



**LAKE COUNTY**  
**FLORIDA**

# **Workshop Wrap Up and Budget Guidelines**

**February 22, 2013**

# Purpose



**The purpose of the presentation is to give a recap of the previous budget workshops, to discuss budget guidelines for the Board Departments and recommendations for the Constitutional Offices.**

# Presentation Outline



- **Current Assumptions and Model**
- **Workshop Recap**
- **Other Departments**
- **Summary of General Fund Reductions**
- **Issues and Challenges**
- **Budget Strategies**
- **Analysis/Summary**
- **Next Steps**
- **Requested Action**

# Presentation Outline

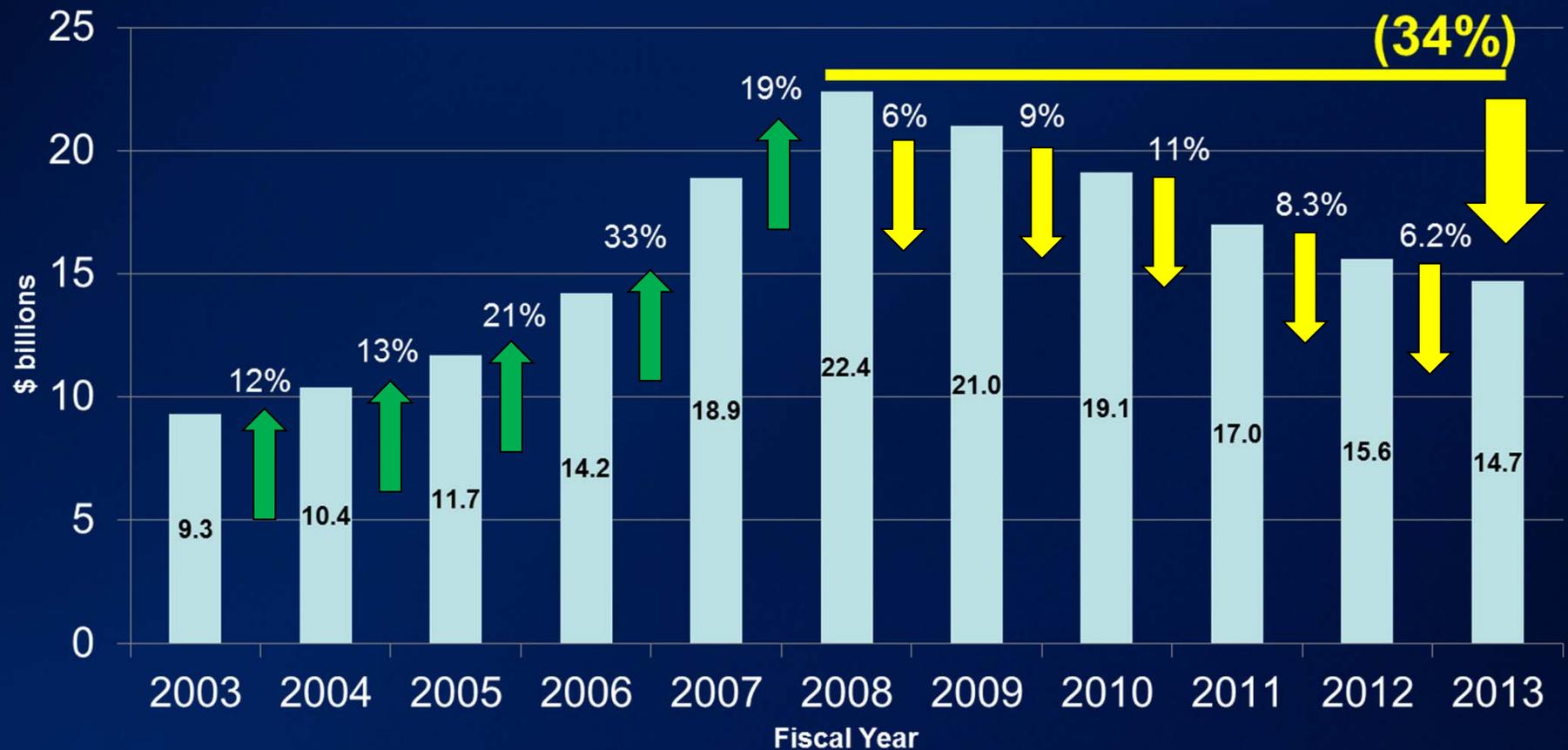


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# Current Assumptions and Model



