

Purpose



The purpose of this workshop is to give an overview of the FY 2014 budget process and discuss the outstanding issues and challenges.

Presentation Outline



- **FY 2013 Adopted Budget**
- **Workshop Recap**
- **FY 2014 Preliminary Assessment**
- **Property Value Update**
- **Constitutional Offices**
- **Issues and Challenges**
- **Impacts to Departmental Budgets**
- **General Fund Analysis/Summary**
- **Other Funds**
- **Summary/Conclusion**
- **Next Steps**

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FY 2013 Adopted Budget



- **FY 2013 Adopted Budget - \$381.7 million**
- **General Fund Operating Budget - \$120.0 million**
- **Countywide property values decreased by 6.2%**
- **Lake EMS and Fire Rescue Millages kept at FY 2012 rates**
- **General Fund and Stormwater, Parks, and Roads Millages proposed at rollback rate – BCC voted to keep rates at FY 2012 level**

FY 2013 Adopted Budget



- **Public Lands Voted Debt Millage increased to ensure coverage of debt payments (principal and interest)**
- **Budget was balanced with:**
 - **Reductions in operating budgets of 5% (County Departments and Constitutional Offices)**
 - **Reductions in Reserves**

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Workshop Recap



- **December 4th – Budget Outlook and Sheriff**
- **December 11th - Lake EMS Budget discussion**
- **December 18th – Public Transportation**
- **January 8th – Parks, Libraries, Stormwater, Public Lands, Ag Education**
- **January 22nd – Outside Agencies, Economic Development and Tourism, and Animal Services**
- **February 22nd – Budget wrap up and guidelines**

