

FY2011 Proposed Budget

First Public Hearing
September 7, 2010

Outline

- **Budget Overview**
- **Budget Challenges and Strategy**
- **Budget Targets**
- **Budget Reductions**
- **General Fund Forecast**



Budget Overview

FY2011 Proposed Budget Highlights

- **\$1.6B proposed budget (all funds) comprised of \$1.2B for operating purposes and \$400M of capital**
 - **Overall decrease in budget of \$61M, -4%**
 - **Operating budget decrease of \$140M, -10%**

FY2011 Proposed Budget Highlights

- **Property tax revenues in the General Fund have decreased \$137M or 32% from FY2007 to FY2011**
- **Lowest General Fund Countywide millage rate since FY1987**
- **445 total positions reduced in FY2011**
- **BCC Departments full-time positions have decreased 35% since FY2007**
 - **Lowest BCC position count since FY1985**

Changes to the General Fund in the Proposed Budget

- **Changes resulted in \$654K reduction to the Service Level Stabilization Account**

Original Service Level Stabilization Account budget	\$20,000,000
Net impact of elimination of proposed Ft. De Soto Park fee and Regional Parks, Preserves, and Attractions fee	(\$727,940)
Restoration of two Code Enforcement positions	(\$155,730)
Restoration of Drug Court program funding	(\$120,000)
Elimination of Cultural Affairs TDC transfer expenditure	+350,000
Revised Service Level Stabilization Account budget	\$19,346,330

FY2011 Proposed Millage Rates

	FY2010 Adopted Millage Rates	FY2011 Proposed Millage Rates	Variance	Vote Required for Approval
General Fund - County-wide	4.8108	4.8108	-	Simple Majority
Health Department	0.0622	0.0622	-	Simple Majority
Emergency Medical Services	0.5832	0.6860	0.1028	Simple Majority
Pinellas County Planning Council	0.0125	0.0125	-	Simple Majority
MSTU (Unincorporated Area)	2.0857	2.0857	-	Simple Majority
Public Library Cooperative	0.4437	0.4437	-	Simple Majority
Palm Harbor Community Services District	0.4378	0.4914	0.0536	Simple Majority
Feather Sound Community Services District	0.5660	0.5660	-	Simple Majority

FY2011 Proposed Fire District Millage Rates

Fire Districts	FY2010 Adopted Millage Rate	FY2011 Proposed Millage Rate	Variance	Millage Caps	Variance	Vote Required for Approval
Belleair Bluffs/Largo	1.7320	1.7320	-	5.0	(3.2680)	Simple Majority
Clearwater	1.8628	2.1385	0.2757	5.0	(2.8615)	Simple Majority
Dunedin	2.0102	2.0102	-	5.0	(2.9898)	Simple Majority
Pinellas Park	2.3675	2.3675	-	5.0	(2.6325)	Simple Majority
Safety Harbor	2.4252	2.6800	0.2548	5.0	(2.3200)	Simple Majority
Tarpon Springs	2.3745	2.3745	-	5.0	(2.6255)	Simple Majority
Seminole	1.9581	1.9581	-	10.0	(8.0419)	Simple Majority
High Point	2.7275	3.2644	0.5369	10.0	(6.7356)	Simple Majority
Tierra Verde	1.3997	1.7382	0.3385	3.0	(1.2618)	Simple Majority
South Pasadena	2.2188	2.2188	-	5.0	(2.7812)	Simple Majority
Gandy	1.3143	2.1594	0.8451	5.0	(2.8406)	Unanimous
Largo	2.4416	3.4384	0.9968	5.0	(1.5616)	Unanimous



Budget Challenges and Strategy

FY2011 Budget Challenges

- **Budget pressure has impacted the organization over the last three fiscal years**
- **All revenue sources have been negatively impacted by the real estate market downturn and economic recession**
- **Economic forecasts show further economic weakness through 2010 with a modest recovery in 2011**
- **Existing and potential new caps on property taxes will blunt the recovery for local governments**

Factors Impacting Property Tax Revenue

- **FY2007**: BCC reduces countywide millage rate by 7/10 of a mill
- **FY2008**: Mandatory 7% roll-back of the millage rate by Legislature
- **FY2009**: Amendment One “doubles” the Homestead Exemption and decline in real estate market
- **FY2010 and FY2011**: Dramatic drop in just values due to foreclosures and the recession



FY2011 Budget Strategy

- **Goal: Reshape Pinellas County government by restructuring, reorganizing, and realigning the organization to provide an efficient and effective array of services**



