	\$ 4,152,470	\$ 3,987,545
Licenses and permits	\$ 522,536	\$ 508,500	\$ 507,300
Intergovernmental	\$ 3,012,564	\$ 2,717,745	\$ 2,850,785
Charges for services	\$ 4,200,292	\$ 4,862,743	\$ 5,350,801
Solid Waste Collection Revenue	\$ 3,506,664	\$ 3,432,000	\$ 3,536,960
Fines and forfeitures	\$ 317,617	\$ 164,000	\$ 279,000
Interest	\$ 685,413	\$ 650,767	\$ 1,018,267
Miscellaneous	\$ 526,950	\$ 144,000	\$ 208,150
Transfers -Sales Tax Debt Fund	\$ 3,500,000	\$ 3,700,000	\$ 3,800,000
CRA Cost Reimbursement	\$ 300,000	\$ 300,000	\$ 715,491
CRA Loan Repayment	\$ -	\$ 400,000	\$ 500,000
Fund Balance	\$ 275,000	\$ 228,823	\$ -
TOTAL REVENUES	\$ 51,477,761	\$ 52,806,773	\$ 55,611,511

Highlights:

- \$1 million increase in Ad Valorem tax collection.
- Allocation increase from enterprise funds \$800k.
- No use of fund balance.



General Fund Expenditures

EXPENDITURES:	Actual 2017 - 2018	Original 2018 - 2019	Proposed 2019 - 2020
Council	\$ 271,064	\$ 260,523	\$ 269,526
Town Manager	\$ 570,843	\$ 766,019	\$ 457,774
Town Clerk	\$ 535,771	\$ 703,954	\$ 665,929
Neighborhoods	\$ 333,374	\$ 450,764	\$ 381,318
Community Relations/Public Info	\$ 767,955	\$ 873,530	\$ 911,803
Finance	\$ 901,290	\$ 950,223	\$ 1,007,308
Town Attorney	\$ 288,676	\$ 350,320	\$ 350,320
Information Systems	\$ 2,438,286	\$ 2,785,053	\$ 2,856,133
Human Resources	\$ 631,790	\$ 818,853	\$ 793,119
Utilities and Operating Expenses	\$ 4,194,461	\$ 4,316,143	\$ 4,819,910
Solid Waste Collections	\$ 3,503,284	\$ 3,432,000	\$ 3,536,960
Planning and Zoning	\$ 1,669,750	\$ 1,908,657	\$ 2,011,645
Police	\$ 21,192,169	\$ 22,981,433	\$ 24,461,660
Code Compliance	\$ 690,082	\$ 735,745	\$ 729,538
Engineering	\$ 1,527,565	\$ 1,482,214	\$ 1,508,464
Public Works	\$ 3,815,297	\$ 4,228,009	\$ 4,111,435
Parks Maintenance	\$ 2,290,180	\$ 2,383,118	\$ 2,467,606
Recreation Services	\$ 2,658,667	\$ 3,007,013	\$ 3,097,286
Business Development	\$ 313,582	\$ 373,202	\$ 173,777
One-Time Trf to CIP	\$ -	\$ -	\$ 1,000,000
TOTAL EXPENDITURES	\$ 48,594,087	\$ 52,806,773	\$ 55,611,511

Highlights:

- \$2.8 million increase over FY 2019 original budget (5.31%)
- \$300,000 decrease in TM budget due to elimination ATM/Special Project positions
- \$200,000 decrease in Business Development due to elimination of Business Development director position.
- 10% increase in pay for PBA union members.
- Salary study implementation for non union employees.
- 10% increase in health insurance premiums (across all funds).
- \$197,000 decrease in landscape maintenance contract.
- \$1 million surplus transfer to the CIP fund for capital needs.



