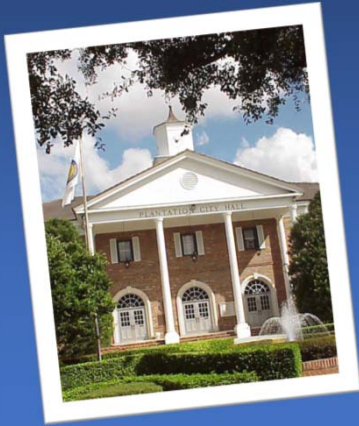


Maximum Millage Rate City of Plantation



July 25, 2018

Diane Veltri Bendekovic, Mayor
Horace McHugh, Chief Administrative Officer
Anna Otiniano, Financial Services Director
Nancy Romanello, Budget Manager



Looking back

- ◆ In 2011, the City faced a deficit of \$12.9 million
- ◆ Unassigned reserves (“rainy day funds”) were the lowest in the County
- ◆ Property values dropped 25.2% from 2008 values, reducing ad valorem revenue significantly – major single revenue source
- ◆ Capital projects and operating capital postponed or eliminated altogether
- ◆ Despite the economic situation, the City continued to provide the level of service to which our citizens deserved
- ◆ This Administration did not balance the budget using reserves, one-time revenues, Utility revenues, or on speculation
- ◆ Plantation does not have a Fire Assessment Fee, a Utility Tax (10%), nor subsidizes the budget from Utility enterprise funds

Looking ahead

- ◆ Restore Unassigned reserves
- ◆ \$60 million bond projects
 - ◆ Public Safety, Public Works, and Parks & Recreation
 - ◆ Inflation rate – 2.7%
- ◆ Unfunded mandates
 - ◆ Additional Homestead Exemption
 - ◆ Additional School Resource Officers (SRO)
 - ◆ Increase in tariffs (steel and aluminum)
 - ◆ Risk protection order processing (paralegal)

Revenue lost if Plantation stayed at 4.5142 millage rate

	July 1 property values	<i>Anticipated</i> Ad valorem revenue at 4.5142	Adopted millage rate	<i>Actual</i> Ad valorem revenue at adopted rate	Difference
2012	6,677,220,055	28,085,576	4.6142	28,707,737	(622,161)
2013	6,775,548,601	28,702,073	5.6142	35,697,560	(6,995,488)
2014	6,974,221,785	29,676,662	5.6142	36,907,677	(7,231,016)
2015	7,461,800,463	31,243,717	5.7500	39,797,967	(8,554,250)
2016	7,767,431,321	33,102,413	5.9000	43,262,337	(10,159,924)
2017	8,245,940,038	35,130,950	5.9000	45,915,154	(10,784,204)
2018	8,829,971,762	37,500,410	5.7500	47,766,461	(10,266,051)

(\$54,613,093)

Lost revenue at recommended vs. adopted rate

Fiscal year	July property values	Adopted millage rate	Proposed rate (not adopted)	Ad valorem revenue collected	Lost revenues (at adopted vs. proposed millage)	
2013	6,775,548,601	5.6142	6.1142	35,697,560	(3,179,221)	
2014	6,974,221,785	5.6142	6.1142	36,907,677	(3,286,993)	
2015	7,461,800,463	5.7500	6.1142	39,797,967	(2,520,769)	
2016	7,767,431,321	5.9000	6.1142	43,262,337	(1,570,643)	
2017	8,245,940,038	5.9000	6.1142	45,915,154	(1,666,954)	TOTAL LOST REVENUE:
2018	8,829,971,762	5.7500	6.1142	47,766,461	(3,025,486)	(\$15,250,065)

Increasing millage rate ONE TIME to 6.1142 would have:

- ◆ net sufficient ad valorem revenue for the next 7 years
- ◆ allowed for adequate unassigned revenues, even with Irma
- ◆ paid for state legislated “unfunded mandates” today

