MINUTES

CITY OF COCOA
SPECIAL MEETING OF THE CITY COUNCIL

September 6, 2016

A Special meeting of the Cocoa City Council was held on Tuesday, November 6, 2016, in City Council Chambers, located at 65 Stone Street, in Cocoa, Florida, as publicly noticed.

I. CALL TO ORDER:

Mayor Parrish called the meeting to order at 6:01 p.m.

Councilman Blake provided the invocation and Mayor Parrish led the assembly in the Pledge of Allegiance to the Flag of the United States of America.

The City Clerk took the roll:

PRESENT:	Henry U. Parrish III	Mayor
	Don Boisvert	Deputy Mayor
	Michael C. Blake	Councilman
	Brenda Warner	Councilwoman
	John Titkanich	City Manager
	Matt Fuhrer	Assistant City Manager
	Carie Shealy	City Clerk
ABSENT:	Anthony Garganese	City Attorney (arrived at 6:17 pm)

OTHER STAFF MEMBERS PRESENT:

Tammy Gemmati, Administrative Services Director; Jack Walsh, Utilities Director; Steve Belden, Community Services Director; Gene Prince, Fire Chief; Mike Cantaloupe, Chief of Police; Teri Butler, Finance Director; Ed Wegerif, Public Works Director; Lora Howell, Deputy Finance Director; Jonathan Lamm, Deputy Fire Chief; and Lea Taylor, Budget Analyst.

II. APPROVAL OF AGENDA:

1. Approve the Agenda for the Special meeting of September 6, 2016. (16-375).

* **MOTION by Deputy Mayor Boisvert; Seconded by Councilwoman Warner, to approve the agenda for the Special meeting of September 6, 2016.**

AYES: Parrish, Boisvert, Blake, Warner

THE MOTION CARRIED UNANIMOUSLY (4-0)

III. PUBLIC HEARINGS:

1. Approve the Final Fire Assessment Resolution and the Non-Ad Valorem Assessment Roll for the Fire Protection Assessment for FY 2017. (16-368). (Finance Director)

City Manager Titkanich thanked the Mayor and Council for their time in regards to the individual meetings and workshops that they have attended. He further thanked directors and staff for putting together budgets that fit the needs of the public and that of staff.

He pointed out that the City's rate consultants Mike Burton and Erick Van Malssen were in attendance and would be able to answer any questions.

City Manager Titkanich provided a presentation[1]and advised that the purpose of the meeting was to do the following:

- Adopt Non-Ad Valorem Assessment Roll and the Fire Protection Final Assessment Resolution for FY2017
- Adopt a Tentative Millage Rate for FY2017
- Adopt a Tentative Budget for FY2017
- Set the 2nd Public Hearing for September 14, 2016 at 6:00 p.m. at Cocoa City Hall, 65 Stone Street, Cocoa, FL 32922

He pointed out that the City must have a balanced budget by October 1, 2016.

Furthermore, the tentative millage rate will be adopted and the rate cannot exceed the millage rate of 5.9790 which was approved on July 12, 2016.

He pointed out that the second part of the presentation would be to adopt the FY2017 tentative budget.

City Manager Titkanich announced that a Memorandum of Understanding was signed today with LIUNA. He thanked Ms. Gemmati, Mr. Walsh, Mr. Wegerif, and the members of LIUNA.

He spoke in detail about the 2017 Budget Development Philosophy and discussed the focus of the budget process. This included community improvements and infrastructure, maintaining and enhancing current levels of services being provided to citizens and businesses, maintaining and controlling expenditure levels, enhancing and diversifying the revenue

[1] EXHIBIT A: FY2017 Budget Presentation

base, maintaining employee benefits at reasonable levels and fulfilling the City's commitment of collective bargaining contracts with IAFF, LIUNA, and PBA.

He advised that in FY2015 Burton & Associates worked in collaboration with the City to develop a fiscal sustainability model for the general fund. The City has used the modeling process in order to identify options for the fund's sustainability over a 10 year projection period. Additionally, in FY2017, they helped the City validate prior assumptions, evaluate current fiscal conditions, and evaluate FY2017 Millage and Fire Assessment rates.

The General Fund Baseline scenario was reviewed in detail. He also reviewed the FY2017 sustainability model which included the port project and the Walmart distribution center.

Furthermore, the model demonstrates the 3% annual increase to the fire assessment.

Capitol and reserve balances were shown and he advised that at the end of the day City was moving in the right direction.

A history of the ad valorem tax base was reviewed along with a historical review of millage. The percentage of change over time was discussed.

FY 2017 Trim Rate options were provided. He mentioned that the current millage rate proposed and the maximum that was set is 5.9790. This would reflect a $221,012 revenue variance for FY2016-FY2017.

The rolled-back rate is 5.8759 and the majority rate is 8.9180. He stressed that the City Council could not adopt a rate higher than 5.9790.

City Manager Titkanich provided increase amounts for single family property owners and compared the City's millage rate with other Brevard County municipalities. Most cities were going with the rolled-back rate or maintaining their current rate. Only one other municipality was proposing a higher rate.

The FY 2017 proposed millage rate 2nd public hearing would be held on Wednesday, September 14, 2016 at 6:00 p.m. at Cocoa City Hall.

He provided the public announcement which included:

- The City of Cocoa is a taxing authority
- The rolled-back rate is 5.8759
- The rolled-back rate is a 0% increase
- The millage rate to be levied is 5.9790
- The millage rate of 5.9790 is a tax increase of 1.75% as a percent of change over the rolled-back rate

He pointed out that keeping the millage rate the same does present a tax increase.

At this time, he invited Mr. Burton up to answer questions regarding the fire assessment.

Mr. Burton noted that there was an email that was forwarded to him that stated concerns about the Fire Assessment notices. Mr. Van Malssen checked the rolls and the citizen who inquired about the notices was not on the list to receive a notice.

Mr. Van Malssen clarified that when the City goes above the current rate, or new properties are annexed into the city then they get a notice. The last mail out was done last year and that was due to a change in the methodology.

Mr. Burton thought maybe there was confusion because part of the requirement was to notice on the water bill.

Councilwoman Warner believed the confusion came from the prior years. There have been notices for the past few years.

City Attorney Garganese further advised that this was published in the Florida Today Newspaper.

Mayor Parrish asked Mr. Burton to explain the model that they use.

In response, Mr. Burton mentioned that they use an interactive model process. They use this because they realize that it is difficult to decipher all of the data given. This was developed so that data can be changed quickly. Numbers can be quickly plugged in and a new result automatically populates.

Mayor Parrish believed this was a great tool. Mr. Burton agreed and pointed out that Cocoa was one of three or four cities who utilize the model.

Councilwoman Warner agreed and noted on her first go around on Council they only planned for the current year. With this model they can plan further down the road and she thinks it is unbelievable.

Mr. Burton thanked Council for their remarks. He advised that although you cannot really see ten years out, this at least provides a projection and some ideas to think about.

Mayor Parrish felt that a few years ago the water rates were not raised because Council did not feel the need to raise them, but with this tool they can see actual data and where problems are.

Mr. Burton mentioned a tool is only as good as how you use it. The key is the collaboration that they have had with city staff. He believed that in the future there will be an increase in property taxes.

Councilman Blake felt that this made Council proactive and they can assure accuracy. He supports this tool and Burton and Associates cooperation with Council and staff.

