




Palm Bay
120 Malabar Road SE
Palm Bay, FL 32907
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Mayor
ROB MEDINA
Deputy Mayor
KENNY JOHNSON
Councilmembers
JEFF BAILEY
RANDY FOSTER
DONNY FELIX

AGENDA

Tuesday

August 3, 2021 - 6:00 PM
Council Chambers, 120 Malabar Road SE, Palm Bay FL 32907

CALL TO ORDER:

ROLL CALL:

PUBLIC COMMENTS: Speakers are limited to 3 minutes.

BUSINESS:

1. Discussion of proposed budget for Fiscal Year 2021-2022.

ADJOURNMENT:

If an individual decides to appeal any decision made by the City Council with respect to any matter considered at this meeting, a record of the proceedings will be required, and the individual will need to ensure that a verbatim transcript of the proceedings is made, which record includes the testimony and evidence upon which the appeal is based (FS 286.0105). Such person must provide a method for recording the proceedings verbatim.

In accordance with the Americans with Disabilities Act, persons needing special accommodations for this meeting shall, at least 48 hours prior to the meeting, contact the Office of the City Clerk at (321) 952-3414 or Florida Relay System at 711.

If you use assistive technology (such as a Braille reader, a screen reader, or TTY) and the format of any material on this website or documents contained therein interferes with your ability to access information, please contact us. To enable us to respond in a manner most helpful to you, please indicate the nature of your accessibility problem, the preferred format in which to receive the material, the web address of the requested material, and your contact information. Users who need accessibility assistance can also contact us by phone through the Federal Information Relay Service at 1-800-877-8339 for TTY/Voice communication.

Pursuant to Council Policies and Procedures, members of the public wishing to use electronic media when addressing City Council must provide the electronic file to staff

for screening no later than 2:00 P.M. on the day of the meeting; audio presentations must be submitted to the City Clerk at least twenty-four (24) hours prior to the meeting.

THIS MEETING IS BROADCAST LIVE ON THE CITY'S WEBSITE.



LEGISLATIVE MEMORANDUM

DATE: 8/3/2021

RE: Discussion of proposed budget for Fiscal Year 2021-2022.

ATTACHMENTS:

Description

PowerPoint Presentation



FY 2022

PROPOSED BUDGET SUMMARY

AUGUST 3, 2021

PRESENTED BY
ANGELICA COLLINS
FISCAL MANAGER

TOPICS OF DISCUSSION

Citywide FY 2022 Proposed Budget Analysis

- By Fund
- General Fund → Revenues, Expenditures & General Government Specific
- Funded Requests & Unfunded Requests → Focus on General Fund + Capital Needs

Budgetary Changes from FY 2021 to FY 2022

Millage Rate Overview & Options

Position Changes

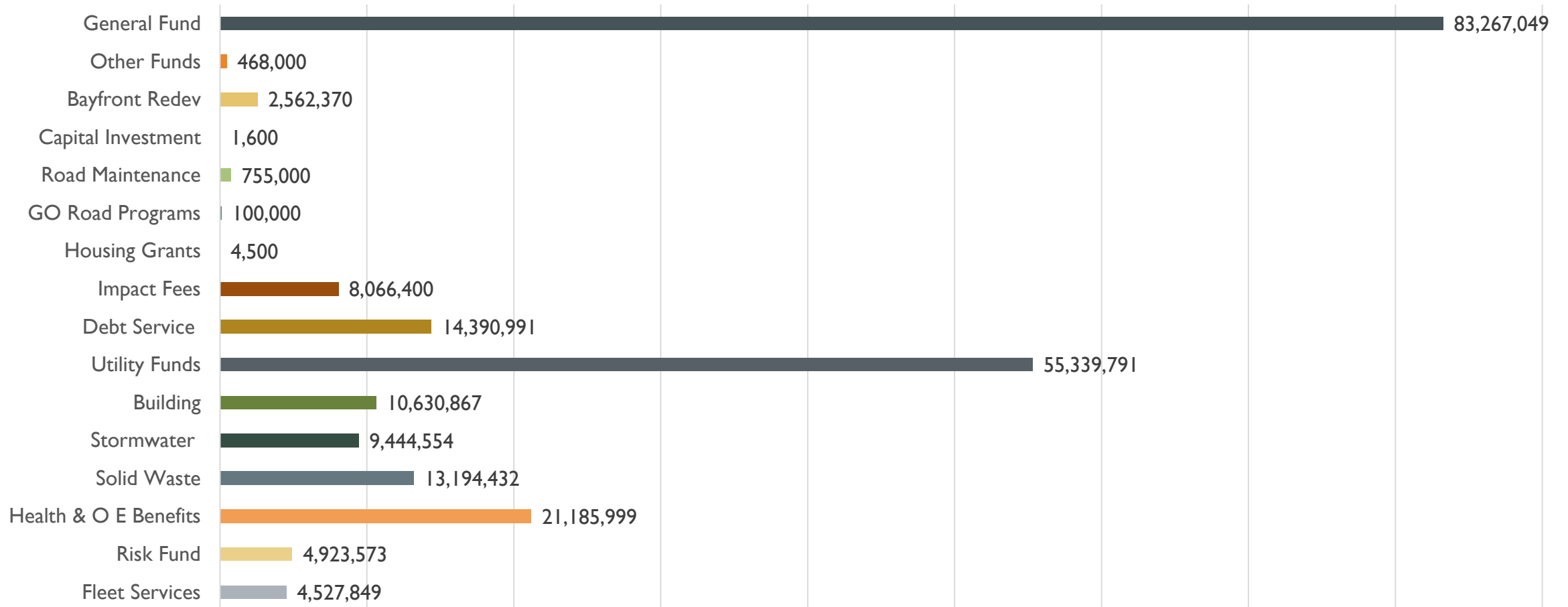
Capital Needs – What Options To We Have?

