

Budget Highlights

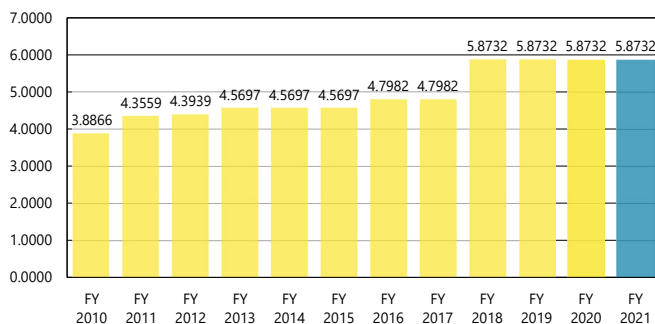
Tax Rate Fiscal Year 2021

General Operating Millage	5.8732
Debt Service Millage	<u>0.2412</u>
Combined City Millage Rate	6.1144

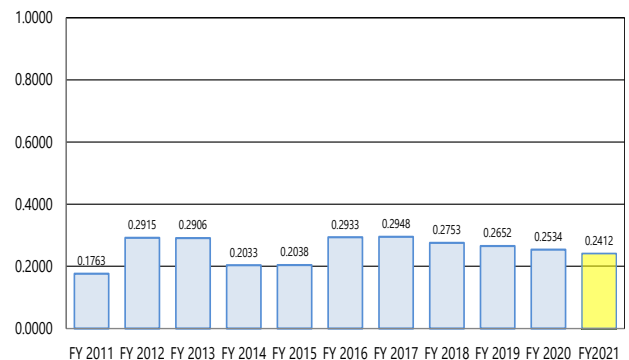
Introduction

The Fiscal Year 2021 Annual Budget, which was adopted on September 21, 2020, is a numerical reflection of the Fiscal Year 2021 Business Plan. By allocating resources in alignment with the City Commission's five strategic goals and performance indicators, we believe this budget will successfully meet the challenges before us and set the stage for continued success in the future.

Coral Springs operating millage rate



Voter-approved debt service millage rate



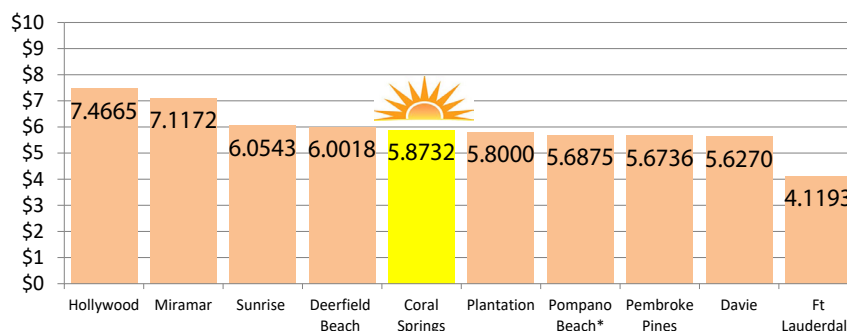
Budget in Brief

The adopted operating net budget for Fiscal Year 2021 for all funds totals \$213,535,599. This represents an increase of \$1,063,643 or 0.5% compared to the Fiscal Year 2020 net budget. The Fiscal Year 2021 budget reflects community needs as identified in the Fiscal Year 2018-2023-2033 Strategic Plan and 2021 Business Plan.

Highlights of the Fiscal Year 2021 budget include:

- Total taxable assessed value increased 4.6% in the City of Coral Springs to \$11,254,828,557.
- Operating millage rate will remain at 5.8732. Combined with the increase in assessed values, the City will receive approximately \$2.8 million in additional property tax revenue.
- The voter-approved debt service millage rate will decrease from 0.2534 to 0.2412, a decrease of 0.0122 or -4.8% mainly driven by the increase in assessed values.

Operating millage rate comparison with other municipalities



* Pompano Beach includes a separate EMS millage of 0.5000

Comparing Coral Springs' Fiscal Year 2021 operating millage rate to other cities' final Fiscal Year 2020 operating millage rates.



- The combined general operating and debt service millage rate is 6.1144 per \$1,000 of assessed value, a decrease of 0.0122 or -0.19%.
- The Fire Assessment for single-family homes will increase by \$6.18, from \$227.82 to \$234.00. Multi-family assessment will increase by \$6.18, from \$227.82 to \$234.00 per unit. Additionally, beginning in FY21, single-family and multi-family categorizations will be combined into one residential rate category. Fire for commercial properties will decrease by \$1.92, from \$26.99 to \$25.07 per 100 square feet and industrial warehouse will increase by \$1.31, from \$2.71 to \$4.02 per 100 square feet. Institutional properties will see a decrease of \$4.98, from \$54.51 to \$49.53 per 100 square feet.
- Water and Sewer rates will increase by 3.5%, an increase of \$2.48 per month for the average residential customer.
- The Residential Solid Waste Special Assessment will remain at \$290.00 per single-family home.
- The Stormwater Assessment will increase by 3%, an increase of \$3.47 per ERU.
- General Fund debt service for franchise and capital revenue bonds, as a percentage of total budget, will equal 5.8% in Fiscal Year 2021 as compared to 6.1% last year. The decrease of -0.03% or \$292,077 versus Fiscal Year 2020 is due to the repayment of a 2014 Revenue Bond and 2013 Lease Purchase Financing, as well as the addition of a 2019 ERP Lease and expenses related to a 2021 Open Line of Credit. The debt levels are well within the General Fund debt service policy limitation of 12.5% of total General Fund expenditures.
- With a General Obligation bond indebtedness of 0.23% of total taxable assessed value, the City is well below its self-imposed debt policy limit of 5%.

