

# Budgetary Policies and Basis Section

## INTRODUCTION

The City of Fort Lauderdale is a municipality chartered under the laws of the State of Florida in 1911, with the Charter being replaced by a special act of the Florida Legislature in 1957 and substantially revised in 1984.

The Annual Operating Budget is the result of efforts by the Mayor and four City Commissioners as well as City staff to allocate limited resources to best serve the needs of the City of Fort Lauderdale. The Budget therefore reflects the policies adopted by the Commission in response to the needs and concerns communicated to them by the residents of Fort Lauderdale. A Vision Statement has been adopted by the Commission, which summarizes the City's long-term aspirations.

## FINANCIAL STRUCTURE

The Budget is designed to coordinate with the City's accounting system in order to facilitate an orderly and expeditious transition from budget adoption to financial control. A brief explanation of the types and purposes of budgeted funds is presented below.

### Governmental Fund Types

Governmental funds are those through which most governmental functions of the City are financed. The funds are fiscal and accounting entities with a self-balancing set of accounts recording cash and other financial resources along with all related liabilities and residual equities or balances and related changes. The acquisition, use, and balances of the City's expendable financial resources and the related liabilities (except those accounted for in proprietary funds) are accounted for through governmental funds. The measurement focus is on determination of changes in financial position, rather than net income.

The following are the City's governmental fund types:

**General Fund** - The General Fund is the general operating fund of the City. All general tax

revenues and other receipts that are not allocated by law or contractual agreement to another fund are accounted for in this fund. The general operating expenditures, fixed charges, and capital improvement costs that are not paid through other funds are paid from the General Fund.

**Special Revenue Funds** - Special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) requiring separate accounting because of legal and/or regulatory provisions or administrative action. Funds of this type in the Annual Operating Budget are the Fort Lauderdale Community Redevelopment Agencies, Beach Business Improvement District, Housing and Community Development (HCD), State Housing Initiative Program (SHIP), Sunrise Key Neighborhood Improvement District, Building Permits, Building Certification Maintenance and Building Technology Funds.

**Debt Service Funds** - Debt service funds are used to account for the annual payment of principal, interest, and other expenditures on general long-term debt, other than bonds payable from the operations of the enterprise funds. Funds of this type in the Annual Operating Budget are General Obligation Bonds, Special Obligation Loans, and Tax Increment Revenue Bonds.

**Capital Projects Funds** - Capital projects funds are used to account for financial resources segregated for the acquisition or construction of major capital facilities other than those financed by enterprise operations. While the Annual Operating Budget includes the contribution to these funds from operating sources, the specific appropriations for these funds are only summarized in this document and are included in detail in a separate Capital Improvement Program, which is separately adopted by the City Commission.

### Proprietary Fund Types

Proprietary funds are used to account for the City's ongoing organizations and activities which are similar to those often found in the private sector. The measurement focus is on

determination of net income. Following are the City's proprietary fund types.

**Enterprise Funds** - Enterprise funds are used to account for operations that provide a service to citizens, financed primarily by a user charge, and where the periodic measurement of net income is deemed appropriate for capital maintenance, public policy, management control, accountability or other purposes. Funds of this type in the Annual Operating Budget include Sanitation, Water and Sewer, Central Regional Wastewater System, Parking System, Executive Airport, and Stormwater Management.

A PILOT (Payment in Lieu of Taxes) charges enterprise funds a fee that is revenue to the General Fund. This policy has been in place since 1988 based on the value of fixed assets.

Effective October 1, 2011 a (ROI) Return on Investment was implemented for the Water and Sewer and Central Region at 3% of net assets and for Parking and Stormwater at 2% of net assets. The City adopted this policy by resolution in September of 2000. However, it was never implemented. The Sanitation and Airport funds will continue to be charged based upon a calculated Payment in Lieu of Taxes (PILOT).

**Internal Service Funds** - Internal service funds are used to account for the financing of goods or services provided by one department to other departments of the City or to other governmental units. Funds of this type in the Annual Operating Budget are Insurance (Risk Management), Central Services (Telecommunications, Print Shop, and Radio), and Vehicle Rental (Fleet Management).

### **Other Fund Types**

In the City's accounting system, there are other fund types. These funds are fiduciary funds and account groups.

