October 1, 2019

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

In accordance with our statutory responsibilities and in the interest of transparency, we are pleased to present the Adopted Fiscal Year 2020 Annual Operating and Capital Budget. This Adopted Budget reflects our strategic plan, values, and associated priorities that you have identified as we aspire to achieve our Vision to be the standard for public service in America.

As we approached the FY20 budget, it was important that we think with our heart, but also with our head. We are in a people business. The decisions we make impact people’s lives. We also recognize that these are taxpayer dollars and we need to be prudent and thoughtful as we look at both the immediate needs and the long-term sustainability of our overall budget.

The FY20 Adopted Budget we have developed together is realistic through our FY25 financial forecast horizon based on a positive, optimistic, yet pragmatic outlook for our future. We will continue to develop service level options to ensure our financial forecast remains sustainable. Our local economy demonstrates sustained improvement with continuing record levels of tourism, historically low unemployment, all-time highs in airport passenger growth, sales tax growth, and increasing values in the real estate market. Pinellas County’s budget policies set by the Board guard against making short-term budget decisions at the expense of longer-term needs. For example, Pinellas County does not defer important maintenance projects or spend down its reserve funds. We also do not use one-time money for ongoing expenses.

Within this balanced budget, funding is aligned to support each of your strategic goals: Create a quality workforce in a positive, supportive organization; Ensure public health, safety, and welfare; Practice superior environmental stewardship; Foster continual economic growth and vitality; and Deliver first-class services to the public and our customers. We also continue to work together to craft solutions to address such issues as: leveraging transportation to connect our communities and providing mobility to our citizens to access workforce development, jobs, and housing that’s affordable; collaborating with public and private partners to enhance mental and behavioral health services; bolstering programs like small business enterprise (SBE) program to help our small businesses thrive; dedicating resources to implement plans to improve services to unincorporated communities; and sustaining and enhancing public safety to ensure a safe, secure community.
We are proud of the results of the 2019 Citizen Values Survey that reflected 97 percent of our citizens have trust and confidence in Pinellas County government. This represents the highest number recorded since the County began the survey in 2012. This trust and confidence rating significantly outperformed the national average of 72 percent for local governments. Survey results also showed that a vast majority of residents would recommend Pinellas County as a place to live (92%), work (90%), raise children (90%), and retire (92%). Citizens also reported that their experiences are closely aligned with their expectations across a wide spectrum of community characteristics including parks, personal safety, and community.

In the following pages, you will find the facts and figures that make up the FY20 Adopted Budget, as well as examples of measurements that are influencing spending decisions.

We are grateful for the Board’s active engagement and guidance throughout the budget development process. Likewise, we appreciate the support of fellow employees, the Constitutional Officers, and Independent Agency heads for their cooperation in producing this Adopted Budget.

The collaborative partnership used to build this budget assures that it meets the needs identified by the Board as our community’s elected representatives. By focusing on serving the public, building constructive relationships with our partners, and supporting our employees, Pinellas County Government will continue to demonstrate that it is meeting the needs and concerns of our citizens today and tomorrow.

Sincerely,

Barry A. Burton
County Administrator
Overview of the Fiscal Year 2020 Budget

Pinellas County Government is committed to progressive public policy, superior public service, courteous public contact, judicious exercise of authority, and responsible management of public resources to meet the needs and concerns of our citizens today and tomorrow.

As responsible stewards of the public's resources, the Pinellas County Board of County Commissioners (BCC) works diligently, through a transparent and accessible process, to develop a fiscally responsible budget that meets the community's needs and provides the programs and services that citizens value.

The FY20 Budget reflects the mission of the County and adheres to the principles of the Pinellas County Strategic Plan.

The FY20 Budget Message provides an overview of the budget, including:

- Strategic Plan
- Citizen Engagement
- Budget Development Process
- Budget Development Strategy
- Additional Priority Needs Addressed Within the Budget
- Departments and Agencies Overview
- Legislative Impacts
- Fund Reserves
- Unincorporated Area Municipal Services Taxing Unit (MSTU) Budget

Strategic Plan

The budget supports the Strategic Plan developed by the BCC based on the community's priorities. Five strategic goals guide the budget's development, assuring that the programs and services outlined in the budget align with the goals and strategies set forth by the BCC on behalf of the public and our customers.

The Five Strategic Goals Are:

Create a Quality Workforce in a Positive, Supportive Organization

We believe that the workforce is the foundation of organizational performance excellence. Providing opportunities for personal and professional growth as well as career progression; ensuring a safe, supportive work environment; and remaining
competitive within the labor market enables us to recruit, select, retain, and cultivate a workforce that reflects our community and achieves our strategic goals.

**Ensure Public Health, Safety, and Welfare**

An essential function of government is to provide for and protect the public’s health and safety. Pinellas County is proud to be age-friendly, promoting a healthy, livable community for residents of all ages. We do this by ensuring rapid and effective emergency response; facilitating disaster preparedness and recovery; coordinating health, dental, and other social services for those in need; offering consumer protection services; and responding to animal safety and welfare concerns.

**Practice Superior Environmental Stewardship**

Our beaches, greenspaces, and waterways attract residents, businesses, and visitors to Pinellas County. Cost-effective “green” technologies and practices help protect the unique qualities of our county, meet regulatory requirements, and preserve our community’s distinctive characteristics for generations.
Foster Continual Economic Growth and Vitality

Investments in community revitalization and redevelopment, infrastructure maintenance and renewal, and effective transportation systems are vital to Pinellas County’s ability to attract businesses and high-wage jobs. Providing access to recreation, sports venues, and cultural events and exhibits attracts residents, businesses, and visitors to the region and improves quality of life.

Deliver First Class Service to the Public and Our Customers

To achieve our vision, delivering first class service is a priority. We strive to create a positive customer experience through timely, quality, cost-effective services. We collaborate and leverage strategic partnerships and community engagement, capitalizing on diverse ideas and resources to facilitate progress toward common goals and outcomes. We continually seek innovative ways to provide information, resources, and services to the public and our customers.

The Five Strategic Goals in Action

The goals of the Strategic Plan are supported by strategies that describe the approaches used to achieve each goal. These strategies inform the development of the budget as guideposts for County staff and other stakeholders who tie the things they do every day to one or more strategy. Ultimately, it is the work of each employee, supported by the budget, that puts the Strategic Plan into action.

Create a Quality Workforce in a Positive, Supportive Organization

Strategy: Recruit, select, and retain the most diverse and talented workforce

As the labor market has tightened, we have begun creating pipelines for career readiness to help meet workforce needs. Identifying hard-to-fill positions and the skills needed for them, we are building partnerships to ensure current students are obtaining skills that increase their employability and providing internship and externship opportunities to allow students to gain public service experience. Several County departments including Animal Services, Solid Waste, Utilities, Public Works, and the Office of Management and Budget have sought out opportunities to bring in interns in partnership with Human Resources. These opportunities provide additional support to departments and offer interns valuable work experience.

Future Actions for FY20

- Continue to Strive for Our Workforce to Reflect the Community
• Continue to Create Pipelines for Career Readiness through Internships and Externships

**Strategy:** Leverage, promote, and expand opportunities for workforce growth and development

This year we launched a new cohort of Big Brothers, Big Sisters School-to-Work Mentoring program volunteers. This work-based mentoring initiative allows high school juniors and seniors to job shadow on a monthly basis. Mentoring has been shown to have benefit for both mentors and the students they work with. For mentors, research shows positive impacts on self-esteem, feelings of accomplishment, sense of effectiveness, and skills and knowledge. With the new program, we now have a total of 35 volunteers for 2018 - 2020 school years for the two active cohorts.

**Future Actions for FY20**

• Enhance Employee Growth and Development through Tuition Reimbursement and Scholarship Opportunities, Training and Certification Programs, and Career Ladders

**Strategy:** Make workforce safety and wellness a priority

During last year's in-Service Day, departments worked with Human Resources to conduct training or strategy sessions to address specific feedback that was received from the biennial Employee Voice survey. In addition, the Office of Human Rights conducted trainings related to anti-harassment, diversity, and bullying for 904 BCC employees to address increased concern regarding workplace harassment, which came to light after the survey results were reviewed.

**Future Actions for FY20**

• Continue OSHA Training Program
• Increase driver safety through use of Mobile Assets Performance System (MAPS)

**Strategy:** Maintain a fair and competitive compensation package

Human Resources is currently guiding the Unified Personnel System through a comprehensive classification and compensation study, the first since 2004, to determine whether jobs are classified correctly and compensated equitably and competitively. Fair and competitive compensation contributes to employees' job satisfaction and wellbeing, and is essential to recruit, select, and retain a diverse and talented workforce. The FY20 Budget includes the first phase of implementation of recommendations from the study. The Classification and Compensation Study Report of Findings and Recommendations along with an Executive Summary and other resources, is available at [http://www.pinellascounty.org/hr/compensation](http://www.pinellascounty.org/hr/compensation).
Future Actions for FY20

- Continue to Monitor Implementation of Pay and Classification Study Recommendations

Ensure Public Health, Safety, and Welfare

**Strategy:** Provide planning, coordination, prevention, and protective services to ensure a safe and secure community

After Hurricane Irma in 2017, After Action Plans were developed that identified areas for improvement in relation to the event. Over 95% have been reported as complete and remaining items are underway including the implementation of technology improvements, additional planning and training, and the larger challenges of finding additional shelter space, resources, and support for populations with special needs.

Initiated in September 2016, the Stormwater/Wastewater Task Force, known now as the **Wastewater/Stormwater Partnership**, continues to meet on an as-needed basis. The Partnership and its member partners continue to implement capital improvements as well as analyze data gathered from countywide stormwater and inflow and infiltration (I&I) studies to develop future capital plans to improve the resiliency of the wastewater system throughout the county.