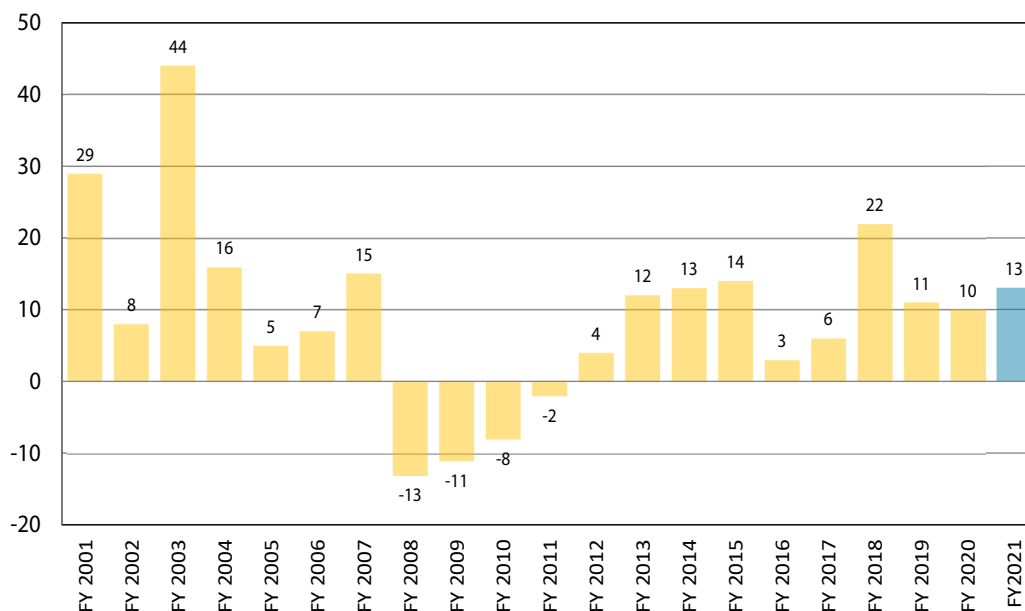
Capital Improvements

- In Fiscal Year 2021, the City will invest \$19,863,646 in capital improvements and upkeep of City-owned facilities. For details of the projects planned for this year, refer to the Capital Improvement Program section included in this document.

Staffing

- Total full-time positions in Fiscal Year 2020 is 838 (excludes Fire/EMS services for Parkland, contractual staff and commission). This represents an addition of ten (10) full-time employees. Of this ten, five were added for the Museum Fund and two were added in relation to a contractual agreement with the City of Coconut Creek to provide Dispatch services, by budget amendments.

Net full-time position changes per fiscal year



Full-time staff changes during Fiscal Year 2020

During Fiscal Year 2020, the City brought the Coral Springs Museum of Art into the City (previously operated under an agreement with a private contractor). Additionally, in the last quarter of the year, the City of Coconut Creek entered into an agreement with the City of Coral Springs to receive Coral Springs dispatch communication services. The net impact was an increase of seven (7) FTEs.

Bringing the Museum operations under city purview created an additional five (5) positions to be added and the initial hiring for the contract with Coconut Creek resulted in an additional two (2) positions to the City Budget. The new FTE count at the end of Fiscal Year 2020 was 880 (excluding the five (5) commissioners) and was approved by the City Commission by two mid-year Budget Amendments. The 880 FTE's include regular and contractual resources: 837 regular, 43 contractual. The forty-three (43) contractual resources are: forty-four (41) for Parkland Contract and two (2) for the Coconut Creek Contract.

Changes in FTE's in Fiscal Year 2020

FY2020 FTE Count (before changes)			873.0
Position Name	Department	Fund	Incr/(Decr)
Museum Education/Public Programs Coordinator	Museum	Museum Fund	1.0
Museum Business Development and Grants Coordinator	Museum	Museum Fund	1.0
Museum Operations Administrator	Museum	Museum Fund	1.0
Museum Education/Gallery Program Associate	Museum	Museum Fund	1.0
Museum Guest Services/Digital Assistant	Museum	Museum Fund	1.0
Programmer Analyst	Information Technology	General Fund	1.0
Human Resources Assistant	Human Resources	General Fund	1.0
Adds to Staff FY2020			7.0
Final FY2020 FTE Count			880.0

Full-time staff changes for Fiscal Year 2021

Fiscal Year 2021 will reflect a full-time staff net increase of thirteen (13) positions for a new total headcount of 893 (excluding five (5) commissioners)

On August 19, 2020 the City of Coral Spring City Commission approved a Dispatch Communications Service agreement with the City of Coconut Creek. Related to the implementation of this agreement, a total of twenty (20) positions will be added to the budget. As the rollout of these operations are a multi-year undertaking, the hiring has been spread out over three fiscal years. With an amended budget in Fiscal Year 2020, two (2) positions were added in Information Technology and Human Resources. In Fiscal Year 2021, a total of twelve (12) positions have been added. The breakdown for these positions is below. Finally, in Fiscal Year 2022, four (4) Public Safety Telecommunicators and two (2) Communications Shift Supervisors will be added. Once operations have been fully deployed, the total increase to position count will be twenty (20).