**Fiduciary Funds** - Fiduciary funds are used to account for assets held by the City in a trustee capacity for individuals, private organizations, other governmental units, and/or other funds. Funds of this type include the General Employees and Police/Fire Pension Funds, the Arts and

Science District Garage, Cemetery Perpetual Care Fund, and Deferred Compensation. The Annual Operating Budget reflects the operating budget contributions to the pension plans and deferred compensation. The City contributes no money to the Cemeteries Funds because the function has been privatized. The Arts and Science District Garage, while managed by the Parking staff, is handled as a separate function on behalf of the Performing Arts Center Authority and the Downtown Development Authority.

**Account Groups** - Account groups are used to establish accounting controls and accountability for the City's general fixed assets and its general long-term debt. The City's account groups are General Fixed Assets and General Long-Term Debt. The Annual Operating Budget provides for the initial purchase and on-going maintenance of fixed assets. The Annual Operating Budget does not include compensated absences but does reflect the annual principal and interest amounts (debt service) on bonded debt.

## **GENERAL FINANCIAL POLICIES**

The purpose is to provide overall financial guidance for the City of Fort Lauderdale, and serve as a basis for future financial decision-making.

### **General Guidelines**

- Current, recurring revenues equal current, on-going expenses (Balanced Budget).
- One-time revenues can be used to build up the undesignated fund balance or be used for truly one-time expenses without impacting service levels.
- Any year-end surplus should be directed to the undesignated fund balance and not used to finance recurring expenses in the following fiscal year.
- Capital improvements should be financed from current revenues, but may be financed by prudent use of debt instruments that provide for a pay back period, which does not exceed the life of the improvement. Once the City has borrowed for such improvements, debt service becomes a current expense to be covered by recurring revenue.

- Internal service funds are used by the City to provide services within the City organization. Examples include fleet, print shop, radio communications, telephones and insurance. Charges to City departments should be set to cover all costs. They should have sufficient reserves to cover fluctuations or long-term liabilities such as vehicle replacement and insurance claims.

### **Fund Balance Levels and Appropriation of Fund Balance**

- Maintaining a prudent level of undesignated fund balance is necessary to protect the City against reducing service levels, emergencies or natural disasters, unanticipated economic downturns, or unpredicted one-time expenditures. They also provide flexibility to respond to unexpected opportunities.
- The Commission adopted a recommendation from the Budget Advisory Board to maintain the fund balance for the General Fund at a level between 10% and 15% of the annual General Fund operating expenditures. Should the projected or actual undesignated fund balance fall below this minimum, a plan will be submitted by the Deputy and Director of Finance for the City Manager's consideration to achieve the minimum level within a three-year period. This plan will include a combination of cost reductions, revenue enhancements, and/or service reductions and should be submitted within 30 days of recognition of the fund shortfall. Use of the fund balance below the 10% level is permitted only in case of an emergency, or in the case of an unanticipated economic downturn, which causes a material loss of revenues. Non-recurring revenues should not be used to balance the annual budget for recurring expenses.

### **Funding of Self Insurance Fund**

- City managed, self-insured programs are to be funded through fees recovered through the user departments including administrative costs and reserves. These self-insurance programs include workers' compensation,

certain health plans, police and employment practices and general liability.

- It is the policy of the City that the self-insured programs of the City be fully funded. An actuarial report will be performed each year. Any current or future deficits that may occur in the workers' compensation or general liability programs will require a financial plan which will require that the fund deficit be eliminated within the next three years. This plan will be presented to the City Manager for consideration. The plan will include options such as increased department contributions, transfer of available equity reserves from other self-insurance programs or transfers from other funds available as a means to fund the deficit.

### **Capital Improvement Program**

- The City currently prepares a 5-year Capital Improvement Program with each annual budget. The program serves as a general planning guide for the construction of general purpose and utility facility improvements in the City. This provides the City Commission with an assessment of capital needs. Annual contributions to this program from the General Fund are required to maintain facility improvements and infrastructure requirements.
- It is the policy of the City that annual contributions to this program from the General Fund are at a minimum of 1% of the total General Fund expenses. Additional contributions may be made during the fiscal year through budget amendments as desired projects and funding sources become available. However, additional funding from the General Fund will not be permitted if the use of fund balance causes the undesignated fund balance to fall below the 10% minimum requirement. The City Manager may pursue alternate methods of funding these projects through federal, state, or local grants, contributions from developers and other innovative financial options (public/private partnerships).
- The construction of new facilities or buildings and other types of infrastructure or the annexation of property may require additional future operating costs to staff and maintain the facility or property. These costs of staffing

and maintaining the facility or property and any associated revenues should be considered prior to construction of the facility or annexation of the property.

