



  
120 Malabar Road SE  
Palm Bay, FL 32907  
(321) 952-3400  
[www.palmbayflorida.org](http://www.palmbayflorida.org)

**Mayor**  
WILLIAM CAPOTE  
**Deputy Mayor**  
KENNY JOHNSON  
**Councilmembers**  
HARRY SANTIAGO, JR.  
JEFF BAILEY  
BRIAN ANDERSON

## **AGENDA**

### **Workshop Tuesday**

**August 4, 2020 - 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 2020-2021.

#### **ADJOURNMENT:**

Pursuant to Section 286.011, Florida Statutes, and Executive Order 20-69, notice is hereby given that the City of Palm Bay shall hold the above public meeting on August 4, 2020, beginning at 6:00 PM. and lasting until the meeting is complete. The meeting will be conducted via communications media technology (teleconference/video conference).

Public comments may be submitted via email at [publiccomments@palmbayflorida.org](mailto:publiccomments@palmbayflorida.org). Members of the public may also call (321) 726-2740 to provide comments via a dedicated City of Palm Bay public comment voicemail. All comments submitted will be included as part of the public record for this virtual meeting and will be considered by the City Council prior to any action taken. Comments must be received at least twenty-four (24) hours prior to the meeting and shall have a time limit of three (3) minutes.

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.

**Councilmembers who are members of the Space Coast Transportation Planning Organization (TPO) may discuss TPO issues which may subsequently be addressed by the TPO.**

**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 (Section 286.0105, Florida Statutes). 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 contact the Office of the City Clerk at (321) 952-3414 or Florida Relay System at 711.**



# FISCAL YEAR BUDGET REVIEWS

## 2020 MID-YEAR & 2021 BASE BUDGET

**JUNE 23, 2020**

\*All estimates are preliminary  
& subject to change

# AGENDA

- Strategic Goals & Accomplishments
- General Fund Current & Historical Fund Balances
- FY 2020 & FY 2021 Revenues & Expenditures
  - General Fund Focus with 3-Year Historical Data
- Annual Debt Service Requirements
- FY 2021 Department Requests for Additional Funding
- Historical & Preliminary Taxable Values
- 2020 Ad Valorem Tax Rate Options
- Pending Items
- Council Discussion & Direction Regarding the FY 2021 Proposed Budget

# STRATEGIC ACCOMPLISHMENTS & GOALS

## ✓ Zero-Based Budget

- 3-Year Historical Reviews
- Focus on “What is Needed to Operate Department Under Current Conditions”
- High/Priority I Requests Included (Contractual/Audit Requirements)

## ✓ Freezing Unfilled Positions

## ✓ State-Shared Revenue Trends & Possible Reduction Impacts

- 10% Estimated Revenue Reduction Totaling \$1,756,882

# GENERAL FUND BALANCE

TEN-YEAR HISTORY

2019 Fund Balance Highlights  
Total Fund Balance @ 28.15%  
Unassigned Fund Balance @ 25.97%

YE-End 30-Sep	Minimum Required Fund Balance	Total Fund Balance	Committed & Assigned Fund Balances	Unassigned Fund Balance	Total Fund Balance Exceeding Minimum Required Fund Balance	Unassigned Fund Balance Exceeding Minimum Required Fund Balance
2010	10% 5,223,284	5,790,912	1,769,337	4,021,575	567,628	(1,201,709)
2011	5,046,518	6,077,849	1,547,689	4,530,160	1,031,331	(516,358)
2012	4,941,647	8,600,610	1,530,787	7,069,823	3,658,963	2,128,176
2013	5,059,293	12,005,802	2,172,641	9,833,161	6,946,509	4,773,868
2014	5,321,416	10,040,314	371,691	9,668,623	4,718,898	4,347,207
2015	5,311,438	8,282,350	382,721	7,899,629	2,970,912	2,588,191
2016	5,594,175	9,174,582	274,513	8,900,069	3,580,407	3,305,894
2017	6,107,113	8,631,987	364,325	8,267,662	2,524,874	2,160,549
2018	6,478,266	14,972,626	3,219,020	11,753,606	8,494,360	5,275,340
2019	6,784,007	19,098,786	1,482,939	17,615,847	12,314,779	10,831,840

Total Fund Balance – Committed & Assigned Fund Balances =  
Unassigned Fund Balance

Total Fund Balance –  
Minimum Requirement

Unassigned Fund Balance –  
Minimum Requirement

\*Unappropriated FB equal to a minimum of 10% of the originally adopted expenditures in Sept for the subsequent fiscal year less capital outlay and transfers out budgeted.