- - **(11) Public Safety Telecommunicator:** Eleven (11) Public Safety Telecommunicator positions will be added in Fiscal Year 2021 as we build out operations for the Coral Springs-Coconut Creek Dispatch Communications contract. Hiring will take place in February, May, and August. After discussions with staff, it was determined that utilizing a staggered hiring approach will ensure adequate time for onboarding, training, and setting up the new operations related to this contract.
- - **(1) Communications Shift Supervisor:** One (1) Shift Supervisor will be added to the 2021 budget to oversee the operations of the Dispatch Communications Service agreement.
- - **(1) Pension Systems Analyst:** Through the budget process a request was received to add a full-time Pension Analyst in Fiscal Year 2021. The addition of this position will serve as system administrator of a new pension administration solution, leading weekly audits/analyses, ensuring the accuracy and integrity of plan data, and providing end-user support for plan participants. This was brought to the Police and Fire pension boards (and approved) in July of 2020, with the request that the position be funded equally between the two boards. As such, the addition of this position has no impact to the City budget.

Fiscal Year 2021 changes to full-time staff

FY2020 FTE Count			880.0
Position Name	Department	Fund	Incr/(Decr)
Public Safety Telecommunicator	Police	General Fund	11.0
Communications Shift Supervisor	Police	General Fund	1.0
Pension Systems Analyst	Human Resources	General Fund	1.0
Adds to Staff FY2021			13.0
Net change in Staffing Fiscal Year 2021			13.0
Final FY2021 FTE Count			893.0



- In Fiscal Year 2021, the City will add an additional twelve (12) full-time employees for Coconut Creek Dispatch services, and one (1) full-time Pension Systems Analyst, to be funded equally between the Police and Fire pension boards.

Financial Condition

The City of Coral Springs, along with the rest of the world, has felt the significant immediate and long-term impacts of the COVID-19 pandemic. Leading up to the current budget cycle the city had been steadily increasing the Stabilization Reserve fund, with a Fiscal Year 2019 year-end balance of 18% of budgeted expenditures, however due to the pandemic estimates are showing a Fiscal Year 2020 year-end revenue shortfall of around \$5-6 million. Due to proactive measures by City Staff, this impact will result in a \$2-5 million deficit, lessening the amount of reserves needed to cover the shortfall. Despite these unforeseen events, our City's priority is to continue efforts in maintaining sound fiscal management and stability. The City's ability to positively respond to this crisis can be attributed to long-term financial planning that identifies emerging issues which may affect our ability to provide the level and type of service customers expect. For that commitment to our citizens, the City Commission is proposing to maintain the current millage of 5.8732 this fiscal year, FY 2021. As shown in the table below, our financial, political and natural environment is forcing management to make the hard but much needed decisions, to ensure the City continues to provide the exceptional level of services, control expenditure growth rate, and build up a healthy stabilization fund to prepare the City for future challenges.

Timeline of major events impacting the City's financial condition

Hurricane Wilma	Tax Reform (unfunded mandates)	Ad Valorem Revenues	Economic Recession	Taxable Value	Other Revenue	Hurricane Irma	COVID 19
2005 (FY2006)	2007-current	2007-2015	2007-2013	2008-2017	2007-2016	2017-2018	2020-2021
Used ~\$30M reserves	Limited tax revenue a City could collect Additional \$25,000 homestead exemption New homestead portability New property tax caps	Recently returned to pre-recession: \$35M in 2007 \$35M in 2015 Save Our Homes caps limit increase to 3%	Recession impacted all revenue sources ↑ Foreclosures ↑ Unemployment ↑ Commercial vacancies	Taxable value ↓ 29% from 2008 to 2012 Recovering: at \$9.69B, still not up to \$10.39B In 2008 Home values reset at lower values and are locked due to SOH	CST ↓ \$1.8M (legislative driven) Interest Income ↓ \$1.5M Licenses and Permits ↓ \$1.3M	\$12.7M in costs (estimated) ↑ Sworn Pension due to Δ State of Florida Mortality Tables	Projected \$2-\$5M GF Deficit in FY2020 -23% In State Revenues for FY21 Delayed momentum for Capital and Reserves

Bond Ratings

The City is proud to have earned the highest bond rating available from Standard and Poor's (S&P) (AAA) and Fitch Ratings (AAA). As of August 2020, the City was reaffirmed from Fitch Ratings, receiving the (AAA) bond rating and as of August 2019, the City was reaffirmed from Moody's Investors Service receiving the (Aa1) rating. The City's goal is to maintain the AAA from S&P and Fitch while making the changes needed to earn the AAA bond rating from Moody's. Increasing fund balance is an important change the City can make to achieve this goal. Achieving AAA bond rating is important for our residents because it indicates to investors that the City is a low-risk investment which translates into lower interest rates and corresponding lower interest payments on general obligation bonds.