- It is the policy of the City that all capital projects or other long-range projects (annexation of property, tax increment areas, etc.) contain an economic evaluation providing information on the potential operating impacts of the project. The evaluation should include any savings or incremental revenue resulting from the project, as well as any new costs. The City Manager should be made aware of the funding source to cover the operating costs of the project.
- No capital project should be funded unless an economic evaluation has been completed and the necessary funds can be reasonably assumed to be available, when needed.

#### **Operating Capital Outlay**

- Capital outlay needs can also be provided through department line item budgets. This type of capital expenditure includes equipment replacement, hardware/software needs and other minor facility or building improvements.
- It is the policy of the City to fund operating capital needs from current revenues. The City will include in the operating budget those operating capital needs that are considered “critical” to functional operations of City services. Financing the purchase through bonds, notes or an interfund advance is an option only if the debt service required to pay back the debt can be made from current revenues (does not require the use of fund balance in future years).

#### **Enterprise Funds**

- The City provides a wide variety of services to the residents and visitors including water and sewer, solid waste, storm water, parking facilities, and an executive airport. The cost of these services approximates 33% of the City’s annual expenditures. The City Commission establishes rates for the use of these services and periodically adjusts the rates based upon user fee rate analyses.

- It is the policy of the City in regard to enterprise funds to establish user fees at an amount sufficient to cover all costs, including indirect costs and any debt service related to investment in these facilities, and to provide for reasonable reserve levels. The City Manager is responsible for conducting periodic reviews of the financial performance of these funds to ensure user fees are adequate, costs are justified, and reserve balances are sufficient to provide for future operations. The City Commission recently adopted a policy to conduct an analysis and review the user fees on a biannual basis.

#### **BASIS OF BUDGETING**

The budget is adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP) with the following exceptions:

- Advances from other funds are presented as revenues.
- Encumbrances, advances to other funds, and principal on long-term debt of proprietary funds are presented as expenditures or expenses.
- Depreciation and compensated absences are not budgeted in any funds.

The basis of accounting for governmental funds is modified accrual. Under the modified accrual basis, revenues are recognized when they become susceptible to accrual, i.e., measurable and available to finance the City’s operations. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

Expenditures (decreases in net financial resources) are recognized in the accounting period in which the related fund liabilities are incurred as long as it is measurable. An exception to this is long-term debt and the long-term portion of accumulated compensated absences and longevity pay, which are recognized when due. Budgetary expenditures include expenditures adjusted for encumbrances at fiscal year end and principal on long-term debt of the proprietary funds.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as a guide. There are, however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed compliance requirements. The resources are reflected as revenues at the time of receipt or earlier if susceptible to accrual.

The major utility and franchise taxes are recorded as revenues when earned. Licenses and permits, fines and forfeitures, charges for services, and other revenues (except investment earnings) are recorded as revenues when received in cash because they are generally not measurable until actually received. Property taxes are recorded as revenues in the fiscal year levied, provided they are collected in the current period or within sixty days thereafter. Those remaining uncollected are recorded as deferred revenues. Investment income is recorded as revenue when earned. Special assessments are recorded as revenues only to the extent that individual installments are considered available.

The accrual basis of accounting is utilized by proprietary funds and pension and nonexpendable trust funds. Under the accrual basis, revenues are recognized in the accounting period in which they are earned, if objectively measurable, whether collected sooner or later. Expenses, not expenditures, are recognized when the benefits of costs incurred are deemed to have been consumed or expired. Long-term liabilities are accounted for through those funds. Depreciation of fixed assets (including capital outlay equipment purchased in the operating budget) is recorded in the accounts of these funds as well on the straight-line basis over the following useful lives: buildings (40-50 years), improvements (20-50 years), and equipment (3-15 years).

