



LAKE COUNTY
BOARD OF COUNTY COMMISSIONERS

TENTATIVE BUDGET HEARING

FISCAL YEAR 2007
October 1, 2006 - September 30, 2007

Tuesday, September 5, 2006
5:05 P.M.

Administration Building
315 West Main Street
Tavares, Florida
Second Floor

LAKE COUNTY, FLORIDA

PROPOSED BUDGET

FISCAL YEAR 2007

BOARD OF COUNTY COMMISSIONERS

Jennifer Hill, District One
Robert A. Pool, District Two
Debbie Stivender, District Three
Catherine C. Hanson, Chairman, District Four
Welton G. Cadwell, District Five, Vice Chairman

COUNTY MANAGER

Cindy Hall

COUNTY ATTORNEY

Sanford A. Minkoff

Prepared by the Office of Budget

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September 5, 2006

The Honorable Members of the Lake County Board of County Commissioners
315 West Main Street
Tavares, Florida 32778

Commissioners:

Submitted for your consideration is the tentative Annual Budget for Lake County for Fiscal Year 2007. All funds are in balance at the millage rates listed below. These are the rates advertised through the TRIM notice for the First Public Hearing.

- Countywide Millage Rate: 5.7470 mills per \$1,000 of assessed taxable value. This General Fund millage rate has been reduced from the rate assessed for Fiscal Year 2006.
- Voter Approved Debt Service for Environmentally Sensitive Lands: 0.2000 mills per \$1,000 of assessed taxable value. Voters approved a levy up to 0.3333 mills per \$1,000 of assessed value to pay debt service associated with issuing bonds to purchase environmentally sensitive lands. This is the first year this millage is being levied.
- Lake County Municipal Services Taxing Unit for Ambulance and Emergency Services: 0.5289 mills per \$1,000 of assessed taxable value. This is the same rate as assessed in Fiscal Year 2006.
- Lake County Stormwater, Parks and Roads Municipal Services Taxing Unit: 0.6000 mills per \$1,000 of assessed taxable value. This is an increase of 0.1000 over the rate assessed in Fiscal Year 2006.
- Tentative countywide budget: \$454,474,430

Lake County Government continues to identify and prioritize the needs of our community. With continuing involvement from our citizens, strong leadership from the Board of County Commissioners and our capable staff, and sound fiscal policies, this budget will provide a strong foundation for addressing our challenges and opportunities in the coming year.

Respectfully submitted,

Cindy Hall
County Manager

**BOARD OF COUNTY COMMISSIONERS
LAKE COUNTY, FLORIDA**

**SPECIAL MEETING
AGENDA**

**TENTATIVE BUDGET HEARING
SEPTEMBER 5, 2006
5:05 P.M.**

I. OPENING REMARKS – Catherine C. Hanson, Chairman

The first public hearing is for the purpose of presenting to the public the proposed budget for Fiscal Year 2007. This public hearing will include the presentation of the proposed millage rates and rolled-back rates as well as a budget presentation by the Budget Director. The Budget Overview will provide highlights of the proposed budget as well as the specific purposes for which ad valorem tax revenues are increased above the rolled-back millage rates. We will then ask for public comment on the proposed budget and millage rates. Following Board discussion and after allowing time for the Budget staff to recompute the proposed millage rates and fund totals, if necessary, we will publicly announce the percent by which the recomputed millages exceed the rolled-back rate as well as the proposed budget totals. The Board will then tentatively adopt millage rates and a budget for Fiscal Year 2007.

II. ANNOUNCE MILLAGE RATES AND ROLLED-BACK RATES – Commissioner Hanson

- Proposed Lake County General Fund millage rate is 5.7470, which is 22.94% over the rolled-back rate of 4.6748 mills.
- Proposed Lake County Municipal Service Taxing Unit (MSTU) for Ambulance & Emergency Medical Services is 0.5289, which is 23.85% over the rolled-back rate of 0.4270
- Proposed Lake County Stormwater, Parks and Roads Municipal Services Taxing Unit (MSTU) is 0.6000, which is 50.50% over the rolled-back rate of 0.3987 mills.
- Proposed Voter Approved Debt Service is 0.2000 mills in this initial year. By Florida Statutes, this millage is not subject to rolled-back rate calculations.
- The County's aggregate rolled-back rate is 5.3294 mills and the proposed aggregate tentative rate is 6.6164 mills, which results in an increase over the aggregate rolled-back rate of 24.15%.

