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April 12, 2017

M E M O R A N D U M

TO: Stockton Whitten, County Manager

RE: Item I.A., Budget Presentations - Other General Fund Obligations – Road Maintenance

The Board of County Commissioners, in special session on April 11, 2017, approved an internal loan to pay off existing Constitutional Gas Tax Bond Debt; approved the current available \$6 million fund can be used for resurfacing over a four-year period (2018-2021); and approved allocating an additional \$391,000 from the General Fund for resurfacing, with a caveat pertaining to all actions that staff obtain the best financing scenario available.

Your continued cooperation is always appreciated.

Sincerely,

BOARD OF COUNTY COMMISSIONERS
SCOTT ELLIS, CLERK

Tammy Rowe, Deputy Clerk

cc: Public Works Director
Finance
Budget



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April 12, 2017

M E M O R A N D U M

TO: Stockton Whitten, County Manager

RE: Item I.A., Budget Presentations – General Government – Cost of Living Adjustment

The Board of County Commissioners, in special session on April 11, 2017, directed staff to make it a priority to attempt to fund a Cost of Living Adjustment (COLA).

Your continued cooperation is always appreciated.

Sincerely,

BOARD OF COUNTY COMMISSIONERS
SCOTT ELLIS, CLERK

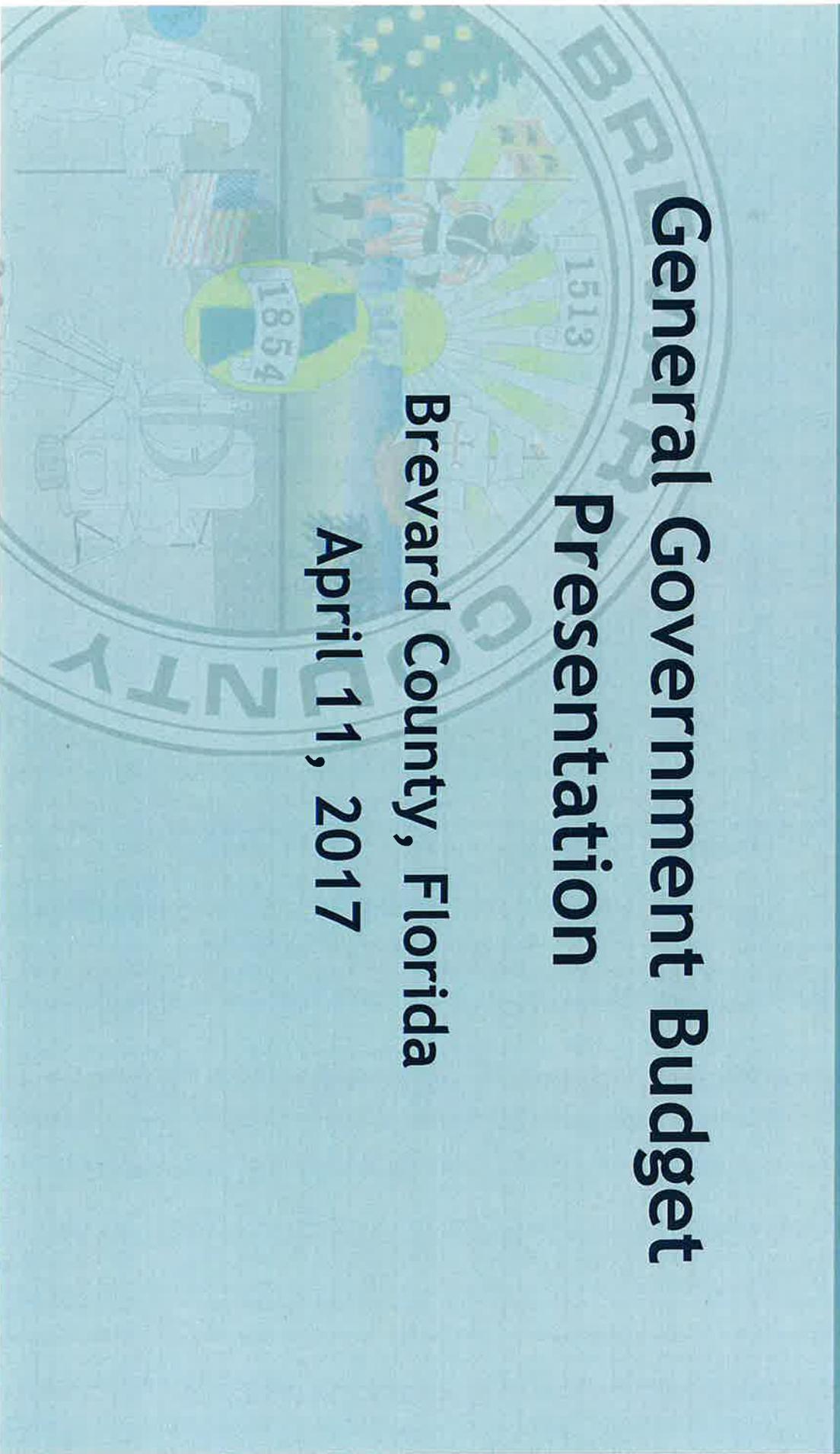
Tammy Rowe, Deputy Clerk

cc: Assistant County Manager Abbate
Finance
Budget

General Government Budget Presentation

Brevard County, Florida

April 11, 2017



Presentation Outline

- **General Government Mission**
- **Programs and Services**
- **Funding Sources**
- **Budget Categories By Program**
- **FY 2017-2018 Budget Development**
- **Request for Board Direction**

Mission Statement

General Government Services is comprised of three major functions which do not fit within the County's formal organization and are therefore administered by the Budget Office. These three functions are combined for presentation purposes only and are represented as General Government Operations, General Government Long-Term Debt, and Mandated Programs.

