



FINANCIAL ANALYSIS

INTRODUCTION

This section examines Pinellas County's ability to fund the capital needs derived from the Plan elements as listed in Table 1. The purpose of this section is to determine if sufficient revenue will be available within the existing budgeting framework of Pinellas County to fund improvements as needed. This assessment includes only those capital improvements identified in the Pinellas County Comprehensive Plan.

The chosen assessment process consists of estimating future receipts of revenues available to the County to finance capital improvements and then balancing receipts against anticipated expenditures for capital improvements. Any surplus or deficit of revenues compared to expenditures for capital improvements would then be apparent. A consideration of alternatives implies that a decision is made by the County to maintain, increase or decrease its level of service standards based on cost and the ability and willingness to pay.

Chapter 9J-5, F.A.C., requires the Florida Department of Community Affairs to base its determination of compliance of the County's Comprehensive Plan with the requirements of the law on the specific characteristics of the community. Concerning capital improvements, "...the Department shall consider the scale of public services the local government provides or is projected to provide as it relates to the level of capital improvements planning required;" [Chapter 9J-5.002(2)(c), F.A.C.].

IMPACT OF NEW OR IMPROVED PUBLIC EDUCATION SYSTEMS AND FACILITIES UPON THE INFRASTRUCTURE OF THE BOARD OF COUNTY COMMISSIONERS

UNIVERSITY OF SOUTH FLORIDA AT ST. PETERSBURG

The University of South Florida at St. Petersburg is located entirely within the City of St. Petersburg. Since no county facilities and services will be affected, impacts of new construction or expansion of existing facilities would not be considered within this Capital Improvements Element.

ST. PETERSBURG COLLEGE

Staff of the St. Petersburg College District indicated that the Tarpon Springs Center of the College may be expanded within the upcoming years. No specific plans have been adopted. If such plans are adopted, the impacts of the expansion on the County's capital facilities will be evaluated as part of the annual review process of the Capital Improvements Element.

PINELLAS COUNTY SCHOOL BOARD

The capital improvements for the Pinellas County School Board have been in a mode to replace obsolete school structures. The construction of school facilities is guided by a 5-year facility plan.

Table 7 indicates projected major construction projects of the Pinellas County School Board. Since the school construction consists of replacing older schools the net result, over the next 5 years, is only a gain of 54 classrooms. Furthermore, the school construction is located within Pinellas municipalities therefore no county facilities are expected to be significantly impacted, if at all.

TABLE 7
PINELLAS COUNTY SCHOOL BOARD
PROJECTED MAJOR CONSTRUCTION PROJECTS

<u>PROJECT DESCRIPTION</u>	<u>CONSTRUCTION PERIOD</u>	<u>NET CLASSROOMS</u>
Boca Ciega Senior (Replacement Facility)	2007-2009	16
Thurgood Marshall Elementary (Add classrooms)	2007-2008	9
Tyrone Elementary (Replacement Facility)	2007-2008	22
Tarpon Springs Elementary (Replacement Facility)	2007-2009	(2)
Add Classrooms (Location not specified)	2007-2008	12
Classroom Transfer from Curtis Fundamental to Dunedin Elementary	2007-2008	(3)

Source: Pinellas County School Board, Five-Year Work Plan, FY 2007-2008 to FY 2011-2012

ACCOUNTING SYSTEM

The ledgers of Pinellas County are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund provide a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures, or expenses, as appropriate. Government resources are allocated to individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The various funds are grouped, in the financial statements in this report, into seven generic fund types and their broad fund categories.

Following is a discussion of the accounting system used by the Pinellas County Board of County Commissioners. This discussion is based upon a portion of the text of Pinellas County, Florida Comprehensive Annual Financial Report for the Fiscal Year Ended September 30, 2007.

Governmental Funds

1. General Fund:

The General Fund is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund.

2. Special Revenue Funds:

Special Revenue Funds are the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

3. General Operating Funds:

General Operating Funds of the Property Appraiser, Sheriff, Supervisor of Elections and Tax Collector represent components of the County's Special Revenue Funds that are held and accounted for individually, but presented herein with the balance of the Board of County Commissioners' operating funds.

4. Debt Service Funds:

Debt Service Funds are the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

5. Capital Projects Fund:

The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

Proprietary Funds

1. Enterprise Funds:

Enterprise Funds are used for the operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. Enterprise operations include the St. Petersburg-Clearwater International Airport, and Utilities (Sewer System, Solid Waste & Resource Recovery System and the Water System).

2. Internal Service Funds:

Internal Service Funds are used for financing of goods or services provided by one department to other departments of the County or to other governments, on a cost-reimbursement basis. Internal service operations include employee life and health benefits, fleet management, management information services, and risk financing.