## **DEVELOPMENT PROCESS**

The budget process that guided by direction from the City Commission as it strives to meet the needs of the community at a reasonable price. Every Commission meeting involves deliberation about what services the City should provide, at what level, and at what price. The decisions made by the Commission throughout the year provide a general path for the budget deliberations to follow. City employees provide the perspective of professionals as to the most efficient and effective way to implement Commission policy. Residents have the opportunity to express their preferences for City services and funding mechanisms through formal budget public hearings as well as individual agenda items during the year.

The FY 2012 budget was designed by the Research and Budget Division of Finance, working closely with each department in coordinating the creation of the budget document. The budget process was comprised of five stages, all of which were facilitated by the Research and Budget Division: forecast, request, review, adoption, and monitoring. These steps often overlap one another because the City is always operating in one fiscal year while working on the next and there are many participants involved in the process.

**Forecast stage** - This is the beginning step in the development of the next year's budget. The Research and Budget Division of Finance and the City Manager conducted interim reviews with Department Directors and Budget Coordinators. The Budget staff outlined the options for the upcoming budget process using the City's Vision Statement as an overall guide of the City's general direction. After review by the City Manager, a forecast of the General Fund for the next fiscal year was prepared. The forecast was presented to the City Commission at the same time that the Commission provided their priorities for budget development.

**Request stage** - This stage involved many participants. In February, the budget staff provided training to employees who were traditionally involved in preparing their own

department's budget request. In March/April, all departments prepared their proposals using on-line budget preparation software and complete justifications on Program Proposal forms. Departments were also asked to submit proposals for reorganizing or utilizing temporary and part-time help. The information assembled also included revenue projections for each department's area of responsibility.

**Review stage** - This stage provided for the evaluation of departmental budget request submittals. Budget staff reviewed the reorganization and position change proposals in March and loaded any changes into the automated payroll projection system. In May, the City Manager and Research and Budget Division conducted formal budget reviews with each department to better understand their priorities and requests. In June, the management team (City Manager, Assistant City Managers, and the Research and Budget Division) met frequently to discuss the decisions necessary to prepare a proposed, balanced budget. Final decisions were made in July so that the City Manager was able to present the Budget Message to the Commission per City Charter requirements.

**Adoption stage** - This stage is the final step in the development of the budget. It began with the City Manager presenting a comprehensive proposal for the coming fiscal year. In July, the City Commission accepted the City Manager's proposal and directed that a preliminary millage be calculated and forwarded to Broward County for inclusion in the State-required "Truth in Millage" (TRIM) notice sent to all property owners. The TRIM notice was sent in August and provided the taxpayer with the taxable value of their property, the proposed millage for all taxing jurisdictions, the date, the time, and the location for the first public hearing. The City Commission held the first hearing and tentatively adopted the millage and the budget. A TRIM advertisement was placed in the City's newspaper of record before the final public hearing. That advertisement provided a budget summary, information about the final public hearing, and a notice of tax increase if applicable. The City Commission held the final public hearing and then adopted the final millage and the budget.

**Monitoring stage** - This occurs year round. In October, the adopted budget is loaded into the automated financial system for implementation of the budget. In addition, authorized positions are rolled into the payroll/personnel system to provide the guideposts for hiring. The adopted millage is transmitted to Broward County for preparation of billing and collection. The City Manager's Office, in conjunction with budget staff, determines the appropriate monitoring procedures for the fiscal year (i.e. approval process for budgeted purchases, review of budget shifts within a single department's budget). Throughout the fiscal year, departmental and Budget staff review purchases and personnel requisitions, access financial information on-line, real-time, and monitor Commission agendas for financial impacts. Monthly financial reports are prepared and distributed to the City Commission and departmental staff. Monthly departmental trend analyses are also performed and distributed to the departments, who then provide a response to any issues raised.

### **AMENDMENT/TRANSFER PROCESS**

The annual operating budget of the City is approved by the City Commission at the fund and department level. Any change in the budget, change between departments, or a change between funds is considered an amendment and must be approved by the City Commission. The City Commission also approves all allocations from General Fund Contingencies.

Budget transfers "within" a department can be approved by the City Manager and/or the Research and Budget Division of Finance.

### **Rationale**

- Budget transfers provide for ongoing adjustments to the operating budget and enhance reporting and control over expenditure/revenue items at the fund/department/division/character/subobject level. It does not impact the bottom line for that department.