Programs and Services

**General
Government**

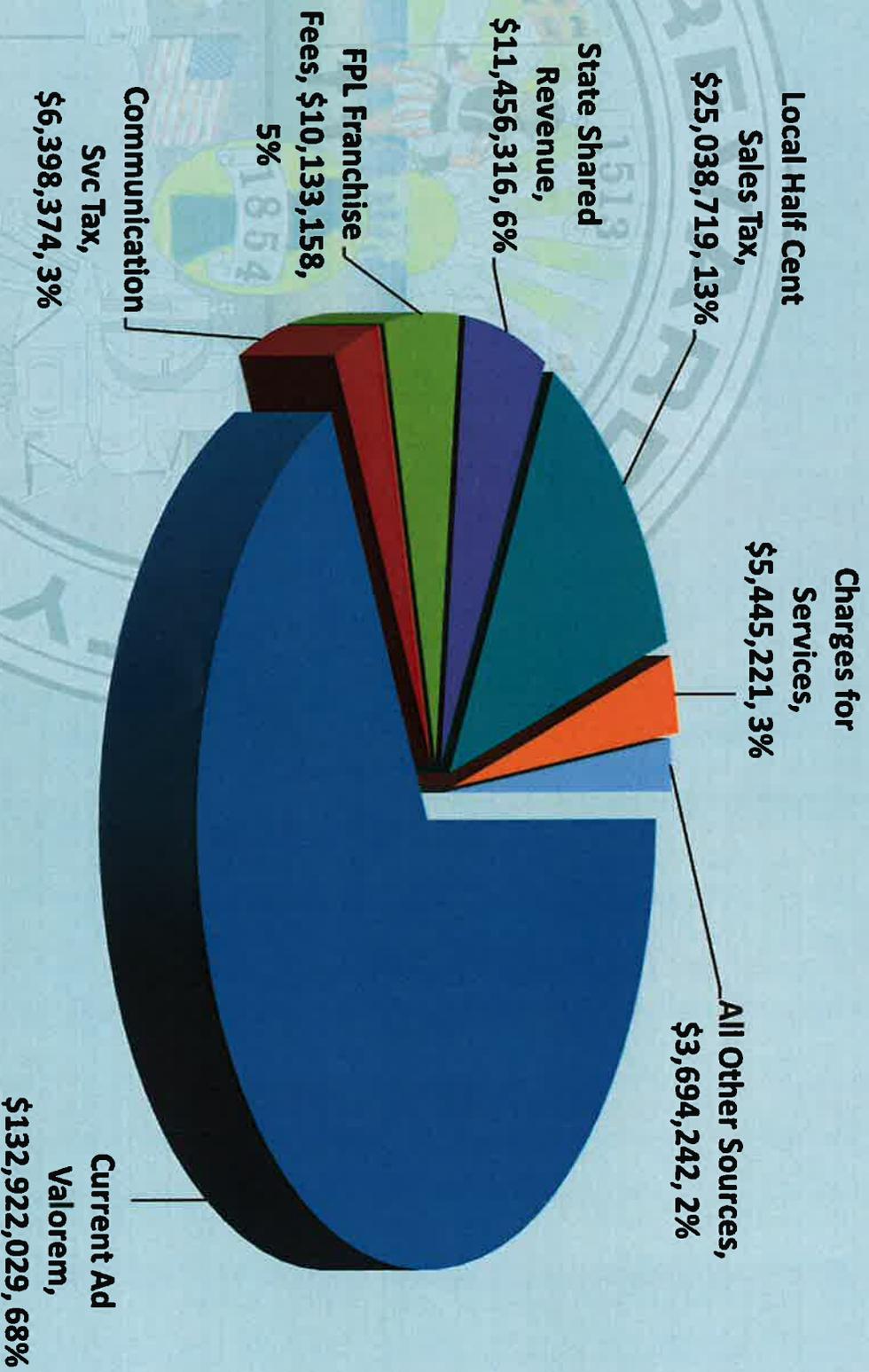
Operations

**Long-Term
Debt**

**Mandated
Programs**

General Government Operating Revenue, \$195,088,057

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Revenue Categories by Program

	General Gov Operations	General Gov Long-Term Debt	General Gov Mandates	Total Budget
REVENUES:				
Taxes	\$ 147,433,055	\$ -	\$ -	\$ 147,433,055
Permits, Fees & Special Assessments	\$ 11,080,632	\$ -	\$ -	\$ 11,080,632
Intergovernmental	\$ 39,289,376	\$ -	\$ -	\$ 39,289,376
Charges for Services	\$ 5,731,812	\$ -	\$ 160,839	\$ 5,892,651
Fines and Forfeits	\$ 43,500	\$ -	\$ -	\$ 43,500
Miscellaneous	\$ 1,777,474	\$ -	\$ -	\$ 1,777,474
Statutory Reduction	\$ (10,267,792)	\$ -	\$ (8,024)	\$ (10,275,816)
Operating Revenues	\$ 195,088,057	\$ -	\$ 152,815	\$ 195,240,872
Balance Forward	\$ 18,457,810			\$ 18,457,810
Transfers - General Revenue	\$ (144,051,071)	\$ 5,194,029	\$ 20,873,437	\$ (117,983,605)
Transfers - Other	\$ (4,276,955)	\$ 1,602,844	\$ -	\$ (2,674,111)
Non-Operating Revenues	\$ (129,870,216)	\$ 6,796,873	\$ 20,873,437	\$ (102,199,906)
TOTAL REVENUES	\$ 65,217,841	\$ 6,796,873	\$ 21,026,252	\$ 93,040,966

General Government Budget

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Operating Revenue	\$195,088,057
Balance Forward	\$18,457,810
Transfers In	<u>\$6,863,981</u>
General Government Revenue	\$220,409,848
Intrafund Transfers Out	(\$127,368,882)
General Government Adopted Budget	\$93,040,966

General Government Uses

GENERAL GOVERNMENT MANDATES

\$20,873,437

GENERAL GOVERNMENT LONG-TERM DEBT

\$5,412,482

GENERAL GOVERNMENT OPERATIONS

General Government Reserves

16,564,387

TIF Payments

\$7,586,596

Grants & Aid

\$2,164,050

Indirect Cost Charges

\$1,202,598

Contracted & Professional Services

\$1,286,030

Compensation & Benefits

\$1,051,448

Other General Government Expenses

\$1,042,431

GENERAL GOVERNMENT OPERATIONS

\$30,897,540

TRANSFERS

Charter Officers

104,721,585

Courts Operations

\$2,703,191

Public Safety, Infrastructure, Veterans

\$17,416,306

BOCC Departments (Excluding Gen Gov)