III. BUDGET OVERVIEW – Regina Frazier, Budget Director

IV. CITIZEN COMMENTS

V. DISCUSSION BY BOARD OF COUNTY COMMISSIONERS

VI. CONSIDER ANY AMENDMENTS TO TENTATIVE BUDGET AND MILLAGES

VII. BUDGET DIRECTOR RECOMPUTES AND ANNOUNCES ANY CHANGES TO MILLAGES, ROLLED-BACK RATES, AND FUND TOTALS.

VIII. ACTION REQUESTED – Commissioner Hanson

- A. Adopt a tentative millage.
- Lake County General Fund Millage – 5.7470
 - Lake County MSTU for Ambulance and Emergency Services Millage - 0.5289
 - Lake County Stormwater, Parks and Roads MSTU Millage - 0.6000
 - Voter Approved Debt Service Millage - 0.2000
- B. Adopt the tentative budget.
- General Fund – \$183,414,443
 - Lake County MSTU for Ambulance and Emergency Services - \$11,950,391
 - Stormwater, Parks and Roads MSTU - \$11,667,579
 - Voter Approved Debt Service – \$3,634,539
 - Countywide Budget - \$454,474,430
- C. Announce the public hearing for final adoption on September 19, 2006, 5:05 p.m., or as soon thereafter as possible, in the County Commission Chambers at the Lake County Administration Building, 315 West Main Street, Tavares, Florida.

Budget Summary By Fund



All Funds			
	2005 Actual	2006 Amended	2007 Proposed
General Fund	\$ 120,686,801	\$ 152,365,125	\$ 183,414,443
Library Impact Fee Trust	\$ 56,323	\$ 2,322,793	\$ 3,405,684
Park Impact Fee Trust	\$ 54,008	\$ 1,879,649	\$ 1,374,924
County Transportation Trust	\$ 11,828,906	\$ 23,830,027	\$ 19,035,458
Christopher C. Ford Commerce Park	\$ 2,223,092	\$ 3,441,459	\$ 6,367,847
Road Impact Fees	\$ 10,621,722	\$ 52,842,429	\$ 41,839,881
Mosquito Management (FY 2007 included in General Fund)	\$ 780,089	\$ 1,067,589	\$ -
Law Library	\$ 234,016	\$ 270,489	\$ 314,986
Aquatic Plant Management (FY 2007 included in General Fund)	\$ 246,106	\$ 430,406	\$ -
Fish Conservation	\$ 4,775	\$ 131,107	\$ 64,447
Community Development Block Grant	\$ 815,501	\$ 1,624,452	\$ 988,033
Transportation Disadvantaged	\$ 3,091,696	\$ 4,296,789	\$ 5,223,784
Lake County Ambulance	\$ 5,307,430	\$ 9,842,462	\$ 11,950,391
Stormwater, Parks and Roads MSTU	\$ 2,144,377	\$ 10,450,840	\$ 11,667,579
Emergency 911	\$ 923,208	\$ 2,945,008	\$ 3,031,605
Resort/Development Tax	\$ 1,860,363	\$ 4,099,763	\$ 4,007,832
Lake County Affordable Housing	\$ 996,414	\$ 8,773,858	\$ 5,191,359
Section 8 (County)	\$ 2,702,727	\$ 2,720,248	\$ 2,892,032
Hurricane Housing Recovery Program	\$ 3,690	\$ 500,000	\$ 547,232
Greater Hills MSBU	\$ 188,897	\$ 281,810	\$ 286,478
Law Enforcement Trust	\$ 58,912	\$ 77,656	\$ 10,980
Greater Groves MSBU	\$ 144,147	\$ 211,558	\$ 223,348
Infrastructure Sales Tax Revenue	\$ 11,160,206	\$ 11,025,393	\$ 11,445,000
Village Green Street Lighting	\$ 8,432	\$ 11,307	\$ 13,322
Greater Pines Municipal Services	\$ 131,905	\$ 331,426	\$ 260,311
Picciola Island Street Lighting	\$ 2,403	\$ 4,293	\$ 4,223
Valencia Terrace Street Lighting	\$ 4,664	\$ 9,122	\$ 9,288
Lake County Pollution Recovery	\$ 7,206	\$ 168,314	\$ 75,519
Lake County Code Enforcement Liens	\$ 35,991	\$ 152,688	\$ 211,563
Building Services	\$ 6,159,446	\$ 10,037,009	\$ 8,606,886
County Fire Rescue	\$ 12,283,846	\$ 21,195,130	\$ 23,119,409
Fire Services Impact Fee	\$ 465,810	\$ 3,467,485	\$ 4,081,705
Employees Benefit	\$ 647	\$ 6,989	\$ 2,250
Animal Shelter Sterilization Trust	\$ -	\$ 163,780	\$ 136,080
County Library System	\$ 4,458,709	\$ 5,395,319	\$ 5,451,246
Pari-Mutuel Revenues Replacement Bonds	\$ 2,115,524	\$ 2,469,002	\$ 2,523,946