**Guidelines:**

- All budget amendments/transfers will be processed through the Research and Budget Division of Finance.
- The amount "transferred in" must equal the amount "transferred out".
- All budget amendments/transfers must have the appropriate approval signatures.
- Departments that submit paperwork for expenditures that exceed the revised budget at the character level will be required to process a budget amendment/transfer request before the paperwork will be processed.

**CAPITAL IMPROVEMENT PROGRAM**

Expenditures for capital improvements are not included directly in the operating budget. The Annual Operating Budget includes and identifies amounts to be transferred to capital project funds from operating sources. The appropriations for capital improvements are budgeted as part of the Capital Improvement Program (CIP) and prepared and approved separately.

A Capital Improvement Program Committee meets on a regular basis to oversee a five-year CIP, which is updated and presented yearly to the City Commission for approval. A separate CIP document is available which details each project, its purpose, funding sources, timetable, and its effect on future operating budgets. The first year of the CIP is referred to as the capital budget. The CIP and Annual Operating Budget are closely linked as the budget assumes the cost of maintaining and operating new facilities as they are constructed within the CIP. The department representative on the CIP Committee is responsible for incorporating any needed funding for completed projects into the operating budget. Capital projects are budgeted and accounted for in a number of funds.

There are many differences between the operating budget and the capital budget. The operating budget includes expenses that are generally of a recurring nature and are appropriated for one year only. It provides for the provision of all City services, but does not result in the addition of major, physical assets for the community. The capital budget includes one-time costs for projects

that may last several years and result in major physical assets being added in the community.

**DEBT POLICY AND ADMINISTRATION**

There is no statutory or charter debt limitation. The City has established policies regarding the utilization of debt instruments. Debt is used for a variety of purposes and in a variety of ways. The principal use of debt by the City has been for making capital expenditures. Because the use of public capital stretches over many years, it is appropriate that those who enjoy the benefits should also pay the costs. This general principle of intergenerational equity, however, must be applied cautiously.

The public capital of one generation may be regarded as a dubious asset by the next. Why should those who did not choose to make the expenditures pay for them? Any capital expenditures, the continuing merit of which is in doubt, might more appropriately be paid for by those who chose to make the expenditure. Moreover, this reservation accords with financial conservatism as a public debt based on unwanted capital expenditures is not of very good quality. Another more pragmatic qualification to this general principle is that short-lived capital expenditures may be more easily and appropriately fitted into current budgets than paid for by borrowing. The City Commission has issued debt for recapitalization of existing assets, most of the Water and Sewer Master Plan, the replacement of nine existing fire stations and the addition of one new fire station. The City determined that the needs for these improvements were such that borrowing was warranted to expedite the implementation of these projects.

The solid financial position of the City along with application of the most current financial management practices has permitted the City to obtain very favorable bond ratings and, consequently, lower interest rates.

The City has adopted the following policy statements as guidelines for the use of debt:

- No borrowing of short-term debt for support of routine operations is to be used unless borrowing can be obtained at a lower rate of

interest than invested funds and funds are not available for the routine operations.

- Debt payment shall not exceed the anticipated useful life of an improvement and in no case exceed 30 years.
- Bond issues shall be scheduled to level annual debt service requirements so that borrowing costs are minimized. This may be modified based on the express purpose of spreading improvement costs equally over a long period of time so that future citizens become responsible for portions of the cost.
- Efforts shall be made to maintain or improve the City’s bond rating.
- With each bond offering and at least annually, the City shall fully disclose its financial position and fiscal management practices.

The following policy statements have been adopted by the City as operating guidelines for the level of debt for all direct non-self-supported debt:

- Direct, non-self-supported debt shall not exceed 3% of assessed valuation.
- Direct, non-self-supported debt shall not exceed \$750 per capita.
- Direct, non-self-supported and overlapping debt shall not exceed 5% of assessed valuation.
- Annual debt service requirements shall not exceed 10% of the annual budget.
- Average annual bond maturities shall not exceed 15 years.
- Where required, debt services equal to the highest scheduled principal and interest payment shall be maintained (except assessment debt) or debt service reserve insurance will be obtained.

A summary of the City’s bond ratings for outstanding long-term debt is as follows:

**BOND RATINGS**

	<u>Moody’s</u>	<u>Standard &amp; Poor’s</u>
General Obligation	Aa1	AA
Water & Sewer Bonds	Aa1	AA

General Obligation Bonds are secured by the full faith and credit of the City. The outstanding General Obligation Bonds will be repaid from ad

valorem taxes. Tax increment bonds are secured by property taxes.

