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October 1, 2022

To: The Honorable Chairman Charlie Justice and  
Members of the Pinellas County Board of County Commissioners

In accordance with Sec. 4.01(5) of the Pinellas County Charter, Florida Statutes Chapter 129, and general best practice, I am pleased to present the Adopted Fiscal Year 2023 (FY23) Annual Operating and Capital Budget, which begins October 1, 2022, and ends September 30, 2023. This budget was adopted by the Board of County Commissioners on September 22, 2022, and supports the services of the Constitutional Officers, Independent Agencies, County Departments, and Special Districts. It reflects those priorities expressed by the Board over many months of budget development and is the annual implementation of the County's Strategic Plan.

As I communicated to you during the Budget Information Sessions in June, the fiscal condition of Pinellas County is strong, and the operational position of our services is likewise robust. This budget lowers the Countywide property tax rate for the second consecutive year; increases investments in roads, bridges, sidewalks, and other transportation infrastructure; and fully implements the mental health coordinated access model, while maintaining and using the County's reserves appropriately.

This balanced budget adopts a partially rolled-back Countywide property tax millage rate for the second year in a row – the first two-year property tax rate reduction since the great recession. The adopted countywide millage rate is 4.7398 mills which includes the 0.1279 mills dedicated to stabilizing the Transportation Trust Fund approved during the FY22 budget process and includes a millage rate of 0.1738 mills dedicated to enhancing the maintenance of the County's roads, bridges, and transportation infrastructure.

As a reminder, this dedicated millage for transportation infrastructure represents **half** of what is needed over a nine-year period to bring current road resurfacing levels of service from "BCD" (B: Arterial Roads; C: Collector Roads; D: Local Roads) to a "BBC" (B: Arterial Roads; B: Collector Roads; C: Local Roads) and **half** of what is needed over a five-year period to bring bridges and other transportation to a "B" level of service (from a current range of B to D, depending on the type of the infrastructure asset).

To understand what the millage reduction means to our citizens and property owners, consider that a homesteaded household with a taxable value of \$300,000 would save just over \$117 on the Countywide millage. This will vary from household to household and holds true on average. Because businesses do not have homestead exemptions, they would realize the full value of this property tax rate reduction.

While COVID-19 continues to affect our citizens, visitors, and workforce; the financial and societal impacts are much clearer than they have been during the preparation of the last two County

budgets. Pinellas County has proved resilient and has financially recovered as evidenced by strong property tax values and tourism numbers. At the same time, inflation and recession concerns are the next aspects of uncertainty that we will be reviewing over the Fall of 2022 in preparation for the kickoff of FY24 budget development.

In addition to the priority investment in transportation infrastructure presented above, the budget includes strategically prioritized enhancements in two additional areas – both contained in the partially rolled-back millage rate. The first of these two priorities is our continued commitment to behavioral health efforts, in particular a \$1.3 million one-time investment in the Human Services' Coordinated Access Model (CAM). This investment of County reserves, as presented at the June 23, 2022, Budget Information Session, combined with previously approved American Rescue Plan Act funding, will bring the CAM to realization in FY23. This investment, along with continued funding of the Sheriff's mental health squad and continued effort to implement the Optimal Data Set, illustrate the commitment to improving the behavioral health of those that live, work, and visit our County.

The Adopted Budget also includes an investment in our workforce. Like the rest of the nation, Pinellas County has experienced high turnover and increased difficulty in filling positions in our most valuable asset, our employees. We have addressed this, in part, over the last several years by enhancing the career paths and ladders program, reclassifying certain positions to better align with the job duties that they were performing, implementing departmental recognition programs and County Board recognition, implementing a standardized remote work policy, and working with Human Resources through the Benefits Advisory Committee to create a customizable benefits package for employees with additional voluntary benefits. To further success in retention and recruitment efforts, the Adopted Budget includes for every employee:

- a three percent salary increase on the midpoint of their pay range,
- an increase of \$1,200 to each employee's base salary, which equates to an additional two percent overall, but is distributed as a flat, constant amount to assist our front-line employees more, and
- a non-recurring pay supplement of \$1,200, also equating to an additional two percent, to be funded from the County's reserves and to be paid in two installments during FY23.

This total of seven percent in the aggregate is targeted to assist front-line and entry-level employees in a more impactful way and bolster retention and recruitment efforts amid inflationary pressures and a highly competitive labor market.

I am also pleased to point out that the Penny for Pinellas is balanced for the 10-year term of the sales tax levy. Focusing our efforts on the projects presented in 2017, updating cost estimates, using appropriate additional funding sources (such as ARPA funding and prior-year general fund), as well as updated revenue forecasts (based on State data) have brought us to a properly balanced Penny. Guidance from the Board for the past year and strong efforts by each department's capital teams have helped get us to this point.

Even as we include these enhancements to the budget, we continue to recommend a conservative approach to the County's finances. We have all seen how recessions, pandemics, and hurricanes (very recently) impact the fiscal health of local governments. The cost of goods and services continues to rise – especially fuel costs, insurance costs, and construction costs.

Letter of Transmittal – Pinellas County FY23 Adopted Budget  
October 1, 2022

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The fiscal conservatism that we have employed through the recent past has placed us in a position where we can fund these enhancements and remain cautiously optimistic.

While the Adopted budget brings focus to the four priorities of assisting our workforce, continuing and enhancing behavioral health efforts, improving our transportation infrastructure, and keeping our tax burden low; there are additional enhancements contained therein. The remainder of this budget document contains a wealth of information, including context about the priorities explained above.

Fiscal Year 2023 will be a good year for Pinellas County. I look forward to working with the Board of County Commissioners, Constitutional Officers, Appointing Authorities, and all partners of the County on implementing the changes included in this budget and on all of our efforts in the new year.

Sincerely,

A handwritten signature in blue ink that reads "Barry Burton". The signature is written in a cursive style and includes a small circular emblem or seal to the left of the name.

Barry Burton  
County Administrator





# Pinellas County Government

## OUR MISSION

Pinellas County Government is committed to progressive public policy, superior public service, courteous public contact, judicious exercise of authority, and responsible management of public resources, to meet the needs and concerns of our citizens today and tomorrow.

## OUR VISION

**To Be the Standard for Public Service in America.**

To achieve our vision, we place the highest importance on:

- **Quality Service**
- **Respectful Engagement**
- **Responsible Resource Management**

## OUR VALUES

- We will be respectful of the needs of individuals while recognizing our responsibility to the community as a whole.
- We will be community-centric, embracing the individuality of partners working together as one, toward the community's vitality
- We believe it is our responsibility to improve the overall quality of life through the management and preservation of the natural and built environment.
- We will provide open and accountable governance.
- We will foster a diverse work culture, a safe workplace, and opportunity for professional and personal growth.

These, our values, will guide the development and implementation of Pinellas County policy for a better community.







# PINELLAS COUNTY'S Strategic Plan

*Our Vision: To Be the Standard for Public Service in America.*

**Our Mission:** Pinellas County Government is committed to progressive public policy, superior public service, courteous public contact, judicious exercise of authority, and responsible management of public resources to meet the needs and concerns of our citizens today and tomorrow.



## Deliver First-Class Services to the Public and Our Customers

- 5.1 Maximize partner relationships and public outreach
- 5.2 Be responsible stewards of the public's resources
- 5.3 Ensure effective and efficient delivery of county services and support
- 5.4 Strive to serve the needs of all Pinellas County residents and customers



## Ensure Public Health, Safety, and Welfare

- 2.1 Provide planning, coordination, prevention, and protective services to create and enhance a safe, secure, and healthy community
- 2.2 Be a facilitator, convener, and purchaser of services for those in need
- 2.3 Provide comprehensive services to connect our veterans and dependents to the benefits they have earned
- 2.4 Support programs that seek to prevent and remedy the causes of homelessness and move homeless individuals and families to permanent housing
- 2.5 Enhance pedestrian and bicycle safety



## Practice Superior Environmental Stewardship

- 3.1 Implement green technologies and practices where practical
- 3.2 Preserve and manage environmental lands, beaches, parks, and historical assets
- 3.3 Protect and improve the quality of our water, air, and other natural resources
- 3.4 Reduce/reuse/recycle resources. Including energy, water, and solid waste
- 3.5 Foster a sustainable and resilient community that is prepared for sea level rise and a changing climate



## Foster Continual Economic Growth and Vitality

- 4.1 Proactively attract and retain businesses with targeted jobs to the county and the region
- 4.2 Invest in communities that need the most
- 4.3 Catalyze redevelopment through planning and regulatory programs
- 4.4 Invest in infrastructure to meet current and future needs
- 4.5 Provide safe and effective transportation systems to support the efficient flow of motorists, commerce, and regional connectivity
- 4.6 Support a vibrant community with recreation, arts, and culture to attract residents and visitors



## Create a Quality Workforce in a Positive, Supportive Organization

- 1.1 Recruit, select, and retain the most diverse and talented workforce
- 1.2 Leverage, promote, and expand opportunities for workforce growth and development
- 1.3 Make workforce safety and wellness a priority
- 1.4 Maintain a fair and competitive compensation package



## Overview of the FY23 Adopted Budget

### **Introduction**

The Pinellas County FY23 Adopted Budget was approved on September 22, 2022, and includes the Proposed Budget (as presented to the Board of County Commissioners (BCC) on July 19, 2022) with amendments made at the First Budget Hearing (September 8, 2022). No amendments were made at the Second Budget Hearing (September 22, 2022).

As discussed in the Budget Information Sessions in June, County Administration developed the budget by both collaborating and challenging County Departments and other stakeholders to keep expenditures as low as possible while delivering high-quality services to the residents, businesses, and visitors of Pinellas County. This approach has resulted in a budget that:

- 1) absorb cost increases across all funds of the budget such as salary increases (\$15.6M), insurance increases (\$1.3M), fuel increases (\$800,000), increased technology costs (\$3.8M), employee health benefits cost increases (\$7.9M), increased law enforcement costs (\$12.0M), increased court support services (\$1.1M), and other disbursed increases associated with the inflationary pressures worldwide;
- 2) include cost increases as discussed at the Budget Information Sessions and includes the funding dedicated to support the Transportation Trust Fund in FY22 without raising the property tax rate above the rolled back rate;
- 3) include a policy choice to increase the property tax above the rolled back rate only an additional 0.1738 mills to support the maintenance of roads, bridges, and transportation infrastructure (\$18.3M)
- 4) for a total proposed Countywide millage rate of 4.7398 mills, which is lower than the 5.1302 mills Adopted in FY22.

Pinellas County's Budget is so much more than just a financial document. It reflects the priorities developed from the Strategic Plan, informs the public of what we will achieve in the upcoming year, and outlines the financial health of the County. This is why it is often said that the Budget is the single most important policy decision that a County can make each year.

The Adopted Fiscal Year 2022-23 (FY23) Annual Operating and Capital Budget is no exception. It prioritizes those services that are most important to the Board of County Commissioners, and thereby important to our citizens. It clearly communicates those priorities and a great deal of other information. Generally, this budget document is organized such that the highest-level information is presented first with more detailed information available the further into the document one reads. It is, has been, and continues to be a planning document – born of a nearly-year-round process involving stakeholders at all levels. The Budget is the FY23 implementation of the multi-year Strategic Plan. And, at its core it is a financial document that illustrates the financial health of the County to all.

### **The Structure of the Budget**

The Budget is not one, singular budget. It is instead a series of budgets that, taken as a whole make up the entirety of the Pinellas County spending plan and spending authority for FY23.

The first major distinction is that the budget contains an Operating Budget (\$2,495,521,370, excluding transfers) and a Capital Budget, more properly called a Multi-Year Capital Improvement

## Overview of the FY23 Adopted Budget

Plan (\$876,401,070 is the FY23 portion of the six-year plan). The operating budget funds the day-to-day expenses of the County such as personnel, materials and supplies, electricity, insurance, service contracts, etc. The capital budget funds larger projects, usually construction projects with discrete beginnings and ends. These include projects like park enhancements, road projects, transportation infrastructure like bridges and traffic lights, or facilities construction and renovation.

Drilling further into the operating budget reveals that there are many funds and fund types that make up the budget. The County's primary operating fund is the General fund (\$932,762,880). There are also Proprietary funds that account for revenues that are restricted to specific purposes (grants, fees for service, the Transportation Trust Fund, and donations are some examples). The County has three Enterprise funds that are fully self-contained – the Airport Fund, Solid Waste Funds, and Utilities Funds. Additionally, there are internal service funds that account for internal cost allocations between various cost centers (such as fleet or risk funds).

The General fund of the County has the most flexibility of spending and therefore has the most pressure upon it. Most County services are funded through this fund. The largest revenue source for the General fund is property taxes (\$499,190,240).

### **Needs, Enhancements to Services, and Decision Packages**

The letter of transmittal in the immediate prior pages describes the highlights of the Adopted Fiscal Year 2022-23 (FY23) Annual Operating and Capital Budget. They are, once again:

- supporting our workforce,
- continuing and enhancing behavioral health efforts,
- improving transportation infrastructure, and
- keeping the tax burden low.

In addition to these priorities there are several decision packages, or service enhancements, contained in the Budget. For clarity, these are listed by department in the following paragraphs. Each of these decision packages have been thoroughly vetted to establish need. More information on each can be reviewed in the Departmental pages in Sections C, D, and E. All of the following decision packages were approved as part of the Adopted Budget.

The budget includes funding for the Amadeus ACUS (Airport Common Use Service) Software Solution (\$400,000) and the Redundancy Security Camera Server (\$113,000) using Airport enterprise revenues.

The budget includes all five decision packages proffered by the Building and Development Review Services Department. These include an additional Project Manager I (\$84,110) and two additional Plans Examiners (\$171,390) to assist with meeting required turn-around times mandated by changes in State law, as well as continued funding for three separate temporary positions (\$29,820) to assist with intake, scanning, and routing of plans. The cost of the addition of permanent positions is partially offset by the reduction of overtime and plans review contractual expenses. Natural revenue increases, largely due to volume, also partially offset the cost of these positions.

The Contractor Licensing Department budget includes continued funding for two temporary positions (\$77,460) to assist with clerical duties, support contractor registration and renewal, and supplement cashiering responsibilities.

## Overview of the FY23 Adopted Budget

Tourism Development funds in the amount of \$200,000 are set aside in the budget for a Local Co-op Arts and Culture Advertising and Marketing Pilot Program. This funding amount is set lower than originally requested to test its effectiveness with the resultant data. The Budget also includes \$240,000 for a new Pinellas County Cultural Plan. These two efforts will be coordinated jointly between Creative Pinellas and the Convention and Visitors Bureau (CVB). Two Destination Marketing Interns (\$93,880) were added to the CVB budget in FY23.

The budget includes funding to convert one part-time position to full-time to support planning and coordinating (\$14,770) in Emergency Management.

In the Human Services Department, as noted in the letter transmitting this budget, \$1.3M of one-time funding has been budgeted for the Coordinated Access Model software solution. Also included in the budget is increased funding for non-profit organizations (\$313,930). This represents a five percent increase - the first increase in several years.

The Parks and Conservation Resources budget includes partial funding for the next year of parks level of service increases (\$365,000) to include two additional Parks Rangers at Weedon Island Preserve and three additional maintenance trades workers (two to be dedicated to Fort De Soto Park). As well, it includes funding to add two part-time positions to the Weedon Island Educational Center (\$78,050).

The Public Works Department includes funding from the dedicated millage as described in the transmittal letter as well as additional funding for urban forestry efforts (\$4,120) and funding for two Engineering Trainees (\$225,600) across three funds.

The budget for Safety and Emergency Services (SES) includes funding for the SES share of the new computer-aided dispatch system (PRIME) (\$877,990), new funding to support video for 9-1-1 (\$150,000), improvements to the wide-area network technology support for 9-1-1 (\$340,000), and an additional position (\$125,100) to increase billing - the anticipated revenues far more than the cost of this position.

The budget includes EMS funding support to the following fire districts: Dunedin (\$575,230), Largo (\$323,440), North County (\$500,000), Pinellas Suncoast Fire District (\$360,320), and St. Petersburg (\$242,520).

Funding for the Sheriff includes salary increases for nursing staff support at the Pinellas County Jail facility (\$1,184,720) and increased funding for vehicles (\$700,000).

The budget includes one-time funding for the Supervisor of Elections to purchase a new Canon Titan Printer (\$151,000).

Funding is included in the budget for Judiciary to continue the current Assisted Outpatient Treatment (AOT) grant-funded program providing mental health services to individuals who have serious mental illness that have been court-ordered to receive treatment services under Florida's Mental Health Act (\$28,810).

A series of decision packages are funded on behalf of the Public Defender including six technology requests totaling \$136,470, two programs previously funded by the Sheriff – the Jail Diversion/MAT Case Managers (\$161,760) and the Jail Diversion Mental Health Therapist (\$82,170), and partial funding for the Mental Health Court Pilot Program (\$100,000). The original

## Overview of the FY23 Adopted Budget

request was for \$249,910 but has been set at this lower to collect data on its effectiveness and to be revisited in future years.

Several decision packages are funded for Business Technology Services (BTS) as presented in the Budget Information Session meeting on June 17, 2022:

- Oracle ERP Modernization Release Three, which is the final of three upgrades over recent years and includes funding for both BTS and the Clerk of the Circuit Court and Comptroller (\$1,963,120),
- Security - Privileged Access Management/Vendor Access Management (\$205,000),
- Oracle Enterprise Management Platform (\$354,800), and
- Security - Email Impersonation Protection (\$115,000)

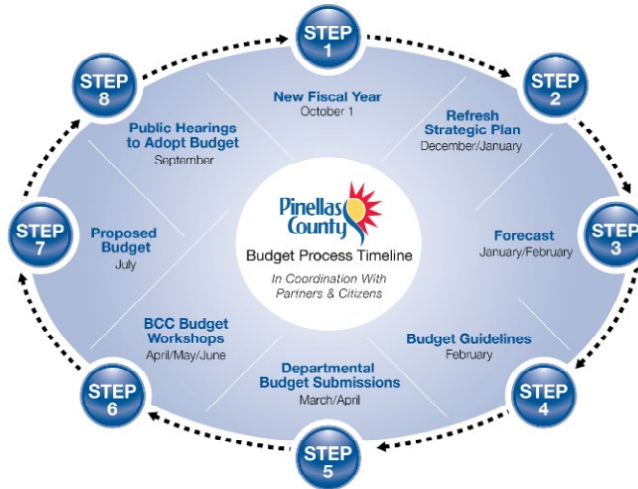
The budget includes funding for three enhancements in Human Resources including additional organizational and talent development (\$22,000), a learning and development consultant (\$126,720), and funding for a new employee referral incentive program (\$142,000).

Of course, not all requests that were made were funded. Decision packages that are included for reduced funding include the Local Co-op Arts and Culture Advertising and Marketing Pilot Program and the Mental Health Court Pilot Program as described above. Decision packages that were requested, but not recommended for funding include changing the Star Tec funding Contract in Economic Development from proprietary funding to the General fund (\$175,000), Office 365 Backup funding in BTS (\$70,000), radios for the 9-1-1 training room (\$100,000, likely to be absorbed in the FY22 SES operating budget), funding for the Feast Food Pantry (\$250,000, expected to be eligible for funding from the ARPA Not-for-Profit Capital Fund), Sustainability and Reliance Organizational Framework (\$96,860), Clearwater Transit Center and Initial Ferry Network Investments (\$15.0M), upgrades to gallery programming activities (\$200,000), Countywide Capacity Building for Cultural and Arts activities (\$150,000), and Accessible High Quality Arts Programming (\$175,000).

### **The Budget Development Process**

Hundreds of steps have been taken to arrive at this point of proposing the budget. Preparation, monitoring, and execution of the budget is a year-round process as shown in the graphic below.

## Overview of the FY23 Adopted Budget



### *Refresh the Strategic Plan (January)*

During this period, the BCC reviews its Strategic Plan and shares feedback and guidance that departments use to refine operational plans and build their budget requests. Throughout the year, departments under the County Administrator report on ongoing and emerging tactics - the projects and programs - that link back to the BCC Strategic Plan. This process ensures that projects and programs funded in the annual budget support the five goals of the Strategic Plan, tying sound strategy to the big picture to drive budget decisions.

### *Budget Guidelines (January)*

Also in January, County Administration develops budget guidelines based on the Financial Forecast. These guidelines, along with instructions and resources for preparing budget requests, are communicated to the County's departments and agencies for use during budget development. Prior to FY22, targets were provided to all County departments, agencies, and Constitutional Officers. For FY22 and FY23 budget development, only Constitutional Officers were provided a target.

### *Budget Submissions (March/April)*

County departments and agencies provide their completed budget submissions in March and April, except for the Constitutional Officers who have a due date of May 1 per state statute. Office of Management & Budget staff analyze budget submissions in preparation for budget workshops with the County Administrator and budget information sessions with the BCC. These workshops lead to further refinement of the budgets and help inform the Budget that is presented in July.

### *Budget Information Sessions (June)*

Budget information sessions this year were held in June, allowing the BCC to be engaged in the development of key elements of the Proposed Budget such as millage rate policy, proposed program enhancements or reductions, and revenue adjustments. All departments, agencies, and Constitutional Officers participate in these work sessions.