Change in taxable property values

2011	• \$6,610,804,384	(10.14%)*	(25.6%)**
2012	• \$6,573,371,623	1.0%	(24.6%)
2013	• \$6,758,907,031	2.22%	(22.4%)
2014	• \$6,955,485,815	3.56%	(18.8%)
2015	• \$7,309,652,783	7.42%	(11.4%)
2016	• \$7,721,347,393	5.7%	(5.72%)
2017	• \$8,213,886,278	6.38%	0.68%
2018	• \$9,325,907,388	6.05%	6.7%

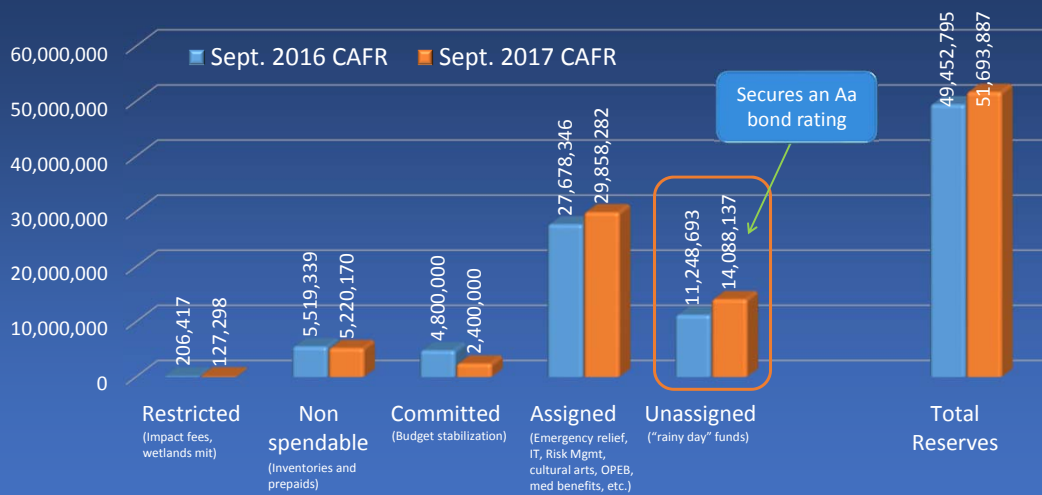
*Change since previous year

**Cumulative change since FY 2008

2017 vs 2018 tax comparison

	SOH Value 2017	Taxes @ 5.75 Mills	SOH Value 2018	Taxes @ 5.80 Mills	Difference annual/monthly
Lauderdale West	86,150	207.86	87,950	220.11	12.25 / 1.02
Park East	137,490	503.07	140,370	524.15	21.08 / 1.76
CC Estates	151,110	581.38	154,280	604.82	23.44 / 1.95
Historic District	174,970	718.58	178,640	746.11	27.53 / 2.29
Jacaranda	204,060	885.85	208,340	918.37	32.53 / 2.71
Royal Palm	211,920	931.04	216,370	964.95	33.91 / 2.83
Plantation Park	240,290	1,094.17	245,330	1,132.91	38.75 / 3.23
Tropical Estates	273,450	1,284.84	279,190	1,329.30	44.46 / 3.71
Fox Run	429,810	2,183.91	438,830	2,255.21	71.31 / 5.94
Plantation Acres	620,220	3,278.77	662,260	3,551.11	272.34 / 22.70

Reserve fund balances



Summary

- ◆ We must continue to monitor spending to make even further inroads towards financial sustainability
- ◆ The objectives of last year's Fiscal Year were to:
 - ✓ Provide a sustainable, balanced budget
 - ✓ Keep healthcare & pharmaceutical costs down
 - ✓ Stimulate commercial development
- ◆ Thanks to Team Plantation for their commitment and support in helping to achieve these objectives.

Recommendations

- ◆ Adopt 5.8000 maximum millage rate
- ◆ Adopt 0.9707 maximum millage rate for Plantation Midtown
- ◆ Adopt 1.9758 maximum millage rate for Plantation Gateway