



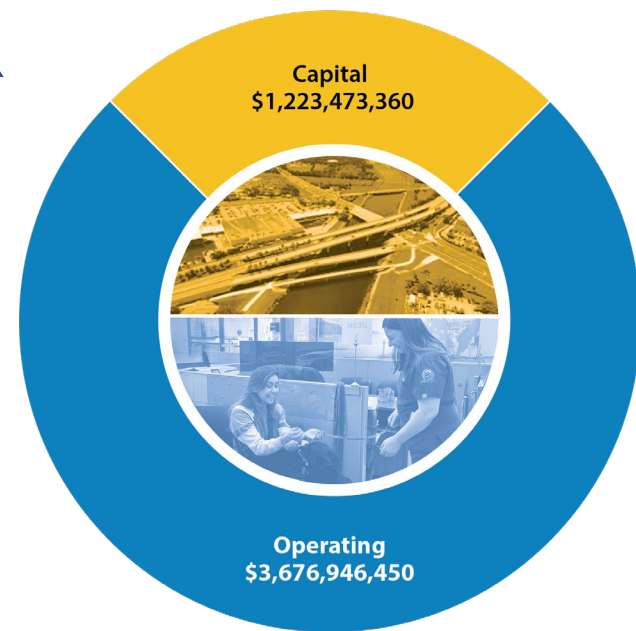
FY26 PROPOSED BUDGET

Tuesday, July 22, 2025

The FY26 Proposed Budget

Operating Budget of \$3,676,946,450

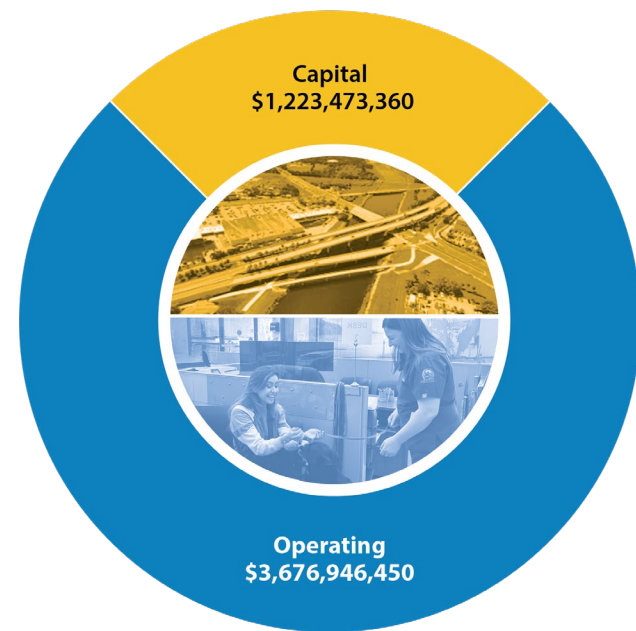
- Includes \$261.0M of the new CDBG-DR Program (People First Pinellas)
- Includes a 3.0% general salary increase at \$3.2M
- Absorbs fixed cost increases in the Sheriff's Office
- Supports increases for the Public Defender and BTS support for the PD and the State Attorney totaling \$1.1M



The FY26 Proposed Budget

Operating Budget of \$3,676,946,450 (continued)

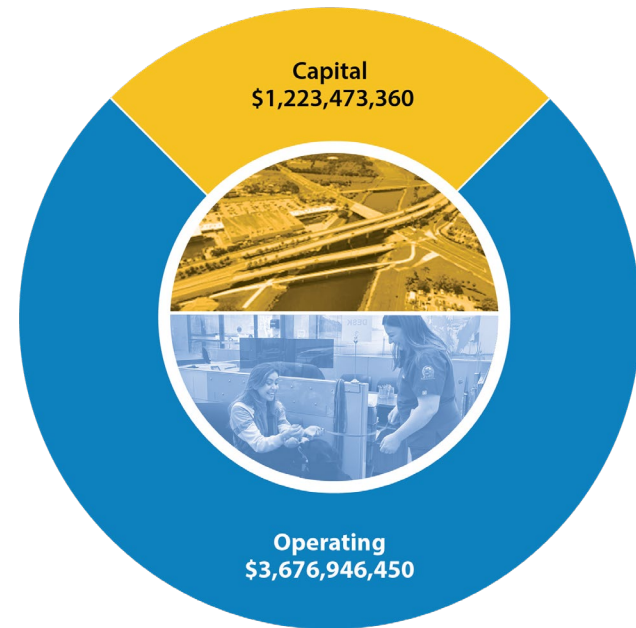
- Roadway improvements with the dedicated millages (\$43.0M)
- Facilities maintenance (\$2.0M new recurring funding for facilities repairs)