Water Fund

	Actual FY 2018	Adopted FY 2019	Proposed FY 2020
REVENUES			
Charges for services	\$ 25,960,010	\$ 24,864,317	\$ 25,007,979
Interest	330,585	409,052	562,808
Miscellaneous	399,129	419,430	383,600
Designated from retained earnings	-	268,721	143,261
TOTAL REVENUES	\$ 26,689,724	\$ 25,961,520	\$ 26,097,648
EXPENSES			
Administration	\$ 3,024,621	\$ 3,196,978	\$ 3,229,860
Plant	7,792,896	9,422,740	9,159,263
Field	2,362,808	2,586,626	2,590,015
Cost Allocation - General Fund	858,126	881,506	1,191,126
Depreciation	6,410,331	6,540,976	6,764,000
Debt service	3,468,651	2,832,694	2,663,384
Contingency	-	500,000	500,000
Designated to retained earnings	2,772,291	-	-
TOTAL EXPENSES	\$ 26,689,724	\$ 25,961,520	\$ 26,097,648
FUNDS AVAILABLE FOR R&R (excluding retained earnings)			
Revenue	\$ 26,689,724	\$ 25,692,799	\$ 25,954,387
Less: Total expenses	(23,917,433)	(25,961,520)	(26,097,648)
Plus: Depreciation	6,410,331	6,540,976	6,764,000
AVAILABLE FOR R&R	\$ 9,182,622	\$ 6,272,255	\$ 6,620,739
(R&R target is \$6.6M in FY2020)			
Notes:			
Capitalized Salaries	\$ 226,692	\$ 239,550	\$ 244,900

Highlights:

- No rate indexing increase for FY2020 but assumes a 1% growth in the customer base.
- \$131,000 in interest payments from the Stormwater Fund begin in FY 2020 for a \$5.7 million loan from the Water R&R fund.
- No new positions being requested.
- Increase in general fund allocation of \$310,000. Moved two GIS positions to the General Fund.



	2020	2021	2022	2023	2024	Total
Operating Fund Balance	\$ 23,373,164	\$ 18,271,862	\$ 17,657,577	\$ 17,053,795	\$ 16,470,753	\$ 23,373,164
Net Operating Cash	8,746,576	8,796,559	8,791,499	8,792,439	8,784,484	43,911,556
Less: Annual transfer to R&R Fund ⁽¹⁾	(6,587,204)	(6,755,702)	(7,429,405)	(5,606,732)	(8,310,832)	(34,689,875)
Less: Transfers from/(to) Connection Fee Fund ⁽⁴⁾	(1,313,940)	(2,250,226)	(1,596,441)	(3,475,896)	(930,970)	(9,567,473)
Less: Deposit to Membrane & Ion Reserves	(441,503)	(532,373)	(532,373)	(532,373)	(532,373)	(2,570,995)
Less: Annual Debt Service Payments	(519,362)	(466,564)	(411,366)	(355,852)	(225,786)	(1,978,929)
Less: Capital Project Expenditures	-	-	-	-	-	-
Less: Capital Equipment Expenditures	(171,200)	(231,522)	(237,310)	(243,242)	(249,323)	(1,132,597)
Less: Loan to Stormwater Fund	(5,700,000)	-	-	-	-	(5,700,000)
Add: Loan Principal Payment from Stormwater Fund	322,523	329,941	337,529	345,292	353,234	1,688,519
Add: Interest Income	562,808	495,601	474,084	493,322	509,107	2,534,923
Total Operating Fund Balance	18,271,862	17,657,577	17,053,795	16,470,753	15,868,293	15,868,293
Renewal & Replacement Fund Balance	31,397,858	21,429,904	22,014,447	25,810,786	29,815,703	31,397,858
Add: Annual transfer from Operating Fund & Others ⁽¹⁾	6,618,454	6,755,702	7,429,405	5,606,732	8,310,832	34,721,125
Add: Annual Deposit to Membrane, Ion Resin Reserve	441,503	532,373	532,373	532,373	532,373	2,570,995
Less: Capital Project Expenditures	(16,536,660)	(7,026,939)	(4,521,458)	(2,616,698)	(4,644,718)	(35,346,473)
Less: Capital Proj. Exp. - Membrane, Ion Resin, Storm	(874,890)	-	-	-	-	(874,890)
Add: Interest Income	383,639	323,407	356,019	482,510	638,299	2,183,874
Total R&R Fund Balance ^{(2) (3)}	21,429,904	22,014,447	25,810,786	29,815,703	34,652,489	34,652,489
Connection Fees Fund Balance	-	-	-	-	-	-
Add: Annual Contributions to Connect Fee Fund	894,560	800,187	688,184	754,655	754,655	3,892,241
Less: Capital Project Expenditures	(102,500)	(845,413)	(58,125)	(1,996,051)	(58,125)	(3,060,214)
Less: Annual Debt Service Payments	(2,106,000)	(2,205,000)	(2,226,500)	(2,234,500)	(1,627,500)	(10,399,500)
Add: Transfers from/(to) Operating Fund ⁽⁴⁾	1,313,940	2,250,226	1,596,441	3,475,896	930,970	9,567,473
Total Connection Fee Fund Balance	-	-	-	-	-	-
Total Funds Available At Year End	\$ 39,701,766	\$ 39,672,024	\$ 42,864,581	\$ 46,286,455	\$ 50,520,782	\$ 50,520,782