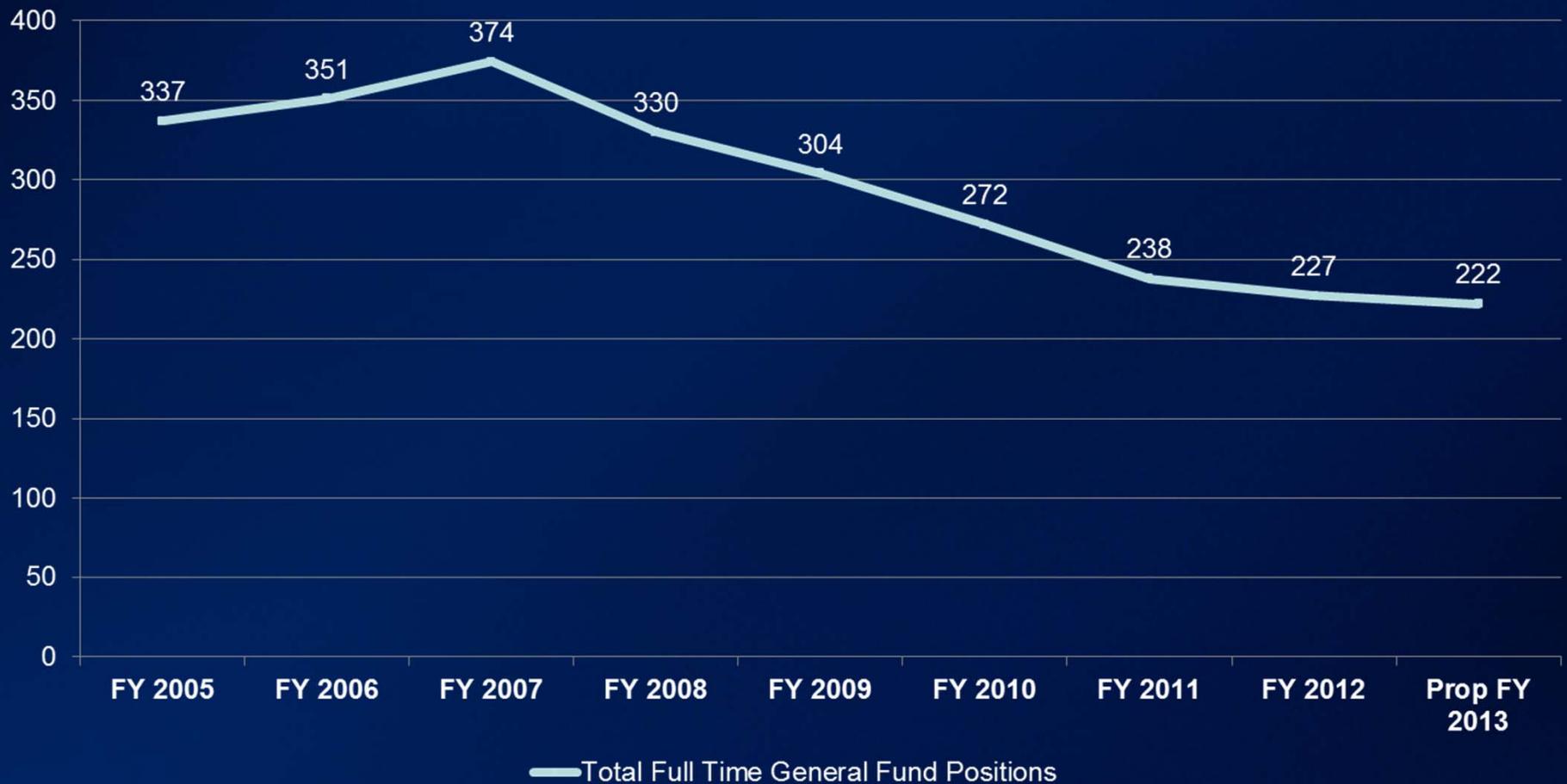
## Gross Taxable Value (General Fund)



# Current Assumptions and Model



## Changes in Number of General Fund Positions



# Current Assumptions and Model



## Assumptions

- **Taxable Values**
  - **FY 2013 – 6.2% decrease**
  - **FY 2014 – 3% decrease**
  - FY 2015 – 0%
  - FY 2016 – 1% increase
  - FY 2017 – 2% increase
- **Expenses**
  - **FY 2013 – 5% Decrease FY 2014 – 5% Decrease**
  - Includes additional excess fees from Clerk
  - Includes 5 year update of Transportation Disadvantaged funding
  - Includes Constitutional Office submittals
  - Decrease in Solid Waste transfer FY 2014