Fiduciary Funds

1. Trust and Agency Funds:

Trust and Agency Funds are used to account for assets held in a trustee capacity or as an agent for individuals, private organizations, other governments and other funds. These include Expendable Trust and Agency Funds.

2. Expendable Trust Funds:

Expendable Trust Funds are accounted for in essentially the same manner as governmental funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Agency funds are accounted for by using the modified accrual basis of accounting.

Account Groups

1. General Fixed Assets Account:

General Fixed Assets Account Group is used for general fixed assets acquired principally for general purposes and excludes fixed assets of the Enterprise and Internal Service funds.

2. General Long-Term Debt Account Group:

General Long-Term Debt Account Group is used for the outstanding principal balances of General Obligation bonds and other long-term debt not supported by proprietary funds.

3. Government Fund Types Account:

Government Fund Types Account is a “spending” or “financial flow” measurement focus. This means that only current assets and/or liabilities are generally included on their balance sheets. Their reported fund balance is considered a measure of available spendable resources. Governmental fund operating statements present increases and decreases in net current assets. Governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when collected or when they become measurable in advance of collection. Expenditures are generally recognized at the time liabilities are incurred. Exceptions are accumulated unpaid annual leave which is not accrued and principal and interest on long-term debt which is recognized when due.

Fixed assets and long-term liabilities account groups are concerned only with the measurement of financial position. They are not involved with measurement of results of operations. Fixed assets used in governmental fund types are accounted for in the General Fixed Assets Account Group, rather than in governmental funds. Public domain fixed assets are not capitalized and no depreciation has been provided on general fixed assets. The General Long-Term Debt Account Group records long-term liabilities which are expected to be financed from governmental funds. These two account groups are not funds.

FINANCIAL ASSESSMENT OF PINELLAS COUNTY'S ABILITY TO FUND IDENTIFIED CAPITAL NEEDS

REVENUE:

The Pinellas County Planning Department has projected that the countywide population of Pinellas County will increase by 16,864 between 2008 and 2013. Listed below is the projected countywide permanent population growth by year from 2008 to 2013

Projected Countywide Permanent Population of Pinellas County From 2008 Through 2013

2008	2009	2010	2011	2012	2013
956,596	960,537	964,478	967,472	970,466	973,460

The Pinellas County Office of Management and Budget (OMB) projected real property values countywide for Pinellas County. This is the tax base, consisting of real and tangible personal property, for countywide ad valorem tax revenues. Projected total property values for Pinellas County from Fiscal Years 2008 through 2013 are listed below. The property values for each fiscal year are the values on the roll as of January 1 in the preceding calendar year. For example, the FY08 property values are those on the tax roll as of January 1, 2006.

Projected Total Property Values in (in \$000)

FY07	FY08	FY09	FY10	FY11	FY12
75,505,063 (Actual)	77,770,215	80,103,321	82,506,421	84,981,613	87,531,062

Countywide certified values used for budget preparation exhibited a 20.1 percent increase for Fiscal Year 2007 after posting a 14.6 percent increase in Fiscal Year 2006. Prior increases include a 10.5 percent increase in Fiscal Year 2005, a 9.1 percent increase in Fiscal Year 2004, a 7.3 percent increase in Fiscal Year 2003, an 8.8 percent increase in Fiscal Year 2002, a 6.7 percent increase in Fiscal year 2001, and a 4.8% increase in Fiscal Year 2000. To reflect changes in price levels and new construction, it is anticipated that through Fiscal Year 2012, the value of the mill will increase by a more reasonable 3.0 percent annually compared to the dramatic increases experienced over the past several years. The projected values for real property are sensitive to changes in the national economy and may be revised from time to time. In 1992, the Save Our Homes amendment to the Florida Constitution was passed by Florida voters and implemented in 1995. This amendment caps the annual increase of taxable

value to the Consumer Price Index or 3.0 percent, whichever is less. For Pinellas County, the impact of Save Our Homes in FY 2006 (for values as of January 1, 2005) is a reduction of taxable value in the amount of \$ 16.0 billion. The estimated impact of this reduction to the tax roll is \$101 million in ad valorem revenue to the County's General Fund based upon the FY 2006 millage rate.

For Fiscal Year 2008, Pinellas County adopted a 5.4562 millage rate for the countywide levy. If the millage rate is held constant at 5.4562, it is projected the County would raise the amounts of ad valorem revenues listed below from the countywide levy between Fiscal Years 2008 and 2013.