Budget Summary By Fund



All Funds			
	2005 Actual	2006 Amended	2007 Proposed
Renewal Sales Tax LOC Debt Service	\$ 2,808	\$ 49,869	\$ 51,569
Public Lands Program Debt Service	\$ -	\$ -	\$ 3,634,539
Expansion Projects Debt Service	\$ -	\$ -	\$ 4,014,625
Sales Tax Capital Projects	\$ 888,579	\$ 10,018,784	\$ 986,954
Parks Capital Projects	\$ 11,940	\$ 1,333,654	\$ 6,578,555
Renewal Sales Tax Capital Projects	\$ 5,008,604	\$ 21,609,006	\$ 17,766,006
Landfill Enterprise	\$ 28,511,725	\$ 33,856,803	\$ 30,172,000
Solid Waste Capital Projects (FY 2007 combined with Fund 420)	\$ 304,906	\$ 1,345,128	\$ -
Solid Waste Closure and Care	\$ 513,504	\$ 3,722,632	\$ 4,893,576
Solid Waste Long-Term Capital Projects	\$ 3,328	\$ 5,876,524	\$ 7,249,903
Insurance - Property and Casualty	\$ 2,078,894	\$ 5,810,074	\$ 6,381,756
Insurance - Employee Group Benefits	\$ 7,196,609	\$ 8,971,800	\$ 10,549,639
Fleet Maintenance	\$ 2,369,230	\$ 3,812,654	\$ 4,416,237
TOTAL BUDGET	\$ 248,698,116	\$ 435,249,702	\$ 454,474,430

Beginning Fund Balances



All Funds		
	2006 Amended	2007 Proposed
General Fund	\$ 39,604,662	\$ 40,205,643
Library Impact Fee Trust	\$ 1,600,109	\$ 2,492,829
Park Impact Fee Trust	\$ 1,234,599	\$ 960,249
County Transportation Trust	\$ 7,988,639	\$ 6,009,158
Christopher C. Ford Commerce Park	\$ 2,192,209	\$ 5,418,797
Road Impact Fees	\$ 40,485,034	\$ 27,418,750
Mosquito Management (FY 2007 included in General Fund)	\$ 179,097	\$ -
Law Library	\$ 64,514	\$ 59,489
Aquatic Plant Management (FY 2007 included in General Fund)	\$ 88,732	\$ -
Fish Conservation	\$ 112,107	\$ 44,421
Community Development	\$ 4,392	\$ -
Transportation Disadvantaged	\$ 233,035	\$ 135,967
Lake County Ambulance	\$ 2,646,076	\$ 2,281,085
Stormwater, Parks and Roads MSTU	\$ 6,568,828	\$ 5,486,985
Emergency 911	\$ 1,813,226	\$ 1,770,005
Resort/Development Tax	\$ 2,193,208	\$ 1,007,085
Lake County Affordable Housing	\$ 5,764,370	\$ 2,667,838
Section 8 (County)	\$ 37,142	\$ 213,633
Hurricane Housing Recovery Program	\$ -	\$ 20,000
Greater Hills MSBU	\$ 90,498	\$ 95,166
Law Enforcement Trust	\$ 46,899	\$ 9,000
Greater Groves MSBU	\$ 61,107	\$ 62,572
Infrastructure Sales Tax Revenue	\$ 1,520,643	\$ 515,250
Village Green Street Lighting	\$ 3,797	\$ 926
Greater Pines Municipal Services	\$ 157,530	\$ 77,134
Picciola Island Street Lighting	\$ 1,692	\$ 1,471
Valencia Terrace Street Lighting	\$ 3,717	\$ 3,837
Lake County Pollution Recovery	\$ 157,864	\$ 65,069
Lake County Code Enforcement Liens	\$ 126,563	\$ 184,963
Building Services	\$ 3,526,077	\$ 2,113,942
County Fire Rescue	\$ 7,789,317	\$ 6,051,319
Fire Rescue Impact Fee Trust	\$ 2,261,893	\$ 2,985,329
Employees Benefit	\$ 6,859	\$ 1,510
Animal Control Sterilization Trust	\$ 147,280	\$ 114,080
County Library System	\$ 576,930	\$ 324,620
Pari-Mutuel Revenues Replacement Bonds	\$ 2,143,468	\$ 2,225,962

