



September 19, 2007

The Honorable Chairman and Members of the
Board of County Commissioners:

In accordance with my statutory responsibilities, I am pleased to present the **Fiscal Year 2008 Annual Operating and Capital Budget** for your consideration. This financial plan is the result of your input and commitment to the budget process during the extensive Budget Information Sessions in April, May, June, and July and the September statutory public hearing process. Your help and cooperation, along with that demonstrated by the Constitutional Officers, Independent Agencies, and my Departments, was crucial particularly in view of the significant new revenue constraints imposed by the State Legislature's Special Session on property tax reform.

This \$2,028,661,720 balanced budget continues Pinellas County's tradition of prudent fiscal management and responsive public services. As a whole, the operating budget reflects an \$13.0 million or 0.9% decrease, while the non-recurring capital portion of the budget has increased \$55.1 million or 9.8%. The capital increase can be attributed to project costs in water, sewer, and solid waste. Reflecting the rollback in property tax revenues, the General Fund budget decreased by \$16.2 million, or 2.2%. The county-wide millage rate was cut from 6.1 mills to 5.4562 mills, and the millage rates and revenues for other property tax supported budgets were also reduced.

Our financial position at the outset of the budget development process was, once again, very strong. We were successful at keeping actual expenses well within our target budget for FY06. This allowed us to begin the new budget with a General Fund beginning balance of more than \$165 million, which met and exceeded our policy target of 15%. This reflects our ability to be prudent with our spending and shows how our governmental departments and agencies recognize the need to make cost effective spending decisions. This strong commitment to savings puts the County in a better position to deal with potential emergencies and unforeseen events. This is important as a Florida coastal community. It also demonstrates stability to the financial markets, which enhances our ability to raise capital at a lower cost if required to meet future community needs.

In addition to the feedback received at the Board's Budget Information Sessions, the development of this budget was also guided by the Board's Strategic Plan. This budget builds toward the Board's vision of a standard-setting organization that through collaborative leadership and partnerships helps make Pinellas County a preferred community in which to "live, work, and play," as stated in the Strategic Plan.

The budget reflects the Board's goals and priorities in the following strategic focus areas:

- Public Safety
- Environment, Open Space, Recreation, and Culture
- Economic Development, Redevelopment, and Housing
- Health and Human Services
- Transportation, Stormwater, and Utilities
- Effective Government

In maintaining mission-critical county services and continuing improvements to our infrastructure, this budget continues to be grounded in the following core objectives:

- Exercise careful budget discipline and maintain a strong financial position
- Maintain fees and taxes at competitive levels
- Properly allocate County-wide and MSTU costs to sustain and provide for service improvements in both areas
- Improve productivity and competitive government benefits

The development of this budget was also guided by policy framework approved by the Board in 2002. The policies, based upon best practices, can be found in Exhibit A.

Budget Development Background

The preparation of an annual budget is always challenging as we balance the needs of the public against limited resources. Several years ago, to increase the visibility of the departmental discussions, we began televising all of the Board's Budget Information Sessions. This year, at the Board's direction, we implemented several changes to further increase the level of citizen involvement throughout the budget process. The budget materials presented to the Board were program-oriented to make them more understandable to a lay person. The schedule for the sessions was revised to include several evening meetings, and opportunities for citizens to comment to the Board were provided at every meeting. Periodically, the status of the budget was reviewed and summarized to give an indication of the progress being made. And a user-friendly ***Citizens Guide to the Budget*** website (www.pinellascounty.org/budget) was initiated that made all of the materials easily accessible, with additional information to explain complicated issues and procedures in plain language.

This year, we faced unprecedented uncertainty as the Florida Legislature considered a multitude of scenarios for limiting property taxes across the state. The resulting Special Session legislation, requiring property tax rollbacks and capping future increases, will require us to substantially change the way we do business and will impact programs for virtually every local government in Florida.

The Property Tax Dilemma

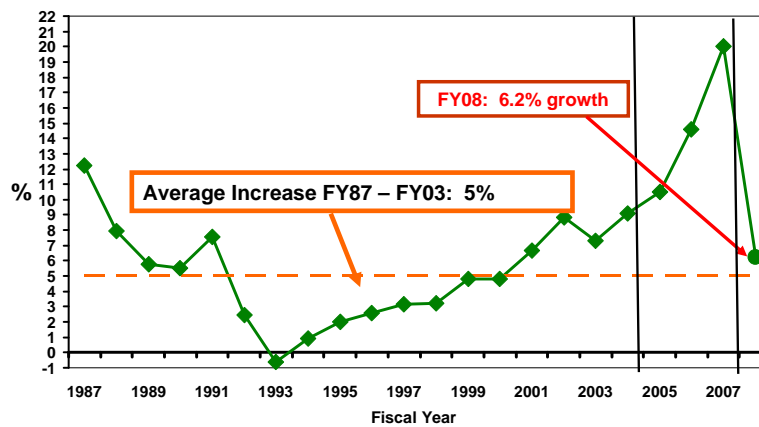
The past three years produced unusually large increases in property values in Pinellas County and throughout the state. Across Florida, the public hearings for Fiscal Year 2007 budgets brought out many citizens who were upset about their proposed property taxes as presented on their “Truth in Millage” (TRIM) notices. Most of those who expressed their frustration were persons who owned property that was not protected by the “Save Our Homes” (SOH) taxable value increase cap, such as commercial and rental business owners. In response to the public’s concerns, the Board of County Commissioners reduced the FY 2007 county-wide millage rate by 0.701 mills (over 10%), the first millage rate reduction since the 1997 budget year.

Not all local governments were as responsive to the situation as Pinellas, and this dramatic growth in taxable values resulted in a surge in property tax revenues that became the focus of legislative concern. In reality, the primary problem has been the systematic inequities resulting from the “Save Our Homes” amendment to the Florida Constitution which has capped the growth in taxable values for homesteaded properties (permanent residences) since 1996. The amendment was intended to protect homeowners from escalating property tax bills resulting from growth in market value, a situation that was perceived to be forcing some people, particularly residents on fixed incomes, to sell their homes.

While this objective has no doubt been achieved, there have been dramatic, and in many cases unforeseen, consequences as a result of SOH. Because of the large amount of market or “just” value that is not taxed due to the SOH exemption, a disproportionate share of any increase in tax revenue has been placed on properties that are not established permanent residences, such as small businesses, rental apartments, and newly purchased homes. A further unintended consequence was that partly as a result, many rental units had been removed from the market, helping to fuel a crisis in available affordable housing.

The increases in values for fiscal years 2004 through 2007 notwithstanding, the historical trend over the previous sixteen years in Pinellas has been an average annual increase of about 5% in values (including new construction). Most observers believed that the market would correct itself and return to more normal patterns beginning in 2007, and that has in fact occurred. To some extent, the value growth part of the problem could be expected to correct itself over time.

Countywide Taxable Values Annual Rate of Change



However, the Florida Legislature perceived property tax reform as one of the two most critical issues (along with property insurance reform) that needed to be addressed in 2007. There was no consensus on how to approach this problem and the Legislature completed its regular session without acting on it, but not before a number of radical proposals had been advanced, some of which would have crippled local governments by slashing property taxes by half or more. During this entire period we were uncertain as to what if any action would be eventually approved, which made it particularly challenging to predict our revenues for the upcoming year. We, therefore, followed an approach that would prepare us to act when the situation was resolved. This approach will be described later in this message.

In June, a three-day Special Session of the Legislature produced a mandate that was unlike anything ever seen before in its forced downsizing of local government. Ironically, this drastic solution fails to address the real problems of inequity that were the focus of public discontent and instead has the potential for even greater disparities in the future. A further irony is that the Legislature did not make similar reductions to FY2008 school property taxes, which they control, even though these taxes make up about 40% of most property owners' tax bills.