**Projected Ad Valorem Revenues from Countywide Levy
(in \$ million)**

FY 08	FY 09	FY 10	FY11	FY 12	FY 13
\$ 395.3	\$ 407.2	\$ 419.4	\$ 432.0	\$ 444.9	\$ 458.2

On November 7, 1989, Pinellas County voters approved a referendum creating a countywide one-cent local infrastructure sales tax for an initial ten-year period. On March 25, 1997, county voters extended the tax for an additional ten years until the year 2010. In March of 2007, county voters extended the tax for an additional ten years through 2020. This local infrastructure sales tax is projected to raise \$544,467,000 (\$573,123,000 reflected at 100 percent) for the Board of County Commissioners in the period from Fiscal Year 2008 through Fiscal Year 2013. Proceeds from local infrastructure sales taxes will be used to finance capital projects. Listed below are projections of one-cent local infrastructure sales tax revenues to be raised from Fiscal Year 2008 through Fiscal Year 2013 (in thousand of dollars) for the six-year CIP, assuming a growth rate of 4.0 percent. The revenue generated by a sales tax is extremely sensitive to changes in the national economy and may be revised from time to time.

**Projected One-Cent Local Infrastructure Sale Tax Revenues
(in \$000)**

FY 08	FY 09	FY 10	FY 11	FY 12	FY 13
\$83,958	\$87,165	\$90,430	\$100,229	\$103,809	\$107,532

This analysis projects the maximum, non-revenue supported, debt capacity of Pinellas County. The analysis is based upon the following assumptions:

1. Growth in real property value at a rate commensurate with projections;
2. Debt coverage ratio of 1:1.25; and
3. Board approved levy of 10 mills, the maximum provided by the State Constitution.

Fiscal Year	Projected Countywide Real Property Value (\$000)	Maximum Debt Capacity (\$)
FY 2007	\$75,505,063 (actual)	\$604,040,504
FY 2008	\$77,770,215	\$622,161,719
FY 2009	\$80,103,321	\$640,826,571
FY 2010	\$82,506,421	\$660,051,368
FY 2011	\$84,981,614	\$679,852,909
FY 2012	\$87,531,062	\$700,248,496

Table 8 shows debt service for current outstanding County bond issues. Enterprise fund debt service remains stable; however total projected debt service is projected to significantly decrease in FY11.

TABLE 8
PINELLAS COUNTY
PROJECTIONS OF DEBT SERVICE FOR CURRENTLY OUTSTANDING BOND ISSUES
FY 2008 - FY 2013
(Dollars Shown in Thousands)

	FY08	FY09	FY10	FY11	FY12	FY13
General Obligation	\$0	\$0	\$0	\$0	\$0	\$0
<u>Self-Supporting Funds:</u>						
Water Revenue Bonds, Series 2008*	\$6,280	\$6,280	\$6,280	\$6,280	\$6,280	\$6,280
Sewer Revenue Bonds, Series 2008**	\$2,617	\$2,617	\$2,617	\$2,617	\$2,617	\$2,617
Sewer Revenue Bonds, Series 2006	\$1,132	\$2,167	\$2,172	\$2,174	\$2,172	\$2,169
Sewer Revenue Bonds, Series 2003	\$5,474	\$5,472	\$5,471	\$5,476	\$5,475	\$5,475
Sewer Revenue and Refunding Bonds, Series 1998	\$6,579	\$5,538	\$5,533	\$5,535	\$5,535	\$5,534
Self-Supporting Funds: Subtotal	\$22,082	\$22,074	\$22,073	\$22,082	\$22,079	\$22,075
<u>Non-Supporting Funds:</u>						
Capital Improvement Revenue, Series 2002	\$4,142	\$4,142	\$4,139	\$0	\$0	\$0
Capital Improvement Revenue, Series 2000	\$19,025	\$18,996	\$19,062	\$0	\$0	\$0
Non-Supporting Funds: Subtotal	\$23,167	\$23,138	\$23,201	\$0	\$0	\$0
TOTAL	\$45,249	\$45,212	\$45,274	\$22,028	\$22,079	\$22,075

*Estimates provided for scheduled April 2008 bond issue of \$90 million for Water Blending Facility construction project and replacement of 48-inch Belcher Road water main.

**Estimates provided here for scheduled April 2008 bond issue of \$61.4 million for expansion of North and South County Reclaimed Water Systems and improvements to W.E. Dunn Water Reclamation Facility and South Cross Water Reclamation Facility.

Source: Pinellas County Office of Management & Budget, 2007

Federal and state grants are also anticipated to fund improvements at the St. Petersburg-Clearwater International Airport. Listed below are the amounts of grants

anticipated for airport projects between Fiscal Years 2006-2007 and 2011-2012. These projections are sensitive to changes in the national economy and may be revised from time to time.