## Overview of the FY23 Adopted Budget

### *Financial Forecast (June)*

The Financial Forecast, also called the Estimate, was presented at the beginning of the Budget Information Sessions. The Office of Management & Budget updates the Financial Forecast annually to inform the development of the budget guidelines. Published each January/February, the Forecast is built upon an individual assessment of 10 of the County's major funds: General Fund, Tourist Development Tax Fund, Transportation Trust Fund, Surface Water Utility Fund, Capital Projects Fund, Emergency Medical Services Fund, Airport Fund, and Water, Sewer, and Solid Waste Funds.

The Forecast development process starts shortly after the new fiscal year begins in October and includes updating prior fiscal year projections with actual revenue and expenditure information. At the same time, current fiscal year revenues and expenditures are projected on a preliminary basis by analyzing the actual year-to-date numbers and projecting the remaining months left in the fiscal year. Later in the process these projections are further refined as departments update revenue and expenditure projections. The forecast for the upcoming budget year is based on available information and serves as the foundation for developing the strategy to balance the budget. In addition to focusing on the upcoming fiscal year, the Forecast's multi-year horizon helps determine the long-term financial position of the County's funds and the impact of today's budget decisions on the future. The "out-years" through the end of the six-year horizon are forecasted using various projection methods such as trend analysis, linear regression, and moving averages. Developing a multi-year forecast provides decision-makers with at least three key benefits: (1) assessing the long-term financial sustainability of the County's funds; (2) understanding the impact of today's decisions on the future; and (3) providing a holistic financial picture.

### *Proposed Budget (July)*

In July, the County Administrator prepares the Proposed Budget based on feedback from the budget information sessions and the County's Strategic Plan priorities. The Proposed Budget document presents a balanced budget for the coming year and represents the County Administrator's recommended budget. The maximum millage rate is also adopted at the end of July or very early in August.

### *Public Hearings to Adopt Budget (September)*

Once the Proposed Budget is distributed, additional budget information sessions may be held to provide further guidance to the County Administrator. All changes to the Proposed Budget are finalized and announced at two public Budget Hearings as required by State Law. The public hearings represent an opportunity for residents to provide input to the BCC regarding the budget process. In accordance with state statutes, the BCC approves the tentative millages and budgets at the first public hearing. The BCC adopts the final millages and budgets at the second public hearing.

### *New Fiscal Year*

In October, the new fiscal year begins based on the Adopted Budget and the annual budget process starts over. Departments and OMB are also working to close the books on the prior fiscal year during this time. For specific dates applicable to the current budget process, see the Budget Calendar in the Appendix of this document and on the Budget website at [www.pinellascounty.org/budget](http://www.pinellascounty.org/budget).



## **Overview of the FY23 Adopted Budget**

### **Citizen Engagement**

The people of Pinellas County are partners in every stage of the budget process and are encouraged to learn more about the County's sources of revenue and expenditures. The Guide to the Budget website provides an excellent source of information about upcoming budget meetings and supporting materials, including presentations and video files, for past meetings. A Budget Timetable lists upcoming meetings so residents can stay engaged during the budget process.

OpenBook offers an interactive look at the revenue and expenditures for different departments and funding sources. Pinellas County was one of the first counties in the state to publish budget data on an interactive platform. Pinellas County Government has continued to find ways to improve how we serve, reach, and connect with the public; online services allow customers to pay bills, reserve picnic shelters at parks, make appointments, and get in touch with their commissioners. Social media channels allow us to connect daily with our residents.

The Nextdoor website offers another way for the County to reach out to residents and for residents to connect with their local government and each other. The public can call or use the convenient LiveChat feature on the County website to get information. The Pinellas County mobile app allows residents to report potholes, broken streetlights, and other issues quickly and easily from their mobile devices. This community engagement builds upon a foundation of customer service as well as partnership to strengthen the ties between and among the people of Pinellas County and their local governments. Opportunities to participate online or by phone in public meetings have made it easier for residents and businesses to be engaged in policy discussions.

### **Strategic Planning**

The FY23 budget aligns the organizations' resources to support the work - the ongoing programs, capital projects, and work plan initiatives – being delivered to advance the goals of the BCC Strategic Plan:

- Create a Quality Workforce in a Positive, Supportive Organization
- Ensure Public Health, Safety, and Welfare
- Practice Superior Environmental Stewardship
- Foster Continual Economic Growth and Vitality
- Deliver First Class Services to the Public and our Customers

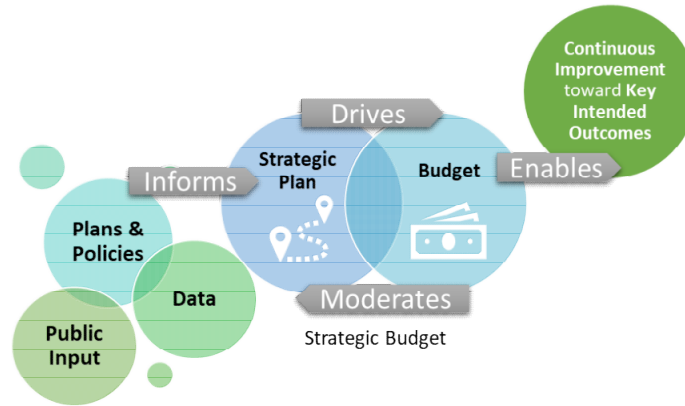
Following an initial organizational scan in Fall 2021, County Administrator departments focused on strengthening strategy deployment during 2022 as a foundation for engaging employees and the community in updating the BCC Strategic Plan in 2023.

During the annual Strategic Planning Workshop in January, the BCC reflected on key accomplishments and current initiatives, reviewed the elements of the BCC Strategic Plan, aired select economic and operational concerns and emphasized the significant County efforts related to infrastructure. Commissioners applauded the collaboration and partnerships in responding to and delivering services during COVID-19 while discussing key issues warranting focus in the near-term as discussed further throughout this budget document.

As stated earlier, the budget is the annual implementation of Pinellas County's Strategic Plan and associated Board of County Commissioner priorities. The Strategic Plan, informed by public input,

## Overview of the FY23 Adopted Budget

data, and other County plans and policies, drives the budget while the budget process moderates the Strategic Plan and prioritizes resources to support service delivery.



As discussed in detail in the next sections of this overview, there are internal and external topics and forces that have affected the development and proposal of the County's Budget. Some topics are discussed in this overview, though the following discussions are by no means exhaustive.

### **Priority Topic – Workforce Retention and Recruitment**

Pinellas County, along with the nation, has experienced record high position vacancies and voluntary resignations. Our annual turnover rate has increased from 11.7% in 2020 to 20.0% in 2022. The national average 2020 turnover rate is approximately the same as Pinellas County. The number of vacant positions (per month) has also increased from 321 in October 2021 to 421 in June of 2022. Chief amongst the reasons for employees leaving is better pay/benefits and re-evaluation of priorities amid the pandemic.

Helping to address high turnover, the County has continued and accelerated programs that financially incentivize employees for elevating their knowledge and ability to perform a wider variety of work, reclassified employees/positions performing more responsible work, implemented employee recognition programs, and conducted in-service training programs to enhance career development.

The high vacancy and turnover rates have created a challenging landscape that make it difficult to attract and retain top performing talent. Several of the enhancements contained in the Budget are designed to address this – including the general increase targeted to help front-line workers and the employee referral incentive program. The development of additional programs that address working conditions, to include career development, should assist with both retention and recruitment.

Cost of living projections for 2023 are 7.3% to 10.8%, Consumer Price Index is trending at 7.7% and employers are granting increases in the range of 4% to 10%. The proposed increase will help employees deal with the rising cost of living. It will also assist the County in maintaining pay practices that are competitive with the market, while developing programs and implementing strategies that identify and address employees' changing expectations in the workplace. Creating

## Overview of the FY23 Adopted Budget

a work culture that is responsive to both employee and operational needs, in addition to competitive wages and benefits, are essential factors to our endeavor to be an employer of choice.

### **Priority Topic – Transportation Funding**

Since 2017 the County has recognized that the Transportation Trust Fund has not had revenue sources adequate to maintain the County's vast transportation infrastructure. Forecasts predicted a growing imbalance as a result of factors including the lack of indexing of fuel taxes to inflation, lower fuel consumption as vehicles became more fuel efficient or use alternative fuel sources, and the cost of transportation services and materials increasing at a higher rate than the supporting revenues.

Despite focused efforts to implement operational efficiencies, secure grant funding, and decrease expenditures, the lack of funding has significantly impacted sidewalk repairs, mowing and tree trimming frequencies, and the maintenance of curbs, underdrain systems, pavement, and other critical infrastructure.

To address these challenges, a dedicated millage of 0.1279 was approved for FY22 to stabilize the fund and maintain existing operations. An additional \$4.0M of one-time General fund support was dedicated to reducing the sidewalk backlog over a 24-month period and \$480,000 in reoccurring costs, including a maintenance crew, was added to maintain the improved sidewalk program level of service. As of the beginning of July 2022, 63.0% of the backlog has been completed. In FY23 this dedicated millage will provide \$13.3M to stabilize the fund.

In FY23 a dedicated millage of 0.1738 (\$18.3M) is included to improve the level of service of our local roads from a Pavement Condition Index (PCI) D to a C over nine years, replace signage and pavement markings at 172 Pinellas Trail crossings in one year. This funding will also be used to enhance preventative maintenance of bridges, box culverts, road underdrains, and curbs with the goal of improving transportation safety and promote the return on investment for these important transportation assets. Lastly, while local road conditions will improve with this additional funding, arterial and collector roads are expected to decline to a PCI of C are projected to stabilize at that level. Staff is drafting an implementation plan for this effort to include types of resources needed.

The set aside of designated property tax millage allows the County to maintain or improve certain transportation levels of service. These are steps in a positive direction and the County will continue to develop additional strategies to fund the transportation infrastructure that is critical to our local economy, community resiliency, and quality of life.

### **Priority Topic – Behavioral Health**

During FY21, the County continued to partner with KPMG to implement two key initiatives that were outlined in the Elevate Pinellas Behavioral Health Action Plan.

- Establish a systemic performance management approach collectively with behavioral health public service funders and institute a contractual Optimal Data Set (ODS) requirement for all providers of behavioral health care; and
- Establish a robust coordinated access model (CAM) with a centralized intake process to access care including standardized screening, triage, and scheduling practices.

The ODS is a performance management dashboard that focuses on identifying key performance indicators (KPIs) related to access, quality, and capacity. The ODS information aims to provide a better understanding of the health of the behavioral health care system. This past year, KPMG

## **Overview of the FY23 Adopted Budget**

conducted a national scan of behavioral health indicators, conducted workshops and one-on-one meetings with local providers and reviewed State metrics to recommend an initial set of twenty-nine key performance indicators that will be contractually required of all County funded behavioral health providers. These indicators will reflect access to care as well as capacity and quality indicators of behavioral health case management.

Additionally, this fiscal year marked the completion of design and procurement of the CAM System. The CAM allows for increased transparency and facilitation in how clients, families, caregivers, and professionals access appropriate behavioral health services throughout the County. Specifically, the CAM is designed to provide centralized intake, standardized screening and assessment practices, coordinated warm handoffs between care providers, and a foundation for performance management, strategic resource allocation, and consumer choice.

This initiative will continue to augment Human Services' coordination and leadership of a multi-faceted approach to supporting County residents with mental health and addiction needs. A key element of this coordination is the Pinellas Integrated Care Alliance (PICA) partners, which includes Central Florida Behavioral Health Network, the Juvenile Welfare Board, the Florida Department of Health, Pinellas County Government, and the Sheriff. This cross-sector initiative aims to address continuing gaps within the behavioral health continuum of care with an emphasis on improving service utilization for individuals served by multiple systems including the jail, county health program, emergency departments, homeless services, and behavioral health acute/crisis care centers.

In addition to the high impact work completed with KPMG, Human Services initiated a Quick Response Team model aimed at increasing access to care for persons who have experienced an overdose and were treated by first responders within the community. The first iteration of this model increases proactive engagement by a local substance use treatment provider immediately following an interaction with EMS. This proactive engagement strategy seeks to remove barriers when accessing treatment. Future iterations of this model will include additional first responder organizations such as law enforcement and fire personnel.

Funding for various programs is included in department/agency budgets of Human Services, Sheriff, Judiciary, Public Defender, and Florida Department of Health. Human Services also aggressively pursues grant funding opportunities; more than \$5.7M is awarded to specifically target unmet behavioral health services needs in Pinellas County.

### **Priority Topic – Sustainability and Resiliency**

The impact of Pinellas County's sustainability and resiliency efforts have been significant in FY22 and will continue to grow and progress in FY23.

The Board of County Commissioners signed the first resolution in support of sustainability efforts in 2006, and the County has made strides to achieve those original goals and additional goals since, including the creation of "Green Pinellas," adopting an energy and water conservation directive, and creating the County's unique tool to analyze the impacts of sea-level rise on capital infrastructure. Much of progress in FY22 can be attributed to creating a new Strategic Plan objective committing to "foster a sustainable and resilient community that is prepared for sea level rise and a changing climate". The County continues to align goals, operations, and services through the first-ever Sustainability & Resiliency Action Plan (SRAP). After being finalized in FY22, the SRAP will create a structure and pathways to inform internal processes, such as annual budgets, performance measures, departmental workplan items that will enhance sustainable

## Overview of the FY23 Adopted Budget

impacts throughout the organization and community. At nearly every level, staff strive to consider the current and future needs of residents, the natural environment, and the economy while simultaneously ensuring that the County is adaptable and prepared for abrupt changes. This reinvigorated culture and strategic approach will be solidified through the SRAP's goals, guiding principles, implementation measures, and six new focus areas.

In FY22, the Board of County Commissioners passed a resolution establishing clean energy targets for our departments and operations. The County also subscribed to purchase renewable energy through Duke's Clean Energy Connection Program. Following a green fleet analysis, our Fleet Division not only set a new goal to transition all light-duty vehicles to electric by 2032 but also purchased the first electric vehicles toward this goal. The County also secured federal and state grant funding for sustainability-based and resiliency-based infrastructure and planning projects.

In FY23, the County will quantify and track connections of our broad portfolio to sustainability and resiliency. For instance, the following list of activities are embedded within the budget document and may be better highlighted and quantified: staff time on relevant projects; capital funds spent for hazard mitigation; facilities retrofits to improve energy efficiency, resources allocated to preserve and maintain green space; planning for community and neighborhood revitalization; savings from flood insurance; etc. Most notably is the money allocated to the Capital Improvement Program and the resulting impacts from those expenditures. The Sustainability and Resiliency Coordinator will continue to work with the Office of Management and Budget to add additional value to the budgeting process and quantify the results of these efforts.

### **Priority Topic – Housing Affordability**

Housing affordability remains a top issue in Pinellas County and the Tampa Bay region as home prices and rents have risen dramatically in recent years. Rent prices in the Tampa Bay Area increased 24% in 2021 and continue to rise in 2022.

Pinellas County housing programs include home buyer counseling classes, down payment and home repair loans, rental assistance, and funding for affordable housing development that includes both homeownership and rental housing. Housing program funding is provided by the federal government and Florida's State Housing Initiatives Partnership program.

Pinellas County received \$45.7M of federal Emergency Rental Assistance Program funds in response to the pandemic and has assisted 5,443 households through May of 2022.

In addition to leveraging state and federal funds through partnership with the Pinellas County Housing Finance Authority, the County and cities created the Penny for Pinellas Affordable Housing Program, an \$80.0M fund dedicated to supporting qualified development and rehabilitation projects to expand affordable housing in Pinellas County. The program uses revenue from the voter approved 1.0% sales surtax (see Penny for Pinellas section below for more details) along with other public and private investment to preserve and develop more affordable housing. The County assists many different types of applicants, including developers who specialize in affordable housing and those who traditionally build market-rate developments as well as municipal and nonprofit partners.

In FY22, the Advantage Pinellas Housing Compact was adopted. This is an agreement between multiple local partners and municipalities to establish a framework for multi-jurisdictional cooperation, making it easier to address affordable housing issues across boundaries. In the

## Overview of the FY23 Adopted Budget

upcoming year, Pinellas County, Forward Pinellas, and municipal partners will continue work on initiatives to incentivize production of affordable housing in designated corridors and redevelopment areas.

Even more recently, Pinellas County has been developing a Tenants Bill of Rights that would prohibit landlords from refusing to rent to people with housing vouchers and require landlords to provide tenants written notice of late fees and notice of their rights under federal and state law.

Also recently, the County compiled a web page with resources for renters and homeowners at [www.pinellascounty.org/resident/housing.htm](http://www.pinellascounty.org/resident/housing.htm). This page contains links to help individuals find housing that fits their individual needs.

### **Priority Topics - Penny for Pinellas**

Penny revenues are proceeds of a 1.0% Local Government Infrastructure Surtax on sales in Pinellas County, pursuant to Section 212.055(2) of the Florida Statutes. The Penny surtax is collected on the first \$5,000 of all purchases excluding groceries and medications. The authorized use of these funds is generally restricted to infrastructure projects only and cannot be used for ongoing operation or maintenance costs. The Penny became effective February 1, 1990, for an initial period of 10 years and has been extended by referendums in 1997, 2007, and 2017 for additional 10-year periods (currently lasting until December 31, 2029). The Penny revenue is distributed in accordance with statutory requirements and an interlocal agreement with all 24 municipalities in Pinellas County using a population-based formula. Beginning January 1, 2020, according to the referendum vote, the interlocal agreement sets aside 11.3% of net proceeds for countywide investments consisting of Economic Development Capital Projects and Housing (8.3%) and Court and Jail facilities (3.0%). The County's percentage for the Penny ending December 31, 2029, referred to as Penny IV, is 51.75%, after the countywide investment distribution.

Approximately 70% of the County's Governmental Capital Improvement Program (CIP) for FY23 is funded with Penny for Pinellas revenues. These are the non-enterprise construction projects such as roads, drainage, buildings, public safety, and park projects.

During the 2017 Penny renewal education campaign, priority projects were identified. Over the past year, OMB has worked with departments and agency partners to prioritize those identified projects, determine realistic schedules, and include preliminary construction cost estimates in the CIP. Nearly all the projects on the "2017 list" are included in the CIP, with updated cost estimates. The exceptions are the Sheriff's vehicles and hazmat vehicles which have other funding sources, and several watershed management plan projects that are pending completion of project development studies. The projects are funded based upon current cost estimates. The Penny Ten-Year Plan is balanced within projected revenues.

The Penny funding is also used as a match to leverage grant funding for projects. In FY23, projected grant funding for governmental Capital Improvement Program (CIP) projects is \$26.4M. In addition, the County has been allocated \$189.4M from the American Rescue Plan Act (ARPA) State and Local Fiscal Recovery Fund (SLFRF). The first half of the funding has been received, and the second half is anticipated by year end. In May, the Board approved a revised spending plan which provides funding of \$139.7M for CIP projects during FY23-FY27. The ARPA funding will offset some projects that would otherwise have been Penny funded. It will also enable the County to complete projects not previously programmed in the CIP.

## Overview of the FY23 Adopted Budget

### **Priority Topics – Legislative Updates**

Pinellas County's budget is not solely dependent on local revenues and policies. State and federal governments impact the County's budget through legislation, tax policy, and the appropriations process. The Board of County Commissioners is continuously engaged in the development and oversight of its federal and state legislative programs.

During the most recent state legislative session, the County secured legislative appropriations for environmental remediation of the County-owned Toytown property (\$15.0M) and North County Stormwater Improvements (\$9.5M). These appropriations are included in the final \$109.9B FY23 State Budget signed by the Governor in June 2022.

The budget also includes funding for Affordable Housing (\$362.73M – SHIP \$209.48M, SAIL \$153.25M). The County will receive approximately \$4.8M in SHIP for FY23, an increase of over \$1.4M over the previous year.

The legislature passed House Joint Resolution 1 providing for an additional \$50,000 property tax exemption for homesteaded properties owned by critical workers. The constitutional amendment will be on the November 2022 ballot and, if passed, will have an estimated impact of \$1.9M to the General Fund, and \$782,000 to the MSTU Fund.

House Bill 7071 increased the existing ad valorem property tax exemption for widows, widowers, and blind or permanently disabled homeowners from \$500 to \$5,000 and will have an estimated impact of \$704,000 to the General Fund, and \$286,000 to the MSTU Fund.

At the federal level, the County secured three Congressional Community Project Funding awards in the FY22 Federal Budget in the amount of \$1.8M for the Computer Aided Dispatch (CAD) Public Safety System, \$700,000 for the Sanitary Sewer Interceptor at Pinellas Park, and \$240,000 for Tidal Check Valves.

Housing and Community Development will receive \$2.4M in Community Development Block Grant funds, \$214,491 in Emergency Solution Grant funds, and \$1.4M for HOME Investment Partnership Funding in FY23, commensurate with the previous year.

In November of 2021 the Infrastructure Investment and Jobs Act was signed into law. This bill provides historic federal funding for infrastructure, including \$550B in new funds that state and local governments will be eligible to compete for. These grants will invest in transportation, water, broadband, energy and power, and resiliency projects.

### **Priority Topic – Unincorporated Area Municipal Services Taxing Unit (MSTU) Budget**

MSTU expenditures include direct and indirect costs related to several services and activities in unincorporated areas of the County:

**Sheriff's Office Law Enforcement:** The Sheriff provides law enforcement services to the unincorporated area. The Sheriff's Office determines the budget based on an analysis of resources in the unincorporated area (patrol officers, vehicles, etc.). The methodology for this allocation is based on an independent consultant review in 2003. Year-end financial reporting for the previous six (6) fiscal years, from FY16 through FY21, indicates that an average of 27.0% of the Sheriff's law enforcement activity is dedicated to the MSTU.