\$38,385,307

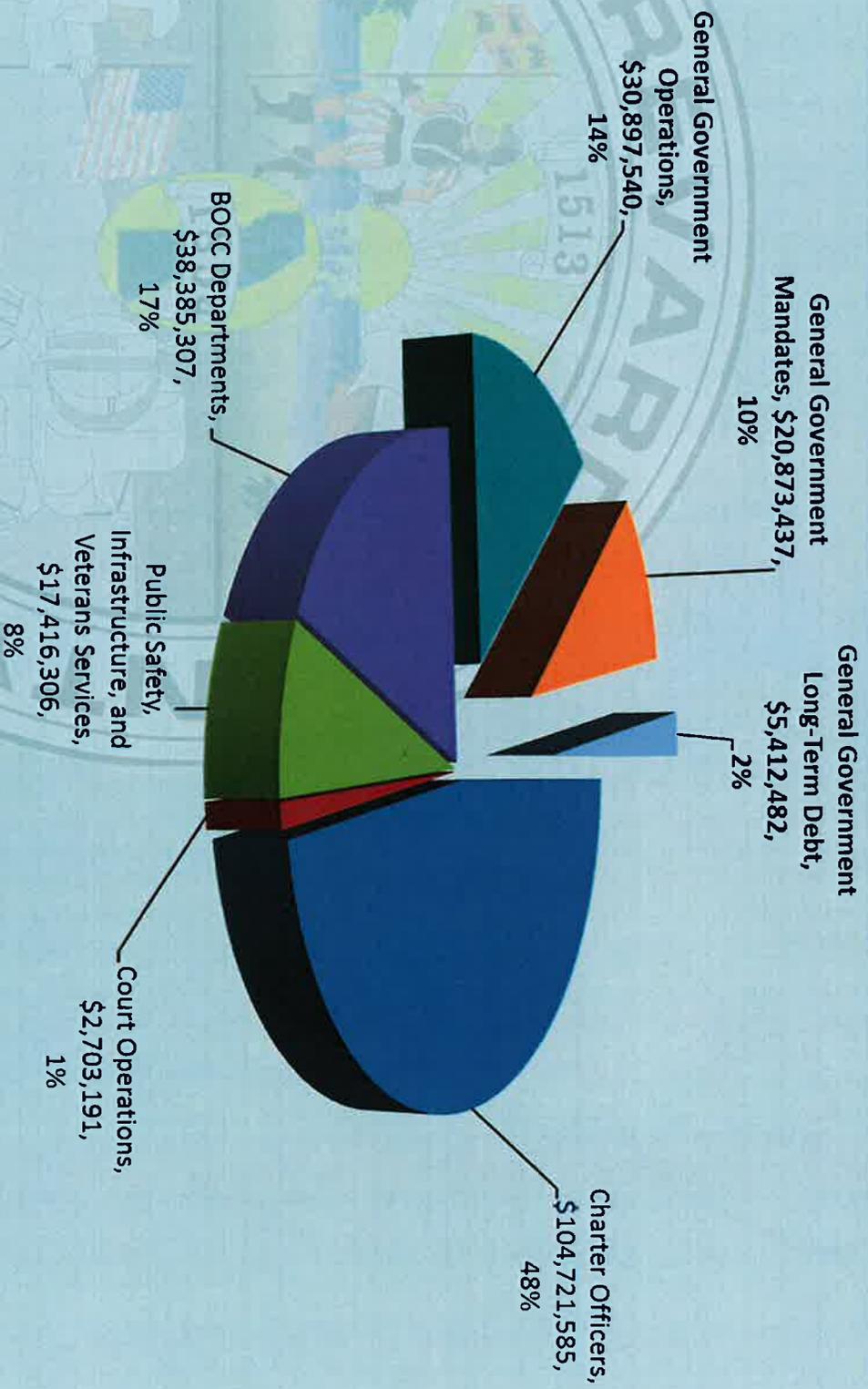
TRANSFERS

\$163,226,389

TOTAL GENERAL GOVERNMENT

\$220,409,848

General Government Uses



General Government Mandates

GENERAL GOVERNMENT MANDATES:

Medicaid	7,116,363	FL Statute 409.915
Property Appraiser, Fees for Svc to School Board & Cities	5,327,144	FL Statute 192.091
Tax Collector, Fees for Svc to School Board	4,813,187	FL Statute 192.091
Baker Act	1,748,507	FL Statute 394.457
Pre-Trial Detention of Juveniles	1,363,047	FL Statute 985.686
Legal Aid Mandate	103,703	Title V, 29.008
East Central Florida Regional Planning Council	94,986	FL Statute 186.504
Child Protection	86,000	FL Statute 39.304
Indigent Burials	80,000	FL Statute 406.50
Value Adjustment Board	75,500	FL Statute 194.015
Health Care Act (H.C.R.A.)	60,000	FL Statute 154.306
Inmate Medical Building	5,000	FL Statute 901.35
TOTAL OTHER MANDATES	\$20,873,437	

General Government Long-Term Debt

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GENERAL FUND DEBT

Pooled Commercial Paper Loan	\$1,692,392
Sales Tax Refunding & Improvement Revenue Bonds, Series 2010	\$1,070,956
Non-Ad Valorem Revenue Note, Series 2010-Combined	\$827,736
Debt Service Internal Loan	\$810,754
Subordinated Sales Tax Refunding Revenue Bonds, Series 2013	\$605,778
2014 Non-Ad Valorem Revenue Note, Energy Performance Contract	\$604,349
2014 Non-Ad Valorem Note (Credits; Transfers from Energy Savings)	(\$592,301)
Non-Ad Valorem Revenue Note, Series 2012	\$392,818
TOTAL GENERAL FUND DEBT PAYMENTS	<u>\$5,412,482</u>