Beginning Fund Balances



All Funds		
	2006 Amended	2007 Proposed
Renewal Sales Tax LOC Debt Service	\$ 49,869	\$ 51,569
Sales Tax Capital Projects	\$ 10,018,784	\$ 986,954
Parks Capital Projects	\$ 228,904	\$ 36,442
Renewal Sales Tax Capital Projects	\$ 10,934,825	\$ 10,683,756
Landfill Enterprise	\$ 9,964,346	\$ 5,520,000
Solid Waste Capital Projects (FY 2007 combined with Fund 420)	\$ 48,882	\$ -
Solid Waste Closure and Care	\$ 3,115,075	\$ 3,196,972
Solid Waste Long-Term Capital Projects	\$ 1,526,092	\$ 5,289,903
Insurance - Property and Casualty	\$ 3,760,613	\$ 3,514,455
Insurance - Employee Group Benefits	\$ 1,188,464	\$ 846,839
Fleet Maintenance	\$ 389,966	\$ 352,318
TOTAL BEGINNING FUND BALANCES	\$ 172,657,933	\$ 141,503,292

Reserves and Contingencies

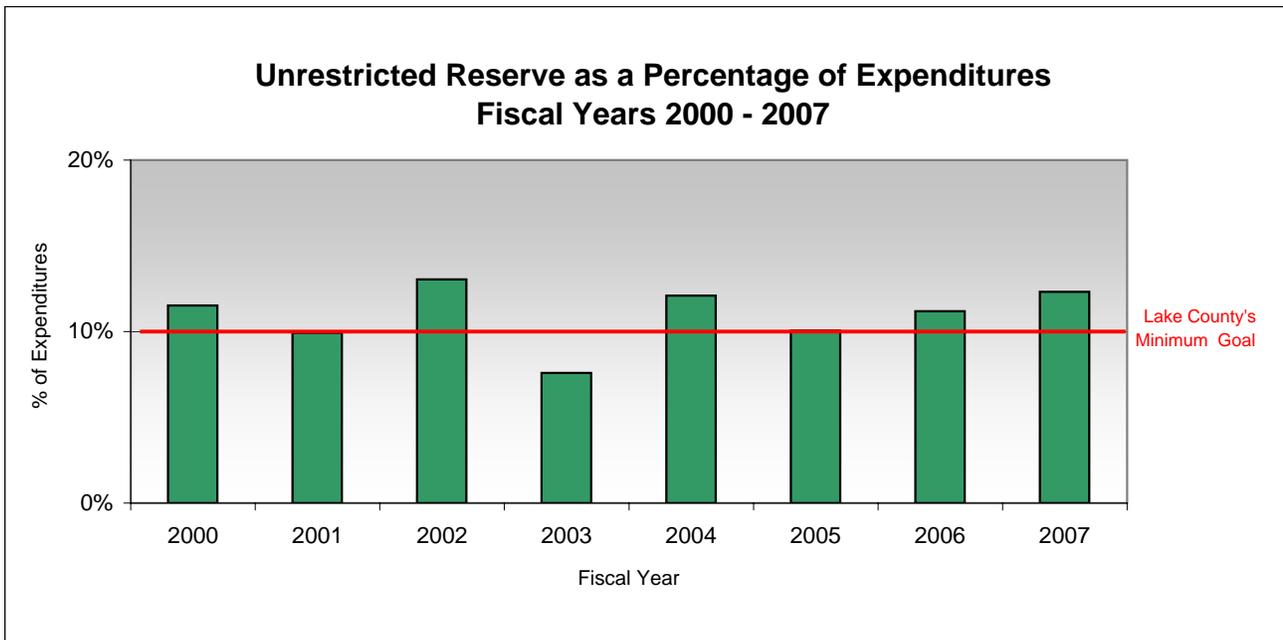


All Funds	2006 Amended	2007 Proposed
General Fund	\$ 28,614,747	\$ 26,338,515
Library Impact Fee Trust	\$ 1,322,793	\$ 2,823,034
County Transportation Trust	\$ 2,035,758	\$ 897,516
Christopher C. Ford Commerce Park	\$ 2,980,709	\$ 622,897
Mosquito Management (FY 2007 combined with General Fund)	\$ 55,517	\$ -
Law Library	\$ 7,738	\$ 10,377
Aquatic Plant Management (FY 2007 combined with General Fund)	\$ 9,514	\$ -
Fish Conservation	\$ 34,432	\$ -
Community Development Block Grant	\$ 20,937	\$ 20,000
Transportation Disadvantaged	\$ 71,821	\$ 200,000
Lake County Ambulance	\$ 2,273,454	\$ 2,128,539