## Overview of the FY23 Adopted Budget

**Departments or programs entirely dedicated to the MSTU:** In the FY23 Budget, these activities include building services, development review services, code enforcement, surface water management, and lot clearing. Additionally, three County employees provide focused support to unincorporated communities, work with local organizations to ensure strong communication, and help guide local projects to fruition. These staff liaisons will help coordinate priorities with these communities and improve the overall quality of life for our residents.

**Departments or programs partially dedicated to the MSTU:** Departments whose services, and therefore costs, are allocated between countywide and MSTU activities include zoning services and Economic Incentive Grants for job creation.

**Activities associated with revenue collection:** The budgets for the elected Property Appraiser and Tax Collector are determined by statutory formulas that spread their costs in proportion to the property tax and other revenue they are responsible for supporting. Their budgets are approved by the State Department of Revenue. After the fiscal year, any charges exceeding what these agencies require to operate are returned to the supported funds in the same manner, proportionate to the property tax and other revenue collected.

MSTU projects in the Capital Improvement Program (CIP) are not included in this summary, except for the transfer from the General Fund to the Capital Projects Fund to support MSTU Road Projects.

### **Priority Topic – Fiscal Responsibility**

Pinellas County is committed to fiscal responsibility and has historically proven this again and again. The FY23 Budget is no exception. Of course, Pinellas County continues to have the lowest per capita debt among large Florida counties, thanks to strong budget planning and a pay-as-you-go approach. As well, this careful approach has allowed the County to propose to reduce the property tax rate for two consecutive years.

This fiscally conservative approach has been embedded in the culture of Departments over the last few years, flowing from the Board of County Commissioners and expected by the County Administrator. Any additions or service enhancements to the budget are based on data and analysis that clearly supports the need for those enhancements to provide for the efficient and effective delivery of services.

In both FY22 and FY23, the Budget has included the strategic use of reserves for one-time expenses and avoided using one-time revenues for recurring expenses. In FY23, the budget includes the use of reserves for these purposes including a \$1,200 non-recurring pay supplement for employees (\$1.8M). Other uses of reserves for one-time expenditures include \$1.3M for the Coordinated Access Model, \$1.9M for the next phase of Oracle upgrades, and smaller items marked as one-time expenses during the budget process. At the same time, Departments are encouraged to find savings during the fiscal year and continuously improve to find efficiencies in their operations. This continues in FY23 as an expectation from the County Administrator to all BCC Department Directors.

As discussed on several occasions, the County has a current policy of maintaining reserves of 15% in the operating budget. The reserve amount expected at the end of FY23 is \$155.5M, or 21.0%. Counties and Cities more often than not employ 17 percent as an appropriate reserve threshold, which is the equivalent of two months of operating costs. To assist with these



## **Overview of the FY23 Adopted Budget**

discussions, one percent of the general fund expenditures and transfers to Constitutional Officers is \$7,376,088.20 in FY23.

### **Budgetary Topics to Explore After the Proposed Budget**

County Administration, the Office of Management & Budget, and key Departments will continue to revise and refine the budget even after the proposed budget is presented.

After budget adoption (while staff are closing the books on FY22), County Administration will develop plans to stress test the budgets of Departments for including in the FY24 budget process. Plans will be developed with the Supervisor of Elections for multi-year capital investments such as vote tabulation machines, large-scale copiers, and other equipment. OMB staff will begin the process of reviewing the County's many written administrative directives and policies to update and address any gaps in these internal policies.

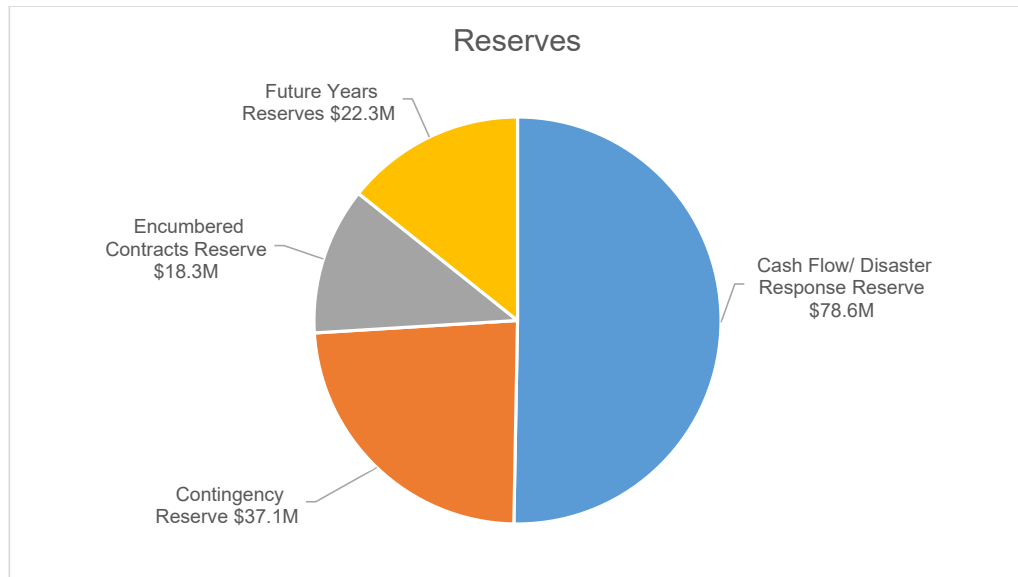
Developing, monitoring, amending, and implementing the Budget is a dynamic process that continues even after the budget is Adopted in September.

Reserves

Reserves are not expenditures, but they are included in the budgeted total requirements for the fund. To be expended, the BCC must take formal action reappropriating these funds from Reserves to expenditures.

Maintaining adequate reserves is key to the County’s ability to deal with potential emergencies and unforeseen events such as commodity price hikes, unanticipated dips in revenues or a natural disaster. Having an adequate reserve also demonstrates stability to the financial markets. As Pinellas has the lowest general revenue debt of any major Florida county, this stability enhances our ability to raise capital through bonding at a lower cost if required in the future.

The FY23 General Fund budget includes reserves of \$156.2M, or 21.0% of total revenues, which is consistent with the Board policy target of a minimum of 15.0%. The components of the General Fund reserves are Contingency, Encumbered Contracts, Cash Flow/Disaster Response, and Future Years.



**Contingency Reserve**

The Contingency Reserve, which is budgeted at \$37.1M in FY23, is an amount equal to 5.0% of revenues to be used for unanticipated revenue shortfalls or expenditures. For example, fuel costs and electricity rate increases have been highly volatile and often exceed normal inflation. Another example is the need for accrued leave payouts due to unanticipated retirements.

**Encumbered Contracts Reserve**

During the year, at any given time there are purchase orders and service contracts that have been approved and are subject to payment as work is completed or goods delivered. The \$18.3M in the Encumbered Contracts Reserve for FY23 represents the average amount that was encumbered at month’s end for the 12-month period ending August 2022.

***Cash Flow / Disaster Response Reserve***

During the first two months of the fiscal year, expenditures exceed revenues because most of the property tax revenue is not received until December. Property tax revenue represents about 70.0% of the total General Fund revenue. As a high hazard coastal county, Pinellas needs to have Disaster Response Reserve funds on hand in case of an emergency such as a hurricane or other disaster. Reimbursement from the Federal Emergency Management Agency (FEMA) and the State, which usually cover only a portion of the costs, is not available at the beginning of a disaster and often is not received for many months or years after the event. The FY23 amount for the Cash Flow / Disaster Response reserve, \$78.6M, exceeds one-twelfth of all General Fund revenue budgeted for the fiscal year.

***Future Year Reserve***

For FY23, the General Fund reserves include \$22.3M in non-recurring funds set aside for specific future expenditures such as future technology needs.



## Unincorporated Area Municipal Services Taxing Unit (MSTU) Budget

MSTU Expenditures include both direct and indirect costs in unincorporated areas of the County and consist of the following activities:

- **Sheriff's Office Law Enforcement:** The Sheriff provides law enforcement services to the unincorporated area. The Sheriff's Office determines the budget based on an analysis of these resources (patrol officers, vehicles, etc.). The methodology for this allocation is based on an independent consultant review in 2003. Year-end financial reporting for the previous six (6) fiscal years, from FY16 through FY21, indicates that an average of 27.0% of the Sheriff's law enforcement activity is dedicated to the MSTU. The following budget summary table applies 27.0% to the calculated MSTU portion of the Law Enforcement budget for FY22 and FY23.
- **Departments or programs entirely dedicated to the MSTU:** Several agencies are engaged in providing services exclusively to the unincorporated area. In the FY23 Budget, these activities include building services, development review services, code enforcement, surface water management, and lot clearing. Additionally, three County employees provide focused support to unincorporated communities, work with the local organizations to ensure strong communication, and help guide local projects to fruition. These staff liaisons will help coordinate priorities with these communities and improve the overall quality of life for our residents.
- **Departments or programs partially dedicated to the MSTU:** Departments whose services, and therefore costs, are allocated between countywide and MSTU activities include zoning services and Economic Incentive Grants for job creation.
- **Activities associated with revenue collection:** The budgets for the elected Property Appraiser and Tax Collector are determined by statutory formulas that spread their costs in proportion to the property tax and other revenue they are responsible for supporting. Their budgets are approved by the State Department of Revenue. After the fiscal year, any charges exceeding what these agencies require to operate are returned to the supported funds in the same manner, proportionate to the property tax and other revenue collected.

MSTU projects in the Capital Improvement Program (CIP) are not included in this summary, except for the transfer from the General Fund to the Capital Projects Fund to support MSTU Road Projects.

Program	Fund	FY22 Revised Budget	FY23 Budget
<b>Sheriff</b>	<b>General</b>	<b>55,822,960</b>	<b>55,922,760</b>
<b>Surface Water</b>	<b>Surface Water</b>	<b>23,897,960</b>	<b>25,648,610</b>
<b>Building Permits</b>	<b>Building Services</b>	<b>8,344,000</b>	<b>9,622,120</b>
<b>Development Review Services</b>	<b>General</b>	<b>3,384,310</b>	<b>3,687,010</b>
<b>Code Enforcement</b>	<b>General</b>	<b>2,251,000</b>	<b>2,590,110</b>
<b>Housing &amp; Community Development w/ Economic Development</b>	<b>General</b>	<b>1,479,530</b>	<b>1,314,650</b>
<b>Local Road Program</b>	<b>General &amp; Capital Projects</b>	<b>650,000</b>	<b>650,000</b>
<b>MSTU Projects with PCR Youth Sports</b>	<b>General</b>	<b>855,060</b>	<b>868,590</b>
<b>Tax Collector &amp; Property Appraiser Fees</b>	<b>General &amp; Surface Water</b>	<b>1,568,700</b>	<b>1,686,790</b>
<b>Total</b>		<b>\$98,253,520</b>	<b>\$101,990,640</b>



# FUND FORECASTS UPDATE

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The *Fund Forecasts Update* portion of the FY23 Budget Message describes the changes in the six-year forecasts for 10 of the County's major funds:

- General Fund
- Emergency Medical Services Fund
- Surface Water Fund
- Tourist Development Tax Fund
- Transportation Trust Fund
- Capital Projects Fund
- Airport Fund
- Sewer Funds
- Solid Waste Funds
- Water Funds

This section is presented in two parts:

- **Changes to Key Forecast Assumptions** discusses the most significant changes to the basic assumptions used in preparing the forecast as compared to the assumptions in the February document.
- **Updated Individual Fund Forecasts and Forecast Pro-Formas** summarizes the impact of the changes in assumptions, and the FY23 Budget, on the long-term outlook for each fund, and presents the major assumptions and the revenue and expenditure forecast for the fund for the forecast period.

## Changes to Key Forecast Assumptions

In June 2022, a comprehensive forecast for fiscal years 2023 through 2028 was presented to the Board of County Commissioners (BCC) as an initial step in the FY23 budget preparation process. This document assessed the long-term financial health of the County's funds and provided the context for making decisions in view of their impact on future revenues and expenditures.

Since the Forecast was presented in June 2022, assumptions used for ad valorem revenue has changed from a 6.8% increase to a 13.2% increase in FY23 based on the *2022 Preliminary Tax Roll* from the Property Appraiser as of July 01, 2022. The Countywide millage for FY23 is 4.7398, a reduction of 0.3904 mills from FY22. All other assumptions remain unchanged.

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## **Updated Individual Fund Forecasts and Forecast Pro-Formas**

The following pages present the long-term outlook for each of the major funds. A description of each fund and a summary of the forecast are followed by the major assumptions, as-well-as, a detailed revenue and expenditure forecast for the fund through the 6-year period.



# GENERAL FUND

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## Description

The General Fund includes the primary governmental functions of the County that are not completely supported by dedicated resources. These activities include, but are not limited to, Sheriff's law enforcement, detention, and corrections; human services; emergency management and communications; parks and leisure services; and the operations of the Property Appraiser, Tax Collector, and Supervisor of Elections.

The General Fund includes operations for both countywide functions and the unincorporated area. These segments are tracked separately within the fund. The unincorporated area is commonly referred to as the Municipal Services Taxing Unit (MSTU). Expenditures for MSTU are about 8.6% of the fund's total expenditures (net of reserves).

## Summary

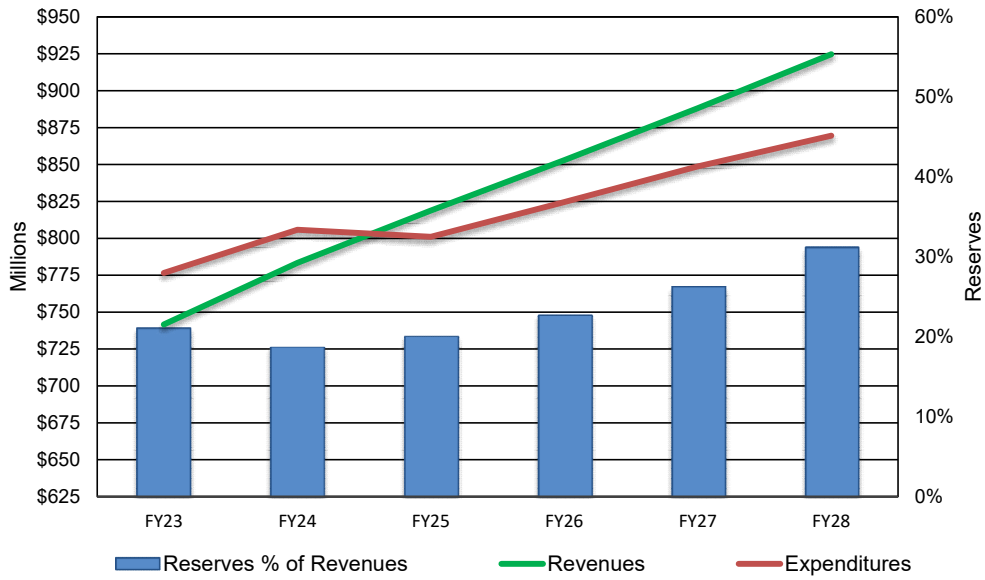
The General Fund encompasses the principal governmental activities of the County that are not primarily supported by dedicated revenues or by user fees. The four main external revenue sources for the General Fund are Property Taxes, State Shared Half-Cent Sales Taxes, State Revenue Sharing, and Communications Services Taxes.

Since the General Fund Forecast was presented in June 2022, assumptions used for ad valorem revenue has changed from a 6.8% increase to a 13.2% increase in FY23 based on the *2022 Preliminary Tax Roll* from the Property Appraiser as of July 01, 2022. The Countywide millage for FY23 is 4.7398, a reduction of 0.3904 mills from FY22. All other assumptions remain unchanged.

The forecast projects that the General Fund is balanced from FY23 – FY28, with the use of fund balance in FY23 to fund one-time capital expenditures. The General Fund continues to meet or exceed the 15.0% required reserves through the forecast period.

# GENERAL FUND

## General Fund Forecast FY23 - FY28



**GENERAL FUND FORECAST  
Fund 0001**

<b>Forecast Assumptions</b>	<b>FY24</b>	<b>FY25</b>	<b>FY26</b>	<b>FY27</b>	<b>FY28</b>
<b>REVENUES</b>					
Property Taxes - Countywide	5.4%	5.1%	4.7%	4.5%	4.4%
Property Taxes - MSTU	3.9%	3.6%	3.2%	3.0%	2.9%
Half Cent Sales Tax	3.5%	3.9%	2.6%	3.4%	3.4%
Revenue Sharing	3.5%	3.9%	2.6%	3.4%	3.4%
Communications Svc Tax	-3.0%	-3.0%	-3.0%	-3.0%	-3.0%
Grants	2.0%	2.0%	2.0%	2.0%	2.0%
Interest	0.3%	0.8%	1.3%	1.8%	2.3%
Charges for Services	2.8%	2.8%	2.8%	2.8%	2.8%
Other revenues	2.8%	2.8%	2.8%	2.8%	2.8%
<b>EXPENDITURES</b>					
Personal Services	3.1%	3.1%	3.1%	3.1%	3.1%
Operating Expenses	2.8%	2.8%	2.8%	2.8%	2.8%
Capital Outlay	2.8%	2.8%	2.8%	2.8%	2.8%
Grants & Aids	2.8%	2.8%	2.8%	2.8%	2.8%
<b>Projected Economic Conditions / Indicators:</b>					
Consumer Price Index, % change	2.8%	2.8%	2.8%	2.8%	2.8%
FL Per Capita Personal Income Growth	1.4%	1.8%	1.5%	1.2%	0.8%
Estimated New Construction % of tax base	1.0%	1.0%	1.0%	1.0%	1.0%

**GENERAL FUND FORECAST  
Fund 0001**

(in \$ millions)

	Actual FY21	Budget FY22	Estimated FY22	Budget FY23	FORECAST					
					Estimated FY23	Estimated FY24	Estimated FY25	Estimated FY26	Estimated FY27	Estimated FY28
<b>BEGINNING FUND BALANCE</b>	<b>184.3</b>	<b>249.6</b>	<b>249.5</b>	<b>191.2</b>	<b>191.2</b>	<b>169.1</b>	<b>146.7</b>	<b>164.6</b>	<b>193.1</b>	<b>232.7</b>
<b>REVENUES*</b>										
Property Taxes -Countywide	467.1	483.4	481.7	499.2	504.4	531.7	558.8	585.1	611.4	638.3
Property Taxes - MSTU	42.5	44.2	44.6	49.2	49.7	51.6	53.5	55.2	56.9	58.5
Half Cent Sales Tax	54.4	50.4	54.3	49.6	50.1	51.9	53.9	55.3	57.2	59.1
Revenue Sharing	21.7	21.6	25.2	21.2	21.4	22.2	23.0	23.6	24.4	25.3
Communications Svc Tax	7.9	6.9	6.7	6.3	6.4	6.2	6.0	5.8	5.7	5.5
Intergovernmental Revenue	143.7	13.6	14.0	14.8	14.9	15.2	15.5	15.9	16.2	16.5
Licenses and Permits	1.8	1.7	1.8	1.6	1.6	1.7	1.7	1.7	1.8	1.8
Interest	0.5	0.4	1.1	1.2	1.2	0.5	1.2	2.1	3.5	5.4
Charges for Services	55.7	55.8	58.0	56.3	56.9	58.5	60.2	61.8	63.6	65.4
Other revenues	42.6	38.9	52.6	42.1	42.6	43.8	45.0	46.3	47.6	48.9
<b>TOTAL REVENUES</b>	<b>838.0</b>	<b>716.7</b>	<b>740.1</b>	<b>741.6</b>	<b>749.4</b>	<b>783.3</b>	<b>818.8</b>	<b>852.9</b>	<b>888.1</b>	<b>924.6</b>
% vs prior year		-14.5%	-11.7%		1.3%	4.5%	4.5%	4.2%	4.1%	4.1%
<b>TOTAL RESOURCES</b>	<b>1,022.3</b>	<b>966.3</b>	<b>989.6</b>	<b>932.8</b>	<b>940.6</b>	<b>952.4</b>	<b>965.6</b>	<b>1,017.5</b>	<b>1,081.2</b>	<b>1,157.3</b>
<b>EXPENDITURES*</b>										
Personal Services	90.3	96.1	88.0	103.4	101.4	104.5	107.7	111.0	114.4	118.0
Operating Expenses	139.2	143.0	140.3	148.6	145.6	152.7	157.0	161.4	165.9	170.6
Capital Outlay	1.4	6.8	2.1	5.8	5.8	5.9	6.1	6.3	6.4	6.6
Grants & Aids	149.7	66.4	66.8	37.3	37.3	38.3	39.1	39.9	40.7	41.5
Transfers to Other Funds	4.9	83.5	83.5	38.9	38.9	38.9	17.2	17.4	17.6	17.8
Constitutional Officers Transfers	390.8	411.2	417.8	442.5	442.5	456.2	470.2	484.7	499.6	515.0
Future Year Commitments	-	-	-	-	-	9.1	3.7	3.8	3.9	-
<b>EXPENDITURES</b>	<b>776.3</b>	<b>807.1</b>	<b>798.4</b>	<b>776.5</b>	<b>771.5</b>	<b>805.7</b>	<b>801.0</b>	<b>824.4</b>	<b>848.5</b>	<b>869.5</b>
% vs prior year		4.0%	2.8%	-3.8%	-3.4%	4.4%	-0.6%	2.9%	2.9%	2.5%
<b>ENDING FUND BALANCE</b>	<b>245.9</b>	<b>159.3</b>	<b>191.2</b>	<b>156.2</b>	<b>169.1</b>	<b>146.7</b>	<b>164.6</b>	<b>193.1</b>	<b>232.7</b>	<b>287.8</b>
ENDING FUND BALANCE AS % OF REVENUE	29.3%	22.2%	25.8%	21.1%	22.6%	18.7%	20.1%	22.6%	26.2%	31.1%
<b>TOTAL REQUIREMENTS</b>	<b>1,022.3</b>	<b>966.3</b>	<b>989.6</b>	<b>932.8</b>	<b>940.6</b>	<b>952.4</b>	<b>965.6</b>	<b>1,017.5</b>	<b>1,081.2</b>	<b>1,157.3</b>
<b>REVENUE minus EXPENDITURES (NOT cumulative)</b>	<b>61.6</b>	<b>(90.3)</b>	<b>(58.3)</b>	<b>(34.9)</b>	<b>(22.1)</b>	<b>(22.4)</b>	<b>17.9</b>	<b>28.5</b>	<b>39.6</b>	<b>55.1</b>

\*Expenditure lapse is calculated as 2.0% of personal services, operating (less BTS cost allocation), and capital outlay.

