

Purpose



To set the tentative Millage Rates to be included on TRIM notifications and approve public hearing dates and times.

Presentation Outline



- **Budget Process Overview**
- **General Fund**
- **Parks and Stormwater MSTU**
- **Lake Fire Rescue Budget**
- **Public Lands Voted Debt Millage**
- **Lake Ambulance MSTU**
- **Millage Summary**
- **Alternatives to Millage Adjustments**
- **Public Hearing Dates**
- **Requested Action**

Presentation Outline



Budget Process Overview

Budget Process Overview



January 28, 2014 Workshop

(Millions)

Estimated FY 2015 Revenues	\$107.2
<u>Estimated FY 2014 Ending Fund Balance</u>	<u>\$13.4</u>
Total Revenues	\$120.6
<u>Less Expenses (Status Quo FY 2014)</u>	<u>(\$116.8)</u>
Balance available for Reserves	\$3.8
<u>7% Reserves equals</u>	<u>\$8.1</u>
<i>Estimated Shortfall</i>	<i>(\$4.3)</i>

Budget Process Overview



January 28, 2014 Workshop

*FY 2015 **General Fund** Challenges*

- Employee Compensation
 - No raises in 5 years
 - A cost of living adjustment (COLA) has not been included
- Increasing Workload
 - Probation
 - Growth Management

Budget Process Overview



January 28, 2014 Workshop

*FY 2015 **General Fund** Challenges*

- State mandates/FRS contribution rates
- Astatula Fuel Remediation
- Aging infrastructure
 - Facility Management
 - Information Technology
- Sheriff Budget
 - Vehicles
 - Employee Compensation

Budget Process Overview



January 28, 2014 Workshop

*FY 2015 **Other** Challenges*

- **Lake County EMS MSTU**
 - Expenses exceed revenues
 - Subsidy would need to be reduced in FY 2015
- **Lake County Fire Rescue**
 - Additional discussion when Fire Assessment update is complete

Budget Process Overview



January 28, 2014 Workshop

*FY 2015 **Other** Challenges*

- **Parks and Trails**
 - **Estimated shortfall of \$400,000**
 - **Maintenance of current facilities is underfunded**
 - **Future obligations**
 - **South Lake Trail Phase IIIA**
 - **North Shore Overlook**
 - **Long term capital maintenance not funded**

Budget Process Overview



Approved FY 2015 Budget Strategy

- **General Fund**
 - Suggestions from BCC retreat have not been analyzed
 - Approve Budget Guidelines of a status quo operating budget plus address employee compensation
 - Explore funding solutions to Sheriff's personnel and vehicle needs
 - Monitor Legislature
 - Findings and recommendation back in May/June
- **Parks and Stormwater MSTU**
 - Analyze BCC retreat suggestions for funding parks/trails

Budget Process Overview



FY 2015 Revenue Changes Since January

(Millions)

Estimated FY 2015 Revenues **\$0.7**

Purchase Order Carryforward **\$1.4**

Decrease in Estimated FY 2014 Ending Fund Balance **(\$1.1)**

Decrease in Constitutional Excess Fees

Better projection of expenses

Conservative revenue projection

Total Revenue Change ***\$1.0***

Budget Process Overview



FY 2015 Expense Changes Since January

(Millions)

Increase to Motorola Contract	(\$0.2)
Impact of raises and FRS changes	(\$0.5)
Astatula Fuel Remediation	(\$0.5)
Judicial Support Changes	(\$0.3)
Tax Collector (In House Budget for leases)	(\$0.2)
Constitutional Budgets	(\$3.9)
Transfer to Parks and Trails	(\$1.1)
Miscellaneous Changes	(\$0.2)
<u>Transfer to Fire Rescue (FA for Government Buildings)</u>	<u>(\$0.6)</u>
<i>Total Expense Change</i>	<i>(\$7.5)</i>
<i><u>Increase to PO Carryforward and Reserves</u></i>	<i><u>(\$2.1)</u></i>
<i>Total Change Since January</i>	<i>(\$9.6)</i>