Mr. Burton noted that they have done this a few years in a row and acknowledged that it will not be totally accurate every year but good decisions can be made none the less.

Councilman Blake referred to the fire assessment and how they were upfront with people about the improvements that needed to be done.

City Manager Titkanich reiterated that the fire assessment was advertised in the Florida Today newspaper.

Councilwoman Warner mentioned that the citizen's confusion was that he received a notice one year and not another year.

Councilman Blake stated the proposed millage was 5.9790. He asked if they could go with the rolled-back rate if they decided to. He asked the City Manager to review the slide that reflected the tax increase.

Deputy Mayor Boisvert did not feel that the increase was bad for the services that they receive.

Mayor Parrish closed the public hearing to Council and opened it up to the public.

There being no response, the public portion of the meeting was closed.

* **MOTION by Deputy Mayor Boisvert; Seconded by Councilwoman Warner, to approve the Final Fire Assessment Resolution No. 2016-96 and the Non-Ad Valorem Assessment Roll for the Fire Protection Assessment for FY 2017.**

AYES: Parrish, Boisvert, Blake, Warner

THE MOTION CARRIED UNANIMOUSLY (4-0)

2. (a) Review of the FY 2017 Millage options and Approve Resolution No. 2016-92, tentatively adopting a proposed millage rate of 5.9790 mills, for the City of Cocoa Fiscal Year, commencing October 1, 2016 and ending on September 30, 2017. (16-378). (Finance Director)

City Manager Titkanich advised that this was the second item on the agenda and explained that he combined all of the items into one presentation.

Mayor Parrish closed this item to Council and opened to the hearing to the public. There being no response, the public portion of the meeting was closed.

* **MOTION by Councilwoman Warner; Seconded by Councilman Blake, to approve Resolution No. 2016-92, tentatively adopting a proposed millage rate of 5.9790 mills, for the City of Cocoa Fiscal Year, commencing October 1, 2016 and ending on September 30, 2017.**

AYES: Parrish, Boisvert, Blake, Warner

THE MOTION CARRIED UNANIMOUSLY (4-0)

(b) Review of the FY 2017 Tentative Budget and Approve Resolution No. 2016- 93, tentatively adopting a budget and CIP, for the City of Cocoa Fiscal Year, commencing October 1, 2016, and ending September 30, 2017. (Finance Director)

City Manager Titkanich pointed out that the final part of the meeting was to review the FY2017 tentative budget and CIP, and this presentation was just by fund and category.

He provided revenue trends of all funds which included the General Fund, Water/Sewer Fund, and the Stormwater Fund.

FY2017 General Fund revenue was discussed by funding source with the largest percentages of revenue coming from charges for service (such as water billing services, garbage collection, and culture/recreation fees) and Other non-revenue (such as inter-fund transfers, water/sewer contributions and 6% PILOFF, debt proceeds, and revenues from reserves).

The FY2017 Water/Sewer Fund revenue by funding sources, noting that the highest percentages of revenue came from charges for service (water, sewer, and reuse services).

Additionally, he reviewed the FY Stormwater Fund revenue by funding source and pointed out that the highest percentage of revenue comes from other non-revenue (such as revenues from reserves).

The FY2017 expenses were discussed and he provided the information on the FY 2017 proposed budget versus the FY2016 amended budget by fund.

Overall, the budget represents a 9.6% variance.

Individual department budgets were compared and Councilman Blake pointed out, for the record, City Council's budget.

City Manager Titkanich reviewed the General Fund expenditures trends.

In regards to a question posed by Mayor Parrish about the budget, City Manager Titkanich advised that $8 million was for the new fire stations, and they had to go to court for the bonds.

Deputy Mayor Boisvert asked about the properties on Clearlake and SR 524. In response, City Manager Titkanich explained that the Cocoa CRA owned the Brunson property but the city would acquire it. The other properties have been purchased.

The FY 2017 Water/Sewer Fund was discussed. City Manager Titkanich pointed out that Mr. Walsh and Mr. Collier did a great job being proactive and doing preventative maintenance within the utility system

Proposed FY2017 General Fund Capitol was reviewed.

Deputy Mayor Boisvert questioned the large amount in the police budget. In response, City Manager Titkanich explained that anything over $30,000 was considered a capitol expense. This amount reflected necessary equipment upgrades that were required by law.

Deputy Mayor Boisvert thanked him for the clarification and thought they did a great job on the communications center.

Councilman Blake asked if the fire department's equipment would be replaced when the new stations were built. In response, it was mentioned that it was in their budget and they were required to update just as the police department had to.

City Manager Titkanich provided a recap of items/projects that were added to the budget based on the Budget Workshop held on August 4, 2016.

City Manager Titkanich advised that this was Item III.2(b) and staff requested action.

Mayor Parrish asked if funds were budgeted for the Joe Lee Smith Center. In response to his question, City Manager Titkanich advised that funds were budgeted and there was a request from Diamond Square RDA. They will enter into a Municipal Services Agreement with the RDA.

Mayor Parrish further asked about a parking study. City Manager Titkanich advised the demand for this needed to be looked into and the possibility of utilizing both public and private partnerships. He reminded him that the Governor had vetoed those funds.

Mayor Parrish further asked about the connector at Lee Wenner Park. City Manager Titkanich advised it was included the Cocoa CRA budget.

Mayor Parrish questioned the status of the Fiske Boulevard completion and City Manager Titkanich explained that some would be done this year and there was also funding in the budget for lighting upgrades.

Lastly, Mayor Parrish asked about the port project and if FDOT was going to four lane that area. City Manager Titkanich noted that Walmart was working with FDOT to determine the needs based on traffic impact and he spoke briefly about the Economic Development Incentive Agreement.

Mr. Wegerif mentioned that TPO would be conducting a study on the roads in that area.

City Manager Titkanich pointed out a few changes within the proposed budget to what was given to them.

He explained that some items were double booked and those were corrected or will be corrected.

Mayor Parrish closed the hearing to the Council and opened to the public.

There being no response, the public portion of the hearing was closed.

* **MOTION by Councilman Blake; Seconded by Councilwoman Warner, to approve Resolution No. 2016-93, tentatively adopting a budget and CIP, for the City of Cocoa Fiscal Year, commencing October 1, 2016, and ending September 30, 2017.**

AYES: Parrish, Boisvert, Blake, Warner

THE MOTION CARRIED UNANIMOUSLY (4-0)

Deputy Mayor Boisvert asked if all departments were within their budget this year. City Manager Titkanich responded in the affirmative but noted with the exception of unanticipated expenses.

City Manager Titkanich advised that the second and final public hearing would be on Wednesday, September 14, 2016. He mentioned to let staff know of any changes.

He thanked Council on behalf of the staff for the collaborative environment.

Councilwoman Warner thought this was the easiest budget process they have ever had.

He reminded all that Thursday, September 8, 2016 is the Mayor's Community Summit at 6 pm at the Civic Center.

III. **ADJOURNMENT.**

* **MOTION by Deputy Mayor Boisvert; Seconded by Councilwoman Warner, to adjourn the Special meeting of September 6, 2016.**

AYES: Parrish, Boisvert, Blake, Warner

THE MOTION CARRIED UNANIMOUSLY (4-0)

The meeting adjourned at 7:11 p.m.