FY2011 Budget Strategy

- **Plan the budget based upon ten-year forecasts for the County's major funds**
 - Forecasts are updated throughout the year
 - Budget targets are developed based on the unique forecasts for each fund
- **Multi-year reduction targets to transform the organization while limiting disruption and potential negative impacts**

Community Outreach



- **Received valuable public input at three community meetings**
 - **Tuesday, March 3rd—Palm Harbor University High School**
 - 1900 Omaha Street, Palm Harbor
 - **Monday, March 11th—Osceola High School**
 - 9751 98th Street North, Seminole
 - **Thursday, March 18th—Gibbs High School**
 - 850 34th Street South, St. Petersburg
- **Over 400 attendees**

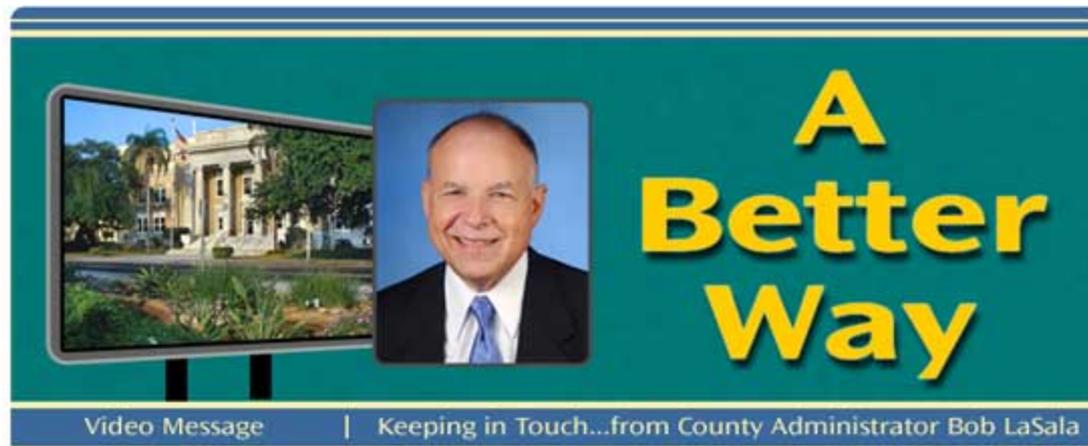
Community Outreach

- **eTownHall meeting held on March 15th**
- **Helped reach, engage, and involve citizens not often able to attend public hearings**
- **Event generated 1,000 unique video viewers, 602 unique blog readers, and 304 published comments**
- **County's eTownHall meeting profiled by Government Technology Magazine and the National Association of Counties**
 - **Contributed to Sunshine Review award of an A+ transparency grade for County's website**



Employee Suggestions

- **Re-activated “A Better Way” website**
 - **Employee suggestions for cost-saving and revenue ideas**
 - **549 received since January**
 - **Keep in touch with employees regarding latest budget information**



[Submit Employee Suggestions Here](#)



Citizen Suggestions

- **Citizen input through County's website**
 - **Submit suggestions**
 - 208 since January
 - **Sign up for budget news**
 - 1,600 signed up over last four years
 - **Link to Citizens' Guide to the Budget website**
 - 12,656 hits since January



Cost Saving Ideas

- **Reduce Cost of Voice & Data Equipment**
- **Elimination of Take Home Vehicles**
- **Fuel Conservation Measures**
- **Voice Over Internet Protocol (VOIP)**
- **Lighting Retrofits**
- **Detention Facility Water Conservation**
- **Demand Control Ventilation**
- **Centralized Chiller Facility**
- **Consolidation of Mowing Function**
- **Uniforms and Safety Shoes**
- **Solar Power**
- **Hybrid Vehicles**
- **LED Street Lighting**

