

Palm Beach County
FY 2018
Proposed Budget

Set Proposed Millage Rates and Public Hearing Dates

Millage Rates

Countywide	4.7815	At current rate & above roll-back
Library	0.5491	At current rate & above roll-back
Fire-Rescue MSTU	3.4581	At current rate & above roll-back
Jupiter Fire MSTU	2.0038	Above current rate & roll-back
Aggregate Millage Rate	6.5925	Above roll-back

Countywide Voted-Debt	0.1208
Library Voted-Debt	0.0400

1st Public Hearing	September 5th - 6pm
2nd Public Hearing	September 18th - 6pm

Ad Valorem Taxes & Millage Rates

		2017	2018	Change	
				Amount	%
Countywide					
Taxes	General	\$ 789,564,716	\$ 845,592,790	\$ 56,028,074	7.1%
	Voted Debt	21,928,020	21,379,848	(548,172)	-2.5%
	Total	\$ 811,492,736	\$ 866,972,638	\$ 55,479,902	6.8%
Millage Rate	General	4.7815	4.7815	-	0.0%
	Voted Debt	0.1327	0.1208	(0.0119)	-9.0%
	Total	4.9142	4.9023	(0.0119)	-0.2%

Library					
Taxes	General	\$ 48,446,010	\$ 51,710,218	\$ 3,264,208	6.7%
	Voted Debt	3,899,679	3,766,907	(132,772)	-3.4%
	Total	\$ 52,345,689	\$ 55,477,125	\$ 3,131,436	6.0%
Millage Rate	General	0.5491	0.5491	-	0.0%
	Voted Debt	0.0442	0.0400	(0.0042)	-9.5%
	Total	0.5933	0.5891	(0.0042)	-0.7%

Main Fire Rescue MSTU					
Taxes		\$ 231,718,738	\$ 247,874,640	\$ 16,155,902	7.0%
Millage Rate		3.4581	3.4581	-	0.0%

Jupiter Fire Rescue MSTU					
Taxes		\$ 19,414,286	\$ 20,679,964	\$ 1,265,678	6.5%
Millage Rate		2.0035	2.0038	0.0003	0.0%

Millage Rate Impact on Homestead Property

	<u>FY 2017</u>	<u>Proposed FY 2018</u>	<u>FY 2017 - FY 2018</u>	
			<u>Amount</u>	<u>%</u>
Property Values				
Assessed Value	\$ 250,000	\$ 255,250	\$ 5,250	2.1%
Homestead Exemptions	(50,000)	(50,000)	-	0.0%
Taxable Value	<u>\$ 200,000</u>	<u>\$ 205,250</u>	<u>\$ 5,250</u>	2.6%
Countywide Millage Rates				
Operating	4.7815	4.7815	-	0.0%
Voted Debt Service	0.1327	0.1208	(0.0119)	(9.0%)
Total	<u>4.9142</u>	<u>4.9023</u>	<u>(0.0119)</u>	<u>(0.2%)</u>
Property Taxes				
Operating	\$ 956.30	\$ 981.40	\$ 25.10	
Voted Debt Service	26.54	24.79	(1.75)	
Total	<u>\$ 982.84</u>	<u>\$ 1,006.19</u>	<u>\$ 23.35</u>	<u>2.4%</u>

Palm Beach County
Summary of Changes Since June Budget Workshop

	<u>Net of Statutory Reserve Impact</u>	<u>(Shortfall) Surplus</u>
2018 Additional Property Values (Net of Statutory Reserves)	\$ 1,786,375	\$ 1,786,375
CRA's	\$ 17,458	\$ 1,803,833
Restated Department Requests		
Guardian Ad-Litem (GAL)	\$ (100,000)	\$ 1,703,833
John Prince Park - Additonal Sheriff Security (contract rate)	\$ (135,640)	\$ 1,568,193
Child Program Exam Fees (From \$250 to \$300)	\$ (43,750)	\$ 1,524,443
Other Department Changes	\$ (26,500)	\$ 1,497,943
General Fund Reserves	\$ (1,497,943)	\$0

Notes:

GAL program was transferred from Public Safety to Youth Services

Two positions were transferred from ERM to Office of Resilency

Additional changes to be made:

The addition of a Construction Project Specialist (PG 35) and a Technical Aide (PG 19) to the Road & Bridge Division complement, which are necessary to ensure the division is able to complete its projects funded by the Infrastructure Surtax. There is no avalorem impact since the cost of these positions will be charged to the Infrastructure Surtax projects.

Future Funding/Budget Issues

Maximum Millage Rate

Based on projected property values increases, by FY 2020 the current millage rate will likely exceed the maximum millage rate with a simple majority vote. A super-majority vote would be required to maintain the millage rate.