# Current Assumptions and Model



## Scenario 1 – Revenues and Expenses



# Current Assumptions and Model



## Scenario 1 – Projected Reserves



# Current Assumptions and Model



- **With existing assumptions Reserves will fall below the minimum of 7% (6.1%)**
- **5% reduction – equals approximately \$5 million in reductions to departments and Constitutionals**
- **Estimate an additional reduction of \$1.0 million to meet 7% Reserves**

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# Workshop Recap



- **December 4<sup>th</sup> – Budget Outlook and Sheriff**
- **December 11<sup>th</sup> - Lake EMS Budget discussion**
- **December 18<sup>th</sup> – Public Transportation**
- **January 8<sup>th</sup> – Parks, Libraries, Stormwater, Public Lands, Ag Education**
- **January 22<sup>nd</sup> – Outside Agencies, Economic Development and Tourism, and Animal Services**
- **February 12<sup>th</sup> – Budget wrap up and guidelines**

# Workshop Recap



December 4, 2012

- **Budget Outlook**
  - FY 2014 Reserves
  - FY 2014 Assumptions
  - Issues and challenges
- **Sheriff**
  - Overview of Law Enforcement Operations
  - Overview of Jail Operations
  - Funding needed for additional security for Courthouse Expansion

# Workshop Recap



December 18, 2012

- **Public Transportation**
  - **5% to 10% Reduction - \$70,314 to \$140,628**
  - **Elimination of Lynx Routes discussed**
    - **Link 204 – Clermont Park and Ride to Downtown Orlando (\$169,000)**
    - **Link 55 – US 27/US 192 to Attractions Areas (\$70,159)**
- **Overview of Fixed Route funding**
- **Overview of Paratransit funding**

# Workshop Recap



January 8, 2013

- **Libraries**
  - 5% to 10% Reduction - \$200,055 to \$400,110
  - Elimination of Law Library
  - Reduced funding to member libraries
  - Reduce hours/combine or close branches
- **Public Lands and Agricultural Education**
  - 5% to 10% Reduction - \$59,976 to \$119,849
  - Soil and Water and Discovery Gardens
  - Basic Maintenance and Repairs
  - Closing of Public Lands parks

# Workshop Recap



January 8, 2013

## **Parks, Stormwater, & Roads MSTU**

- **Budget changes will be determined by changes in revenues**
- **Revenue change projection - 0% to a 3% reduction**
- **Parks**
  - **Reductions - \$0 to \$100,481**
  - **Maintenance reductions**
- **Stormwater**
  - **Reductions - \$0 to \$14,829**
  - **Deferred Stormwater projects**

# Workshop Recap



January 22, 2013

- **Economic Development**

- **5% to 10% General Fund reduction \$71,906 to \$143,811**
- **Reduced funding for business incentives**
- **Reductions to sponsorships**
- **Reductions to marketing, and resources for attraction and retention activities**

# Workshop Recap



January 22, 2013

- **Animal Services**

- **5% to 10% Reduction \$66,370 to \$132,741**
- **Reductions to field and shelter hours**
- **Impacts on euthanasia**
- **Utilize vendor for rabies vaccine reporting**
- **Evaluate Animal Services fee schedule and recommend fee increases**

# Workshop Recap



January 22, 2013

- **Outside Agencies**

- **Mandated Critical Expenditures**

- \$14,584,782 – can't be reduced

- **Discretionary Expenditures**

- Health Department/Lifestream

- 5% to 10% Reduction - \$60,790 to \$121,581

- **Discretionary Expenditures**

- 5% to 10% Reduction – \$23,941 to \$47,881

- Includes Trout Lake, LASER, Historical Society, Community Services grants, and We Care

# Workshop Recap



February 12, 2013

- **Facilities**

- 5% to 10% reduction - \$214,801 to \$429,601

- **FY 2013 Considerations**

- Deferred maintenance projects

- Operational changes (adjust temperatures and garage hours)

- **FY 2014 Considerations**

- Eliminate capital budget

- Reduced custodial service

- Eliminate/reduce building pressure washing

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# Other Departments



**5% to 10 % Reduction - \$746,367 to 1,492,835**

- **Communications**

- Decreased website support
- Decreased graphics support of outreach initiatives such as Wings and Wildflowers

- **Community Services**

- Consolidation of office space and lease costs
- Other items included in outside agencies and Public Transportation