Budget Calendar of Events & Council Discussion



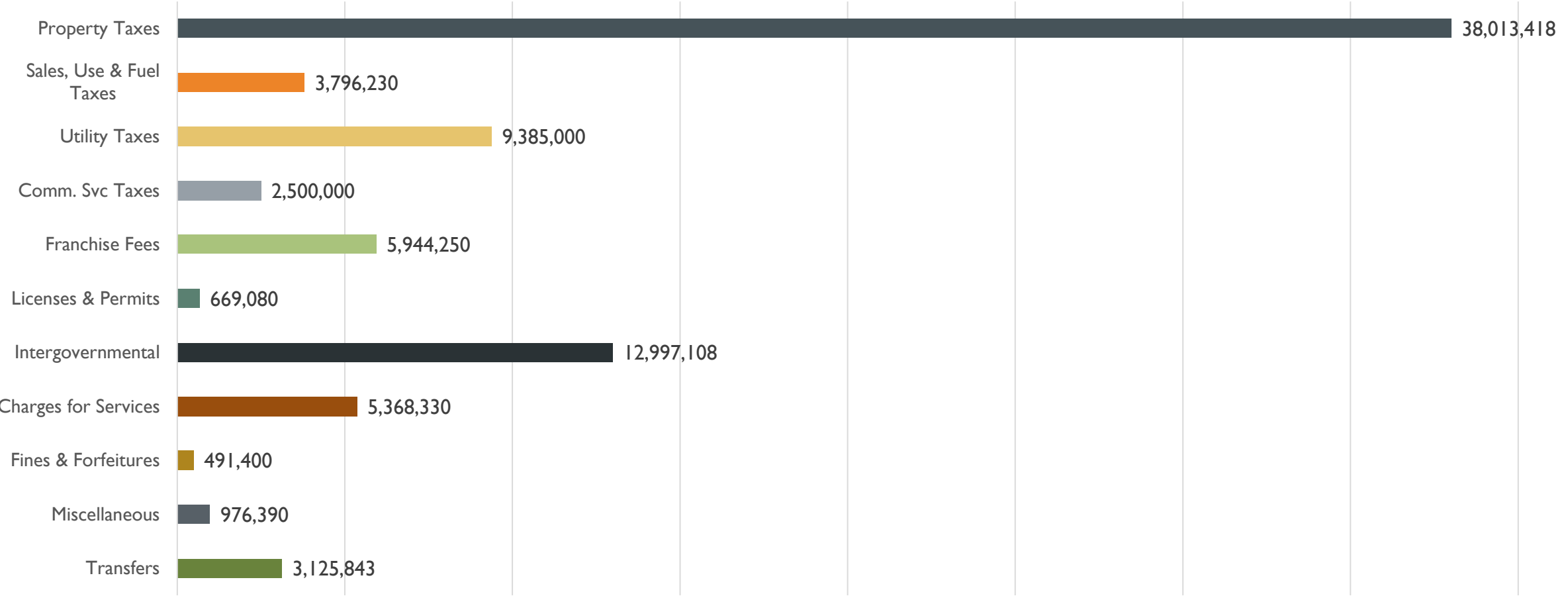
FY 2022 TOTAL PROPOSED BUDGET BY FUND

CITYWIDE \$228,862,975



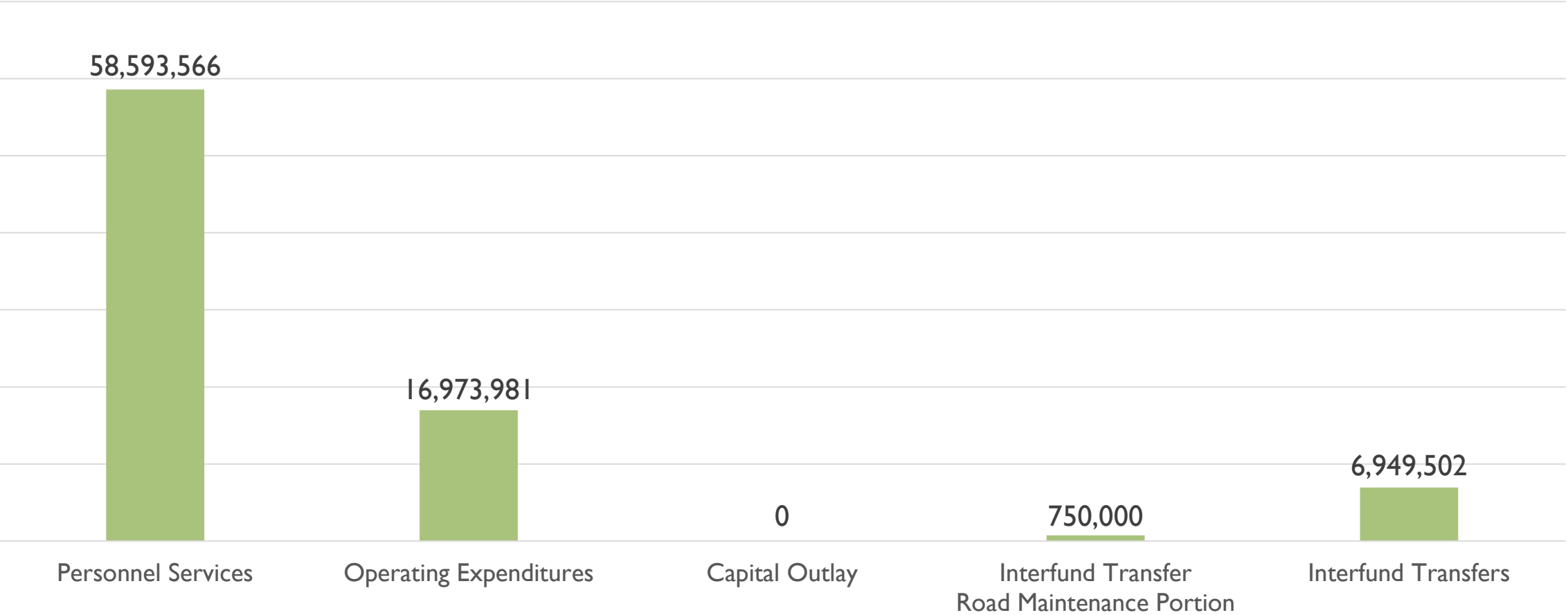
FY 2022 GENERAL FUND REVENUES BY SOURCE

TOTAL BUDGET - \$83,267,049



FY 2022 GENERAL FUND EXPENDITURES

TOTAL BUDGET - \$83,267,049



GENERAL GOVERNMENT

NON-DEPARTMENTAL & TRANSFER CHARGES

- Non-departmental accounts contain expenditure items essential to the operation of the City. They don't fall within the functional assignment or provide expenditures related to more than one department