Budget Process Overview



FY 2015 Estimated General Fund Shortfall

	(Millions)	
	Jan. 28	No millage change
Estimated FY 2015 Revenues	\$107.2	\$107.9
PO Carry forward	\$0	\$1.4
<u>Estimated FY 2014 Ending Fund Balance</u>	<u>\$13.4</u>	<u>\$12.3</u>
Total Revenues	\$120.6	\$121.6
<u>Less Expenses</u>	<u>(\$116.8)</u>	<u>(\$124.3)</u>
Balance available for Reserves	\$3.8	(\$2.7)
Reserve for PO Carryforward	\$0	\$1.4
<u>7% Reserves equals</u>	<u>\$8.1</u>	<u>\$8.8</u>
<i>Estimated Shortfall</i>	<i>(\$4.3)</i>	<i>(\$12.9)</i>

Budget Process Overview



- **June 24th Budget Workshop**
- **Overview of the five county millages and estimated revenues**
- **Recommended budget for each millage**
- **Overview of the Infrastructure Sales Tax budget and projects**
- **Commissioner Requests**
- **Alternatives to changing the millages**
- **Summary of Millage Changes**

Budget Process Overview



Summary of Funding Changes

	(Millions)	
	Gross Revenue	95% of Revenue
General Fund	\$13.51	\$12.87
- Millage increase 4.7309 to 5.6124		
Lake County Fire Rescue	\$1.26	\$1.20
- Millage Increase 0.3222 to 0.4730		
Lake County Ambulance	\$1.52	\$1.45
- Millage Increase 0.3853 to 0.4853		
Public Lands Voted Debt	(\$0.44)	(\$0.44)
- Millage Decrease 0.1900 to 0.1610		
<i>Total Funding to Address Shortfall</i>	<i>\$15.85</i>	<i>\$15.08</i>

Budget Process Overview



Infrastructure Sales Tax

- **Funding allocated to various projects and equipment**
- **Estimated Reserves - \$320,000**
- **No funding has been allocated for the debt service of the downtown projects**