Revenues

The City's intergovernmental, franchise, and other demand-driven revenues have been seriously impacted by the COVID-19 pandemic. Most experts agree we are in a recession due to travel restrictions, stay at home orders, and business closures, although the long term impacts of this are not yet known. In the past three fiscal years, the City Commission maintained a millage rate as the property tax values increase was adequate to operate City services. Longer term, the City's revenue growth is anticipated to be constrained based on recent events (current estimates have this impact at 1-2 years); therefore, forecasts exhibit a growth rate under 3%. The City continues to suppress expenditure growth to keep within the revenue growth rate. However, as CPI and other cost drivers increase with inflation, the need for future periodic millage increases will need to be considered in future years.

Fund balances are remaining steady as a result of improved productivity, and prudent financial management policies. Those fund balances have been leveraged to avoid future debt service by equity financing high priority capital purchases.

Annual net operating budget and capital

	FY 2020 Budget	FY 2021 Budget	\$ Change	% Change
Net Operating Budget	\$212,471,956	\$213,535,599	\$1,063,643	0.5%
Capital Improvements (CIP)	40,920,710	19,863,646	(21,057,064)	-51.5%
Total Financial Program	\$253,392,666	\$233,399,245	(\$19,993,421)	-7.9%

	FY 2020 Budget	FY 2021 Budget	\$ Change	% Change
Net Operating Budget				
General Fund	\$89,678,203	\$91,218,477	\$1,540,274	1.7%
Special Revenue Funds				
Fire Fund	17,248,072	18,703,505	1,455,433	8.4%
C.S. Charter School Fund	13,066,806	13,367,709	300,903	2.3%
Public Art Fund	223,200	228,200	5,000	2.2%
Museum Fund	0	657,949	657,949	n/a
Enterprise Funds				
Water and Sewer Fund	20,564,075	19,928,835	(635,241)	-3.1%
Solid Waste Fund	5,675,317	5,693,447	18,130	0.3%
Stormwater Fund	3,374,944	4,086,132	711,188	n/a
Internal Service Funds				
Health and General Insurance Funds	23,335,093	22,616,217	(718,876)	-3.1%
Equipment Services Fund	12,104,454	9,031,585	(3,072,869)	-25.4%
Pension Fund	15,927,560	17,011,397	1,083,837	6.8%
Debt Service Fund	11,274,232	10,992,146	(282,086)	-2.5%
Total Net Operating Budget	\$212,471,956	\$213,535,599	\$1,063,643	0.5%