The State's "Solution"

The Legislature adopted two separate approaches to property tax reform. The first approach involves statutory changes requiring all counties, cities, and special districts to roll back property tax collections in FY08 to a point below the FY07 collections adjusted for new construction (also known as the "rolled-back rate"). This target ranges from 3% to 9% below the rolled-back rate depending on the State's calculation of how much the taxing authority's property tax revenue

increased from FY02 to FY07. Independent Districts, and Dependent Districts many of which have the primary purpose of providing Fire or Emergency Medical Services, are all targeted at 3% below the rolled-back rate.

These calculations, and the resulting categories, are quite arbitrary and do not adequately acknowledge the lower tax profile of Pinellas. Pinellas County is required to cut 7% below rolled-back (the second-most-severe level), even though:

- Our FY02–FY07 percentage increase in per capita property tax is below the state’s average increase for counties;
- Our FY07 per capita property tax is less than Orange, Hillsborough (and other counties) that are in the 3% or 5% cutback categories;
- A city with the same percentage increase would be required to cut only 5%;
- The State’s numbers do not reflect seasonal or tourist population impacts; and
- The State’s numbers do not take into account the additional cost pressures for an urban coastal county (such as property insurance).

By statute, in fiscal years 2009 and later property tax revenue increases will be limited to new construction plus the statewide percentage increase in personal income. This percentage has averaged about 3.8% during the last five years. Local governments can override these revenue caps with varying levels of super-majority votes of the governing board or by referendum, depending on the degree that the revenue exceeds the cap.

The second step of the tax reform initiative involves a proposed amendment to the state Constitution which would ultimately phase out Save Our Homes by replacing the current Homestead Exemption with a new “Super Homestead Exemption”; provide additional exemptions for low-income seniors, working waterfronts, and affordable housing, and provide businesses an exemption for tangible personal property. This amendment is scheduled to be voted on in a referendum next January 29, the Presidential Primary election.

Because the amendment would allow residents to keep their SOH exemption until they make a one-time irrevocable decision to change to the new exemption, it is extremely difficult to estimate the impact on the tax base if the amendment is approved, but we believe it could be significant. This continued uncertainty, along with the statutory revenue cap, made it imperative that we approach this year’s budget with the goal of positioning the County to cope with future limits on resources.

Balancing the Budget

As we began to prepare for the FY08 Budget, we did not know the extent of the restraints that would be placed on property tax revenues, but we knew that some form of cap was likely. Therefore, I instructed the departments for which I have management authority to limit their budget requests to not more than 2% over their FY07 Budget. I also requested the Constitutional Officers and Independent agencies to do likewise. In addition, the departments and agencies were asked to prepare potential reduction scenarios of 5%, 10% and 15% below that level to give us the ability to react to the Legislature's eventual direction.

As you are aware, we received tremendous cooperation in this effort. As a result, when the Legislature finally approved House Bill HB-1B on June 14 – giving us less than a month to prepare the Tentative Budget – we were able to react swiftly and rationally. I would like to express my sincere appreciation to all concerned. A key element in our success was the willingness of the Board to devote long hours to reviewing budgets using a full justification method and in providing the policy guidance and direction for the proposed reductions.

In this effort, our approach followed a logical sequence designed to minimize the impact on public services as much as possible. First, we reviewed the proposed new and enhanced programs in the budget and eliminated all except those that were essential or committed through prior agreement. Secondly, we addressed administrative and other associated overhead costs that do not directly impact public services and made tough reductions in those areas. Third, we reviewed our reserves and made the determination to reduce them where possible while maintaining adequate balances for hurricanes or other emergencies. Only then did we consider reductions that would directly impact service levels to our residents and visitors. In this effort we strived to protect our mandatory and other core services and to eliminate a limited number of lower priority activities rather than make across the board cuts that would result in our doing more things at a lower level of quality.

Unfortunately, with reductions of this magnitude it is impossible not to lose some activities that add value to our quality of life. It is also impossible not to engage in a reduction in force that results in dedicated employees losing their current jobs. In the process, 135 full-time positions have been eliminated (net of new positions), many of them currently filled. While the Personnel Department has assembled a team to place as many of the impacted employees in other positions within the organization, some layoffs may be unavoidable given the magnitude of the numbers.

Because of the overall revenue situation, the budget for FY08 does not provide major enhancements in most of the Board's Strategic Plan areas. The program improvements that are included are summarized in Exhibit B.

General Fund Budget Reductions

Following the initial budget requests, reductions totaling \$80.2 million were identified in three stages:

- To balance the budget at the FY07 millage rates (\$28.7 million)
 - Reduce \$40.6 million in requested program service enhancements \$28.7 million
- To balance the budget at the rolled-back millage rates (\$19.7 million)
 - Adjust reserves based on lower revenue \$ 0.6 million
 - Adjust Tax Increment payments based on lower tax rate \$ 0.4 million
 - Increase user fees (equivalent to approx. 10%) \$ 1.0 million
 - Decrease projected pay for performance from an average 4% to an average 2% \$ 2.5 million
 - Decrease Constitutional Officers and Independent Agencies' budgets by 2% \$ 6.5 million
 - Reduce non-direct services in Board departments \$ 8.2 million
 - Target consolidation efficiencies \$ 0.5 million
- To balance the budget at 7% below the rolled-back millage rates (\$31.8 million)
 - Adjust reserves based on lower revenue \$ 1.0 million
 - Adjust reserves for non-recurring expenses \$ 10.6 million
 - Adjust Tax Increment payments based on lower tax rate \$ 0.6 million
 - Reduce services \$ 19.6 million

Exhibit C is a complete list of the reductions that were necessary in order to meet the state-mandated downsizing of our operations. The following paragraphs describe some of the major service programs which were affected by these reductions. In addition, the Board of County Commissioner departments and most agencies cut various administrative and support costs such as travel, training, subscriptions, and memberships.

Reductions - Board of County Commissioners Departments

The property tax revenue cuts imposed by the Legislature result in the following service impacts. Reduced uncompensated care payments to hospitals, funding for Community Health Centers, and the Health Access Network Demonstration (Helping HAND) program. The University Dental Clinic, the Services Connection bus, and the Healthy Kids Program were eliminated. The Animal Services Wildlife program and the Veterinary Technician intern program were eliminated.

Environmental Management will be forced to reduce the environmental research program and services at the Weedon Island and Brooker Creek Environmental Education Centers. Other environmental programs that were scaled back include Adopt-A-Pond, watershed management, pollution prevention, and air quality. The Planning Department will be required to reduce the Pinellas by Design and the Comprehensive Planning programs. Public Works will eliminate the Highway District liaison program. The Information Systems Department made major reductions in Workplace Efficiency technology expenses. Parks and Recreation summer camps and special events were eliminated, and services provided by Heritage Village, Cultural Affairs, and County Extension programs were reduced. The Emergency Management's Shelter Retrofit Program was deleted from the operating budget; capital budget funding for this purpose will be accelerated.

Reductions - Constitutional Officers and Independent Agencies

The Sheriff will need to eliminate the Drug Abuse Resistance Education (DARE) program and reduce patrol of the County's Environmental Lands areas. The Supervisor of Elections will reduce the number of early voting sites from fifteen to five. The Legislative Delegation Office has been eliminated. The County Attorney will eliminate law clerk positions.

Reductions in Other Funds

Besides the General Fund, the other funds which are primarily supported by property taxes were also required to make reductions. The Health Department, Public Library Cooperative, Palm Harbor Community Services District, and Feather Sound Community Services District were all required to reduce property taxes to 7% below the rolled-back rate. The Emergency Medical Services Fund and each of the twelve individual Fire Protection District funds were required to reduce property taxes to 3% below the rolled-back rate.