WATER FUND CASH FLOW

Notes:
(1) Per the 2017 Master Plan Update, the minimum annual R&R funding deposit goal should be equal to the annual depreciation expense of system assets with deposits indexed at 3% annually based on the average of the ENR 20-City Construction Cost Index. R&R funding deposit goals:

	2020	2021	2022	2023	2024
	6,587,204	5,755,702	6,429,405	4,606,732	7,310,832

(2) Per Resolution 48-10, the minimum R&R fund balance goal is \$5,000,000.

(3) Per bond covenants, minimum R&R balance is \$500,000.

(4) As provided in the 2012 & 2017 Master Plans, cumulative balance due to Operating Fund from Connection Fee Fund at fiscal year end:

	2020	2021	2022	2023	2024
	8,765,857	11,016,082	12,612,523	16,088,420	17,019,390

(5) The 2017 Master Plan Update assumptions provided for a loan from the Water System Fund to the Stormwater Fund.

Balance of loan due to Water System Fund from Stormwater Fund at fiscal year end (15yr @ 2.30%):

	2020	2021	2022	2023	2024
	5,377,477	5,047,537	4,710,007	4,364,715	4,011,481



Stormwater Fund

	Actual FY 2018	Adopted FY 2019	Proposed FY 2020
REVENUES			
Charges for services	\$ 2,799,857	\$ 3,028,612	\$ 3,265,082
Interest & miscellaneous	14,441	6,250	22,289
Designated from retained earnings	-	-	231,667
TOTAL REVENUES	\$ 2,814,298	\$ 3,034,862	\$ 3,519,038
EXPENSES			
Administration	\$ 498,099	\$ 633,476	\$ 645,523
Field	961,068	1,279,243	1,272,467
Cost Allocation - General Fund	112,974	115,491	179,425
Depreciation	800,988	863,000	867,000
Debt service	-	-	454,623
Contingency	-	100,000	100,000
Designated to retained earnings	441,170	43,652	-
TOTAL EXPENSES	\$ 2,814,298	\$ 3,034,862	\$ 3,519,038
FUNDS AVAILABLE FOR R&R (excluding retained earnings)			
Revenue	\$ 2,814,298	\$ 3,034,862	\$ 3,287,371
Less: Expenses	(2,373,129)	(2,991,210)	(3,519,038)
Plus: Depreciation	800,988	863,000	867,000
AVAILABLE FOR R&R	\$ 1,242,157	\$ 906,652	\$ 635,333
(R&R target is \$637k in FY2020)			
Notes:			
Capitalized Salaries	\$ 8,056	\$ 12,650	\$ 7,200

Highlights:

- 7.0% increase in stormwater fees which was adopted by the Town Council on August 8th. A 1% growth factor in ERU's served.
- Fund expenditures increased almost 15.15% primarily due to the initial principal and interest payment due the water fund loan of \$5.7 million for capital projects.