# GENERAL FUND REVENUES → TRENDING

STATUS & COMPARISON AS OF 06/23/2020

Description	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2020 Amended Budget	FY 2020 Year-End Estimates	FY 2021 Estimated Base Budget
Property Taxes	26,256,112	28,665,927	31,754,316	33,163,426	33,163,426	33,576,800	35,000,000
Sales, Use & Fuel Tax	4,089,629	3,744,098	4,147,267	3,872,511	3,872,511	3,872,511	3,900,000
Franchise Fees	5,440,631	5,588,374	5,811,171	5,680,000	5,680,000	5,670,055	5,754,200
Utility Taxes	8,529,880	8,878,777	9,111,670	8,921,500	8,921,500	8,608,900	8,920,500
Communications Service Tax	2,569,292	2,638,032	2,540,717	2,588,443	2,588,443	2,560,000	2,600,000
Licenses & Permits	600,378	629,022	629,397	622,000	622,000	659,220	642,810
Intergovernmental	11,992,332	14,306,467	14,924,478	12,796,377	14,444,989	14,417,076	12,120,582
Charges for Service	3,446,249	4,179,802	4,423,201	4,430,360	4,406,348	4,473,125	5,354,376
Fines & Forfeitures	408,700	522,691	501,339	444,300	444,300	430,573	437,600
Miscellaneous	670,220	806,332	1,044,631	723,200	723,200	735,460	905,000
Transfers	1,840,316	2,594,766	2,182,654	2,420,711	2,566,797	2,566,797	1,750,106
Capital Leases	0	4,363,350	713,075	0	134,185	135,000	0
Property Sales	330,390	566,866	0	0	0	0	0
Fund Balance	0	0	0	0	2,497,102	2,497,102	0
<b>Total Revenues</b>	<b>66,174,129</b>	<b>77,484,504</b>	<b>77,783,916</b>	<b>75,662,828</b>	<b>80,064,801</b>	<b>80,202,619</b>	<b>77,385,174</b>

# GENERAL FUND REVENUES → 10% STATE-SHARE REDUCTION

STATUS & COMPARISON AS OF 06/23/2020

Description	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted	FY 2020 Amended Budget	FY 2020 Year-End Estimates	FY 2021 Estimated Base Budget
Property Taxes	26,256,112	28,665,927	31,754,316	33,163,426	33,163,426	33,576,800	35,000,000
Sales, Use & Fuel Tax	4,089,629	3,744,098	4,147,267	3,872,511	3,872,511	3,872,511	3,485,260*
Franchise Fees	5,440,631	5,588,374	5,811,171	5,680,000	5,680,000	5,670,055	5,754,200
Utility Taxes	8,529,880	8,878,777	9,111,670	8,921,500	8,921,500	8,608,900	8,920,500
Communications Service Tax	2,569,292	2,638,032	2,540,717	2,588,443	2,588,443	2,560,000	2,329,599*
Licenses & Permits	600,378	629,022	629,397	622,000	622,000	659,220	642,810
Intergovernmental	11,992,332	14,306,467	14,924,478	12,796,377	14,444,989	14,417,076	11,048,841*
Charges for Service	3,446,249	4,179,802	4,423,201	4,430,360	4,406,348	4,473,125	5,354,376
Fines & Forfeitures	408,700	522,691	501,339	444,300	444,300	430,573	437,600
Miscellaneous	670,220	806,332	1,044,631	723,200	723,200	735,460	905,000
Transfers	1,840,316	2,594,766	2,182,654	2,420,711	2,566,797	2,566,797	1,750,106
Capital Leases	0	4,363,350	713,075	0	134,185	135,000	0
Property Sales	330,390	566,866	0	0	0	0	0
Fund Balance	0	0	0	0	2,497,102	2,497,102	0
<b>Total Revenues</b>	<b>66,174,129</b>	<b>77,484,504</b>	<b>77,783,916</b>	<b>75,662,828</b>	<b>80,064,801</b>	<b>80,202,619</b>	<b>75,628,292</b>