The Internal Service Funds, such as Fleet Management, which support the operations of the various other funds, also were asked to reduce their budgets where possible to ease pressure on service costs and to reflect reduced activity levels. In particular, the Information Technology Department made major reductions in contractual services and in equipment purchases.

The Utilities Funds made reductions to eliminate or reduce the need for rate increases and provide further relief to customers. These changes included the closing of Customer Service Branch offices and the restructuring of the artificial reef program. As a result, water rates will increase by only 3% and there are no planned increases in sewer rates or solid waste disposal (tipping) fees.

MSTU Cost Allocation and Improvements

We assign costs in our General Fund between the County-wide budget and the Municipal Services Taxing Unit (MSTU) budget, based upon services provided to these areas including storm water drainage, zoning application processing and appropriately allocated indirect costs for the agencies directly involved in providing MSTU services. Most of the MSTU budget, Exhibit D, is devoted to funding the Sheriff's patrol operations in the unincorporated area.

As with the County-wide millage, our MSTU millage was subject to the legislative mandate to reduce property tax revenue to 7% below the rolled-back rate. As a result, the rate is being reduced from 2.3560 mills in FY07 to 2.0857 mills in FY08. As part of an overall strategy to raise additional user fee revenues where appropriate, building and development review permit fees have been increased. In light of these changes, in balancing the MSTU budget while maintaining public safety and other core functions, some of the services increased in recent years have been affected. The local roads and sidewalks program has been reduced from the \$3 million allocated in FY07 to \$2.25 million in FY08. This is still \$750,000 or 50% higher than the amount budgeted in FY06 and prior years. The Neighborhood Grants program, the public access cable television channel, and property tax assistance to water service providers in addressing fire hydrant deficiencies have been eliminated. The recreation grants program has been eliminated with the exception of previous contract commitments which will be continued into FY08. I believe we should continue to be highly responsive as a municipal service provider to communities that wish to remain unincorporated. In addition to assisting all residents countywide, the increasingly popular County Connection Centers represent a strong neighborhood focused presence facilitating the Board's commitment to provide responsive MSTU service levels, and funding for this program is maintained.

The MSTU receives sales tax support in FY08 of \$3 million and continues to operate as one of the only municipal service areas without support from an electric franchise fee, utility services tax and storm water utility fee.

Capital Improvement Program

The most important single factor affecting the Capital Improvement Program (CIP) for FY08 and beyond was the citizen's approval of the Penny for Pinellas extension from 2010 through 2020. On March 13th 2007, the Penny extension was approved by 57% of the voters. Their confidence, support, and mandate allows for dedicated revenue to continue meeting our community's infrastructure needs. Using revenues primarily from the Penny for Pinellas and Enterprise user fees, the CIP meets many growth-management requirements and funds many projects that enhance the County's quality of life and economic vitality. More than \$617 million of the FY08 budget proposal is dedicated to capital project needs.

In order to step up our CIP planning and monitoring, I have formed a CIP Action Team. This group will be instrumental in providing enhanced information to the Board for capital project decision making. With the impacts on our operating budgets, future capital project's operation and maintenance costs will be crucial for the Board's determination of what new facilities should be built and their timing. For projects underway, we will continue to provide reports that keep you abreast of project schedules and costs.

Our transportation improvement program remains a major focus of our CIP. Funding is included to continue the implementation of major arterial road projects, such as:

- The Belleair Causeway Bridge Replacements (now under construction)
- Keystone Road from US 19 to East Lake Road
- Park/Starkey Road from Tyrone Boulevard to Bryan Dairy Road
- 22nd Avenue South from 34th Street to 58th Street
- Haines Road from US 19 to I-275

Other important transportation initiatives funded include the Intelligent Transportation System (ITS) implementation and Traffic Signal System upgrades, along with resurfacing and rehabilitation projects to maintain the quality of the County's existing road and sidewalk networks.

Funding for a wide range of other CIP programs is included in this budget, including Beach Nourishment, Public Safety, Park Improvements, Environmental Conservation/Water Quality, Storm Water Flood Control, and improvements to our Airport, Water, Sewer, and Solid Waste Systems. Some examples of key projects include:

- Future Sand Key Beach Enhancement
- Eagle Lake Park Development Phase I
- Wall Springs Park McMullen Tract Development
- Lake Seminole Alum Injection Water Quality Project
- Alligator Creek, Bee Branch, Bear Creek, Curlew Creek, and 46th Avenue Area Storm Water Drainage Improvements
- Utilities Solid Waste, Sewer, and Reclaimed Water System Upgrades and Rehabilitations
- Utilities Water System 48" Water Main Replacement and Water Treatment/Blending Facility
- Airport's Terminal Expansion and Loading Bridges Project

Overall, there are more than 240 projects or program areas that comprise the six year CIP. A complete listing of our Capital Project allocations is included in Exhibit E to this message.

Revenue Challenges and Competitive Fees

The General Fund typically receives much of our attention due to the relatively large percentage of support it receives from property taxes and the degree of funding pressures on it. For the last five years and as the FY08 Budget was being developed, we considered alternative sources of funding to reduce the pressure on property taxes to meet growing service demands. This is especially important now and in the future, given the new property tax revenue constraints imposed by the State Legislature that limit growth in property taxes to new construction plus the statewide percentage increase in personal income.

As part of this effort, we reviewed opportunities to optimize user fees and have recommended adjustments to obtain the greatest amount of cost recovery possible while remaining competitive with our peer governments. Major areas of fee adjustments for FY08 include: building permits, site plan review, highway permits and licenses, animal services, and campground fees. Exhibit F attached to this message gives a complete listing of all fee adjustments.

We continue to review our assets for potential sponsorship and concession opportunities that will enhance our revenues consistent with the Board's parameters. Through our Revenue Enhancement Program we plan to continue exploring ways to create and expand innovative government revenue sources.

Strategic Planning and Competitive Government

I believe that any highly successful organization seeks ways to continually improve. The FY08 Budget continues the implementation of performance management and strategic planning across the organization with a distinct sense of urgency based on the budget reality we are facing. My goals are to ensure that County operations and functions are delivered in a fashion that is both competitive in cost and quality with our peer governments and the private sector. Over the last several years, I believe that we are maturing as an organization in this new culture as we become more performance and results oriented, cost effective, and customer focused.

During FY08 we will continue to implement the new Strategic Plan: Vision Pinellas, which will help ensure that our everyday work is directed toward the Board's priorities. Exhibit G, provides a high level summary of the Strategic Plan's goals and strategies. Due to all of the changes that have taken place stemming from the impact of the State Legislature's actions, we plan on updating the goals and strategies in the Strategic Plan with the Board in the coming year.

We will also continue to integrate strategic planning and performance management with our business processes. In order to drive the accomplishment of the County's strategic goals we are further tying them to individual performance appraisals. We are also building increased capacity in this area with new training courses including Strategic Planning, Facilitation Skills, Performance Measurement, and others. We

also plan to conduct a new citizen survey to secure citizen feedback on County services for determining our future priorities.

The County continues to be actively involved in the Florida Benchmarking Consortium and the International City/County Management Association's Center for Performance Measurement which enables us to benchmark the County's performance in the key areas of our local government to other high performing local governments. We also have begun a move towards program budgeting and expansion of performance measurement from the department level to the program level.

The Road Ahead

While the State-mandated revenue reductions will deal a significant setback to the progress we have been making to respond to community needs, it is our new financial reality and we have begun to adjust our organization.