Presentation Outline

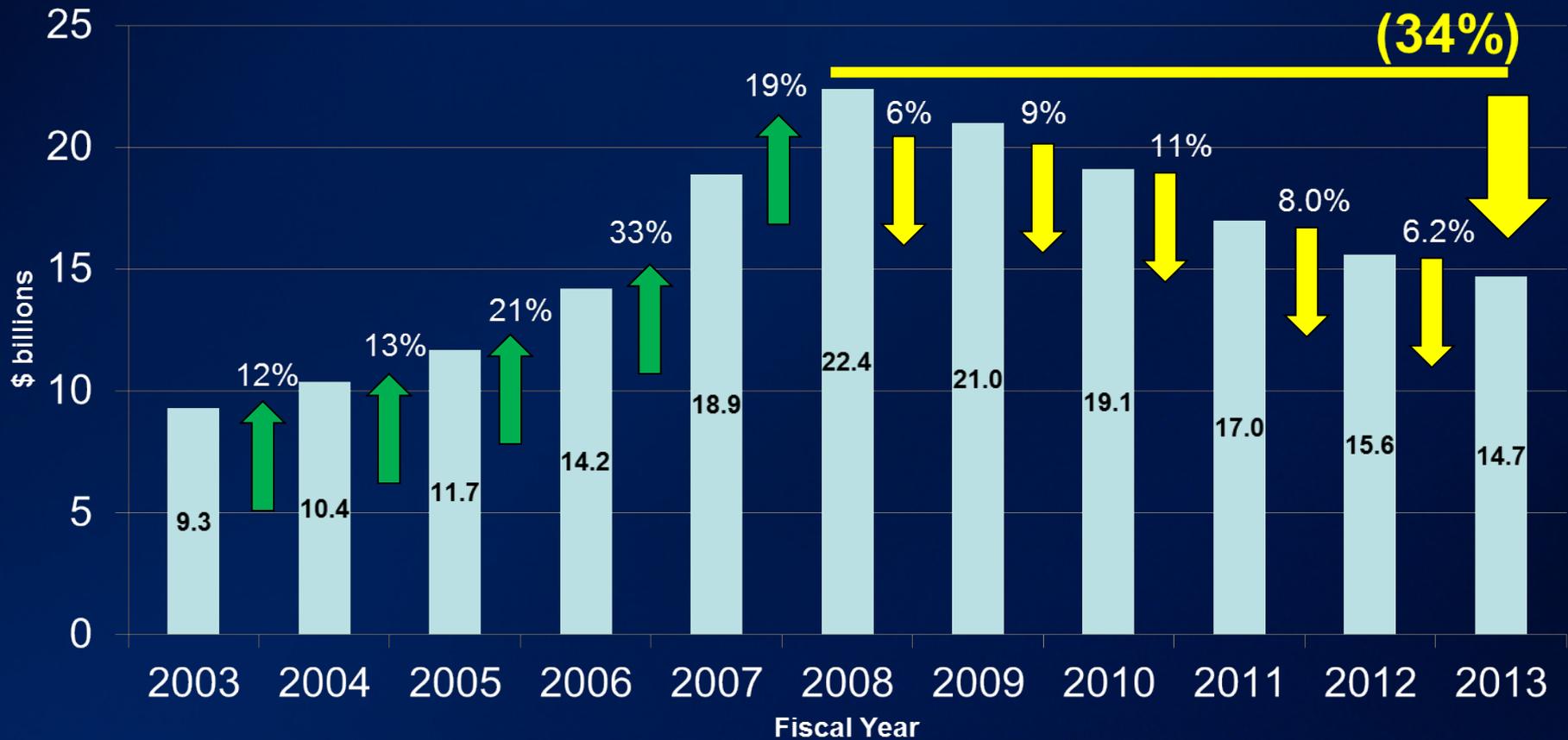


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FY 2014 Preliminary Assessment



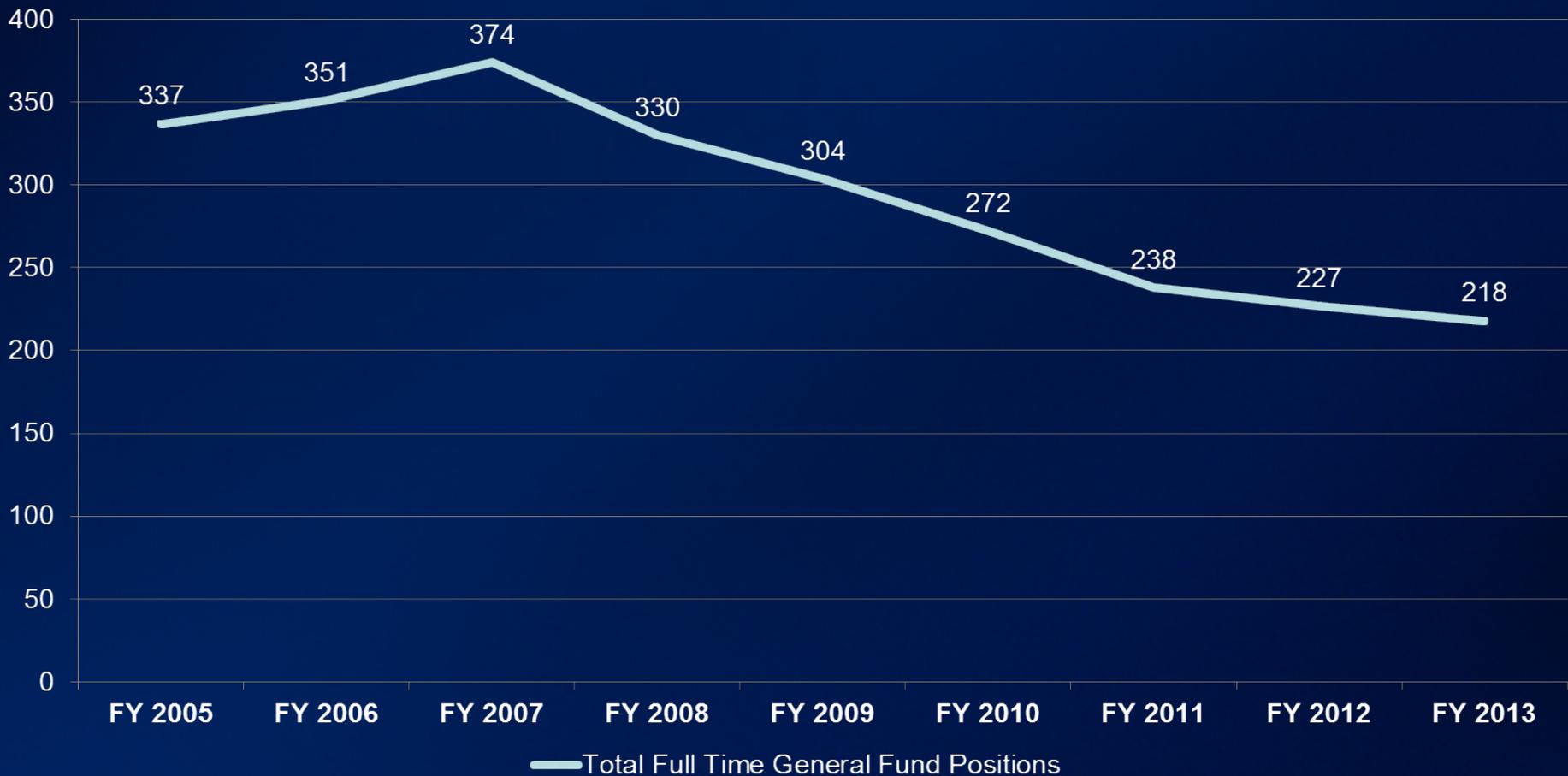
Gross Taxable Value (General Fund)



