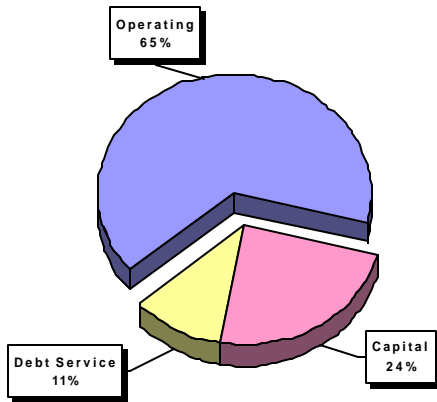


**FISCAL YEAR 2006 APPROPRIATIONS**

The following sections will provide highlights on changes to budgeted appropriations from fiscal year 2005 to fiscal year 2006.



**OPERATING BUDGET HIGHLIGHTS**

The total Operating Budget for fiscal year 2006 has increased 10% percent or \$206 million from the fiscal year 2005 budget. Specific highlights for the General Fund, Special Purpose, Enterprise Funds and Unincorporated Areas budgets are summarized below.

**General Fund** (Fiscal Year 2006 Budget - \$1,219,647,860) Appropriations will increase approximately \$121 million or 11 percent to implement Commission goals, comply with mandates, operate newly completed libraries and parks and to address

cost increases in specific areas such as fuel and insurance. The most significant generally funded goal-related improvements include an additional \$5.9 million to enhance the County's redevelopment efforts, \$3 million to reserve funds for mass transit improvements and \$.9 million for family success and elderly services improvements. The \$6 million in redevelopment funding includes a \$3.9 million increase in tax increment payments to Cities and the transfer of an additional \$2 million to the redevelopment capital fund to provide an alternative to tax increment financing. Human Services goal-related improvements totaling \$.7 million include expansion of the community-based family development model at the North Family Success Center, the opening of the Northwest Family Success Center and increased funding for emergency assistance. The Libraries budget increases \$2.5 million due to the opening of the Weston, Hollywood, Tyrone Bryant and Carver Ranches libraries during FY2006. An additional \$1.75 million is provided for the opening of several bond-funded park projects during FY 2006 including the Central Broward Regional Park and several natural areas. The Property Appraiser's budget increases \$3.7 million to implement a computer assisted mass appraisal system and additional staffing to address workload issues. The Sheriff's budget includes \$3.7 million for the first of a three year program to replace their Human Resources and Financial systems. The ongoing cost of maintaining the County's generally-funded facilities has increased \$2.8 million to comply with the living wage ordinance and \$.9 million for property insurance.

Several budgeted transfers to other funds and reserves for specific programs increase significantly for FY 2006. The transfer to the Mass Transit Fund is increasing by \$1.7 million primarily to fund increases in fuel costs. An additional \$2.2 million is transferred to the Substance Abuse Grant Fund and Homeless Services Fund to maintain current service levels. Several reserves are established to plan for significant cost increases impacting fiscal years 2007 due to the opening of new parks, libraries and corrections facilities, and implementation of the living wage ordinance and for transit improvements to implement the newly adopted "concurrency" program. The reserves for fund balance and for tax roll adjustments that occur after July 1<sup>st</sup> are also increased to adjust for the increase in the tax roll and overall general fund budget.

### **Major Special Purpose Funds**

The fiscal year 2006 budget includes more than 35 special purpose funds. The following major funds comprise approximately 60 percent of the total of all special purpose funds.

- **Building Code Services** (Fiscal Year 2006 Budget - \$9,212,160)

The major portion of the Building Code Services Division is budgeted in a special purpose fund; primarily funded by permit fees, plan review fees, and services provided for cities under contract. All of the programs are mandated by law or are essential in ensuring the safety of the built environment. The Building Code Services budget is decreasing by approximately \$.9 million in fiscal year 2006 primarily due to reductions in revenues and the spending down of reserves.

