

# Board of County Commissioners FY19 Budget Workshop

Agenda  
June 14, 2018  
Room 430, 12:30PM

- Aviation
- Transportation Capital Program
- General Fund Update Based on June 1st Preliminary Tax Roll
  
- Budget Workshops
  - August 16th
  - August 21st

# FY 19 General Fund Update

# History of Tax Roll (\$ in billions)



\* Preliminary June 1 Estimate



# Tax Roll Data

(86% of General Fund recurring revenues)

	<b>FY18 Tax Roll used for Adopted Budget (in Billions)</b>	<b>FY19 Preliminary Tax Roll (in Billions)</b>	<b>% Change from FY18 Adopted</b>
<b>March Staff Estimate (Commission Retreat)</b>	\$177.3	\$188.1	<b>6.1%</b>
<b>June 1st PAO Estimate</b>	177.3	189.5	<b>6.9%</b>

# Share of taxable assessments, by Type of Property, FY14 to FY19

	<b>% Tax Roll in FY14</b>	<b>% Tax Roll in FY15</b>	<b>% Tax Roll in FY16</b>	<b>% Tax Roll in FY17</b>	<b>% Tax Roll in FY18</b>	<b>% Tax Roll in FY19*</b>	<b><i>Projected homestead on FY19**</i></b>
<b>Homestead</b>	35.0%	34.2%	33.3%	32.6%	32.4%	32.8%	30.5%
<b>Non-Homestead Residential</b>	33.6%	35.4%	37.2%	38.0%	37.7%	37.6%	38.9%
<b>All Other Properties</b>	31.4%	30.4%	29.5%	29.4%	29.9%	29.6%	30.6%
<b>Total</b>	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

\* Preliminary June 1 Estimate

\*\* From data of BC Property Appraiser's Office

# Overall General Fund Outlook

Factors in the following:

- Preliminary Tax Roll on June 1st (Final on July 1st)
- For non-property taxes, FY19 updated revenue estimates are little changed overall from March
- Projection of CRA expenses has increased since March

# FY19 General Fund Projected Recurring Revenue

<b>Net Recurring Revenue Growth</b>	<b>FY19 vs FY18 Adopted</b>	<b>Percent change</b>
<b>Of which: ad valorem</b>	\$64.5	6.9%
<b>Of which: sales tax/state revenue sharing</b>	\$6.5	6.8%
<b>Of which: interest income</b>	\$1.5	30%
<b>Of which: all other General Fund revenues</b>	\$0.0	0%
<b>Of which: BSO revenue changes</b>	-\$2.2	-10%
<b>State requirement to Budget 95%</b>	-\$4.0	7.1%
<b>TOTAL</b>	\$66.4	5.7%

# FY19 General Fund Projected Resources

- Projected 5.3% net increase in projected resources available to address the needs of all general fund agencies after increases in mandated and other costs

<b>Net Recurring Revenue Growth</b>		\$66.4M
<b>Deduct Mandated and Non-Departmental Costs increases</b> (FDH-Florida Department of Health, DJJ-Florida Department of Juvenile Justice)	Amendment	-\$11.0M*
	CRA payments	-4.2M
	FDH and DJJ payments	<u>-0.8M</u>
	<b>TOTAL</b>	<b>-\$16.0M</b>
<b>Net New Funding Available</b>		\$50.4M
<b>Percent increase available for operating budgets</b>		5.3%

\*Subject to change based on new state estimates



# Impact of Tax Rolls on CRA payments

<b>FY18 CRA Payments</b>	\$43.23
<hr/>	
<b>FY19 Estimate as of June</b>	\$47.45
<hr/>	
<b>Increase over FY18 Payments</b>	\$4.22
<hr/>	
<b>Increase over FY19 March Staff Estimate</b>	\$0.72

# FY19 General Fund Projected Resources and Requests

<b>Net New Funding Available</b>	\$50.4
<b>Constitutional officers requests</b>	\$23.1
<b>County agencies—maintain current services</b>	\$9.1
<b>Transit—maintain current services</b>	\$9.4
<b>Others (Judicial, OIG, Planning, Charter, etc)</b>	\$0.4
<b>Subtotal</b>	\$42.0
<b>Additional resources available for County programs</b>	\$8.3