FY 2014 Preliminary Assessment



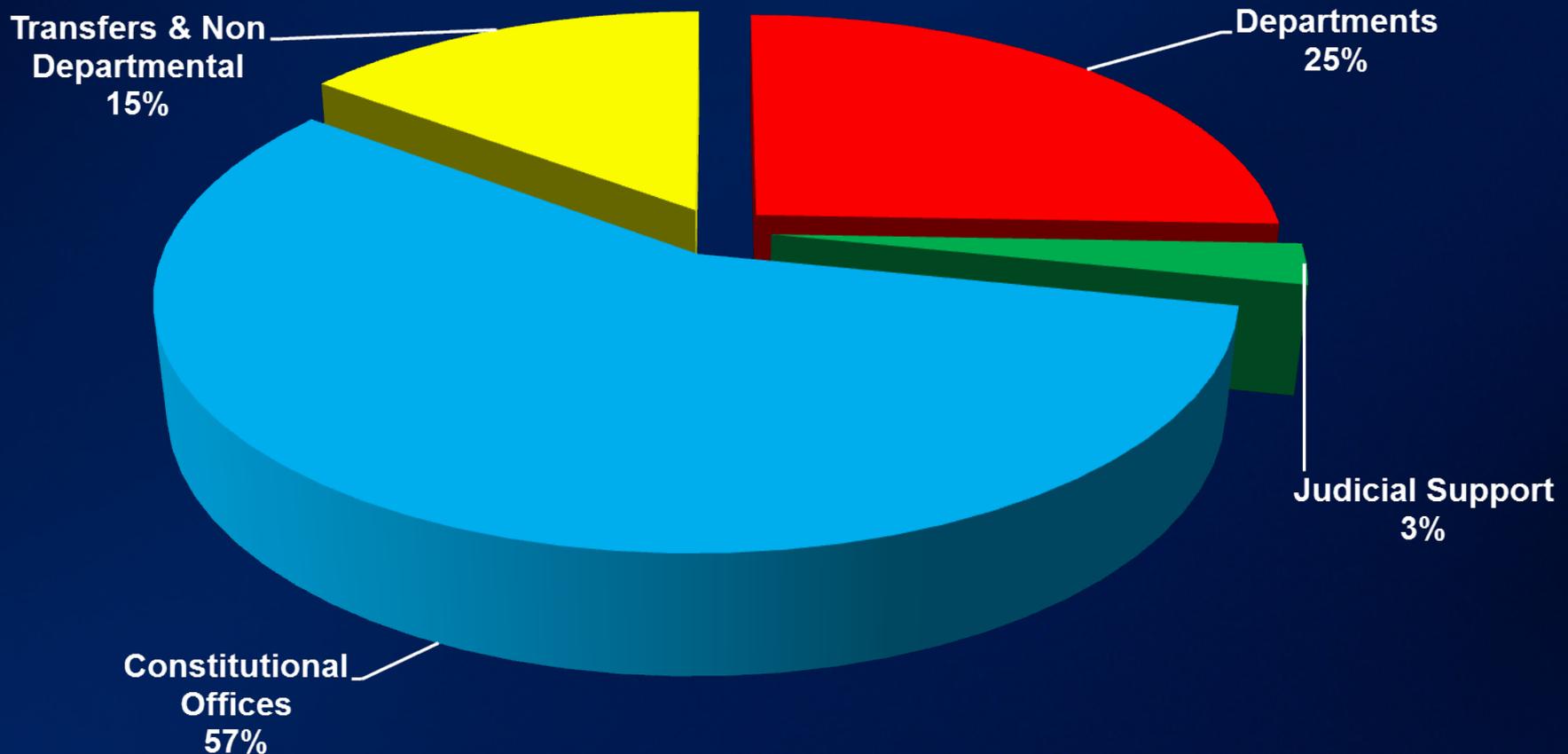
Changes in Number of General Fund Positions



FY 2014 Preliminary Assessment



FY 2013 Adopted General Fund Expense Budget \$120.0 million



FY 2014 Preliminary Assessment



- **Revenues - Conservative projection of revenues**
- **Property Values - Property Values projected to decline 3%**
- **FY 2013 Expenses - \$120.0 million**
- **FY 2014 Expenses - \$111.4 million to maintain a 7.1% reserve level**
- **Expenses - equates to a decrease of \$8.6 million**
- **Solid Waste - Decrease transfer (\$2.6 million)**
- **County Departments - Reductions (\$1.5 million)**
- **Constitutional Offices - Reductions (\$4.0 million)**
- **Judicial Sup. and Other - Reductions (\$0.5 million)**