Henry U. Parrish III, Mayor

ATTEST:

Carie Shealy, City Clerk

EXHIBIT A: FY 2017 BUDGET PRESENTATION

COCOA
FLORIDA

FY2017 Budget Presentation

1st Public Hearing

September 6, 2016

Objectives of Special Meeting of the City Council

- Adopt Non-Ad Valorem Assessment Roll and the Fire Protection Final Assessment Resolution for FY2017
- Adopt a Tentative Millage Rate for FY2017
- Adopt a Tentative Budget for FY2017
- Set 2nd Public Hearing – September 14, 2016 at 6:00p.m., Cocoa City Hall, 65 Stone Street, Cocoa, FL 32922
  - The City must have a balanced budget by October 1, 2016

TRIM (Truth In Millage) Process

Step 1

- Adopt the FY 2017 City of Cocoa Tentative Millage Rate

Note: The tentative millage rate cannot exceed the millage rate of 5.9790 approved by City Council on July 12, 2016

Step 2

- Adopt the FY 2017 City of Cocoa Tentative Budget

FY2017 Budget Development Philosophy

- FOCUS: Community Improvements & Infrastructure
  - FY15 and FY16 Focus – Public Safety
  - Utilities continue proactive asset management and Renewal and Replacement Program
- Maintain/enhance current Levels of Service being provided to citizens and businesses
- Maintain/Control Expenditure Levels
  - Zero-Based Budgeting 2 Departments
- Enhance and Diversify Revenue Base
- Maintain employee benefits at reasonable levels
  - Insurance Claims Experience Increased due to catastrophic claims in FY2016, thus a higher than anticipated insurance rate increase
- Fulfill City's commitment of Collective Bargaining Contracts with IAFF, LIUNA & PBA

<u>City remain on fiscally sustainable path!</u>

COCOA FLORIDA

Background

- In FY 2015 Burton & Associates worked collaboratively with City staff to develop a Fiscal Sustainability Model for Cocoa's General Fund
- The City utilized the modeling process to identify options for the fund's sustainability over a 10-year projection period
- The City contracted with Burton & Associates to update the model with current data to aid in the FY 2017 Budget Process
  - Validate prior assumptions
  - Evaluate current fiscal conditions
  - Evaluate FY17 Millage & Fire Assessment Rates

[redacted] [redacted] [redacted]

General Fund Baseline Scenario Screenshot

(May 19, 2015 Budget Workshop)

BURTON & ASSOCIATES

No Changes in Millage Assumed

Modest Property Value Growth Assumptions

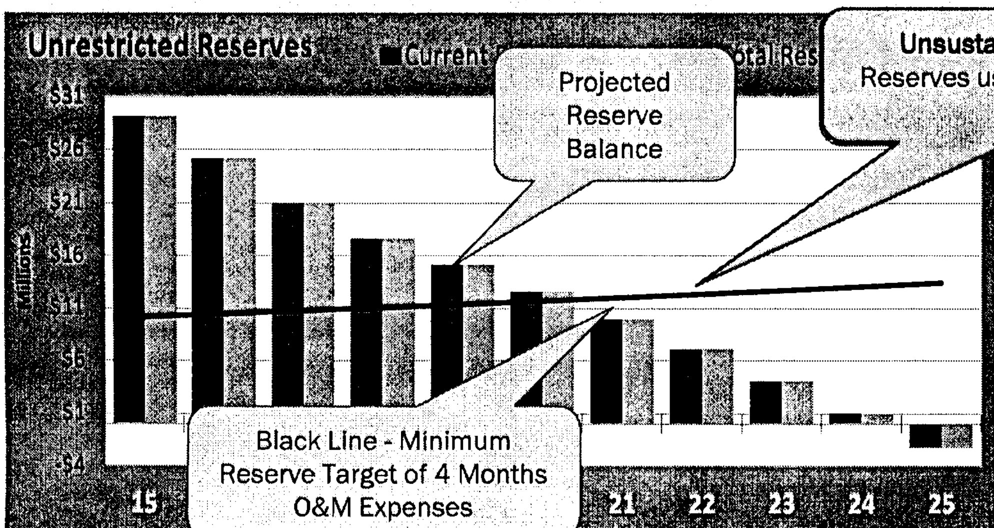
SAVE

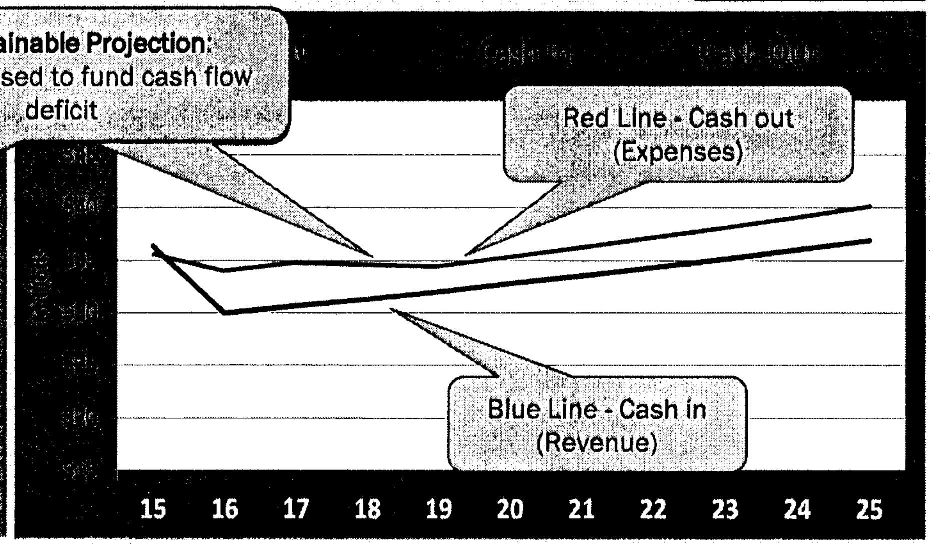
GENERAL FUND FINANCIAL ANALYSIS AND MANAGEMENT SYSTEM (FAMS - GF) SUMMARY

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 20[illegible]	[illegible] 2025
Millage Rate	5.9790	5.9790	5.9790	5.9790	5.9790	5.9790	5.9790	5.9790	5.9790	[illegible]9790	5.9790
Millage Rate Adjustment											
Existing Property Value Adjustment	N/A	0.00%	0.50%	1.00%	1.25%	1.50%	1.50%	[illegible]	1.50%	1.50%	1.50%
New Construction	N/A	0.81%	0.91%	1.01%	1.10%	1.08%	1.26%	1.23%	1.20%	1.16%	1.13%
Total Property Value Adjust.	N/A	0.81%	1.41%	2.01%	2.35%	2.58%	2.76%	2.73%	2.70%	2.66%	2.63%
Millage Rate - Last Plan	5.9790	5.9790	5.9790	5.9790	5.9790	5.9790	5.9790	5.9790	5.9790	5.9790	5.9790
Property Value Adj. - Last Plan	N/A	0.81%	1.41%	2.01%	2.35%	2.58%	2.76%	2.73%	2.70%	2.66%	2.63%
Cash Flow Surplus/(Deficit) $M	$0.7	($4.0)	($4.2)	($3.3)	($2.5)	($2.6)	($2.7)	($2.8)	($3.0)	($3.1)	($3.2)
End of Year Fund Balance $M	$29.1	$25.2	$21.0	$17.7	$15.2	$12.6	$9.9	$7.1	$4.1	$1.0	($2.3)
Reserve Target Surplus/(Deficit) $M	$19.0	$14.7	$10.2	$6.6	$3.8	$0.9	($2.1)	($5.3)	($8.6)	($12.1)	($15.7)

Port Project?