# Transit funding needed to meet current service demands in FY19

- Increased demand for Paratransit services: \$4.1M
- Transit ridership and revenues: \$2.9M
- Fuel: \$1.0M
- Other Personnel & Operating Costs: \$1.4M
  
- Total: \$9.4M

# Needs competing for resources for FY19 Budget

- County costs for shelters during hurricanes or other emergencies
- Dispatch changes to promote efficiency
- Cultural funding
- Homelessness
- Affordable housing
- Living wage
- Physical and cyber security
- County Administrator agencies
- County Attorney & Auditor
- Apprenticeships
- College scholarships, \$1 million
- Film & television
- Latin American Presidential Library
- Lauderdale-by-the-Sea septic replacement, request to state was \$1.5 million (Pompano Beach wastewater system)
- Marine research
- Local option court programs and declining fee revenue

**Draft**

# Hurricane preparedness

- Shelter costs now County responsibility for expenses incurred by Broward County School Board
- County agencies on-going supplies and preparedness costs
- Dispatch costs during emergency event
- Total estimated cost is \$4.3M per year, assuming one event, with anticipated FEMA reimbursement for eligible expenses

# Local option court programs and declining fee revenue

- Court cost fund supports the following Local Option Programs:
  - Felony and Misdemeanor Mental Health Court
  - Domestic Violence Victim Assistance Program, Part of the State Attorney's Office
  - Justice Alternatives Program
- Court cost fund revenue declining due to traffic ticket trends
- Estimated \$360,000 to maintain current activities

# Dispatch funding— Continued implementation of Fitch report

- County implementing independent Quality Assurance, relieving need for personnel previously in BSO budget
- Implementation of EFD and EPD (electronic fire and police dispatch) will take place in 2019
- Proposed funding for BSO Dispatch will allow for phase-in during 2019; discussions with BSO are on-going

# Homelessness



# Homeless Prevention Funding

- Provides emergency assistance to residents to prevent loss of water and electric service, housing, and prevents foreclosure through providing case management, emergency funding, tuition, transportation, nutrition, childcare and employment assistance.

	Housing related payments	Utilities	Other Direct Client Assistance	Support services	Total
GF	\$1,569,573	\$54,949	\$76,656	\$5,150,342	\$6,851,520
Grants	\$656,086	\$3,304,139	\$343,817	\$2,276,115	\$6,580,157
Total	\$2,225,659	\$3,359,088	\$420,473	\$7,426,457	\$13,431,677

# Homeless Continuum of Care funding

Priority	Service	County	HUD	State	Total
1	Permanent Housing	\$2,137,972	\$8,216,326	\$109,690	\$10,463,988
2	Emergency Shelter	\$9,247,759	\$0	\$290,820	\$9,538,579
3	Coordinated Assessment	\$312,625	\$0	\$31,500	\$344,125
4	Transitional Housing	\$482,673	\$1,068,615	\$0	\$1,551,288
5	Supportive Services	\$711,384	\$522,337	\$107,143	\$1,340,864
	Total Funding	\$12,892,413	\$9,807,278	\$539,153	\$23,238,844

# Current collaborative addressing Homelessness

- Leaders from the public, nonprofit/faith-based and business community sectors have formed a collaborative to work on solutions using national best practices (U.S. Interagency Council on Homelessness).
- Nearly 40 organizations are working to match unsheltered homeless individuals and families with permanent housing and supportive services, using a Housing First approach.
- This collaboration will produce a comprehensive approach designed to address homelessness across Broward County.
- Resources from all members of the collaborative will be required, and many have already been committed.