Future Actions for FY20

- Reduce Employee Turnover within Telecommunicators
- Growth Management of Emergency Services
- Local Mitigation Strategy Five-Year Update
- North Redington Beach Fire Station and Lift Station Replacement Project

**Strategy:** Be a facilitator, convener, and purchaser of services for those in need

In June, the American Association of Retired Persons (AARP) approved the County’s Age Friendly Pinellas Action Plan. Department champions are meeting quarterly to assess progress on the plan’s action items. Partnerships with the Pinellas Community Foundation, the Area Agency on Aging of Pasco-Pinellas, Inc. (AAAPP), the Largo Police Department, and other community stakeholders are key to the plan’s implementation as we launch a Community Assessment Survey of Older Adults, develop a plan to mitigate food insecurity amongst seniors, and work to address home solicitation concerns that often target vulnerable seniors.

A number of initiatives are also underway to address mental and behavioral health. Pinellas County invested approximately $12.6M on behavioral health efforts in FY19.
with 37.8% funded through competitive grant awards. We are leveraging this investment in working with community partners to improve access, delivery, connection, and outcomes related to mental and behavioral health. We are working with partners to help coordinate data and engagement, care for high need clients, and supplement critical areas where gaps arise. Key stakeholders have been engaged to work on a uniform approach to suicide prevention, education, and outreach strategies to mitigate risk.

We received a three-year grant to support the strategic information needs of the Opioid Task Force as they continue to work on key strategies to reduce opioid-related impacts and deaths. In addition, approximately $1.4M in grants sought in partnership between the Sixth Judicial Circuit Court and Pinellas County Justice Coordination are being leveraged to expand capacity of the Pinellas County Drug Court to serve priority population areas. In planning future investments, we’re exploring the need and costs associated with establishing a secure Marchman facility to provide for involuntary or voluntary substance abuse assessment, stabilization, and treatment.

**Future Actions for FY20**
- Coordinated Case Management Pilot
- Behavioral Health Pilot
- Mental Health Annual Accountability Measures
- Explore Needs and Cost for Secure Marchman Facility
- High Need Client Information Exchange Pilot

**Strategy:** Provide comprehensive services to connect our veterans and dependents to the benefits they have earned

In 2017, Pinellas County was designated as a Purple Heart County. This designation creates awareness for the service and sacrifice of members of the United States (U.S.) Armed Forces who are Purple Heart recipients and reinforces Pinellas County’s commitment to serving our veterans. In this ongoing commitment, our Veterans Services program serves as an important link providing free services to help veterans and their families receive better access to services. In addition, we have continued to collaborate with other agencies on critical issues facing veterans. We are actively participating in the Leadership Team to End Veteran Homelessness, facilitating quarterly Veterans Coalition Meetings, and collaborating with the Supervisor of Elections to promote the "Vote in Honor of a Vet" program for high school students. In August 2019, a dedication ceremony of the newly installed Purple Heart Memorial at War Veterans Memorial Park provided an opportunity for our community to recognize U.S. military service members wounded or killed while serving.

**Future Actions for FY20**
- Enhance Veteran Support and Outreach
• Optimize Recovery of Federal Benefits for Veterans and Their Families

**Strategy:** Support programs that seek to prevent and remedy the causes of homelessness and move individuals and families from homelessness to permanent housing

Pinellas County continues to provide supportive services through grant and County funding as well as coordination to sustain the Homeless System Continuum of Care. As we continue to explore the provision of transitional housing with supportive services, we are taking action. In FY19, the Board of County Commissioners allocated $434K to provide Emergency Sheltering and Bridge Housing and Prevention Services. In collaboration with partners, we have leveraged this funding to develop an on call process for after-hours sheltering needs and provide support for the Homeless Leadership Board to hire specialist staff focused on homeless diversion. Leveraging grant funding from the U.S. Department of Health and Human Services, we also enhanced substance abuse and mental health intervention for high need Health Care for the Homeless clients. This kind of focused intervention helps to maintain stability and engagement for clients with more severe behavioral health diagnoses.

**Future Actions for FY20**

• Sustain the Homeless System Continuum of Care

• Explore Provision of Transitional Housing with Supportive Services

**Strategy:** Enhance pedestrian and bicycle safety

In the first half of FY19, crews repaired more than 68,000 square feet of sidewalk to remove potential trip-and-fall hazards, providing safer pedestrian access and supporting a walkable community. We have also completed an update of the County’s sidewalk inventory in GIS. This data will allow us to more effectively manage these community assets and prioritize locations of future projects. We also partnered with Forward Pinellas, FDOT, and municipalities to evaluate corridors for complete streets projects. Complete streets are designed and operated to enable safe access for all users, including pedestrians, bicyclists, motorists, and transit riders of all ages and abilities. Like the sidewalk inventory, this assessment will be used to prioritize potential projects.

**Future Actions for FY20**

• Provide and Enhance Pedestrian and Bicycle Accommodations

• Implement a Complete Streets Program
**Practice Superior Environmental Stewardship**

**Strategy:** Implement green technologies and practices where practical

In 2018, our commitment to sustainability was validated through our achievement of designation as a 3 STAR community. STAR, now merged with the U.S. Green Building Council, works to evaluate, improve, and certify sustainable communities. This designation provides a baseline evaluation of existing County operations and programs, while also providing valuable information and tools on how the County can position itself for green market growth. Continuing to enhance the county’s “green” infrastructure, we partnered with Duke Energy’s Park and Plug Program to install nine electric vehicle charging stations at no cost to the County. To further work in this area, a new Sustainability and Resiliency Coordinator position will help to coordinate, assist, and track sustainability and resiliency efforts countywide.

**Future Actions for FY20**
- Explore and Implement “Green” Technologies
- Installation of Electric Vehicle Charging Stations on County Properties
- Develop Alternative Fuel Strategy for County Fleet
- Incorporate Green Technologies into Comprehensive Plan and Building Code

**Strategy:** Preserve and manage environmental lands, beaches, parks, and historical assets

The beaches and waterways of Pinellas County attract millions of visitors every year and are enjoyed by residents of the entire Tampa Bay area. In response to community concerns, the Shell Key North Pass and Grand Canal Feasibility Study is currently underway. The study, anticipated to be complete in Fall 2019, includes a comprehensive review and assessment as well as public engagement to assess the potential for improving and managing navigation within the area. The resulting analysis of preliminary alternatives will support the development of a conceptual plan. In addition, we are continuing to develop short- and long-term easement acquisition strategies for beach nourishment projects to ensure continued federal funding support.

**Future Actions for FY20**
- Assess Shell Key Pass Study Recommendations
- Develop Easement Acquisition Strategy for Beach Nourishment Projects
**Strategy:** Protect and improve the quality of our water, air, and other natural resources

County staff have a key role in managing potential threats to the quality of our natural resources. During the red tide bloom our region experienced this past year, we monitored water quality, removed over 1,800 tons of red tide-related debris, and launched a web-based citizen reporting tool, daily status updates, and red tide resources. We followed this up by collaborating with the City of Indian Rocks Beach to host a Red Tide Summit that brought together experts, local leaders, and nearly 200 citizens to discuss the science, forecasting, management, public health impacts, and economics of red tide.

Another part of our strategy to protect and improve the quality of our natural resources, our surface water management program aims to reduce nitrogen and phosphorus loads to local waterways to meet NPDES permit requirements and ensure our waterbodies are fishable and swimmable. This program uses GIS maps to monitor and track activities and conditions as we continue implementation of the Stormwater Manual and Surface Water Assessment funded programs.

**Future Actions for FY20**
- Continue to Reduce Nitrogen and Phosphorus Loads to Local Waterways
- Implement Stormwater/Wastewater Partnership Recommendations

**Strategy:** Reduce/reuse/recycle resources including energy, water, and solid waste

As we seek to reduce the County’s energy use, we completed installation of a two mega-watt natural gas fueled electric power co-generator at the Detention facility. The generator provides power to the new infrastructure building while using excess heat to provide chilled and preheated water to the facility. This equipment is cleaner, more efficient and resilient, and has a lower 25-year life cycle cost than a traditional central energy plant.

We’re also working to help residents reduce, reuse, and recycle. Utilities provides reclaimed water for use in irrigation to approximately 28,000 customer accounts through North and South County distribution systems. Feedback from customers requesting increased availability spurred the completion of countywide Reclaimed Water Master Plans in 2018 and 2019 to address short- and long-term availability and planning for reclaimed water storage, transmission, and distribution.

Thanks to our 24 municipal partners, private recyclers, and residents who contributed to recycling efforts, we had the top recycling rate in Florida for the third year in a row with 3.2 billion pounds of recycled or combusted material countywide. To sustain this success, residents, municipalities, and businesses have been engaged in the development of a Solid Waste Master Plan. The Master Plan includes a review of a previous study for transfer stations and a review and recommendation regarding
franchising and Material Recycling Facilities (MRFs). We’re also piloting a mobile metals separation device at our Waste-to-Energy plant to evaluate future capital investments that would result in more non-ferrous metals being recovered. Ongoing upgrades have increased availability to more than 90.0% and are expected to extend the Waste-to-Energy facility life by 25+ years.

Future Actions for FY20
- Upgrade Solid Waste Facility
- Improve Reclaimed Water Availability
- Enhanced Metals Recovery at the Waste-to-Energy Facility

Foster Continual Economic Growth and Vitality

Strategy: Proactively attract and retain businesses with targeted jobs to the County and the region

Beginning in January 2020, the one percent, voter-approved sales surtax referred to as “Penny for Pinellas” will provide a dedicated funding source for Economic Development capital projects and Housing. By Interlocal Agreement, the County and municipalities have agreed that 8.3% of the proceeds of Penny for Pinellas will go to countywide capital projects that help create and retain quality jobs and provide housing that is affordable. A Joint Review Committee (JRC) representing the County and all 24 municipalities has been established to formulate guidelines and reporting requirements for these funds.

In 2010, the County re-established a program to develop international trade and encourage foreign investment. As a result, trade missions conducted to Mexico and Chile generated $18.6 million in projected sales. Foreign Direct Investment (FDI) projects totaling $20 million in potential capital investment are also in the pipeline. Additional missions are planned for Panama and Peru, with FDI trips to Netherlands and France.

Efforts have also been underway to enhance the County’s Small Business Assistance and Small Business Enterprise (SBE) programs. A new full-time business counselor was added to the County’s Small Business Development Center (SBDC) to increase service to small businesses and entrepreneurs in North, Central, and South County. The SBE program, first established over fifteen years ago, has been revamped and rebranded to the “Office of Small Business and Supplier Diversity” based on public input
from the small business community and consultant recommendations to increase the amount of purchases the County makes from local small businesses.