PST Year?





General Fund Fiscal Sustainability Model

Updated for FY2017

BURTON & ASSOCIATES

Millage Rate unchanged over Projection period

Projection includes WalMart & Port Properties phased in over the projection period

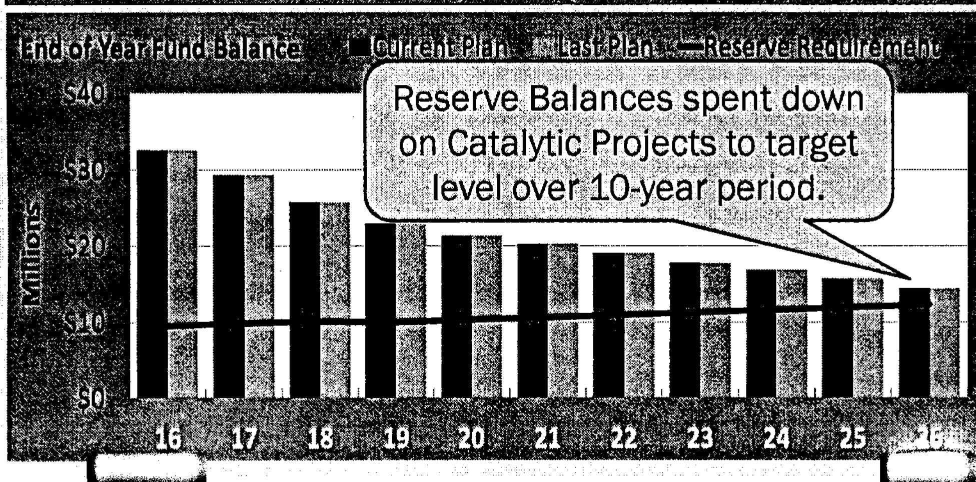
Capital Spending on Catalytic and One-Time Non-Recurring Capital Expenses

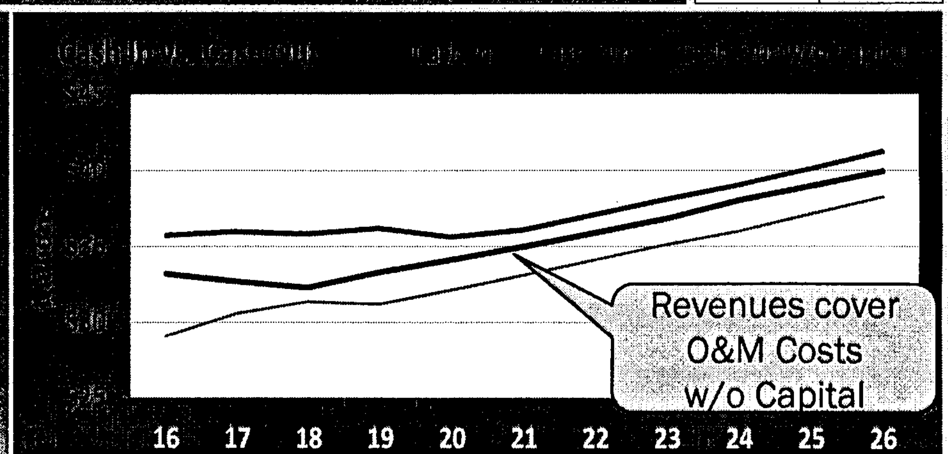
3% increases to Fire Assessment, annually

[illegible]TY OF COCOA, FL - GENERAL FUND FINANCIAL ANALYSIS AND MANAGEMENT SYSTEM

	F[illegible]16	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	[illegible]	[illegible]	[illegible]
Millage Rate	5.9790	5.9790	5.9790	5.9790	5.9790	5.9790	5.97[illegible]	[illegible]	5.979[illegible]	[illegible]	[illegible]
Existing Property Value Adjust.	N/A	N/A	3.5%	3.5%	3.5%	[illegible]	3.5%	3.5%	3.5%	3.5%	3.5%
New Construction	N/A	N/A	1.0%	5.1%	1.8%	1.0%	2.4%	2.4%	6.0%	1.0%	1.0%
Total Property Value Adjustment	4.8%	4.5%	4.5%	8.6%	5.3%	4.5%	5.9%	5.9%	9.5%	4.5%	4.5%
[illegible]	[illegible]2.5)	($3.3)	($3.6)	($2.9)	($1.5)	($1.1)	($1.2)	($1.3)	($1.0)	($1.1)	($1.3)
[illegible]	[illegible]23.2	$19.6	$15.8	$12.9	$11.1	$9.7	$8.2	$6.6	$5.3	$3.8	$2.1
[illegible]	[illegible]2.6	$29.4	$25.8	$22.9	$21.4	$20.3	$19.1	$17.8	$16.8	$15.7	$14.4
[illegible]	0	4	0	0	0	0	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Total Capital Outlay $M	$6.2	$5.4	$4.5	$5.0	$3.5	$3.0	$3[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Fire Assessment Revenue $M	$2.1	$2.2	$2.2	$2.3	$2.4	$2.4	$2.5	$2.6	$2.7	$2.7	$2.8
Residential Assessment (per DU)	$187.93	$193.57	$199.38	$205.36	$211.52	$217.87	$224.41	$231.14	$238.07	$245.21	$252.57
Fire Asmt Rev - Last Plan $M	$2.1	$2.2	$2.2	$2.3	$2.4	$2.4	$2.5	$2.6	$2.7	$2.7	$2.8
Residential Asmt - Last Plan	$187.93	$193.57	$199.38	$205.36	$211.52	$217.87	$224.41	$231.14	$238.07	$245.21	$252.57

Port Proj?	Y
PST Year?	
Per FTE:	$80,000
Escalator	3.0%
Debt Svc?	$425,000





Ad Valorem Tax Base History

Fiscal Year	Valuation	% of Change
FY2008	$1,178,240,071	3.8%
FY2009	$1,168,009,451	(0.9%)
FY2010	$1,025,224,075	(12.2%)
FY2011	$906,460,404	(11.6%)
FY2012	$797,859,898	(12.0%)
FY2013	$771,155,034	(3.3%)
FY2014	$773,867,625	0.4%
FY2015	$780,867,676	0.9%
FY2016	$817,760,975	4.7%
FY2017	$857,337,863	4.8%

FY2008-FY2016 is based on the Final Taxable Value.

Historical Review of Millage and Ad Valorem Revenue History

Fiscal Year	Valuation	Millage	Ad Valorem Revenue	Revenue Variance from Previous Year	% of Change
FY2008	$1,178,240,071	4.4891	$4,799,656	($20,259)	(0.4%)
FY2009	$1,168,009,451	4.4891	$4,542,124	($257,532)	(5.4%)
FY2010	$1,025,224,075	4.4891	$4,066,536	($475,588)	(10.5%)
FY2011	$906,460,404	4.9660	$4,040,240	($26,296)	(0.6%)
FY2012	$797,859,898	5.5813	$4,022,601	($17,639)	(0.4%)
FY2013	$771,155,034	5.9811	$4,173,108	$150,507	3.7%
FY2014	$773,867,625	5.9811	$4,235,127	$62,019	1.5%
FY2015	$780,867,676	5.9790	$4,275,054	$39,927	0.9%
FY2016	$817,760,975	5.9790	*4,454,795	$179,741	4.2%

* FY 2016 represents YTD collections.