- **Mass Transit** (Fiscal Year 2006 Budget - \$104,459,380)

Mass Transit's operating budget is increasing by approximately \$5.6 million, primarily due to the net impact of fuel cost increases (\$1,700,000), the purchase of 8 buses for service improvements scheduled for FY07 (\$2,520,000), a \$2 million decrease resulting from the transfer of responsibility for Medicaid Non-Emergency Medical Transportation services back to the state and normal increases.

- **Federal and State Grants** (Fiscal Year 2006 Budget - \$73,643,933)

The federal and state grant fund is comprised of the County's most significant recurring grants. In fiscal year 2006, these appropriations increase by approximately \$.7 million primarily due to a \$1.2 million increase in the Substance Abuse and Health Care Services grant fund, a \$.7 million decrease in the Community Development Block grant and incremental increases and decreases in other grants.

- **Greater Fort Lauderdale Convention & Visitor's Bureau** (Fiscal Year 2006 Budget - \$17,914,620)

The \$3.8 million increase in the Bureau's budget is attributable to an increase in projected tourist development tax revenue and fund balance. The result is an increase in budgeted reserves, marketing expenses, and the addition of a position to support Sunny.org.

- Convention Center (Fiscal Year 2006 Budget - \$31,091,750)

The Convention Center's operating budget is increasing by approximately \$4.6 million primarily due to an increase in projected tourist development tax revenue, which increases the budgeted reserve and the amount transferred to the Convention and Visitor's Bureau for marketing programs.

- Homeless Services Fund (Fiscal Year 2006 Budget - \$10,176,350)

The Homeless Services Fund budget is increasing slightly in FY2006. In fiscal year 2006 this fund is supported by a \$10.2 million transfer from the general fund of which approximately \$7 million is the equivalent of the revenue from one cent of local option gas tax. The remaining \$3.2 million is an additional general fund contribution needed to maintain service levels.

- E-911 and E-911 Wireless Funds (Fiscal Year 2006 Combined Budgets - \$19,237,100)

The E-911 funds are supported with service fees charged on telephone and cellular bills to fund the costs of the E-911 system including E-911 operations and dispatch services for the County and several municipalities and to assist local governments in upgrading the 911 telephone system to precisely determine the location of cellular callers. The fee remains at \$.50 per telephone/cellular line per month for fiscal year 2006. These surcharges are expected to realize more than \$9 million in revenue for fiscal year 2006. The FY 2006 budget increases \$6.7 million primarily due to the increase in fund balance.

### **Enterprise Operating Funds**

The fiscal year 2006 budget includes four major enterprise operations. The enterprise budgets are briefly summarized below:

- Aviation (Fiscal Year 2006 Budget - \$150,984,160)

The Aviation Department's operating budget is increasing by \$16.6 million or 12 percent in fiscal year 2006. Major changes in the operating budget include the following: a \$1.4 million increase associated with customer service initiatives; a \$2.7 million increase due to the full year impact of a new janitorial contract impacted by the living wage ordinance; a \$3.5 million increase in contract services for phase-in costs for parking and shuttle service associated with the new Consolidated Rental Car Facility and a \$4 million increase in operating reserves.

- Water and Wastewater (Fiscal Year 2006 Budget - \$70,620,850)

The fiscal year 2006 budget is increasing by \$5.2 million or 8% primarily due to an increase in operating reserves, normal increases in personal services, and increased chemical costs and utility charges. The increase for Retail rates for water and sewer customers is approximately 2%. The wholesale sewer

operating fees are reduced by around .1%. The rate for regional raw water customers is increased by 6% from the prior year's rate.

- Solid Waste Services

- Resource Recovery Fund - (Fiscal Year 2006 Budget - \$183,027,330)

- This fund contains the costs associated with the Broward County Solid Waste Disposal District for disposal of garbage in Resource Recovery plants, collected from the Inter-Local Agreement (ILA) cities and Unincorporated Broward. The fund also supports the operations of the Southwest Regional Landfill, electronic recycling program, household hazardous waste program, public education regarding the resource recovery system, and the Materials Recovery Facility (MRF) for recycled goods. The operating budget has a net increase of \$13.6 million or 8 percent from the fiscal year 2005 budget, primarily due to a \$3.8 million increase in contractual services for the Resource Recovery plants based on contractual agreements and a \$3.7 million increase in operating expenses for contractual services due to projected tonnage at the waste-to-energy plants. The budget also increased approximately \$870,000 due to recommended supplements funding expansions in the household hazardous waste and recycling programs. The fund is supported primarily by the resource recovery tipping fee, which increases \$2.63 for FY 2006 for a total fee per ton of \$89.44 per ton.