FY 2014 Preliminary Assessment



- **Property values are projected to decrease by 3%**
- **FY 2013 Reserves at 13.4%**
- **FY 2014 Reserves projected at 6.1%(below Reserve Policy of 7%)**
- **Mandatory and critical items have been taken out of calculation**
- **Equates to a 6% decrease across the Board**

FY 2014 Preliminary Assessment



- **Budget guidelines:**
 - 6% reduction for the Board Departments funded by General Fund
 - All other funds are status quo dependent on revenue projections
- **Recommend a 6% budget reduction to the Constitutional Offices**

FY 2014 Preliminary Assessment



- **FY 2013 Mid Year Strategies**

- Give Lynx notice for South Lake routes
- Reduce solid waste transfer at mid year
- Eliminate remaining expenditures for Law Library
- Evaluate and adjust Animal Service fees including licensing
- Facilities changes

These have already been implemented

Presentation Outline

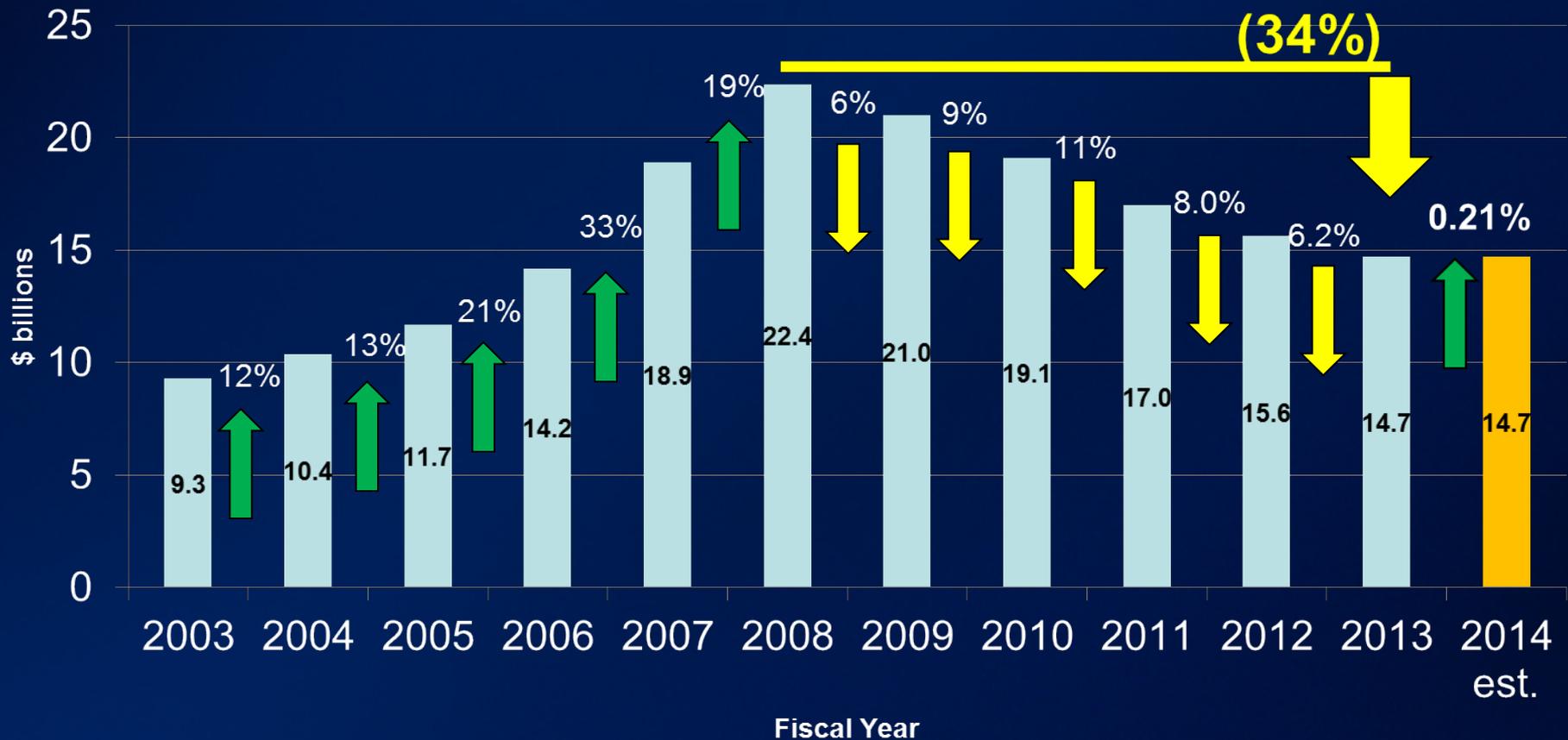


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Property Value Update



Gross Taxable Value (General Fund)