**Future Actions for FY20**

- Assemble, Approve, and Improve Land to Attract and Retain Employers
- Plan and Implement Penny for Pinellas Economic Development Capital and Housing Projects
- Small Business Assistance Level of Service Enhancement
- Enhancement of the County’s Small Business and Supplier Diversity Program (formerly known as SBE)

**Strategy:** Invest in communities that need the most

Leveraging state and federal grants, the Community Housing Trust Fund, and Penny for Pinellas Land Assembly funding, the County continues to provide a suite of affordable housing programs including first-time homebuyer purchase assistance, home repair programs, and affordable housing development financing. As noted above, with the renewal of the Penny for Pinellas, additional local funding has been set aside to support housing that is affordable, including addressing workforce-housing needs.

As we continue working to implement the [Lealman Community Redevelopment Area (CRA) plan](#), we are building partnerships with service organizations to provide after-school programs, adult education, medical services, senior programs, and more at the new Lealman Exchange. A community incubator initiative has been established to target additional tenants at the facility to serve unmet community needs. To complement this work, we are also establishing residential and non-residential property rehabilitation programs, implementing complete streets improvements to enhance connectivity and safety, and working with the community to design plans for adding new program elements to [Raymond H. Neri Community Park](#).

Responding to the needs and concerns of citizens and municipalities, County Administrator liaisons were established and embedded within the Lealman Community, North County/Palm Harbor unincorporated area, and Mid and South County unincorporated areas (including Highpoint, Greater Ridgecrest, Tierra Verde, and unincorporated Seminole).

**Future Actions for FY20**

- Continue Addressing Housing that is Affordable
- Implement Lealman CRA Plan

**Strategy:** Catalyze redevelopment through planning and regulatory programs

Going into effect in January 2019, our updated Land Development Code aims to better fit our changing community and encourage economic growth. The revised code adds
clarity to regulation, flexibility for challenging infill properties, economic incentives, and, most importantly, a regulatory and review structure that is more in tune with the County’s current redevelopment needs. The revised Land Development Code aligns with new Guiding Principles for the Comprehensive Plan update and efforts to initiate the use of form-based codes and neighborhood-based planning. Form-Based Codes and neighborhood-based planning are methods of regulating land that produces certainty for the neighborhood, as well as the developer. This alternative to "one size fits all" land development codes allows sufficient flexibility to be responsive to the conditions unique to each local neighborhood. Form-based codes are currently being drafted and implemented for Lealman and Palm Harbor.

Future Actions for FY20

- Update Comprehensive Plan to Support Redevelopment
- Initiate the Use of Form-Based Codes and Neighborhood-Based Planning
- Develop Guide to the Pinellas County Development Process
- North US19 Corridor Land Use Study

**Strategy:** Invest in infrastructure to meet current and future needs

With the development of the FY20 budget, we embraced a portfolio approach that uses identified needs to prioritize all capital projects, regardless of function, in order to deliver the most value to the County. Bringing together existing best practice processes, tools, and plans, a countywide project management handbook and corresponding training is being offered to build upon what works well to improve coordination, project management, and project delivery. Enhanced reporting is also being developed to support for data-driven decision-making, transparency, and continuous improvement.

While we plan for the future, we are also continuing to invest in the maintenance and resiliency of our existing infrastructure. Through funding from the RESTORE Act, a Sea Level Rise Vulnerability Study is being conducted to evaluate critical assets in relation to future sea level rise and storm-related coastal flooding events. The three-year initiative will also evaluate mitigation strategies and the economic impacts of implementing various mitigation strategies.

Work also continues to develop agreements clarifying and streamlining maintenance responsibilities with cities by developing agreements to transfer maintenance and operational responsibilities to the appropriate jurisdiction. Phase I agreements on Right of Way jurisdiction and any necessary transfer agreements have been completed with 18 municipalities. Following Phase 1, a Phase 2 effort will commence which will require capital investments from the County prior to transfer of the assets. These investments are being programmed in future years as part of the annual budget process.
Future Actions for FY20

- Conduct Sea Level Rise Vulnerability Assessment
- Complete Joint-use Site Feasibility Study
- Implement Municipal Infrastructure Maintenance Agreements
- Adopt Portfolio Approach for Capital Projects

**Strategy:** Provide safe and effective transportation systems to support the efficient flow of motorists, commerce, and regional connectivity

In 2018, we repaired 640 potholes within 72 hours of notification and resurfaced 63 miles of road. Progress is also under way on the 118th Avenue North Gateway Expressway project. The new elevated roadway, expected to be complete in 2021, will speed the commute from I-275 to U.S. 19 and the Bayside Bridge. A dozen new speed feedback signs have been installed to provide feedback to motorists in key locations, mostly in neighborhoods that have a history of speeding and accidents. We are also working with community partners to develop a coordinated approach to transportation and transit that aligns with our workforce training and affordable housing needs.

Future Actions for FY20

- Develop a Coordinated Approach to Using Transportation to Link People to Jobs, Housing, and Training
- Speed Feedback Sign Installation

**Strategy:** Support a vibrant community with recreation, arts, and culture to attract residents and visitors

A vibrant community contributes to residents’ quality of life and attracts visitors to our area. To support this, we’re working with area youth sports organizations, municipalities, school board, and other providers to facilitate improved access to youth recreation in unincorporated Pinellas County. In addition, County seed funding along with public/private fundraising is supporting enhancements at Veterans Reef. The design includes 24 statues arranged in a compass rose with a central memorial. This and other inshore and offshore artificial reefs support area diving tourism.

Future Actions for FY20

- Enhance Recreational Opportunities for Unincorporated Areas
- Downtown Palm Harbor Master Plan Implementation
Deliver First Class Services to the Public and Our Customers

**Strategy:** Maximize partner relationships and public outreach

In 2018, we continued to produce content in multiple languages based on community needs. Recent highlights include the printing and distribution of English, Spanish, and Vietnamese language versions of our emergency preparedness guide and an in-kind partnership with a local Spanish radio station for a weekly live spot on their morning show. This ongoing initiative will continue as communication needs arise within communities with speakers of other languages.

Several County departments enhanced or continued various educational outreach programs. The Pinellas Promise youth summer program expanded to a second location in High Point and reached approximately 100 local children. We also held a State of the County presentation attended by 100 local business owners and stakeholders, fed more than 400 families through the annual Farm Share program, and welcomed hundreds to the new Lealman Exchange during an Open House event. Staff will continue to explore outreach opportunities and look for continued ways to reach our diverse and multicultural audiences.

**Future Actions for FY20**

- Enhance Public Engagement

**Strategy:** Be responsible stewards of the public’s resources

Pinellas County has the **lowest per capita debt in the State of Florida** because of a strong focus on maximizing your tax dollars and using a pay-as-you-go approach to fund programs and services. As an example of our commitment to maximize value for the public and our customers, we are currently working to align asset management processes across the County with industry best practices.

The primary objective of this project is to replace existing asset- and work-management systems with a solution that facilitates data sharing and standardizes processes across County departments. By providing a means for tracking the effort and resources required to operate and maintain County assets, the project will provide the County with the information needed to reduce operating costs, increase efficiencies, and manage assets more effectively. As a result, a successful asset management program will extend the life of assets, manage infrastructure costs, and support informed short- and long-term decision-making around maintenance and replacement, and set the framework for consistent processes and practices across the enterprise.

**Future Actions for FY20**

- Implement Enterprise Asset Management
• Evaluate Foreclosure Best Practices
• National Flood Insurance Program Reauthorization
• Courts Consolidation Projects

**Strategy:** Ensure effective and efficient delivery of County services and support

In ensuring effective and efficient delivery of County services and support, we have initiated a review of the permit system and are integrating inspection processes to streamline operations and create efficiencies. Across all County departments, work plans and performance metrics are being implemented and enhanced to measure how well we are doing and share best practices across the organization. We are also modernizing our use of technology to manage work and information more efficiently and effectively.

Code Enforcement, for example, piloted using a remote server and electronic citations to reduce average response times from nine days to just three. They are now working with the Clerk of the Court, the County Attorney’s office, other County departments, and area municipalities to share this time-saving best practice.

We are using data about our performance to target improvements and continue to integrate performance management and budget processes to ensure our strategic plan is driving the development and execution of the budget. To highlight trends in key community goals, the [Pinellas Community Snapshot](https://www.pinellascounty.org) was publicly launched in December 2018 and we are engaging community partners in continuing to develop and enhance this resource.

**Future Actions for FY20**

- Develop a New PinellasCounty.org Website to Improve Usability
- Develop One-Stop Shopping for Parks Reservations and Fee Collections
- Leverage Performance Dashboards for Data-Driven Decisions
- Evaluate Opportunities to Improve Permitting Service Delivery

**Strategy:** Strive to exceed customer expectations

The County continues to meet customers' expectations. The annual Citizen Values Survey showed 97.3% of County residents have trust and confidence in Pinellas County government, far exceeding the 72.0% national average. To maintain these gains, we continue to focus on operational excellence as well as outreach and engagement.

Your feedback helps us to deliver relevant, timely services and identify opportunities for improvement and innovation. If you have recently been in touch with Pinellas County, please let us know about your experience by visiting [https://www.pinellascounty.org/voice](https://www.pinellascounty.org/voice). Thanks to notifications via the Pinellas County
mobile app, County departments and other agency partners responded to more than 5,000 issues last year, ranging from potholes and sidewalk repair to downed traffic signs and mosquitoes. If you see a problem in your neighborhood, reporting it is just a few taps away. To Download the Pinellas County mobile app, search “Pinellas County” in the Apple App Store or Google Play, or visit http://www.pinellascounty.org/reportanissue/.

Future Actions for FY20

- Continue Expanding Use of Voice of the Customer Surveys
- Enhance the Customer Experience

For more examples of the things we’re doing to serve the public, view the Pinellas County Accomplishments Report at www.pinellascounty.org/accomplishments.