FY2017 TRIM Rate Options

	Valuation	Rate	Gross Tax Revenue	Tax Revenue @ 95%	FY2016 – FY2017 Revenue Variance	
FY2016 Adopted Rate	**$818,427,691**	**5.9790**	**$4,893,379**	**$4,648,710**		
FY 2017 Millage Options						
Current Rate-Proposed	$857,337,863	5.9790	$5,126,023	$4,869,722	$221,012	**Proposed Rate**
Rolled-back Rate	$857,337,863	5.8759	$5,037,632	$4,785,750	$137,040	
Majority Rate	$857,337,863	8.9180	$7,645,740	$7,263,452	$2,614,742	

Note: City Council may not adopt a rate higher than 5.9790.

What Does This Mean To The Single Family Property Owner?

	Valuation	FY 2016 5.9790	*Valuation With 0.7% Increase	FY 2017 5.9790	Increase
Single Family Residence	$100,000		$100,700		
Less: Homestead	($50,000)		($50,000)		
= Taxable Value	$50,000	$299	$50,700	$303	$4
Single Family Residence	$150,000		$151,050		
Less: Homestead	($50,000)		($50,000)		
= Taxable Value	$100,000	$598	$101,050	$604	$6
Single Family Residence	$200,000		$201,400		
Less: Homestead	($50,000)		($50,000)		
= Taxable Value	$150,000	$897	$151,400	$905	$8
Single Family Residence	$300,000		$302,100		
Less: Homestead	($50,000)		($50,000)		
= Taxable Value	$250,000	$1,495	$252,100	$1,507	$12

* The Save Our Homes, as provided in Section 193.155(1), F.S. limits the annual increase in homestead exempt properties assessments to either 3% or the CPI change, whichever is less. For 2016 the CPI cap is 0.7%, even though the City overall has a 4.8% increase in value.

FY2017 Comparative Millage Rates

Ranking	City	Current	Rolled-back	Proposed
1	Palm Bay	8.5000	7.8365	8.4500
2	Satellite Beach	8.2900	7.8276	8.2309
3	Titusville	7.9011	7.4141	7.7647
4	Melbourne	7.6886	7.3351	7.3351
5	Indialantic	6.4695	6.0609	6.2653
6	Rockledge	6.3400	6.0371	6.2500
7	**Cocoa**	**5.9790**	**5.8759**	**5.9790**
8	Cocoa Beach	4.9798	4.7173	5.4798
9	Cape Canaveral	3.4797	3.2989	3.4797
10	West Melbourne	2.4633	2.3296	2.4633

Note: Rankings established by using the Proposed Rate for respective jurisdictions.

FY2017 Proposed Millage Rate Public Hearing

	Valuation	Rate	Gross Tax Revenue	Tax Revenue @ 95%
Current FY2016 Millage Rate	$818,427,691	5.9790	$4,893,379	$4,648,710
Staff Proposed FY17 Millage Rate	$857,337,863	5.9790	$5,126,023	$4,869,722
FY2017 Revenue Difference			$232,644	$221,012

2nd Public Hearing on September 14, 2016, 6:00 p.m., Cocoa City Hall

Public Announcement

- The City of Cocoa is the taxing authority
- The rolled-back rate is 5.8759
- The rolled-back rate is a 0% increase
- The millage rate to be levied is 5.9790
- The millage rate of 5.9790 is a tax increase of 1.75% as a percent of change over the rolled-back rate

COCOA
FLORIDA

City Council Questions/Comments

Public Hearings

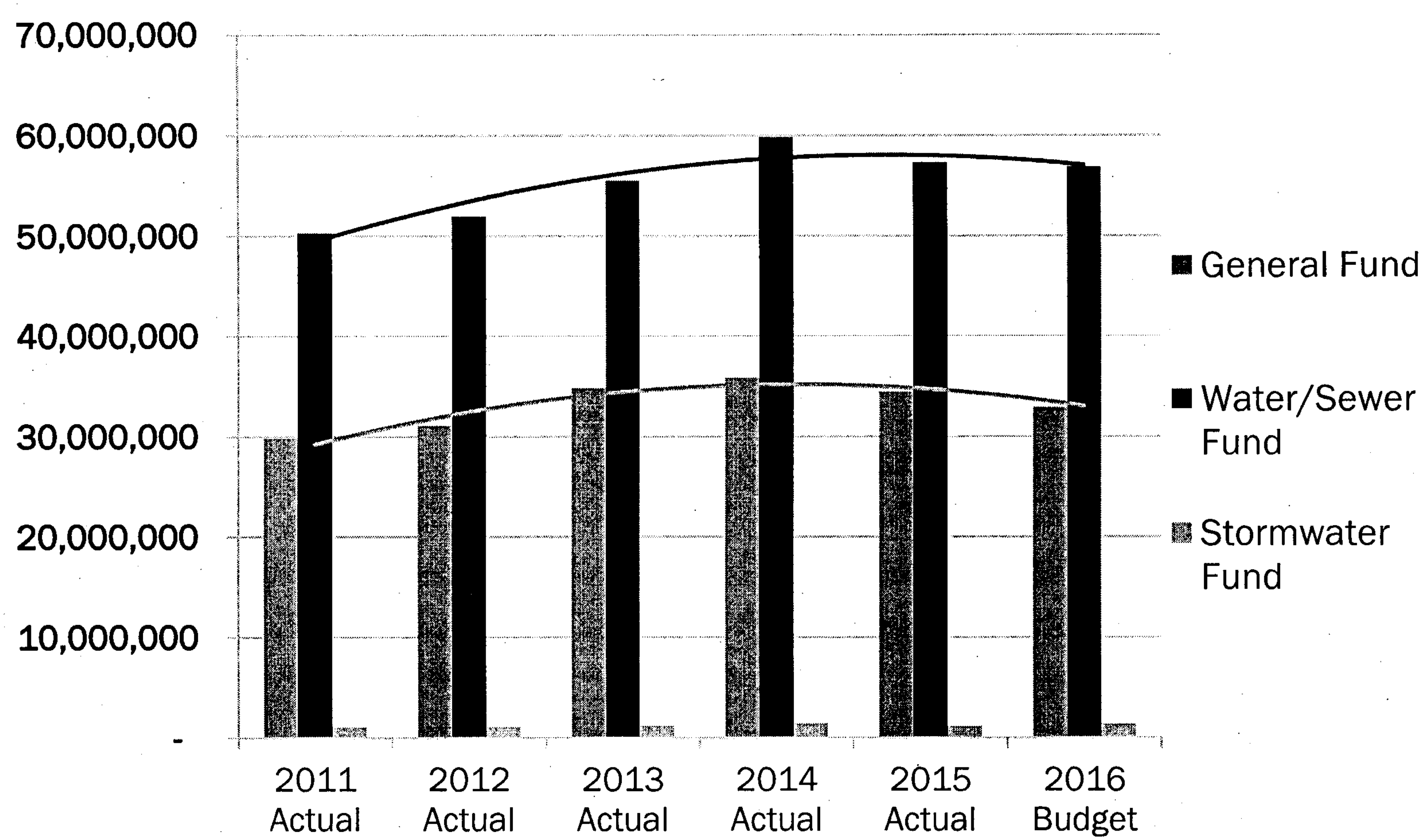
- Public Comment on City Council Approval of the Non-Ad Valorem Assessment Roll and the Fire Protection Final Assessment Resolution for FY2017
  - **Requested Action:** Approve the Final Assessment Resolution and the Non-Ad Valorem Assessment Roll for the Fire Protection Assessment for FY2017

- Public Comment on Tentatively Adopting Proposed Millage Rate
  - **Requested Action:** Approve Resolution No. 2016-92 tentatively adopting a proposed millage rate of 5.9790 for the City of Cocoa for the Fiscal Year commencing on October 1, 2016 and ending on September 30, 2017.