Property Value Update



	% Change in Value	Property Value	Revenue
FY 2013 Budget	6.2% decline	\$14,712,442,940	\$69,603,096
FY 2014 Projection	3% decline	\$14,271,069,652	\$67,515,003
FY 2014	.21% increase	\$14,743,184,741	\$69,748,533

- **Summary**

- Projected - \$2.1 million decrease in revenue ↓
- Actual – \$145,000 increase in revenue ↑

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Constitutional Budgets



	FY 2013 Budget	FY 2014 Submitted	Percent	Notes
Clerk of Courts	\$3,630,091	\$3,622,592	(0.21)%	Excess Fees \$240,000 Net Reduction of 6.1%
Property Appraiser	\$1,938,424	\$2,231,953	15.14%	Includes 3 GIS positions
Sheriff	\$49,655,328	\$48,886,688	(1.55)%	Additional Courthouse Security Included
Supervisor of Elections	\$1,777,120	\$1,827,021	2.81%	
Tax Collector		August 1st		

- **Overall decrease of 0.8% of submitted budgets**

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Issues and Challenges



FRS Impacts

	FY 2013 Budget	FY 2014 Proposed	Increase
Clerk of Courts	\$164,310	\$184,801	\$20,491
Property Appraiser	\$93,316	\$167,444	\$74,128
Sheriff	\$TBD	\$TBD	\$700,000
Supervisor of Elections	\$46,392	\$81,865	\$35,473
BCC General Fund	\$689,212	\$957,396	\$268,184
BCC Other Funds	\$2,130,047	\$2,640,612	\$510,565

- **Summary**
 - **General Fund Impact - \$1,098,276**
 - **Total Impact - \$1,608,841**

Issues and Challenges



- **No employee raises in 5 years**
- **Legislative Action**
 - Unfunded mandates – Medicaid
- **Tavares Fire Assessment**
 - Conducted survey
- **Outstanding FEMA invoice**
 - Working with elected representatives and FEMA

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Impacts to Department Budgets



Proposed Department Reductions at 6%

- **Conservation and Compliance**
 - Code Enforcement – reductions to foreclosure and demolition program \$45,000
- **Economic Development and Tourism**
 - Reductions to Incentives \$175,000
- **Public Works**
 - GF reductions of \$162,000
 - Reorganization in Mosquito operations, reductions in Umatilla Water System, and Astatula fuel remediation

Impacts to Department Budgets



Proposed Department Reductions at 6%

- **Public Resources**

- Reduction to member libraries - \$61,000
- Eliminate Law Library - \$182,017
- Eliminate vacant Library assistant and 2 pages - \$46,670
- Reduction in Public Lands maintenance and restoration – \$44,950
 - Other Considerations
 - Pine Meadows Conservation Area
 - Lake Wekiva Property and Trailhead

Impacts to Department Budgets



Proposed Department Reductions at 6%

- **Community Services**
 - Reduction to Health Department - \$20,510
 - Reduction to Lifestream - \$52,440
 - Reduction to We Care - \$4,275
 - Reduction to Children Services Grants - \$9,046
 - Reduction to Human Services Grants - \$2,850
 - Reduction in Public Transportation Transfer - \$299,110
- **Fiscal and Admin Services**
 - Eliminate vacant budget analyst - \$56,340

Impacts to Department Budgets



Proposed Department Reductions at 6%

- **Public Safety**
 - Allocation of some radio maintenance costs to fire fund - \$185,000
 - Elimination of funding for LASER – \$49,000
 - Other operational considerations - \$15,000
- **Human Resources**
 - Reduction in unemployment costs - \$25,000
- **Non-Departmental**
 - Historical Society - \$20,000
 - Trout Lake - \$3,135

Impacts to Department Budgets



Changes in Number of General Fund Positions



Impacts to Department Budgets



Department Reductions Not Achieved

- **Probation**
 - Increased workload
- **Animal Services**
 - Increased expenses to address audit
 - Some increase in revenues for licensing
- **Information Technology**
 - Technical expertise limits staff reductions
- **Facilities**
 - Full year of operational costs for Courthouse expansion

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General Fund Analysis/Summary