Despite the criticism that has been bantered about local governments, my experience with Pinellas County has reaffirmed my belief that our employees take our vision "To Be the Standard for Public Service in America" very seriously. Their creativity, talent, innovation and dedication will allow us to work through these challenging times. I am proud to be associated with this organization and its fine staff that reflects the values of this very special community.

I would like to express my gratitude to our Department Directors, the Constitutional Officers, and other Appointing Authorities along with the many dedicated employees of the County at all levels, who have stepped up during this most challenging budget process. A special recognition goes to John Woodruff and the staff of the Office of Management & Budget. They have a particularly difficult and demanding job and without their hard work, this budget would not have been possible.

Finally, I want to again express my sincere appreciation to the Board for your attention to the budget, policy guidance, and support. The new budget reality will challenge us and test our collective strength, but I am confident we will rise to meet those challenges and continue to provide high quality programs and services to the citizens of Pinellas County.

Sincerely,

A handwritten signature in black ink, appearing to read "Stephen M. Spratt", with a long horizontal line extending to the right.

Stephen M. Spratt
County Administrator

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BUDGET POLICIES

The following policy guidelines are based upon prudent fiscal management and reflect best practices as adopted by the Government Finance Officers Association (GFOA) and the National Advisory Council on State and Local Budgeting Practice:

Balanced budget

- Recurring expenditures should be equal to or less than, recurring revenues.
- Annual operating expenditures should be fiscally balanced with revenues or income estimates that can reasonably and normally be projected to be received during the fiscal year.
- Provide disclosure when deviation from a balanced operating budget is planned or when it occurs.
- Anticipate actions to be made to bring the budget into balance if adjustments are needed in the course of a fiscal period.
- Develop a structurally balanced operating budget that requires a balance be maintained between recurring expenditures and revenues over the long term, not just the during the current operating period.

Long-range planning

- Develop a financial planning process that assesses long-term financial implications of current and proposed policies, programs, and assumptions and develop appropriate strategies to achieve its goals.
- The forecast should extend at least 3-5 years beyond the budget period and should be regularly monitored and periodically updated.
- The forecast should include fund forecasts for all significant governmental funds.
- The forecast, along with its underlying assumptions and methodology, should be clearly stated and made available to participants in the budget process.
- Variances between previous forecast and actual amounts should be analyzed and identification made of the factors that influence revenue collections, expenditure levels, and forecast assumptions.

Asset inventory

- Create and maintain accurate inventories of all physical assets, their condition, life spans, and cost should be maintained to ensure proper stewardship of public property.
- Maintain assets at an acceptable level to protect the County's capital investment and to minimize future maintenance and replacement costs.

Revenue Diversification

- Encourage revenue diversification to the extent feasible; enhance flexibility within the constraints of available revenue sources (ex. property tax--diversify the tax base on which the tax is levied).
- Whenever possible pay general operating expenses from sources other than ad valorem taxes.
- Increase the level of self-support for new program initiatives and enhancements.
- The use of concession and licensing agreements (i.e. naming rights) should be encouraged so long as these measures are consistent with the public good.

Fees and Charges

- A formal policy regarding charges and fees should be adopted; the policy should identify what facts are to be taken into account when pricing goods and services.
- Where appropriate, fees should be set to recover the direct and indirect costs associated with the service provided.
- County services that provide private benefit should be supported by fees and charges in order to provide maximum flexibility in the use of general revenues to meet the cost of services of broader public benefit.
- State whether the intention is to recover full or partial costs of providing goods and services.
- If the cost of a good or service is not recovered, then an explanation of the rationale should be provided.
- Charges and fees should be reviewed and updated periodically based on factors such as the impact of inflation, other cost increases, the adequacy of the coverage of costs, and current competitive rates.
- Information on charges and fees should be available to the public.
- Enterprise Operating Funds should contribute to the General Fund their proportionate share of the cost of general administrative departments and a payment-in-lieu-of-taxes and other accepted reimbursement approaches as limited by outstanding Bonds or Bond resolutions.
- A review of cost of service and rate structures for Enterprise operations should be performed on an annual basis.

Use of One-time (Non-Recurring) Revenues

- One-time resources should be applied to reserves or to fund one-time expenditures; they should not be used to fund ongoing programs.
- Define allowable uses of one-time revenue (ex. acquisition of fixed assets, retirement of outstanding debt, or extraordinary major maintenance needs).
- Unpredictable revenues should be identified and a set of tentative actions should be decided on in advance if one or more of these sources generates revenues substantially higher or lower than projected.

Use of Grants

- To the degree that grant funds are relied upon to support recurring expenses, provision should be made to make expenditure reductions should the grant funding be reduced or eliminated.
- Revenues and expenditures associated with grants should only be budgeted after grant awards or letters of commitment have been received.
- Overhead or indirect costs should be included in all grant proposals where permitted.
- Local discretionary funds should not be relied upon to automatically replace lost grant funds.

Debt Capacity, Issuance, and Management

- Minimize debt service costs through the judicious use of available debt instruments, consistent with the desirability of maintaining stable current tax rates and distributing the costs of certain long-lived facilities among all users, present and future.
- Define appropriate uses for debt.
- Define the maximum amount of debt and debt service that should be outstanding at any one time (target financial ratios).
- Maintain a high credit rating while making attempts to strengthen credit rating; identify factors and strategies to address them.
- Consider investment in equipment, land or facilities, and other expenditure actions, in the present, to reduce or avoid costs in the future.
- Capital project proposals should include cost estimates that are as complete, reliable, and attainable as possible.
- Prior to undertaking a capital project, all ongoing O&M costs should be identified and considered as part of the policy discussion.

Reserve or Stabilization Accounts

- At a minimum, no less than 5 to 15% of regular general fund operating revenues, or no less than one to two months of regular general fund operating expenditures.
- Similar reserve amounts should be budgeted in other types of governmental funds (i.e. 1 - 2 months of operating expenditures, excluding capital).
- Maintain a reserve in each of the principal funds at a level sufficient to provide for an adequate working capital reserve (i.e. equal to 10% of budgeted revenue for the fund).
- Fund reserve policy should be linked to a potential increase or decrease of rates/fees if reserve levels reach certain thresholds.

Operating/Capital Expenditure Accountability

- Institute meaningful performance measures linked to strategic objectives and analyze results.
- Conduct reviews of prior year expenditure and revenue estimates to actuals and analyze variances.
- Seek expenditure reductions whenever possible through efficiencies, reorganization of services, and through the reduction or elimination of programs, policies, and practices which have outlived their usefulness.
- Encourage productivity improvements through training, technology, or incentives (i.e. gainsharing).
- Seek inter-agency opportunities to improve efficiency and productivity.

Internal Service Funds

- Internal Service Funds may be used for allocating the costs of central service functions and for risk financing.
- Cost allocations of central service functions are charged ratably to other funds, departments, and agencies of the primary government. The goals are to measure the full cost of providing the central service and to fully recover that cost through fees and charges.
- Risk financing internal service funds are used to account for all risks of a given type in individual funds of each type. Interfund premiums are charged to other funds to cover both current costs and provide a reserve for anticipated future losses.

Lease/Purchase

- Identify and evaluate lease vs. purchase options wherever applicable to serve the best fiscal interests of the organization (i.e. Buildings, PC's, copiers).
- Assess the potential use of lease buy-back agreements and other revenue generating alternatives for County facilities.