**Anticipated Grants & Funds for Airport Projects
(In \$000)**

FY 07	FY 08	FY 09	FY 10	FY 11	FY 12
\$7,009	\$7,329	\$5,300	\$3,875	\$9,160	\$6,925

Capital projects for sanitary sewer, solid waste and resource recovery, and water supply are financed with revenue bonds. These bonds are retired through proceeds from enterprise fund activities. These funds also fund capital projects not listed in the CIE, as well as funding operations and maintenance activities. Table 9 lists the sewer, solid waste, and water repair and replacement fund projections for Fiscal Years 2006-2007 through 2011-2012. The airport enterprise revenue and operations fund is also listed in Table 9.

TABLE 9 PROJECTED ENTERPRISE FUND REVENUES FY 2007-2008 THROUGH FY 2011-2012 (Dollars Shown in Thousands)					
FUND	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12
SEWER ENTERPRISE FUND*	\$73,216	\$63,012	\$63,705	\$66,014	\$68,408
SOLID WASTE ENTERPRISE FUND	\$87,777	\$87,847	\$89,501	\$92,159	\$95,479
WATER ENTERPRISE FUND**	\$94,942	\$93,212	\$98,167	\$102,622	\$108,224
ST. PETERSBURG-CLEARWATER INTERNATIONAL AIRPORT ENTERPRISE FUND	\$1,414	\$770	\$1,250	\$1,175	\$2,745

Source: Pinellas County Office of Management and Budget 2007

Note:

* Includes forecasted rate increase of an estimated 5% in FY09/10, and a rate increase of an estimated 6% in FY 10/11 and in FY 11/12.

** Includes proposed 3% rate increase in FY 07/08 and in FY 08/09, and forecasted rate increase of an estimated 6% in FY 09/10, in FY10/11, and in FY11/12.

Pinellas County collects transportation impact fees to finance traffic circulation projects related to future needs. Because revenues generated within a geographic impact fee zone must be expended within the same zone, accurate forecasts of impact fee revenues are difficult. To

project the aggregate revenue (i.e., for all zones) ignores the zonal restrictions imposed upon the expenditure of impact fee revenues and would yield an inaccurate projection. Therefore, no projection of impact fee revenue is made.

Traffic circulation projects are partially funded by revenues generated through the Six-Cent Local Option Gas Tax, which is scheduled to sunset August 31, 2017. Listed below are projections provided by OMB of the County's share of local option gas tax revenues between Fiscal Years 2007 and 2012. These projections are sensitive to changes in the national economy and may be revised from time to time. The majority of these funds are earmarked for debt service.

**Projected County's Share of
Local Option Gas Tax Revenues (in \$000)**

FY 08	FY 09	FY 10	FY 11	FY 12	FY 13
\$13,975	\$14,255	\$14,468	\$14,613	\$14,759	\$14,907

Beach renourishment projects (county share) are funded through tourist development fund revenues. Listed below are OMB projections of tourist development fund revenues available for beach re-nourishment projects between Fiscal Years 2007 and 2012. The revenue generated from the tourist development tax, like sales taxes, is sensitive to changes in the national economy and may be revised from time to time. Also, the tourist development tax revenues are subject to a three (3) percent administrative fee paid to the Tax Collector, in accordance with the provisions of the County ordinance.

**Tourist Development Fund Revenue Projections
for Beach Renourishment Projects (in \$000)**

FY 08	FY 09	FY 10	FY 11	FY 12	FY 13
\$2,692	\$2,773	\$2,856	\$2,942	\$3,030	\$3,120

Beach renourishment projects will also be funded through federal, state, and local government programs. Listed below are the amounts of funds (federal and state) anticipated for beach nourishment projects between Fiscal Years 2007-2008 and 2012-2013. These projections are sensitive to changes in the national economy and may be revised from time to time.

**Projected Appropriations for Beach Renourishment Projects
(In \$000)**

FY 07/08	FY 08/09	FY09/10	FY 10/11	FY 11/12	FY 12/13
\$1,143	\$365	\$7,285	\$1,290	\$699	\$1,950

Drainage projects will be partially funded by grants from the State of Florida Surface Water Improvement and Management Program, the Southwest Florida Water Management District

Cooperative Basin Funding Program, and from municipal funds in cases where the County and other local governments are doing improvements. Listed below are the amounts of grants and municipal funds for Surface Water Management projects between Fiscal Years 2007-2008 and 2012-2013.

**Projected Grants & Municipal Funds for Surface Water Management Projects
(In \$000)**

FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12	FY 12/13
\$3,840	\$7,646	\$654	\$0	\$0	\$0

EXPENDITURES:

Table 10 indicates the estimated expenditures by year and by Comprehensive Plan Element for the County to complete capital improvement projects necessary to implement the Pinellas County Comprehensive Plan. For an illustration of how these expenditures are broken down by project, please consult "Table 15: Six-Year Schedule of Capital Improvements," which is located in the Implementation Chapter of the Capital Improvements Element. Table 11 compares revenues identified earlier in this chapter with the expenditures previously identified in Table 10.