Stormwater, Parks and Roads MSTU	\$ 5,125,493	\$ 4,917,138
Emergency 911	\$ 1,692,763	\$ 1,802,110
Resort/Development Tax	\$ 620,792	\$ 245,723
Section 8 (County)	\$ 30,206	\$ 187,611
Hurricane Housing Recovery Program	\$ 8,783	\$ 28,388
Greater Hills MSBU	\$ 90,498	\$ 95,166
Greater Groves MSBU	\$ 61,183	\$ 62,647
Village Green Street Lighting	\$ 1,306	\$ 867
Greater Pines Municipal Services	\$ 72,532	\$ 77,134
Picciola Island Street Lighting	\$ 1,492	\$ 916
Valencia Terrace Street Lighting	\$ 3,573	\$ 3,337
Lake County Pollution Recovery	\$ 63,519	\$ 74,969
Building Services	\$ 2,349,394	\$ 1,235,517
County Fire Rescue	\$ 1,089,742	\$ 2,491,452
Fire Rescue Impact Fee Trust	\$ 91,169	\$ 1,705
Animal Control Sterilization Trust	\$ 90,780	\$ 62,580
County Library System	\$ 28,387	\$ 68,505
Sales Tax Capital Projects	\$ 164,298	\$ -
Parks Capital Projects	\$ 49,155	\$ 42,801
Renewal Sales Tax Capital Projects	\$ 893,868	\$ 77,766
Landfill Enterprise	\$ 4,668,512	\$ 1,971,709
Solid Waste Capital Projects	\$ 49,876	\$ -
Solid Waste Closure and Care	\$ 3,196,224	\$ 3,188,544
Solid Waste Long-Term Capital Projects	\$ 5,280,335	\$ 246,903
Insurance - Property and Casualty	\$ 3,033,545	\$ 3,584,197
Insurance - Employee Group Benefits	\$ 1,137,387	\$ 1,500,783
Fleet Maintenance	\$ 245,315	\$ 235,430
TOTAL RESERVES AND CONTINGENCIES	\$ 67,567,547	\$ 55,244,776