- Transfer accounts show fund movements from the General Fund to Other Funds to cover Debt Service payments

General Government

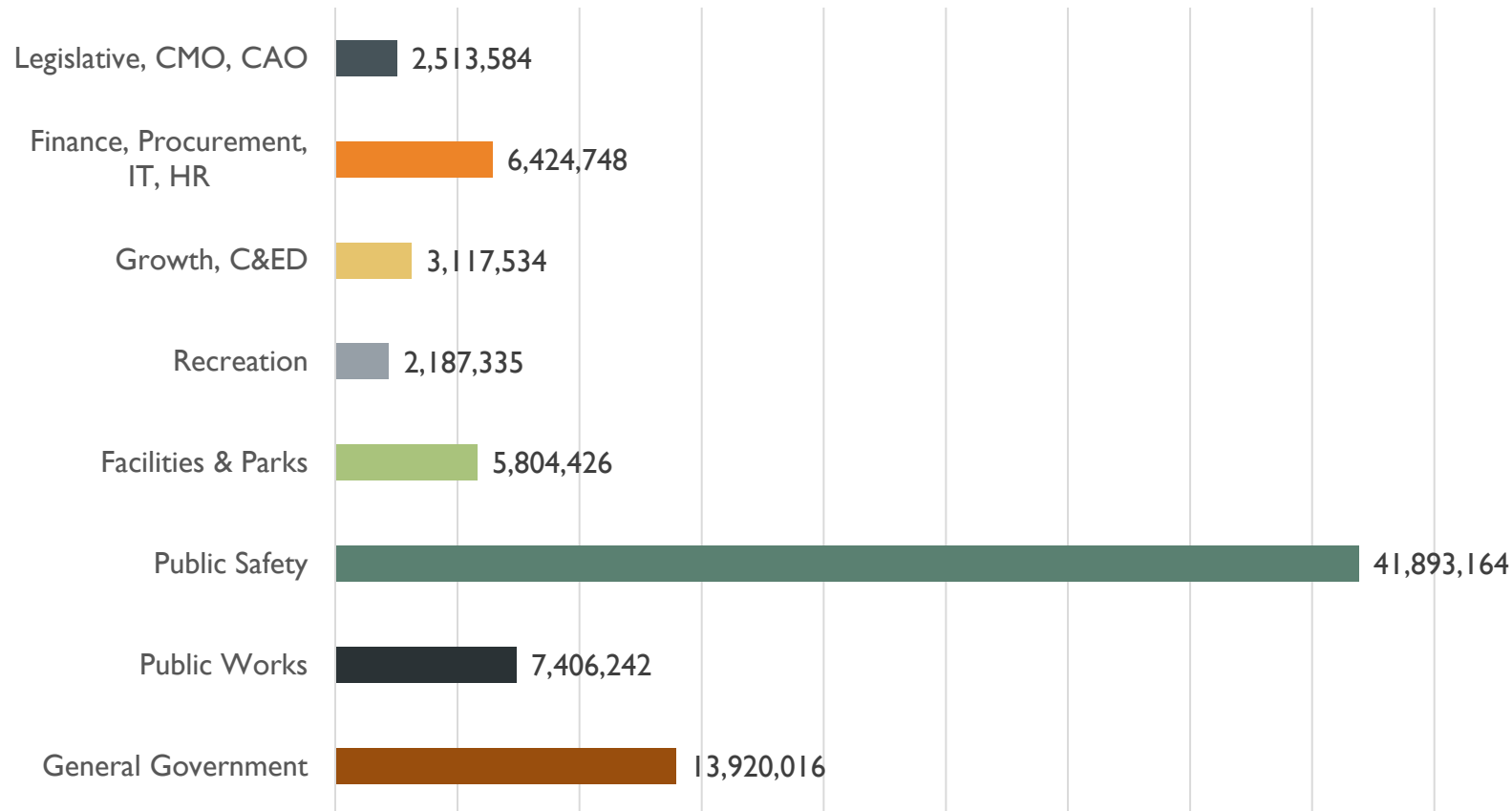
Interfund Transfers – Debt Service	6,413,145
Interfund Transfers – Road Maintenance	750,000
Interfund Transfers – Other*	536,357
Debt Service Fees	22,000
Liability/Property Insurance*	2,239,129
Fleet Operating Charges*	3,169,108
Other Professional Services & Charges*	124,793
Contingency/Reserves	665,484
TOTAL	13,920,016