- Solid Waste Fund - (Fiscal Year 2006 Budget - \$7,501,030)

- This fund includes the costs for maintenance of the closed County landfill site in Davie, the closed Pompano Incinerator site, and recycling programs for Broward County Schools, which is funded through an agreement with the School Board. Although a transfer from the Resource Recovery Fund supports the waste tire program in fiscal year 2006, the primary support for this fund comes from the reserves accumulated in prior years for the ongoing post-closure maintenance of the landfill and recycling contract payments.

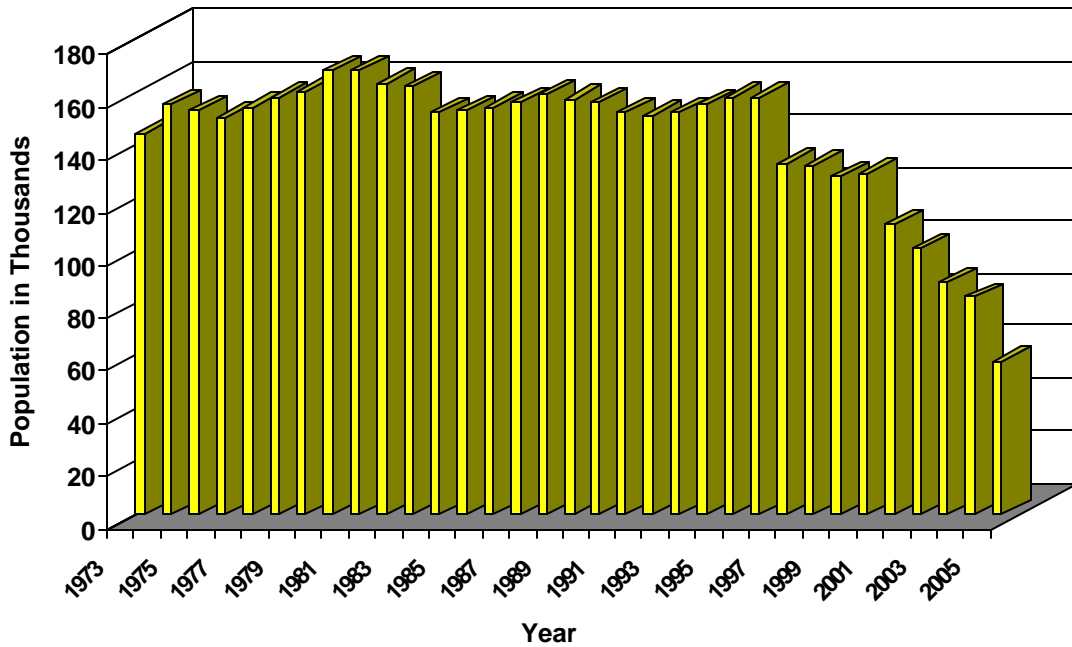
- Port Everglades (Fiscal Year 2006 Budget - \$83,181,030)

- The Port Everglades operating budget increases by \$9.7 million or approximately 12% in fiscal year 2006. Significant increases in the Port's budget includes the establishment of a \$5 million reserve for contingencies and a \$2.5 million increase for security and fire protection/emergency medical costs in fiscal year 2006. In addition, the Port has added 18 positions in order to reduce overtime expenses and address workload demands. The fiscal year 2006 budget for Port Everglades includes an increase in security fees.