## COUNTY TRANSPORTATION TRUST FUND

### Description

The County Transportation Trust Fund is a special revenue fund required by Florida Statute 336.022 to account for revenues and expenditures used for the operation and maintenance of transportation facilities and associated drainage infrastructure. Activities include road and right-of-way maintenance (e.g., asphalt repair, mowing), bridge maintenance and operation, traffic engineering, traffic signal operation including Advanced Traffic Management System/Intelligent Transportation Systems (ATMS/ITS), traffic control signage and striping, sidewalk repair and construction, and maintenance of ditches, culverts, and other drainage facilities. Resources to support these activities are provided from fuel taxes collected and distributed on a shared basis to all Florida counties by the State of Florida, and from local option fuel taxes levied by the County.

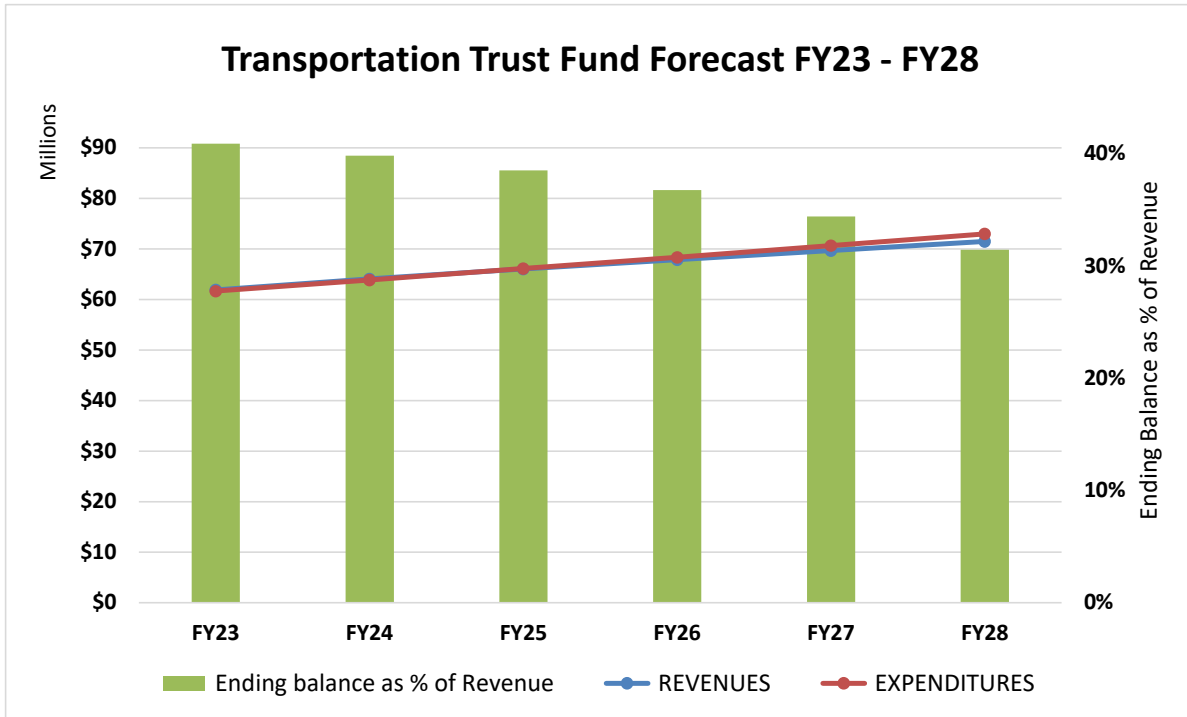
Two local option taxes have been imposed by the Board of County Commissioners. The first is a one-cent per gallon levy (referred to by statute as the Ninth Cent) which began in January 2007. It is dedicated to implementation of the ATMS/ITS program. The other local levy is the Six Cent Local Option Fuel Tax (LOFT) per gallon tax that is shared by interlocal agreement between the County and all municipalities within Pinellas County. The County's share of collections is 60.0% of total receipts, and the municipalities receive portions of the remaining 40.0% based on population distribution.

### Summary

The Transportation Trust Fund is primarily funded by state and local fuel taxes. Revenue is projected to show a gradual incline but does not keep pace with inflationary increases for expenditures in this fund. The growth of revenue is limited by more fuel-efficient cars and alternative fuel vehicles, as well as restrictions imposed by State laws that do not allow indexing of local fuel taxes for inflation. This limited growth has been further aggravated by decreased travel and commuting due to the COVID-19 pandemic.

Major strategies to manage the forecasted gap in revenues versus expenditures include a continuation of actions to reduce future costs on the expenditure side. However, to limit impacts to levels of service, the County chose to utilize additional revenue from other fund sources. Beginning in FY22 a designated millage of 0.1279 mills was allocated to supplement the variance in the fund.

In addition to the designated millage implemented in FY22, this forecast incorporates elements of the FY23 Budget which includes another designated Countywide millage subsidy from the General Fund of 0.1752 mills as part of transportation initiative to increase levels of service. Also included in this forecast is the assumption of an extension of both the Ninth Cent Fuel Tax (set to expire in December of 2026) and the Local Option Fuel Tax (set to expire in December of 2027). With the introduction of these additional revenue sources, the life of the fund is projected to be extended beyond FY28.



**TRANSPORTATION TRUST FUND FORECAST  
Fund 1001**

Forecast Assumptions	FY24	FY25	FY26	FY27	FY28
<b>REVENUES</b>					
Ninth Cent Fuel Tax	1.5%	0.7%	0.5%	0.4%	0.2%
State Shared Fuel Taxes	1.5%	0.6%	0.5%	0.3%	0.2%
Local Option Fuel Taxes	1.5%	0.6%	0.5%	0.3%	0.2%
Interest	0.3%	0.8%	1.3%	1.8%	2.3%
Other revenues	2.2%	2.1%	2.2%	2.3%	2.3%
<b>EXPENDITURES</b>					
Personal Services	3.1%	3.1%	3.1%	3.1%	3.1%
Operating Expenses	2.8%	2.8%	2.8%	2.8%	2.8%
Capital Outlay	2.8%	2.8%	2.8%	2.8%	2.8%
Grants & Aids	2.8%	2.8%	2.8%	2.8%	2.8%
Property Tax	5.4%	5.1%	4.7%	4.5%	4.4%
<b>Projected Economic Conditions / Indicators:</b>					
Consumer Price Index, % change	2.8%	2.8%	2.8%	2.8%	2.8%
FL Per Capita Personal Income Growth	1.4%	1.8%	1.5%	1.2%	0.8%

(in \$ thousands)

	Actuals FY21	Budget FY22	Estimated FY22	Budget FY23	FORECAST					
					Estimated FY23	Estimated FY24	Estimated FY25	Estimated FY26	Estimated FY27	Estimated FY28
<b>BEGINNING FUND BALANCE</b>	18,105.9	16,471.1	17,701.4	25,067.2	25,067.2	25,303.0	25,512.8	25,421.9	24,930.1	23,967.1
<b>REVENUES</b>										
Ninth Cent Fuel Tax	3,897.9	3,468.6	3,941.4	3,798.7	3,998.6	4,058.6	4,086.2	4,105.9	4,121.7	4,129.6
State Shared Fuel Taxes	10,379.4	9,413.2	9,862.0	9,539.6	10,041.7	10,192.3	10,256.7	10,305.7	10,339.4	10,357.8
Local Option Fuel Tax (1-6 Cent)	13,047.1	12,394.7	13,308.0	12,827.3	13,502.5	13,705.0	13,792.0	13,920.4	13,904.2	13,929.1
Interest	14.1	12.2	18.1	24.7	25.9	26.0	26.0	26.0	25.5	24.5
Other revenues	3,247.8	2,293.5	2,594.8	2,559.3	2,694.0	2,753.3	2,811.1	2,873.0	2,939.0	3,006.6
Federal Grant CARES Adjustment	(7.7)	-	-	-	-	-	-	-	-	1.0
General Fund One - Time Subsidy	-	4,566.9	4,566.9	18,300.0	18,300.0	19,288.2	20,271.9	21,224.7	22,179.8	23,155.7
Designated Millage Increase LOS (.1752 Mills)	-	12,000.0	12,000.0	13,343.0	13,343.0	14,063.5	14,780.8	15,475.5	16,171.9	16,883.4
Designated Millage Maintain LOS (.1279 Mills)	-	-	-	-	-	-	-	-	-	-
<b>TOTAL REVENUES</b>	<b>30,578.7</b>	<b>44,149.0</b>	<b>46,311.2</b>	<b>60,392.6</b>	<b>61,905.5</b>	<b>64,086.7</b>	<b>66,024.6</b>	<b>67,868.1</b>	<b>69,681.5</b>	<b>71,487.7</b>
% vs prior year	0.3%	46.2%	51.4%	36.8%	40.2%	38.4%	6.7%	5.9%	5.5%	5.3%
<b>TOTAL RESOURCES</b>	<b>48,684.6</b>	<b>60,620.1</b>	<b>64,012.6</b>	<b>85,459.8</b>	<b>86,972.7</b>	<b>89,389.8</b>	<b>91,537.4</b>	<b>93,290.0</b>	<b>94,611.6</b>	<b>95,454.8</b>
<b>EXPENDITURES</b>										
Personal Services	16,828.9	18,061.8	17,151.7	19,533.1	18,947.1	19,529.9	20,130.7	20,750.0	21,388.3	22,046.2
Operating Expenses *	10,484.8	16,224.7	14,597.3	17,672.5	17,142.3	17,622.3	18,115.7	18,623.0	19,144.4	19,680.5
Capital Outlay	21.5	1,297.1	609.9	614.6	596.1	612.8	630.0	647.6	665.7	684.4
Grants & Aids	197.3	48.1	48.1	48.1	48.1	49.4	50.8	52.3	53.7	55.2
Debt Service	64.9	65.2	65.2	65.2	65.2	67.0	68.8	70.8	72.8	74.8
Full Cost Allocation	4,616.1	4,773.2	4,773.2	4,870.9	4,870.9	5,007.3	5,147.5	5,291.7	5,439.8	5,592.1
Transfers to Capital Funds - Ninth Cent	-	1,700.0	1,700.0	1,700.0	1,700.0	1,700.0	1,700.0	1,700.0	1,700.0	1,700.0
Designated Millage Increase LOS (.1752 Mills)	-	-	-	18,300.0	18,300.0	19,288.2	20,271.9	21,224.7	22,179.8	23,155.7
<b>TOTAL EXPENDITURES</b>	<b>32,213.5</b>	<b>42,170.1</b>	<b>38,945.4</b>	<b>62,804.3</b>	<b>61,869.7</b>	<b>63,877.0</b>	<b>66,115.5</b>	<b>68,369.9</b>	<b>70,644.5</b>	<b>72,988.9</b>
% vs prior year	-	30.9%	20.9%	48.9%	46.2%	3.6%	3.5%	3.4%	3.3%	3.3%
<b>ENDING FUND BALANCE **</b>	<b>16,471.1</b>	<b>18,450.0</b>	<b>25,067.2</b>	<b>22,655.5</b>	<b>25,303.0</b>	<b>25,512.8</b>	<b>25,421.9</b>	<b>24,930.1</b>	<b>23,967.1</b>	<b>22,465.9</b>
Ending balance as % of Revenue	53.9%	41.8%	54.1%	37.5%	40.9%	39.8%	38.5%	36.7%	34.4%	31.4%
<b>TOTAL REQUIREMENTS</b>	<b>48,684.6</b>	<b>60,620.1</b>	<b>64,012.6</b>	<b>85,459.8</b>	<b>86,972.7</b>	<b>89,389.8</b>	<b>91,537.4</b>	<b>93,290.0</b>	<b>94,611.6</b>	<b>95,454.8</b>
<b>REVENUE minus EXPENDITURES (NOT cumulative)</b>	<b>(1,634.8)</b>	<b>1,979.0</b>	<b>7,365.8</b>	<b>(2,411.8)</b>	<b>235.8</b>	<b>209.7</b>	<b>(90.9)</b>	<b>(491.8)</b>	<b>(963.0)</b>	<b>(1,501.2)</b>

\* Operating Expenses net of Full Cost Allocation





## **EMERGENCY MEDICAL SERVICE FUND**

### **Description**

The Emergency Medical Service (EMS) Fund is a special revenue fund established by referendum in 1980, which allows up to 1.5 mills to be levied annually on a countywide basis to finance the operation of a comprehensive countywide emergency medical service system. This system provides advanced life support, emergency medical response, and transport services to all residents and visitors of Pinellas County. The County maintains EMS contracts with 18 fire service agencies (first responders) and one ambulance provider (Paramedics Logistics, LLC, operating in Pinellas County under the trade name "Sunstar"). The EMS System is funded by a combination of property taxes and ambulance user fees. The ambulance user fees support the ambulance contractual expenditures, and property taxes support the first responder expenditures.

The EMS System was established by referendum in 1980 by the Special Act (Chapter 80-585, Laws of Florida) that created the EMS Authority as a Dependent Special District. In 1988, Pinellas County Ordinance 88-12 solidified the EMS system design. The Fiscal Policy guidelines within Ordinance 88-12 state that the Board of County Commissioners (BCC), sitting as the Emergency Medical Services Authority, directs the following fiscal policy guidelines that govern the financial operations of the County's EMS system: (a) to establish sound business controls and long-term cost containment incentives throughout the County EMS system; (b) to provide adequate funding to upgrade all EMS components to state-of-the-art-levels, and to maintain that progress in future years; (c) to provide for long-term financial stability sufficient to sustain quality EMS operations far into the future; (d) to reduce the County EMS system's excessive dependence upon local tax support by developing a more balanced approach to EMS funding; and (e) to provide the BCC with a wider range of EMS financing options than have been available in the past.

### **Summary**

The EMS Fund is balanced and forecasted to exceed its minimum reserve level of 25.0% throughout the forecast period. The fund is projected to have an estimated reserve balance of \$83.6M, or 39.8%, in FY28.

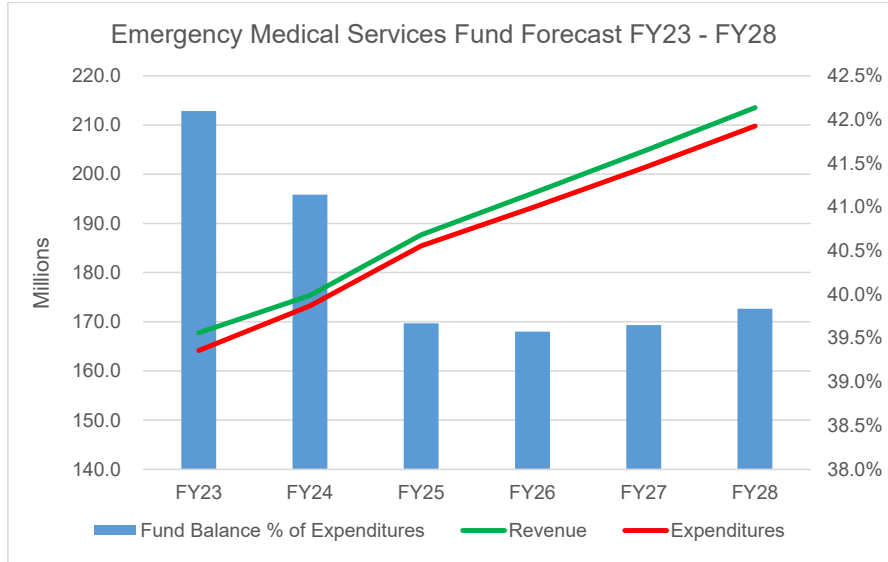
The EMS Fund is sensitive to property values as it is funded by ad valorem (property) tax revenue collected from property owners countywide. The EMS Fund's millage rate remained flat at 0.9158 since from FY13 to FY22, while property values recovered from the Recession and increased each year from FY14 through FY22. Due to the substantial increase in property values during the last two years, fund reserves are sufficient, allowing a tax rate decrease to 0.8775 mil for the FY23 Budget.

Property values are forecasted to increase each year throughout the six (6) year forecast period, with estimated increases ranging from 5.4% growth in FY24 to 4.4% in FY28. These increases are projected to raise ad valorem revenues by approximately \$18.8M over the forecast period.

The EMS Fund is also funded with ambulance user fee revenues. These revenues are projected to increase by 4.0% throughout the forecast period and raise ambulance user fee revenue by \$16.3M over the forecast period. Ambulance contract expenditures growth projected to increase at 4.0% per year throughout the forecast period. In FY20, the current ambulance contract was extended for three (3) years. After FY23, a new contract could have an impact on the forecast.

First responder contracts are currently funded based on actual first responder costs as defined in Board Resolution 09-38. The total for the 18 contracts increases \$5.6M, or 9.4% from FY22 to FY23. This forecast projects first responder expense growth at 4.5% per year for FY24 through FY28. This rate reflects anticipated increases in first responder personnel services costs throughout the forecast period.

Maintaining the 25.0% reserve level will be affected by: the ambulance service contract; changes in property values; potential changes to Medicare/Medicaid reimbursements; and adjustments in future service agreements with the first responders.



**EMERGENCY MEDICAL SERVICES FUND FORECAST  
Fund 1006**

In FY23 Reduced Millage Rate from 0.9158 to 0.8775	<b>Forecast Assumptions</b>				
	<b>FY24</b>	<b>FY25</b>	<b>FY26</b>	<b>FY27</b>	<b>FY28</b>
<b>REVENUES</b>					
Ad Valorem Revenue	5.4%	5.1%	4.7%	4.5%	4.4%
Ambulance Service Fees	4.0%	7.0%	4.0%	4.0%	4.0%
Ambulance Annual Members Fees	0.0%	0.0%	0.0%	0.0%	0.0%
Grant Revenue (EMS Trust Fund)	0.0%	0.0%	0.0%	0.0%	0.0%
County Officer Refunds	5.4%	5.1%	4.7%	4.5%	4.4%
Interest	0.3%	0.8%	1.3%	1.8%	2.3%
<b>EXPENDITURES</b>					
Personal Services	3.1%	3.1%	3.1%	3.1%	3.1%
Operating Expenses	2.8%	2.8%	2.8%	2.8%	2.8%
Operating Expenses-First Resp Med Supplies	3.5%	3.5%	3.5%	3.5%	3.5%
Capital Outlay	2.8%	2.8%	2.8%	2.8%	2.8%
Ambulance Contract	4.5%	10.5%	4.5%	4.5%	4.5%
Grants & Aids (First Responder Capital)	4.0%	4.0%	4.0%	4.0%	4.0%
Grants & Aids (First Responder Agmts)	4.5%	4.5%	4.5%	4.5%	4.5%
<b>Projected Economic Conditions / Indicators:</b>					
Consumer Price Index, % change	2.8%	2.8%	2.8%	2.8%	2.8%
FL Per Capita Personal Income Growth	1.4%	1.8%	1.5%	1.2%	0.8%

**EMERGENCY MEDICAL SERVICES FUND FORECAST  
Fund 1006**

(in \$ thousands)