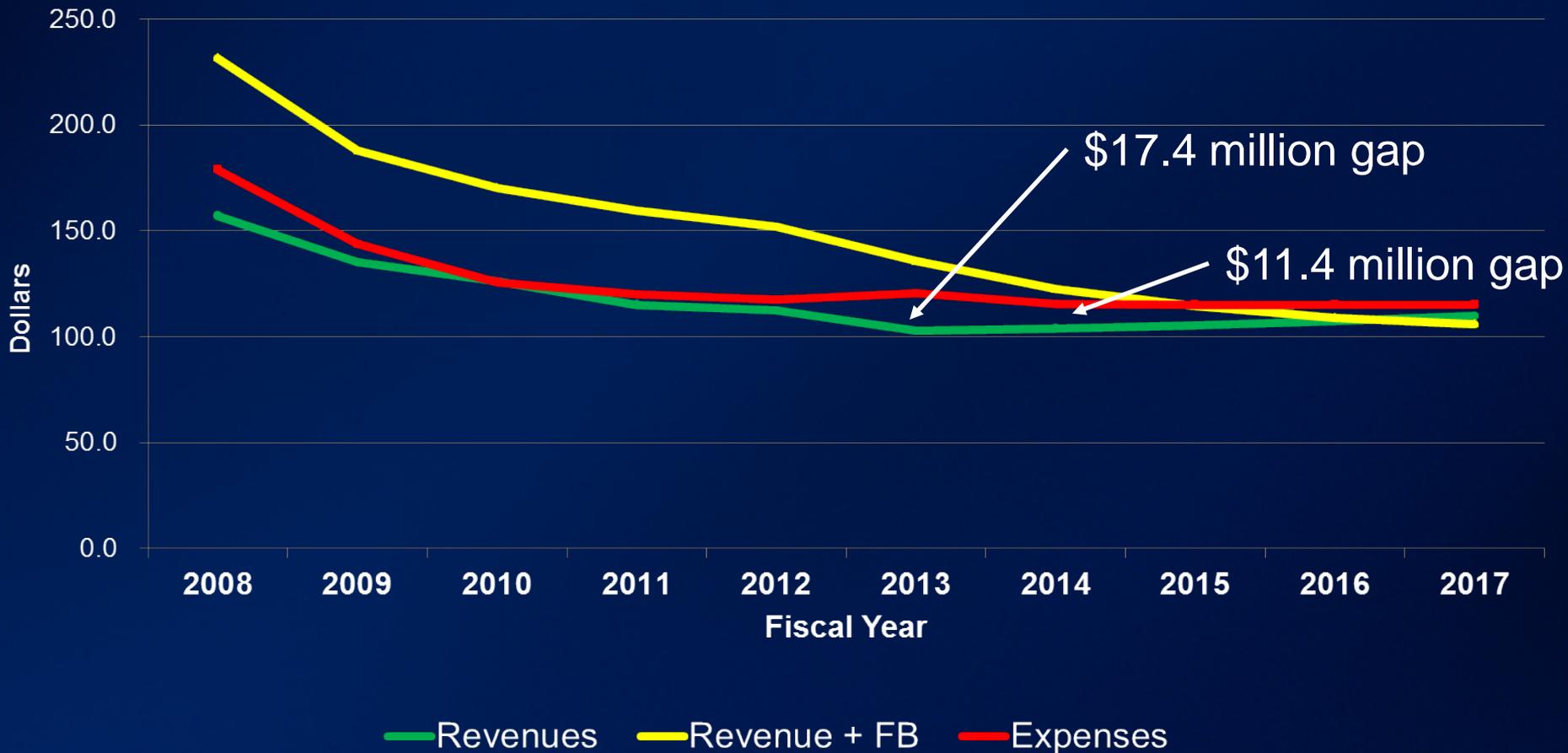
Assumptions

- **Taxable Values**
 - **FY 2013 – 6.2% decrease**
 - **FY 2014 – 0.2% increase**
 - FY 2015 – 1.5% increase
 - FY 2016 – 2.0% increase
 - FY 2017 – 2.5% increase
- **Expenses**
 - **FY 2014 – 6% Decrease** **FY 2015 – Decrease TBD**
- Includes Constitutional Office submittals
- Includes changes to property value assumptions
- Decrease in Solid Waste transfer FY 2014