TABLE 10 ESTIMATED CAPITAL EXPENDITURES TO IMPLEMENT THE PINELLAS COUNTY COMPREHENSIVE PLAN BY ELEMENT AND FISCAL YEAR FY 2007-2008 THROUGH FY 2012-2013 (Dollars Shown in Thousands)					
TRANSPORTATION ELEMENT - TRANSPORTATIONS SYSTEMS					
FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12	FY 12/13
\$106,652	\$128,706	\$103,371	\$79,057	\$47,446	\$40,549
TRANSPORTATION ELEMENT - AVIATION					
FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12	FY 12/13
\$8,416	\$8,150	\$6,050	\$4,550	\$11,050	\$12,050
NATURAL RESOURCES CONSERVATION AND MANAGEMENT ELEMENT					
FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12	FY 12/13
\$1,945	\$2,300	\$1,701	\$1,300	\$680	\$670
COASTAL MANAGEMENT ELEMENT					
FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12	FY 12/13
\$2,537	\$1,620	\$14,860	\$2,870	\$1,910	\$4,390
HOUSING ELEMENT					
FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12	FY 12/13
\$5,000	\$0	\$0	\$0	\$0	\$0
RECREATION, OPEN SPACE AND CULTURE ELEMENT					
FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12	FY 12/13
\$31,014	\$10,205	\$7,263	\$2,523	\$4,790	\$2,149
POTABLE WATER SUPPLY, WASTEWATER AND REUSE ELEMENT					
FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12	FY 12/13
\$103,571	\$80,629	\$41,214	\$16,889	\$13,949	\$13,769
SOLID WASTE AND RESOURCE RECOVERY ELEMENT					
FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12	FY 12/13
\$70,740	\$45,227	\$24,524	\$6,256	\$4,200	\$0
SURFACE WATER MANAGEMENT ELEMENT					
FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12	FY 12/13
\$24,347	\$19,434	\$12,542	\$8,230	\$7,200	\$7,200

Source: Pinellas County Planning Department, 2007

TABLE 11
CAPITAL IMPROVEMENTS
REVENUE/EXPENDITURE COMPARISON
BY ELEMENT AND FISCAL YEAR
FY 2007-2008 THROUGH FY 2012-2013
(Dollars Shown in Thousands)

**TRANSPORTATION ELEMENT –
TRANSPORTATION SYSTEMS**

	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12	FY 12/13
Expenses:						
Capital Projects	\$106,652	\$128,706	\$103,371	\$79,057	\$47,446	\$40,549
Bond:						
Debt Service	\$7,420	\$7,408	\$7,434	\$7,410	\$7,410	\$7,410
Revenues:						
Grants	\$27,940	\$729	\$0	\$0	\$0	\$0
Transp. Impact Fee	\$3,576	\$1,436	\$3,100	\$4,312	\$100	\$693
Infrastructure Sales Tax	\$82,444	\$133,949	\$107,705	\$82,155	\$54,756	\$47,266
Special Assessment	\$112	\$0	\$0	\$0	\$0	\$0
Surplus or (Deficit)	\$0	\$0	\$0	\$0	\$0	\$0

**TRANSPORTATION ELEMENT -
AVIATION**

	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12	FY 12/13
Expenses:						
Capital Projects	\$8,416	\$8,150	\$6,050	\$4,550	\$11,050	\$12,050
Revenues:						
FAA	\$6,281	\$6,260	\$3,600	\$2,250	\$5,900	\$6,750
Airport Enterprise Fund	\$1,414	\$770	\$1,250	\$1,175	\$2,745	\$5,125
Other Grants	\$721	\$1,120	\$1,200	\$1,125	\$2,405	\$175
Surplus or (Deficit)	\$0	\$0	\$0	\$0	\$0	\$0

**NATURAL RESOURCES CONSERVATION AND MANAGEMENT
ELEMENT**

	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12	FY 12/13
Expenses:						
Capital Projects	\$1,945	\$2,300	\$1,701	\$1,300	\$680	\$670
Revenues:						
Grants	\$400	\$725	\$75	\$325	\$0	\$0
Infrastructure Sales Tax	\$1,545	\$1,575	\$1,626	\$975	\$680	\$670
Surplus or (Deficit)	\$0	\$0	\$0	\$0	\$0	\$0

Table 11 (continued)