Combined Budget Summary

Appropriated Funds Budget - Fiscal Year 2021

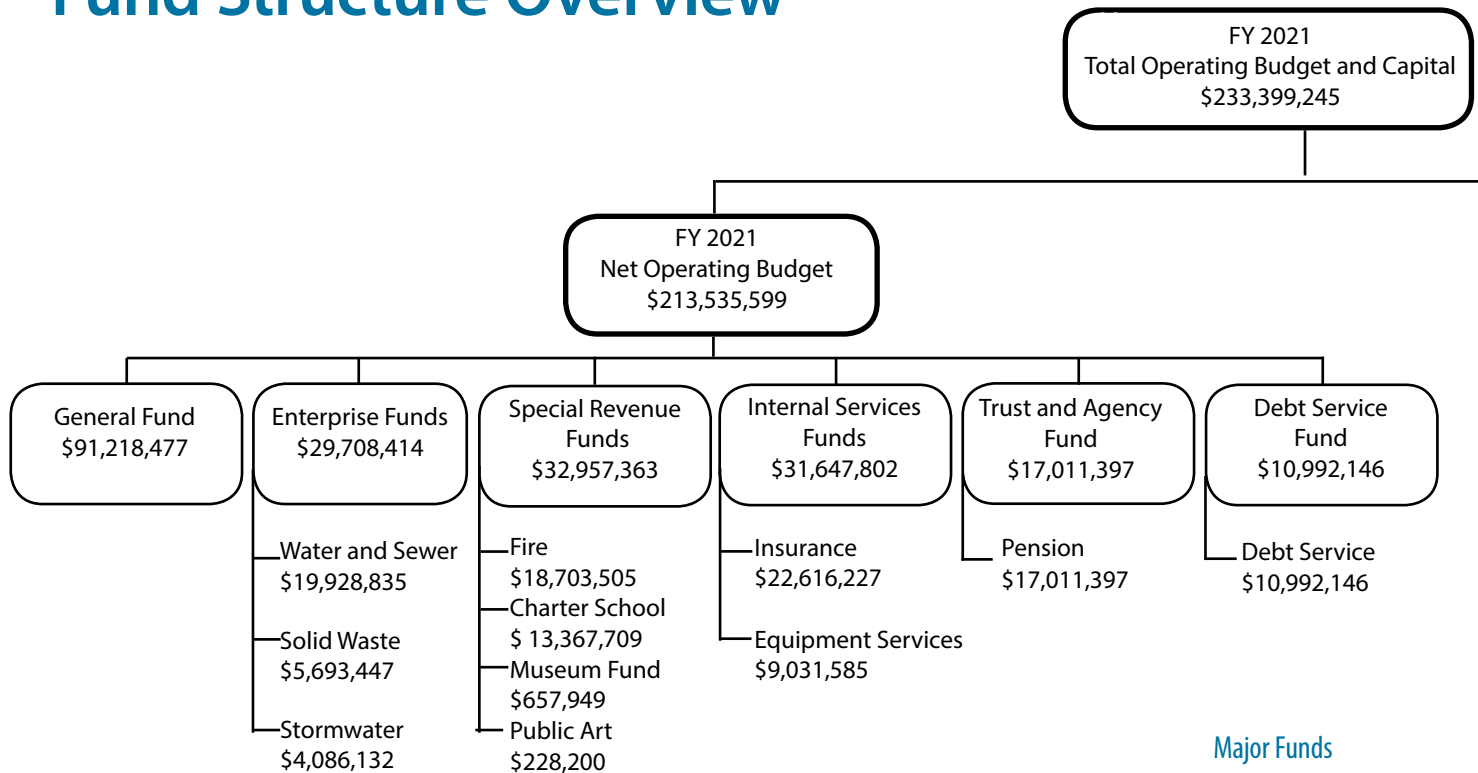
	GENERAL FUND	DEBT SERVICE FUND	CAPITAL PROJECTS FUND	PUBLIC ART FUND	SOLID WASTE FUND	WATER & SEWER FUND	MUSEUM FUND	FIRE FUND	STORM- WATER FUND	CHARTER SCHOOL FUND	TOTAL BUDGET
Cash Balance Brought Forward:	\$0	\$0	\$0	\$208,200	\$0	\$0		\$0		\$1,215,263	\$1,423,463
ESTIMATED REVENUES											
Taxes:											
Ad Valorem Taxes	5.8732	62,796,766									\$62,796,766
Ad Valorem Taxes	0.2412 (Voted Debt)	2,579,549									\$2,579,549
Solid Waste Assessment	2,189,175				5,742,998						\$7,932,173
Fire Fund Special Assessment								16,360,663			\$16,360,663
Stormwater Assessment									3,896,182		\$3,896,182
Sales and Use Taxes	6,292,952										\$6,292,952
Franchise Fees	10,416,400										\$10,416,400
Utility Service Taxes	11,703,656										\$11,703,656
Licenses and Permits	4,462,021										\$4,462,021
Intergovernmental Revenue	8,970,900							6,228,202		13,572,446	\$28,771,548
Charges for Services	19,405,734					25,409,185	313,800	3,731,674			\$48,860,393
Fines and Forfeitures	2,127,304							25,000			\$2,152,304
Miscellaneous Revenues	4,147,028	11,399				32,785	471,141	55,000	643,040		\$5,360,393
Other Financing Sources	140,000	8,401,198	2,377,500	20,000				30,000			\$10,968,698
TOTAL REVENUES AND OTHER FUNDING SOURCES	\$132,651,937	\$10,992,146	\$2,377,500	\$20,000	\$5,742,998	\$25,441,970	\$784,941	\$26,430,539	\$4,539,222	\$13,572,446	\$222,553,699
TOTAL ESTIMATED REVENUES AND BALANCES	\$132,651,937	\$10,992,146	\$2,377,500	\$228,200	\$5,742,998	\$25,441,970	\$784,941	\$26,430,539	\$4,539,222	\$14,787,709	\$223,977,162
EXPENDITURES / EXPENSES											
General Governmental Services	16,854,270										\$16,854,270
Education	587,853									14,787,709	\$15,375,562
Public Safety	71,341,687							22,113,297			\$93,454,984
Physical Environment	9,417,698				5,742,998	21,424,945			4,507,502		\$41,093,143
Economic Environment	812,846					296,701					\$1,109,547
Culture and Recreation	14,680,237			228,200			704,941				\$15,613,378
Debt Service	7,801,786	10,992,146				2,221,624		207,320			\$21,222,876
Capital Improvement Program Exclude Op. CIP			2,377,500								\$2,377,500
Other Financing Sources (Uses)	10,955,560					1,498,700	80,000	4,109,922			\$16,644,182
TOTAL EXPENDITURES/EXPENSES	\$132,451,937	\$10,992,146	\$2,377,500	\$228,200	\$5,742,998	\$25,441,970	\$784,941	\$26,430,539	\$4,507,502	\$14,787,709	\$223,745,442
Reserves	\$200,000	\$0	\$0	\$0	\$0	(\$0)	\$0	\$0	\$31,720	\$0	\$231,720
TOTAL APPROPRIATED EXPENDITURES AND RESERVES	\$132,651,937	\$10,992,146	\$2,377,500	\$228,200	\$5,742,998	\$25,441,970	\$784,941	\$26,430,539	\$4,539,222	\$14,787,709	\$223,977,162

Note: Revenues (sources) and Expenses (uses) for Equipment Services, Health, and General Insurance funds are incorporated within all other appropriated funds included in this summary and thus, not listed separately.