Citizen Engagement

The County is always looking for new ways to engage with the public. Online services allow customers to pay bills, reserve picnic shelters at parks, make appointments, and get in touch with their commissioners. Social media channels allow us to connect daily with our residents. The NextDoor application offers another way for the County to reach out to residents and for residents to reach out to their local government and each other. The public can call or use the convenient LiveChat feature on the County website to get information. The Pinellas County mobile app allows customers to report potholes, broken streetlights, and other issues quickly and easily from their mobile device. Since the 2015 launch of the app, thousands of citizens have reported issues, with 97% now getting a response within one business day. In the past year, the county has continued its proactive efforts to reach residents closest to home by holding public meetings throughout the community, including the new Lealman Exchange community facility.

Citizen Survey

The residents of Pinellas County drive the County’s priorities, so their trust in local government is important to us. To understand citizens’ priorities and perceptions of life in the County, we conduct a Citizen Values Survey every year. This helps us plan how to invest in quality-of-life improvements, such as those funded by the Penny for Pinellas.

In 2019, overall trust and confidence was at 97.3%, significantly above the national average of 72.0% (based on the Gallup Poll). The Citizen Values Survey also assesses general satisfaction with the County in various areas. In this year’s survey, 9 in 10 residents said they would recommend the county as a place to live, work, raise children
and retire. To view the 2019 Citizen Values Survey Report, visit www.pinellascounty.org/surveys.

**Penny for Pinellas (Penny)**

On November 7, 2017, Pinellas County voters voted by an overwhelming 83% to renew the Penny for Pinellas one percent sales surtax to fund infrastructure improvements for the County and the 24 municipalities over the years 2020 through 2029.

Based on citizen and partner input, the BCC plans to focus on investments in the following areas:

- Roads, bridges and trails;
- A safe, secure community;
- Water quality, flood, and sewer spill prevention;
- Preserving our parks and our environment;
- Community vitality;
- Economic development capital projects; and
- Housing that is affordable.

The Penny projects are detailed in the Capital Improvement Plan (Section I of this document). Visit [http://pinellascounty.org/penny](http://pinellascounty.org/penny) for additional information regarding the Penny.

**Budget Information Sessions**

Citizens are encouraged to participate in the meetings held throughout the budget process. These budget information sessions focus on unique aspects of the budget and include presentations by the County Constitutional Officers, Independent Agencies, and department staff. The BCC votes on the adoption of the budget at two public hearings held in the downtown Clearwater Courthouse Fifth-floor Assembly Room in September.

The [Budget Timetable](http://pinellascounty.org/penny) that includes the calendar of upcoming meetings is on the Citizens Guide to the Budget webpage.

**Citizens Guide to the Budget**

Our citizens are partners in every stage of the budget process and are encouraged to learn more about the County’s sources of revenues and expenditures. The [Citizens Guide to the Budget](http://pinellascounty.org/penny) website provides an excellent source of information on upcoming budget meetings and supporting materials, including presentations and video files, for past meetings.
A highlight of the Citizens Guide to the Budget is OpenGov, a web-based application that offers an interactive experience. Users can filter budget data and add variations of graphic representations of the revenues and expenditures for different departments and funding sources. Pinellas County was one of the first counties in the state to publish budget data on the OpenGov platform.

In addition to this useful information, the Citizens Guide to the Budget website delves into explanations about different taxing authorities, factors that affect revenues, Truth in Millage notices, unincorporated taxing districts, and a look at how property taxes are used.

The Citizens Guide to the Budget can be found by visiting www.pinellascounty.org/budget. Look for the “Suggestion Box” to submit your ideas online or mail your suggestions to the Pinellas County Office of Management & Budget, 14 South Fort Harrison Ave., 5th floor, Clearwater FL 33756.

Budget Development Process
Preparing the County’s annual operating and capital budget is a year-round process, as illustrated in the following diagram.

**Refresh Strategic Plan (December/January)**

During this time period, the BCC refreshes its Strategic Plan and shares feedback and guidance that departments use to build their budget requests. The annual Citizen Values Survey also takes place during this time and provides valuable input to the strategic planning discussion.

Each January/February, departments under the County Administrator report their ongoing and newly developed tactics. These projects and programs link back to the BCC Strategic Plan. This process ensures that projects and programs funded in the Annual Budget support the five goals of the Strategic Plan, tying sound strategy to the big picture to drive budget decisions.

**Financial Forecast (January/February)**

After the fiscal year begins each October, the Office of Management & Budget starts to update the Financial Forecast to inform the development of the budget guidelines. The Forecast is published each January/February and is built upon an individual assessment of 10 of the County’s major funds: General Fund, Tourist Development Tax Fund, Transportation Trust Fund, Surface Water Utility Fund, Capital Projects Fund, Emergency Medical Services Fund, Airport Fund, and Water, Sewer, and Solid Waste Funds.

The process for developing the Forecast includes updating the projections for the prior fiscal year with actual revenue and expenditure information following the year-end closeout. At the same time, current fiscal year revenues and expenditures are projected on a preliminary basis by analyzing the actual year-to-date numbers and projecting the remaining months left in the fiscal year. These projections are further refined later in the process as departments provide their projections for revenues and expenditures. The forecast for the upcoming budget year is based on available information and serves as the foundation for developing the strategy to balance the budget. In addition to focusing on the upcoming fiscal year, the Forecast’s multi-year horizon helps determine the long-term financial position of the County’s funds and the impact of today’s budget decisions on the future. The “out-years” through the end of the six-year horizon are forecasted using various projection methods such as trend analysis, linear regression, and moving averages. Developing a multi-year forecast provides decision-makers with at least three key benefits: (1) assessing the long-term financial sustainability of the County’s funds; (2) understanding the impact of today’s decisions on the future; and (3) providing a holistic financial picture.
Targets/Budget Guidelines (February)

In February, County Administration develops targets or budget guidelines based on the Financial Forecast. These guidelines, along with all instructions and resources for preparing budget requests, are communicated to the County's departments and agencies in February for use during their budget development.

Budget Submissions (March/April)

County departments and agencies provide their completed budget submissions in March and April, except for the Constitutional Officers who have a due date of May 1 per state statute. Office of Management & Budget staff analyze budget submissions in preparation for budget information sessions with the BCC.

Budget Information Sessions (April/May/June)

Budget information sessions are held in April, May, and June, allowing the BCC to obtain the input needed to develop elements of the Proposed Budget such as millage rate policy, proposed program enhancements or reductions, and revenue adjustments. Independent Agencies and Constitutional Officers also present their budget requests to the BCC during these work sessions.

Proposed Budget (July)

In July, the County Administrator prepares the Proposed Budget based on direction from the various budget information sessions and the County's Strategic Plan priorities. The Proposed Budget document presents a balanced budget for the coming year.

Public Hearings to Adopt Budget (September)

Once the Proposed Budget is distributed, additional budget information sessions may be held to provide further guidance to the County Administrator. All changes to the Proposed Budget are finalized and announced at each of the public hearings. The public hearings represent another opportunity for citizens to provide input to the BCC regarding the budget process. In accordance with state statutes, the BCC approves the tentative millages and budgets at the first public hearing. The BCC adopts the final millages and budgets at the second public hearing.

New Fiscal Year (October)

In October, the new fiscal year begins based on the Adopted Budget and the annual budget process starts over.

For specific dates applicable to the current budget process, see the Budget Calendar in the Appendix of this document and on the Citizen Budget website at www.pinellascounty.org/budget.
Budget Development Strategy

Following the presentation of the Financial Forecast in February 2019, budget targets for County Administrator departments, Constitutional Officers, and Independent Agencies were prepared using the inflation factors defined in the Financial Forecast. Departments reporting to the BCC prepared their detailed budget requests. The Constitutional Officers and Independent Agencies also prepared their budget requests and presented them to the BCC in a series of budget information sessions in May. Overall, the department and agency budget requests met these targets. However, departments and agencies identified a number of needs that exceeded the forecast expectations.

The BCC was engaged in the budget development process, allowing for transparency and information flow about all available resources. This yielded valuable input from the BCC and provided the BCC the opportunity to identify budgetary priorities.

The additional needs identified by departments, agencies, and the BCC were considered in the context of the County’s Strategic Plan. Since available resources in the FY20 Budget were insufficient to support all needs aligned with the Strategic Plan, additional factors like sustainability of service level enhancements, public safety and human services, preservation of assets, and quality of life were considered.

Below is a summary of the needs that have been incorporated into the FY20 Budget, organized by strategic goal area. Additional information regarding each need is included in applicable department and agency analyses in Sections C-H.

Additional Priority Needs Addressed Within the Budget

The BCC and staff carefully evaluated opportunities to invest additional funds beyond the base budget required to continue with current programs and service levels. This base budget essentially reflects the “costs of opening the doors” and does not include service level enhancements. In evaluating how to apply limited additional funding to a significantly larger number of opportunities, County Administration considered many factors, including long-term fiscal sustainability and alignment with the Strategic Plan and more specific BCC priorities.

The BCC was presented with requests for service level enhancements requiring over $40.0M. Recognizing the limited funding available, the Adopted Budget includes approximately $8.5M in the FY20 Budget. Partial financial support and/or alternative approaches are enabling many of the supported requests. These approaches are described below.
In addition to the below programs, strategies continue to be evaluated to address resources to supplement federal support of the 2020 Census and integrated solutions to enhance mental and behavioral health services. The reserve balance for the General Fund in the Adopted Budget exceeds the reserve target of 15.0% with the intent to leverage excess reserves to support identified solution options.

