



FY2011 Budget Update

June 10, 2010

Outline

- **Target Reconciliation**
- **Revised General Fund Forecast**
- **Next Steps**

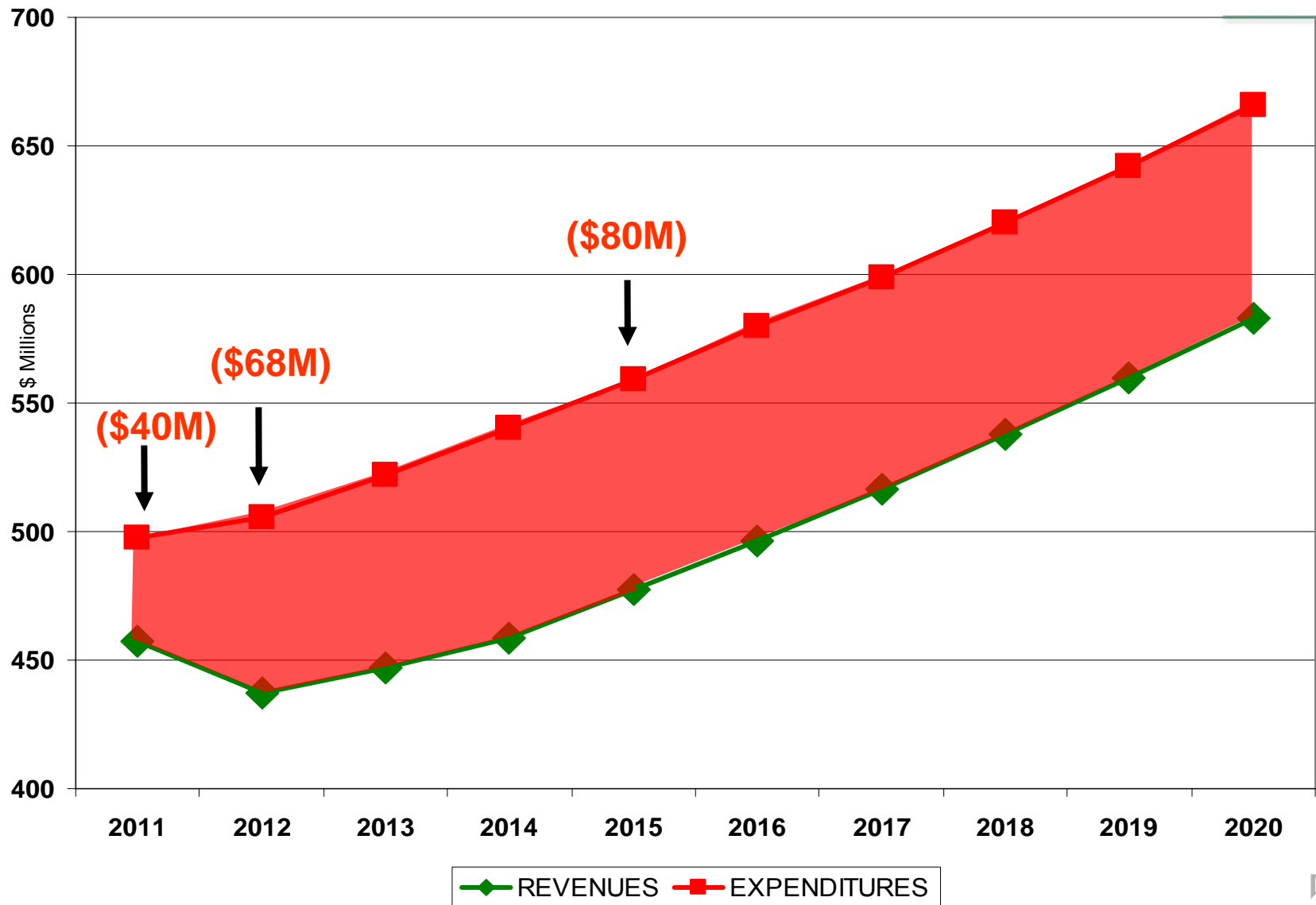


Target Reconciliation

General Fund Forecast

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

General Fund Forecast



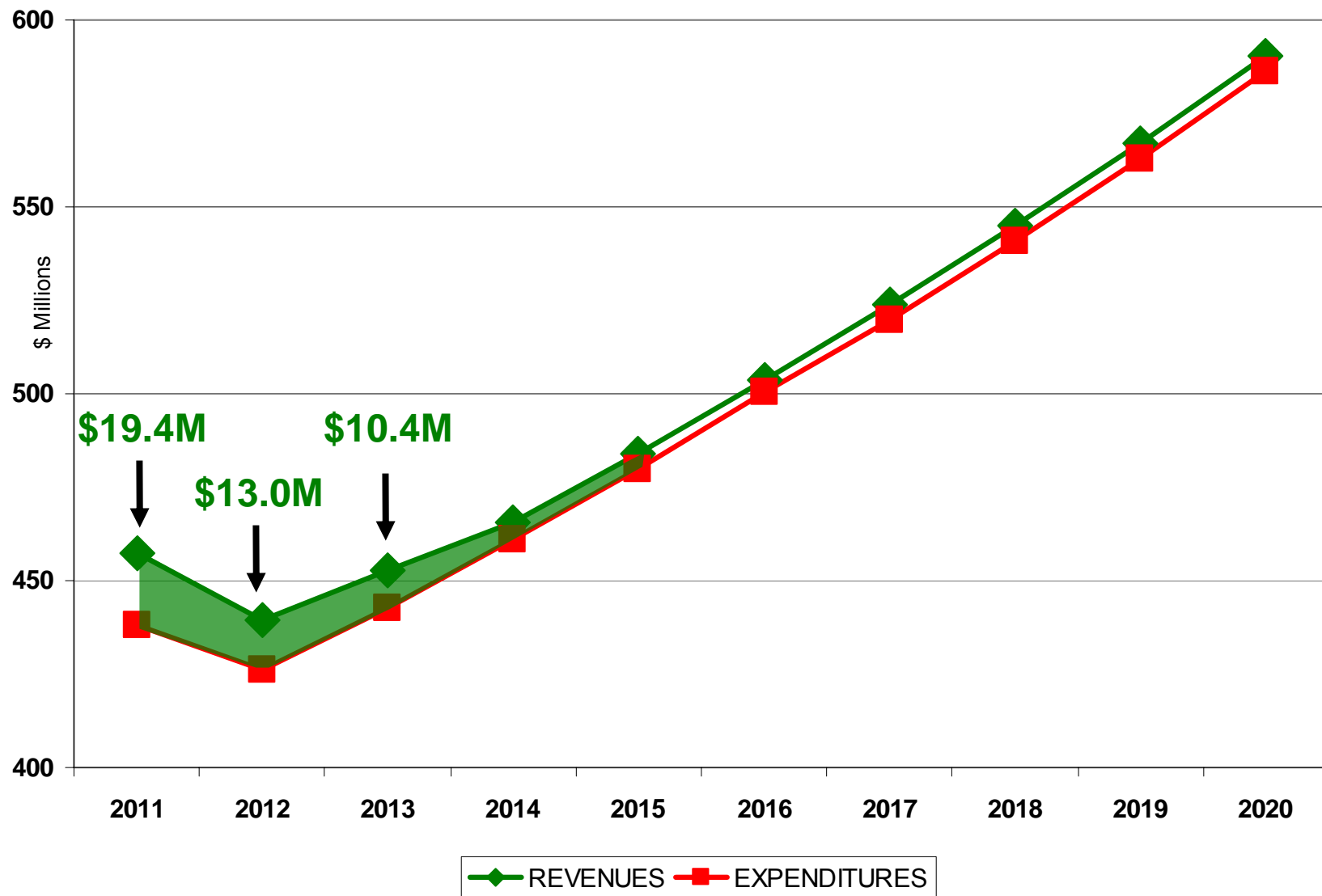
FY2011 Budget Strategy

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

Multi-Year Target

- On February 2nd, the Board set a multi-year target of **\$60M** in FY2011 and **\$20M** in FY2012
 - Approach structurally balances the General Fund through the forecast period
 - Meets shortfall of \$40M in FY2011 and contributes almost \$20M to the Service Level Stabilization Fund
 - Provides flexibility for FY2012 and clearer picture regarding trends in taxable values
 - Allows for more holistic view of reductions
 - FY2011 focus on program and personnel reductions
 - Helps stabilize the organization
 - FY2012 focus on operational efficiencies
 - Longer time frame to implement opportunities