**FY08 PROPOSED BUDGET
SUMMARY OF PROGRAM IMPROVEMENTS**

Strategic Focus Area	Proposed Budget	Positions Incr/(Decr)
PUBLIC SAFETY	\$ 2,803,220	37
HOUSING	5,000,000	0
ECONOMIC DEVELOPMENT	3,037,210	1
OPEN SPACE, RECREATION, AND CULTURE	45,320	0
EFFECTIVE AND EFFICIENT GOVERNMENT	5,407,750	2
UTILITIES	1,323,700	0
TOTAL	\$ 17,617,200	40 full-time

Program Enhancements by Fund	Proposed Budget	Positions (full-time)
General Fund	\$ 16,165,560	38
Other Funds	1,451,640	2
Total	\$ 17,617,200	40

**FY08 PROPOSED BUDGET
SUMMARY OF PROGRAM IMPROVEMENTS**

Department	Program Change	Proposed Budget	Positions Incr/(Decr)
PUBLIC SAFETY			
Sheriff	Jail Expansion - Medical Wing (6 months)	\$ 1,153,980	32
Medical Examiner	DNA Laboratory	460,170	
Emergency Communications	9-1-1 Wireless Geographic Information System	57,630	1
Emergency Communications	9-1-1 Operations - Fire/EMS Dispatch	33,100	
Facility Management	Jail Expansion - Medical Wing - Maintenance	683,340	3
General Government	Jail Campus Master Plan	415,000	
Justice and Consumer Services	Operations Manager	100,680	1
HOUSING			
Community Development	Housing Trust Fund Seed Money	5,000,000	
ECONOMIC DEVELOPMENT			
Economic Development	SRI Project (St. Petersburg)	3,000,000	
Construction Licensing Board	Licensing Program	37,210	1

**FY08 PROPOSED BUDGET
SUMMARY OF PROGRAM IMPROVEMENTS**

Department	Program Change	Proposed Budget	Positions Incr/(Decr)
OPEN SPACE, RECREATION, AND CULTURE			
Parks and Recreation	YMCA of Suncoast Greater Ridgecrest Branch	45,320	
EFFECTIVE AND EFFICIENT GOVERNMENT			
General Government	SOE Voting Equipment	2,275,000	
General Government	SOE Building Purchase	3,000,000	
Office of Human Rights	South County EEOC Compliance	132,750	2
UTILITIES			
Utilities	Beach Recycling Program	245,500	
Utilities	Beach Recycling Program	323,200	
Utilities	Litter Program	630,000	
Utilities	Curbside Recycling Program Study	125,000	
TOTAL		\$ 17,717,880	40

Summary of Budget Reductions

Exhibit C

County Administrator Departments - Governmental

Department	Fund	Reductions Amount	Description
As part of the FY08 Budget development process, departments and agencies made reductions in their operating budgets to comply with a target budget increase limit of 2%. These various reductions were disclosed and discussed at the Budget Information Sessions with the Board. The reductions listed below are the reductions made to address state legislative action requiring Pinellas County to reduce property taxes to seven percent below the rolled-back rate.			
Animal Services	0101	543,110	Eliminate 1 senior office specialist position (\$56K). Scale back the rabies control reimbursement fee allowance from \$1 to \$.50 for every license sold by issuing agents (\$83K). Wildlife program eliminated, complaints referred to FWCC and commercial trappers (\$77K); Vet Tech intern program eliminated (\$78K), One Animal Control Officer (\$73K), advertising (\$25K), Promo Items (\$20K), Microchips (\$16K). Reduce Temp staffing (\$35K), Asst Vet Tech (\$31K), Veterinarian reduction due to director's retirement (\$47K), Medical supplies (\$2K).
Building & Development Review Services	0101	914,900	Increase user fees by total of 12% across the board (\$583K revenue increase vs FY08 budget request); eliminate administrative program analyst position (\$54K); eliminate funding for temporary staffing (\$19K). Eliminate one inspector each in building, mechanical, and electrical divisions and one residential plans examiner (\$259K).
Communications	0101	604,910	Communications: Reduce marketing funds (\$187K); eliminate 2 vacant office specialist positions (\$73K) and 1 vacant office assistant position (\$38K), reduce repair & maintenance (\$20K). Public Access: Eliminate program to include Operating and Capital (\$61K), Access Manager position (\$86K), TV Technician position (\$63K), and video coordinator position (\$72K); transfer office specialist position (\$5K).
Community Development	0101	252,300	Eliminate Neighborhood Enhancement Grants program (\$250K). Reduce capital outlay (\$2K).
County Administrator	0101	48,000	Eliminate 1 Receptionist position (\$43K). Reduce departmental travel (\$5K).
Culture, Education & Leisure	0101	3,571,950	Eliminate 1 County Extension Admin Support and 1 Educational position (\$150K). Eliminate 1 Cultural Affairs Admin Support position (\$57K). Eliminate 5 Heritage Village Museum Support and Admin positions (\$311K). Eliminate 2 Parks & Rec Admin Support positions (\$104K). Reduce Parks & Rec contractual services (\$96K) and travel and training (\$39K). Reduce Parks & Rec holiday staff overtime on 11 holidays (\$115K). Reduce Heritage Village exhibit supplies, printing, and mailing (\$19K), departmental travel (\$8K), promotional activities (\$5K), and contractual services (\$34K). Reduce Extension Operating Supplies (\$35K). Eliminate Parks & Rec special events and summer camps (\$31K). Eliminate Recreation Reimbursements (\$400K) within the MSTU unincorporated area. Reduce MSTU recreation initiative grants and associated 3 positions (\$1.8M). Eliminate MSTU associated administrative costs (\$26K). Reduce Extension travel (\$20K). Reduce YMCA Ridgecrest issue to \$45K with Community Development maintaining \$315K from Community Development Block Grant funding.

Summary of Budget Reductions

Exhibit C

County Administrator Departments - Governmental

Department	Fund	Reductions Amount	Description
Economic Development	0101	523,960	Eliminate all three interns (\$57K); reduce staff training opportunities (\$42K); reduce trade shows and site selector missions that yield leads for relocation candidates (\$61K); reduce promotional budget by over 50% (\$78K); reduce membership dues to Tampa Bay Partnership to \$40K annually (\$10K). Reduce funding for redevelopment (\$20K); reduction in biennial survey expenses (\$15K); reduce funding for redevelopment and brownfields activities (\$29K); eliminate Mexico initiative contract (\$8K); eliminate one business development manager (\$117K), to include associated costs, primarily responsible for business counseling services. Additional \$88K in reductions resulting from recalculation of anticipated job creation incentive grant payment to Nielsen Media Research for FY08.
Emergency Communications	0101	146,540	Reduce \$50 in printing and binding; eliminate support position (\$52K); reduce overtime (\$1K); reduce travel (\$12K); reduce memberships (\$300); reduce training (\$6K). Defer purchase of monitors and PCs for fire station dispatch network (\$55K). Reduce computer component purchases which support wide-area emergency dispatch network (\$20K).
Emergency Management	0101	250,000	Eliminates Shelter Retrofit Program and Space Development (\$250K). New Penny program funds can be accelerated for this purpose.
EMS/Fire	0101	408,200	Eliminate the fire hydrant installation program in the MSTU paid by the General Fund (\$400K). Reduce departmental travel (\$8K).
Environmental Management	0101	1,877,180	Various Code Enforcement Programs operating & capital reductions (\$70K) and one position (\$58K); Ambient Water Quality Monitoring, NPDES and TMDL/BMAP Analysis & Compliance operating supplies & capital reductions (\$153K); Environmental Support Services and Watershed Admin supplies/equipment reductions (\$25K); Move to Air Pollution Recovery Trust Fund various Air Quality programs operating expenses (\$90K); Increase Attrition Savings for Environmental Management Cost Center (\$302K) and Environmental Lands Cost Center (\$182K); Environmental Management Administration operating reductions (\$31K); Reduction of overtime (\$15K). Water and Navigation program reduction (\$1K); Reduce contribution to the National Estuary Program by 15% (\$11K); Reduction of the Adopt-A-Pond Program (\$128K); Reduction of the Watershed Management and Pollution Prevention programs (\$20K). Eliminate one Senior Environmental Specialist position in Environmental Lands due to reorganization (\$71,190) Weedon Island & Brooker Creek Education Centers program reductions (\$166K); Lands Management program operating/capital reductions (\$107K), overtime reduction (\$10K), 3 management interns (\$46K), 1 grant worker (\$14K), 1 add'l position (\$37K); reductions in the Mobile Source Transportation Program (\$19K). Environmental research program reduction (\$66K) plus four research intern positions, two research temporary positions and one Air Quality position (\$195K). Increase permit fees for Water and Navigation program (\$60K).