<table>
<thead>
<tr>
<th>Dept Name</th>
<th>Project</th>
<th>Project Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Airport</td>
<td>World's First Airline Monument &amp; Public Art Project ($15K)</td>
<td>Increase sponsorship by St. Petersburg-Clearwater International Airport from $10,000 to $25,000 for the “World’s First Airline Monument” project. The monument will be placed near the site of the First Airline hangar on the St. Petersburg downtown waterfront. The monument will include a full-size replica of the original Benoist Airboat.</td>
</tr>
<tr>
<td>Human Resources</td>
<td>Taleo Phase 2 ($50K)</td>
<td>Implement software to provide smoother and simpler application process for current and prospective employees and enhance integration between Taleo and enterprise resource planning system (Oracle eBusiness Suite).</td>
</tr>
<tr>
<td>Convention &amp; Visitors Bureau</td>
<td>Creative Pinellas ($131K)</td>
<td>Open 8,234 square foot gallery space (formerly home of Gulf Coast Museum of Art) on a full-time basis. Proposed operating days are Wednesday-Sunday to coincide with days that Heritage Village is open to the public. Art on display would be changed five times per year. Additional funding also supports attracting and retaining staff.</td>
</tr>
<tr>
<td></td>
<td>Feasibility Study ($100K)</td>
<td>Feasibility study on a “comprehensive culinary and craft beer/spirits program in Pinellas County,” which could be partnered with Creative Pinellas in the former Gulf Coast Art Museum to combine culinary and arts programs.</td>
</tr>
<tr>
<td></td>
<td>Security Improvements – Florida Holocaust Museum ($350K)</td>
<td>Redesign and improve the entrance to the Florida Holocaust Museum for increased security. Total cost of the project is $853,804 with the balance of funding from the State of Florida.</td>
</tr>
<tr>
<td>Human Services</td>
<td>CABHI-Collaborative Behavioral Health Team ($684K)</td>
<td>Continue services currently funded through the CABHI-Collaborative Behavioral Health Team Grant which is scheduled to end on September 30, 2019. CABHI created a collaborative behavioral health team to provide mobile counseling and wrap around services to vulnerable newly housed clients with severe persistent mental health illness. The current program targets 125 individuals per year and solves a significant gap with critical engagement, and an immediate access to services to maintain stability.</td>
</tr>
<tr>
<td></td>
<td>Drug Court Service Level Restoration ($40K)</td>
<td>Supplement funding for the Sixth Judicial Circuit Drug Court to increase current service levels.</td>
</tr>
<tr>
<td>Dept Name</td>
<td>Project</td>
<td>Project Details</td>
</tr>
<tr>
<td>------------------------</td>
<td>----------------------------------------------</td>
<td>-----------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Florida Dream Center</td>
<td>Operational Funding</td>
<td>Florida Dream Center (FLDC) recently lost their main private sector funding partner, creating an immediate funding gap. Non-recurring funding during FY19 will allow the FLDC to continue operating Adopt-a-Block, food pantry, and work readiness training programs in unincorporated areas while they reevaluate private sector funding opportunities and organization structure.</td>
</tr>
<tr>
<td>Homeless Crisis</td>
<td>Response System Front Door ($151K)</td>
<td>Pinellas County Homeless Leadership Board (HLB) and Tampa Bay Care (2-1-1) partner to establish a Front Door to a Homeless Crisis Response System. HLB received $148,500 for the Front Door from Florida Department of Children and Families' Challenge Grant. This additional funding will supplement the grant to support 2-1-1 and HLB staff in managing a Homeless Helpline to help identify people experiencing homelessness and assist with placement assistance into Diversion, Prevention, Emergency Shelter, and Housing-Focused Coordinated Entry across the Continuum of Care.</td>
</tr>
<tr>
<td>Social Action Funding</td>
<td>($750K)</td>
<td>During FY20, increased appropriation for the Social Action Funding competitive grant program will support continuation of funding for the first six months of FY20 for proposed programs that were funded during FY19 (Home Delivered Meals Program for Seniors [$50,000], Urban Youth Empowerment Program [$138,150], and STARS-Success Training and Retention Services [$213,380]). All nine programs proposed for funding by the Board will be eligible for the remaining $348,470 via competitive solicitation that will award grants during FY20.</td>
</tr>
<tr>
<td>Social Action Funding</td>
<td>($750K)</td>
<td>In FY21, this additional $750,000 appropriation will augment the existing Social Action Funding program that currently supports 19 providers with $800,500 annual budget. The existing program cycle is already planned to evaluate proposals during FY20 with awards for FY21.</td>
</tr>
<tr>
<td>Medical Examiner</td>
<td>Cannabis Testing ($99K)</td>
<td>Testing of cannabis samples and consumable products for tetrahydrocannabinol (THC) concentration in accordance with new requirements set forth by 581.27, Florida Statutes. Funding will support 1.0 FTE, with a recurring annual cost of $75,000.</td>
</tr>
<tr>
<td>Public Defender</td>
<td>Juvenile Crossover Case Managers ($146K)</td>
<td>Continue funding originally provided in FY18 for a pilot program. Desired outcomes are reduced caseload and staff turnover.</td>
</tr>
<tr>
<td>Public Works</td>
<td>Tampa Bay Area Regional Transit Authority (TBARTA) FY20 Local Funding Contribution ($67K)</td>
<td>Increase Pinellas County's share of Tampa Bay Area Regional Transit Authority (TBARTA) funding. The goals of the agreement with TBARTA are to develop and improve the transit development plan and identify State and Federal funding sources to support a regional transit system.</td>
</tr>
<tr>
<td>Dept Name</td>
<td>Project</td>
<td>Project Details</td>
</tr>
<tr>
<td>-----------------</td>
<td>--------------------------------------</td>
<td>------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Sheriff</td>
<td>Cross Bay Ferry</td>
<td>Interlocal Agreement with City of St. Petersburg to partner with St. Petersburg, Tampa, and Hillsborough County in supporting the re-launch of the Cross Bay Ferry seasonal transit operation that provides direct service from downtown St. Petersburg to downtown Tampa from November through April.</td>
</tr>
<tr>
<td>Sheriff</td>
<td>Law Enforcement Academy Positions</td>
<td>Increased funding to support seven (7) additional Sheriff Law Enforcement Academy positions. Academy costs are $4,000 per law enforcement recruit and $3,200 per detention recruit. Recruits would be paid $39,435 while in the academy and receive full benefits as regular Sheriff's Office members. If the recruits do not remain with the Sheriff's Office for two (2) years, PCSO will attempt to recoup the academy tuition of $4,000 and $3,200, respectively.</td>
</tr>
<tr>
<td>Sheriff</td>
<td>Law Enforcement Vehicles</td>
<td>FY20 Sheriff’s law enforcement vehicle replacement with total cost of $6.0M. Appropriation of $1.6M annually for four years supports bank loan. This is in addition to the current debt obligation of the Sheriff’s Office in the amount of $10.8M. The vehicle replacement schedule includes both administrative and pursuit vehicles, as well as utility carts.</td>
</tr>
<tr>
<td>Sheriff</td>
<td>Operational Cost Increases</td>
<td>Increased costs associated with three existing programs: $675,000 for electronic monitoring of individuals that would otherwise be housed at the jail; $1.3M for inmate jail pharmacy; and $1.5M for jail overtime resulting from housing federal inmates.</td>
</tr>
</tbody>
</table>

**Departments and Agencies Overview**

The County’s Annual Operating and Capital Budget includes agencies and departments that report to the BCC and the County Administrator, as well as the budgets of Constitutional Officers and Independent Agencies.

The FY20 Budget totals $2.4B, an increase of $29.3M or 1.2% over the FY19 Revised Budget. Property tax revenue is projected to yield an additional $38.9M because of increased property values.

The **Board of County Commissioners (BCC)** is the legislative body of government responsible for the formulation of policy. The BCC appoints the **County Administrator**, who is responsible for implementing the BCC’s policies. The **County Attorney**, who serves as the chief legal counsel to Pinellas County Government and most Constitutional Officers, is appointed by the County Attorney Oversight Committee, comprised of the BCC and the five Constitutional Officers.
BCC departments include functions ranging from Airport to Solid Waste, Animal Services to Emergency Medical Services, and Parks to Public Works. The FY20 Budget for the BCC departments is $1.5B, a decrease of $18.0M or 1.2% below the FY19 Revised Budget. These functions represent 63.2% of the total County budget. The decrease is primarily attributed to reductions in planned capital expenditures for the Convention & Visitors Bureau capital project funding program (including beach nourishment), transportation, and the Airport enterprise. Within the General Fund, BCC departments decreased $2.3M or 1.2% below the FY19 Revised Budget due primarily to one-time State reimbursable Red Tide emergency funding.

**Constitutional Officers** are the Clerk of the Circuit Court and Comptroller, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector. The FY20 Budget for the Constitutional Officers is $381.9M, an increase of $10.5M or 2.8% over the FY19 Revised Budget. These functions represent 15.7% of the total County budget. 85% of this category is appropriated to the Sheriff ($317.8M operating). Public Safety projects at the jail reflect a $7.8M or 48.3% decrease based on the completion of the jail campus infrastructure upgrade project in FY19.

**Independent and Support Funded Agencies** in the County include the East Lake Library Services District, the East Lake Recreation Services District, the Feather Sound Community Services District, the Lealman Community Redevelopment Area, the Health Department, Human Resources, Medical Examiner, Office of Human Rights, Palm Harbor Community Services District, and Business Technology Services. The County also provides **Court Support** to the Judiciary, Public Defender, and State Attorney as specified in Article V of the Florida Constitution, as well as funding certain local options.

The FY20 Budget for Court Support and Independent and Support Funded agencies is $511.4M, an increase of $36.8M or 7.8% over the FY19 Revised Budget. These functions represent 21.1% of the total County budget. The increase is primarily attributed to employee health benefits program ($12.0M or 8.7% increase vs FY19), restoration of General Fund reserves resulting from federal and state grant reimbursement of expenditures associated with Hurricane Irma and Red Tide ($12.0M or 12.8% increase vs FY19), and increases in unincorporated fire district reserves ($4.2M or 21.3% increase vs FY19) that will be required for such capital investments as fire trucks and stations in future years.

For additional insight into the FY20 Budget, including department and agency descriptions, budget analysis, and programmatic budgets and personnel counts, please see **Sections C-H.**
Legislative Impacts

Pinellas County’s budget is not solely dependent on our local revenues. State and Federal governments impact the County’s budget through legislation, tax policy, and the appropriations process. The BCC is continuously engaged in the development and oversight of its federal and state legislative programs.

During the 2019 State Legislative Session, the County successfully secured a $500,000 appropriation for the Lofty Pines Septic to Sewer Project. Additional allocations approved for projects in Pinellas County include: $4.5M for St. Pete-Clearwater International Airport Apron Expansion Separation; $1.3M for Hercules Sidewalk Phase II from Sherwood Street to Sunset Point Road; and $1.5M for County Road 611 (49th Street North) from 46th Avenue North to State Road 60.