**Unincorporated Area Operating Funds**

The Broward County Board of County Commissioners provides municipal services to the residents of the unincorporated area. This chart shows that in the early 1980's the unincorporated population began its decline due to annexation until the late 1980's when it grew slightly each year until 1989 when the declines due to annexation continued. The unincorporated area population is expected to drop to approximately 23,478 in FY 2006 due to the annexation of North Andrews Gardens, Twin Lakes North and South, Sartori Lake West Ken Lark, St. George, Ramblewood East and Rock Island and the incorporation of Carver Ranches, Miami Gardens, Lake Forest and Utopia into the new City of West Park. The population is anticipated to continue to decline until the entire unincorporated area is expected to be annexed. The chart below illustrates the population trends through FY 2006:

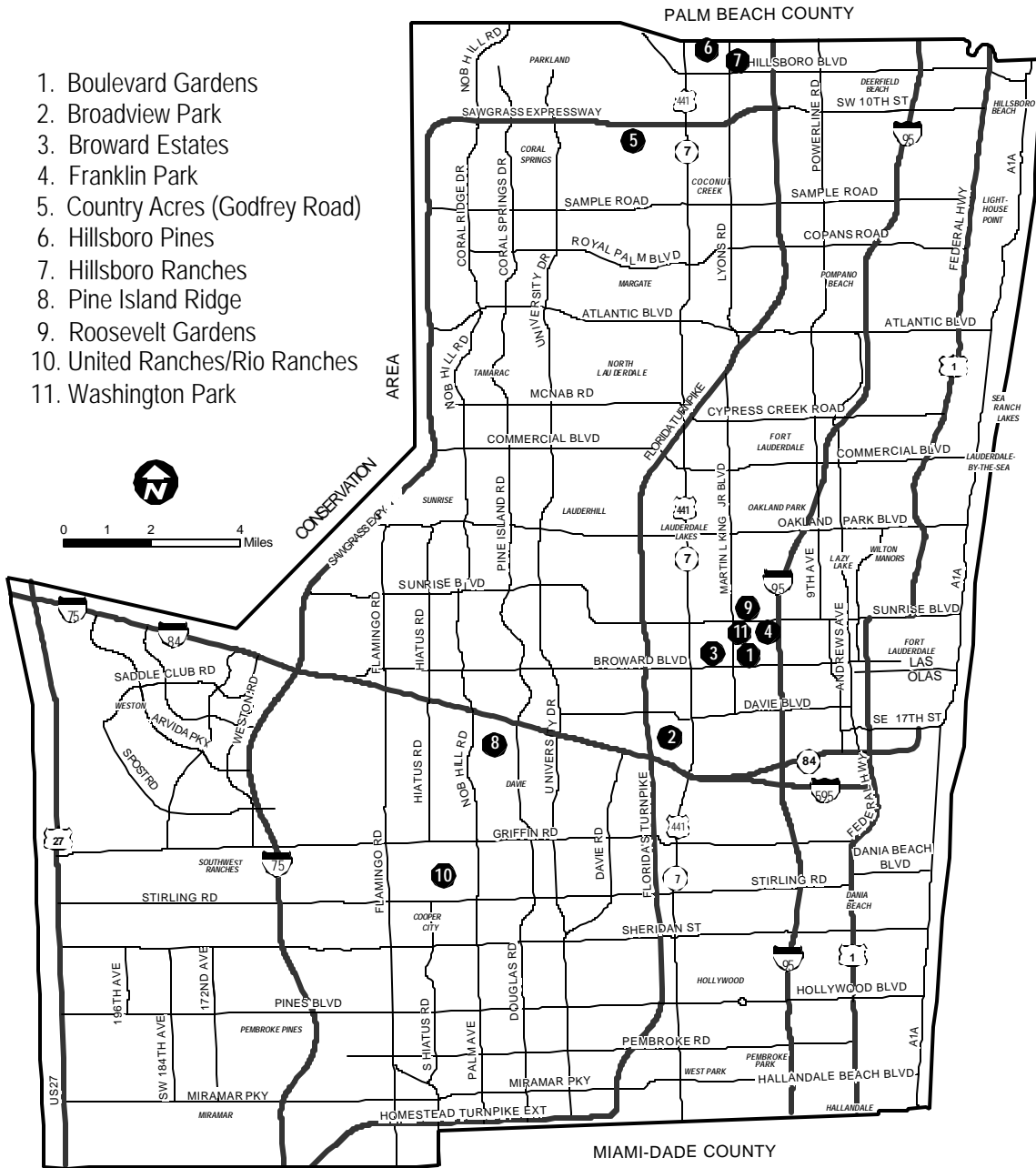
**Unincorporated Population**



Providing services to the unincorporated area has become increasingly difficult and expensive. This is due to the fact that the service area is spread through the county in numerous "pockets", many of which are relatively small, as shown on the following map.