Summary of Budget Reductions

Exhibit C

County Administrator Departments - Governmental

Department	Fund	Reductions Amount	Description
Facility Management	0101	858,340	Implementation of energy management system including standardized climate control (\$764K). Eliminate 1 vacant craftworker position (\$64K). Eliminate parking guard at Clearwater Courthouse (\$30K).
General Government	0101	1,515,760	Reduce MSTU Road & Sidewalk program to \$2.25M (FY07 was \$3.0M, FY06 was \$1.5M); reduce miscellaneous non-departmental operating expenses: eliminate allowance for potential FRS rate adjustments to General Fund agencies as of July 2008 (\$400K); eliminate Housing Authority payment in lieu of taxes (PILOT) refund (\$105K); eliminate Strategic Planning services (\$100K); reduce recruitment fees (\$95K); eliminate organizational memberships in Florida League of Cities (\$30K), PTI (\$30K), Suncoast League of Municipalities (\$510) and Construction Owners of America (\$5K).
Health & Human Services	0101	3,041,000	Eliminate Univ. of FL dental clinic (\$100K); eliminate Healthy Kids (\$76K); eliminate Connection Bus (\$150K); reduce HAND program (\$240K); reduce uncompensated care hospital payments (\$1.3M); reduce Community Health Centers of Pinellas (\$175K); reduce mobile medical unit 1 (\$100K); reduce dental (\$900K); reductions include the reassignment or layoff of 2 positions.
Information Systems	0101	3,609,000	Reduce training and seminar attendance except those tied to implementation projects (\$150K); reduce administrative travel, printing, and professional costs (\$25K); reduce funding for workplace efficiency technology projects (\$781K). Eliminate 1 position and reduce contractor fees used to assist departments with technology needs (\$167K); Eliminate 7 positions and reduce contractor fees used for software enhancements (\$850K); Reduce systems analyst support to BCC departments (\$76K); eliminate training and seminar attendance completely (\$36K); reduce memberships and subscriptions (\$14K); defer maintenance and upgrades on telecommunications systems (\$55K); Reduce funding for workplace efficiency technology projects (\$938K); delay some funding on the Oracle implementation project to FY09 (\$517K).
Justice & Consumer Services	0101	1,298,310	Change in state mandated funding formula for Department of Juvenile Justice (\$1.2M). Eliminate one office specialist (\$39K), reduce justice programs operating and capital costs (\$74K), reduce construction investigations operating and capital costs (\$19K).
Management & Budget	0101	155,740	Eliminate 2 management intern positions and apply a 1% Personal Services attrition rate. Reduce memberships by 25% (\$1,250).
Planning	0101	471,230	Reduce staff 2 positions maintaining base map/layers (\$109K); Reduce staff 1 position maintaining countywide/municipal crash information (\$51K); Reduce staff 1 position for "Pinellas by Design" initiative (\$112K); Reduce staff 1 position from Comprehensive Planning Program (\$69K); Eliminated 1 Office Specialist (\$46K); Eliminated Management Intern and Plan Tech positions (\$5K); Reduced wages/benefits on 2 GIS positions (\$37K); Eliminate 1 staff Planner (\$41K).
Purchasing	0101	311,000	Cut five positions including: a procurement analyst and an office specialist (\$112K, both vacant); a senior office specialist (\$55K, filled); two in fixed asset management (\$140K, both filled); and transfer asset management vehicle (\$4K).

Summary of Budget Reductions

Exhibit C

County Administrator Departments - Governmental

Department	Fund	Reductions Amount	Description
Public Works	0101	1,375,000	Reduce CIP Engineering support (\$101K); reduce property management and easement research (\$134K); reduce architectural staff (\$60K); optimize and reduce Fleet resources (\$169K); reduce CIP technology support (\$84K); reduce fiscal administration (\$120K); reduce administration (\$180K); reduce CIP administrative support (\$100K); eliminate management intern program (\$22K); reduce historical document management processing (\$112K); eliminate Highway district liaison program (\$293K).
SUBTOTAL	0101	21,776,430	
Public Works	0201	679,000	Eliminate contract mowing (\$458K); Reduce Highway Department administrative support (\$221K).
SUBTOTAL	0201	679,000	
EMS/Fire	0206	7,563,650	Reduce the EMS First Responders by \$7.5M from \$9.2M initial request. Reduce Professional Services (\$14K), postal billings (\$14K), printing & binding (\$13K), memberships (\$33K), and departmental travel (\$16K). Eliminate the EMS Consulting & Compliance budget (\$12K).
SUBTOTAL	0206	7,563,650	
Public Works	0207	247,920	Reduce Mosquito Control research (\$5K); reduce contractual services (\$79K); reduce repair and maintenance (\$24K); reduce operating supplies (\$96K); reduce promotional activities (\$4K); reduce capital outlay (\$40K).
SUBTOTAL	0207	247,920	
EMS/Fire	0250	22,660	Reduce departmental travel (\$6K). Reduce overtime in fire administration (\$4K). Eliminate misc. contract services (\$1K), printing (\$3K), office supplies (\$4K), publications and memberships (\$4K).
SUBTOTAL	0250	22,660	
Fleet Management	0602	100,580	In response to fleet reductions in Health & Human Services, Public Works, and Utilities Solid Waste Reef, Fleet reduced 1 additional vacant position (\$66K), reduced fuel purchases (\$27K) and reduced parts purchases (\$8K).
SUBTOTAL	0602	100,580	
Risk Management	0605	136,820	Eliminate vacant 1 administrative support specialist position (\$61K). Eliminate one vacant safety position used to train employees to reduce workplace injuries (\$58K); Reclassify two positions (\$18K). NOTE: Reductions contribute 59% to the General Fund.
SUBTOTAL	0605	136,820	
TOTALS		30,527,060	

Summary of Budget Reductions
County Administrator Departments - Enterprise

Departments	Fund	Reductions Amount	Description
Airport	0501	-	
Tourist Dev. Council	0240	1,540	Reduce memberships (\$1.5K).
	0560		Solid Waste (no increase in tipping fee): Elimination of Reef Program and 4 related positions (\$636K). Eliminated the new intern position for new recycling programs (\$24K). Reduce overtime (\$20K). Reduce departmental travel (\$15K).
Utilities	0521	695,280	
			Sewer (0% rate increase) & Water (3% rate increase): Close Customer Service Branch Locations and eliminate 5 related positions (\$362K). Eliminate 35 permanent and 11 temporary positions (\$2.5M). Reduce Grounds, Building and Equipment Maintenance and Electricity costs (\$1.2M). Reduce Consulting and Contract Services by reducing the industrial and janitorial cleaning services, and reducing sludge removal (\$1.1M). Reduce printing, uniforms, office supplies, operating supplies, books and subscriptions, transportation, and communication (\$512K). Reduce chemicals (\$517K). Reduce overtime (\$374K). Reduce travel and training (\$263K).
	0560		
	0531		
Utilities	0551	6,828,680	
TOTALS		7,525,500	