Multi-Year Target: FY11 \$60M & FY12 \$20M



General Fund Targets

- Allocate FY2011 budget target of **\$60M** by applying a **15%** proportional reduction for the BCC Departments and the Constitutional Officers & Independent Agencies

	Adjusted Base Budget	Reduction %	Reduction \$
BCC Departments	\$141.7M	15%	\$21M
Constitutionals & Independents	\$254.3M	15%	\$39M
Total	\$396.0M	15%	\$60M

Reductions Process for BCC Departments

- Potential reductions submitted totaling 30% of department budgets
- Reviewed and prioritized list of potential reductions to achieve overall reductions equal to \$21M target for BCC departments
- Individual departments experienced reductions that are more or less than 15% to reach the overall target for the BCC departments

FY2011 Budget Targets

- o **BCC Departments have met the \$21M target in the General Fund**

FY2011 Budget Targets: Independent Agencies

Agency	Target	Submittal	Variance	% Decr.
Business Techn. Svcs.	20,745,240	21,692,240	947,000	10.4%
Human Resources	3,089,040	3,201,660	112,620	11.0%
Human Rights*	944,840	1,051,930	107,090	0.0%
Medical Examiner	4,367,560	4,367,560	0	15.0%
Total			1,166,710	

- Positive number in variance column means agency did not meet target.
- Negative number in variance column means agency exceeded the target.

Note: Human Rights is developing a revised budget submission based on BCC feedback.

Independent Agencies with no General Fund impact

Health Department, Feather Sound Community Services District, Palm Harbor Recreation & Library District, Construction Licensing Board, Pinellas Planning Council, and Public Library Cooperative

FY2011 Budget Targets: Constitutionals

Agency	Target	Submittal	Variance	% Decr.
Sheriff	211,151,260	220,795,140	9,643,880	10.0%
Tax Collector	16,409,330	16,444,420	35,090	12.0%
Clerk of the Court	9,470,400	10,292,540	822,140	1.5%
Property Appraiser	8,427,780	9,393,200	965,420	5.0%
Supervisor of Elections	4,693,600	4,773,810	80,210	14.0%
Judiciary	461,770	461,770	0	15.0%
Public Defender	463,130	504,210	41,080	8.0%
State Attorney	N/A	N/A	N/A	N/A
Total			11,587,820	

- Positive number in variance column means agency did not meet target.
- Negative number in variance column means agency exceeded the target.

Reduction Targets

- **Constitutionals & Independents are (\$12.8M) short of the targets**
 - **Constitutionals: (\$11.6M)**
 - **Independents: (\$1.2M)**

Updated Budget Gap

- **FY2011 Revenue update**

- **The revised Countywide ad valorem estimate of (9.7%) is better than the forecast of (12.0%)**

- **Net adjustment of \$7.1M**

- **Other revenues have decreased more than forecasted**

- **Net decrease of (\$2.3M)**

- **Total impact: adjustment of \$4.8M**

Updated Budget Gap

- ◉ **Constitutionals & Independents are (\$12.8M) short of target**
- ◉ **Updated FY2011 revenues result in adjustment of \$4.8M**
- ◉ **Updated budget gap of (\$8M) against \$60M target**



Revised General Fund Forecast

FY2011 Budget Reconciliation

- **Original Forecast: Multi-Year Target of \$80M**

- **\$60M in FY2011 (\$40M necessary to balance)**

- **Contributes \$20M in SLSA**
- **Total SLSA of \$28M including FY2010 amount**