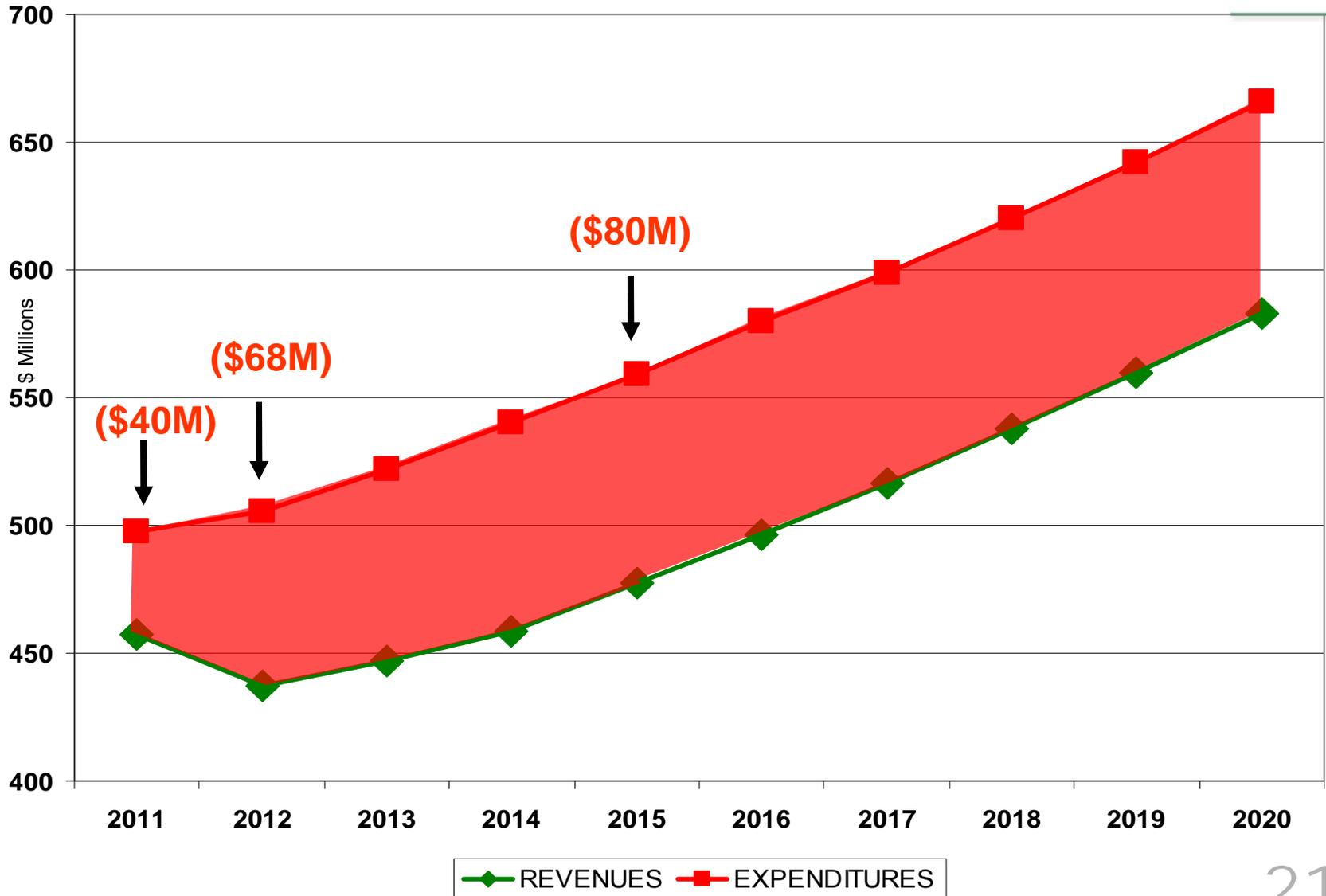


Budget Targets

General Fund Forecast

- Fund was not balanced beginning in FY2011
 - Projected \$40M shortfall for FY2011
 - Additional \$28M shortfall projected for FY2012
 - Long-term shortfall of \$80M by FY2015

General Fund Forecast





Budget Reductions

BCC Budget Reductions by Fund

- BCC reductions in the General Fund total \$20.5M
- Overall \$89.7M reductions across all funds

FUNDS	REDUCTION	FULL-TIME POSITIONS
General Fund	\$20.5M	141.5
Building & Develop. Review Svcs. Fund	\$119K	1.5
Fleet Management Fund	\$1.2M	11.0
Transportation Trust Fund	\$1.7M	12.0
Risk Management Fund	\$196K	2.0
Tourist Development Fund	\$1.2M	0.0
Utilities Funds	\$64.8M	64.0
Total	\$89.7M	232.0

Expenditure Reductions (FY2007 to FY2011)

- **General Fund expenditure reductions from FY2007 to FY2011 budget**

Agency	\$	%
BCC Departments	(\$93.2M)	36.2%
Sheriff	(\$58.3M)	21.5%
Other Constitutional Officers	(\$14.4M)	26.1%
Independent Agencies	(\$7.9M)	32.5%