FY 2017 Tentative Budget & CIP

FY2017 Revenues

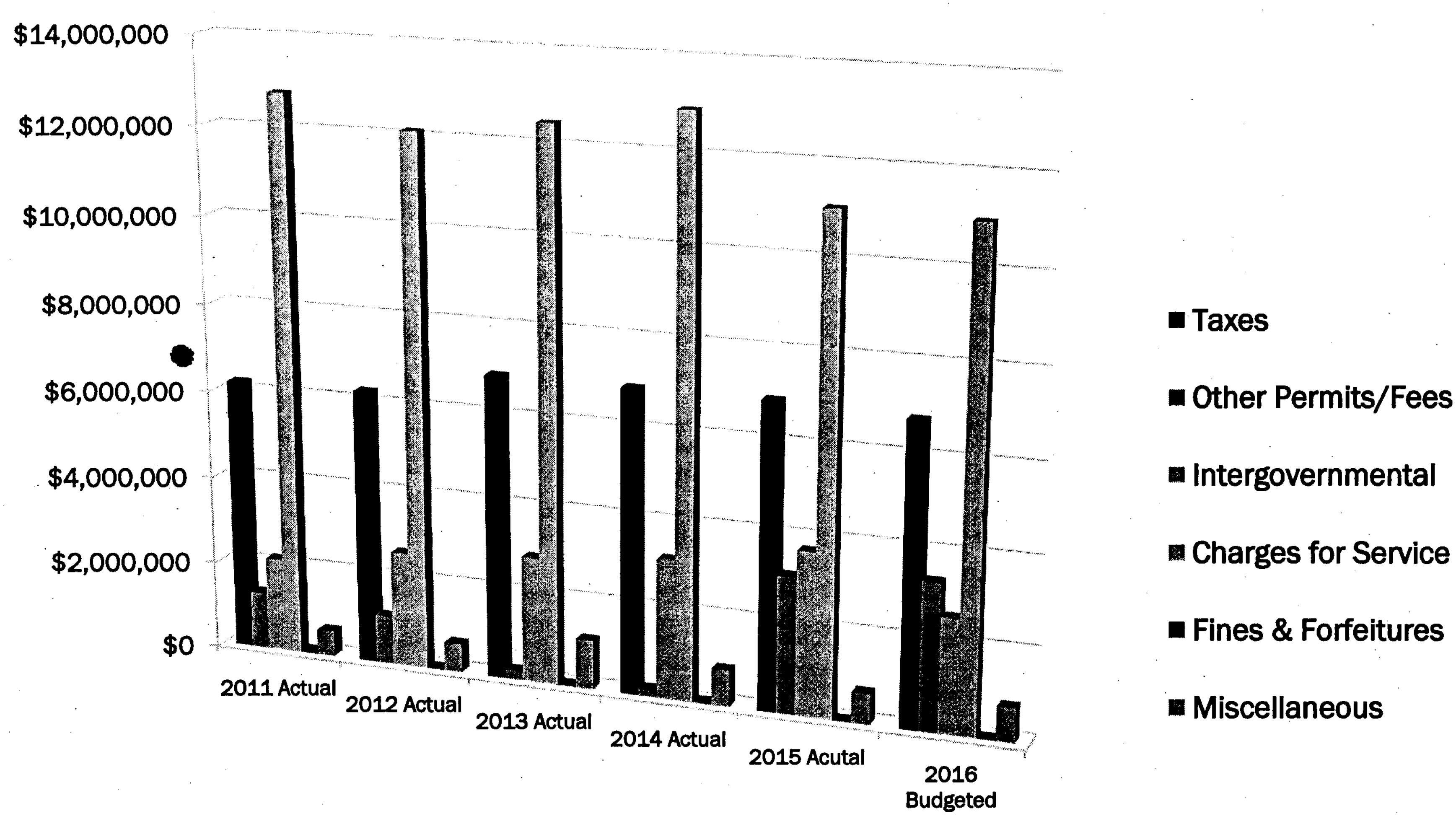
Revenue Trends All Funds



FY 2017 General Fund Revenue by Funding Source

Funding Source	Amount	Percentage of Total Revenue
Taxes (Ad Valorem, Utilities, CST)	$7,052,116	19.0%
Other Permits & Fees (Building Permits, Franchise Fees, Fire Assessment, Planning & Zoning Fees)	$3,412,358	9.2%
Intergovernmental (Local, State & Federal Grants, Housing Authority Payments in Lieu of Taxes, and State Shared Revenues)	$3,228,830	8.7%
Charges for Service (Water Billing Services, Garbage Collection Services, and Culture/Recreation Fees)	$11,159,533	30.1%
Fines & Forfeitures	$24,000	0.1%
Miscellaneous (Interest Earned, Rent and Royalties, Disposition of Fixed Assets, Contributions, Police & Fire State Pension Revenues, Insurance Proceeds, etc.)	$803,618	2.2%
Other Non-Revenue (Inter-fund transfers, Water/Sewer contributions and 6% PILOFF, Debt Proceeds, Revenues from Reserves (Unassigned Fund Balance))	$11,365,007	30.7%
TOTAL FY 2017	**$37,045,462**	**100%**

General Fund Revenue Trends



FY 2017 Water/Sewer Fund Revenue by Funding Source

COCOA FLORIDA

Funding Source	Amount	Percentage of Total Revenue
Charges for Service (Water, Sewer and Reuse Services)	$52,128,130	68.0%
Impact Fees	$1,668,443	2.2%
Miscellaneous (BABS subsidy, Interest Earned, Rent and Royalties, Disposition of Fixed Assets, Contributions, Insurance Proceeds, etc.)	$307,595	0.4%
Other Non-Revenue (Contributions, Bond proceeds and use of Reserves)	$22,505,433	29.4%
TOTAL FY 2017	**$76,609,601**	**100%**

FY 2017 Stormwater Fund Revenue by Funding Source

Funding Source	Amount	Percentage of Total Revenue
Charges for Service	$1,372,033	47.9%
Miscellaneous (Interest Income)	$2,000	0.1%
Other Non-Revenue (Revenues from Reserves)	$1,492,049	52.0%
TOTAL FY 2017	**$2,866,082**	**100%**