\*10% Reduction Based on FY 2020 Adopted Budget For State-Shared Revenues



# GENERAL FUND EXPENDITURES

STATUS & COMPARISON AS OF 06/23/2020

Department	FY 2019 Actual	FY 2020 Adopted	FY 2020 Amended Budget	FY 2020 Year-End Estimates	FY 2021 Estimated Base Budget
Legislative	762,995	843,205	847,155	837,167	919,974
City Manager	706,986	1,166,098	1,166,098	977,470	614,069
City Attorney	334,796	585,471	585,471	586,362	521,976
Procurement	546,846	582,523	583,419	602,231	659,932
Finance	1,471,749	1,653,621	1,655,980	1,658,208	1,724,656
Information Technology	3,337,067	2,741,987	3,011,621	2,675,703	3,350,894
Human Resources	865,578	833,831	835,448	827,011	757,194
Growth Management	1,498,623	1,820,492	1,834,101	1,819,945	1,754,929
Community & Econ. Dev.	725,432	463,746	463,746	375,271	1,423,606
Parks & Recreation	4,227,946	4,641,772	5,832,501	5,611,267	4,902,481
Facilities	5,224,681	2,821,393	2,902,116	2,709,764	2,677,756
Police	20,576,711	22,339,120	23,030,817	21,940,330	23,084,653
Fire	15,073,662	16,275,738	16,499,277	16,649,281	16,105,344
Public Works	5,026,290	5,623,675	7,055,570	6,924,586	5,730,836
General Government	13,314,520	13,270,156	13,761,481	12,790,922	11,829,442
<b>Total Expenditures</b>	<b>73,693,882</b>	<b>75,662,828</b>	<b>80,064,801</b>	<b>76,985,518</b>	<b>76,057,742</b>

# ESTIMATED EXCESS REVENUE SCENARIOS

AS OF 06/23/2020

	FY 2020 Year-End Estimate	FY 2021 Base Budget - Trending	FY 2021 Base Budget - 10% Reduction
Estimated Revenues	80,202,619	77,385,174	75,628,292
Estimated Expenditures	76,985,518	76,057,742	76,057,742
<b>Revenues Over/(Under) Expenditures</b>	<b>3,217,101</b>	<b>1,327,432</b>	<b>(429,450)</b>

## FY 2020 Highlights

- Projected Savings Due to Closure & Event/Program Reductions
- Projected Savings Due to Freezing of Unfilled Positions
- Anticipation of State-Shared Revenue Reductions Pending

## FY 2021 Highlights

- Property Millage Rate @ 3% CAP Including New Construction
- Salary Increase for General Employees, Council & Union Contracts (3% or Contracted Amount)
- Health Benefit-Associated Increases
- Mandatory Police & Fire Retirement; Debt Increase