COASTAL MANAGEMENT ELEMENT						
	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12	FY 12/13
Expenses:						
Capital Projects	\$2,537	\$1,620	\$14,860	\$2,870	\$1,910	\$4,390
Revenues:						
Tourist Development Fund	\$1,395	\$755	\$7,575	\$1,580	\$1,075	\$2,340
State Grants	\$1,142	\$365	\$7,285	\$1,290	\$735	\$1,950
Infrastructure Sales Tax	\$0	\$500	\$0	\$0	\$100	\$100
Surplus or (Deficit)	\$0	\$0	\$0	\$0	\$0	\$0
HOUSING ELEMENT						
	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12	FY 12/13
Expenses:						
Capital Projects	\$5,000	\$0	\$0	\$0	\$0	\$0
Revenues:						
General Fund	\$5,000	\$0	\$0	\$0	\$0	\$0
Surplus or (Deficit)	\$0	\$0	\$0	\$0	\$0	\$0
RECREATION, OPEN SPACE AND CULTURE ELEMENT						
	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12	FY 12/13
Expenses:						
Capital Projects	\$31,117	\$10,345	\$7,513	\$2,773	\$5,040	\$2,359
Bond:						
Debt Service	\$6,710	\$6,706	\$6,712	\$2,565	\$2,565	\$2,565
Revenues:						
Grants	\$2,728	\$340	\$0	\$0	\$0	\$0
MSTU Funding	\$649	\$0	\$0	\$0	\$0	\$0
Infrastructure Sales Tax	\$34,079	\$16,711	\$14,225	\$5,338	\$7,605	\$4,964
Other Grants	\$371	\$0	\$0	\$0	\$0	\$0
Surplus or (Deficit)	\$0	\$0	\$0	\$0	\$0	\$40

Table 11 (continued)

POTABLE WATER SUPPLY, WASTEWATER AND REUSE ELEMENT						
	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12	FY 12/13
Expenses:						
Capital Projects	\$103,571	\$80,629	\$41,214	\$16,889	\$13,949	\$13,769
Bond:						
Water: Debt Service	\$6,280	\$6,280	\$6,280	\$6,280	\$6,280	\$6,280
Sewer: Debt Service	\$15,802	\$15,794	\$15,793	\$15,802	\$15,799	\$15,795
Revenues:						
Water/ R&R Fund	\$15,989	\$17,416	\$12,816	\$13,691	\$13,566	\$12,286
Water Revenue Bonds	\$25,600	\$43,200	\$25,700	\$0	\$0	\$0
Sewer/ R&R Fund	\$24,716	\$17,807	\$17,191	\$25,280	\$22,462	\$23,558
Sewer Revenue Bonds	\$56,391	\$24,280	\$7,580	\$0	\$0	\$0
Grants	\$2,957	\$0	\$0	\$0	\$0	\$0
Surplus or (Deficit)	\$0	\$0	\$0	\$0	\$0	\$0
SOLID WASTE AND RESOURCE RECOVERY ELEMENT						
	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12	FY 12/13
Expenses:						
Capital Projects	\$70,740	\$45,227	\$24,524	\$6,256	\$4,240	\$0
Revenues:						
Solid Waste/ R&R Fund	\$70,740	\$45,227	\$24,524	\$6,256	\$4,240	\$0
Surplus or (Deficit)	\$0	\$0	\$0	\$0	\$0	\$0
SURFACE WATER MANAGEMENT ELEMENT						
	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12	FY 12/13
Expenses:						
Capital Projects	\$24,347	\$19,434	\$12,542	\$8,230	\$7,200	\$7,200
Bond:						
Debt Service	\$951	\$949	\$953	\$950	\$950	\$950
Revenues:						
Grants	\$3,842	\$7,644	\$654	\$0	\$0	\$0
Special Assessment	\$700	\$250	\$250	\$250	\$250	\$250
Gov't. Reimbursement	\$413	\$0	\$0	\$0	\$0	\$0
Infrastructure Sales Tax	\$20,343	\$12,489	\$12,591	\$8,930	\$7,900	\$7,900
Surplus or (Deficit)	\$0	\$0	\$0	\$0	\$0	\$0

Source: Pinellas County Planning Department, 2007

Rule 9J-5, F.A.C., requires projection of operating cost considerations related to the implementation of the Pinellas County Capital Improvements Element. Table 12 illustrates projected additional operating costs to be incurred by Pinellas County resulting from

completion of capital projects identified in the CIE. All projections have been provided by the departments responsible for operating the completed facilities Table 13 identifies the overall impact of implementation of the CIE on projected operating costs. At this time, these operating costs are being re-evaluated. Various scenarios (resulting from property tax bills from the Florida Legislature) as to how ad valorem taxes, which funds operating and maintenance costs, are to be determined, are being calculated.