*Examples of Non-Departmental Account Expenditures & Other Transfers:

Asset Management & Bank Safekeeping Services
 Cost Allocation Plans & CAFR/Budget Preparations
 Audit Costs & Arbitrage Rebate/Disclosure Services
 General Fund Sustainability Analysis
 Liability/Property & Fleet Charges → For GF
 Stormwater Transfer for Institutional Exemptions
 Fleet Services Transfer for Vehicle Purchases

FY 2022 GENERAL FUND EXPENDITURES BY DEPT.

TOTAL BUDGET - \$83,267,049



* Departments created via Ordinance 2021-38

Legislative	785,169
Office of City Manager	1,248,759
Office of City Attorney	479,656
Procurement	684,440
Finance	1,444,502
Information Technology	3,512,242
Human Resources	783,564
Growth Management	1,869,016
Community & Econ. Development (C&ED)	1,248,518
Recreation*	2,187,335
Facilities & Parks*	5,804,426
Police	24,945,775
Fire	16,947,389
Public Works	7,406,242
General Government	7,699,502
TOTAL	83,267,049

FY 2022 FUNDED REQUESTS → GENERAL FUND

\$1,431,617 OF FUNDING REQUESTS

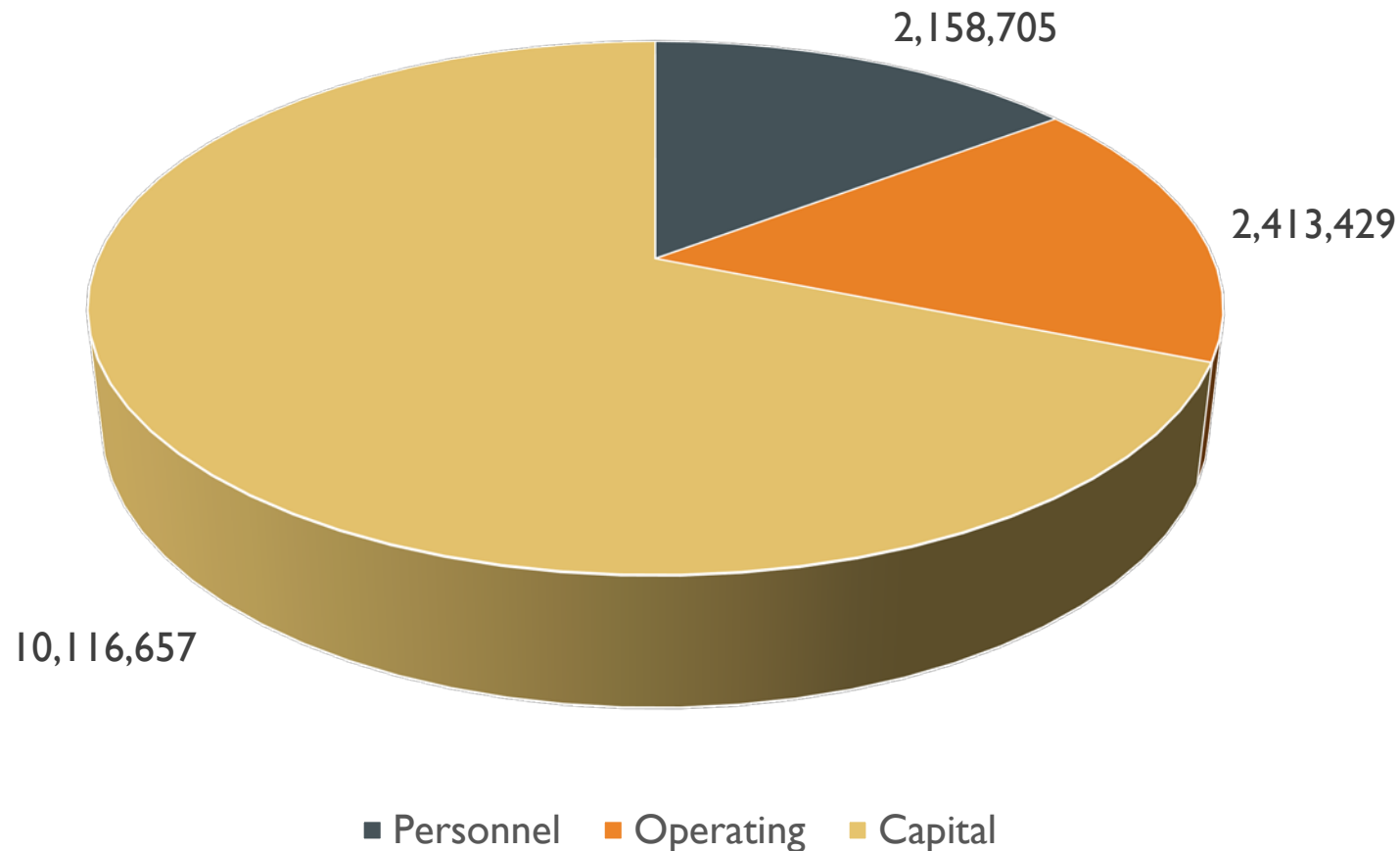
Expense Type	Department	Description of Request/Title	FY 2022 Funding Amount
Operating	Legislative	Public Records Request Software	9,000
Operating	Finance	GASB 87 Accounting Software	3,000
Personnel	Police	Budget Officer, Project Specialist & Part-Time Accreditation Specialist Re-Organization	(36,304)
Personnel	Police	Records Specialist	62,793
Personnel	Police	Materials Management Technician	67,206
Personnel	Police	Two (2) Sergeant Upgrades	21,838
Personnel	Police	Two (2) Police Officers - Funded @ 6 Months	196,839
Personnel	Police	Two (2) School Resource Officers - Funded @ 9 Months*	233,475
Personnel	Fire	Four (4) Firefighters - Funded @ 6 Months	123,770
Transfer	Non-Departmental	Transfer to Road Maintenance CIP	750,000
Total GF Funding Amount			1,431,617