Summary of Budget Reductions
Constitutionals and Independent Agencies

Agency	Fund	Reductions Amount	Description
Board of County Commissioners	0101	129,640	Reduce departmental travel and communications technology (\$13K). Eliminate one Office Coordinator position (\$79K). Savings of \$38K from merit pay change to 0-3% and FRS and health benefits recalculation.
Clerk of the Court	0101	1,270,700	Reductions holding vacant positions open (\$474K) and reducing planned operating (\$549K) and capital expenses (\$247K).
County Attorney	0101	313,850	Eliminate 6 temporary law clerk positions (\$194K). Savings of \$120K from merit pay change to 0-3% and FRS and health benefits recalculation.
Judiciary	0101	370,130	Reduce operating and capital costs for Juvenile Behavioral Evaluations (\$8K). Reduce court administration mediation and administrative activities (\$99K), reduce scope of law library services including two temporary positions (\$158K) and transfer of two Law Library Specialist positions to Clerk's state-funded budget for opening of Self Help Centers (\$105k).
Legislative Delegation	0101	110,470	Legislative Delegation Office is eliminated.
Medical Examiner	0101	594,000	New DNA Lab will be funded in FY08 budget at \$460K. The Sheriff has committed to the expenditure of Law Enforcement Trust Funds for DNA equipment for a total of \$594K to be purchased in FY07.
Office of Human Rights	0101	122,200	Reduce grants and aids to other governments by \$122K: City of St. Petersburg for Chapter 70 human relations ordinance. NOTE: \$119,950 was added back for South County Chapter 70 activity contingent on offsetting funding from HUD, EEOC and the City of St. Petersburg.
Personnel	0101	686,040	Eliminate two positions - administrative support specialist and human resources coordinator (\$158K, both vacant); reduced work weeks for several employees (11K); eliminate OT (\$7K); reduce professional services (\$39K); reduce contractual services (\$136K); reduce travel and per diem (\$15K); reduce communication services (\$1K); reduce rentals and leases (\$21K); reduce repairs and maintenance (\$3K); reduce printing (\$26K); reduce office supplies and others (\$60K); reduce operating supplies (\$51K); reduce books and memberships (\$4K); reduce machinery and equipment (\$90K). Savings of \$67K from merit pay change to 0-3% and FRS and health benefits recalculation.
Property Appraiser	0101	786,080	Reductions of 6 positions (\$438K) - 3 appraiser positions, one IT position, one customer service position, one personnel/accounting position; \$50K reduction in legal budget; \$76K reduction in other operating expenses; savings of \$222K from merit pay change to 0-3% and FRS and health benefits recalculation. NOTE: Total reductions of \$786K have General Fund impact of 692K (88%).
Public Defender	0101	63,390	Reduction of \$3,390 from Professional Services in General Administration. Reduction of \$60,000 from Professional Services in the Jail Diversion Program reduces program funding from \$408K to \$348K.

Summary of Budget Reductions
Constitutionals and Independent Agencies

Agency	Fund	Reductions Amount	Description
Sheriff	0101	5,034,840	Reduce school resource officers \$2.6M (net) and revenue increases totaling \$1.8M. \$689K of the revenues attributed to School Board contract related to School Resource Officer staffing are tentative at this time. The Sheriff has also reduced funding for the new medical wing by \$578K to reflect 6 months of funding.
State Attorney	0101	35,530	Reduction of \$35K from Operating Supplies.
Supervisor of Elections	0101	616,400	Reduction from 15 to 5 early voting sites (\$463K). Miscellaneous reductions including: Other Salaries & Wages - Casual (Pollworkers) and Overtime (\$56.7K); Randstad temporary help and Sheriff's deputies at early voting sites (\$91.3K); Travel & Per Diem, Communication Services and other operating expenses (\$5.5K).
Tax Collector	0101	217,640	Savings of \$217K from merit pay change to 0-3% and FRS and health benefits recalculation.
TOTAL	0101	10,256,580	Adjusted to reflect General Fund impact.
Health Dept	0202	595,120	Reduce reserves by \$470,040 to reach 15% reserve level; reduce program funding by \$125,080.
Public Library Cooperative	0214	772,480	All reductions were made to reserves. Formula distributions to cities, although lower than in FY07, were not affected by the property tax revenue reduction.
Palm Harbor Recreation and Library District	0281	245,860	Library: Operating Expenses reduced \$115K and reserves reduced \$8k to 16% of Library. Recreation: Operating Expenses reduced \$121K and reserves reduced \$2K to 11% of Recreation.
Feather Sound Community Services District	0282	38,480	All reductions were made to reserves.
Information Technology	0601	4,178,750	Eliminate overtime in Enterprise Network Svcs, Customer Support, Enterprise Technology Svcs and Product Application Svcs (\$470K); reduce enterprise architectural consulting services (\$102K); eliminate funding for Oblique Aerial Photos (\$98K); reduce contract labor for Customer Support and Product Application Svcs (\$750K); reduce payment to payroll support consultant (\$20K); eliminate plans to acquire redundant network servers and storage (\$491K); reduce new productivity/monitoring tools (\$275K); eliminate capital equipment funding of planned future growth of network, servers and storage (\$706K); reduce by over 50% capital equipment/ability to replace end-of-life equipment (\$238K). Reduce travel & training (\$120K); eliminate internet service provider redundancy (\$80K); reduction in Memberships and Subscriptions (\$5K); reduction of network and network maintenance support levels (\$460K); eliminate Customer Support equipment replacement budget (\$31K); reduce reserves by over 50% - severely underfunded (\$333K). Reductions contribute 82% to General Fund.
Pinellas Planning Council (PPC)	n/a	95,740	Reductions in contract consultant services and contract services for in-kind assistance to local governments (\$91K); Savings of \$5K from merit pay change to 0-3% and FRS and health benefits recalculation.

**MUNICIPAL SERVICES TAXING UNIT (MSTU)
FY08 BUDGET**

REVENUES	FY07 Budget	FY08 Request
Ad Valorem Taxes	43,535,660	40,750,020
Delinquent Taxes & Tax Redemptions	104,800	118,240
Franchise Fee - I-Net	125,000	123,950
Franchise Fee - PEG	350,000	332,500
Communications Services Tax	13,200,500	12,838,480
Building Permits	4,379,300	4,612,420
Tree Removal Permits	409,830	413,860
Mobile Home Licenses	131,570	117,040
Local Gov't 1/2¢ Sales Tax	5,000,000	3,000,000
Tax Collector Excess Fees	189,820	252,650
Sheriff Excess Fees	215,800	237,500
Property Appraiser Excess Fees	4,940	3,810
Reimbursement of Impact Fee Admin.	63,150	60,000
Zoning Fees	752,840	702,360
Sheriff Civil Income	114,380	84,000
Lot Clearing	29,000	7,420
Interest and Miscellaneous	491,820	701,200
Transfer from Street Lighting Fund	-	-
Subtotal - Revenues	69,098,410	64,355,450
Beginning Fund Balance	18,397,000	18,346,670
TOTAL RESOURCES	87,495,410	82,702,120
EXPENDITURES AND RESERVES		
Building Inspection	4,612,630	4,174,160
Communications: Public Access	351,100	-
County Connection Centers	768,320	764,780
Neighborhood Grants	250,000	-
Recreation Initiatives	2,243,470	-
Prior Years' Recreation Grants outstanding	-	2,760,000
Development Review Services	2,983,590	2,951,890
Fire Hydrant Systems	500,000	-
Economic Incentive Grants	63,800	63,800
Environmental Management (incl Lot Clearing)	2,666,650	2,156,210
Public Works Permitted Facilities(Stormwater)	3,801,590	3,424,810
MSTU Road Paving / Sidewalks / ADA	3,000,000	2,250,000
Property Appraiser Fees	449,290	425,020
Tax Collector Fees	890,220	848,180
Sheriff	40,330,190	40,161,540
East Lake Library Operating Grant	316,500	316,500
New Service Initiatives	350,000	-
Other Transfers to Capital Projects Fund	750,000	-
Full Cost Allocation - Sheriff	1,791,810	1,937,330
Full Cost Allocation - County Administrator depts	3,994,180	3,769,320
Subtotal - Expenditures	70,113,340	66,003,540
Reserve for Contingencies	2,685,720	2,481,060
Reserve - Fund Balance	14,696,350	14,217,520
TOTAL EXPENDITURES & RESERVES	87,495,410	82,702,120