The BCC’s legislative priorities include support of beach nourishment funding, which remained at a total appropriation of $50.0M this legislative session, $40.0M of which is recurring. The State budget also includes $123.0M to combat the opioid epidemic in the form of state and federal grants for treatment programs, which was also a Board priority. The County currently has an active Comprehensive Opioid Abuse Program grant from the Bureau of Justice Assistance, with just under $1.0M awarded for a 3-year period. The Human Services Department, working with EMS and other community partners, has submitted three more applications totaling $4.2M for federal grants under various categories of opioid response funding.

The FY20 Approved State Budget includes the Florida Job Growth Grant Fund at a level of $40.0M, to promote economic opportunity by improving public infrastructure and enhancing workforce training programs. The fund is a statewide competitive grant program operated by the Department of Economic Opportunity.

The FY20 Approved State Budget also includes a $121.5M tax cut package. Included in the tax cut package are two sales tax holidays. The “back-to-school” sales tax holiday will last five days and includes clothing, footwear, school supplies, and computers. The “disaster preparedness” holiday will last seven days and includes certain items related to disaster preparedness. The tax package is expected to have a $16.8M impact on local governments statewide in FY20.

The Sadowski Affordable Housing Trust Fund, having collected about $331.0M from the documentary stamp tax, was again “swept” to fund other State legislative priorities. The trust fund was left with $200.6M in appropriations, including $46.6M for the State Housing Initiatives Partnership Program (SHIP) and $31.0M for the State Apartment Incentive Loans Program (SAIL). SHIP funding provides opportunities for the County to partner with community groups and implement Strategic Plan goals to \textit{Invest in communities that need the most} and \textit{Support programs that seek to prevent and}
remedy the causes of homelessness and move individuals and families from homelessness to permanent housing. Pinellas County’s estimated share of SHIP funds for FY20 is $718,072, which is an increase of $25,141 over FY19.

Required employer contribution rates for each membership class of the Florida Retirement System (FRS) Defined Benefit and Defined Investment programs were amended. Both the normal rates and the unfunded actuarial liabilities (UAL) rates increased for the State Fiscal Year of July 1, 2019 to June 30, 2020. These increased rates were utilized in the development of this FY20 County budget.

On a federal level, the County has been successful in securing multiple grants to assist in funding public safety and violence prevention, infrastructure and environmental projects, airport improvements, economic and community development, addiction treatment and prevention programs, healthcare for the homeless, and other social services. Recent substantial grant awards were $7.5M from the U.S. Economic Development Administration for construction of a 45,000 square-foot Innovation Center Incubator in St. Petersburg and $19.7M from the Federal Aviation Administration for the rehabilitation of runway 18/36 at the St. Pete-Clearwater Airport. The County will continue to pursue and advocate for grant funding opportunities. The Appendix section of this document includes a report on the various grants secured by the County.

In addition to grant funding, the County continues to work closely with our partners at the Army Corps of Engineers to implement several beach nourishment and shore protection activities. During the past year, the Sand Key and Treasure Island, and Upham Beach project have all been completed. The Army Corps has provided funding in the amount of $44.5M. The State has also contributed matching funds in the amount of $5.6M. Reauthorization of the National Flood Insurance Program will be tracked for its impact on both the County’s operations and budget.

The County will keep a close eye on filed legislation and the ongoing appropriation process at both state and federal levels. The County also continues to assess the potential impacts of legislation adopted during the 2019 State Legislative Session.

Fund Reserves

Reserves are not expenditures, but they are included in the budgeted total requirements for each fund. In order to be expended, the Board of County Commissioners (BCC) must take formal action re-appropriating these funds.

Maintaining adequate reserves is key to the County’s ability to deal with potential emergencies and unforeseen events such as commodity price hikes, unanticipated dips in revenues, or a natural disaster like Hurricane Irma. Having an adequate reserve also demonstrates stability to the financial markets. As Pinellas has no general revenue debt
and, therefore, the lowest general revenue debt of any major Florida county; this stability enhances our ability to raise capital through bonding at a lower cost if required in the future.

The FY20 General Fund budget includes projected year-end reserves of $105.9M, or 16.6% of total revenues, which is consistent with the Board policy target of 15.0%. The components of the General Fund reserves are Contingency, Encumbered Contracts, and Cash Flow / Disaster Response.

Contingency Reserve

The Contingency Reserve, which is budgeted at $31.9M in FY20, is an amount equal to 5.0% of revenues to be used for unanticipated revenue shortfalls or expenditures. For example, fuel costs and electricity rate increases have been highly volatile and often exceed normal inflation. Another example is the need for accrued leave payouts due to unanticipated retirements.

Encumbered Contracts Reserve

At any given time during the year, there are purchase orders and service contracts that have been approved and are subject to payment as work is completed or goods delivered. The $12.7M in the Encumbered Contracts Reserve for FY20 represents the average amount that was encumbered at month’s end for the 12-month period ending May 2019.
Cash Flow / Disaster Response Reserve

During the first two months of the fiscal year, expenditures exceed revenues because most of the property tax revenue is not received until December. Property tax revenue represents about 73.5% of the total General Fund revenue. As a high hazard coastal county, Pinellas needs to have Disaster Response Reserve funds on hand in case of an emergency such as a hurricane or other disaster. Reimbursement from the Federal Emergency Management Agency (FEMA) and the State, which usually cover only a portion of the costs, is not available at the beginning of a disaster and often is not received for many months or years after the event. The FY20 amount for the Cash Flow / Disaster Response reserve, $61.3M, exceeds one-twelfth of all General Fund revenue budgeted for the fiscal year.

Unincorporated Area Municipal Services Taxing Unit (MSTU) Budget

MSTU Expenditures include both direct and indirect costs and consist of the following activities:

- Sheriff’s Office Law Enforcement: The Sheriff provides law enforcement services (road patrol) to the unincorporated area. The Sheriff’s Office determines the budget based on an analysis of the resources (patrol officers, vehicles, etc.) The methodology for this allocation was reviewed and revised by an independent consultant in 2003. Historically, approximately one-third of the Sheriff’s law enforcement activity is dedicated to the MSTU.

- Departments or Programs entirely dedicated to the MSTU: Several agencies are engaged in providing services exclusively to the unincorporated area. In the FY20 Budget, these activities are building services, development review services, code enforcement, surface water management, and lot clearing. Additionally, three individuals have taken on additional duties to immerse themselves into unincorporated communities and work with local organizations to ensure strong communication and help guide local projects into fruition. These county liaisons will help coordinate priorities for these communities and improve the overall quality of life for our residents.

- Departments or Programs partially dedicated to the MSTU: Departments whose services, and therefore costs, are allocated between countywide and MSTU activities include zoning services and Economic Incentive Grants for job creation.

- Activities associated with revenue collection: The budgets for the elected Property Appraiser and Tax Collector are determined by statutory formulas
that spread their costs in proportion to the property tax and other revenue they are responsible for supporting. Their budgets are approved by the State Department of Revenue. After the fiscal year, any charges exceeding what these agencies actually require to operate are returned to the supported funds in the same manner, proportionate to the property tax and other revenue collected.

MSTU projects in the Capital Improvement Program (CIP) are not included in this summary, except for the transfer from the General Fund to the CIP Fund to support MSTU Road Projects. The following table summarizes the MSTU budget (excluding reserves):

### MSTU BUDGET SUMMARY (Excluding Reserves)

<table>
<thead>
<tr>
<th>Program</th>
<th>Fund</th>
<th>FY19 Revised Budget</th>
<th>FY20 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sheriff</td>
<td>General</td>
<td>50,384,870</td>
<td>52,745,950</td>
</tr>
<tr>
<td>Surface Water</td>
<td>Surface Water</td>
<td>24,964,840</td>
<td>23,575,650</td>
</tr>
<tr>
<td>Building Permits</td>
<td>Building Services</td>
<td>8,526,760</td>
<td>7,665,850</td>
</tr>
<tr>
<td>Development Review Services</td>
<td>General</td>
<td>2,988,770</td>
<td>3,473,520</td>
</tr>
<tr>
<td>Code Enforcement</td>
<td>General</td>
<td>2,615,940</td>
<td>2,588,100</td>
</tr>
<tr>
<td>Planning/Economic Development</td>
<td>General</td>
<td>1,522,590</td>
<td>1,471,120</td>
</tr>
<tr>
<td>Local Road Program</td>
<td>General &amp; Capital Projects</td>
<td>650,000</td>
<td>650,000</td>
</tr>
<tr>
<td>MSTU Projects</td>
<td>General</td>
<td>420,000</td>
<td>754,500</td>
</tr>
<tr>
<td>Tax Collector &amp; Property Appraiser Fees</td>
<td>General &amp; Surface Water</td>
<td>1,407,930</td>
<td>1,470,520</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>$93,481,700</strong></td>
<td><strong>$94,395,210</strong></td>
</tr>
</tbody>
</table>
The Fund Forecasts Update portion of the FY20 Budget Message describes the changes in the six-year forecasts for 10 of the County’s major funds:

- General Fund
- Tourist Development Council Fund
- Transportation Trust Fund
- Capital Projects Fund
- Emergency Medical Services Fund
- Airport Fund
- Water Funds
- Sewer Funds
- Solid Waste Funds
- Surface Water Fund

This section is presented in two parts:

- **Changes to Key Forecast Assumptions** discusses the most significant changes to the basic assumptions used in preparing the forecast as compared to the assumptions in the February document.

- **Updated Individual Fund Forecasts and Forecast Pro-Formas** summarizes the impact of the changes in assumptions and the FY20 Budget on the long-term outlook for each fund, and presents the major assumptions and the revenue and expenditure forecast for the fund for the forecast period.

**Changes to Key Forecast Assumptions**

In February 2019, a comprehensive forecast for fiscal years 2020 through 2025 was presented to the Board of County Commissioners as an initial step in the FY20 budget preparation process. This document assessed the long-term financial health of the County’s funds, and provided the context for making decisions in view of their impact on future revenues and expenditures.