General Government Operations

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TIF PAYMENTS

North Brevard Economic Development Zone

\$2,965,933

CRA Payments

\$4,620,663

TOTAL TIF PAYMENTS

\$7,586,596

General Government Operations

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GRANTS & AID

Economic Development Commission	\$1,400,050
Economic Incentive, Project Blue (Northrop Grumman)	\$500,000
Economic Incentive, Project Magellan (Northrop Grumman)	\$164,000
Brevard Cultural Alliance (Grants & Program Management)	<u>\$100,000</u>
TOTAL GRANTS & AID	\$2,164,050

PUBLICATIONS & MEMBERSHIPS

Florida Association of Counties	\$65,973
Foundation for Building; My Region	\$25,000
National Association of Counties	\$10,868
International City/County Management Association	<u>\$3,500</u>
TOTAL PUBLICATIONS & MEMBERSHIPS	\$105,341

General Government Operations

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CONTRACTED SERVICES

Internal Auditing Services	\$360,000
External Financial Audit Services	\$335,480
Investment Advisory Services	\$112,800
Oyster Gardening	\$100,000
Email Migration	\$85,000
State Lobbying Services	\$60,000
Federal Lobbyist	\$48,000
LEAD Brevard	\$40,700
Non-recurring Contracted Services	<u>\$24,520</u>
TOTAL CONTRACTED SERVICES	\$1,166,500

General Government Operations

COMPENSATION & BENEFITS

Annual/Sick Leave Payouts	\$855,734
Unemployment Compensation	\$152,250
Clerk to the Special Magistrate	<u>\$43,464</u>

TOTAL COMPENSATION & BENEFITS **\$1,051,448**

PROFESSIONAL SERVICES

Legal Services for Outside Counsel	\$30,000
Clerk of Court Fees (Unincorp Parking, Recording, Tax Deeds)	\$32,530
Cost Allocation Plan Development	\$17,000
Lean Six Sigma Workshops	\$25,000
Training (ELL, Seven Habits, Leadercast)	<u>\$15,000</u>

TOTAL PROFESSIONAL SERVICES **\$119,530**

General Government Operations

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OTHER GENERAL GOVERNMENT EXPENSES

Info Sys Charges (Indirect I. T. Costs)	\$1,019,844
Rentals & Leases (Indirect Facilities Costs)	\$182,754
TRDA Reimbursement (Non-Recurring)	\$595,054
TRIM Bill Expenses	\$185,000
Solid Waste Assessments at County Buildings	\$73,750
Advertising & Other Current Charges	\$36,500
Historic Commission	\$22,900
Printing & Binding, Municode Updates	\$15,000
Employee Innovation Program	\$7,500
Property Insurance	<u>\$1,386</u>
OTHER GENERAL GOVERNMENT EXPENSES	\$2,139,688