- **Conservation and Compliance**

- Eliminate clean up projects for Code Enforcement
- Increased response times for code complaints

# Other Departments



**5% to 10 % Reduction - \$746,367 to 1,492,835**

- **County Attorney**
  - Reduction in level of support to departments
  - Evaluate representing outside agencies (MPO, Lake EMS, etc)
- **Fiscal and Administrative Services**
  - Increased processing time for procurement activities
  - Decreased analysis and tracking of budget issues
- **Growth Management**
  - Increased time for plans review
  - Increased time to address LDR's and Comp Plan

# Other Departments



**5% to 10 % Reduction - \$746,367 to 1,492,835**

- **Human Resources**

- Reductions to volunteer program and employee recognition program
- Increased processing time for recruitment
- Decreased training and customer service

- **Information Technology**

- Decreased service to departments and outside agencies for GIS activities
- Less timely updates to GIS data and layers

# Other Departments



**5% to 10 % Reduction - \$746,367 to 1,492,835**

- **Public Safety (General Fund)**
  - Reductions to Countywide Radio maintenance contracts
  - Eliminate satellite phone services for Emergency Management
- **Public Works (General Fund)**
  - Reductions to aquatic plant management treatment program
  - Reductions to mosquito spraying and management
  - Reduction to number of samples processed in water lab

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# Summary of General Fund Reductions



## Non Departmental- Other Budgets

### 5% to 10% reductions

- **Public Transportation - \$70,000 to \$140,000**
- **Libraries - \$200,000 to \$400,000**
  
- **Total Impact - \$270,000 to \$540,000**

# Summary of General Fund Reductions



## County Departments

### 5% to 10% reductions

- Public Lands/Ag Educ. - \$60,000 to \$120,000
- Economic Develop. - \$72,000 to \$144,000
- Animal Services - \$66,000 to \$132,000
- Outside Agencies - \$85,000 to \$170,000
- Facilities - \$215,000 to 430,000
- Other Departments - \$746,000 to 1,492,000
  
- Total Impact - \$1,244,000 to \$2,488,000

# Summary of General Fund Reductions



## County Departments Summary

- **Total FY 2013 County Department Budget is \$30.7 million**
  - **Take out mandated and critical items**
  - **\$1,500,000 equates to 6% reduction**

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# Issues and Challenges



- **Uncertainty of property values and ad valorem revenues**
- **No employee raises in 4 years**
- **Future impacts of rising health benefit costs**
- **Reviewing risk management program and future insurance costs**
- **Legislative Action**
  - **Unfunded mandates – medicaid**
  - **Impacts on Constitutional Offices**
- **Possible changes to FRS contribution rates**

# Issues and Challenges



- **Astatula fuel remediation**
- **Rising Medicaid costs and backlog**
- **Tavares Fire Assessment**
- **Outstanding FEMA Invoice**
- **Requests from Constitutional Offices/Judicial Support**

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# Budget Strategies FY 2014



- **FY 2014 Strategies**
  - **Explore Infrastructure Sales Tax**
    - Partially fund debt service payment or other alternatives
  - **Continue to consolidate lease space**
  - **Continue to evaluate Solid Waste transfer**
  - **Possible increases in property values over current projection**
  - **No reserves available for Economic Incentives**