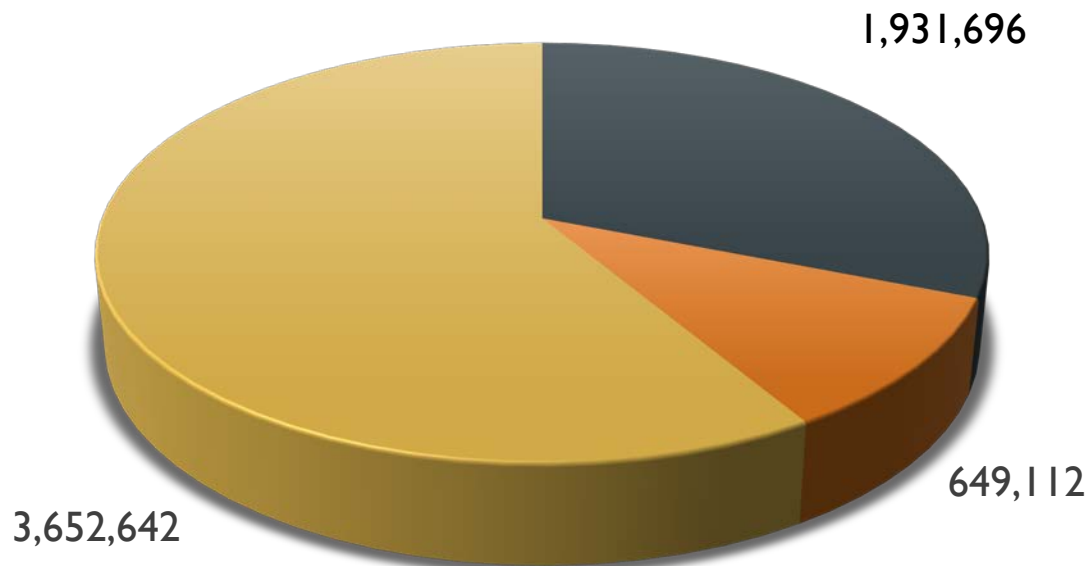
# ANNUAL DEBT SERVICE

Debt Service Requirements	Purpose	FY 2020	FY 2021	Final Payment
Taxable Special Obligation Bonds, Series 2004	Pension Unfunded Liability	155,000	175,000	10/1/2025
Capital Impr Revenue Bonds, Series 2010	City Hall Annex Building	328,242	329,253	10/1/2040
Taxable Special Obligation Bonds, Series 2013	Pension Refund/Swap Term	821,198	1,484,660	10/1/2040
Franchise Fee Revenue Note, Series 2015	I-95 Mitigation Cost	531,244	530,395	10/1/2025
Comm Invest Rev Bond, Sales Tax Portion, Series 2015	Refund Debt for Fire Station/Paving	825,255	826,979	10/1/2036
Franchise Fee Revenue Note, Series 2016	Partial Refund 2004 Tax Oblig Bonds	319,828	331,746	10/1/2030
Taxable Special Obligation Refunding Bonds, Series 2019	Pension Refund/Swap Term (Refunding Bond)	1,538,585	2,209,685	10/1/2040
Fleet Services Fund Advance from Utility Fund, 2016	Working Capital for Light Vehicle & Heavy Equipment Replacements	224,847	224,847	9/30/2023
General Fund Advance from Building Fund, 2017	Citywide IT Communication & Radio Consoles	128,140	128,141	10/1/2020
Fleet Services Fund Advance from Building Fund, 2017	Public Works Heavy Equipment	63,189	63,189	10/1/2020
Capital Lease/Purchase, 2018	Energy Contract	230,142	136,419	7/6/2037
Capital Lease/Purchase, 2020	Patrol Vehicles (18)	136,614	136,614	3/12/2024
Capital Lease/Purchase, 2020	Fire Apparatus (1)	138,610	138,610	3/12/2029
<b>General Fund Funded</b>		<b>5,440,894</b>	<b>6,715,538</b>	
Local Option Gas Tax Refund Revenue Note, Series 2014	Advance Refund LOGT Debt	632,050	0	
Comm Invest Rev Bond, Impact Fee Portion, Series 2015	Bridge Replace/Road Capacity	227,277	227,752	10/1/2036
Local Options Gas Tax Revenue Note, Series 2018	I-95 Connector Road Construction	767,472	767,784	10/1/2032
<b>Transportation Impact Fee Funded</b>		<b>1,626,799</b>	<b>995,536</b>	
<b>Total General Fund Pledged Revenues</b>		<b>7,067,693</b>	<b>7,711,074</b>	