	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>	<u>FY 2020</u>
Roll-Back Rate	4.4441	4.4806	4.5421	4.5319	4.5323
Adopted Millage Rate	4.7815	4.7815	4.7815	4.7815	4.7815

Maximum Millage (MM) Rate

Prior Year	5.4599	5.1993	5.0718	4.9803	4.8764
Roll-Back MM	5.0994	4.8885	4.8301	4.7293	4.6266
Per Capita Florida Income	1.96%	3.75%	3.11%	3.11%	3.11%
Majority Vote MM	5.1993	5.0718	4.9803	4.8764	4.7705
2/3 MM (up to 10% above) *	5.7192	5.5790	5.4783	5.3640	5.2476

* Unanimous vote above this amount

Additional Homestead Exemption

If approved by the voters, the additional homestead exemption will result in an estimated loss of \$25 million in FY 2020 (Countywide Operating Only).

To prepare, it is recommended we increase our reserves above the 8% policy threshold in FY 2018 and FY 2019. This will help offset the impact and help preserve services.

FY 2018 - FY 2021 Budget General Fund

	Proposed FY 2018	Projected FY 2019	Projected FY 2020	Projected FY 2021
Property Values - 7% Annual Increase	\$ 176,846,761,549	\$ 189,226,034,857	\$ 197,171,857,297	\$ 210,973,887,308
Revenues				
Ad Valorem Taxes at current rate of 4.7815	\$ 845,592,790	\$ 904,784,286	\$ 940,608,345	\$ 986,007,560
Major Revenue	221,590,000	226,021,800	230,542,236	235,153,081
Sheriff Revenue	80,393,059	82,000,920	83,640,939	85,313,757
BCC Dept. Revenue	44,093,656	44,975,529	45,875,040	46,792,540
Balance Brought Forward	149,922,653	152,922,653	155,922,653	158,922,653
Other Revenues	15,511,959	14,946,472	15,002,572	15,059,794
Statutory Reserve	(60,323,049)	(63,636,450)	(65,783,457)	(68,416,337)
Total Revenue	\$ 1,296,781,068	\$ 1,362,015,210	\$ 1,405,808,328	\$ 1,458,833,049
Annual increase in Ad Valorem Taxes	\$ 56,028,074	\$ 59,191,496	\$ 35,824,060	\$ 45,399,214
Appropriations				
Sheriff	\$ 621,085,914	\$ 648,094,464	\$ 676,103,270.50	\$ 705,112,341.20
Sheriff - Additional Deputies	\$ 2,000,000	\$ 8,000,000	\$ 13,500,000	\$ 13,500,000
Sheriff - Projected Operating Capital		33,671,776	15,961,008	15,989,729
Total Sheriff	\$ 623,085,914	\$ 689,766,240	\$ 705,564,279	\$ 734,602,070
BCC Departments	335,406,478	354,668,672	370,957,733	387,684,464
Other Constitutional Officers	58,298,272	60,338,712	62,450,566	64,636,336
Judicial	5,547,476	5,741,638	5,942,595	6,150,586
Non Departmental	75,423,558	80,388,540	85,772,700	91,615,634
Capital	30,902,000	46,000,000	48,000,000	50,000,000
Reserves - Undesignated	107,497,943	114,000,000	120,000,000	126,000,000
Debt Service (excludes voted)	60,619,427	59,000,000	57,300,000	56,000,000
Total Appropriations	\$ 1,296,781,068	\$ 1,409,903,802	\$ 1,455,987,872	\$ 1,516,689,091
Projected Shortfall	\$ -	\$ (47,888,592)	\$ (50,179,544)	\$ (57,856,042)
Equivalent Millage Rate to fund shortfall		0.2531	0.2545	0.2742
Millage Rates				
Current	4.7815	4.7815	4.7815	4.7815
MM Rate with Simple Majority Vote	4.9803	4.8764	4.7705	4.6736
MM Rate with Super Majority Vote	5.4783	5.3640	5.2476	5.1410

Major Assumptions:

- * Property Values - 7% annual increase
- * FY 2020 and FY 2021 are at the maximum millage rate with a simple majority vote
- * Sheriff, Major, BCC, & Interest Revenues - 2% annual increase
- * Sheriff - \$27m - \$29m base increase plus additional deputies (total of 100 - 15 in FY 2018, 45 in FY 2019, 40 in FY 2020)
- * BCC Departments - Base includes 3% ATB and operating budget increase, plus 7% health insurance increase
- * **BCC Department - Includes minimal funding for supplemental requests to maintain existing levels of service**
- * Other Constitutional Officers & Judicial - 3.5% annual increase
- * Reserves - \$6m annual increase
- * Non-Departmental - Increase primarily associated with CRAs

Reduced Shortfall at current rate of 4.7815	
FY 2020	FY 2021
\$2,060,446	\$21,625,878