**LINKAGES BETWEEN VISION, MISSION, PRIORITIES, AND GOALS/OBJECTIVES**

The City of Fort Lauderdale strives to maintain linkages between its vision statement, departmental mission statements, budget priorities, departmental goals and objectives, and resource allocations. The vision statement (page 5) has set the stage for departmental mission statements, which provide a long-range view of each department’s role in achieving the vision. Traditionally, the City Commission identifies some key budget priorities, which are pertinent to the next twelve months of City activity. To address these priorities, departmental objectives for the fiscal year indicate what actions City departments will take during the fiscal year to fulfill the City Commission’s expectations. The allocation of resources to meet the objectives is summarized in the Budget Message and the Executive Summary.

In the departmental section of this document, the Administration Division of the Economic Development Department is to “be the catalyst for economic development strategies that reflect and preserve both the City’s diversity and the high quality of life standards for residents, businesses and visitors”. The Administration and Special Facilities Division of Parks and Recreation has a mission to “provide the opportunity to experience fun and rewarding recreation programs, events and leisure activities, in an aesthetically pleasing and safe environment, accessible to all”. The Operations Division of the Fire-Rescue Department has an objective to “reduce overall response times and increase effectiveness of service levels to the general public”. The Operations Division of the Police Department has a mission stating “responsibility for the physical twenty-four hour delivery of police services throughout the three police districts within the City and focus on its efforts on reducing crime and the fear of crime in the City”.

Other key areas of the City’s vision statement which have translated into specific responses in the FY 2012 budget include:

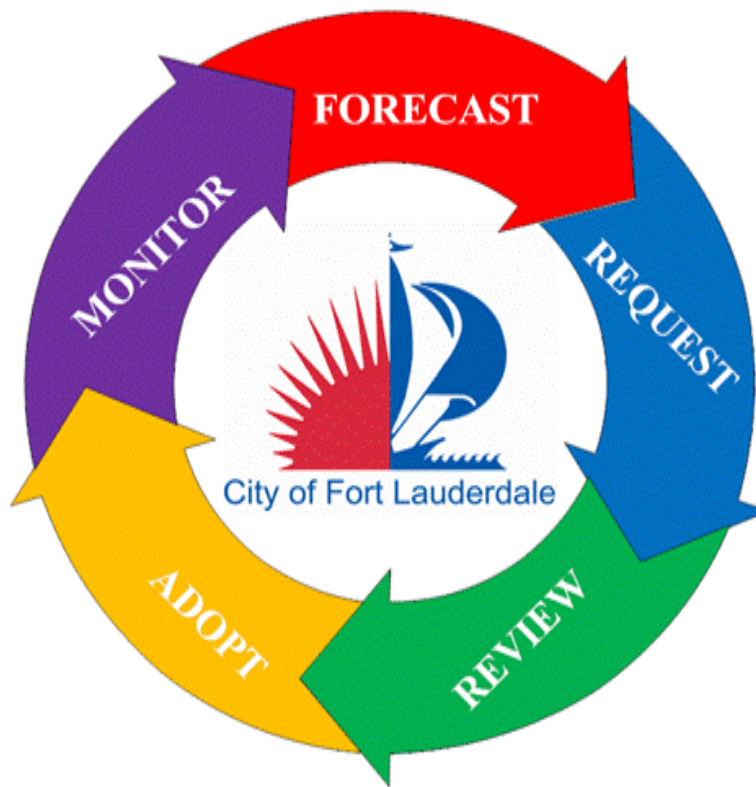
- The Fire-Rescue Department is “striving to be recognized as the nation’s best provider of fire, rescue, medical and community services” which demonstrates their commitment to the safety of all citizens.
- Information Systems continuing to implement new technologies and the Procurement Department’s expansion in the use of the P-Card to include capital purchases, and the use

of BuySpeed Online (BSO), a web based electronic requisition and purchase order system enabling real time integration to the City’s general ledger system.