# FY 2021 DEPARTMENT FUNDING REQUESTS

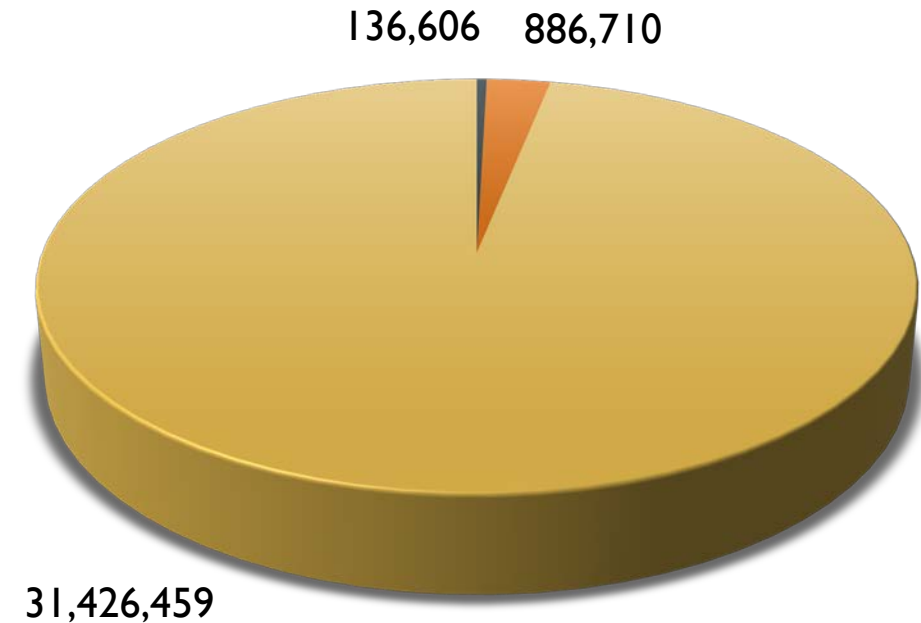
BY CATEGORY - 38,683,225

General Fund - 6,233,450



■ Personnel ■ Operating ■ Capital

All Other Funds – 32,449,775



■ Personnel ■ Operating ■ Capital

# FY 2021 DEPARTMENT FUNDING REQUESTS

BY FUND/DEPARTMENT

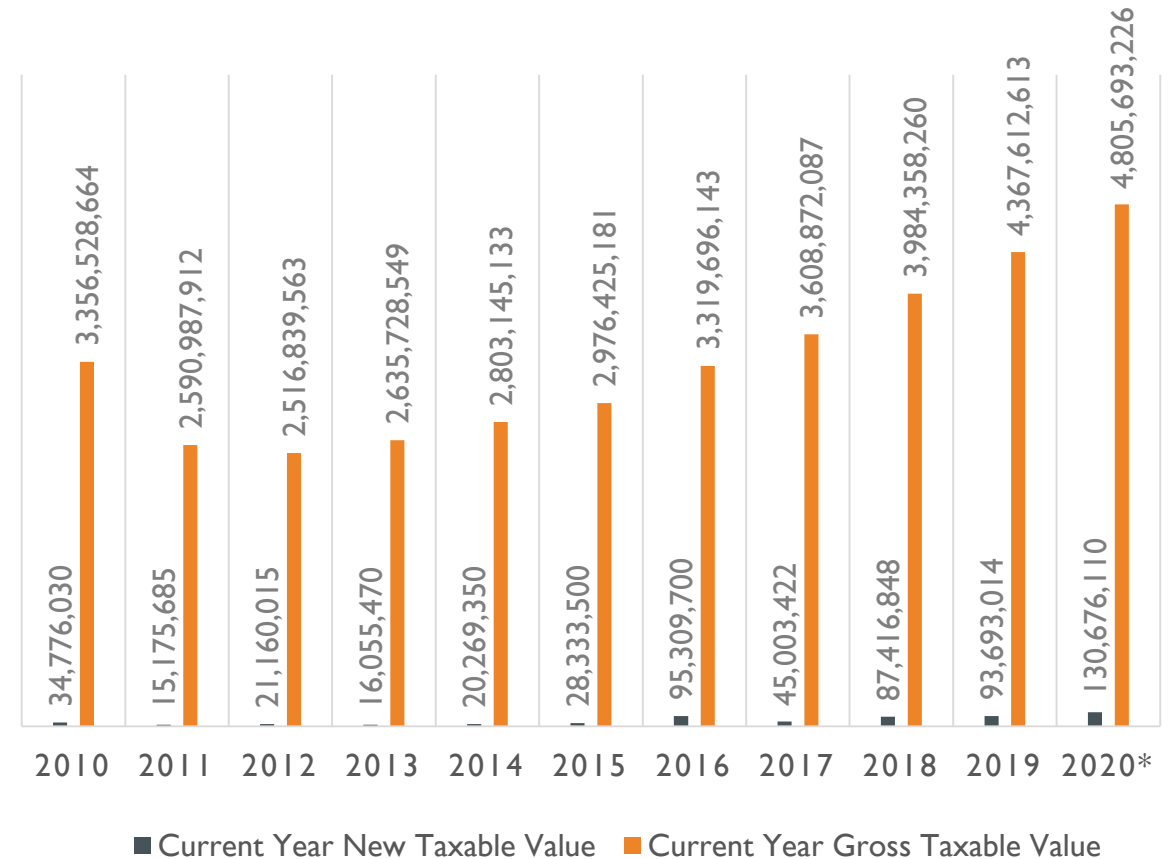
General Fund	Personnel	Operating	Capital	Total
Legislative	0	0	0	0
City Manager	0	0	0	0
City Attorney	0	0	0	0
Procurement	2,480	1,000	0	3,480
Finance	0	0	0	0
CIT	156,042	0	0	156,042
Human Resources	0	0	0	0
Growth Management	0	0	0	0
Parks	0	71,028	1,133,739	1,204,767
Facilities	28,574	89,650	241,465	359,689
Police	1,462,467	0	0	1,462,467
Fire	0	0	773,125	773,125
Public Works	69,768	487,434	1,454,313	2,011,515
EDEA	212,365	0	50,000	262,365
<b>Total General Fund</b>	<b>1,931,696</b>	<b>649,112</b>	<b>3,652,642</b>	<b>6,233,450</b>

All Other Funds	Personnel	Operating	Capital	Total
Utility Operating Fund	182,184	763,724.00	2,913,472.00	3,859,380
Connection Fee Fund	0	0	6,340.00	6,340