Note:

- Comparisons are between FY2007 and FY2011 budget except the Sheriff (FY2008 and FY2011)

Reduction in Force

- Proposed reductions include 445 position deletions or 8% of FY2010 total positions
- Since FY2007 total positions decreased 1,618 positions or 25%
 - BCC Departments decreased **985** positions or **35%**
 - Constitutionals and Independents decreased 633 positions or 17%
- Lowest BCC position count since **FY1985**
- Lowest Constitutionals & Indep. position count since FY1995

Permanent Full-Time Positions	FY2011 Reductions	% of FY2010 Total Positions
BCC Departments	(232)	(11.4%)
Constitutional Officers & Independent Agencies	(213)	(6.4%)
Total	(445)	(8.3%)

Reduction in Force

- Due to the elimination of 232 positions in the BCC departments, 200 employees will be laid off. Other employees will change positions within their departmental units
- Distribution of the layoffs within the BCC:
 - 28% managers and professionals
 - 49% technical and administrative support
 - 23% skilled craft workers and service maintenance positions

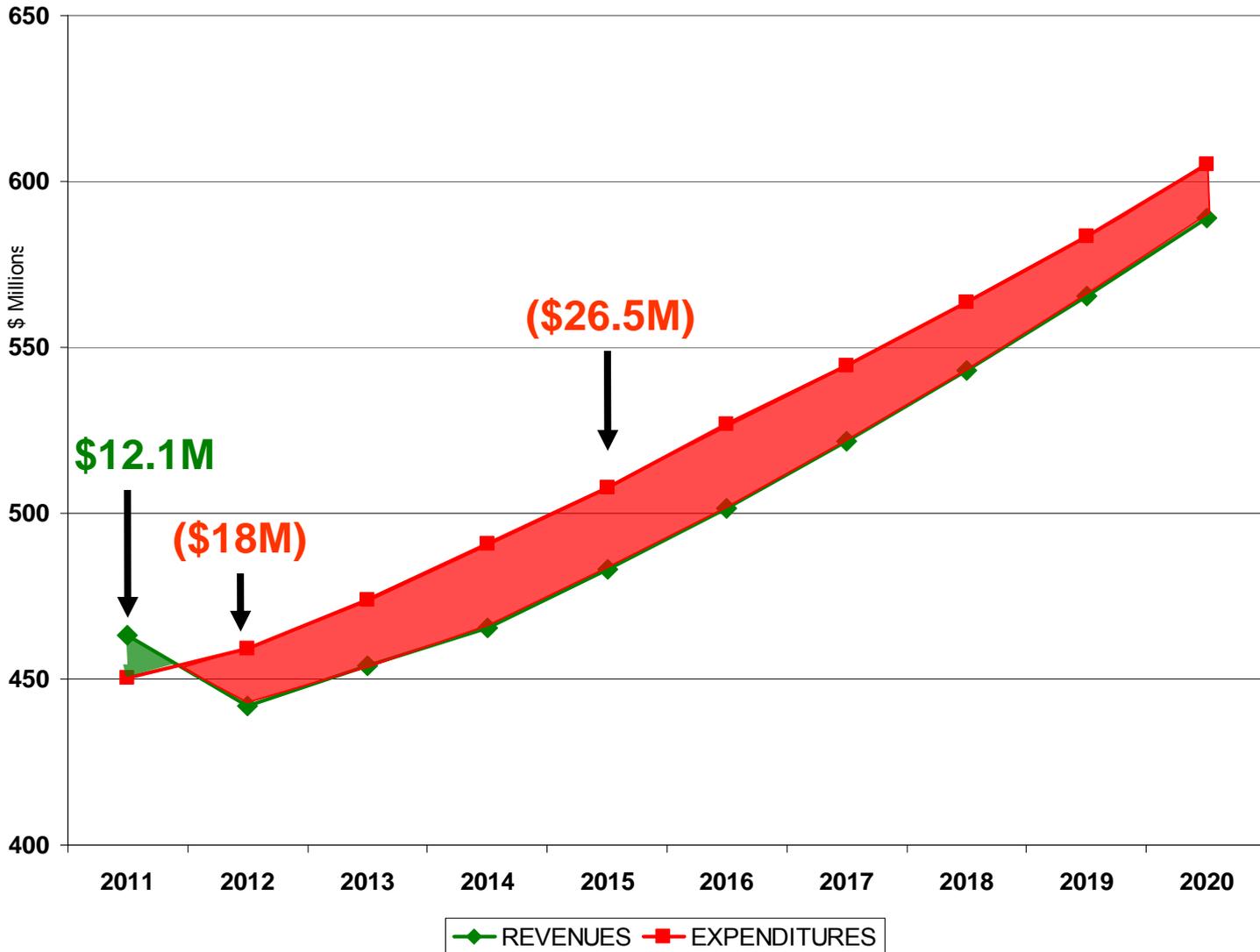


General Fund Forecast

FY2011 Revised General Fund Forecast

- **\$26.5M structural deficit in FY2012-2015**