FY 2017-2018 Budget Development

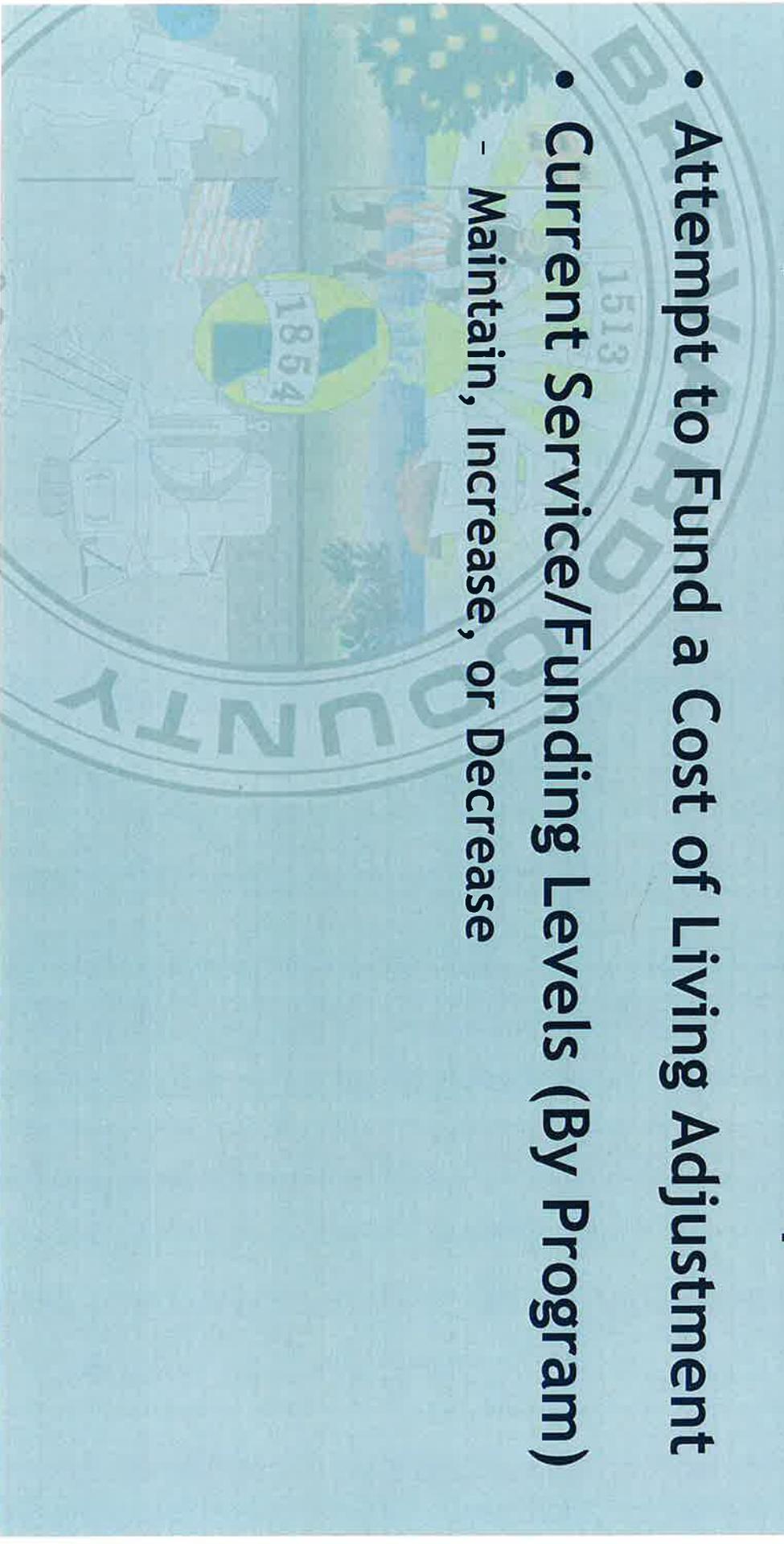
- **April - May**
 - Budget Workshops & Board Direction
 - Revenues & Expenditure Forecasting
 - Florida Legislative Session
 - 5/01/17 - Submission of Supervisor of Election & Clerk Budgets
- **June**
 - 6/01/17 - Preliminary Certified Tax Roll Received
 - 6/01/17 - Submission of Sheriff & Property Appraiser Budgets
 - County Manager Meetings with Departments & Agencies

FY 2017-2018 Budget Development

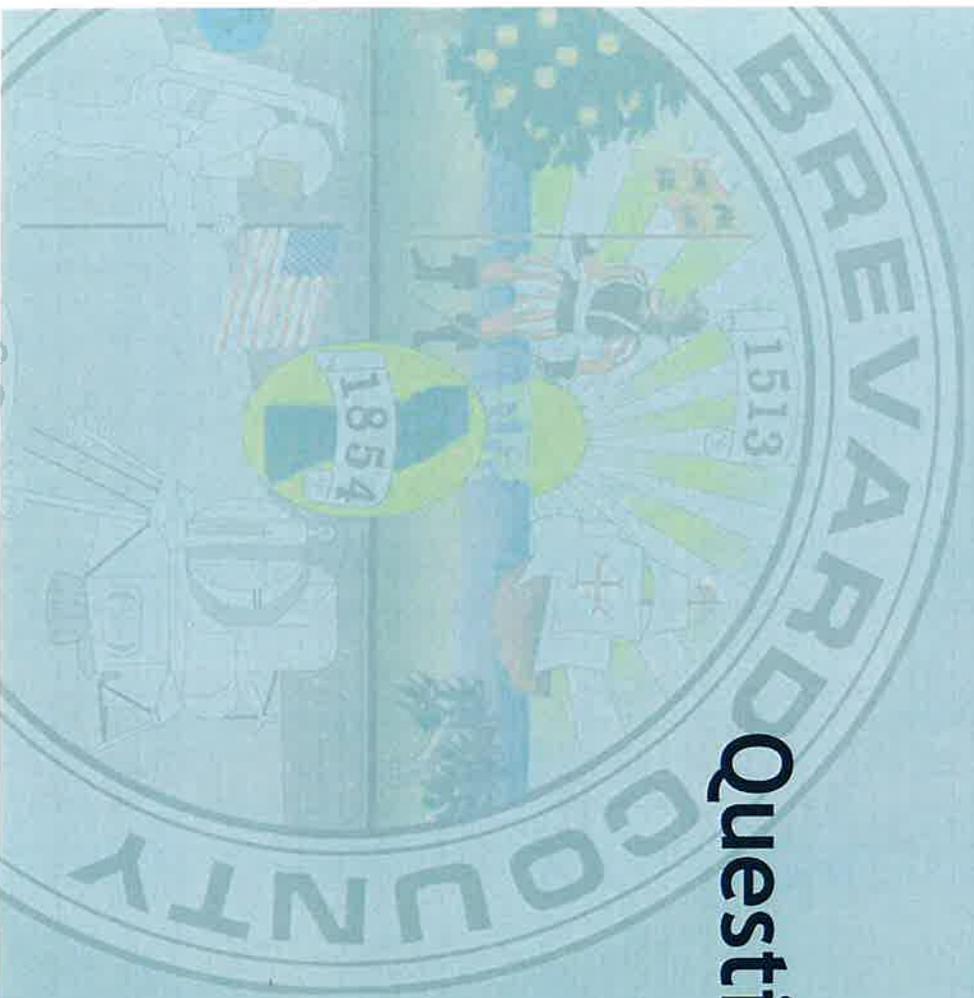
- **July**
 - 7/01/17 - Receive Certification of Property Values
 - 7/17/17 - Proposed Budget to County Commissioners
 - 7/25/17 - Board Sets Tentative FY 2018 Ad Valorem Millages
- **August**
 - 8/01/17 - Submission of Tax Collector's Budget
 - 8/25/17 - Property Appraiser mails TRIM Notices
 - Completion of Changes to Operating and CIP Budgets
- **September**
 - 9/12/17 - First Public Budget Hearing, Adopt Tentative Budget
 - 9/26/17 - Second Public Budget Hearing, Adopt Final Budget