*The two (2) School Resource Officers (SROs) will be stationed at the Pineapple Cove Classical Academy and the Odyssey Charter School. Staffing for these positions is anticipated to occur in January 2022. Anticipated revenue generated through agreements with each school to support personnel costs is \$62,000 (\$31,000 per location).

	Funding Amount	
Personnel	669,617	46.8%
Operating	12,000	0.8%
Transfers	750,000	52.4%
	1,431,617	100.0%

FY 2022 UNFUNDED REQUESTS → GENERAL FUND

\$4,249,895 TOTAL UNFUNDED REQUESTS



■ Of all unfunded GF requests, a total of 68.9% are Capital needs including:

- New Fire Station #6 & Fire Engine
- Vehicle & Equipment Replacements for Police, Facilities/Parks, Growth Management, Recreation & Public Works
- Parks & Facility Repairs Including Generator Replacements
- IT Telephone Upgrades

FY 2022 CAPITAL REQUESTS → GENERAL FUND

\$10,116,657 TOTAL UNFUNDED REQUESTS

➤ What are some items included in this total number?

- Permanent Fire Station #6 (DeGroodt) & Replace 21-year-old Fire Engine \$3.0 million
- Vehicle Needs – Electric, Replacements – 30 police vehicles, dump trucks, pickups, etc. \$1.6 million
- Structural & Equipment Needs for Parks/City Facilities \$1.5 million (including generators, chillers, roof)
- Public Works Light/Heavy Equipment & Signal Respan/Rewire Projects \$1.1 million
- Telephone System Upgrade for Disaster Recovery site \$70,000
- Parks pavilions, piers, court resurfacing, etc.
- Sidewalks & street light expansions

FUTURE CAPITAL STRUCTURAL NEEDS

CURRENTLY UNFUNDED CIP PLANS

➤ Fire Stations

- Fire Station #7 at Palm Bay Road NE \$3.5 million
- Fire Station #8 at SJHP SE \$4.9 million

➤ Public Works Structures

- Administration Building to Replace Portables \$7.5 million
- Fleet Service Building with 10 Bays \$8.5 million

➤ Police Expansions

- Dispatch & Evidence Storage Expansions \$870,000
- Police Sub-Station at SJHP/Babcock