Renewal, Replace Fund	0	46,500.00	4,464,045.00	4,510,545
Mainline Ext Fund	0	0	22,681.00	22,681
SRF Loan Fund			18,938,800.00	18,938,800
Building Fund	0	76,486.00	389,514.00	466,000
Stormwater Fund	0	0	4,357,000.00	4,357,000
Solid Waste Fund	(45,578)	0	0	(45,578)
Fleet Fund	0	0	334,607.00	334,607
<b>Total All Other Funds</b>	<b>136,606</b>	<b>886,710</b>	<b>31,426,459</b>	<b>32,449,775</b>

# PALM BAY TAXABLE VALUES

A 10-YEAR HISTORY OF NEW TAXABLE VALUES VS. GROSS TAXABLE VALUES

	Current Year Adjusted Taxable	Current Year New Taxable Value	Current Year Gross Taxable Value
2010	3,321,752,634	34,776,030	3,356,528,664
2011	2,575,812,227	15,175,685	2,590,987,912
2012	2,495,679,548	21,160,015	2,516,839,563
2013	2,619,673,079	16,055,470	2,635,728,549
2014	2,782,875,783	20,269,350	2,803,145,133
2015	2,948,091,681	28,333,500	2,976,425,181
2016	3,224,386,443	95,309,700	3,319,696,143
2017	3,563,868,665	45,003,422	3,608,872,087
2018	3,896,941,412	87,416,848	3,984,358,260
2019	4,273,919,599	93,693,014	4,367,612,613
2020*	4,675,017,116	130,676,110	4,805,693,226