General Fund Analysis/Summary



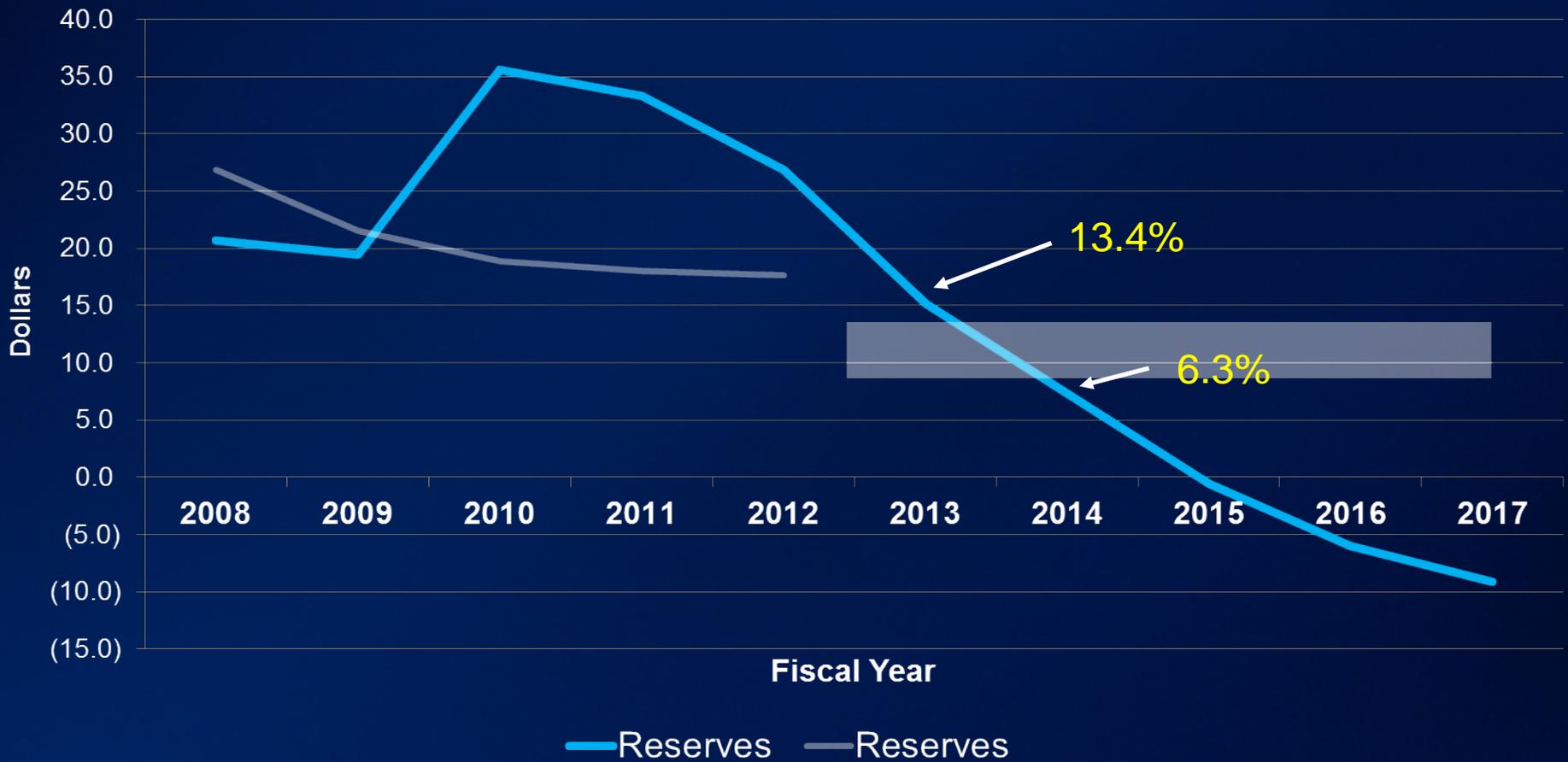
Revenues and Expenses



General Fund Analysis/Summary



Projected Reserves



General Fund Analysis/Summary



- **Property Values - Property Values increased 0.21%**
- **Revenues**
 - Projected - \$2.1 million decrease ↓
 - Actual – \$145,000 increase ↑
- **FY 2013 Revised Expenses - \$120.5 million**
- **FY 2014 Proposed Expenses - \$115.2 million**
- **Expenses - equates to a decrease of \$5.3 million**
- **Solid Waste - Decrease transfer (\$3.0 million)**
- **County Departments - Reductions (\$1.9 million)**
- **Constitutional Offices - Reductions (\$0.4 million)**
- **Judicial Support (\$0.0 million)**

General Fund Analysis/Summary



FY 2014 Summary

- **Constitutional Offices – 0.8% reductions**
- **County Departments – 5.3% reductions**
- **Reserves – 6.3%**
 - Fails to meet 7% minimum reserve per BCC Policy
 - Equates to about \$750,000 shortfall
- **Even with slight revenue increases projected in future years balancing the General Fund will continue to be difficult**

Preliminary FY 2015 Outlook

- **1.5% projected increase in property values**
- **Won't be able to use sales tax**
- **No solid waste transfer to reduce**
- **Constitutional Office mandates and issues**
- **9-10% reductions to departments and constitutional offices will be necessary to meet 7% reserve levels**
- **May not be achievable**

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Other Funds



Ambulance MSTU – Millage Rate .3853

	% Change in Value	Property Value	Revenue
FY 2013 Budget	6.2% decline	\$14,712,442,940	\$5,668,704
FY 2014 Projection	3% decline	\$14,271,069,652	\$5,498,643
FY 2014	.21 % increase	\$14,743,184,741	\$5,680,549