Presentation Outline



General Fund

General Fund



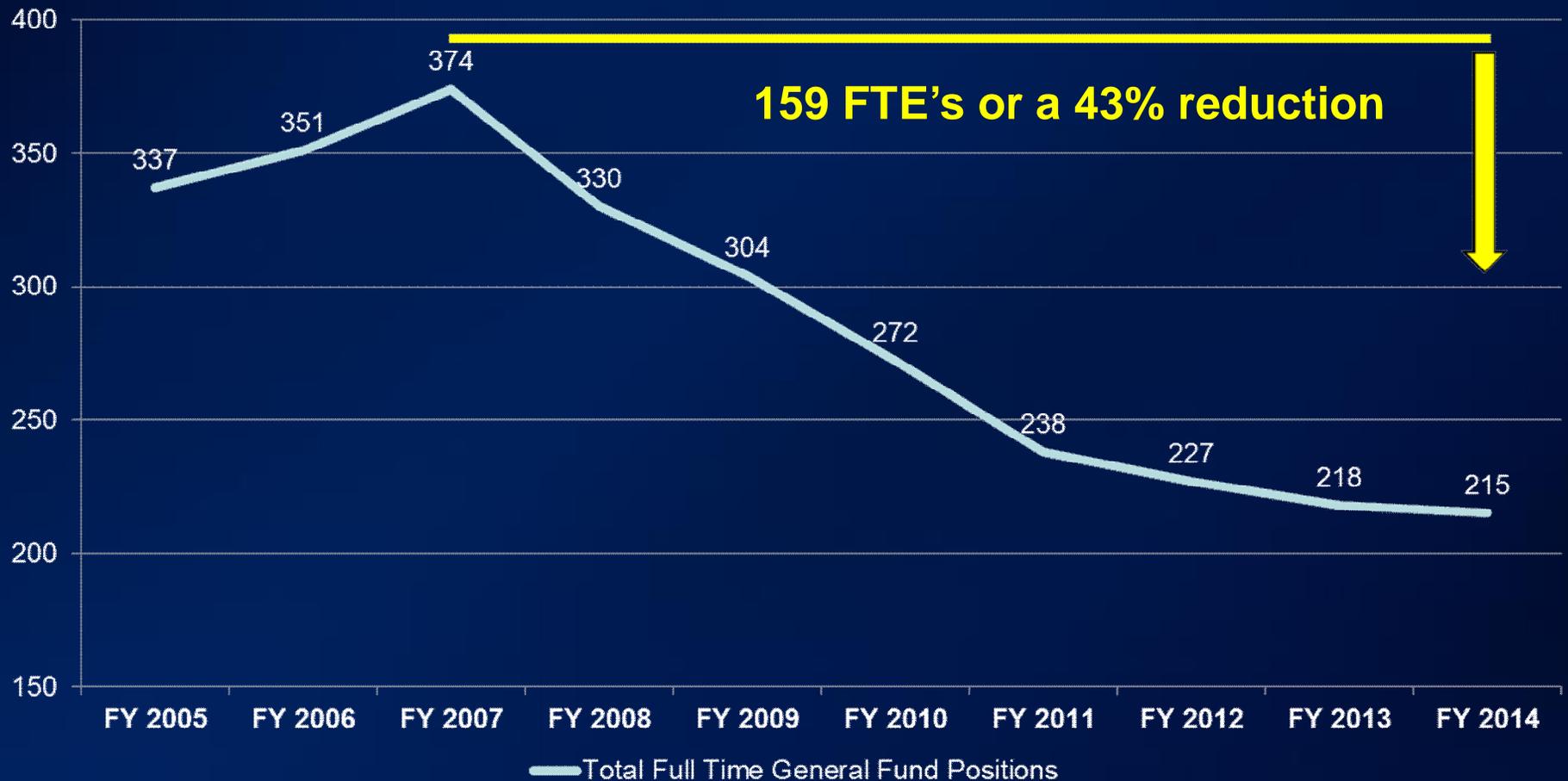
Revenues and Expenses



General Fund



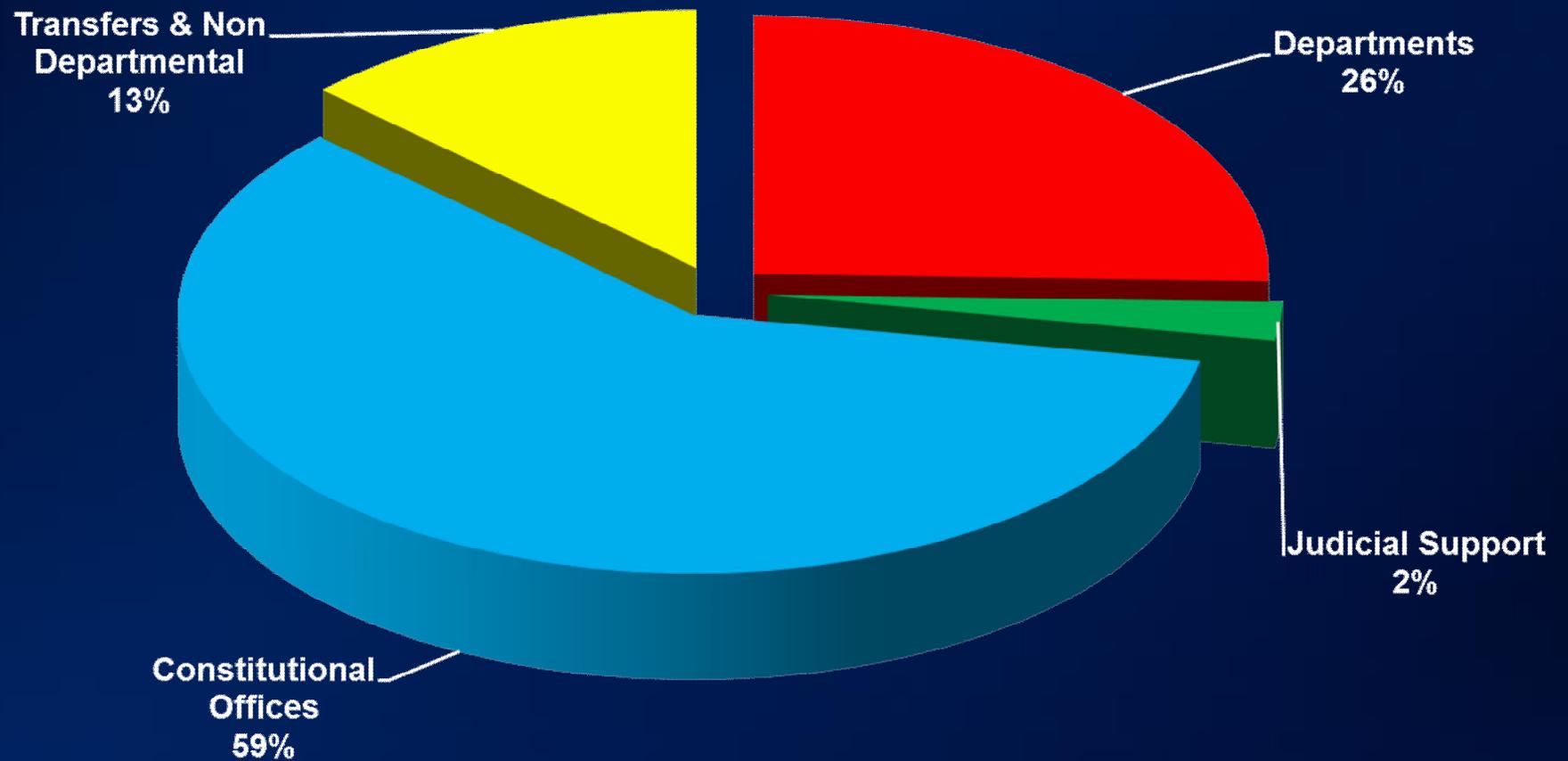
Changes in Number of General Fund Positions