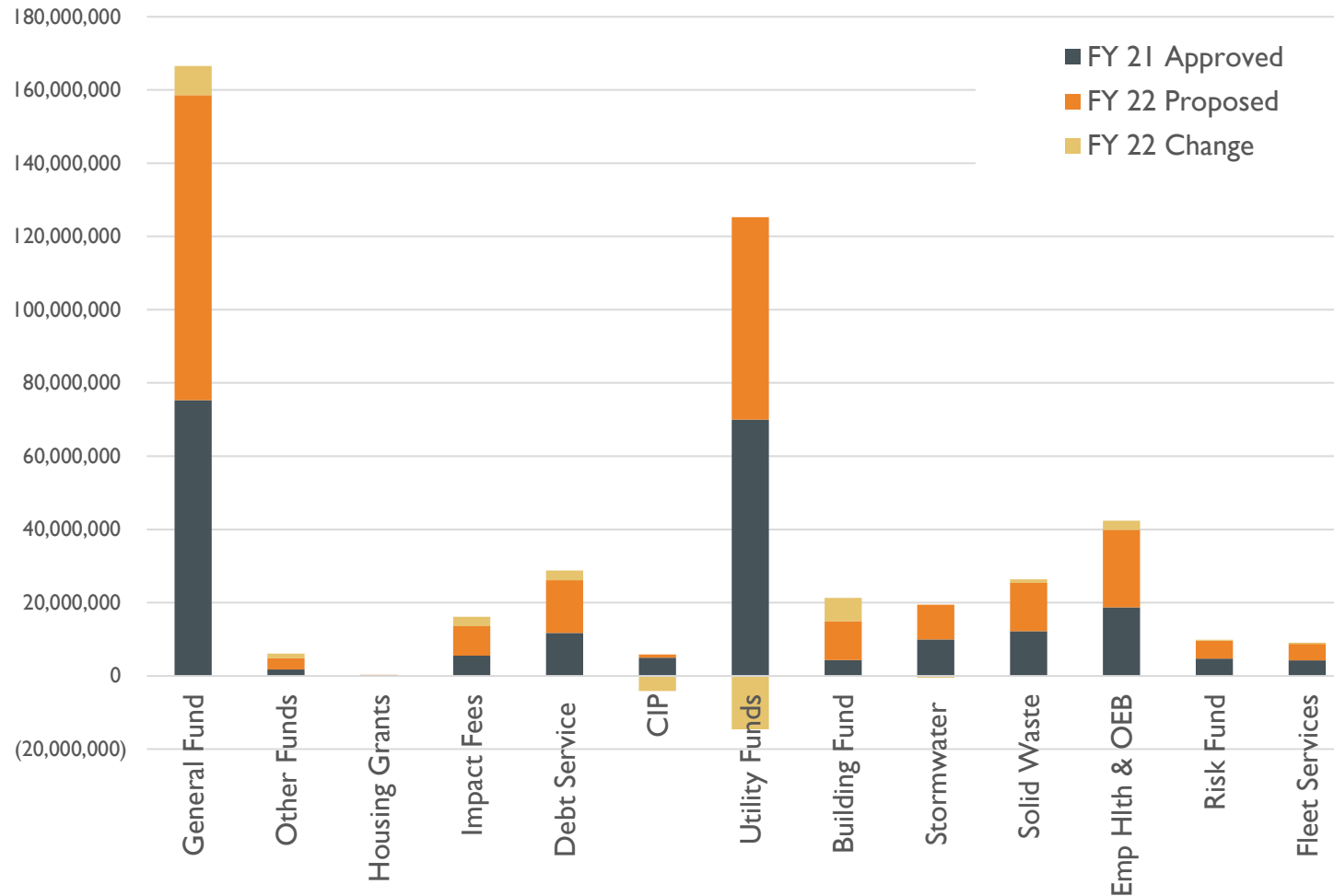
FY 2022 FUNDED REQUESTS → OTHER FUNDS

\$19,974,091 OF FUNDING REQUESTS

	Personnel	Operating	Capital	FY 2022 Funding Amounts
Building Fund	267,777	22,938	6,012,727	6,303,442
Stormwater Utility Fund	0	0	3,195,600	3,195,600
Utilities Operating Fund	207,304	235,000	3,981,369	4,423,673
Utilities Connection Fee Fund	0	0	237,000	237,000
Utilities Renewal & Replacement Fee Fund	0	0	6,278,573	6,278,573
Utilities Main Line Extension Fee Fund	0	0	268,822	268,822
Total Other Funds	475,081	257,938	19,974,091	20,707,110