As in February, the current consensus of leading economists anticipates a sustainable recovery and moderate inflation and does not include an economic downturn. We have not attempted to project significant future events such as recessions, oil embargos, or natural disasters.

In establishing revenue and expenditure assumptions, we reviewed data and forecasts from a variety of economists, government agencies, industry associations, and other sources. In particular, we referenced the State of Florida’s Revenue Estimating Conferences. The State utilizes a professional, nonpartisan consensus process involving the Legislature, the
Governor's Office, and the State's Division of Economic and Demographic Research in developing national and state economic forecasts that are used in all state planning and budgeting actions. The current Conference projections end at FY25. The projections are available online at http://edr.state.fl.us/Content/conferences/index.cfm

We also referenced federal agencies such as the Bureau of Labor Statistics, the Census Bureau, the Congressional Budget Office, and several Federal Reserve banks; as well as, private research firms and educational institutions. County department and agency staff provided valuable input and review of the assumptions to help ensure that they are reasonable, consistent, and reflect the best judgment of those most familiar with the subject areas.

Revised Revenue Assumptions

Property Taxes – General Fund and Emergency Medical Services (EMS) Fund

Countywide taxable values in the General Fund increased by 7.2% in FY17, 7.8% in FY18, and 8.0% in FY19. The February forecast anticipated an increase in countywide taxable values of 5.5% in FY20. The Preliminary Tax Roll for FY20 increases taxable value 7.5% in the General Fund and 8.0% in the EMS Fund. The revised forecast maintains the assumption of annual tax base growth of 4.5% through FY25.

<table>
<thead>
<tr>
<th>Year</th>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
<th>FY23</th>
<th>FY24</th>
<th>FY25</th>
</tr>
</thead>
<tbody>
<tr>
<td>Forecast</td>
<td>5.5%</td>
<td>4.5%</td>
<td>4.5%</td>
<td>4.5%</td>
<td>4.5%</td>
<td>4.5%</td>
</tr>
<tr>
<td>Budget</td>
<td>7.5%</td>
<td>4.5%</td>
<td>4.5%</td>
<td>4.5%</td>
<td>4.5%</td>
<td>4.5%</td>
</tr>
</tbody>
</table>

The General Fund unincorporated area (MSTU) taxable values had been projected to increase by 4.0% in FY20. The actual increase for FY20 is 6.1%. For the remainder of the forecast period, MSTU taxable values are projected to increase 3.0% annually, the same assumption as the February forecast.

Updated Individual Fund Forecasts and Forecast Pro-Formas

The following pages present the long-term outlook for each of the major funds. A description of the fund and a summary of the forecast are followed by the major assumptions, as well as, a detailed revenue and expenditure forecast for the fund for the forecast period.
Description

The General Fund includes the primary governmental functions of the County that are not completely supported by dedicated resources. These activities include, but are not limited to, Sheriff’s law enforcement, detention, and corrections; human services; emergency management and communications; parks and leisure services; and the operations of the Property Appraiser, Tax Collector, and Supervisor of Elections.

The General Fund includes operations for both countywide functions and the unincorporated area. These segments are tracked separately within the fund. The unincorporated area is commonly referred to as the MSTU (Municipal Services Taxing Unit). MSTU expenditures are about 9.6% of the fund’s total expenditures (net of reserves).

Summary

The General Fund encompasses the principal governmental activities of the County that are not primarily supported by dedicated revenues or by user fees. The four main external revenue sources for the General Fund are Property Taxes, State Shared Half-Cent Sales Taxes, State Revenue Sharing, and Communications Services Taxes.

There has been one significant change to the General Fund forecast as presented in February 2019. At that time, taxable values were anticipated to increase by 5.5% countywide and by 4.0% for the MSTU, in FY20. The actual increases certified by the Property Appraiser for the FY20 Budget are 7.5% for countywide taxable values and 6.1% for MSTU taxable values. Since property taxes are about two-thirds of total General Fund revenue, this had a positive impact on the budget, and therefore the forecast.

The forecast projects that the General Fund is balanced throughout the forecast period.
General Fund Forecast FY20 - FY25

RESERVES%  TOTAL REVENUES

FY20 FY21 FY22 FY23 FY24 FY25

5% 7% 9% 11% 13% 15% 17% 19%

Millions

$550 $575 $600 $625 $650 $675 $700 $725 $750 $775 $800
TOURIST DEVELOPMENT TAX FUND

Description

The Tourist Development Tax Fund accounts for the 6.0% tourist development tax (i.e., bed tax) on rents collected for temporary lodgings. This tax was initially approved by a voter referendum in 1978 as a 2.0% tax to promote tourism in Pinellas County. Over the years, the tax has been raised to help fund beach renourishment projects, contribute to tourist related capital projects throughout the county, and to give additional promotions, marketing, and advertising resources to the Pinellas County Convention and Visitors Bureau. The tax was raised to the current level on January 1, 2016.

The Fund supports the Convention & Visitors Bureau (CVB), serving as Visit St. Pete/Clearwater, through the collection of the tourist development tax (TDT). The bed tax is used to enhance the County’s economy by increasing tourism and direct visitor expenditures through marketing, promoting, and supporting the destination.

Summary

The Tourist Development Tax Fund is funded by the tourist development tax revenue that is sensitive to general economic conditions. Tourist development tax revenue has been steadily improving since spring 2010 and has seen record-setting revenue for the past seven years. Tourist development tax revenue is estimated to grow by 5.1% in FY19 compared to FY18. Revenue is projected to increase by another 3.0% annually from FY20 – FY25.

Expenditures are projected to increase by 5.0% in FY20 as the CVB’s commitment to the Toronto Blue’s Spring Training facility in Dunedin is projected to be satisfied.

<table>
<thead>
<tr>
<th>FY20 Capital Project Program</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project</td>
</tr>
<tr>
<td>City of Dunedin – Toronto Blue Jays Spring Training</td>
</tr>
<tr>
<td>American Craftsman Museum</td>
</tr>
<tr>
<td>City of Clearwater - Countryside Sports Complex</td>
</tr>
<tr>
<td>City of Clearwater - Spring Training</td>
</tr>
<tr>
<td>The Dali Museum</td>
</tr>
<tr>
<td>Florida Holocaust Museum</td>
</tr>
<tr>
<td><strong>Total</strong></td>
</tr>
</tbody>
</table>

In FY20, expenditures exceed revenues as accumulated reserves for capital projects are used to meet the commitments made by the Board of County Commissioners in FY17 and FY18. The FY20 Budget includes $33.2M for renovations at the Toronto Blue Jays Spring Training Facility in Dunedin. Adjustments will be made if revenues fail to meet expectations. The fund maintains operating reserves above the 15.0% target throughout the forecast period. Additional capital reserves are held within the fund and can be used by the BCC to fund projects that will benefit the economy of Pinellas County and comply with allowable use of TDT.
TRANSPORTATION TRUST FUND

Description

The County Transportation Trust Fund is a special revenue fund required by Florida Statute 336.022 to account for revenues and expenditures used for the operation and maintenance of transportation facilities and associated drainage infrastructure. Activities include road and right-of-way maintenance (e.g., patching, mowing), bridge maintenance and operation, traffic engineering, traffic signal operation including Intelligent Transportation Systems (ITS), traffic control signage and striping, sidewalk repair and construction, and maintenance of ditches, culverts, and other drainage facilities. Resources to support these activities are provided from fuel taxes collected and distributed on a shared basis to all Florida Counties by the State of Florida, and local option fuel taxes levied by the County.

Two local option taxes have been imposed by the Board of County Commissioners. The first is a one cent levy (referred to by statute as the Ninth Cent) that began January 2007. It is dedicated to the installation, operation, and maintenance of advanced technological traffic signal and messaging systems (ITS). The other local levy is the Six Cent Local Option Fuel Tax (LOFT) per gallon tax that is shared by interlocal agreement between the County and all municipalities within Pinellas County. The County’s share of collections is 60.0% of total receipts, and the municipalities receive portions of the remaining 40.0%.

Summary

The Transportation Trust Fund is primarily funded by state and local fuel taxes. Revenue is projected to show a gradual incline but does not keep pace with the inflationary expenditure increases in this fund. The growth of revenue is limited by more efficient cars and fuel conservation efforts, as well as restrictions imposed by State law that do not allow indexing fuel taxes for inflation.

The forecast for the Transportation Trust Fund indicates that expenditures exceed revenues throughout the forecast period. In the short-term, fund balance is used to offset this variance in the fund; however, the remaining fund balance will be depleted by FY22. Future actions to consider are transfers from the General Fund, imposition of additional local option fuel taxes (beyond the current amounts), or reductions in current service levels.
CAPITAL PROJECTS FUND

Description

The Capital Projects Fund is used to account for all governmental capital projects throughout the County. Such projects include roads, bridges, drainage, beach nourishment, park development, and construction of facilities necessary to provide County services.

Summary

This Fund’s primary revenue source is the “Penny for Pinellas” (Penny) one-percent local discretionary sales surtax. The Penny has been approved for ten-year periods since 1990, and was approved again in November, 2017 for the period January 1, 2020 thru December 31, 2029 (Penny IV) by 83% of the voters. As a sales tax, the Penny is sensitive to general economic conditions. Penny tax revenues are predicted to increase gradually during the forecast period matching general economic growth. Penny revenue is projected to increase by 3.5% in FY20 thru FY25.

Expenditures exceed revenues in FY20 thru FY24. The beginning fund balance will be needed in FY20 to fund the projected expenditures. The first year of the Capital Improvement Plan (CIP), FY20, is the basis for actual appropriations authorized by the Board of County Commissioners for capital projects when adopting the annual budget and must be balanced. As shown on the forecast, the fund is balanced for FY20. The remaining five years are a guide for the future development of the County’s new and replacement infrastructure needs. The FY20 thru FY25 CIP includes existing projects, recurring projects, and new Penny IV projects proposed to begin in FY20. When the forecast was presented in January, the proposed new projects were not included. The fund will need to be balanced again during the FY21 budget process based upon actual activity and prioritization of projects. There are additional proposed projects to be considered that begin in FY21 and beyond.