# CITY OF FORT LAUDERDALE BUDGET PROCESS

**December-March:**

- Beginning Step in Budget Process
- Conducts Interim Reviews with Departments
- Outline Process
- Prepare General Fund Forecast
- Commission Workshops
- Begin CIP Process



**October-September:**

- Occurs Year Round
- Budget is loaded into accounting system
- Transmit Adopted Millage
- On-Line Review
- Review Requisitions
- Commission Agendas
- Budget Amendments
- Monthly Financial Reports
- Monthly Departmental Trends Analyses
- Budget Advisory Board (BAB) Meetings

**February-June:**

- Position Changes
- Train Staff
- Department Requests
- Department Goals & Objectives
- Revenue Projections

**July-September:**

- Final Step in Budget Process
- City Manager Message
- Tentative Adoption
- TRIM Notice
- Public Hearings
- TRIM Ad
- Final Adoption of Budget

**March-September:**

- City Manager Reviews
- Executive Management Meetings
- Balance the Budget

**BUDGET PREPARATION AND IMPLEMENTATION CALENDAR****FY 2012 OPERATING BUDGET****DATE: 2011****ACTIVITY****October**

- Prepare Truth in Millage (TRIM) compliance packet for Florida Department of Revenue
- Comply with GFOA requirements for submission for the budget awards program
- Prepare monthly financial report
- Monitor FY 2011 year-end and prepare any needed budget amendments

**November**

- Prepare monthly financial report

**December**

- Prepare monthly financial report
- Publish Budget Document
- CIP Kickoff and training

**DATE: 2012****ACTIVITY****January**

- Initial FY 2013 Budget Discussions held with the City Manager and the Executive Management Team to discuss the budgeting methodology
- Prepare monthly financial report
- Prepare five-year financial forecast
- Prepare first quarter revenue and expenditure data
- Prepare monthly trend analysis

**February**

- Prepare monthly financial report
- Begin/complete interim reviews with each department and discuss reorganization and temporary positions
- Prepare monthly trend analysis

**DATE: 2012****ACTIVITY****March**

- Budget kickoff occurs with all forms and spending guidelines distributed
- Prepare monthly financial report
- Finalize FY 2013 budget process
- Along with Information Systems to work on enhancements to the payroll projection system
- Provide Budget Forms and Bprep On-line training to all budget preparers
- Conduct City Commission Workshop
- City Commission communicates consensus on FY 2013 budget priorities
- Departments begin preliminary preparation of budget requests
- Prepare monthly trend analysis

**April**

- Provide budget preparation assistance to the departments
- Departments submit budget requests
- Prepare monthly financial report
- Prepare monthly trend analysis

**May**

- Prepare monthly financial report
- Budget Office conducts technical budget reviews with departments
- Analyze budget requests
- Conduct budget reviews with departments and the City Manager
- Prepare monthly trend analysis

**DATE: 2012****ACTIVITY****June**

- Broward County Property Appraiser provides preliminary property valuation
- Prepare monthly financial report
- Complete budget reviews with departments and the City Manager
- Executive Management Team receives update of budget development status
- Departments revise budget estimates
- Prepare any needed budget amendments.
- Prepare monthly trend analysis
- Complete budget balancing

**July**

- Prepare monthly financial report
- Broward County Property Appraiser certifies the property tax roll on July 1
- City Manager presents proposed budget and five-year financial forecast to the City Commission
- City Commission adopts proposed millage to be advertised in the Truth in Millage (TRIM) notice
- Prepare monthly trend analysis
- Departments submit goals and objectives for FY 2013

**August**

- Certification of Proposed Millage and non-ad valorem fees to the Property Appraiser
- Prepare monthly financial report
- Property Appraiser distributes TRIM notices to all property owners
- Prepare monthly trend analysis
- Prepare for public hearings

**DATE: 2012****ACTIVITY****September**

- Prepare monthly financial report
- Prepare any budget amendments needed
- City Commission holds 1<sup>st</sup> public hearing and tentatively adopts millage and budget
- Certify the City's Fire assessment fee to the Property Appraiser
- Certify the Lauderdale Isles Water Management District fee to the Property Appraiser
- Certify the Beach Business Improvement District (BID) assessment fee to the Property Appraiser
- City advertises budget in newspaper of record to meet TRIM requirements
- Prepare monthly trend analysis
- City Commission holds 2<sup>nd</sup> public hearing and adopts final millage and budget
- Certify final millage with the Property Appraiser and State of Florida Department of Revenue within 3 days of final adoption

**October**

- Beginning of FY 2013