	Actual FY21	Budget FY22	Estimated FY22	Budget FY23	Estimated FY23	FORECAST				
						Estimated FY24	Estimated FY25	Estimated FY26	Estimated FY27	Estimated FY28
<b>BEGINNING FUND BALANCE</b>	<b>51,360.1</b>	<b>57,926.9</b>	<b>59,461.7</b>	<b>65,526.5</b>	<b>65,526.5</b>	<b>69,119.1</b>	<b>71,265.3</b>	<b>71,502.9</b>	<b>72,245.3</b>	<b>73,309.0</b>
<b>BEGINNING FUND BALANCE - as % of Exp</b>	<b>38.9%</b>		<b>39.3%</b>		<b>39.9%</b>	<b>39.9%</b>	<b>38.4%</b>	<b>37.0%</b>	<b>35.9%</b>	<b>34.9%</b>
<b>REVENUES</b>										
Ad Valorem Revenue	76,587.7	80,933.5	81,785.4	88,068.2	88,995.2	93,801.0	98,584.8	103,218.3	107,863.1	112,609.1
Ambulance Service Fees	59,161.3	58,224.0	64,556.8	62,542.2	65,833.9	68,467.3	73,260.0	76,190.4	79,238.0	82,407.5
Ambulance Annual Members Fees	220.0	201.9	200.0	190.0	200.0	200.0	200.0	200.0	200.0	200.0
Grant Revenue (State EMS Trust Fund + Federal)	303.5	525.0	632.1	485.0	510.5	510.5	510.5	510.5	510.5	510.5
County Officer Refunds	462.5	468.4	468.4	468.4	493.0	519.6	546.1	571.8	597.5	623.8
Interest	219.4	104.9	402.3	382.2	402.3	207.4	570.1	929.5	1,300.4	1,686.1
Refund of Prior Years Expense	43.1	-	920.9	-	-	-	-	-	-	-
Medicaid Public Emergency Medical Transportation (PEMT) Reimbursement****	5,476.3	8,567.9	8,567.9	8,139.5	11,346.2	11,663.9	11,990.5	12,326.2	12,671.4	13,026.2
FEMA Reimbursement (Hurricane Irma)	-	-	-	-	-	-	-	-	-	-
COVID-19 CARES Act	-	-	-	-	-	-	-	-	-	-
Other revenues	(2,203.8)	-	-	-	-	-	-	-	-	-
<b>TOTAL REVENUES</b>	<b>140,269.9</b>	<b>149,025.5</b>	<b>157,533.7</b>	<b>160,275.4</b>	<b>167,781.2</b>	<b>175,369.7</b>	<b>185,662.1</b>	<b>193,946.8</b>	<b>202,381.0</b>	<b>211,064.3</b>
% vs prior year	2.1%	6.7%	12.3%	7.5%	6.5%	4.5%	5.9%	4.5%	4.3%	4.3%
<b>TOTAL RESOURCES</b>	<b>191,630.0</b>	<b>206,952.4</b>	<b>216,995.4</b>	<b>225,802.0</b>	<b>233,307.7</b>	<b>244,488.8</b>	<b>256,927.4</b>	<b>265,449.7</b>	<b>274,626.3</b>	<b>284,373.3</b>
<b>EXPENDITURES</b>										
Personal Services	4,439.8	5,134.9	4,870.1	6,278.5	6,278.5	6,471.7	6,670.8	6,876.3	7,088.2	7,306.8
Operating Expenses	11,060.9	11,027.1	9,984.2	12,949.0	12,949.0	12,530.7	12,895.9	13,271.5	13,660.1	14,060.5
Operating Expenses - Ambulance Contract (First Responder Medical Supplies)	1,391.7	3,394.7	1,965.4	2,058.7	2,058.7	2,130.8	2,205.3	2,282.5	2,362.4	2,445.1
Medicaid PEMT Intergovernmental Transfer****	1,779.7	1,638.8	3,285.8	3,400.8	4,502.8	4,628.9	4,758.5	4,891.7	5,028.7	5,169.5
Capital Outlay*	552.1	7,266.2	7,341.7	3,841.0	3,841.0	3,948.5	4,059.1	4,172.8	4,289.6	4,409.7
Paramedics Logistics Ambulance Contract	52,667.1	57,537.1	58,927.2	63,154.0	63,154.0	65,995.9	72,925.5	76,207.2	79,636.5	83,220.1
Paramedics Logistics Funding Request (County Portion of implementing salary increases)	-	2,400.0	-	-	-	1,200.0	1,254.0	1,310.4	1,369.4	1,431.0
EMS Trust Fund Grant Expenditures	11.4	525.0	321.0	410.0	410.0	510.5	510.5	510.5	510.5	510.5
Storm Related Expense (Hurricane Irma)	-	-	-	-	-	-	-	-	-	-
Grants & Aids (First Responder Agmts)	57,341.1	59,767.3	59,767.3	65,395.1	65,395.1	68,337.9	71,413.1	74,626.7	77,984.9	81,494.2
Grants & Aids (First Responder Capital)**	779.1	1,850.0	2,650.0	2,950.0	2,950.0	2,000.0	2,000.0	2,163.2	2,249.7	2,339.7
EMS System Enhancements	-	-	-	-	-	2,700.0	2,800.0	2,900.0	3,000.0	3,100.0
Computer Aided Dispatch (CAD) Costs*****	-	-	-	-	-	-	958.5	968.1	977.7	987.5
Transfers to County Officers***	2,145.3	2,356.2	2,356.2	2,649.4	2,649.4	2,768.6	2,893.2	3,023.4	3,159.5	3,301.6
<b>TOTAL EXPENDITURES</b>	<b>132,168.3</b>	<b>152,897.2</b>	<b>151,468.9</b>	<b>163,086.6</b>	<b>164,188.6</b>	<b>173,223.5</b>	<b>185,424.5</b>	<b>193,204.3</b>	<b>201,317.3</b>	<b>209,777.3</b>
% vs prior year	9.8%	18.8%	14.6%	6.7%	8.4%	5.5%	7.0%	4.2%	4.2%	4.2%
<b>ENDING FUND BALANCE</b>	<b>59,461.7</b>	<b>54,055.2</b>	<b>65,526.5</b>	<b>62,715.4</b>	<b>69,119.1</b>	<b>71,265.3</b>	<b>71,502.9</b>	<b>72,245.3</b>	<b>73,309.0</b>	<b>74,596.0</b>
Ending balance as % of Expenditures	45.0%	35.4%	43.3%	38.5%	42.1%	41.1%	38.6%	37.4%	36.4%	35.6%
<b>TOTAL REQUIREMENTS</b>	<b>191,630.0</b>	<b>206,952.4</b>	<b>216,995.4</b>	<b>225,802.0</b>	<b>233,307.7</b>	<b>244,488.8</b>	<b>256,927.4</b>	<b>265,449.7</b>	<b>274,626.3</b>	<b>284,373.3</b>
<b>REVENUE minus EXPENDITURES (NOT cumulative)</b>	<b>8,101.6</b>	<b>(3,871.7)</b>	<b>6,064.8</b>	<b>(2,811.1)</b>	<b>3,592.6</b>	<b>2,146.1</b>	<b>237.6</b>	<b>742.4</b>	<b>1,063.7</b>	<b>1,286.9</b>

\* Capital outlay for County EMS is inflated at the countywide assumption rate.

\*\* FY23 - FY28 Capital expenditures assume inflationary increase at 4.0% per year for replacement of Rescue and Medic Units.

\*\*\* These are fees paid to the Tax Collector and Property Appraiser to cover the costs of assessing and collecting ad valorem taxes.

\*\*\*\* This is a relatively new income and expense to the fund and is anticipated to continue as the program is now approved by the State. The forecasted numbers are built off the FY20 Actuals and assume a 6.0% reduction in FY21 to coincide with the forecasted reduction in ambulance transports. The remainder of the forecast remains flat.

# TOURIST DEVELOPMENT TAX FUND

## Description

The Tourist Development Tax (TDT) Fund is a special revenue fund that accounts for the 6.0% Tourist Development Tax (TDT) on rents collected for temporary lodgings of less than six months. Section 125.0104, Florida Statutes, was enacted by the State in 1977. The Board of County Commissioners (BCC) enacted an ordinance in 1978 to levy a 2.0% tax to promote tourism in Pinellas County, which was approved by a voter referendum on October 5, 1978. In 1988, the ordinance was amended to increase the tax by an additional 1.0%, with one-half of this amount earmarked to fund beach renourishment projects. In January 1996, an additional 1.0% was levied to provide additional funds for promotional activities, beach renourishment, and the County's obligation to service debt on the City of St. Petersburg's bonds for Tropicana Field. The BCC levied an additional 1.0% in December 2005 to provide funding for promotion and advertising. The sixth percent of TDT was approved by the BCC in 2015 (effective date January 1, 2016) to provide additional resources to promote the destination and to invest in tourism-related capital projects that will bring economic benefit to the County.

The Fund supports the Convention & Visitors Bureau (CVB), operating as Visit St. Pete/Clearwater, through the collection of the TDT, known as the "bed tax." The bed tax is used to enhance the County's economy by increasing tourism and direct visitor expenditures through marketing and promoting the destination as well as making direct investments in the beaches, museums, and Major League Baseball spring training facilities throughout the County.

## Summary

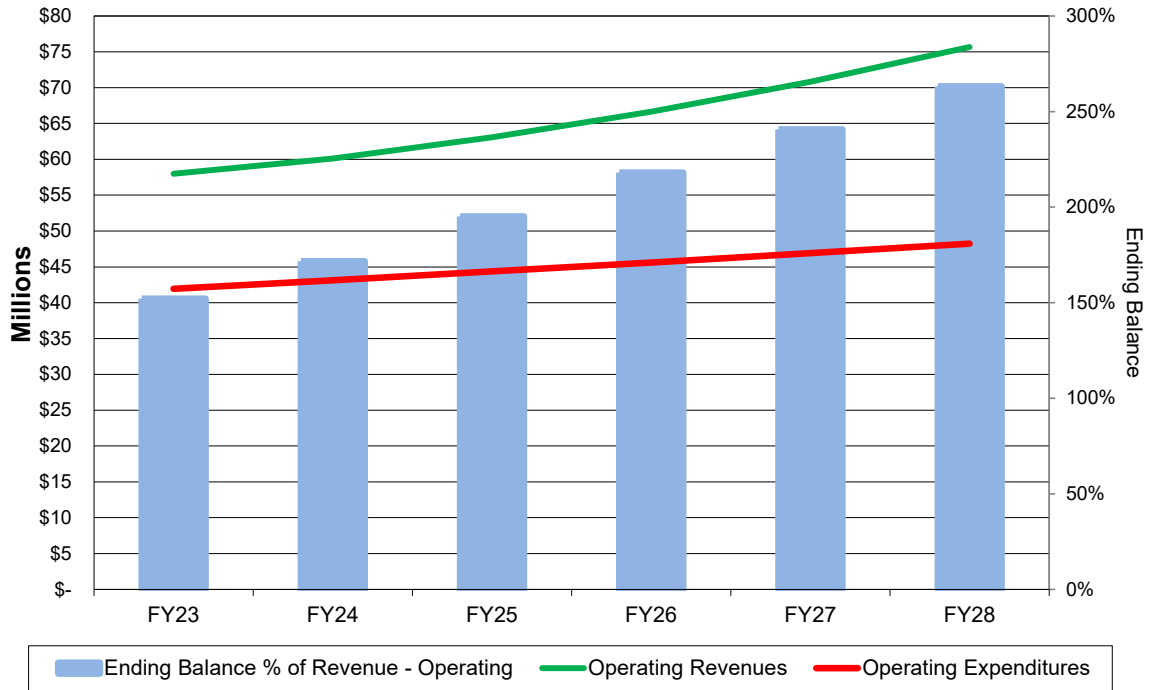
The Tourist Development Tax Fund is funded by the tourist development tax revenue that is sensitive to general economic conditions. Tourist development tax revenue has been steadily improving since spring 2010 and has seen year-over-year increases for 11 of the last 12 years. Compared to FY19, the last full year pre-COVID-19, revenue increased 16.0% to \$73.2M in FY21, and is projected to increase an additional 24.4% to \$91.0M in FY22.

Total expenditures increase 23.5% from FY22, with the greatest increase coming from transfers for beach renourishment project (67.3%) and advertising (14.0%). Operating Reserves increase 76.2% to \$83.4M while Capital Reserves increase 86.6% to \$78.3M.

The fund is balanced throughout the forecast period and maintains reserves in excess of 100% of revenue based on all known capital project commitments.

# TOURIST DEVELOPMENT TAX FUND

**Tourist Development Tax Fund Forecast FY23 - FY28 - Operating**



**TOURIST DEVELOPMENT TAX FUND FORECAST**  
**Fund 1040**

<b>Forecast Assumptions</b>	<b>FY24</b>	<b>FY25</b>	<b>FY26</b>	<b>FY27</b>	<b>FY28</b>
<b>REVENUES</b>					
Tourist Development Taxes	3.0%	3.0%	3.0%	3.0%	3.0%
Interest	0.3%	0.8%	1.3%	1.8%	2.3%
Other revenues	2.8%	2.8%	2.8%	2.8%	2.8%
<b>EXPENDITURES</b>					
Personal Services	3.1%	3.1%	3.1%	3.1%	3.1%
Operating Expenses	2.8%	2.8%	2.8%	2.8%	2.8%
Advertising Expense	2.8%	2.8%	2.8%	2.8%	2.8%
Capital Outlay	2.8%	2.8%	2.8%	2.8%	2.8%
<b>Projected Economic Conditions / Indicators:</b>					
Consumer Price Index, % change	2.8%	2.8%	2.8%	2.8%	2.8%
FL Per Capita Personal Income Growth	1.4%	1.8%	1.5%	1.2%	0.8%

**TOURIST DEVELOPMENT TAX FUND FORECAST  
Fund 1040**

(in \$ thousands)

	Actual FY21	Budget FY22	Estimated FY22	Budget FY23	FORECAST					
					Estimated FY23	Estimated FY24	Estimated FY25	Estimated FY26	Estimated FY27	Estimated FY28
<b>BEGINNING FUND BALANCE</b>	<b>37,275.1</b>	<b>65,253.2</b>	<b>72,122.8</b>	<b>121,800.7</b>	<b>121,800.7</b>	<b>161,666.6</b>	<b>209,896.4</b>	<b>260,820.4</b>	<b>315,002.8</b>	<b>373,059.7</b>
<b>REVENUES*</b>										
<b>Capital Revenues</b>										
Tourist Development Taxes	29,265.1	26,834.9	36,400.0	36,412.7	38,329.2	39,479.1	40,663.4	41,883.4	43,139.9	44,434.0
Subtotal - Capital Revenues	29,265.1	26,834.9	36,400.0	36,412.7	38,329.2	39,479.1	40,663.4	41,883.4	43,139.9	44,434.0
<b>Operating Revenues</b>										
Tourist Development Taxes - Operating	43,897.7	40,252.3	54,600.0	54,619.1	57,493.8	59,218.6	60,995.2	62,825.0	64,709.8	66,651.1
Interest	(100.4)	92.6	260.0	102.8	108.2	485.0	1,679.2	3,390.7	5,670.1	8,580.4
Other revenues	3.9	194.8	226.4	368.6	388.0	398.9	410.0	421.5	433.3	445.4
Subtotal - Operating Revenues	43,801.2	40,539.7	55,086.4	55,090.5	57,990.0	60,102.5	63,084.4	66,637.2	70,813.1	75,676.9
<b>TOTAL REVENUES</b>	<b>73,066.3</b>	<b>67,374.5</b>	<b>91,486.4</b>	<b>91,503.2</b>	<b>96,319.2</b>	<b>99,581.6</b>	<b>103,747.8</b>	<b>108,520.6</b>	<b>113,950.0</b>	<b>120,110.9</b>
% vs prior year		-7.8%	25.2%	0.0%		8.8%	4.2%	4.6%	5.0%	5.4%
<b>TOTAL RESOURCES</b>	<b>110,341.4</b>	<b>132,627.7</b>	<b>163,609.2</b>	<b>213,303.9</b>	<b>218,119.9</b>	<b>261,248.2</b>	<b>313,644.2</b>	<b>369,340.9</b>	<b>428,955.8</b>	<b>493,170.6</b>
<b>EXPENDITURES</b>										
Personal Services	4,810.4	5,366.1	4,530.3	5,741.5	5,741.5	5,918.1	6,100.2	6,288.1	6,481.9	6,681.6
Operating Expenses	2,741.1	3,631.3	3,374.4	3,955.0	3,955.0	4,065.8	4,179.6	4,296.6	4,416.9	4,540.6
Advertising/Sales/Promotions	24,716.5	27,796.9	27,705.5	31,589.4	31,589.4	32,473.9	33,383.1	34,317.8	35,278.7	36,266.6
Capital Outlay - Operating	-	3.0	10.0	50.0	50.0	51.4	52.8	54.3	55.8	57.4
Transfer - Tax Collector	524.1	600.0	600.0	600.0	600.0	618.0	636.5	655.6	675.3	695.6
<b>Subtotal - Operating</b>	<b>32,792.1</b>	<b>37,397.2</b>	<b>36,220.2</b>	<b>41,935.8</b>	<b>41,935.8</b>	<b>43,127.1</b>	<b>44,352.3</b>	<b>45,612.6</b>	<b>46,908.7</b>	<b>48,241.8</b>
Transfer - Beach Renourishment	4,329.6	5,588.4	5,588.4	9,351.5	9,351.5	8,224.8	8,471.6	8,725.7	8,987.5	9,257.1
Capital Spending Program	852.0	350.0	-	350.0	350.0	-	-	-	-	1.0
Capital Outlay - Dali Museum	-	-	-	-	-	-	-	-	-	1.0
Capital Outlay - Dunedin Spring Training Facility	-	-	-	-	-	-	-	-	-	1.0
Capital Outlay - Clearwater Spring Training Facility	244.9	-	-	-	-	-	-	-	-	1.0
<b>Subtotal - Capital Funding Program</b>	<b>5,426.5</b>	<b>5,938.4</b>	<b>5,588.4</b>	<b>9,701.5</b>	<b>9,701.5</b>	<b>8,224.8</b>	<b>8,471.6</b>	<b>8,725.7</b>	<b>8,987.5</b>	<b>9,261.1</b>
<b>EXPENDITURES</b>	<b>38,218.6</b>	<b>43,335.6</b>	<b>41,808.4</b>	<b>51,637.3</b>	<b>51,637.2</b>	<b>51,351.8</b>	<b>52,823.8</b>	<b>54,338.1</b>	<b>55,896.1</b>	<b>57,502.8</b>
% vs prior year		13.4%	9.4%	23.5%	23.5%	-0.6%	2.9%	2.9%	2.9%	2.9%
<b>ENDING FUND BALANCE</b>										
<b>Operating</b>	<b>55,504.5</b>	<b>47,344.6</b>	<b>81,089.9</b>	<b>83,402.3</b>	<b>88,218.4</b>	<b>103,196.4</b>	<b>123,120.4</b>	<b>145,302.8</b>	<b>170,459.7</b>	<b>199,167.9</b>
<b>Capital</b>	<b>16,618.3</b>	<b>41,947.6</b>	<b>40,710.8</b>	<b>78,264.3</b>	<b>78,264.3</b>	<b>106,700.0</b>	<b>137,700.0</b>	<b>169,700.0</b>	<b>202,600.0</b>	<b>236,500.0</b>
Ending balance as % of Revenue										
Operating	126.7%	116.8%	147.2%	151.4%	152.1%	171.7%	195.2%	218.1%	240.7%	263.2%
Capital	56.8%	156.3%	111.8%	214.9%	204.2%	270.3%	338.6%	405.2%	469.6%	532.2%
<b>TOTAL REQUIREMENTS</b>	<b>110,341.4</b>	<b>132,627.7</b>	<b>163,609.2</b>	<b>213,303.9</b>	<b>218,119.9</b>	<b>261,248.2</b>	<b>313,644.2</b>	<b>369,340.9</b>	<b>428,955.8</b>	<b>493,170.6</b>
<b>REVENUE minus EXPENDITURES - Operating</b>	11,009.1	3,142.4	18,866.2	13,154.7	16,054.2	16,975.4	18,732.0	21,024.7	23,904.4	27,435.1
<b>REVENUE minus EXPENDITURES - Capital Funding Program (NOT cumulative)</b>	23,838.6	20,896.5	30,811.6	26,711.3	28,627.8	31,254.3	32,191.9	33,157.7	34,152.4	35,173.0

\*Typically, revenue is budgeted at 95% of expected collections, per State Statute.



# CAPITAL PROJECTS FUND

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## Description

The Capital Projects Fund is used for governmental capital projects included in the County's Capital Improvement Plan (CIP). These projects include roads, bridges, drainage, beach nourishment, park development, and construction of facilities necessary to provide County services.

The Pinellas County CIP is a comprehensive six-year plan of proposed capital projects intended to identify and balance the capital needs of the community within the fiscal capabilities and limitations of the County. It is primarily a planning document that is updated annually and subject to change as the needs of the community become more defined.