## Unincorporated Broward County Neighborhoods

1. Boulevard Gardens
2. Broadview Park
3. Broward Estates
4. Franklin Park
5. Country Acres (Godfrey Road)
6. Hillsboro Pines
7. Hillsboro Ranches
8. Pine Island Ridge
9. Roosevelt Gardens
10. United Ranches/Rio Ranches
11. Washington Park



The following **municipal level services** are provided to unincorporated area residents:

- **Law Enforcement** - The Broward County Sheriff provides police protection to unincorporated area residents. Per a court ruling (Minnet decision) in 1977, road patrol and related services are funded by County-wide general revenues.
- **Fire Rescue** – Broward County Fire Rescue provides service to the unincorporated area, the cities of Weston, Cooper City, Pembroke Park, Southwest Ranches, Lauderdale-by-the-Sea, Lauderdale Lakes, West Park, the Fort Lauderdale/Hollywood International Airport and Port Everglades, and emergency medical services only to Sea Ranch Lakes. Municipalities pay for service through contractual agreements. Fire Rescue services in the unincorporated areas are primarily funded with a property tax and special assessment levied by the Fire Rescue Municipal Services Taxing Unit (MSTU). The special assessment for a single family household is decreasing from \$200 to \$195 and the property tax rate remains at \$2.73 per thousand dollars of taxable value in fiscal year 2006. The impact of the special assessment and the tax rate on non-residential properties will vary based on the type of properties and changes in the value of the properties. The Fire Rescue budget is based on the continuation of existing service contracts with Davie, Cooper City and Coral Springs to serve various unincorporated neighborhoods.
- **Garbage Collection** - Services include private garbage haulers who provide garbage service two times per week and trash service twelve times per year, a recycling program and trash transfer stations. For fiscal year 2006, residents will be charged a special assessment fee on their property tax bill of \$290 per single family home or per unit in multifamily complexes with nine units or less, which is a \$10 decrease from the current fee.
- **Water/Wastewater** - Potable water and wastewater treatment is provided to both unincorporated and incorporated areas within the County's utility service area. Residents are charged based on their consumption. The combined increase for retail water and sewer rates is less than 3 percent for residential customers.
- **Other Municipal Level Services** - Services such as neighborhood parks, school guards, and code and zoning enforcement are funded by the Municipal Service District fund. This fund is supported by fees, utility taxes, and a property tax that is levied only in the unincorporated area. The recommended property tax rate for fiscal year 2006 remains at 2.5807. This rate will provide approximately \$2 million less in property taxes than in fiscal year 2005 due to annexation. For more

information on Unincorporated Broward capital projects, refer to the capital section of the budget-in-brief.

The following chart depicts the changes in property tax and special assessment rates in fiscal year 2006 for a typical single family homeowner for municipal-level services within the Unincorporated Broward.

	<u>FY 2005</u>	<u>FY 2006</u>	<u>Difference</u>
Fire Rescue Assessment	\$200	\$195	(\$5)
Fire Rescue Tax*	\$240	\$248	\$8
Garbage	\$300	\$290	\$(10)
Unincorporated Property Taxes*	<u>\$227</u>	<u>\$234</u>	<u>\$7</u>
Total	\$967	\$967	\$0

\* Based on an average taxable value of \$88,000 for fiscal year 2005 and \$90,700 for fiscal year 2006.

In addition to the services provided to the entire unincorporated area, neighborhood street lights are provided to areas requesting this service through a special district. The property tax rate charged for these services will be unchanged for FY 2006 at 0.4532 mills.