General Fund



Components of the General Fund



General Fund



Gross Taxable Value (General Fund)



General Fund



Certified Property Value

	% Change in Value	Property Value
FY 2014 Budget	0.64% increase	\$14,807,309,964
FY 2015 Best Est.	3.57% increase	\$15,336,456,697
FY 2015 Certified	4.22% increase	\$15,431,931,511

General Fund



Budget Summary

- **Slight increase to FRS rates included**
- **Employee Compensation – 3% raises included**
- **Enhancement to Information Technology - \$200,000**
- **Enhancement to Facilities - \$500,000**
- **Astatula Fuel Remediation Project- \$500,000**
- **Includes a slight increase for Animal Services (funding will be included with the Sheriff budget later in budget process)**

General Fund



Budget Summary

- **Included funding requested for the Constitutional Offices and Judicial Support**
- **Increased transfer to Fire Fund to offset governmental building assessments**
- **Transfer of \$1.1 million for shortfall in the Parks and Trails budget**
- **CRA payments increased**
- **Since June 24th:**
 - **Ad valorem revenues increased \$400,000**
 - **Excess fees reduced by \$400,000**

General Fund



Budget Summary

- **Items kept constant to FY 2014 funding level include:**
 - Medicaid
 - Social Service & Children Service Grants
 - Health Department and Lifestream
 - Economic Development
 - Veteran's Affairs
 - Trout Lake, Historical Society, & We Care
 - Communications
 - Budget and Procurement

General Fund



Millage Rate Comparison

	FY 2014 Adopted	FY 2015 June 24th	FY 2015 July 22nd
Lake County General Fund Countywide Millage	4.7309	5.6124	5.6124

Presentation Outline



Parks & Stormwater MSTU

Parks and Stormwater MSTU



Revenues



Parks and Stormwater MSTU



Certified Property Value

	% Change in Value	Property Value
FY 2014 Budget	0.10% decrease	\$7,733,266,264
FY 2015 Best Est.	2.58% increase	\$7,933,424,973
FY 2015 Certified	3.15% increase	\$7,976,640,310

Parks and Stormwater MSTU



Stormwater Budget Summary

- Stormwater receives 13% of MSTU revenues
- New revenues support operational expenditures
- FY 2015 Projects
 - Wolfbranch Sink
 - Royal Trails
 - Umatilla's Lake Yale Basin Stormwater Reuse Project (cost share)
- No funding for future projects

Parks and Stormwater MSTU



Parks and Trails Budget Summary

- **FY 2015 includes a transfer of \$1.1 million from the General Fund to address:**
 - **Countywide funding component for Parks and Trails as many of the parks have become regional in nature**
 - **Underfunded repair and maintenance items including:**
 - **ADA repairs, athletic fields, washout repairs, playground repairs, pavement repairs, etc.**
 - **ADA Transition Plan**