Request for Board Direction

- Acceptance of Road Maintenance Proposal
- Attempt to Fund a Cost of Living Adjustment
- Current Service/Funding Levels (By Program)
 - Maintain, Increase, or Decrease



Questions?





Public Works Department

Executive Summary – Road Maintenance

April 11, 2017



Public Works Department

- Introduction

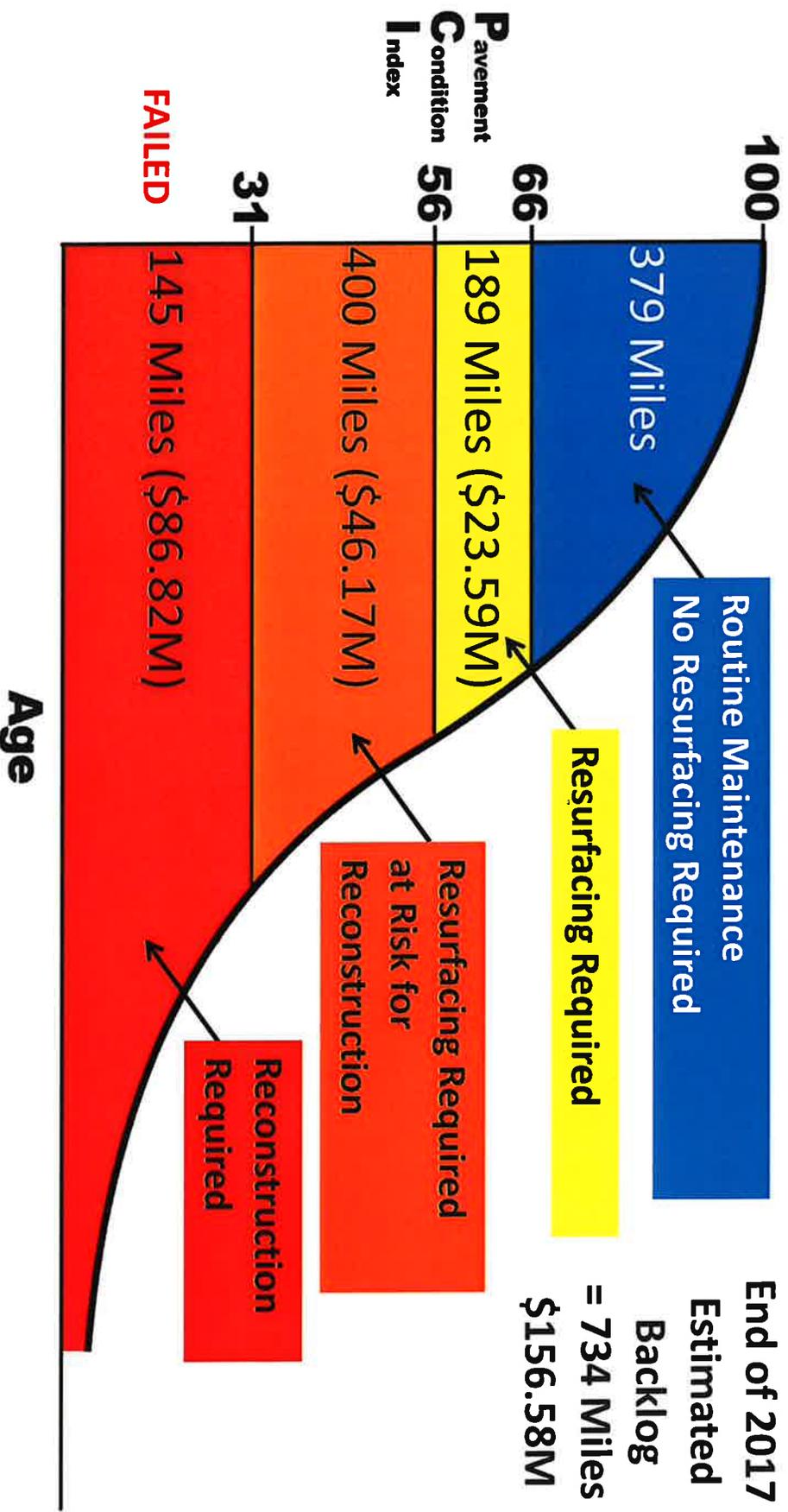
Background

- On March 9, 2017 at the BOCC budget workshop a presentation focusing on road maintenance was provided
- The core concern is Deferred road maintenance
 - Less than the needed 55 miles of road resurfacing per year
 - Large backlog of roads in need of resurfacing (589 miles) and reconstruction (145 miles) Total of 734 miles
- The cost of reconstruction is about 4 to 7 times the cost of resurfacing

Public Works Department

- Identifying Maintenance Needs

Good Roads Cost Less



- Discussion

Three Actions Required

1. **An internal loan to pay off existing Constitutional Gas Tax Bond Debt**
 - Lower interest rate
 - Repay internal loan debt in 4 years rather than 3 years for the Bonds
 - Savings of about \$750,000/year goes to resurfacing for four years
 - When internal loan is repaid about \$2.92M per year goes to resurfacing starting 2022
2. **The current available \$6M funds can be used for resurfacing**
 - Use is spread over 4 years (2018-2021)
3. **Allocate an additional \$391,000 from G.F. for resurfacing**



Public Works Department

- Projections

Recurring Periodic Road Maintenance

	2016	2017	2018	2019	2020	2021	2022