	2020	2021	2022	2023	2024	Total
Operating Fund Balance	\$ 3,180,866	\$ 3,026,148	\$ 3,091,303	\$ 3,547,569	\$ 3,666,093	\$ 3,180,866
Net Operating Cash	2,580,201	2,229,637	1,596,603	1,628,596	1,660,652	9,695,690
Less: Loan Payment to Water System Fund ⁽⁴⁾	(454,623)	(453,623)	(453,623)	(453,623)	(453,623)	(2,269,113)
Less: Capital Project Expenditures	(1,516,354)	(994,922)	(347,358)	(351,780)	(356,333)	(3,566,747)
Less: Capital Equipment Expenditures	(148,500)	(75,000)	(76,875)	(78,797)	(80,767)	(459,939)
Less: Annual transfer to R&R Fund ⁽¹⁾	(637,081)	(656,193)	(675,879)	(696,155)	(717,040)	(3,382,348)
Net Transfers to/from Availability Fee Fund ⁽⁵⁾	-	-	393,540	45,123	45,123	483,786
Add: Interest Income	21,639	15,255	19,857	25,160	29,721	111,632
Total Operating Fund Balance	3,026,148	3,091,303	3,547,569	3,666,093	3,793,827	3,793,827
Renewal & Replacement Fund Balance	168,766	3,101,981	2,508,608	1,921,125	2,154,686	168,766
Add: Annual transfer from Operating Fund ⁽¹⁾	637,081	656,193	675,879	696,155	717,040	3,382,348
Add: Infrastructure Equity Program Receipts	22,299	22,299	10,195	6,195	6,195	67,184
Add: Loan from Water System Fund ⁽⁴⁾	5,700,000	-	-	-	-	5,700,000
Less: Capital Project Expenditures	(3,426,166)	(1,285,856)	(1,286,807)	(483,004)	(971,124)	(7,452,957)
Add: Interest Income	-	13,991	13,249	14,216	16,246	57,702
Total R&R Fund Balance ⁽²⁾	3,101,981	2,508,608	1,921,125	2,154,686	1,923,043	1,923,043
Availability Fees/Inlet Village Fund Balance	-	-	-	-	-	-
Add: Annual Contributions to Inlet Village Fund	-	-	393,540	45,123	45,123	483,786
Less: Capital Project Expenditures	(507,454)	-	-	-	-	(507,454)
Net Loan Transfers to/from CRA Fund ⁽⁶⁾	507,454	-	-	-	-	507,454
Net Transfers to/from Operating Fund ⁽⁵⁾	-	-	(393,540)	(45,123)	(45,123)	(483,786)
Add: Interest Income	-	-	-	-	-	-
Total Availability Fees/Inlet Village Fund Balance	-	-	-	-	-	-
Total Fund Balance at Year End ⁽³⁾	\$ 6,128,129	\$ 5,599,912	\$ 5,468,694	\$ 5,820,780	\$ 5,716,870	\$ 5,716,870

Storm Water Cash Flow

Notes:

(1) Per the 2017 Master Plan Update, the annual R&R reserve funding deposit goal is \$580,000 with deposits indexed at 3.0% based on the average of the ENR 20-City Construction Cost Index. R&R funding deposit goals:

	2020	2021	2022	2023	2024
	637,081	656,193	675,879	696,155	717,040

(2) Per the 2017 Master Plan Update, the minimum R&R fund balance goal is \$580,000.

(3) Per the 2017 Master Plan Update, the minimum fund balance goal is \$3m-\$4m.

(4) The 2017 Master Plan Update assumptions provided for a loan from the Water System Fund to the Stormwater Fund.

Balance of loan due to Water System Fund from Stormwater Fund at fiscal year end (15yr @ 2.30%):

	2020	2021	2022	2023	2024
	5,377,477	5,047,537	4,710,007	4,364,715	4,011,481

(5) As provided in the 2017 Master Plan, cumulative balance due to Operating Fund from Availability Fee Fund at fiscal year end:

	2020	2021	2022	2023	2024
	1,053,831	1,053,831	660,291	615,168	570,045

(6) As provided in the FY2020 CIP budget, cumulative balance of loan due to CRA Fund from Availability Fee Fund at fiscal year end:

	2020	2021	2022	2023	2024
	507,454	507,454	507,454	507,454	507,454



Building Fund

	Actual 2017 - 2018	Original 2018 - 2019	Proposed 2019 - 2020
REVENUES:			
Building permits	5,328,329	3,816,000	4,012,000
Charges for services	-	-	-
Interest on investments	184,292	40,500	215,000
Misc. Revenue	3,457	-	1,000
Designated from retained earnings	-	252,437	112,214
TOTAL REVENUES	<u>5,516,077</u>	<u>4,108,937</u>	<u>4,340,214</u>
EXPENSES:			
Protective inspections	3,293,547	3,561,947	3,756,025
Cost Allocation - General Fund	376,033	470,990	506,189
Depreciation	73,078	76,000	78,000
Transfer to CIP	198,938	-	-
Designated to Retained Earnings	-	-	-
TOTAL EXPENSES	<u>3,941,596</u>	<u>4,108,937</u>	<u>4,340,214</u>



New – Insurance Fund

For FY2020, the Town will budget the Insurance Fund separately so that insurance related revenues and expenditures can be easily identified