Note: In accordance with standard budgeting practice, the main difference between the "Summary of Net Budgeted Revenues/Expenditures" on pages 40 and 41 and the "Fiscal Year 2021 Combined Budget Summary" on this page is that the latter does not include internal service funds to avoid double-counting interfund transfers (movement of money from one fund to another).



Fund Structure Overview

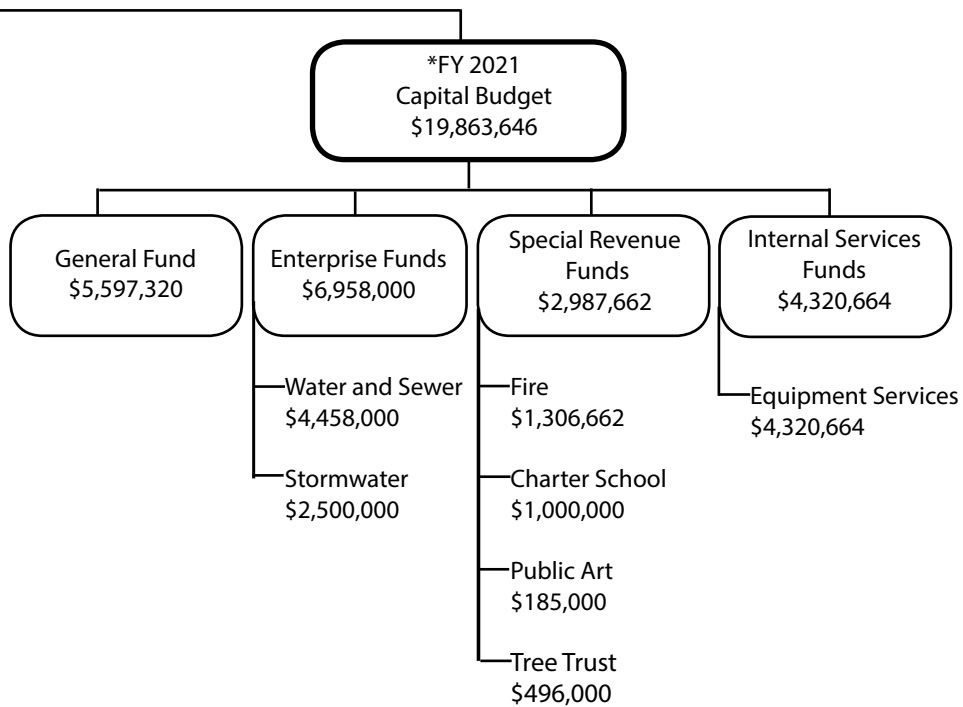


Fund Name	Fund Type	Fund Description
General Fund*	City Operating Fund	Accounts for police, code, parks and recreation, public works, building, emergency medical services, and administration services
Fire Fund*	Special Revenue Fund	Covers the fire department and subsequent divisions, including administration, suppression, inspection, training, and communications
Water and Sewer Fund*	Enterprise Fund	Provides water and wastewater services to approximately 51% of Coral Springs residents
Solid Waste Fund*	Enterprise Fund	Includes the non-franchise portion of the City's residential solid waste special assessment to cover cost of hauler and disposal fees
Museum Fund**	Special Revenue Fund	Manages and operates the Coral Springs Museum of Art
Stormwater Fund*	Enterprise Fund	Provides for a Stormwater Collection Program to fund the operation, maintenance, planning, design, and construction of stormwater infrastructure to ensure effective drainage and water quality management.
Health and General Insurance Funds*	Internal Service Funds	Contribute to the City's insured general liability, property, workers' compensation, life, and employee medical benefits
Coral Springs Charter School Fund*	Special Revenue Fund	Includes the revenues and expenses incurred in the operation of the Coral Springs Charter School
Equipment Services Fund*	Internal Service Fund	Accounts for the costs of maintaining the City's fleet
Public Art Fund*	Special Revenue Fund	Includes the Public Art fees collected during the permitting process for new construction and renovations of existing structures
Pension Fund	Trust and Agency Fund	Accounts for the accumulation of resources to be used for retirement benefit payments to the City's employees
Debt Service Fund*	Debt Service Fund	Covers the revenues and payment of voter approved long-term general obligation debt and revenue bond debt

*Indicates appropriated funds in accordance with the Budget Ordinance. **New in Fiscal Year 2021



Fund Structure Overview (continued)

