




TOWN OF MIAMI LAKES

MEMORANDUM

To: Honorable Mayor and Town Council

From: Evelyn Roig
Interim Town Manager 

Subject: Second Budget Hearing for FY 2008-09

Date: September 23, 2008

GENERAL FUND

At the First Budget Hearing held on September 11, 2008, the Town Council approved a proposed millage of 2.4795, which is a reduction of 0.1277 mills from the previously recommended millage of 2.6072. The millage reduction represented a reduction of \$385,000 in property tax revenues in the General Fund.

Consistent with this change, the Town Council approved a reduction of \$385,000 in expenses in order to balance the budget. The adjustments adopted by the Town Council on first reading are summarized below:

Town Council Expenses

Reduced Town Council Travel Funding (\$ 4,000)

Administrative Expenses

Reduced Administrative Salary by deferrals/re-structure (\$ 65,000)
Reduced Development & Maintenance of On-line Applications (\$ 20,000)
Reduced Computer and Technology – ongoing support (\$ 10,000)
Reduced Computer Development Support (\$ 55,000)
Eliminated Misc. Administrative Expenses (\$ 15,000)

Town Attorney

Reduced Litigation from Town Attorney (\$ 40,000)

Parks, Recreation and Culture

Reduced Level of Special Event Support in Parks Dept. (\$ 10,000)
Reduced Capital Improvement in Mini-Parks (\$ 2,500)
Reduced Miami Lakes Park Utilities (\$ 5,000)
Reduced Youth Center Funding (\$ 10,000)
Eliminated Funding for Tree Inventory Program (\$ 5,000)
Added Funding for Black Box Theater \$ 10,000

Public Works

Reduced Town Engineer Support (\$ 70,000)
Reduced Emergency Generator Lease Period for Town Hall (\$ 4,400)
Eliminated Emergency Generator for Traffic Lights (\$ 7,200)

Eliminated Funding for New Public Works and Building Furniture (\$ 1,000)

Building

Eliminated Funding for New Public Works and Building Furniture (\$ 1,000)

Planning and Development

Spread-out Payment for EAR Report Assessments (\$ 11,000)

Eliminated Consultant for Landscape Code Re-write (\$ 15,000)

Eliminated Funding for Code Enforcement Publications (\$ 5,000)

Reduced FY 2008-09 Operating Reserve (\$ 38,900)

Total Adjustments (\$385,000)

Although most of the changes reflected above have limited impact in the short term, it is important to point out that, with the reductions in the Information Technology line items (2, 4 and 5), any ability to move forward, previously planned at a modest level with the Information Services Master Plan, has been completely deferred to future years. The Information Technology area will be solely dedicated to maintaining the status quo.

Additionally, as a result of continuous reductions in the State's estimates for sales tax-related revenues, the State Revenue Sharing and the Half Cent Sales Tax revenues were reduced by \$9,000 and \$ 32,000 respectively. These revenue reductions were off-set by a savings in the required transfer to 10% mandated reserve, consistent with the reductions implemented above.

Therefore, the resulting Proposed General Fund Expense Budget for Fiscal Year 2008-09 is \$16.5 million, which is approximately \$0.5 million less than the FY 2007-08 Expenditure Budget.

The reductions listed above include a reduction in the working reserve in the amount of \$38,900, this will bring the reserve level to \$ 411,100, which is \$88,900 lower than the historical level of \$500,000.

The Town Council may want to consider the option of re-establishing the Waste Franchise Fee at a rate of 15%. This fee could possibly generate a substantial amount per year and may provide the ability to restore funding for tree planting, reserves, and other areas where service levels have been reduced.

The budget detail spreadsheets included in the Budget Ordinance for Second Reading have been shaded to highlight any number that has changed from the Proposed Budget presented at the First Budget Hearing.

SPECIAL PROJECTS FUND

The Stormwater Utility Fund has also been modified to add \$41,000 in contractual employee services and reduced the contingency from \$50,000 to \$9,000. This change will maintain all of the contracted staff in place for the next Fiscal Year.