The FY26 Proposed Budget

Capital Budget of \$1,223,473,360

- Beach nourishment
- Largest years of the Penny projects are in the middle of the decade
- Airport Parking Garage and New Terminal
- Utilities enhanced repairs and maintenance
- ARPA projects are on track



Challenges

- **Hurricanes Debby, Helene, and Milton in 2024 presented operational and fiscal challenges**
 - **\$1.5B of demolition Countywide**
 - **New construction growth is a net negative of \$189.4M, which is \$1.3B new construction less \$1.5B of demolition**
 - **The \$1.5B would be worth \$6.7M of property tax revenues**



Challenges

- **Unfunded Mandates**
 - Florida Retirement System increase of \$8.0M for the Sheriff
 - Surface Water new requirements starting with \$500,000
 - Lead and copper rules include an operating increase of \$295,000 and \$81.3M of capital projects across all years
- **Contracts Due**
 - Sheriff's hangar - \$1.7M more
 - Sexual assault services program in Human Services - \$159,000 more
 - Technology contracts due \$937,000



- **Steps to Structural Balance**
 - **The Sheriff's Office reduced its FY26 budget request by \$1.7M, raised revenue projections by \$5.0, and reclassified \$9.9M of recurring costs to one-time costs**
 - **Using one-time reserves of \$4.7M from Health Benefits Fund to offset half of the Sheriff's health insurance increase**
 - **General Fund departments right-sized key line items including personnel lapse savings and internal cost allocations (\$8.1M)**

Maintenance Year

- **Not meeting the reserve policy – but may if we receive FEMA reimbursement over the next several years**
- **Limited decision packages to those focused on core needs or that yield a clear ROI**
- **The base budget has not been expanded beyond essentials**
- **Includes a 3.0% salary increase – which is in line with other local governments (that are proposing 3.5% to 4.0% plus merit increases)**



Importance of Providing Services

- **Sustains essential services including public safety, 9-1-1 services, utilities, and health and human services**
- **Maintains support for strategic initiatives such as affordable housing, emergency preparedness, and economic development**
- **Maintains our transportation infrastructure and improves long-deferred facilities maintenance**



Importance of Providing Services

- **Public safety remains the County's top General Fund priority**
- **Sheriff's Office, 9-1-1 services, animal services, emergency medical services, emergency management**
- **Implementation of the new CDBG-DR Program (People First Pinellas)**
- **Floodplain management improvements and disaster after-action recommendations are underway**



Importance of Infrastructure

- **Completing ARPA projects on time and delivering on Penny Projects throughout the County**
- **Beach nourishment for economic vitality and storm protection**
- **Collaborating with municipalities on affordable housing**
- **Utilities repairs and improvements**
- **Airport new terminal and parking garage construction**



Importance of Infrastructure

- **Infrastructure investment with three dedicated transportation millage rates**
 - **Before the dedicated millages, there were 933 miles of local roadways not meeting the pavement condition index – today, there are 169 miles**
 - **Before, there were 649 sidewalk backlog requests – today, there are 18 backlogged requests**



Property Tax Millages

- Of the 23 property tax millage rates
 - Six are proposed for reduction
 - Sixteen will remain unchanged - including the Countywide General Fund millage rate
 - One is proposed to increase - the Seminole Fire Rescue District



Uncertainty and Reserves

- **Uncertain funding conditions at the State and Federal levels**
- **Pinellas County continues to navigate complex issues such as inflation, storm readiness, and economic uncertainty**



Thank You and Next Steps



- **Thank you to the Constitutional Officers, Appointing Authorities, and County departments for their partnership and dedication throughout this process**
- **Will continue working with each Commissioner on budget priorities, services, and infrastructure**
- **Workshops in August and Budget Hearings in September**