TABLE 12
ADDITIONAL PROJECTED ANNUAL OPERATING COSTS
DUE TO COMPLETION OF CAPITAL PROJECTS IDENTIFIED
IN THE PINELLAS COUNTY CAPITAL IMPROVEMENTS ELEMENT
FROM FISCAL YEAR 2007-2008 TO FISCAL YEAR 2012-2013
(In thousands of dollars)

	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12	FY 12/13
Coastal Management	UR	UR	UR	UR	UR	UR
Surface Water Management	UR	UR	UR	UR	UR	UR
Transportation – Aviation	UR	UR	UR	UR	UR	UR
Recreation, Open Space and Culture	UR	UR	UR	UR	UR	UR
Natural, Historic & Culture	UR	UR	UR	UR	UR	UR
Solid Waste	0	\$701	\$1,657	\$1,191	\$1,742	UR
Transportation – Transp. Systems	UR	UR	UR	UR	UR	UR
Potable Water Supply, Wastewater & Reuse	-0-	\$1,538	\$1,839	\$4,774	\$2,001	UR

Source: Pinellas County Office of Management & Budget, 2007

UR: Under Review

TABLE 13
TOTAL PROJECTED IMPACT OPERATING COSTS
AS IDENTIFIED BY FACILITY TYPE
FOR FISCAL YEAR 2007-2008 THROUGH FISCAL YEAR 2012-2013
(In thousands of dollars)

	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12	FY 12/13
Coastal Management	UR	UR	UR	UR	UR	UR
Surface Water Management	UR	UR	UR	UR	UR	UR
Transportation - Aviation	UR	UR	UR	UR	UR	UR
Recreation, Open Space and Culture	UR	UR	UR	UR	UR	UR
Natural Resources Conservation & Mgt.	UR	UR	UR	UR	UR	UR
Solid Waste	\$54,975	\$55,676	\$57,333	\$58,524	\$60,266	UR
Transportation - Transp. Systems	UR	UR	UR	UR	UR	UR
Potable Water Supply, Wastewater & Reuse	\$72,012	\$73,550	\$75,389	\$80,163	\$82,164	UR

Source: Pinellas County Office of Management & Budget, 2007
UR: Under Review

FINANCIAL FEASIBILITY:

Financing of capital improvement projects identified in the Capital Improvements Element for enterprise fund activities does not appear to be a problem, as long as the County pursues the issuance of a planned capital improvement bond in FY10. It is contemplated that the bond would be approximately \$155 million for funding projects noted in the Comprehensive Plan and other eligible government projects beyond the scope of the Comprehensive Plan. For planning purposes the distribution of the bond proceeds among project types is calculated to be approximately the same as the distribution in the Series 2000 bond: Transportation: 39%; Parks: 10.5%; Stormwater Management: 5%; and Coastal/Environmental Lands: 3%. The bond indebtedness will be paid by 2010-2020 Penny for Pinellas proceeds. As previously noted, the referendum for second extension of the 10-year one-cent infrastructure tax was approved in March 2007. Without the issuance of a bond in FY10, the total amount of proposed non-enterprise capital projects in the Transportation, Natural Resource Conservation & Management, Parks, Open Space & Cultural, and Stormwater Management Elements, which are primarily funded with Penny funds, is approximately \$652.5 million for a six-year period from FY08 through FY13. Furthermore, the debt service remaining on the two capital improvement revenue bonds (Series 2000 and 2003, see Table 8) adds \$45.2 million dollars to the expense side of the ledger – totaling \$697.7 million. Subtracting funds from other sources results in \$635.6 million dollars in Penny funds that are needed to balance the expenditures. The Penny revenues from FY08 through FY13 are projected to be approximately \$573,123,000. However, issuing a \$155 million capital improvement bond will provide a total \$728 million. The bond repayment will be pledged with future Penny revenues anticipated to be received during the FY10 to FY20 period. The issuance of the bond would provide sufficient funds to finance (including an additional debt service for the new bond) the FY08 – FY13 Schedule of Capital Improvements.

Enterprise funds for sewer and water indicate projected revenues will meet the projected expenditures for those capital improvements needed to implement the Pinellas County Comprehensive Plan. In Fiscal Year 2008, the County is scheduling two (2) series of water and sewer bonds. The \$90 million Water Revenue Bond Series 2008 is scheduled for April 2008 for construction of a Water Blending Facility and for replacing a 48-inch water main along Belcher Road. A \$61.4 million sewer bond is also scheduled for April 2008 for the expansion of the North and South County Reclaimed Water Systems and for improvements to the W.E. Dunn Water Reclamation Facility and the South Cross Water Reclamation Facility.