Parks and Stormwater MSTU



Parks and Trails Budget Summary

– New Assets including:

- South Lake Trail Phase IIIA
- North Shore Overlook
- South Lake Regional Park property maintenance
- Pine Meadows
- McDonald Canal Boat Ramp

Parks and Stormwater MSTU



Parks and Trails Budget Summary

- ***Items not addressed:***
 - **Parks and Trails responsibilities have been increasing with new parks and amenities**
 - **Repair and Maintenance costs have been underfunded**
 - **Long term capital repair and maintenance not funded**
 - **No funding for operational reserves**

Parks and Stormwater MSTU



Changes Since June 24th

- Increase in certified property values would have resulted in an additional \$21,500 in revenues
- Proposed Millage Rate was decreased from 0.4984 to 0.4957 to offset increase in revenues

Parks and Stormwater MSTU



Millage Rate Comparison

	FY 2014 Adopted	FY 2015 June 24th	FY 2015 July 22nd
Lake County Stormwater, Roads, Parks MSTU	0.4984	0.4984	0.4957

Presentation Outline

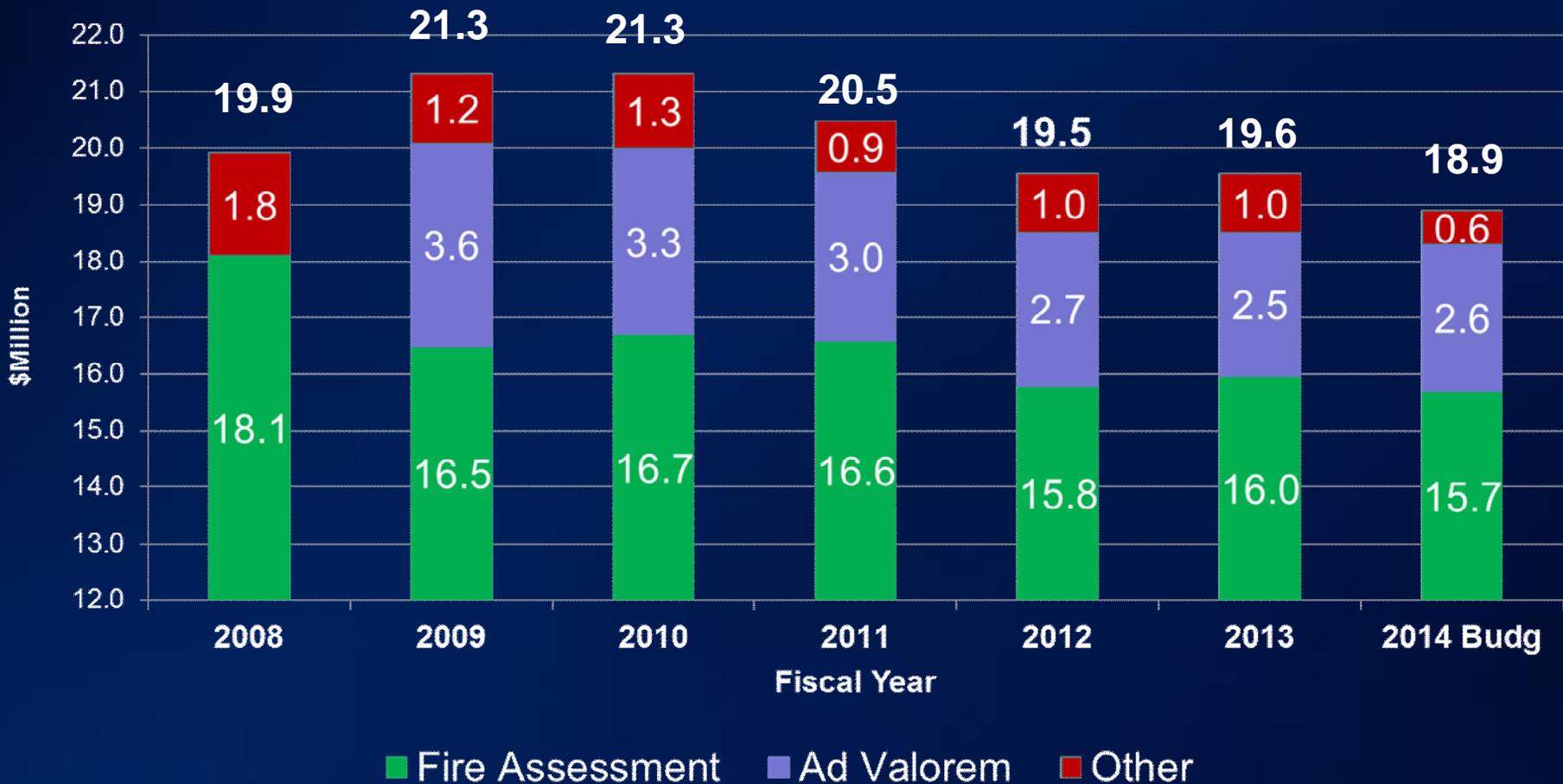


Lake County Fire Budget

Lake County Fire Budget



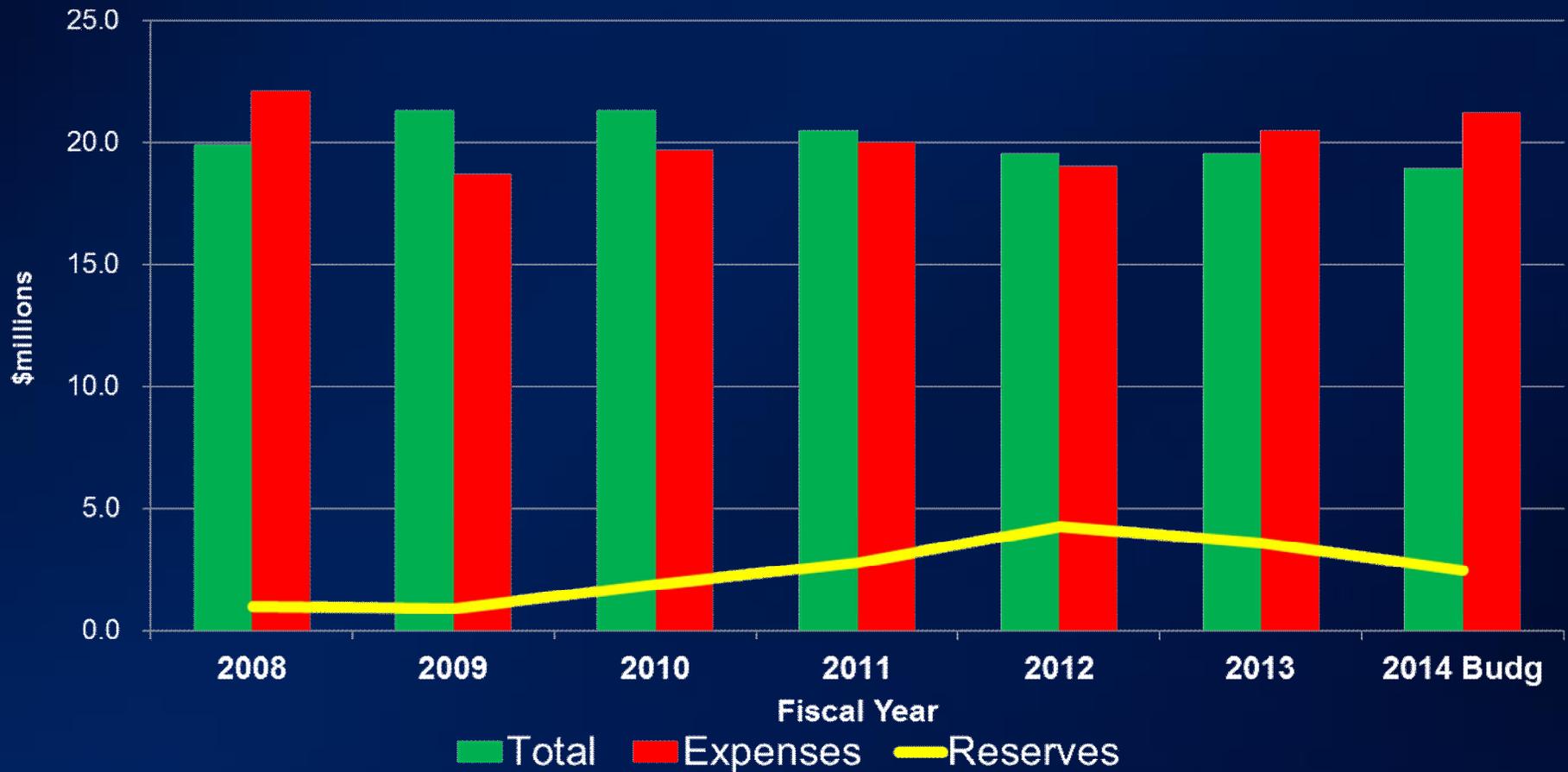
Revenues



Lake County Fire Budget



Revenues and Expenses



Lake County Fire Budget



Firefighter Position Comparison



Lake County Fire Budget



Lake County Fire Rescue MSTU **Certified Property Value**

	% Change in Value	Property Value