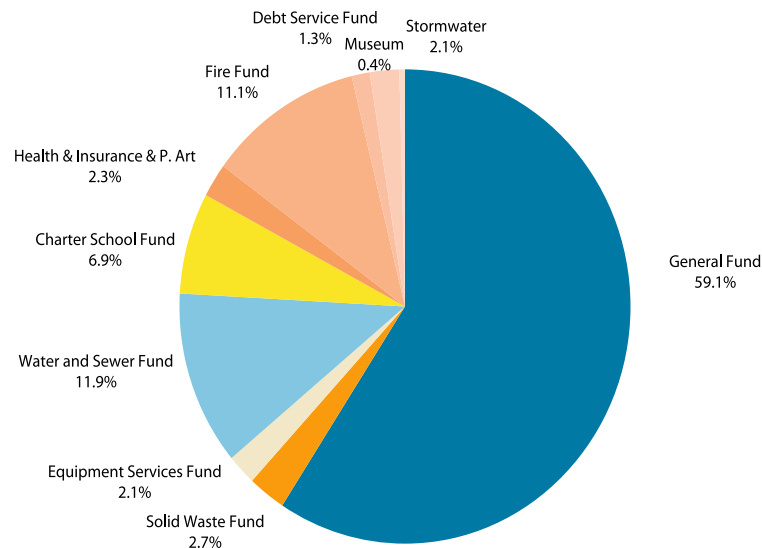


Summary of net budgeted revenues — Fiscal Year 2021

	FY 2020 Adopted Net Budget	Percent of Total	FY 2021 Adopted Net Budget	Percent of Total	Dollar Change	Percent Change
General Fund	\$125,635,009	59.1%	\$126,231,367	59.1%	\$596,358	0.5%
Fire Fund	23,662,948	11.1%	23,635,289	11.1%	(27,659)	-0.1%
Water and Sewer Fund	25,958,135	12.2%	25,441,970	11.9%	(516,165)	-2.0%
Health and General Insurance Funds	5,641,364	2.7%	4,732,702	2.2%	(908,662)	-16.1%
C. S. Charter School Fund	14,486,806	6.8%	14,787,709	6.9%	300,903	2.1%
Public Art Fund	223,200	0.1%	228,200	0.1%	5,000	2.2%
Equipment Services Fund	4,670,740	2.2%	4,543,164	2.1%	(127,576)	-2.7%
Solid Waste Fund	5,729,635	2.7%	5,742,998	2.7%	13,363	0.2%
Debt Service Fund	2,681,384	1.3%	2,868,037	1.3%	186,653	7.0%
Stormwater Fund	3,782,735	1.8%	4,539,222	2.1%	756,487	20.0%
Museum Fund	0	0.0%	784,941	0.4%	784,941	n/a
Total	\$212,471,956	100.0%	\$213,535,599	100.0%	\$1,063,643	0.5%

Note: The total net budgeted revenues and expenditures/expenses are equal. However, the total by fund for revenue and expenditure/expenses are different due to inter-fund transfers.