Reserves Detail

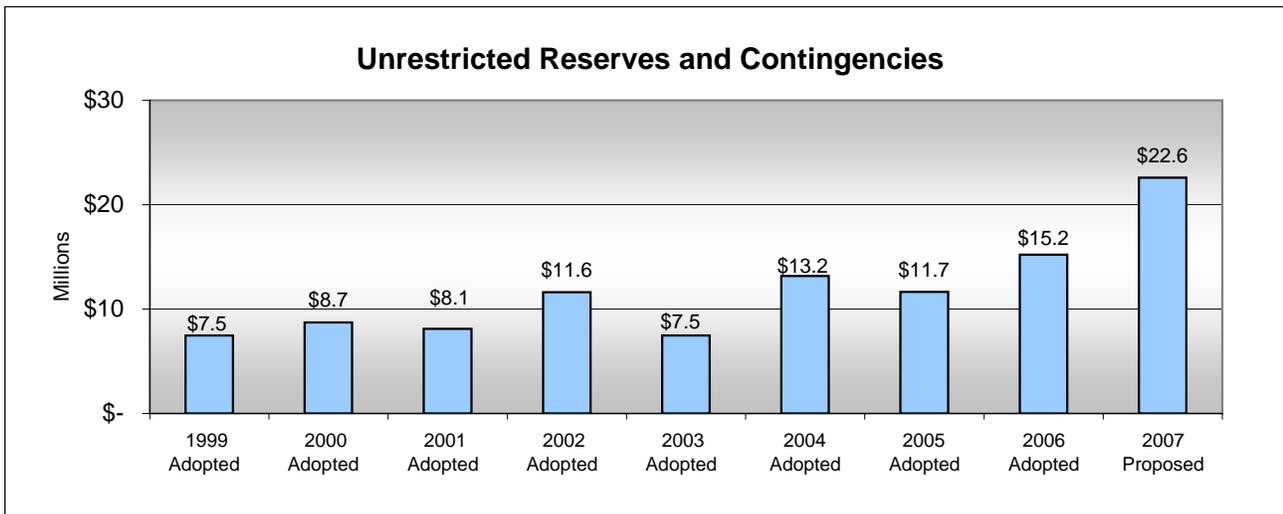


General Fund		
	2006 Amended	2007 Proposed
<i>Cash and Contingency Reserves</i>		
Reserve for Pay Plan Implementation	\$ 100,000	\$ 1,800,000
Reserve - Capital Purchases	\$ 887,000	\$ 1,200,000
Reserve - Reprographics	\$ 177,921	\$ 227,544
Contingency - Sheriff/Development	\$ 104,674	\$ 104,674
Reserve - Fair Market Value	\$ 200,000	\$ 200,000
Contingency - Sheriff	\$ 200,000	\$ 200,000
Designated Reserves	\$ 1,669,595	\$ 3,732,218
Reserve for Contingency	\$ 11,731,179	\$ 2,764,847
Economic Stabilization Reserve	\$ 15,210,327	\$ 18,341,450
Reserve for Operations	\$ 3,646	\$ 1,500,000
Undesignated Reserves	\$ 26,945,152	\$ 22,606,297
Total Reserves and Contingencies	\$ 28,614,747	\$ 26,338,515



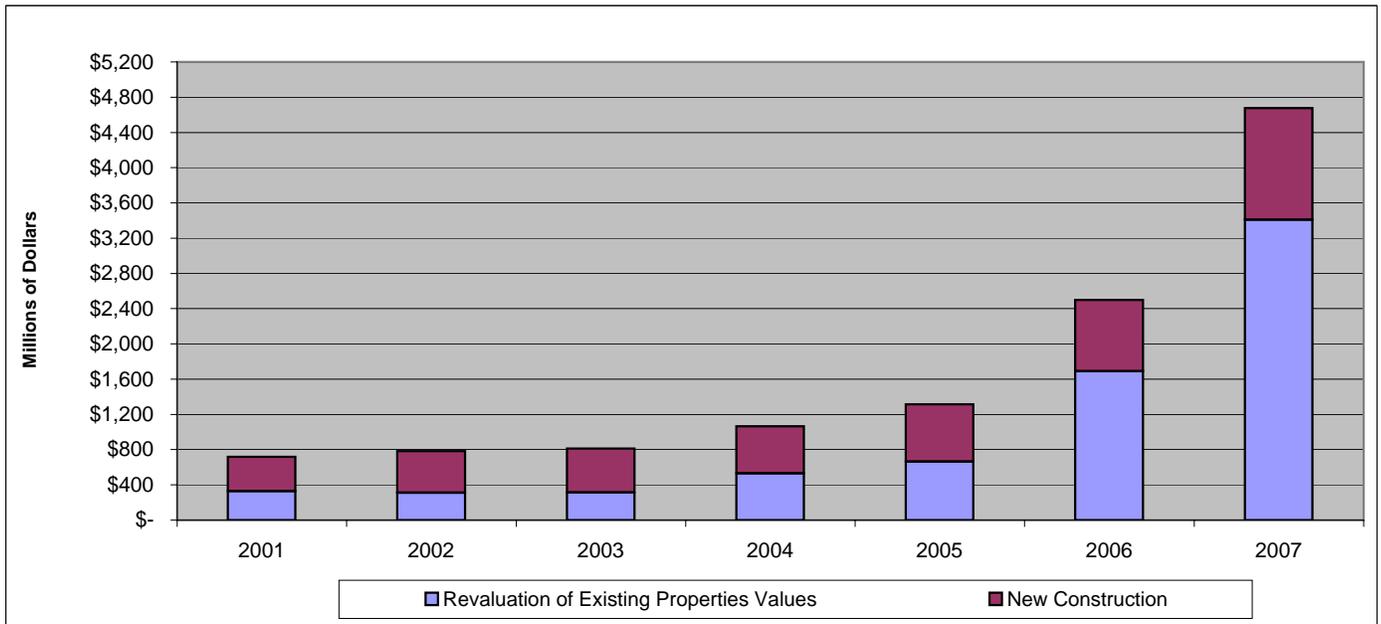
Unrestricted Reserves as a Percentage of Expenditures								
Fiscal Year	2000	2001	2002	2003	2004	2005	2006	2007
Unrestricted Reserves	11.5%	9.9%	13.0%	7.6%	12.1%	10.05%	11.19%	12.33%