- **\$20M in FY2012-15**

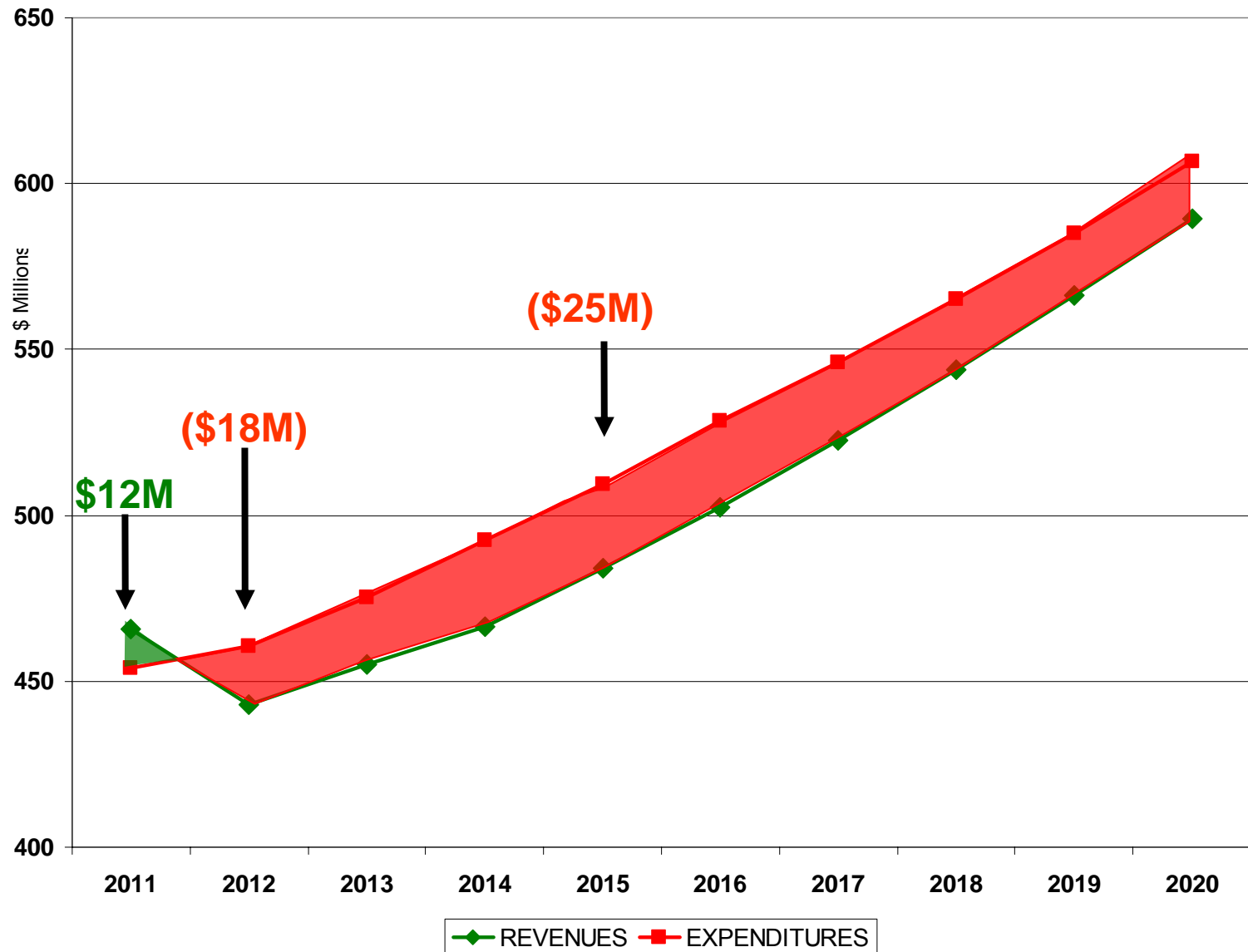
- **Revised Forecast: Multi-Year Target of \$72M**

- **\$47M in FY2011 (\$35M necessary to balance)**

- **Contributes \$12M in SLSA**
- **Total SLSA of approx. \$20M including FY2010 amount**

- **\$25M shortfall in FY2012-15**

Revised General Fund Forecast



Revised General Fund Forecast

- ◉ Forecast assumes 5% decrease in taxable values in FY2012
- ◉ Current activity in the 2010 calendar year indicates potential for higher percentage decrease
- ◉ FY2012-15 shortfall may increase from current \$25M to \$35M at 8% decrease in taxable values