# FY19 Human Services Department Funding Proposal

- Intensive case management services, including housing placement, for 75 people experiencing street homelessness.
- Assistance with accessing government benefits, training and employment through partnerships with community agencies.
- Hygiene items, clothing, bus passes and food vouchers.
- County would work collaboratively with leaders from the public, nonprofit, faith and business community to secure and fund housing.
- Cost of overall program – Up to \$2.2 million annually

# Living wage

# Living Wage Comparison

	Palm Beach	Broward	Miami-Dade	Average
Hourly rate	12.05	12.38	12.99	12.47
Hourly wage without health	12.05	13.98	16.15	14.06

Note: 160 hours per month times \$1.60 per hour differential, is \$256 per month, is sufficient to pay for acceptable coverage under Health Care Exchanges.

# Examples of health care premiums

<b>Age (male, non-smoker)</b>	<b>Annual Income</b>	<b>Monthly ACA subsidy</b>	<b>Monthly Plan 1 Rate</b>	<b>Monthly Plan 2 Rate</b>	<b>Monthly Plan 3 Rate</b>
<b>25</b>	\$25,750	\$188	\$156	\$165	\$198
<b>30</b>	\$25,750	\$232	\$158	\$167	\$204
<b>40</b>	\$25,750	\$279	\$159	\$169	\$211

# Living Wage—County employees

- Miami-Dade Living Wage is
  - \$13.20 for contracts before Oct 1st, 2016, with health care >\$1.91/hr
  - \$12.99 for contracts after Oct 1st, 2016, with health care >\$3.16/hr
- Cost to bring Broward benefit-eligible employees to \$12.99
  - Involves estimated 110 employees
  - Cost of \$141,000 (All GF)



# Living Wage—Vendors

- Current ordinance
  - Covered services include: security, janitorial/cleaning, shuttles/paratransit, clerical/call center, landscaping
  - Changes annually based on lower of CPI, 3%, or BC unrepresented employees compensation increase
- Current contracts
  - Not based on per hour charges, but cost per building or other unit of analysis
  - Not all hours of work by employees are under the Broward County contract
  - Health care costs may not always be used for premiums
  - Existing 75 multiyear contracts estimated to have had labor content of \$101M (60% wages) - \$135M (80% wages)
  - Rebidding of services may be most appropriate time to modify approach
- Impact of changes: 5% change in labor cost might be \$5.1M-\$6.7M
- Possible other impacts if changes to covered services

# County Attorney request

	FY18 Adopted	FY 19 Requested	% Change from FY18 Adopted
<b>Personnel services</b>	\$9.224	\$10.761	<b>16.7%</b>
<b>Other operating</b>	\$0.192	\$0.275	<b>43.2%</b>
<b>Capital and non-recurring*</b>		\$0.608	
<b>TOTAL</b>	\$9.416	\$11.036	<b>17.2%</b>
<b>Change in General Fund Spending</b>		\$1.620	
<b>Revenues projected Port/Airport</b>		\$0.174	
<b>Revenues projected TDT</b>		\$0.282	
<b>Net impact on General Fund</b>		\$1.164	<b>12.4%</b>

\*Includes estimates of \$500,000 for space build-out, \$50,000 for furniture and \$50,000 for billing system.

# County Auditor request

	<b>FY18 Adopted</b>	<b>FY 19 Requested</b>	<b>% Change from FY18 Adopted</b>
<b>Personnel services</b>	\$2.785	\$2.925	<b>5.03%</b>
<b>Other operating</b>	\$0.170	\$0.169	<b>-0.35%</b>
<b>TOTAL</b>	\$2.955	\$3.094	<b>4.72%</b>