FY2017 Expenses

FY 2017 Proposed Budget vs. FY 2016 Amended Budget by Fund

COCOA FLORIDA

FUND	FY 2017 PROPOSED	FY 2016 AMENDED	% VARIANCE
General Fund	$37,045,462	$40,264,383	(8.0%)
G.F. Debt Service Fund	$1.400,028	$1,399,403	–
G.F. Capital Projects Fund	$8,041,932	$8,125,000	(1.0%)
Special Services Funds	$2,927,352	$2,761,485	6.0%
Water/Sewer Fund	$76,609,601	$87,978,293	(12.9%)
Water/Sewer Debt Service Fund	$8,999,761	$8,995,897	–
Self Insurance	$6,004,545	$6,820,368	(12.0%)
Storm Water Fund	$2,866,082	$2,797,435	2.5%
TOTAL	**$143,936,763**	**$159,142,264**	**(9.6%)**

FY 2017 Proposed Budget vs. FY 2016 Amended Budget by Department

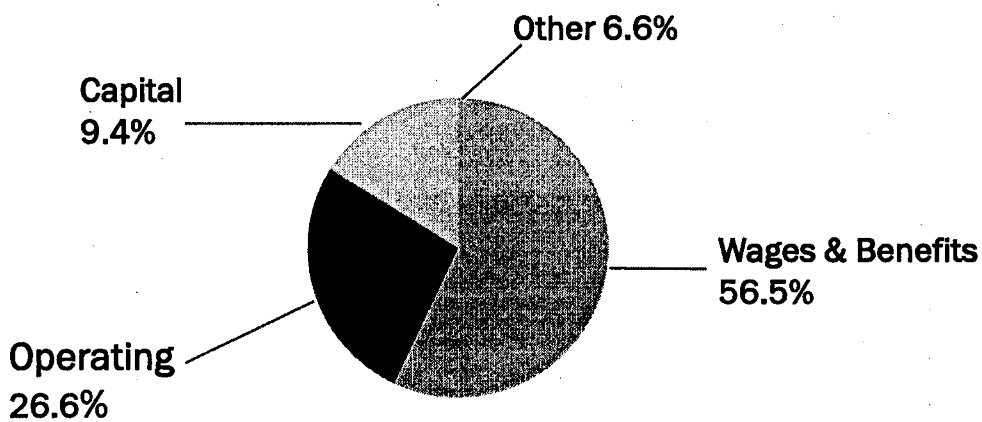
GENERAL FUND DEPT.	FY 2017 PROPOSED	FY 2016 AMENDED	% VARIANCE	% BUDGET
City Council	$108,308	$102,913	5.2%	0.3%
City Manager Office	$2,675,357	$2,461,044	8.7%	7.2%
Finance	$2,731,601	$2,866,627	(4.7%)	7.4%
General Operations	$3,230,576	$6,724,188	(52.0%)	8.7%
Administrative Services	$721,342	$693,992	3.9%	1.9%
Police	$8,826,575	$10,031,267	(12.0%)	23.8%
Fire	$5,875,200	$5,866,137	0.2%	15.9%
Community Services	$3,417,288	$2,663,010	28.3%	9.2%
Public Works	$9,459,215	$8,855,195	6.8%	25.6%
TOTAL	**$37,045,462**	**$40,264,383**	**(8.0%)**	**100%**

FY 2017 Proposed Budget vs. FY 2016 Amended Budget by General Fund Category

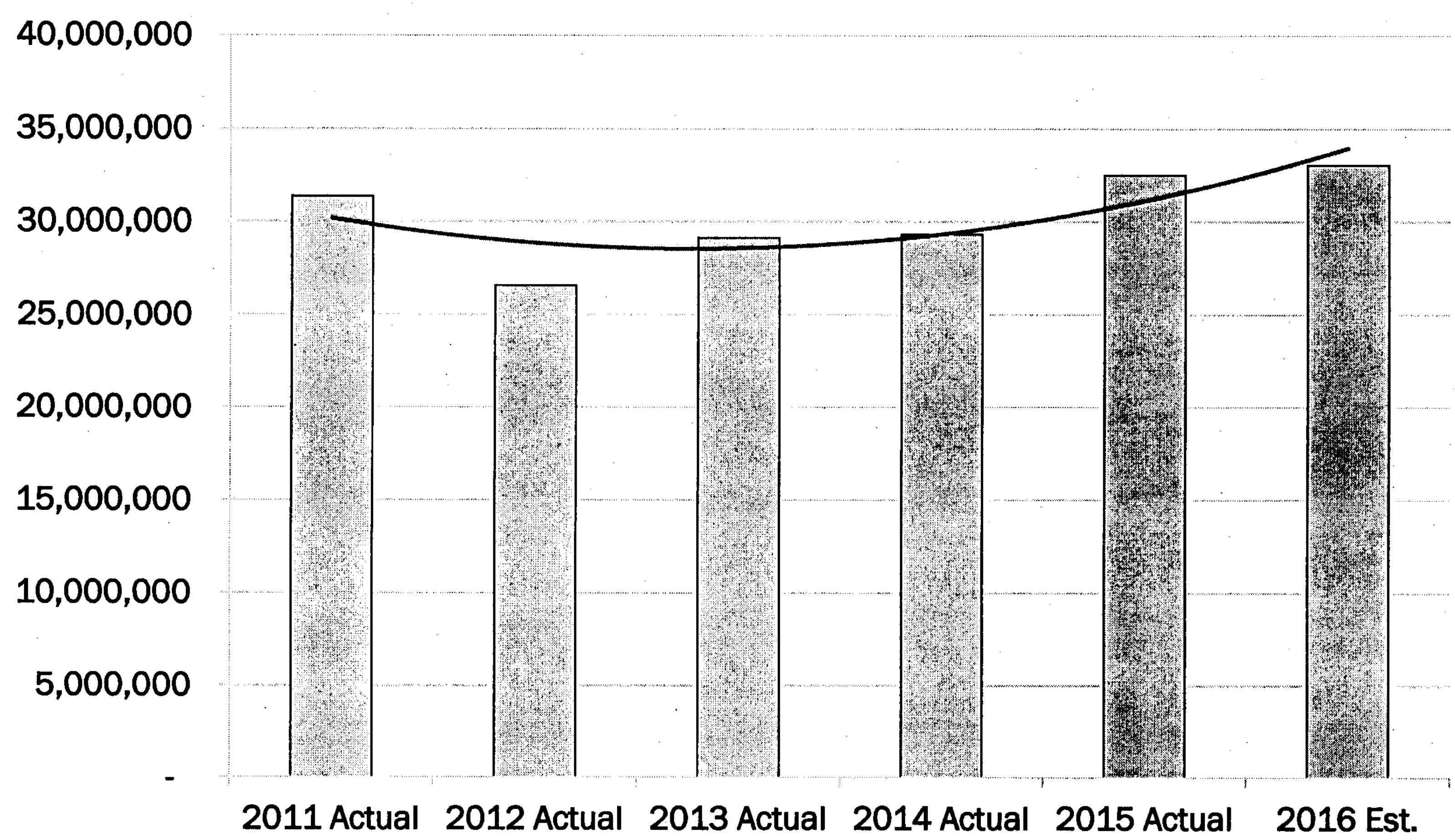
COCOA FLORIDA

CATEGORY	FY 2017 PROPOSED	FY 2016 AMENDED	VARIANCE	% VARIANCE
Salaries & Benefits	$20,935,432	$20,914,169	$21,263	0.1%
Operating	$10,568,061	$10,010,630	$557,431	5.6%
Capital	$3,476,616	$6,190,775	($2,174,159)	(43.8%)
Other	$2,065,353	$3,148,809	($1,083,456)	(34.4%)
TOTALS	**$37,045,462**	**$40 ,264,383**	**($3,218,921)**	**(8.0%)**