The Pinellas County Utilities Department had issued two sewer revenue bonds (Series 2003 and Series 2006) and one water revenue and refunding bond (Series 1998). These are still being paid off by enterprise funds. It is anticipated that sewer rate increases of 5% will occur in FY10; then a 6% sewer rate increase will occur in FY11. A water rate increase of 3% annually for 2 years will begin in FY08; then, a 6% rate increase will take effect in FY10.

Improvements identified in the Transportation (Aviation) Element will be funded through federal grants from the Federal Aviation Administration, through state grants from the Florida Department of Transportation, and through airport enterprise fund (user fees).

Beach re-nourishment projects identified within the Coastal Management Element will be funded primarily through State (Dept. of Environmental Protection) grants and through

transfers from the county Tourist Development Fund. Projected revenues available to finance those coastal management projects needed to implement the Pinellas County Comprehensive Plan balance with the projected expenditures of those projects.

Capital projects identified in the Surface Water Management Element will be funded primarily by the one-cent local infrastructure sales tax (as well as for paying share of Capital Improvement Bond Series 2000), with additional funding from the State of Florida, from the Southwest Florida Water Management District, federal grants, special assessments, and governmental reimbursements. Capital projects identified in the Recreation, Open Space and Culture Element will be primarily funded by the one-cent local infrastructure sales tax. These infrastructure sales tax proceeds will pay for current capital improvement projects as well as debt service for Capital Improvement Revenue Bond Series 2002 and a proportionate share of Capital Improvement Revenue Bond Series 2000. In the Housing Element, general fund appropriations will provide seed money for a housing trust fund. Projects identified in the Transportation Element will be funded through a combination of revenues from the local option gas tax, the one-cent local infrastructure sales tax, some grant funds, and transportation impact fees. These funding sources for transportation system projects will pay for projected capital costs over the next six years as well as the debt service for its proportionate share of the Capital Improvement Revenue Bond Series 2000. As noted above, a \$155 million capital bond, pledged by future Penny revenues, is being contemplated for the FY10.

The one-cent infrastructure sales tax will also support projects that are the responsibility of the Board of County Commissioners but are not directly associated with the implementation of the Comprehensive Plan. Therefore, not identified in this financial analysis are capital projects in the facility types of surface water management, recreation and open space, and traffic circulation that are not included in Table 15, but which are a part of the County's overall Capital Improvement Program, as well as capital projects needed by other county programs; for example, the County's Criminal Court System.

Additional sources of funds that could be used to finance transportation projects include the State grants, assessments, and transportation impact fees

This assessment of the financial situation for implementing the capital improvement needs identified in the Comprehensive Plan reveals that the enterprise funds for constructing utility and airport improvements, the ten-year extension of the local infrastructure sales tax, and bonding for transportation, stormwater management, recreation, open space and culture, and environmental lands will provide adequate funding levels for the next several years. This will permit Pinellas County to pursue an aggressive capital improvement program that will maintain the adopted level of service standards for utilities, recreation and open space, and surface water management, and enable the County to make substantial improvements to numerous County roadways and, in some cases, State roadways. While the current assessment represents a healthy financial picture, in the event that projected revenues are not available, and/or required actions of the Board of County Commissioners are not approved, and as a result funding for capital improvement projects identified within the Capital Improvements Element is not available, the County will utilize one or more of the actions and alternatives based on Policy 1.4.13. of the Capital Improvements Element.

USE OF TIMING AND LOCATION OF CAPITAL IMPROVEMENTS

The timing and location of capital improvements have been determined as a part of the formulation of Pinellas County's Capital Improvement Program (CIP). Departmental requests for capital improvements are based upon anticipation of county needs; consideration of the urgency of the project; the County's ability to administer projects; the involvement of municipal, state, and federal agencies and of the Southwest Florida Water Management District; and the potential for future funding of the project. Input from County residents, County staff, and the Board of County Commissioners is used to originate projects listed in the CIE and included in the CIP.

As part of the comprehensive planning process, the Capital Improvements Program shall be prepared, on an annual basis, by the County Administrator and affected County departments to evaluate and rank projects identified in the CIE. This program shall form the basis for the annual updates to the Six-Year Schedule of Improvements within this element. This process will ensure that capital improvements shall support efficient land development and the goals, objectives, and policies of the Future Land Use and Quality Communities Element of the Pinellas County Comprehensive Plan. Projects will be ranked in accordance with the following criteria:

- a. Elimination of public hazards;
- b. Elimination of existing capacity deficiencies;
- c. Local budget impact;
- d. Locational needs based on projected growth patterns;
- e. Accommodation of new development and redevelopment facility demands;
- f. Financial feasibility; and Plans of state agencies and the Southwest Florida Water Management District that provide public facilities within the jurisdiction of the Pinellas County Board of County Commissioners.