INCREASE/DECREASE IN ADOPTED VS. PROPOSED

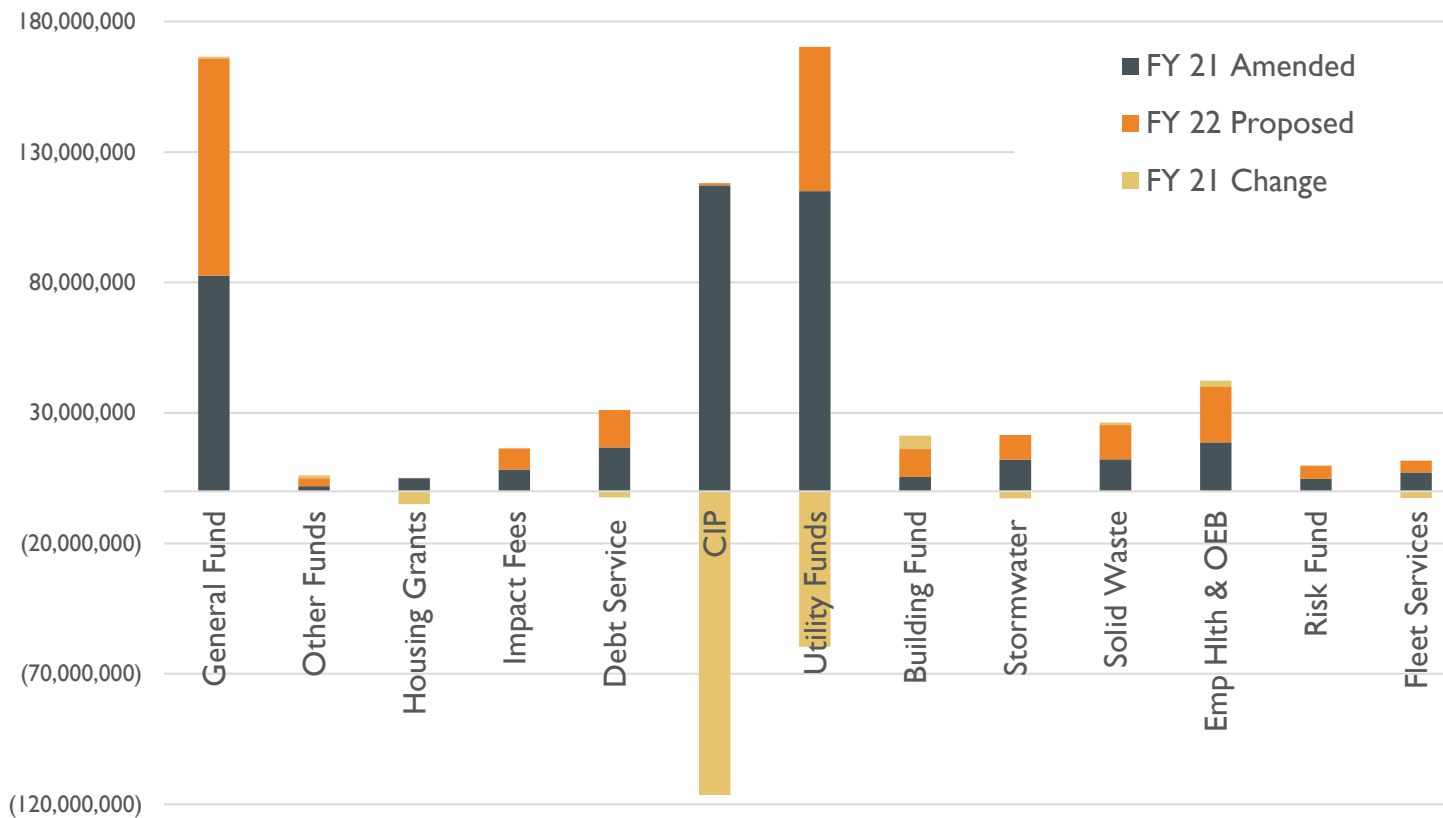
\$223.5 MILLION (FY 2021 ADOPTED) TO \$228.9 MILLION (FY 2022 PROPOSED)



FUND	\$ CHANGE	% CHANGE
General Fund	7,975,753	10.59%
Other Funds	1,274,000	72.54%
Housing Grants	(176,140)	-97.51%
Impact Fees	2,576,300	46.93%
Debt Service	2,632,617	22.39%
CIP	(4,103,635)	-82.73%
Utility Funds	(14,609,560)	-20.89%
Building Fund	6,307,867	145.91%
Stormwater	(536,591)	-5.38%
Solid Waste	1,021,545	8.39%
Emp Health & OEB	2,496,977	13.36%
Risk Fund	240,364	5.13%
Fleet Services	298,866	7.07%
TOTAL	5,398,363	2.42%

INCREASE/DECREASE IN AMENDED VS. PROPOSED

\$407.1 MILLION (FY 2021 AMENDED) TO \$228.9 MILLION (FY 2022 PROPOSED)



FUND	\$ CHANGE	% CHANGE
General Fund	688,856	0.83%
Other Funds	1,102,755	57.21%
Housing Grants	(4,932,102)	-99.91%
Impact Fees	(220,799)	-2.66%
Debt Service	(2,318,874)	-13.88%
CIP*	(116,398,011)	-99.27%
Utility Funds**	(59,645,581)	-51.87%
Building Fund	5,153,381	94.08%
Stormwater	(2,697,775)	-22.22%
Solid Waste	1,019,556	8.37%
Emp Health & OEB	2,469,890	13.20%
Risk Fund	216,703	4.60%
Fleet Services	(2,654,367)	-36.96%
TOTAL	(178,216,368)	-43.78%