County staff and administration are currently implementing the Capital Improvement Project Portfolio Management process for prioritizing, coordinating, and managing projects to enhance delivery, reporting, and decision support. Departments will review all projects in a systemic and holistic manner. Projects will be prioritized that can provide the County with multiple benefits; for example, that will improve drainage, reduce stormwater/wastewater overflows, and provide infrastructure to support economic development. This will enhance the coordination of cross-functional projects to provide efficient delivery of projects and best use of resources.
Fund balance projected to be negative by end of FY21.
EMERGENCY MEDICAL SERVICE FUND

Description

The Emergency Medical Service (EMS) Fund is a special revenue fund established by referendum in 1980, which allows up to 1.5 mills to be levied annually on a countywide basis to finance the operation of a comprehensive countywide emergency medical service system. This system provides advanced life support, emergency medical response, and transport services to all residents and visitors of Pinellas County. The County maintains EMS contracts with 18 fire service agencies (first responders) and one ambulance provider (Paramedics Logistics Florida, LLC, operating in Pinellas County under the trade name “Sunstar”). The EMS System is funded by a combination of property taxes and ambulance user fees. The ambulance user fees support the ambulance contractual expenditures and property taxes support the first responder expenditures.

The EMS System was established by referendum in 1980 by the Special Act (Chapter 80-585, Laws of Florida) that created the EMS Authority as a Dependent Special District. In 1988, Pinellas County Ordinance 88-12 solidified the current EMS system design. The Fiscal Policy guidelines within Ordinance 88-12 state that the Board of County Commissioners (BCC), sitting as the Emergency Medical Services Authority, directs the following fiscal policy guidelines that govern the financial operations of the County’s EMS system: (a) to establish sound business controls and long-term cost containment incentives throughout the County EMS system; (b) to provide adequate funding to upgrade all EMS components to state-of-the-art levels, and to maintain that progress in future years; (c) to provide for long-term financial stability sufficient to sustain quality EMS operations far into the future; (d) to reduce the County EMS system’s excessive dependence upon local tax support by developing a more balanced approach to EMS funding; and (e) to provide the BCC with a wider range of EMS financing options than have been available in the past.

Summary

The EMS Fund is balanced and forecasted to maintain its minimum reserve level of 25.0% throughout the 6 year forecast period. The fund balance is projected to reach a level of 26.5% by FY25. Increased taxable values in conjunction with a continued focus on improving timely compensation collection for ambulance services and overall cost containment have greatly improved the fund’s health through the forecast period.

The EMS Fund is sensitive to property values as it is funded by ad valorem (property) tax revenue collected from property owners countywide and ambulance user fee revenues. The EMS Fund’s millage rate has remained flat at 0.9158 since FY13 and property values have risen each year from FY14 through FY20. With continued economic recovery and growth, property tax revenue is projected to increase 8.0% in FY20 and current millage of 0.9158 is projected to support the current service delivery system.

Maintaining the minimum 25.0% reserve without a future millage rate increase will be effected by: the ambulance service contract; changes in property values; potential changes to Medicare/Medicaid reimbursements; and adjustments in future service agreements with the first responders.

First responder contracts are currently funded based on actual first responder costs as defined in Board Resolution 09-38. Projected expenses for FY20 reflect newly negotiated agreements with
the 18 providers. For FY20 through FY25, this forecast projects first responder expense growth at values between 4.2% and 4.4% reflecting growth in personnel services costs throughout the forecast period. Over the past three years, progress in containing costs, combined with better than anticipated growth in revenue, improved the outlook for the EMS Fund. Long term sustainability will require continued growth in revenue and diligent management of system costs.
AIRPORT FUND

Description

The Airport Revenue and Operating Fund is used to account for the self-supporting operations of the Airport. Of the Airport’s 2,000 acres, approximately half are dedicated to the airfield, terminal building, and car parking lots. The remaining acreage includes the 129-acre future planned development site (formerly the Airco Golf course); a 200-acre Airport Business Center; and leases to industrial, commercial, and governmental operations. All of the Airport property is designated as a Foreign Trade Zone. All activities necessary for airport operations (e.g. administration, operating, and maintenance expenses) are included in this fund. Airport capital improvements are also included.

The Airport Revenue and Operating Fund is an enterprise fund that accounts for all revenues and expenditures at the Airport. This includes management of passenger and cargo airline operations, military, fire protection services, and general aviation, along with commercial and industrial airport property. The Airport is entirely self-supporting, meaning that no property tax dollars are used to support the operation of the airport.

Summary

There were some key changes to the forecast as presented in February 2019. The CIP budget caused the largest variance due to the timing of capital projects. There was an increase in various expenditure accounts to support departmental operations. The forecast for the Airport Fund shows that the fund is balanced through the forecast period.

Airport Fund Forecast FY20 - FY25
WATER FUNDS

Description

The Pinellas County Water System is responsible for providing quality, cost effective potable water service to County retail and wholesale customers. The Water System must adhere to State and Federal laws, rules, and regulations while operating and maintaining this delivery system. The Water System is continually being upgraded to provide customers with a safe and sufficient water supply for residential, commercial, and industrial needs as well as an ample supply for fire protection. The Water System also continues to educate its customers on important water conservation issues.

The Water Funds are enterprise funds, and are committed solely to support Water System functions. The Pinellas County Water System utilizes three funds: Revenue and Operating, Renewal and Replacement (capital), and Impact Fees. This forecast covers all three funds.

Summary

There were some key changes to the Water Forecast as presented in February 2019. Estimated revenues over the forecast period show an increase due to the multi-year rate increases approved by the Board of County Commissioners in May of 2019. These increases include a 1.0% per year annual increase in rates from FY20 through FY23. There is also a 1.0% annual rate increase projected for FY24 and FY25. Estimated expenses are also up over the forecast period, driven mainly by the $36.5M increase in Capital Improvements. Expenditures will exceed revenues through the forecast period as fund balance is used to complete major capital projects. The forecast shows that the funds are structurally balanced through the forecast period.
SEWER FUNDS

Description

The Pinellas County Sewer System is responsible for quality, cost effective sewer service to the citizens and business owners within the county sewer service areas. The Sewer System must adhere to State and Federal laws, rules, and regulations while operating and maintaining this system. The System provides an environmentally safe and sanitary means for the collection of wastewater from residential, commercial, and industrial users. The Sewer System provides for the treatment and reclamation of water and biosolids through advanced processes that provide removal of pollutants that are harmful to the environment. The system also allows for the recycling of valuable resources that are beneficially re-used in order to protect public health and property while practicing superior environmental stewardship.

The Sewer Funds are enterprise funds, and are committed solely to support Sewer System functions. The Pinellas County Sewer System utilizes three funds: Revenue and Operating, Renewal and Replacement (capital), and Interest and Sinking (debt service). The Sewer System is required to maintain a debt service coverage ratio of 1.25x per the bond covenants.

Summary

There were some key changes to the Sewer Forecast as presented in February 2019. Estimated revenues over the forecast period show an increase due to the multi-year sewer and reclaimed water rate increases approved by the Board of County Commissioners in May of 2019. Estimated expenses are also up over the forecast period, driven by both operating expenses and capital improvements. The Sewer Funds are not structurally balanced through the forecast period due to these increases.
SOLID WASTE FUNDS

Description

Pinellas County Code Chapter 106 mandates that Solid Waste provide waste disposal and recycling for all County citizens and businesses. It does so by employing a safe and environmentally sound integrated solid waste services program. These services emphasize public awareness and communication that enable citizens to make educated choices concerning responsible management of their solid waste. In support of that mission, Solid Waste provides outreach programs that address the County’s reduce, reuse, recycle, recover, and dispose philosophy; operates recycling drop off sites; operates the household electronic and chemical collection center; operates the Waste-to-Energy (WTE) facility; and operates the landfill.

The Solid Waste Funds are enterprise funds and are committed solely to support Solid Waste functions. Solid Waste utilizes two funds: Revenue and Operating, and Renewal and Replacement (capital).

Summary

There were two key changes to the forecast as presented in February 2019. On March 12, 2019, the Board of County Commissioners approved a rate resolution that will increase the Solid Waste tipping fees by 6.0% (from $37.50 per ton to $39.75 per ton), effective October 1, 2019. This incremental tipping fee revenue is included in the updated forecast. There were also some capital project expenditure reductions during the forecast period. These reductions better reflect the department’s anticipated capital project plan. The forecast does not include any potential projects that may arise from the completion of the Solid Waste Master Plan, which is expected to be completed during FY19.

The forecast for the Solid Waste Funds shows that the fund is balanced through the forecast period.
Description

The Pinellas County Surface Water Assessment program was established to generate dedicated revenues for the unincorporated county in response to public demand and increased federal regulations imposed by the U.S. Environmental Protection Agency’s National Pollution Discharge Elimination System (NPDES) stormwater permitting program as implemented by the Florida Department of Environmental Protection (FDEP). The Clean Water Act requires the control of the discharges of pollutants to the waters of the United States through NPDES permits. The control of pollutant discharges to the Municipal Separate Storm Sewer System (MS4) is a best management practice.

The FY20 Revenue Budget is based on a rate of $117.74 per Equivalent Residential Unit (ERU) per year which is unchanged from FY18 and FY19. Budgeted at 95.0%, the estimated Surface Water Assessment revenue for FY20 is $18.8M.

Summary

The Surface Water Special Assessment Fund is reliant on the assessment of unincorporated properties’ calculated impervious area as expressed in ERUs. This assessment revenue is based on program funding needs to achieve and maintain the desired level of service (B-) for surface water services such as flood control, water quality improvements, and NPDES permit requirements.

The forecast for the Surface Water Special Assessment Fund indicates the fund is not balanced throughout the forecast period. From FY20 to FY25, with the estimated flat growth in ERUs, assessment revenues will not be enough to cover new requirements and inflationary increases for ongoing expenditures; therefore, accumulated fund balance will be used to offset the variance. By FY23, it is expected that program expenditures will decrease as the ten-year Level of Service (LOS) for corrugated metal pipe lining/replacement programs is achieved. During the FY21 budget process program adjustments may be considered in order to bring the fund to balance.
Surface Water Special Assessment Fund Forecast FY20-FY25

- Ending balance as % of Revenue
- Revenues
- Expenditures