



LAKE COUNTY  
FLORIDA

# Budget Workshop

July 9, 2013

# Purpose



**The purpose of this workshop is to give an overview of the FY 2014 Recommended Budget.**

# Presentation Outline



- **Overview – June 11<sup>th</sup> Workshop**
- **Summary – June 11<sup>th</sup> Workshop**
- **General Fund**
- **Parks and Stormwater MSTU**
- **Other Millages**
- **Millage Comparison**
- **Millage Impact**
- **Next Steps**

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# Overview – June 11<sup>th</sup> Workshop



## Gross Taxable Value (General Fund)



# Overview – June 11<sup>th</sup> Workshop



	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

# Overview – June 11<sup>th</sup> Workshop



## 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	\$4,265,434	\$5,256,861	\$991,427
Supervisor of Elections	\$46,392	\$81,865	\$35,473
Tax Collector (est.)	\$171,078	\$263,260	\$92,182
BCC General Fund	\$689,212	\$957,396	\$268,184
BCC Other Funds	\$2,130,047	\$2,640,612	\$510,565

- **Summary**
  - General Fund Impact - \$1,481,885
  - Total Impact - \$1,992,450

# Overview – June 11<sup>th</sup> Workshop



## Medicaid Expenses



# Overview – June 11<sup>th</sup> Workshop



## Millage rate need to fund additional State mandates

- **\$1,481,885 – General Fund FRS Impacts**
- **\$1,565,615 – Increased Medicaid Impacts**
- **\$3,047,500 – Total Mandated Impacts**
  
- **Increase of 0.2062 mills needed to recoup the cost of State mandates**

# Overview – June 11<sup>th</sup> Workshop



- **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)**

# Overview – June 11<sup>th</sup> Workshop



- **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**

# Overview – June 11<sup>th</sup> Workshop



## General Fund Options

- **To meet 7% Reserve Policy**
  - A. **Proposed further budget reductions to 10% for County Departments**
    - Workforce reductions
    - Impact to Service Delivery
  - B. **Proposed reduction to Infrastructure Sales Tax Reserves by \$750,000 to \$1,000,000 to be used for debt service payment for the Courthouse Expansion project**

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# Summary – June 11<sup>th</sup> Workshop



- **Estimated \$750,000 shortfall to Reserves**
- **Add back reductions to:**
  - **Code Enforcement**
  - **Mosquito Control**
  - **Community Services Grants**
  - **Historical Society**
  - **Laser**
  - **Trout Lake**
- **Staff directed to prepare Recommended Budget using a millage increase to maintain 7% Reserves**

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# General Fund



- **\$144,800 - Impact of items not reduced**
  - Financial Analyst (Facilities) – \$27,733
  - Code Enforcement - \$48,236
  - Mosquito Control - \$30,000
  - Children Services Grants - \$9,046
  - Human Services Grants - \$2,850
  - LASER - \$5,000
  - Trout Lake - \$3,135
- **\$824,436 – Needed for Reserves**

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- **\$969,236 – Total Funding Needed**

# General Fund



## Millage Rate Summary

- **\$969,236 – Total Funding Needed**
- **Equates to 0.0656 mills**

**FY 2013 Adopted Millage                      4.7309**

**Proposed Increase                              0.0656**

**FY 2014 Proposed Millage                    4.7965**

- **1.4% increase over FY 2013**
- **(.7% increase over the rollback rate)**

# General Fund



## Property Value Update

- **May 31<sup>st</sup> – Initial Estimate of Property Values**
  - **.21% increase**
- **July 1<sup>st</sup> – Preliminary Property Values**
  - **.42% increase**
- **Results in a slight increase in Revenues**
  - **\$150,000**
  - **Added to Reserves**

# General Fund



## Recommended General Fund Budget

- **Total Operating Budget - \$116.7 million**
  - Includes adjustment for estimated Purchase Order Carryforwards
- **Total Reserves - \$8.4 Million**
- **Reserves are at 7.2%**
- **This meets the BCC policy of 7% to 12%**

# General Fund



## Other Items not budgeted

- **The Sheriff's Drug Abuse Resistance Education (DARE) Program**  
– \$513,703
- **No employee raises**
- **Does not address FY 2015 budget challenges**

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# Parks and Stormwater MSTU



## Overview June 11<sup>th</sup> Workshop – 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)

# Parks and Stormwater MSTU



## Overview June 11<sup>th</sup> Workshop – 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**

# Parks and Stormwater MSTU



## Summary – June 11<sup>th</sup> Workshop

- May 31<sup>st</sup> – Initial Estimate of Property Values
  - **.58% decrease**
- July 1<sup>st</sup> – Preliminary Property Values
  - **.32% decrease**
- 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

# Parks and Stormwater MSTU



## FY 2014 Recommended Budget

- **Staff directed to increase millage to generate additional \$400,000 in funding**
  - **87% Parks, 13% Stormwater**
  - **Keeps funding for operations and maintenance at FY 2013 levels**
  - **Allows some reserves to fund new projects as they are completed**
  - **Maintains funding for Stormwater projects**

# Parks and Stormwater MSTU



## FY 2014 Recommended Budget

- **Millage Rate increase of 0.0520**
  - $0.4984 + 0.0520 = .5504$
  - **10.4% increase over FY 2013**
  - **(9.1% increase over the rollback rate)**

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# Other Millages



## Public Lands Voted Debt – Millage Rate .1900

- .42% increase in property values
- Funding is sufficient for principal and interest payments

## Fire MSTU – Millage Rate .3222

- .36% decrease in property values
- Slight reduction in revenues
- Fire Fund Reserves - \$3,000,000
- Includes funding for some capital and automatic aid

# Other Millages



## Ambulance MSTU – Millage Rate .3853

- Worked with Lake EMS to fund the Budget Option B
- MSTU to provide \$5.3 million to Lake EMS operations
- Maintains a reserves of \$365,000 in Lake Ambulance MSTU
- There is a \$200,000 gap in funding
- Two options to fund \$200,000:
  - Increase millage rate
  - **Infrastructure Sales Tax for capital needs**
- Further Discussion on the Lake EMS budget at 1:00 pm during the Lake EMS Board Meeting

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# Millage Comparison



	<b>FY 2013</b>	<b>Rollback Rate FY 2014</b>	<b>Prop. FY 2014</b>	<b>Change over FY 2013</b>
General	4.7309	4.7645	4.7965	0.0656
Lake County Ambulance	0.3853	0.3880	0.3853	0.0000
Parks and Stormwater	0.4984	0.5044	0.5504	0.0520
Fire EMS	0.3222	0.3261	0.3222	0.0000
Total All Funds	5.9368	5.9830	6.0544	0.1176
Public Lands Program	0.1900	N/A	0.1900	0.0000

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# Millage Impact



	<b>Net Millage Rate Increase</b>	<b>Ag Property 113 Acres Taxable Value \$36,195</b>	<b>Residential Taxable Value \$99,086</b>	<b>Office Bldg Taxable Value \$3,118,803</b>	<b>Shopping Center Taxable Value \$6,440,577</b>
General Fund	0.0656	\$2.37	\$6.50	\$204.59	\$422.50
Parks and Stormwater	0.0520	\$1.88	\$5.16	\$162.18	\$334.91
Total Impact	0.1176	\$4.26	\$11.66	\$366.77	\$757.41

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# Next Steps



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



LAKE COUNTY  

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FLORIDA

Thank you.

# Preliminary FY 2015 Outlook



## Preliminary FY 2015 Outlook

- **1.5% projected increase in property values**
- **Use of Sales Tax will be limited without displacement of projects**
- **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**