**FY08 BUDGET
SUMMARY OF FEE CHANGES**

Department / Description	Current Rate	Proposed Rate	Net Revenue Impact
GENERAL FUND			
Animal Services			
1) Proposed increase for boarding.	\$5 per day	\$10 per day	\$3,040
2) Proposed increase for euthanasia and cremation.	\$10 per service	\$20 per service	\$3,180
3) Proposed increase for pickup/delivery of animals.	\$20	\$30	\$4,790
4) Decrease reimbursement fee for each license to Veterinary Clinics and/or agents for the sale and handling of licenses. Estimated FY08 savings of \$83,000 included in reduction scenario spreadsheet.	\$1.00 reimbursement	\$0.50 reimbursement	\$83,000
TOTAL			\$94,010
Building & Development Review Services			
1) Proposed changes resulting in 12% increase in building inspection fee revenues for cost recovery.	Various	Various	\$451,390
2) Proposed increase of 12% in all development review services fees for cost recovery.	Various	12% increase	\$11,680
TOTAL			\$463,070
Communications			
Eliminate Access Pinellas Class Registration fee and retail sale of hats and t-shirts due to elimination of program.	\$30.00 per person (reg'n)	None	(\$5,230)
Culture, Education, and Leisure			
Amend calculation of private event catering fee to reduce administrative costs and apply to all bureaus.	10% of total catering charges	\$25-\$125 based on number of guests	\$0
Heritage Village			
1) Increase Church/Bandstand Rental fee to reflect value of facility upgrades.	\$200 per use	\$250 per use	\$1,900
2) Increase Pinellas Room Rental fee to align with rental rates for comparable facilities.	\$50 per hour	\$75 per hour	\$860

**FY08 BUDGET
SUMMARY OF FEE CHANGES**

Department / Description	Current Rate	Proposed Rate	Net Revenue Impact
Parks & Recreation			
1) Increase Fort De Soto Campground fees and establish higher rate for 155 RV sites based on upgraded electrical service.	\$25 per night for all sites	\$35 per night for RV sites; \$30 per night for other sites	\$313,130
2) Eliminate recreation summer camps.	Up to \$250.00	None	(\$19,000)
TOTAL			\$296,890
Environmental Management			
1) Proposed increase of \$50 in all Water & Navigation Permit Application Fees for cost recovery.	Various	\$50 increase	\$42,840
2) Proposed increase of \$100-\$200 in all fees related to National Emissions Standards for Hazardous Air Pollutants (NESHAP).	Various	\$100 increase for all fees (\$200 increase for Demolition for Buildings > 25,000 sq. ft.)	\$38,000
3) Elimination of Solid Waste Management Facility Application Fees due to discontinuation of County permitting as result of duplication of function with State of Florida Department of Environmental Protection.	Various	None	(\$6,180)
4) Institute private event catering fee to yield consistency with CEL facilities.	10% of total catering charges	\$25-\$125 based on number of guests	\$0
TOTAL			\$74,660
Justice and Consumer Services			
1) Elimination of Charitable Solicitation Permit fees due to removal of registration requirement (effective 3/2/07).	Various	None	(\$88,460)
2) Elimination of Fortunetelling Permit fee due to suspension of registration requirement (effective 3/2/07).	Various	None	(\$11,440)
3) Institute fee for cremation approvals. Estimated FY08 revenue of \$266,000 included in reduction scenario spreadsheet.	None	\$35 each	\$266,000
TOTAL			\$166,100

FY08 BUDGET SUMMARY OF FEE CHANGES

Department / Description	Current Rate	Proposed Rate	Net Revenue Impact
Public Works Increase of 10% for fees related to subdivision plat review and inspections, petitions to vacate, and special event permits.	Various	10% increase	\$17,570
TOTAL - GENERAL FUND			\$1,107,070
<u>OTHER FUNDS</u> Culture, Education, and Leisure (Fund 0220) Establish marina fees including boat storage (wet, dry and trailer).	[rates charged by previous owners/operators]	Various	\$528,930
Emergency Communications 1) <u>Fund 0226</u> : Decrease in "9-1-1" Landline Service Fees based upon change in state distribution to County. 2) <u>Fund 0225</u> : Increase in "9-1-1" Wireless Service Fees based upon change in state distribution to County.	\$0.50 per Month per Line \$0.30 per Month per Line	\$0.49 per Month per Line \$0.34 per Month per Line	(\$57,510) \$322,810
TOTAL			\$265,300
Health Department (Fund 0202) 1) Proposed increase in Air Pollution Control Public Building Evaluation fees to offset increased costs. 2) Proposed increase in Lead Abatement Site Evaluation and Lead Hazard Investigation Lab Sample fees to offset increased costs. 3) Proposed new fee for Lead Hazard Site Visit & Sample Collection to offset costs. 4) Proposed increase in Public Water System Plan Review fees to offset increased costs. 5) Proposed increase in selected Clinical Service fees not reimbursed by Medicaid to offset increased costs.	\$250 or \$300 per Occurrence \$15 per Sample New Fee \$50-\$100 per Plan Various	\$350 or \$500 per Occurrence \$25 per Sample \$50 per Site Visit \$200 per Plan Various	\$6,500 \$800 \$750 \$23,000 \$99,690
TOTAL			\$130,740
Public Works (Fund 0201) Increase of 20% across the board for Highway Permits & Licenses.	Various	20% increase	\$63,610
TOTAL - OTHER FUNDS			\$988,580

Vision Pinellas - BCC Strategic Plan

Strategic Focus Areas			Strategic Goals & Strategies				
Effective Government	Enhance community engagement	Improve strategic planning	Develop workforce of the future	High quality customer service	Improve productivity	Competitive programs & services	Maximize best practices & technology
Environment, Open Spaces, Recreation & Culture	Preserve green space	Expand active recreation		Improve public access to water		Promote sustainability ethic	
		Improve parks & protect preserves		Promote arts, culture, & historic preservation		Enhance pedestrian & bicycle access to parks	
Public Safety	Reduce crime & jail population	Enhance law enforcement services		Improve emergency preparedness	Enhance EMS & fire services		Expand and improve emergency shelters
Transportation, Utilities & Storm Water	Properly maintain roads & bridges	Increase airport utilization		Improve traffic flow & safety	Enhance public transit services & availability		Beautify roadway corridors
	Form regional transportation partnerships	Enhance solid waste mgmt.		Expand sanitary sewer systems	Improve stormwater drainage systems		Provide high quality drinking water
Economic Development, Redevelopment, & Housing	Attract & retain high quality jobs	Ensure adequate sites for business & industry		Maximize investment from state, federal, and private sources		Preserve & revitalize neighborhoods	
	Preserve & enhance tourism industry	Match redevelopment to community priorities		Ensure adequate housing supply for ownership & rental at all income levels		Promote home ownership opportunities & education	
Health & Human Services	Increase access to services	Leverage existing resources		Better coordination of services		Match services with needs	