 - **Contribution of \$12.1M in Service Level Stabilization Account (SLSA)**
 - **Total SLSA of \$19.3M including FY2010 amount**
 - **\$18M shortfall in FY2012 based on assumption of 5% decrease in taxable values**

FY2011 Revised General Fund Forecast



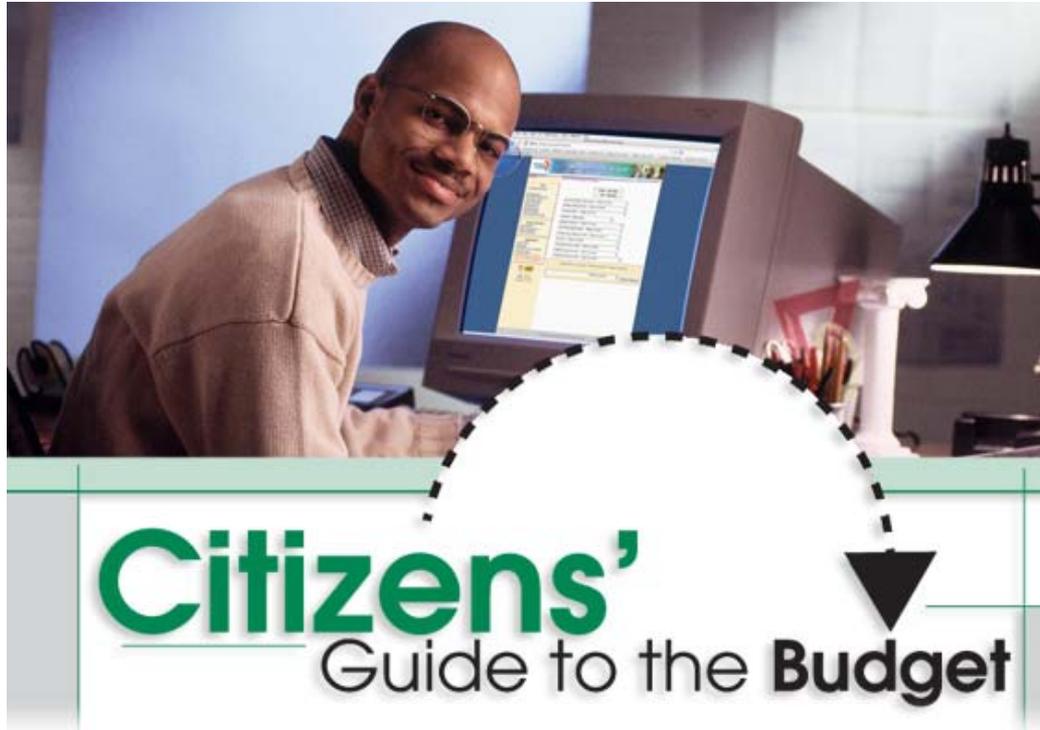
Outlook for FY2012 Budget Process

- For FY2012, taxable values are estimated to decrease 5 to 8%
 - Results in a \$26.5 to \$37M structural deficit in the General Fund from FY2012 to 2015
 - Results in an \$18M to \$27M shortfall in FY2012
 - Results in a 5 to 8% reduction target to General Fund departments and agencies
- Property tax revenue caps approved in FY2008 by the Legislature will limit future growth
- Ongoing potential budget pressure from the State

Next Steps

- **Tonight: First Public Hearing**
 - BCC adopts tentative FY2011 millage rates and budgets
- **September 17th: Advertise notice of final public hearing on the FY2011 budget**
- **September 21st: Second Public Hearing**
 - BCC adopts final FY2011 millage rates and budgets
- **October 1st: Fiscal Year 2011 begins**
- **Fall: Strategic Plan update**

Information on the Pinellas County Budget



www.pinellascounty.org