Note: Budget Recommended Practices indicate that the unrestricted reserve should be 2 months of expenditures (10% - 17%). Board Policy LCC-51 recommends at least 10% in the Economic Stabilization Reserve. That percentage has been met in the FY 2007 Budget.





Increase in Gross Taxable Value Over Prior Year



	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
New Construction	\$ 387,180,497	\$ 473,821,526	\$ 500,201,820	\$ 535,689,696	\$ 648,864,776	\$ 809,784,473	\$ 1,268,616,667
Revaluation of Existing Properties Values	330,381,473	310,401,441	312,551,038	530,602,523	667,230,827	1,688,279,164	3,409,204,435
Total Increase in Gross Taxable Value	\$ 717,561,970	\$ 784,222,967	\$ 812,752,858	\$ 1,066,292,219	\$ 1,316,095,603	\$ 2,498,063,637	\$ 4,677,821,102

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
% Increase Due to New Construction	5.58%	6.17%	5.90%	5.76%	6.25%	6.92%	8.93%
% Increase Due to Revaluation	4.76%	4.04%	3.69%	5.70%	6.42%	14.43%	24.01%
Total % Increase	10.33%	10.21%	9.58%	11.46%	12.67%	21.35%	32.94%

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Millage Rate	5.117	5.117	5.917	5.917	5.817	5.797	5.747
Ad Valorem Taxes	\$ 37,587,262	\$ 41,178,785	\$ 52,239,608	\$ 58,296,739	\$ 64,673,998	\$ 77,925,882	\$ 103,073,567
Net New Dollars	\$ 5,887,315	\$ 3,591,523	\$ 11,060,823	\$ 6,057,131	\$ 6,716,584	\$ 13,251,883	\$ 25,147,684

For FY 2007, 1 mill is expected to net \$17,935,195

Personnel Summary

**SUMMARY OF AUTHORIZED FULL-TIME POSITIONS
TEN FISCAL YEARS***

FY	BCC	Supervisor of Elections	Clerk	Tax Collector	Property Appraiser	Law Enforcement	Corrections	Judicial Bailiffs	Total
1998	460	6	140	51	29	264	238	16	1,204
1999	515	6	143	57	29	277	242	16	1,285
2000	591	6	150	57	29	298	242	16	1,389
2001	643	6	165	58	30	313	243	16	1,474
2002	662	7	192	59	30	325	247	16	1,538
2003	684	8	204	59	33	333	247	17	1,585
2004	698	9	204	59	33	346	267	17	1,633
2005	735	9	202	62	35	355	254	18	1,670
2006	797	9	218	64	38	384	306	21	1,837
2007	864	10	229	67	39	401	307	21	1,938

*Does not include Medical Examiner's Office or MPO

The decrease in the Clerk's Office from FY 2004 to FY 2005 is due to the Article V legislation.

**HISTORY OF AUTHORIZED FULL-TIME POSITIONS
CONSTITUTIONAL OFFICES AND BOARD OF COUNTY COMMISSIONERS**

<u>CONSTITUTIONAL OFFICES</u>	<u>ADJUSTED FY 2002</u>	<u>ADJUSTED FY 2003</u>	<u>ADJUSTED FY 2004</u>	<u>ADJUSTED FY 2005</u>	<u>ADJUSTED FY 2006</u>	<u>BASELINE FY 2007</u>
Supervisor of Elections	7	8	9	9	9	10
Clerk of Courts	192	204	204	202	218	229
Tax Collector	59	59	59	62	64	67
Property Appraiser	30	33	33	35	38	39
Sheriff	588	597	630	627	711	729
Subtotal	876	901	935	935	1,040	1,074
<u>BCC DEPARTMENTS</u>	662	684	698	735	797	864
Total	1,538	1,585	1,633	1,670	1,837	1,938
Net Difference	64	47	48	37	167	101