OPERATING REVENUES

GENERAL FUND - EMPLOYER CONTRIBUTIONS	4,765,142
GENERAL FUND - EMPLOYEE CONTRIBUTIONS	1,094,390
CRA FUND - EMPLOYER CONTRIBUTIONS	-
CRA FUND - EMPLOYEE CONTRIBUTIONS	-
WATER FUND - EMPLOYER CONTRIBUTIONS	988,713
WATER FUND - EMPLOYEE CONTRIBUTIONS	222,007
STORMWATER FUND - EMPLOYER CONTRIBUTIONS	150,836
STORMWATER FUND - EMPLOYEE CONTRIBUTIONS	34,239
BUILDING FUND - EMPLOYER CONTRIBUTIONS	474,261
BUILDING FUND - EMPLOYEE CONTRIBUTIONS	106,626
RETIREE CONTRIBUTIONS	169,037

TOTAL REVENUE

8,005,251

EXPENDITURES

CONTRACTUAL SERVICES	337,623
DENTAL INSURANCE	272,056
VISION INSURANCE	31,390
STOP LOSS PREMIUMS	720,436
HEALTH INSURANCE CLAIMS	4,728,803
OPT OUT	81,000
H.S.A. CONTRIBUTIONS	813,000
LIFE, AD&D, LTD, EAP	197,738
RESERVE EQUITY	823,205

TOTAL EXPENDITURES

8,005,251

Highlights:

- 10% Increase in Premiums
- Continue 80/20 split in cost between the Town and Employees
- H.S.A. Contributions for Employees \$813,000



	2020	2021	2022	2023	2024	Total
Engineering	\$1,637,087	\$4,646,000	\$10,726,439	\$2,125,000	\$950,000	\$ 20,084,526
Parks	544,714	1,175,000	5,293,500	2,831,500	200,000	10,044,714
Neighborhoods	303,937	310,000	310,000	310,000	310,000	1,543,937
General Government	2,860,215	459,594	397,777	352,329	359,376	4,429,291
Planning and Zoning	485,000	30,000	-	-	-	515,000
Water	18,226,138	7,779,652	4,226,583	4,612,749	4,702,843	39,547,965
Stormwater	4,832,186	2,373,478	2,122,165	834,784	1,327,457	11,490,070
TOTAL	\$28,889,277	\$16,773,724	\$23,076,464	\$11,066,362	\$7,849,676	\$87,655,503

CIP - Total Cost and Funding Summary 2020 – 2024

Project Funding	2020	2021	2022	2023	2024	Total
General Revenues	\$ 3,328,479	\$ 4,001,014	\$ 2,762,777	\$ 2,677,329	\$ 1,509,376	\$ 14,278,975
Surtax Proceeds	-	350,000	6,823,103	2,631,500	-	9,804,603
Grants :						
LRPI	1,377,454	431,855	200,000	200,000	200,000	2,409,309
RAP State Grant	-	280,000	-	-	-	280,000
FDOT	-	-	6,081,836	-	-	6,081,836
FEMA	900,000	-	-	-	-	900,000
CDBG	303,937	310,000	310,000	310,000	310,000	1,543,937
LRD Contribution	-	140,000	-	-	-	140,000
Escrow & Other Deposits	435,587	33,580	81,000	-	-	550,167
Forfeiture Funds	600,000	-	-	-	-	600,000
Open Space Funds	22,500	-	-	-	-	22,500
Road Impact Fees	356,000	1,926,000	269,000	-	-	2,551,000
MSTU	-	-	359,000	-	-	359,000
Water R&R	17,380,300	7,026,939	4,521,458	2,616,698	4,644,718	36,190,113
Offsite Fees	77,500	820,413	58,125	58,125	58,125	1,072,288
Water Capacity Charges	25,000	25,000	-	1,937,926	-	1,987,926
Stormwater R & R	3,436,166	1,285,856	1,062,807	483,004	971,124	7,238,957
Loan from CRA	507,454	-	-	-	-	507,454
CRA Revenue	-	-	400,000	-	-	400,000
Stormwater Revenues	138,900	143,067	147,358	151,780	156,333	737,438
TOTAL	\$28,889,277	\$16,773,724	\$23,076,464	\$11,066,362	\$7,849,676	\$87,655,503



Summary

- Staff seeks approval on first reading of the proposed millage rate of 2.4633 through ordinance 10-19
- Staff seeks approval on first reading of the proposed community investment program through ordinance 11-19
- Discussion and questions regarding the operating budget. Resolution 88-19 will be voted on at the second public hearing scheduled for September 17, 2019