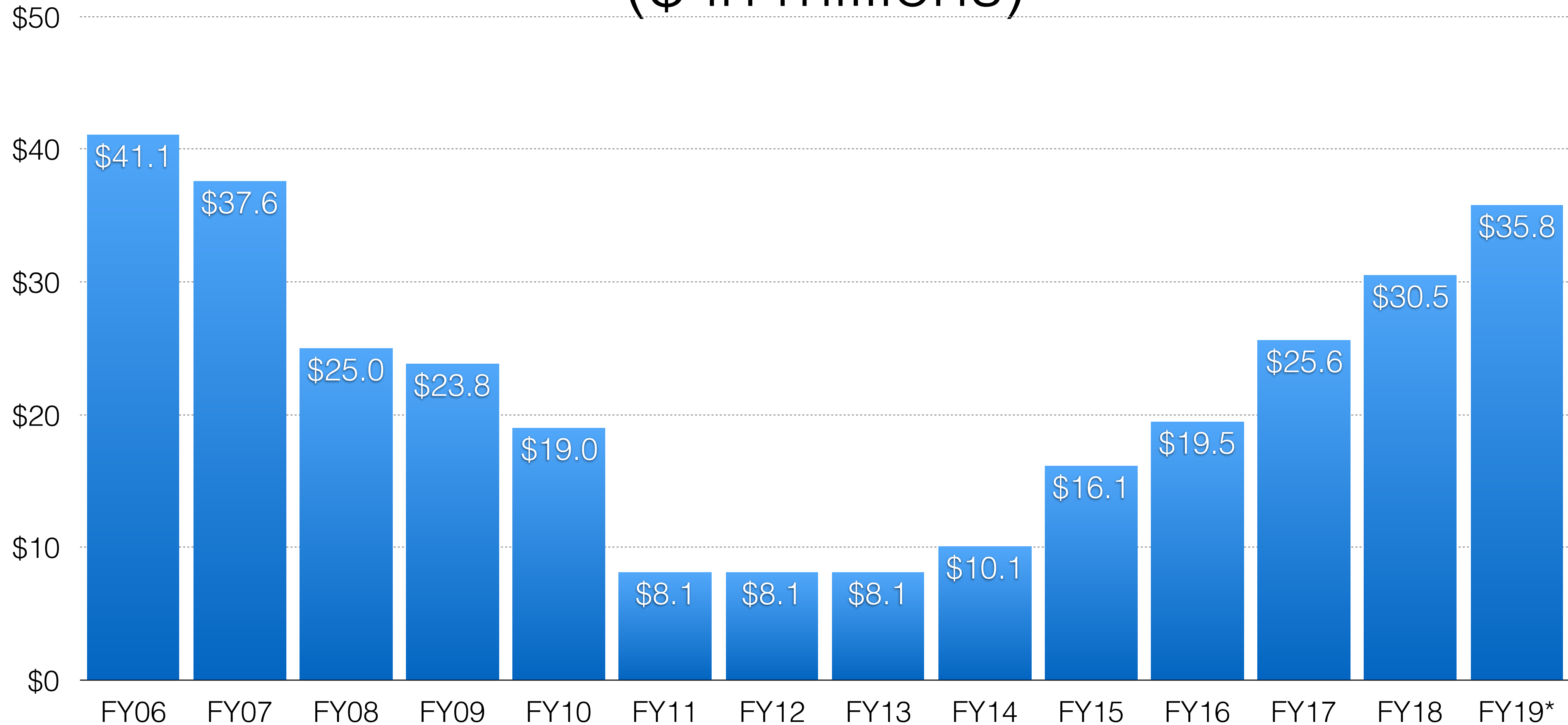
## Distribution of Millage Rate

(If total Millage Rate remains the same as FY18)

<b>Millage Rate</b>	<b>FY18 Adopted</b>	<b>FY19 Proposed</b>	<b>Difference</b>
<b>Operating</b>	5.2904	5.2904	0
<b>Capital</b>	0.1719	0.1889 <sup>*</sup>	0.017
<b>Debt Service</b>	0.2067	0.1897 <sup>*</sup>	-0.017
<b>TOTAL</b>	5.669	5.669	0

\* May change based on July 1st Certified Tax Roll

# General Capital Program Taxes History (\$ in millions)



\* May change based on July 1st Certified Tax Roll



# Next Steps

- Thursday June 14th – 12:30pm Budget workshop
  - Aviation
  - Transportation Capital Program
  - General Fund Update Based on June 1st Preliminary Tax Roll
- August 16th – Budget workshop
  - County Administrator's recommendations related to county general fund
  - General Capital Program
- August 21st–Budget workshop
  - Tourist Development Tax
  - Water & Wastewater
  - General Fund Wrap-up

# Discussion