FY 2014 Budget	0.13% decrease	\$8,139,021,682
FY 2015 Best Est.	2.67% increase	\$8,356,866,462
FY 2015 Certified	3.25% increase	\$8,403,872,539

Lake County Fire Budget



Budget Summary

- **Transfer from General Fund for Governmental Assessment included**
- **3% Raises and FRS impacts have been included**
- **Includes funding for automatic aid agreements**
- **Includes new Financial Coordinator position**
- **FY 2015 Reserves exceed 7%**

Lake County Fire Budget



Budget Summary

- ***Does not include funding for:***
 - **Salary compression**
 - **Aging Fleet**
 - **Aging Infrastructure**

Lake County Fire Budget



Change Since June 24th

- **Increase in certified property values would have resulted in an additional \$22,200 in revenues**
- **Proposed Millage Rate is reduced from 0.4730 to 0.4704 to offset revenue increase**

Lake County Fire Budget



Millage Rate Comparison

	FY 2014 Adopted	FY 2015 June 24th	FY 2015 July 22nd
Lake County Fire Rescue EMS	0.3222	0.4730	0.4704

Presentation Outline



Public Lands Voted Debt Millage

Public Lands Voted Debt Millage



Certified Property Value

	% Change in Value	Property Value
FY 2014 Budget	0.64% increase	\$14,807,309,964
FY 2015 Best Est.	3.57% increase	\$15,336,456,697
FY 2015 Certified	4.22% increase	\$15,431,931,511

Public Lands Voted Debt Millage



Budget Summary

- **Property values have risen above expectations**
- **Funding will meet obligations**