Revised General Fund Forecast

- Closing the **\$25M** gap in FY2012-15 would require a 7% reduction
- Closing a **\$35M** gap in FY2012-15 would require a 10% reduction

Potential New Impacts

- **Negative impacts on tourism and the local economy due to BP oil spill in the Gulf of Mexico**
- **Potential new impacts approved by the Legislature for state-wide referendum on the November, 2010 ballot**
 - **5% cap on assessments for non-homestead property (currently 10%)**
 - **25% exemption to homeowners who previously have not owned a home in Florida in the last 8 years (up to \$100K)**
- **Ongoing potential budget pressure on the State**
 - **Future unfunded mandates**
 - **Funding formulas for half-cent sales tax, local government revenue sharing, and gas taxes**



Next Steps

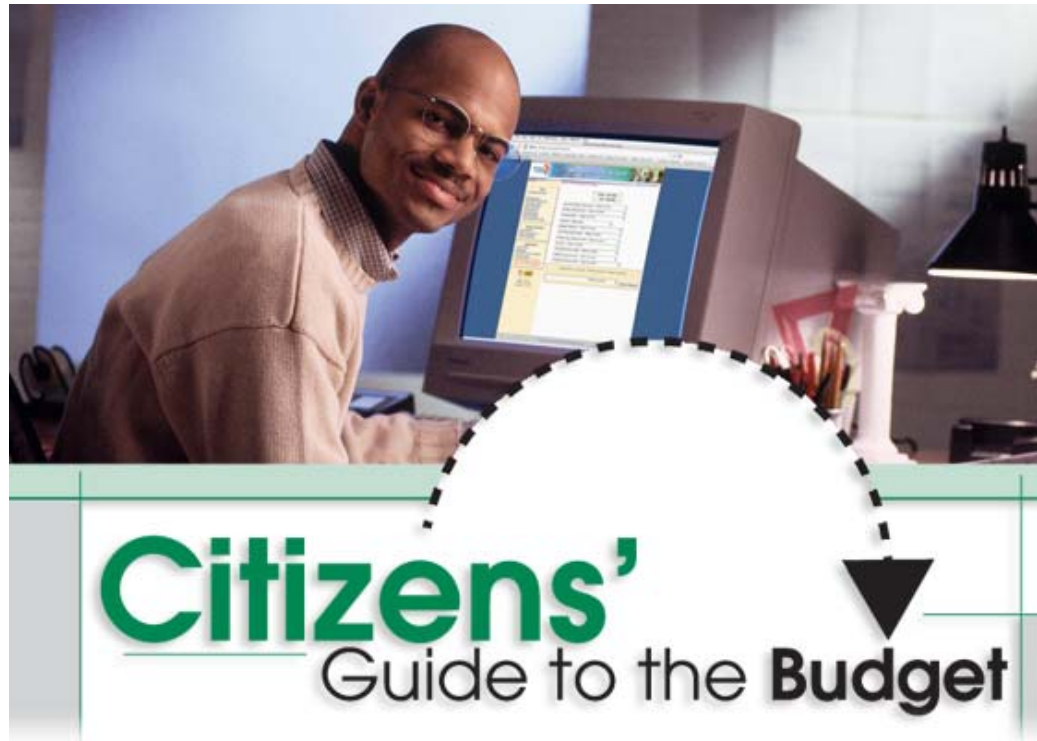
Next Steps

- **June 15th: BCC work session to review Tourist Development Council, Utility Rates, and Reserves & Budget Policies**
- **June 22nd: Budget Recap**
- **July 13th: County Administrator presents the FY2011 Proposed Budget to the BCC**

Next Steps

- July 20th: BCC work session (tentative)
- August 10th: BCC work session (tentative)
- August 17th: BCC work session (tentative)
- August 23rd: TRIM notices mailed
- September 7th: First public hearing on the FY2011 budget
- September 21st: Second public hearing on the FY2011 (budget adoption)

Information on the Pinellas County Budget



www.pinellascounty.org