# Budget Strategies FY 2013



- **FY 2013 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

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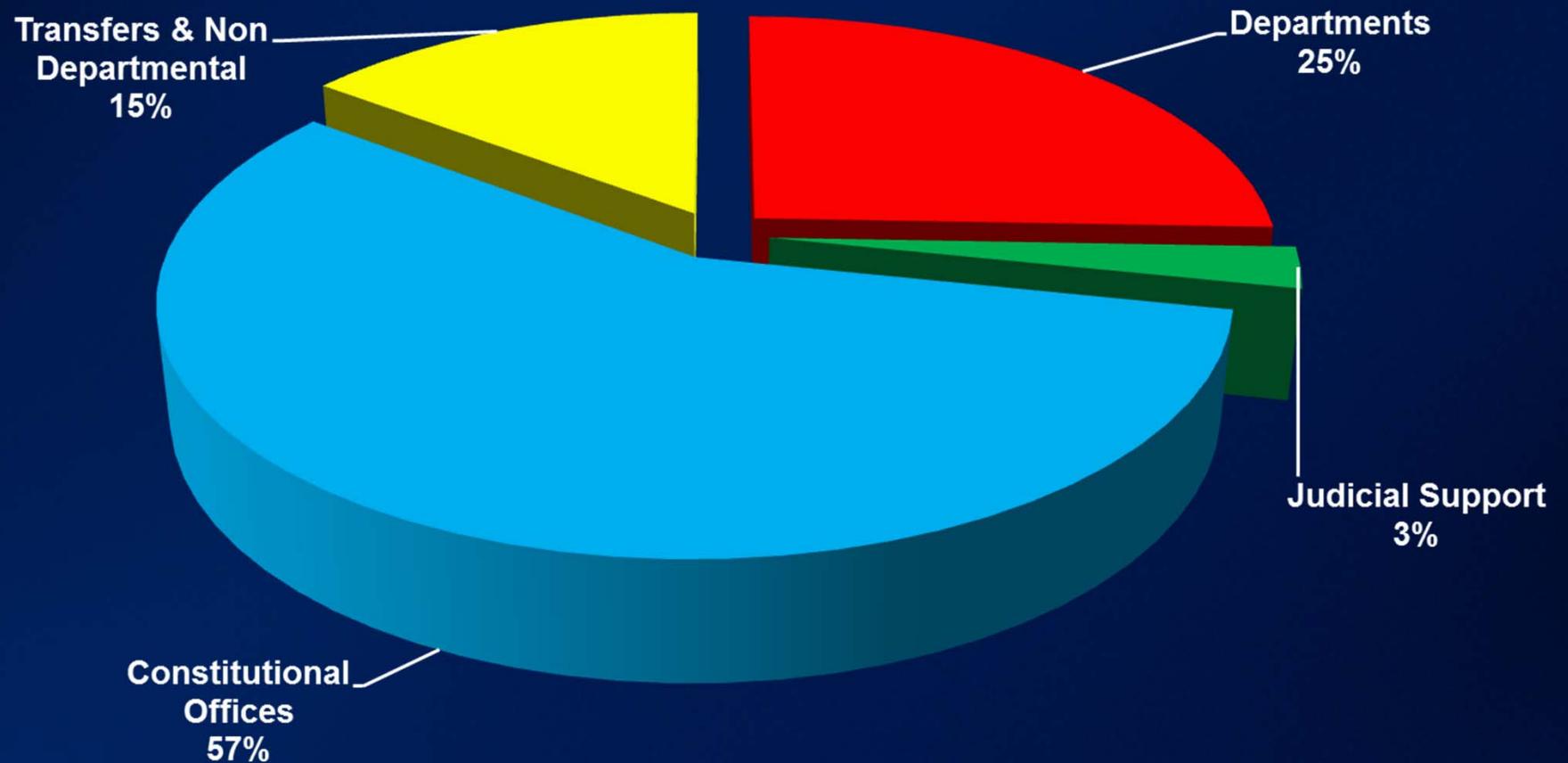


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# Analysis/Summary



## FY 2013 Adopted General Fund Expense Budget \$120.0 million



# Analysis/Summary



- **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)**

# Analysis/Summary



- **Mandatory and critical items have been taken out of calculation**
- **Equates to a 6% decrease across the Board**
- **Any reduction to one part of the “pie” increases the contribution of the other parts**

# Analysis/Summary



## Matrix

| <b>Constitutional<br/>Ad Valorem</b> | <b>Reduction</b> | <b>Status quo<br/>Budget</b> | <b>3% increase</b> |
|--------------------------------------|------------------|------------------------------|--------------------|
| <b>3% decline</b>                    | <b>(6%)</b>      | <b>(13%)</b>                 | <b>(16%)</b>       |
| <b>0% status quo</b>                 | <b>(4%)</b>      | <b>(9%)</b>                  | <b>(12%)</b>       |
| <b>3% increase</b>                   | <b>(2%)</b>      | <b>(5%)</b>                  | <b>(8%)</b>        |

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# Next Steps



- **February 14<sup>th</sup> – Budget Kickoff**
- **March 22<sup>nd</sup> – Department Budgets are due**
- **April 9<sup>th</sup> – Public Hearing for Mid Year Adjustment**
- **April 29<sup>th</sup> – May 3<sup>rd</sup> – Department meetings with County Manager**
- **June 1<sup>st</sup> – Constitutional Budgets are due (except Tax Collector)**
- **June 1<sup>st</sup> – Preliminary Certification of Taxable Value (Property Appraiser)**
- **June – Budget retreat/worksession**
- **July 30<sup>th</sup> – Set tentative millage rates**

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# Requested Action



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



LAKE COUNTY  

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Thank you.