- Projected - \$170,000 decrease in revenue ↓
- Actual - \$12,000 increase in revenue ↑
- Reserves increased to \$765,770
- MSTU to provide \$4.9 million to Lake EMS operations
- Lake EMS will present three scenarios to their Board

Other Funds



Public Lands Voted Debt – Millage Rate .1900

	% Change in Value	Property Value	Revenue
FY 2013 Budget	6.2% decline	\$14,712,442,940	\$2,625,723
FY 2014 Projection	3% decline	\$14,271,069,652	\$2,546,951
FY 2014	.21 % increase	\$14,743,184,741	\$2,609,343

- Projected - \$79,000 decrease in revenue ↓
- Actual - \$16,000 increase in revenue ↑

Other Funds



Fire MSTU – Millage Rate .3222

	% Change in Value	Property Value	Revenue
FY 2013 Budget	6.4% decline	\$8,149,357,281	\$2,625,723
FY 2014 Projection	3% decline	\$7,904,876,563	\$2,546,951
FY 2014	.62% decrease	\$8,098,520,805	\$2,609,343

- Projected - \$79,000 decrease in revenue ↓
- Actual - \$16,000 decrease in revenue ↓
- Fire Assessment Revenues – \$16,325,000
- Reserves – \$3,065,500
- Includes funding for Capital and Automatic Aid

Other Funds



Parks and Stormwater MSTU – Millage Rate .4984

	% Change in Value	Property Value	Revenue
FY 2013 Budget	6.6% decline	\$7,741,169,471	\$3,858,199
FY 2014 Projection	3% decline	\$7,508,934,387	\$3,742,453
FY 2014	.58% decrease	\$7,696,361,042	\$3,835,866

- Projected - \$116,000 decrease in revenue ↓
- Actual - \$22,000 decrease in revenue ↓
- Split – 87% Parks and 13% Stormwater

Parks and Stormwater MSTU – Challenges

Stormwater

- **FY 2014 Reserves reduced to \$1,600 to maintain operations**
- **13% Share of MSTU funding supports:**
 - **Oversight and administration of current projects**
 - **Ongoing maintenance of completed projects**
 - **Flood Plain activities**
 - **Stormwater permitting and inspection activities**
 - **Monitoring and compliance with TMDL and NPDES requirements**
- **5 projects in various stages of development**
 - **Wolfbranch Road, Lake Dora Basin, Lake Yale Basin, Upper PHA Basin, and Royal Trails flood study**
 - **No funding for new projects**

Issues and Challenges



Parks and Stormwater MSTU – Challenges

Parks

- **No Reserves for FY 2013 minimal CBF for FY 2014**
- **Declining Revenues**
- **Current maintenance obligations**
 - East Lake Park, Minneola Athletic Complex, North Lake Park, and Pear Park, etc.
- **Future Obligations**
 - South Lake Trail Phase IIIA and North Shore Overlook
- **Reductions**
 - Repair and Maintenance - \$190,000
 - Staff Reductions - \$60,000 (evaluating outsourcing alternatives)

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Summary/Conclusion



General Fund Summary

- **Reserves at 6.3%**
 - Fails to meet 7% minimum reserve per BCC Policy
 - Equates to about \$750,000 shortfall

General Fund Options

- **To meet 7% Reserve Policy**
 - A. **Increase budget reduction to 9% for County Departments**
 - Workforce reductions
 - Impact to Service Delivery
 - B. **Reduce Infrastructure Sales Tax Reserves by \$750,000 to \$1,000,000 to be used for one time debt service payment for the Courthouse Expansion project**

Summary/Conclusion



Other Funds

- **Public Land and Fire Funds are Balanced**
- **Lake Ambulance MSTU – The Lake EMS Board will make a funding recommendation to the BCC for the Lake EMS FY 2014 Budget**

Summary/Conclusion



- ***Stormwater and Parks MSTU***
 - TMDL and NPDES requirements necessitate continued funding of the Stormwater program
 - Reductions in park repair and maintenance will adversely impact current park operations
 - No funding for maintenance of new projects
 - Stormwater and Parks have reduced expenditures by \$330,000

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Next Steps



- **June 11th – Budget worksession**
- **July 9th – Budget worksession on proposed budget**
- **July 30th – Set tentative millage rates**
- **September 10th – 1st Budget Public Hearing**
- **September 24th – 2nd Budget Public Hearing**



LAKE COUNTY

FLORIDA

Thank you.

Analysis/Summary



Matrix

Constitutional Ad Valorem	Reduction	Status quo Budget	3% increase
3% decline	(6%)	(13%)	(16%)
0% status quo	(4%)	(9%)	(12%)
3% increase	(2%)	(5%)	(8%)