## Summary

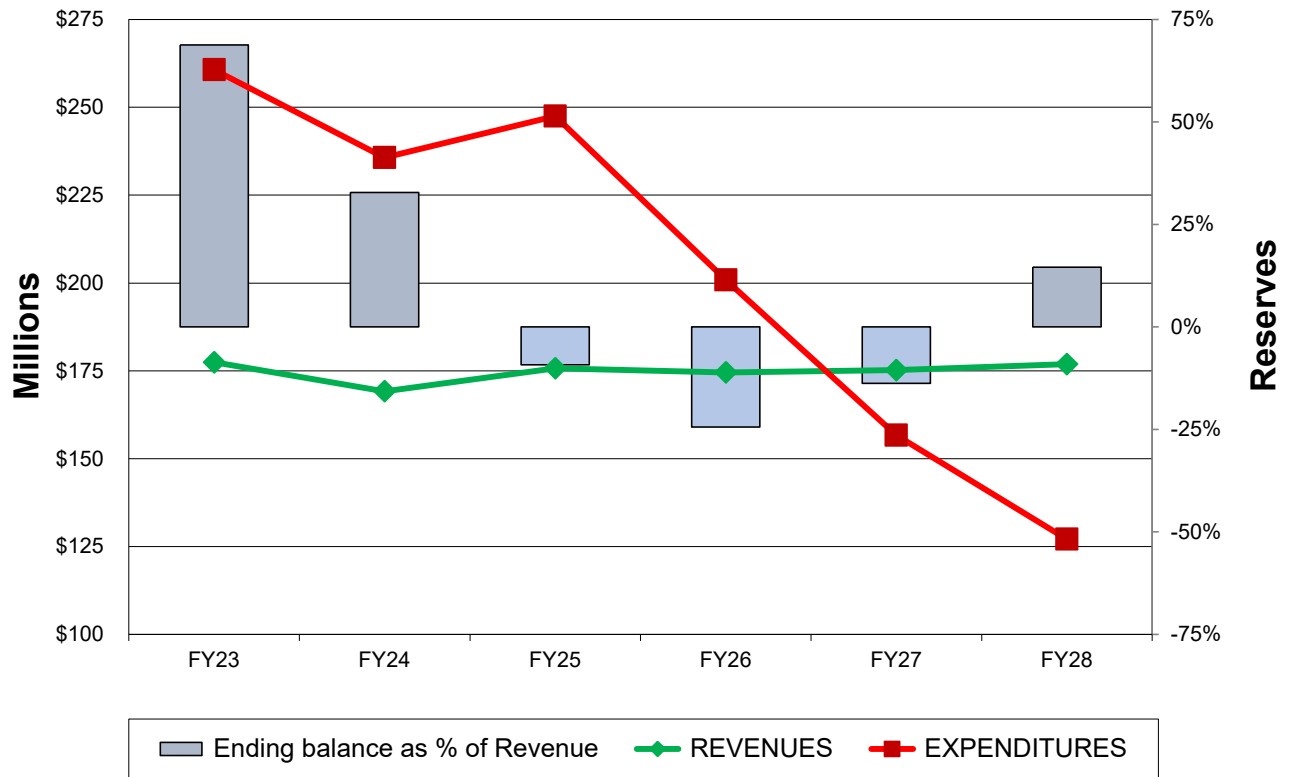
This Fund's primary revenue source is the "Penny for Pinellas" (Penny). It is a one-percent local government infrastructure sales surtax pursuant to Section 212.055(2), Florida Statutes, imposed in Pinellas County. The Penny has been approved for four sequential ten-year periods beginning in 1990. It was most recently approved in November 2017 for the period January 1, 2020 through December 31, 2029 (Penny IV) by 83% of the voters. As a sales tax, the Penny is sensitive to general economic conditions. The revenue assumptions for the Penny have been updated and are consistent with the State sales tax revenue projections, reflecting a continued Penny revenue recovery estimate of 0.7% in FY23. Thereafter, Penny revenue is projected to increase by 3.5% in FY24, and an average of 3.2% FY25-FY28.

Expenditures exceed revenues for FY23 through FY26. Fund balance will be needed in FY23 to support the projected expenditures. The first year of the CIP, FY23, is the basis for actual appropriations authorized by the Board of County Commissioners for capital projects when adopting the annual budget and must be balanced. The remaining five years are a guide for the future development of the County's new and replacement infrastructure needs. As shown on the forecast, the fund is balanced for FY23 and FY24. The fund will need to be balanced again during the FY25 budget process based upon actual activity and prioritization of projects.

County staff and administration have implemented the Capital Improvement Program Project Portfolio Management (CIP PPM) process for prioritizing, coordinating, and managing projects to enhance output, reporting, and decision support. Projects identified during the 2017 Penny IV education campaign will be prioritized. Departments will review all projects in a systematic and holistic manner. Projects that can provide the County with multiple benefits (e.g. - a project that will improve drainage, reduce stormwater/wastewater overflows, and provide infrastructure to support economic development) will be prioritized. This will enhance the coordination of cross-functional projects to provide efficient delivery of projects and best use of resources.

# CAPITAL PROJECTS FUND

## Capital Projects Fund Forecast FY23 - FY28



**CAPITAL PROJECTS FUND FORECAST**  
**Fund 3001**

<b>Forecast Assumptions</b>	<b>FY24</b>	<b>FY25</b>	<b>FY26</b>	<b>FY27</b>	<b>FY28</b>
<b>REVENUES</b>					
Infrastructure Sales Tax	3.5%	3.9%	2.6%	3.4%	3.0%
Interest Rate	0.3%	0.8%	1.3%	1.8%	2.3%
Other revenues	2.8%	2.8%	2.8%	2.8%	2.8%
<b>Projected Economic Conditions / Indicators:</b>					
Consumer Price Index, %change	2.8%	2.8%	2.8%	2.8%	2.8%

**CAPITAL PROJECTS FUND FORECAST  
Fund 3001**

(in \$ thousands)	FORECAST									
	Actual FY21	Budget FY22	Estimated FY22	Budget FY23	Estimated FY23	Estimated FY24	Estimated FY25	Estimated FY26	Estimated FY27	Estimated FY28
<b>BEGINNING FUND BALANCE</b>	153,428.2	158,196.5	174,566.3	205,287.7	205,287.7	122,041.4	55,518.9	(16,248.8)	(42,612.5)	(24,103.3)
<b>REVENUES</b>										
Infrastructure Sales Tax (Penny for Pinellas)	115,312.9	107,910.5	122,503.0	117,237.6	123,407.4	127,780.8	132,705.3	136,175.1	140,869.9	145,096.0
Grants	8,175.7	20,255.6	16,578.0	32,785.0	32,785.0	23,569.6	24,751.5	20,087.3	15,668.8	12,706.2
Transfer from Ninth-Cent Fuel Tax (Transportation Trust Fund)	-	1,700.0	1,700.0	1,700.0	1,700.0	1,700.0	1,700.0	1,700.0	1,700.0	1,700.0
Transfer from Multi-Modal Impact Fees	2,104.0	1,609.0	1,609.0	2,800.0	2,800.0	1,800.0	1,800.0	1,800.0	1,800.0	1,800.0
Transfer from General Fund	1,573.6	63,769.8	63,769.8	1,800.0	1,800.0	650.0	650.0	650.0	650.0	650.0
Transfer from TDT Fund	4,329.6	5,588.4	5,588.4	9,351.5	9,351.5	8,224.8	8,471.6	8,725.7	8,987.5	9,257.1
Interest	149.7	135.2	600.0	575.7	606.0	366.1	444.2	-	-	-
Other revenues	3,310.7	5,062.2	5,062.2	4,943.7	5,203.9	5,082.1	5,224.4	5,370.7	5,521.1	5,675.7
<b>TOTAL REVENUES</b>	<b>134,956.2</b>	<b>206,030.7</b>	<b>217,410.4</b>	<b>170,993.5</b>	<b>177,453.8</b>	<b>169,173.4</b>	<b>175,746.8</b>	<b>174,508.7</b>	<b>175,197.2</b>	<b>176,884.9</b>
% vs prior year			61.1%	-17.0%	-18.4%	-4.7%	3.9%	-0.7%	0.4%	1.0%
<b>TOTAL RESOURCES</b>	<b>288,384.4</b>	<b>364,227.2</b>	<b>391,976.7</b>	<b>376,281.1</b>	<b>382,741.4</b>	<b>291,214.9</b>	<b>231,265.7</b>	<b>158,260.0</b>	<b>132,584.7</b>	<b>152,781.6</b>
<b>EXPENDITURES</b>										
Capital Project Expenditures	113,818.1	257,405.3	186,689.0	260,700.0	260,700.0	235,696.0	247,514.5	200,872.5	156,688.0	127,062.0
<b>TOTAL EXPENDITURES</b>	<b>113,818.1</b>	<b>257,405.3</b>	<b>186,689.0</b>	<b>260,700.0</b>	<b>260,700.0</b>	<b>235,696.0</b>	<b>247,514.5</b>	<b>200,872.5</b>	<b>156,688.0</b>	<b>127,062.0</b>
% vs prior year				1.3%	39.6%	-9.6%	5.0%	-18.8%	-22.0%	-18.9%
<b>ENDING FUND BALANCE</b>	<b>174,566.3</b>	<b>106,821.9</b>	<b>205,287.7</b>	<b>115,581.1</b>	<b>122,041.4</b>	<b>55,518.9</b>	<b>(16,248.8)</b>	<b>(42,612.5)</b>	<b>(24,103.3)</b>	<b>25,719.6</b>
Ending balance as % of Revenue	129.4%	51.8%	94.4%	67.6%	68.8%	32.8%	-9.2%	-24.4%	-13.8%	14.5%
<b>TOTAL REQUIREMENTS</b>	<b>288,384.4</b>	<b>364,227.2</b>	<b>391,976.7</b>	<b>376,281.1</b>	<b>382,741.4</b>	<b>291,214.9</b>	<b>231,265.7</b>	<b>158,260.0</b>	<b>132,584.7</b>	<b>152,781.6</b>
<b>REVENUE minus EXPENDITURES</b> (NOT cumulative)	21,138.2	(51,374.6)	30,721.4	(89,706.5)	(83,246.2)	(66,522.6)	(71,767.7)	(26,363.8)	18,509.2	49,822.9
net recurring revenues-expenditures	21,138.2	(51,374.6)	30,721.4	(89,706.5)	(83,246.2)	(66,522.6)	(71,767.7)	(26,363.8)	18,509.2	49,822.9

## AIRPORT FUND

### Description

The Airport Revenue and Operating Fund is used to account for the self-supporting operations of the St. Pete-Clearwater International Airport. Of the Airport's 2,000 acres, approximately half are dedicated to the airfield, terminal building, and car parking lots. The remaining acreage includes the 130-acre future planned development site (formerly the Airco Golf course); a 200-acre Airport Business Center; and leased space for industrial, commercial, and governmental operations. All activities necessary for airport operations and capital projects are included in this fund.

The Airport Revenue and Operating Fund is an enterprise fund that accounts for all revenues and expenditures at the Airport. This includes management of passenger and cargo airline operations, military, fire protection services, and general aviation, along with commercial and industrial airport property. The Airport is entirely self-supporting, meaning that no property tax dollars are used to support the operation of the airport.

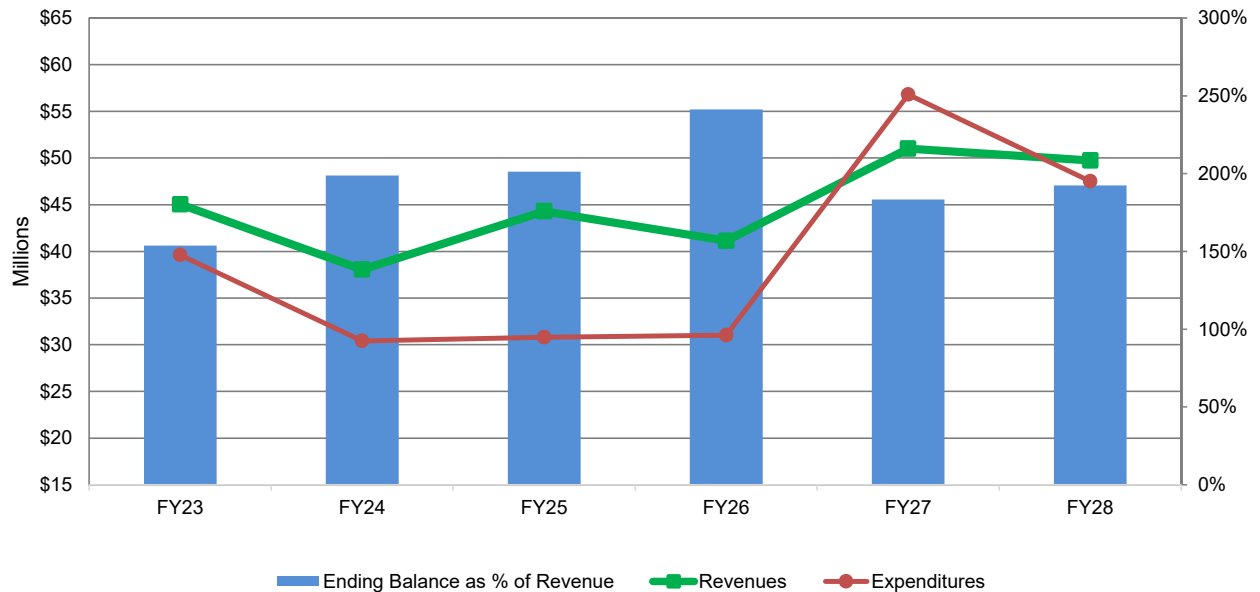
### Summary

There were some key changes to the forecast as presented in June 2022. The original revenue estimates were adjusted for revenues that are dependent on the number of passengers returning to pre-COVID-19 levels and a conservative revenue growth rate through the remainder of the forecast period. Additionally, the Airport revenues include \$18.7M in Federal Aviation Administration (FAA) and Florida Department of Transportation (FDOT) grants for the design/construction of the new economy parking lot, the COVID-19 affiliated grants, and parallel taxiways. These grants are anticipated to be completely drawn down over the forecast period. Several items can alter the six-year forecast of Airport revenue collections. A primary concern continues to be the strength of the airline industry and the continued dependence on one very successful airline, Allegiant Air. Also, a decline in the economy and the COVID-19 recovery would have a negative impact on the Airport's revenue sources.

Increases for FY23 are primarily driven by two Capital Improvement Program (CIP) projects that are scheduled to begin construction: Cargo Apron Rehabilitation & Runway 9/27 Conversion (\$8.2M) and the Construction of the New General Aviation Taxiways and Roads (\$8.0M). Airport will spend existing FAA ARPA grant funding in the amount of \$7.6M (received in FY22) to offset COVID-19 expenses (payroll and benefits costs) and supplement CIP projects.

The forecast for the Airport Revenue and Operating Fund shows that the fund is balanced through the forecast period. This presumes the timing of capital projects may need to be adjusted to reflect the timing and amounts of any grant revenues, changing priorities, or capacity issues.

Airport Fund Forecast FY23 - FY28



**AIRPORT FUND FORECAST  
Fund 4001**

<b>Forecast Assumptions</b>	<b>FY24</b>	<b>FY25</b>	<b>FY26</b>	<b>FY27</b>	<b>FY28</b>
<b>REVENUES</b>					
Airfield/Flight Lines	1.9%	1.7%	1.5%	1.9%	2.0%
Rents/Leases/Concessions	1.8%	0.8%	0.6%	2.3%	1.1%
Customer Facility Charges (CFC)	14.8%	1.7%	1.7%	1.7%	1.7%
Passenger Facility Charge (PFC)	1.7%	1.7%	1.7%	1.7%	1.7%
Interest	0.3%	0.8%	1.3%	1.8%	2.3%
Other revenues	2.8%	2.8%	2.8%	2.8%	2.8%
<b>EXPENDITURES</b>					
Personal Services	3.1%	3.1%	3.1%	3.1%	3.1%
Operating Expenses	2.8%	2.8%	2.8%	2.8%	2.8%
Capital Outlay	2.8%	2.8%	2.8%	2.8%	2.8%
Grants & Aids	2.8%	2.8%	2.8%	2.8%	2.8%
<b>Projected Economic Conditions / Indicators:</b>					
Consumer Price Index, % change	2.8%	2.8%	2.8%	2.8%	2.8%
FL Per Capita Personal Income Growth	1.4%	1.8%	1.5%	1.2%	0.8%

**AIRPORT FUND FORECAST  
Fund 4001**

(in \$ thousands)	Actual FY21	Budget FY22	Estimated FY22	Budget FY23	FORECAST					
					Estimated FY23	Estimated FY24	Estimated FY25	Estimated FY26	Estimated FY27	Estimated FY28
<b>BEGINNING FUND BALANCE</b>	<b>41,042.8</b>	<b>49,326.0</b>	<b>53,808.8</b>	<b>63,802.5</b>	<b>63,802.5</b>	<b>67,972.9</b>	<b>75,628.6</b>	<b>89,130.9</b>	<b>99,249.1</b>	<b>93,453.0</b>
<b>REVENUES</b>										
Airfield/Flight Lines	4,188.9	3,896.7	4,465.3	4,373.6	4,603.8	4,691.2	4,771.0	4,842.6	4,934.6	5,033.3
Rents/Leases/Concessions	11,318.8	10,136.9	12,190.3	12,769.6	13,441.7	13,683.7	13,793.1	13,875.9	14,195.0	14,351.2
Grants-Operating	154.3	121.6	121.6	121.6	121.6	125.0	128.5	132.1	135.8	139.6
COVID Grant Funding	6,234.4	11,561.9	8,522.8	15,118.7	15,118.7	4,915.0	4,915.0	4,915.0	4,915.0	4,915.0
Customer Facility Charge (CFC)	2,038.0	1,967.4	2,140.0	1,967.4	2,071.0	2,377.5	2,417.9	2,459.0	2,500.8	2,543.3
Passenger Facility Charge (PFC)	4,436.3	3,517.6	4,832.9	4,361.5	4,591.1	4,669.1	4,748.5	4,829.2	4,911.3	4,994.8
Grants-Capital	7,429.1	1,330.0	420.4	4,738.7	4,738.7	7,389.0	12,915.0	8,915.0	17,615.0	15,615.0
Interest	2.5	332.5	332.5	332.5	350.0	203.9	605.0	1,158.7	1,786.5	2,149.4
Other revenues	45.5	58.4	55.8	3.6	3.8	3.9	4.0	4.1	4.2	4.4
<b>TOTAL REVENUES</b>	<b>35,847.6</b>	<b>32,923.1</b>	<b>33,081.7</b>	<b>43,787.2</b>	<b>45,040.2</b>	<b>38,058.3</b>	<b>44,298.0</b>	<b>41,131.5</b>	<b>50,998.2</b>	<b>49,745.9</b>
% vs prior year	0.1%	7.3%	-7.7%	32.4%	36.1%	-13.1%	16.4%	-7.1%	24.0%	-2.5%
<b>TOTAL RESOURCES</b>	<b>76,890.5</b>	<b>82,249.1</b>	<b>86,890.5</b>	<b>107,589.7</b>	<b>108,842.8</b>	<b>106,031.2</b>	<b>119,926.6</b>	<b>130,262.4</b>	<b>150,247.2</b>	<b>143,198.9</b>
<b>EXPENDITURES</b>										
Personal Services	5,955.6	6,209.8	5,787.1	6,579.9	6,579.9	6,782.3	6,991.0	7,206.3	7,428.4	7,657.5
Operating Expenses	5,842.4	6,868.3	6,385.8	7,244.0	7,244.0	7,446.8	7,655.4	7,869.7	8,090.1	8,316.6
Capital Outlay	276.1	11.1	188.8	712.7	712.7	732.6	753.1	774.2	795.9	818.2
Full Cost Allocation	1,871.9	2,040.2	2,044.3	2,094.3	2,094.3	2,152.9	2,213.2	2,275.1	2,338.9	2,404.3
Grants and Aids	-	18.0	18.0	18.0	18.0	-	-	-	-	-
Non-recurring CIP expenditures	9,798.8	11,130.2	8,868.0	22,968.0	22,968.0	13,288.0	13,183.0	12,888.0	38,141.0	28,315.0
<b>TOTAL EXPENDITURES</b>	<b>23,744.8</b>	<b>26,297.5</b>	<b>23,087.9</b>	<b>39,616.8</b>	<b>39,616.8</b>	<b>30,402.6</b>	<b>30,795.7</b>	<b>31,013.4</b>	<b>56,794.2</b>	<b>47,511.6</b>
% vs prior year	-31.4%	-12.8%	-2.8%	71.6%	71.6%	-23.3%	1.3%	0.7%	83.1%	-16.3%
<b>ENDING FUND BALANCE</b>	<b>53,808.8</b>	<b>55,951.6</b>	<b>63,802.5</b>	<b>67,972.9</b>	<b>69,226.0</b>	<b>75,628.6</b>	<b>89,130.9</b>	<b>99,249.1</b>	<b>93,453.0</b>	<b>95,687.4</b>
Ending balance as % of Revenue	150.1%	169.9%	192.9%	155.2%	153.7%	198.7%	201.2%	241.3%	183.2%	192.4%
<b>TOTAL REQUIREMENTS</b>	<b>77,553.5</b>	<b>82,249.1</b>	<b>86,890.5</b>	<b>107,589.7</b>	<b>108,842.8</b>	<b>106,031.2</b>	<b>119,926.6</b>	<b>130,262.4</b>	<b>150,247.2</b>	<b>143,198.9</b>
<b>REVENUE minus EXPENDITURES</b>	<b>12,102.9</b>	<b>6,625.5</b>	<b>9,993.8</b>	<b>4,170.4</b>	<b>5,423.5</b>	<b>7,655.7</b>	<b>13,502.3</b>	<b>10,118.1</b>	<b>(5,796.0)</b>	<b>2,234.3</b>





## WATER FUNDS

### Description

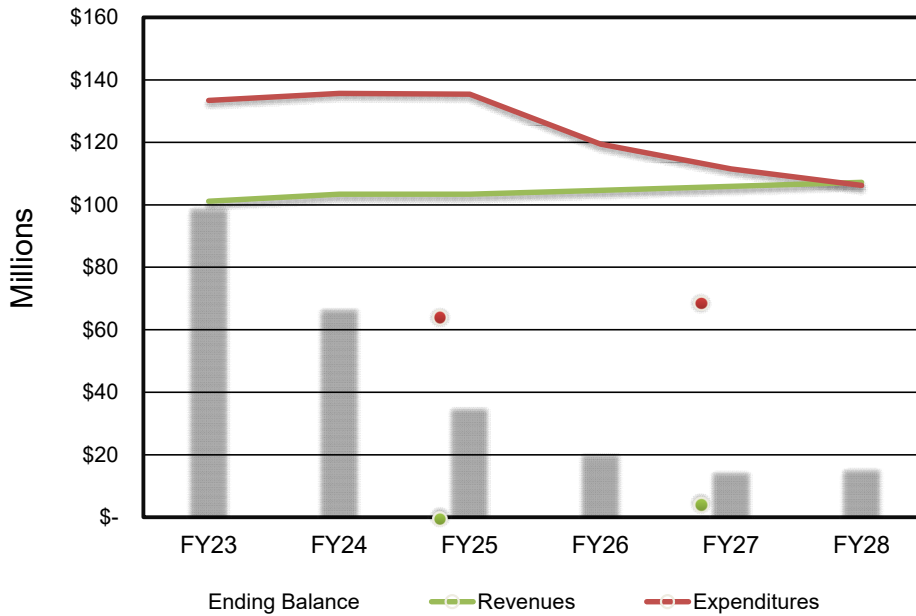
The Pinellas County Water System is responsible for providing quality, cost effective potable water service to County retail and wholesale customers. The Water System must adhere to State and Federal laws, rules, and regulations while operating and maintaining this delivery system. The Water System is continually being upgraded to provide customers with a safe and sufficient water supply for residential, commercial, and industrial needs as well as an ample supply for fire protection. The Water System also continues to educate its customers on important water conservation issues.