\*Estimate as of /2020

# FY 2021 AD VALOREM RATE OPTIONS

BASED ON PRELIMINARY VALUES AS OF MAY 29, 2020

Description	Millage Rate Options	FY 2020 Revenue*	FY 2021 Revenue*	FY 2021 Increase in Revenue From Current Fiscal Year	FY 2021 % Increase in Revenue From FY 2020
FY 2020 - Current	8.1379	33,163,426			
FY 2021 - Maintain Current	8.1379		36,555,761	3,392,335	10.23%
	8.1000		36,385,513	3,222,087	9.72%
	8.0500		36,160,911	2,997,485	9.04%
	7.9850		35,868,928	2,705,502	8.16%
	7.9000		35,487,105	2,323,679	7.01%
	7.8500		35,262,503	2,099,077	6.33%
FY 2021 - 3% CAP	7.8320		35,181,646	2,018,220	6.09%
FY 2021 - Roll Back	7.6359		34,300,678	1,137,252	3.43%

\*Revenue amounts includes: new construction revenue, is net of BCRA ad valorem taxes and assumes 96% collection rate

# IMPACT ON FY 2021 AD VALOREM TAX REVENUES

BASED ON PRELIMINARY VALUES AS OF MAY 29, 2020

Description	Millage Rate Options	FY 2021 Increase in Revenue From Current Fiscal Year	Reduction in Available FY 2021 Revenue if Millage Rate is Under 8.1379 mils (FY 2020 Rate)	Additional Revenue Available in FY 2021 if Millage Rate is Above 7.8320 mils (3% CAP)
FY 2021 - Maintain Current	8.1379	3,392,335	0	1,374,115
	8.1000	3,222,087	(170,248)	1,203,867
	8.0500	2,997,485	(394,850)	979,265
	7.9850	2,705,502	(686,833)	687,282
	7.9000	2,323,679	(1,068,656)	305,459
	7.8500	2,099,077	(1,293,258)	80,857
FY 2021 - 3% CAP	7.8320	2,018,220	(1,374,115)	0
FY 2021 - Roll Back	7.6359	1,137,252	(2,255,083)	



# G.O. BOND DEBT MILLAGE RATES

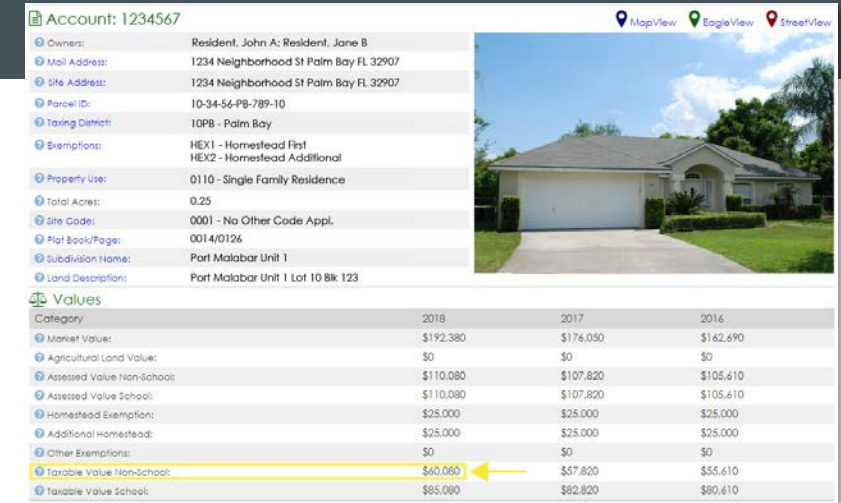
GENERAL OBLIGATION BONDS, SERIES 2019

	Annual Debt Payment Requirement	Voted Debt Millage Rate	Estimated Annual Revenues Generated
FY 2020	3,529,647	0.8296	3,529,602
FY 2021	3,527,750	0.7529	3,527,298

## Estimated Annual Costs:

Annual Tax Levy Amount* (Exemptions Deducted)	FY 2020	FY 2021	Reduction
On <b>\$10,000</b> Taxable Value Non-School	8.30	7.53	(0.77)
On <b>\$50,000</b> Taxable Value Non-School	41.48	37.65	(3.83)
On <b>\$75,000</b> Taxable Value Non-School	62.22	56.47	(5.75)
On <b>\$100,000</b> Taxable Value Non-School	82.96	75.29	(7.67)
On <b>\$200,000</b> Taxable Value Non-School	165.92	150.58	(15.34)

\*Assuming no change in taxable value from the previous year.