Fiscal Year 2021 Net Budget - All Funds - Revenues
\$213,535,599

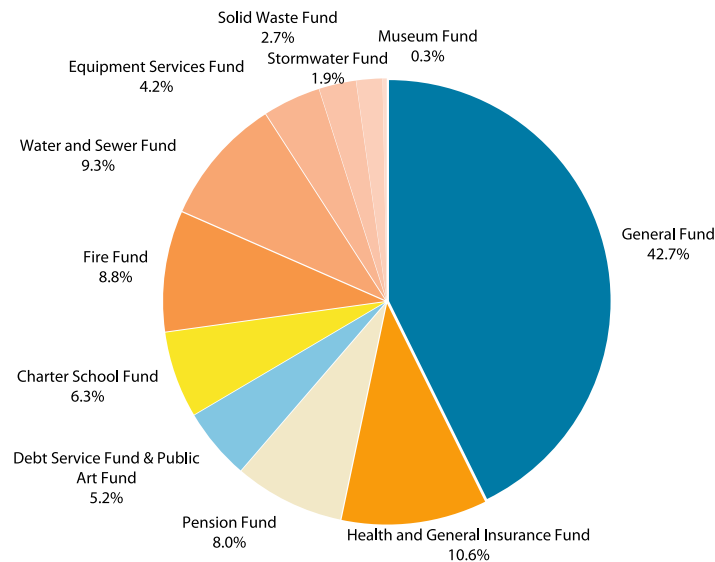


Summary of net budgeted expenditures —Fiscal Year 2021

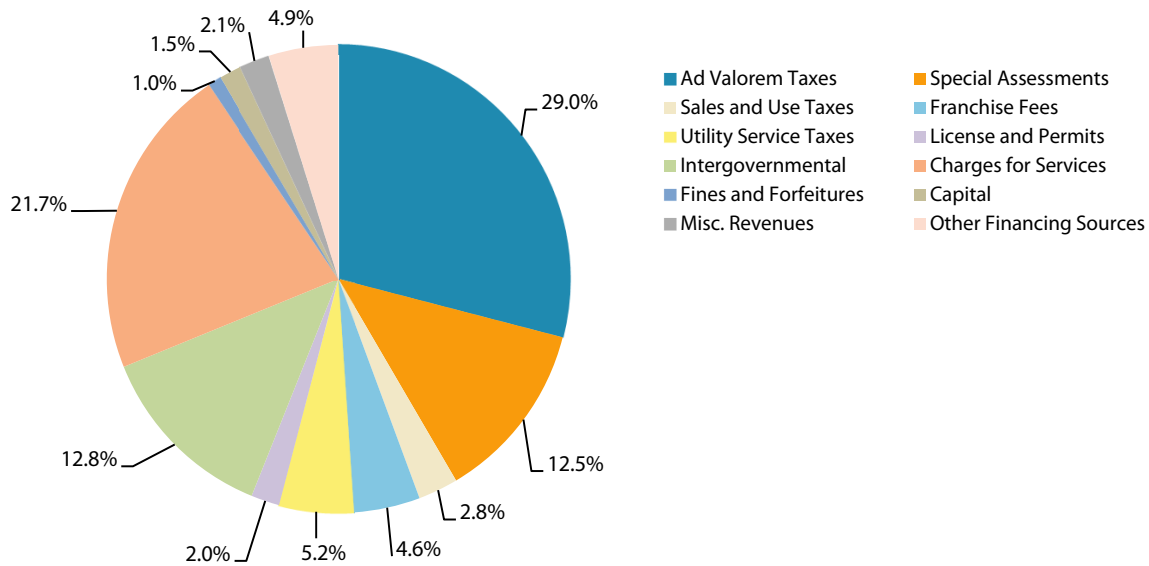
	FY 2020 Adopted Net Budget	Percent of Total	FY 2021 Adopted Net Budget	Percent of Total	Dollar Change	Percent Change
General Fund	\$89,678,203	42.2%	\$91,218,477	42.7%	\$1,540,274	1.7%
Fire Fund	17,248,072	8.1%	18,703,505	8.8%	1,455,433	8.4%
Water and Sewer Fund	20,564,075	9.7%	19,928,835	9.3%	(635,241)	-3.1%
Health and General Insurance Funds	23,335,093	11.0%	22,616,217	10.6%	(718,876)	-3.1%
C.S. Charter School Fund	13,066,806	6.1%	13,367,709	6.3%	300,903	2.3%
Public Art Fund	223,200	0.1%	228,200	0.1%	5,000	2.2%
Equipment Services Fund	12,104,454	5.7%	9,031,585	4.2%	(3,072,869)	-25.4%
Pension Fund	15,927,560	7.5%	17,011,397	8.0%	1,083,837	6.8%
Solid Waste Fund	5,675,317	2.7%	5,693,447	2.7%	18,130	0.3%
Debt Service Fund	11,274,232	5.3%	10,992,146	5.1%	(282,086)	-2.5%
Stormwater Fund	3,374,944	1.6%	4,086,132	1.9%	711,188	21.1%
Museum Fund	0	0.0%	657,949	0.3%	657,949	n/a
Total	\$212,471,956	100.0%	\$213,535,599	100.0%	\$1,063,643	0.5%

Note: The total net budgeted revenues and expenditures/expenses are equal. However, the total by fund for revenue and expenditure/expenses are different because of interfund transfers.

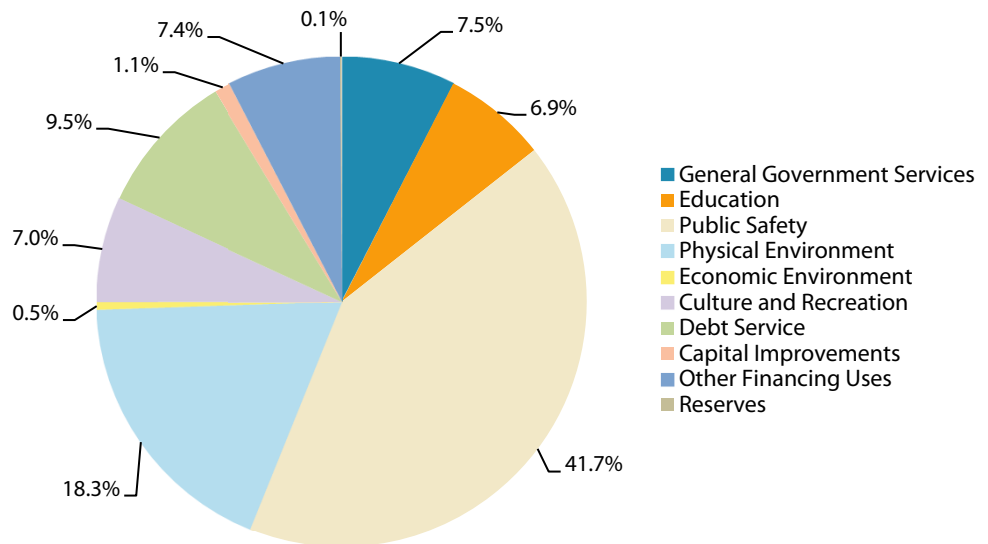
Fiscal Year 2021 Net Budget - All Funds - Expenditures
\$213,535,599



Where the money comes from by source (all funds)



Where the money goes by type of program (all funds)



Where the money goes by category (General Fund only)