- **Adequate Reserves of \$500,000 to mitigate any fluctuations in revenues**
- **Fund is structurally balanced**

Public Lands Voted Debt Millage



Changes Since June 24th

- **Increase in certified property values would have resulted in an additional \$15,400 in revenues**
- **Proposed Millage Rate is reduced from 0.1610 to 0.1600 to offset revenue increase**

Public Lands Voted Debt Millage



Millage Rate Comparison

	FY 2014 Adopted	FY 2015 June 24th	FY 2015 July 22nd
Lake County Public Lands- Voted Debt	0.1900	0.1610	0.1600

Presentation Outline



Lake County Ambulance MSTU

Lake County Ambulance MSTU



Certified Property Value

	% Change in Value	Property Value
FY 2014 Budget	0.64% increase	\$14,807,309,964
FY 2015 Best Est.	3.57% increase	\$15,336,456,697
FY 2015 Certified	4.22% increase	\$15,431,931,511

Lake County Ambulance MSTU



Budget Summary

- **Lake EMS Budget Includes an MSTU contribution of \$6.9 million which includes capital needs**
- **MSTU payment of \$6.3 million**
- **Infrastructure Sales Tax funding of \$600,000 for capital needs**
- **Total FY 2015 County funding to Lake EMS – \$6.9 million**

Lake County Ambulance MSTU



Changes Since June 24th

- **Increase in certified property values would have resulted in an additional \$46,300 in revenues**
- **Proposed Millage Rate is reduced from 0.4853 to 0.4823 to offset revenue increase**