Account: 1234567

MapView EagleView StreetView

Owners: Resident, John A; Resident, Jane B

Mail Address: 1234 Neighborhood St Palm Bay FL 32907

Site Address: 1234 Neighborhood St Palm Bay FL 32907

Parcel ID: 10-34-56-PB-789-10

Taxing District: 10PB - Palm Bay

Exemptions: HEX1 - Homestead First  
HEX2 - Homestead Additional

Property Use: 0110 - Single Family Residence

Total Acres: 0.25

Site Code: 0001 - No Other Code Appl.

Plot Book/Page: 0014/0126

Subdivision Name: Port Malabar Unit 1

Land Description: Port Malabar Unit 1 Lot 10 Blk 123

Values

Category	2018	2017	2016
Market Value:	\$192,380	\$176,050	\$142,690
Agricultural Land Value:	\$0	\$0	\$0
Assessed Value Non-School:	\$110,080	\$107,820	\$105,610
Assessed Value School:	\$110,080	\$107,820	\$105,610
Homestead Exemption:	\$25,000	\$25,000	\$25,000
Additional Homestead:	\$25,000	\$25,000	\$25,000
Other Exemptions:	\$0	\$0	\$0
Taxable Value Non-School:	\$60,060	\$57,820	\$55,610
Taxable Value School:	\$85,000	\$82,820	\$80,610

You Can Find Your Taxable Value Non-School Amount By

Visiting The Brevard County Property Appraiser's Office Website  
OR  
Reviewing Your Latest Tax Bill

# FY 2021 PROPOSED BUDGET

PENDING ITEMS IMPACTING THE AVAILABILITY OF FUNDS

- 2020 Property Tax Valuations – Due by July 1, 2020
- Department of Revenue (DOR) Office of Tax Research Municipal Estimates – Expected Mid-July Timeframe
  - Delay Due to COVID-19
  - Includes State-Shared Revenues, 1<sup>st</sup> Local Option Fuel Tax (LOGT), Communications Service Tax (CST) & Half Cent Sales Tax
- Reimbursement for Hurricane Dorian Overtime Labor Hours & Emergency Vehicle/Equipment Usage
  - Current Total Estimate @ \$261,667.07 → 75% Cost-Share Estimate @ \$196,250.31

# IMPORTANT UPCOMING DATES

Date	Meeting Topic/Discussion
July 1, 2020	Final 2020 Property Tax Valuations
Mid-July, 2020	State-Shared Revenue Publications
July 16, 2020	RCM: Certification of Taxable Value – Proposed Millage Rate Decision – Set Public Hearing Dates
July 23, 2020	FY 2021 Proposed Budget Distribution
August 4, 2020	Budget Workshop – FY 2021 Discussion Starting @ 6:00 p.m.
August 19, 2020	Budget Workshop (If Needed) – FY 2021 Discussion Starting @ 6:00 p.m.
September 9, 2020 - Tentative	1 <sup>st</sup> Public Hearing (Based on July 16, 2020 RCM Motion)
September 21, 2020 - Tentative	FloridaToday Publication – Must Occur With 15 Calendar Days of 1 <sup>st</sup> Public Hearing
September 23, 2020 - Tentative	2 <sup>nd</sup> Public Hearing – Must Be Held Two (2) to Five (5) Calendar Days After Advertisement 30-Day Deadline From Budget Adoption (2 <sup>nd</sup> Public Hearing)
October 23, 2020 - Tentative	<ul style="list-style-type: none"> <li>FY 2021 Adopted Budget Website Publication</li> <li>Department of Revenue TRIM Compliance Package</li> </ul>

- Questions/Comments
- Council discussion & direction regarding FY 2021 Proposed Budget to be presented in July

THANK YOU FOR YOUR TIME!