The Water Funds are enterprise funds, and are committed solely to support Water System functions. The Pinellas County Water System utilizes three funds: Revenue and Operating, Renewal and Replacement (capital), and Impact Fees. This forecast covers all three funds.

### Summary

The updated Water Funds Forecast projects revenue increasing steadily, with an assumption of 1.2% annual growth from FY24 to FY28. With capital grant revenue of \$1.5M netted out of the growth calculation in FY24, revenue increases from \$101.9M in FY24 to \$107.2M in FY28. With projected Capital Improvement Program (CIP) expenditures netted from total expenditures, operating expenditures increase steadily with inflation at approximately \$2.0M, or 2.2% each year from \$86.5M in FY24 to \$94.2M in FY28. While revenue exceeds operating expenditures by \$13.0M to \$16.9M during the forecast period, the difference is required to fund water infrastructure projects in the CIP. Substantial project budgets ranging from \$47.1M to \$49.1M in FY23, FY24, and FY25 will require both revenue and use of fund balance, reducing accumulated reserves from \$99.9M in FY23 to \$35.6M in FY25. Approximately half of the projected \$145.2M total CIP budget in those years is investment in the Advanced Metering Infrastructure (AMI) project. Projected CIP expenditures decrease to \$29.2M in FY26, \$19.3M in FY27, and \$12.0M in FY28. Without greater increases in revenue, or adjustments in CIP and/or operating expenditures, estimated reserves fall to \$16.2M (15.2%) compared to the target reserve percentage of 25.8%. Factors in maintaining targeted reserves include 2.5 months of expenses and 5.0% of prior year revenues for cash flow and emergency events, plus planned replacement of vehicles, trucks, and heavy equipment.

### Water Funds Forecast FY23 - FY28



**WATER FUNDS FORECAST**  
**Fund 4031, 4034, & 4036**

<b>FORECAST ASSUMPTIONS</b>	<b>FY24</b>	<b>FY25</b>	<b>FY26</b>	<b>FY27</b>	<b>FY28</b>
<b>REVENUES</b>					
Water Sales-Retail	1.2%	1.2%	1.2%	1.2%	1.2%
Water Sales-Wholesale	1.2%	1.2%	1.2%	1.2%	1.2%
Interest	0.3%	0.8%	1.3%	1.8%	2.3%
Other revenues	2.8%	2.8%	2.8%	2.8%	2.8%
<b>EXPENDITURES</b>					
Personal Services	3.1%	3.1%	3.1%	3.1%	3.1%
Operating Expenses	2.8%	2.8%	2.8%	2.8%	2.8%
Purchase of Water	1.5%	1.5%	1.5%	1.5%	1.5%
Power	2.8%	2.8%	2.8%	2.8%	2.8%
Chemicals	2.8%	2.8%	2.8%	2.8%	2.8%
<b>PROJECTED ECONOMIC CONDITIONS/INDICATORS:</b>					
Consumer Price Index, % change	2.8%	2.8%	2.8%	2.8%	2.8%
FL Per Capita Personal Income Growth	1.4%	1.8%	1.5%	1.2%	0.8%

**WATER FUNDS FORECAST**  
Fund 4031, 4034, & 4036

(in \$ thousands)

	Actual FY21	Budget FY22	Estimated FY22	Budget FY23	FORECAST					
					Estimated FY23	Estimated FY24	Estimated FY25	Estimated FY26	Estimated FY27	Estimated FY28
<b>BEGINNING FUND BALANCE</b>	<b>110,861.6</b>	<b>112,312.3</b>	<b>120,731.1</b>	<b>132,233.9</b>	<b>132,233.9</b>	<b>99,918.5</b>	<b>67,672.2</b>	<b>35,634.6</b>	<b>20,853.3</b>	<b>15,249.6</b>
<b>REVENUES*</b>										
Water Sales - Retail	74,224.4	72,200.0	76,000.0	74,100.0	78,000.0	78,920.4	79,851.7	80,793.9	81,747.3	82,711.9
Water Sales - Wholesale	16,468.4	15,296.6	16,102.9	15,450.7	16,263.9	16,455.8	16,650.0	16,846.4	17,045.2	17,246.4
Interest	227.3	959.1	480.0	465.6	490.1	299.8	541.4	463.2	375.4	350.7
Other Revenues	5,850.3	5,064.2	5,395.9	5,699.4	5,999.4	6,167.4	6,340.0	6,517.6	6,700.0	6,887.7
Operating Grants	0.0	33.0	33.0	35.0	35.0	35.0	0.0	0.0	0.0	0.0
CIP Grants	0.0	0.0	0.0	306.9	306.9	1,513.8	0.0	0.0	0.0	0.0
Cares Act - Federal Coronavirus Funds	(148.8)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>TOTAL REVENUES</b>	<b>96,621.4</b>	<b>93,552.8</b>	<b>98,011.8</b>	<b>96,057.6</b>	<b>101,095.2</b>	<b>103,392.1</b>	<b>103,383.0</b>	<b>104,621.2</b>	<b>105,867.9</b>	<b>107,196.6</b>
% vs prior year	2.0%		1.4%	2.7%	8.1%	5.5%	0.0%	1.2%	1.2%	1.3%
<b>TOTAL RESOURCES</b>	<b>207,483.0</b>	<b>205,865.1</b>	<b>218,742.9</b>	<b>228,291.5</b>	<b>233,329.2</b>	<b>203,310.6</b>	<b>171,055.3</b>	<b>140,255.7</b>	<b>126,721.2</b>	<b>122,446.2</b>
<b>EXPENDITURES</b>										
Personal Services	16,017.9	17,132.6	15,584.4	18,359.3	17,441.4	17,977.9	18,531.3	19,102.0	19,690.7	20,297.8
Operating Expenses	6,447.9	7,310.4	8,251.5	8,981.9	8,981.9	9,233.4	9,491.9	9,757.7	10,030.9	10,311.7
Purchase of Water	41,755.6	43,500.0	43,500.0	44,200.0	44,200.0	44,863.0	45,535.9	46,219.0	46,912.3	47,616.0
Power, Water & Sewer, Other Utilities	886.9	892.0	951.2	1,028.5	1,028.5	1,057.3	1,086.9	1,117.3	1,148.6	1,180.7
Chemicals	753.5	816.7	822.8	900.2	900.2	925.4	951.3	978.0	1,005.3	1,033.5
101,878.29 Cost Allocation	8,651.8	8,990.5	9,142.3	10,915.1	10,915.1	11,220.7	11,534.9	11,857.9	12,189.9	12,531.2
Debt Service / Interest Expense	129.6	20.0	8.0	8.0	8.0	8.2	8.5	8.7	8.9	9.2
Capital Equipment	318.2	1,014.5	1,196.8	981.7	981.7	1,200.0	1,200.0	1,200.0	1,200.0	1,200.0
Interfund Loan	0.0	17,000.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital Improvements	11,790.6	24,294.1	7,052.0	48,954.0	48,954.0	49,152.5	47,080.0	29,162.0	19,285.0	12,020.0
<b>TOTAL EXPENDITURES</b>	<b>86,752.0</b>	<b>120,970.7</b>	<b>86,508.9</b>	<b>134,328.7</b>	<b>133,410.7</b>	<b>135,638.4</b>	<b>135,420.7</b>	<b>119,402.5</b>	<b>111,471.6</b>	<b>106,200.2</b>
% vs prior year	0.5%		-0.3%	11.0%	54.2%	1.7%	-0.2%	-11.8%	-6.6%	-4.7%
<b>TOTAL ENDING FUND BALANCE</b>	<b>120,731.1</b>	<b>84,894.5</b>	<b>132,233.9</b>	<b>93,962.8</b>	<b>99,918.5</b>	<b>67,672.2</b>	<b>35,634.6</b>	<b>20,853.3</b>	<b>15,249.6</b>	<b>16,246.0</b>
Ending balance as % of Revenue	125.0%	90.7%	134.9%	97.8%	98.8%	65.5%	34.5%	19.9%	14.4%	15.2%
<b>TOTAL REQUIREMENTS**</b>	<b>207,483.0</b>	<b>205,865.1</b>	<b>218,742.9</b>	<b>228,291.5</b>	<b>233,329.2</b>	<b>203,310.6</b>	<b>171,055.3</b>	<b>140,255.7</b>	<b>126,721.2</b>	<b>122,446.2</b>
<b>REVENUE minus EXPENDITURES</b> (NOT cumulative)	9,869.5	(27,417.8)	11,502.9	(38,271.1)	(32,315.4)	(32,246.3)	(32,037.6)	(14,781.3)	(5,603.7)	996.5

Transfers between funds are excluded from revenues and expenditures.

\*Revenues reflect the combined impact of projected changes in rates and/or levels of consumption.

\*\*Total Requirements do not include OPEB annual expense or OPEB cumulative liability as reflected in GAAP financial statements.



# SEWER FUNDS

## Description

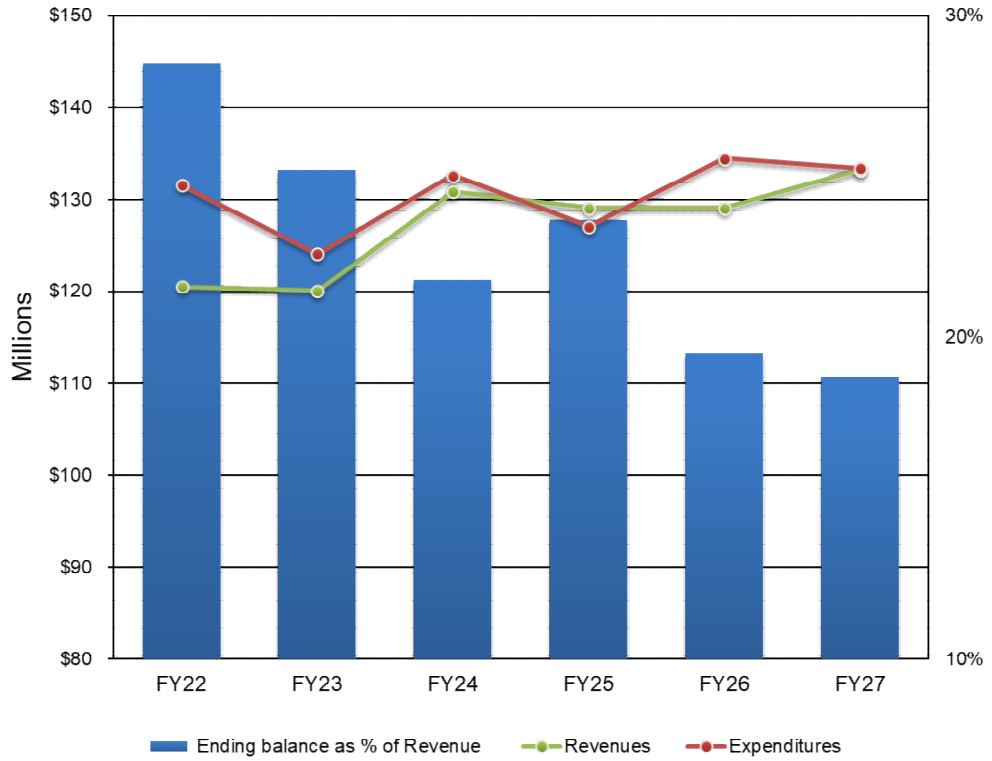
The Pinellas County Sewer System is responsible for quality, cost effective sewer service to the citizens and business owners within the County sewer service areas. The County must adhere to State and Federal laws, rules, and regulations while operating and maintaining the Sewer System. The System provides an environmentally safe and sanitary means for the collection of wastewater from residential, commercial, and industrial users. The Sewer System provides for the treatment and reclamation of water and biosolids through advanced processes that provide removal of pollutants that are harmful to the environment. The system also allows for the recycling of valuable resources that are beneficially reused to protect public health and property while practicing superior environmental stewardship.

The Sewer Funds are enterprise funds and are committed solely to support Sewer System functions. The Pinellas County Sewer System utilizes three funds: Revenue and Operating, Renewal and Replacement (capital), and Interest and Sinking (debt service).

## Summary

The updated Sewer Funds Forecast projects revenue increasing 9.7% in FY24 and steadily at 3.2% annual growth from FY25 to FY28 (reflects extended years as projected in the 2019 rate plan). With capital grant revenue and potential borrowed funds netted out of projections, revenue increases from \$119.6M in FY24 to \$135.9M in FY28. With projected Capital Improvement Program (CIP) expenditures netted from total expenditures, operating expenditures increase from \$84.0M in FY24 to \$98.6M in FY28. The forecast projects substantial growth in annual CIP budgets, from \$68.7M in FY23 to \$99.3M in FY25, then steps down to \$76.6M in FY26, \$60.1M in FY27, and \$32.8M in FY28. Projected annual CIP appropriations total \$405.7M through the forecast period. While operating revenue exceeds operating expenditures by \$29.4M to \$37.4M during the forecast period, the difference is required to fund sewer infrastructure projects in the CIP. Without greater increases in operating revenue, or adjustments in CIP and/or operating expenditures, funding the projected annual appropriations could require borrowing an estimated \$140.0M to help fund the 6-Year CIP Plan. Potential annual debt payments are projected with 30-year amortization beginning in FY24. Use of fund balance to meet requirements in FY23 through FY25 brings reserves down to \$20.6M (15.6%) in FY26 and FY27 before increasing back to \$26.2M in FY27. Reserves are projected to reach the target of \$30.7M (22.6%) in FY28. Factors in maintaining targeted reserves include 2.5 months of expenses and 5.0% of prior year revenues for cash flow and emergency events, plus planned replacement of vehicles, trucks, and heavy equipment.

### Sewer Funds Forecast FY22 - FY27



**SEWER FUNDS FORECAST  
Fund 4051, 4052, & 4053**

<b>FORECAST ASSUMPTIONS</b>	<b>FY24</b>	<b>FY25</b>	<b>FY26</b>	<b>FY27</b>	<b>FY28</b>
<b>REVENUES</b>					
Sewer Charges - Retail	9.7%	3.2%	3.2%	3.2%	3.2%
Sewer Charges - Wholesale	9.7%	3.2%	3.2%	3.2%	3.2%
Reclaimed - Retail	5.0%	3.0%	3.0%	3.0%	3.0%
Reclaimed - Wholesale	5.0%	3.0%	3.0%	3.0%	3.0%
Interest	0.3%	0.8%	1.3%	1.8%	2.3%
Other revenues	2.8%	2.8%	2.8%	2.8%	2.8%
<b>EXPENDITURES</b>					
Personal Services	3.1%	3.1%	3.1%	3.1%	3.1%
Operating Expenses	2.8%	2.8%	2.8%	2.8%	2.8%
Power	2.8%	2.8%	2.8%	2.8%	2.8%
Chemicals	2.8%	2.8%	2.8%	2.8%	2.8%
<b>PROJECTED ECONOMIC CONDITIONS/INDICATORS:</b>					
Consumer Price Index, % change	2.8%	2.8%	2.8%	2.8%	2.8%
FL Per Capita Personal Income Growth	1.4%	1.8%	1.5%	1.2%	0.8%

**SEWER FUNDS FORECAST  
Fund 4051, 4052, & 4053**

(in \$ thousands)

	Actual FY21	Budget FY22	Estimated FY22	Budget FY23	FORECAST					
					Estimated FY23	Estimated FY24	Estimated FY25	Estimated FY26	Estimated FY27	Estimated FY28
<b>BEGINNING FUND BALANCE</b>	<b>67,040.0</b>	<b>54,043.5</b>	<b>62,499.2</b>	<b>53,999.1</b>	<b>58,473.0</b>	<b>29,967.0</b>	<b>26,429.8</b>	<b>20,603.1</b>	<b>20,617.7</b>	<b>26,208.3</b>
<b>REVENUES*</b>										
Sewer Charges - Retail	61,253.5	62,700.0	66,000.0	68,343.0	71,940.0	78,925.4	81,458.9	84,073.7	86,772.5	89,557.9
Sewer Charges - Wholesale	12,317.2	12,840.1	14,420.7	14,932.5	15,718.4	17,244.7	17,798.2	18,369.6	18,959.2	19,567.8
Reclaimed - Retail	6,172.4	6,080.0	6,400.0	6,343.0	6,676.8	7,010.6	7,221.0	7,437.6	7,660.7	7,890.5
Reclaimed - Wholesale	732.4	666.4	775.9	754.9	794.6	834.3	859.3	885.1	911.7	939.0
Interest	182.6	503.5	257.9	258.2	271.8	89.9	211.4	267.8	371.1	602.8
Other Revenues	15,733.4	14,600.7	15,384.3	14,354.8	15,110.3	15,533.4	15,968.3	16,415.4	16,875.1	17,347.6
Potential Borrowing	0.0	17,000.0	0.0	0.0	0.0	20,000.0	50,000.0	40,000.0	30,000.0	0.0
Intergovernmental (Grant Funds)	0.0	1,004.0	0.0	10,811.7	10,811.7	8,889.9	8,688.0	2,023.3	580.0	0.0
<b>TOTAL REVENUES</b>	<b>96,391.5</b>	<b>115,394.6</b>	<b>103,238.8</b>	<b>115,798.0</b>	<b>121,323.6</b>	<b>148,528.2</b>	<b>182,205.2</b>	<b>169,472.5</b>	<b>162,130.3</b>	<b>135,905.6</b>
% vs prior year			7.1%	0.3%	5.1%	43.9%	22.7%	-7.0%	-4.3%	-16.2%
<b>TOTAL RESOURCES</b>	<b>163,431.5</b>	<b>169,438.2</b>	<b>165,738.0</b>	<b>169,797.0</b>	<b>179,796.6</b>	<b>178,495.2</b>	<b>208,635.0</b>	<b>190,075.6</b>	<b>182,748.0</b>	<b>162,114.0</b>
<b>EXPENDITURES</b>										
Personal Services	18,592.5	20,401.5	17,718.3	21,954.4	20,856.7	21,498.3	22,160.0	22,842.5	23,546.4	24,272.5
Operating Expenses	17,766.8	22,435.8	20,575.4	24,988.0	24,988.0	25,687.7	26,406.9	27,146.3	27,906.4	28,687.8
Power	3,393.2	3,854.9	3,928.3	4,158.4	4,158.4	4,274.8	4,394.5	4,517.5	4,644.0	4,774.1
Chemicals	2,969.3	3,412.0	3,787.8	4,680.9	4,680.9	4,811.9	4,946.6	5,085.2	5,227.5	5,373.9
Grants & Aid (Rebate Program)	0.0	0.0	0.0	800.0	800.0	800.0	800.0	800.0	800.0	800.0
Cost Allocation	6,839.7	7,321.9	7,169.3	8,137.1	8,137.1	8,365.0	8,599.2	8,840.0	9,087.5	9,341.9
Debt Service (Existing)	14,287.1	14,150.0	14,136.7	14,131.8	14,031.7	14,044.7	14,184.2	14,195.9	14,203.5	14,204.7
Debt Service (Potential)	-	-	-	-	-	1,020.4	3,571.3	5,612.1	7,142.7	7,142.7
Capital Equipment	627.8	2,921.3	2,980.1	3,456.8	3,456.8	3,553.6	3,653.1	3,755.4	3,860.5	3,968.6
Capital Improvements	36,455.9	68,323.1	36,969.0	68,720.0	68,720.0	68,009.1	99,316.0	76,663.0	60,121.0	32,841.0
<b>TOTAL EXPENDITURES</b>	<b>100,932.3</b>	<b>142,820.5</b>	<b>107,265.0</b>	<b>151,027.4</b>	<b>149,829.6</b>	<b>152,065.4</b>	<b>188,031.9</b>	<b>169,457.9</b>	<b>156,539.7</b>	<b>131,407.3</b>
% vs prior year			6.3%	5.7%	39.7%	1.5%	23.7%	-9.9%	-7.6%	-16.1%
<b>TOTAL ENDING FUND BALANCE</b>	<b>62,499.2</b>	<b>26,617.7</b>	<b>58,473.0</b>	<b>18,769.7</b>	<b>29,967.0</b>	<b>26,429.8</b>	<b>20,603.1</b>	<b>20,617.7</b>	<b>26,208.3</b>	<b>30,706.7</b>
Ending balance as % of Revenue	64.8%	23.1%	56.6%	16.2%	24.7%	20.6%	15.6%	15.9%	19.8%	22.6%
<b>TOTAL REQUIREMENTS</b>	<b>163,431.5</b>	<b>169,438.2</b>	<b>165,738.0</b>	<b>169,797.0</b>	<b>179,796.6</b>	<b>178,495.2</b>	<b>208,635.0</b>	<b>190,075.6</b>	<b>182,748.0</b>	<b>162,114.0</b>
<b>REVENUE minus EXPENDITURES (NOT cumulative)</b>	<b>(4,540.8)</b>	<b>(27,425.9)</b>	<b>(4,026.2)</b>	<b>(35,229.4)</b>	<b>(28,506.0)</b>	<b>(3,537.2)</b>	<b>(5,826.7)</b>	14.6	5,590.6	4,498.4

Transfers between funds are excluded from revenues and expenditures.