* CIP FY 2021 Amended Budget reflects unspent project roll-over funding from previous Fiscal Year including G.O. Road projects & new 2021 G.O. Bond issuance \$56.0 million

** Utility Funds FY 2021 Amended Budget reflects unspent project roll-over funding from previous Fiscal Year including Florida State Revolving Loan Fund dollars of \$20.0 million & new Utility System Revenue Note, Series 2020 \$11.5 million

FY 2022 MILLAGE RATE OPTIONS

BASED ON JUNE 25, 2021 CERTIFICATION VALUES

Basis of Rate Plus New Construction	Millage Rate	Tax Revenue*	Revenue Variance
Maintain FY 2021 Adopted Rate	7.8378	39,102,281	1,188,863
Option	7.8000	38,913,699	1,000,281
Option	7.7500	38,664,253	750,835
Option	7.7000	38,414,806	501,388
Option	7.6500	38,165,359	251,941
FY 2022 Proposed Budget @ 3% CAP	7.5995	37,913,418	0
Option	7.5500	37,666,465	(246,953)
Option	7.5000	37,417,019	(496,399)
Option	7.4500	37,167,572	(745,846)
Rolled Back Rate	7.4142	36,988,723	(924,695)

*Tax Revenue Based on 96.00% Collection

FY 2022 PROPOSED FTE CHANGES – GENERAL FUND

EFFECTIVE OCTOBER 1, 2021

A net total of 10 additional full-time positions are reflected in the General Fund:

Fund	Department	Position	Total Impact
General	Police	Police Officers <ul style="list-style-type: none"> Uniform Services (2 FTEs) → Funded @ 6 Months SROs (2 FTEs) → Funded @ 9 Months* Records Specialist (1 FTE) Materials Management Technician (1 FTE)	560,313
General	Fire	Firefighters (4 FTEs) → Funded @ 6 Months	123,770

* Anticipated incoming revenue through Charter School Agreement totaling \$62,000

Re-organizations within the Police Department

- Two (2) Sergeant Upgrades → total impact \$21,838
- Re-organization of Budget Officer, Project Specialist & Part-Time Accreditation Specialist → total impact (\$36,304)

FY 2022 PROPOSED FTE CHANGES – OTHER FUNDS

EFFECTIVE OCTOBER 1, 2021

A net total of 8 additional full-time positions are reflected in the following Funds:

Fund	Department	Position	Total Impact
Building	Building	Building Inspector I (2 FTEs) Permit Technician (1 FTE)	267,777
Utilities	Utilities	Field Service Representative (1 FTE) Maintenance Worker @ NRWTP (1 FTE) Reclassification of PT to FTE • 3 PT Maintenance Workers to 3 FTEs	207,304

GF CAPITAL NEEDS: HOW CAN WE ADDRESS THEM?

Option One

➤ *Utilize FY 2021 Unspent Funds*

- Year-End estimate balance including Fund Balance usage for requests \$2.4 million
- Based on quarterly Budget Monitoring Reports, GF departments are spending less than their quarterly targets
 - Quarter 2 @ 47.3% & Quarter 3 @ 71.4%

Option Two

➤ *Exceed the 3.0% CAP for Ad Valorem Taxation*

- Slide 14 provides millage rate options & associated revenue variances
- Exceeding the CAP up to the FY 2021 rate of 7.8378 can increase revenue ranging up to ~ \$1.2 million

GENERAL FUND BUDGET SUMMARY HIGHLIGHTS

■ Based on 3% Cap Millage Rate of 7.5995

- Includes increase in state-shared revenue
- Transfers \$750,000 from General Fund to the Road Maintenance Fund
- Includes 10 new FTE positions between Police & Fire, along with upgrades & re-organizations
- New Fund Balance Policy to take effect per Resolution 2021-03
 - 2-month operating minimum @ \$12,594,591 versus previous 10.0% minimum requirement @ \$7,556,755
 - Emergency Contingency Fund with annual balance of 2.0% to 4.0%
 - Based on FY 2020 Certified Annual Financial Report → Committed, Assigned & Unassigned Fund Balance total of \$23,658,524
 - Ranging from \$473,170 (@ 2.0%) to \$946,340 (@ 4.0%)

IMPORTANT UPCOMING DATES

Date	Meeting Topic/Discussion
Tuesday, August 17	Budget Workshop (Optional)
Tuesday, September 7	1 st Public Hearing to Adopt Millage Rate & Budget – Starting at 6:00 pm
Friday, September 17	Budget Advertisement in Florida Today <ul style="list-style-type: none">• Tax Increase• Budget Summary
Wednesday, September 22	2 nd Public Hearing to Adopt Millage Rate & Budget – Starting at 6:00 pm

TODAY'S GOALS

Council discussion
regarding FY 2022 proposed
budget & millage rate
options