MSTU Existing	\$0.635	\$0.635	\$0.635	\$0.635	\$0.635	\$0.635	\$0.635
Current G.F. Existing	\$0	\$1.26	\$1.26	\$1.26	\$1.26	\$1.26	\$1.26
Existing Reoccurring Gas Tax (Proposed for FY17/18 Forward)	\$0	\$0	\$1.50	\$1.50	\$1.50	\$1.50	\$1.50
Recommended Supplemental G.F.	\$0	\$0	\$0.391	\$0.391	\$0.391	\$0.391	\$0.391
Recommended GGT Debt Service Revenue/Including Internal Loan Savings/ Cash Flow	\$0	\$0	\$0.746M	\$0.745M	\$0.738M	\$0.746M	\$2.92M
Recommended \$6M Allocation Opportunity Spread Over 4 Years	\$0	\$0	\$1.498	\$1.499	\$1.506	\$1.498	\$0
Total	\$0.635M	\$1.895M	\$6.03M	\$6.03M	\$6.03M	\$6.03M	\$6.706M
Resurfacing Miles Accomplished (Approx.)	8	20	55	55	55	55	61
Estimated Backlog Miles w/ Proposal	688	734	734	734	734	734	728
Estimated Backlog Miles w/o Proposal	688	734	758	782	806	803	800

1. Assumes all funding sources remain constant
2. Assumes nominally \$110,000 per mile for resurfacing in 2018 and going forward
3. NO adjustments for inflation have been included

Rev. 4/11/2017

Public Works Department

- Discussion

Four Main Benefits

- Combined affect of all three actions results in at least 55 miles per year being resurfaced starting in 2018 and continuing thereafter
- Immediately eliminates resurfacing backlog growth
- Immediately reduces reconstruction backlog growth and eventually eliminates it
- Average condition of roads will be gradually improved



Public Works Department

Public Works Department

- Discussion

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