\*Revenues reflect the combined impact of projected changes in rates and/or levels of consumption.



## SOLID WASTE FUNDS

### Description

Pinellas County Code Chapter 106 mandates that the Department of Solid Waste (DSW) provide municipal solid waste disposal and recycling for all County citizens and businesses. It does so by employing a safe and environmentally sound integrated solid waste services program. These services emphasize public outreach to enable citizens to make educated choices regarding the responsible management of their solid waste. In support of that mission, Solid Waste provides outreach programs that address the County’s reduce, reuse, recycle, recover, and dispose philosophy; operates recycling drop off sites; operates the household electronic and chemical collection center; operates the Waste-to-Energy (WTE) facility; and operates the landfill.

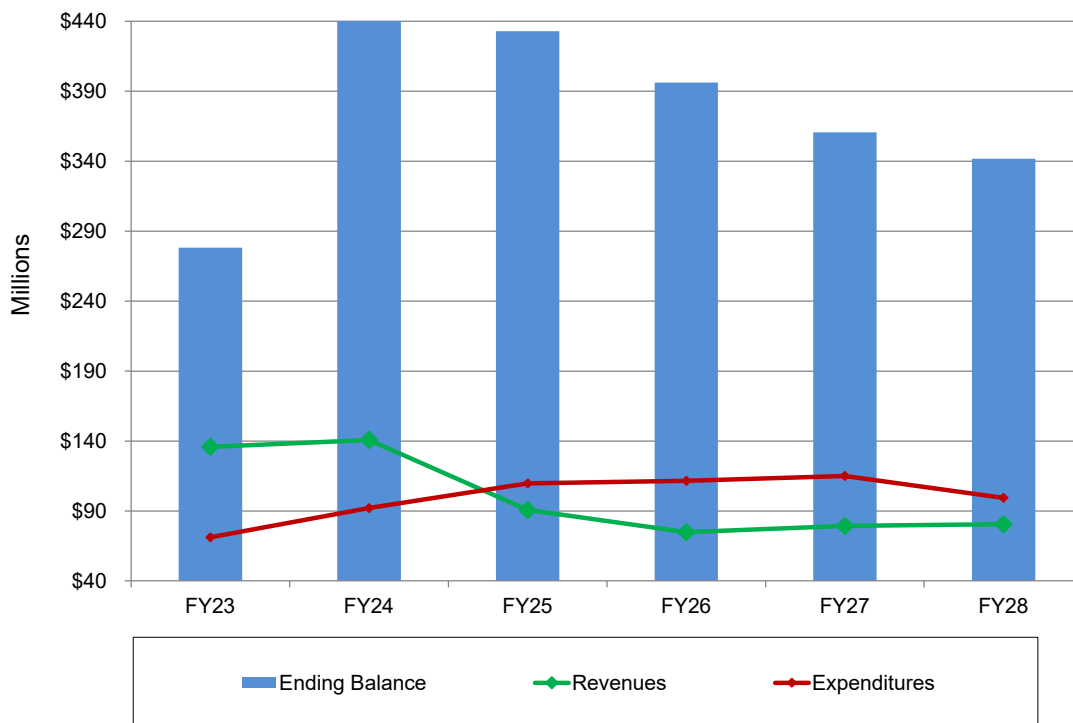
The Solid Waste Funds are enterprise funds and are committed solely to support Solid Waste functions. Solid Waste utilizes two funds: Revenue and Operating, and Renewal and Replacement (capital).

### Summary

There have been only two material changes to the forecast that was presented in June 2022. The revised forecast now includes the tipping fee increase as approved by the Board of County Commissioners (BCC) on June 21, 2022 and it includes the salary increases adopted throughout all departments and appointing authorities of the County. These two changes have affected the solid waste fund forecasts in opposing directions.

The forecast for the Solid Waste Funds shows that the funds are not structurally balanced throughout the forecast period. Fund reserves are being used to balance the funds (expenditures are greater than revenues) beginning in FY25 through the end of the forecast period. The reduced fund balance is due to the Power Purchase Agreement with Duke Energy expiring in December 2024, causing a sharp decrease in Electrical Capacity revenues in that fiscal year and in each following fiscal year.

### Solid Waste Funds Forecast FY23 - FY28



**SOLID WASTE FUNDS FORECAST**  
**Fund 4021 & 4023**

<b>Forecast Assumptions</b>	<b>FY24</b>	<b>FY25</b>	<b>FY26</b>	<b>FY27</b>	<b>FY28</b>
<b>REVENUES</b>					
Tipping Fees	1.1%	0.0%	0.0%	0.0%	0.0%
Electricity Sales	0.0%	0.0%	0.0%	0.0%	0.0%
Electrical Capacity	6.4%	-64.9%	-63.1%	0.0%	0.0%
Recycling Revenue	0.0%	0.0%	0.0%	0.0%	0.0%
Interest	0.3%	0.8%	1.3%	1.8%	2.3%
Other revenues	0.0%	0.0%	0.0%	0.0%	0.0%
<b>EXPENDITURES</b>					
Personal Services	3.1%	3.1%	3.1%	3.1%	3.1%
Operating Expenses	2.8%	2.8%	2.8%	2.8%	2.8%
WTE Service Fee	2.8%	2.8%	2.8%	2.8%	2.8%
Landfill Service Fee	2.8%	2.8%	2.8%	2.8%	2.8%
Grants & Aids	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Projected Economic Conditions / Indicators:</b>					
Consumer Price Index, % change	2.8%	2.8%	2.8%	2.8%	2.8%
FL Per Capita Personal Income Growth	1.4%	1.8%	1.5%	1.2%	0.8%

**SOLID WASTE FUNDS FORECAST**  
Fund 4021 & 4023

(in \$ thousands)

	Actual FY21	Budget FY22	Estimated FY22	Budget FY23	FORECAST					
					Estimated FY23	Estimated FY24	Estimated FY25	Estimated FY26	Estimated FY27	Estimated FY28
<b>BEGINNING FUND BALANCE</b>	<b>242,091.1</b>	<b>271,080.3</b>	<b>288,262.6</b>	<b>213,617.3</b>	<b>335,261.3</b>	<b>403,249.0</b>	<b>452,028.1</b>	<b>433,030.8</b>	<b>396,321.7</b>	<b>360,691.2</b>
<b>REVENUES</b>										
Tipping Fees	46,660.9	45,078.9	49,403.0	49,990.6	52,621.7	50,525.0	50,525.0	50,525.0	50,525.0	50,525.0
Electricity Sales	11,398.5	8,896.6	11,163.1	10,658.0	11,218.9	10,658.0	8,364.5	7,600.0	7,600.0	7,600.0
Electrical Capacity	64,277.5	68,372.4	68,372.4	72,728.3	72,728.3	77,361.8	27,134.4	10,000.0	10,000.0	10,000.0
Recycling Revenue	1,429.8	550.6	784.7	796.7	838.6	796.7	796.7	796.7	796.7	796.7
Enhanced Metals/Ash Cleaning	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	3,000.0	3,000.0
Interest	184.7	490.1	1,425.2	1,354.0	1,425.2	1,209.7	3,616.2	5,629.4	7,133.8	8,295.9
Other Revenues	495.7	26.6	568.5	291.6	306.9	291.6	291.6	291.6	291.6	291.6
Reimbursement - Irma	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Grants (e.g. Artificial Reef, JPA with FDOT, etc.)	1,472.9	0.0	0.0	60.0	63.2	0.0	0.0	0.0	0.0	0.0
<b>TOTAL REVENUES *</b>	<b>125,920.0</b>	<b>123,415.2</b>	<b>131,716.8</b>	<b>135,879.0</b>	<b>139,202.7</b>	<b>140,842.7</b>	<b>90,728.4</b>	<b>74,842.6</b>	<b>79,347.0</b>	<b>80,509.1</b>
% vs prior year		-2.0%	4.6%	3.2%	5.7%	3.7%	-35.6%	-17.5%	6.0%	1.5%
<b>TOTAL RESOURCES</b>	<b>368,011.1</b>	<b>394,495.5</b>	<b>419,979.5</b>	<b>349,496.3</b>	<b>474,464.0</b>	<b>544,091.7</b>	<b>542,756.5</b>	<b>507,873.4</b>	<b>475,668.7</b>	<b>441,200.3</b>
<b>EXPENDITURES</b>										
Personal Services	6,490.4	7,006.2	6,481.8	7,284.9	7,284.9	7,509.0	7,740.1	7,978.5	8,224.4	8,478.0
Operating Expenses	9,312.3	15,691.6	11,783.4	14,737.5	14,737.5	15,150.2	15,574.4	16,010.4	16,458.7	16,919.6
WTE Contract Services	29,657.0	30,507.6	29,096.4	27,589.7	27,589.7	28,362.2	29,156.4	29,972.7	30,812.0	31,674.7
Landfill Contract Services	11,827.2	12,749.2	12,817.7	13,867.3	13,867.3	14,255.6	14,654.7	15,065.1	15,486.9	15,920.5
Grants & Aids	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0	500.0
Cost Allocations	5,568.7	6,204.9	6,138.7	6,755.8	6,755.8	6,945.0	7,139.4	7,339.3	7,544.8	7,756.1
Capital Equipment	158.7	295.5	233.2	0.0	0.0	435.7	435.7	435.7	435.7	435.7
Capital Outlay	16,234.3	22,039.0	17,667.0	479.8	479.8	18,906.0	34,525.0	34,250.0	35,515.0	17,700.0
<b>TOTAL EXPENDITURES</b>	<b>79,748.5</b>	<b>94,994.1</b>	<b>84,718.2</b>	<b>71,215.0</b>	<b>71,215.0</b>	<b>92,063.6</b>	<b>109,725.7</b>	<b>111,551.8</b>	<b>114,977.5</b>	<b>99,384.6</b>
% vs prior year		19.1%	6.2%	-15.9%	-15.9%	29.3%	19.2%	1.7%	3.1%	-13.6%
<b>TOTAL ENDING FUND BALANCE</b>	<b>288,262.6</b>	<b>299,501.4</b>	<b>335,261.3</b>	<b>278,281.3</b>	<b>403,249.0</b>	<b>452,028.1</b>	<b>433,030.8</b>	<b>396,321.7</b>	<b>360,691.2</b>	<b>341,815.8</b>
Ending balance as % of Revenue	228.9%	242.7%	254.5%	204.8%	289.7%	320.9%	477.3%	529.5%	454.6%	424.6%
<b>TOTAL REQUIREMENTS **</b>	<b>368,011.1</b>	<b>394,495.5</b>	<b>419,979.5</b>	<b>349,496.3</b>	<b>474,464.0</b>	<b>544,091.7</b>	<b>542,756.5</b>	<b>507,873.4</b>	<b>475,668.7</b>	<b>441,200.3</b>
<b>REVENUE minus EXPENDITURES</b> (NOT cumulative)	<b>46,171.5</b>	<b>28,421.1</b>	<b>46,998.6</b>	<b>64,664.0</b>	<b>67,987.7</b>	<b>48,779.1</b>	<b>(18,997.3)</b>	<b>(36,709.1)</b>	<b>(35,630.5)</b>	<b>(18,875.4)</b>

\* Revenues reflect the combined impact of changes in rates and/or levels of consumption.

\*\* Total Requirements do not include OPEB annual expense or OPEB cumulative liability as reflected in GAAP financial statements. These amounts are shown below.



# SURFACE WATER SPECIAL ASSESSMENT FUND

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## Description

The Pinellas County Surface Water Assessment program was established to generate dedicated revenues for surface water management in the unincorporated county. This was in response to public demand and increased federal regulations imposed by the U.S. Environmental Protection Agency. The National Pollution Discharge Elimination System (NPDES) stormwater permitting program is implemented by the Florida Department of Environmental Protection (FDEP). The Clean Water Act requires control of the discharges of pollutants to the waters of the United States through NPDES permits. The control of pollutant discharges to the Municipal Separate Storm Sewer System (MS4) is a best management practice.

The FY23 Revenue Budget is based on a rate of \$117.74 per Equivalent Residential Unit (ERU) per year, which is unchanged since FY17. Budgeted at 95.0%, the budgeted Surface Water Assessment revenue for FY23 is \$18.7M.

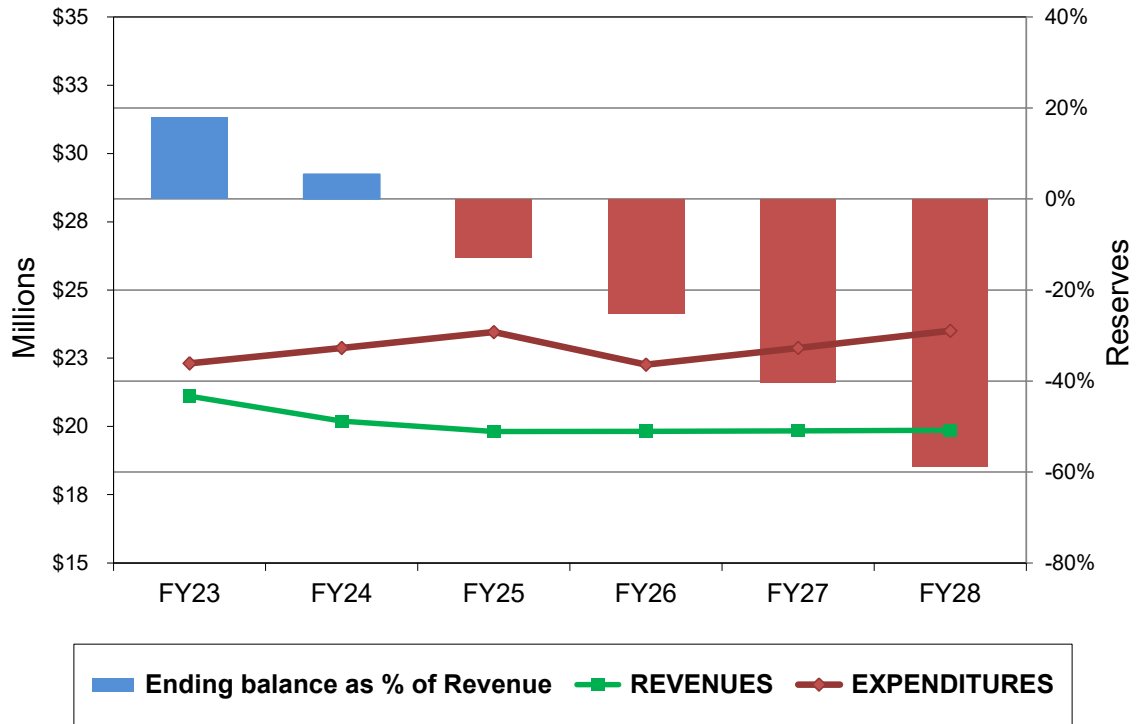
## Summary

The Surface Water Special Assessment Fund relies on the assessment of unincorporated properties' calculated impervious area as expressed in ERUs. This assessment revenue is based on program funding needs to achieve and maintain the desired level of service (B-) for surface water services such as flood control, water quality improvements, and NPDES permit requirements.

The forecast for the Surface Water Special Assessment Fund indicates the fund is not balanced throughout the forecast period. From FY23 to FY28, with the estimated flat growth in ERUs, assessment revenues will not be enough to cover new requirements and inflationary increases for ongoing expenditures. Therefore, accumulated fund balance will be used to offset the variance. Starting in FY26, it is expected that program expenditures will decrease as the ten-year Level of Service (LOS) for corrugated metal pipe lining/replacement programs is achieved. However, the inflationary increases drive the remaining expenditures upwards. Starting in FY24, the revenues for the program are decreasing, as the term for multiple federal, state & local grants is expiring.

# SURFACE WATER SPECIAL ASSESSMENT FUND

## Surface Water Utility Fund Forecast FY23-FY28



**SURFACE WATER SPECIAL ASSESSMENT FUND FORECAST**  
Fund 1094

<b>Forecast Assumptions</b>	<b>FY24</b>	<b>FY25</b>	<b>FY26</b>	<b>FY27</b>	<b>FY28</b>
<b>REVENUES</b>					
Surface Water Assessmt - ERU Growth	0.0%	0.0%	0.0%	0.0%	0.0%
Surface Water Assessmt - CPI increase	2.8%	2.8%	2.8%	2.8%	2.8%
Surface Water Assessmt - Other Incr	0.0%	0.0%			
Surface Water Assessmt - Total increase	2.8%	2.8%	2.8%	2.8%	2.8%
ERU (excludes govt)	168,002	168,002	168,002	168,002	168,002
<b>EXPENDITURES</b>					
Interest	0.3%	0.8%	1.3%	1.8%	2.3%
Other revenues	2.8%	2.8%	2.8%	2.8%	2.8%
Personal Services	3.1%	3.1%	3.1%	3.1%	3.1%
Operating Expenses	2.8%	2.8%	2.8%	2.8%	2.8%
Capital Outlay	2.8%	2.8%	2.8%	2.8%	2.8%
<b>Projected Economic Conditions / Indicators:</b>					
Consumer Price Index, % change	2.8%	2.8%	2.8%	2.8%	2.8%

(in \$ thousands)

	<b>Actual FY21</b>	<b>Budget FY22</b>	<b>Estimated FY22</b>	<b>Budget FY23</b>	<b>FORECAST</b>					
					<b>Estimated FY23</b>	<b>Estimated FY24</b>	<b>Estimated FY25</b>	<b>Estimated FY26</b>	<b>Estimated FY27</b>	<b>Estimated FY28</b>
<b>Annual Rate **</b>	\$117.74	\$117.74	\$117.74	\$117.74	\$117.74	\$117.74	\$117.74	\$117.74	\$117.74	\$117.74
<b>BEGINNING FUND BALANCE</b>	15,010.4	12,877.5	12,843.2	10,540.6	4,983.6	3,780.4	1,094.9	(2,545.8)	(4,986.0)	(8,021.6)
<b>REVENUES</b>										
Surface Water Assessment *										
Non-Ad Valorem Assessment	19,094.7	18,716.9	19,700.0	18,741.6	19,727.9	19,187.1	19,187.1	19,187.1	19,187.1	19,187.1
Grants (fed/state/local)	306.8	1,121.3	685.0	698.1	698.1	391.0	-	-	-	-
Interest	73.0	115.9	95.0	95.0	100.0	11.1	8.6	-	-	-
Other revenues	605.9	514.7	472.3	556.9	586.2	602.6	619.5	636.8	654.6	673.0
<b>TOTAL REVENUES</b>	20,080.4	20,468.8	20,952.3	20,091.5	21,112.2	20,191.8	19,815.2	19,823.9	19,841.8	19,860.1
% vs prior year	-3.1%	0.2%	4.3%	-1.8%	0.8%	-4.4%	-1.9%	0.0%	0.1%	0.1%
<b>TOTAL RESOURCES</b>	35,090.8	33,346.3	33,795.5	30,632.2	26,095.8	23,972.2	20,910.1	17,278.2	14,855.8	11,838.5
<b>EXPENDITURES</b>										
Personal Services	7,836.4	8,748.3	8,000.6	9,525.6	8,573.1	8,836.8	9,108.8	9,389.3	9,678.7	9,977.1
Operating Expenses	11,018.4	12,044.1	12,020.1	13,135.1	10,508.1	10,802.3	11,104.8	11,415.7	11,735.4	12,064.0
Capital Outlay	91.8	-	143.0	143.0	143.0	147.0	151.1	155.4	159.7	164.2
CIP	3,015.5	2,802.6	2,787.5	2,541.2	2,787.5	2,787.5	2,787.5	1,000.0	1,000.0	1,000.0
Constitutional Officer Transfers	285.5	303.0	303.7	303.7	303.7	303.7	303.7	303.7	303.7	303.7
<b>TOTAL EXPENDITURES</b>	22,247.6	23,898.0	23,254.9	25,648.6	22,315.4	22,877.3	23,455.9	22,264.1	22,877.5	23,509.0
% vs prior year	13.8%	-9.5%	4.5%	7.3%	-4.0%	2.5%	2.5%	-5.1%	2.8%	2.8%
<b>ENDING FUND BALANCE</b>	12,843.2	9,448.3	10,540.6	4,983.6	3,780.4	1,094.9	(2,545.8)	(4,986.0)	(8,021.6)	(11,670.5)
Ending balance as % of Revenue	64.0%	5.5%	50.3%	24.8%	17.9%	5.4%	-12.8%	-25.2%	-40.4%	-58.8%
<b>TOTAL REQUIREMENTS</b>	35,090.8	33,346.3	33,795.5	30,632.2	26,095.8	23,972.2	20,910.1	17,278.2	14,855.8	11,838.5
<b>REVENUE minus EXPENDITURES</b> (NOT cumulative)	(2,167.1)	(3,429.2)	(2,302.6)	(5,557.1)	(1,203.1)	(2,685.5)	(3,640.7)	(2,440.2)	(3,035.7)	(3,648.9)
<b>Net recurring rev- exp</b>	(2,167.1)	(3,429.2)	(2,302.6)	(5,557.1)	(1,203.1)	(2,685.5)	(3,640.7)	(2,440.2)	(3,035.7)	(3,648.9)