General Fund
FY2017



General Fund Expenditure Trends



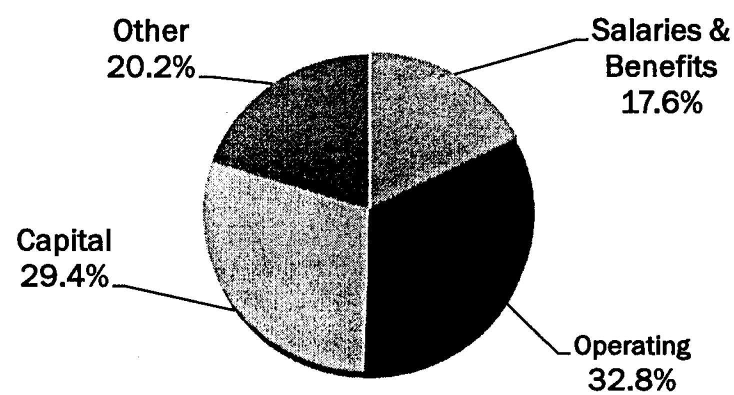
FY 2017 Water/Sewer Fund
Proposed Budget vs. FY 2016 Amended Budget
by Water/Sewer Fund Division

WATER/SEWER FUND BY DIVISION	FY 2017 PROPOSED	FY 2016 AMENDED	% VARIANCE	% W/S BUDGET
Field Services	$1,767,162	$1,743,356	1.4%	2.3%
Water Admin. (Lab)	$26,672,729	$24,840,878	7.4%	34.8%
Dyal Plant Operations	$11,401,837	$13,011,749	(12.4%)	14.9%
WFO/Water Collections	$9,354,164	$6,836,534	36.8%	12.2%
Engineering	$19,643,839	$30,106,559	(38.8%)	25.6%
Sellers Plant Operations	$4,863,057	$5,696,276	(14.6%)	6.3%
WFO/ Waste Water Collections	$2,903,813	$3,742,941	(22.4%)	3.9%
TOTAL	**$76,609,601**	**$87,978,293**	**(12.9%)**	**100%**

FY 2017 Proposed Budget vs. FY 2016 Amended Budget by WATER/SEWER FUND Category

CATEGORY	FY 2017 PROPOSED	FY 2016 AMENDED	VARIANCE	%
Salaries & Benefits	$13,510,699	$12,583,126	$927,573	7.4%
Operating	$25,117,158	$20,927,035	4,190,123	20.0%
Capital	$22,514,695	$38,100,527	($15,585,832)	(40.9%)
Other	$15,467,049	$16,367,605	($900,556)	5.5%
TOTALS	**$76,609,601**	**$87,978,293**	**($11,368,692)**	**(12.9%)**

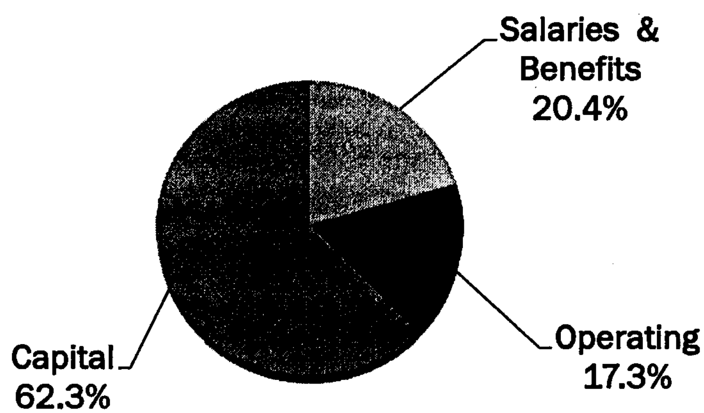
Water/Sewer Fund
FY2017



FY 2017 Proposed Budget Stormwater by Category

Category	FY 2017 Proposed	FY 2016 Amended	Variance	% Variance
Salaries & Benefits	$583,966	$560,256	$23,710	11.3%
Operating	$496,387	$458,179	$38,583	8.3%
Capital	$1,785,729	$1,760,250	$25,479	1.4%
Other	$0	$18,750	($18,750)	(100%)
Totals	$2,866,082	$2,797,435	$68,647	2.5%

Stormwater
FY2017



FY 2017 Proposed General Fund Capital (CIP)

	BUILDING	INFRASTRUCTURE	MACHINERY & EQUIPMENT	SOFTWARE	TOTALS
City Manager – I.T.		$22,000	$198,000	$6,000	$226,000
Police			$493,193		$493,193
Fire			$87,149		$87,149
Community Services			$7,450		$7,450
Public Works	$28,000	$2,501,746	$133,078		$2,662,824
TOTALS	**$28,000**	**$2,523,746**	**$918,870**	**$6,000**	**$3,476,616**

FY 2017 Proposed Water/Sewer Fund Capital (CIP)

	BUILDING	INFRASTRUCTURE	MACHINERY & EQUIPMENT	SOFTWARE	TOTALS
Field Services			$128,370	11,080	$139,450
Dyal Plant			$369,900		$369,900
Water Field Operations		$102,514	$432,874	$26,950	$562,338
Engineering		$17,432,098	$27,000	$890,000	$18,349,098
Sellers Plant		$1,304,600	$1,079,201		$2,383,801
Sewer Field Operations		$555,000	$147,408	$7,700	$710,108
TOTALS		**$19,394,212**	**$2,184,753**	**$935,730**	**$22,514,695**

FY 2017 Proposed Capital – Other Funds

COCOA FLORIDA

	BUILDING	INFRASTRUCTURE	MACHINERY & EQUIPMENT	SOFTWARE	TOTALS
Capital Projects Fund	$6,660,000				$6,660,000
Stormwater Fund		$1,672,179	$113,550		$1,785,729
TOTALS	**$6,660,000**	**$1,672,179**	**$113,550**		**$8,445,729**

Original Proposed Budget
Items Added based on Budget Workshop
(w/Strategic Plan Connection)

Project	Amount	Crime	Public Safety	Image	Comm. Dev.	Econ. Dev.	Employees	Financial Sustainability
Public Bus Shelters (15@$15,000)	$225,000			X	X			
Community Project Fund (5 projects)	$2,500			X	X	X		
Dog Park	$165,000			X	X			
Traffic Signal/Electrical Art Project	$25,000			X	X			
Oaks Mobile Home Site Prep/Master Plan	$75,000			X	X	X		X
Cocoa Village Parking Garage Feasibility Study for Public-Private Partnership	$75,000				X	X		
Endeavour Elem. Comm. School Partnership	$38,750			X	X			
Enterprise Resources ERP Study	$55,000						X	
Stormwater Drain Education Campaign	$7,500			X				

COCOA FLORIDA

City Council Questions/Comments

Public Hearing

- Public Comment on 1st Public Hearing for FY2017 Tentative Budget and CIP

  Requested Action: Approve Resolution No. 2016-93 tentatively adopting a budget and CIP for the City of Cocoa for the Fiscal Year commencing on October 1, 2016 and ending on September 30, 2017.

What is Next?

2nd Public Hearing – Sept. 14, 2016

6:00 p.m.

Cocoa City Hall, 65 Stone Street, Cocoa, FL

- Adopt a Millage Rate
- Adopt the FY2017 Budget