Lake County Ambulance MSTU



Millage Rate Comparison

	FY 2014 Adopted	FY 2015 June 24th	FY 2015 July 22nd
Lake County Ambulance MSTU	0.3853	0.4853	0.4823

Presentation Outline



Millage Summary

Millage Summary



Millage Rate Comparison

	FY 2014 Adopted	FY 2015 June 24th	FY 2015 July 22nd
Lake County General Fund Countywide Millage	4.7309	5.6124	5.6124
Lake County Ambulance MSTU	0.3853	0.4853	0.4823
Lake County Stormwater, Roads, Parks MSTU	0.4984	0.4984	0.4957
Lake County Fire Rescue EMS	0.3222	0.4730	0.4704
Total Millage	5.9368	7.0691	7.0608
Lake County Public Lands-Voted Debt	0.1900	0.1610	0.1600

Millage Summary



Rollback Comparison

	FY 2014 Adopted	FY 2015 Rollback Rate	FY 2015 July 22nd
Lake County General Fund Countywide Millage	4.7309	4.6337	5.6124
Lake County Ambulance MSTU	0.3853	0.3774	0.4823
Lake County Stormwater, Roads, Parks MSTU	0.4984	0.4903	0.4957
Lake County Fire Rescue EMS	0.3222	0.3167	0.4704
Total Millage	5.9368	5.8181	7.0608
Lake County Public Lands-Voted Debt	0.1900	N/A	0.1600

Presentation Outline



Alternatives to Millage Adjustments

Alternatives to Millage Adjustments



- **Expect same budget challenges next year**
- **8 to 10 years of property value growth to get back to FY 2008**
- **FY 2015 Sheriff request will need to be considered even if increase is not approved**
- **Approximately \$15.1 million funding gap**
- **Public Safety is a priority – keep funding for Lake EMS, LCSO, and Lake County Fire Rescue at the FY 2015 recommended level**
- **Lake EMS payment and Fire Rescue funding would be addressed by General Fund**

General Fund



Ad Valorem Revenue Projection at 4% growth



Alternatives to Millage Adjustments



Budget Reduction Strategy

- **Use Infrastructure Sales Tax for Debt Service to take burden from General Fund**
- **Up to \$5.74 million could be used = principal and interest payment**
- **Would have to delete or delay projects such as:**
 - **Judicial Center Completion**
 - **South Lake Regional Park**
 - **Other Park requests**

Alternatives to Millage Adjustments



Budget Reduction Strategy

- **\$9 to \$10 million remaining (base of \$25 million)**
 - 40% cuts to departments including a reduction of 30 to 50 positions
 - No raises across the board
 - Cut economic incentives
 - Cut grant programs
 - Delay Astatula Fuel Remediation project
 - Close Discovery Gardens
 - Cuts to other agencies (Trout lake, We Care, etc)
 - Close 3 Branch libraries
 - 40% reduction in funding to member libraries

Alternatives to Millage Adjustments



Budget Reduction Strategy

- **Parks and Trails would be funded by cutting Stormwater Projects**
- **If Millage remains unchanged then cuts will need to begin to be implemented**
 - **Staffing**
 - **Leases**
 - **Existing contracts/projects**
 - **Procurement**

Presentation Outline



Public Hearing Dates

Public Hearing Dates



- **July 22nd** **Adoption of TRIM Rates**
- **Aug. 1st** **Budget due from Tax Collector**
- **Aug. 4th** **Statutory deadline to notify
Property Appraiser of proposed
TRIM Rates**
- **Sep. 9th** **Assessments public hearing –
9:00 a.m.**
- **Sep. 9th** **First public hearing – 5:05 p.m.**
- **Sep. 23rd** **Second public hearing – 5:05 p.m.**

Presentation Outline



Requested Action

Requested Action



1. Set Millage rates to be included on TRIM Notices:

- Lake County Ambulance – **0.4823**
- Public Lands Voted Debt – **0.1600**
- Fire Medical Services MSTU – **0.4704**
- General Fund – **5.6124**
- Parks and Stormwater MSTU – **0.4957**

2. Approve public hearing dates and advertisements

- September 9, 2014 at 5:05 p.m.
- September 23, 2014 at 5:05 p.m.



LAKE COUNTY

FLORIDA

Thank you.