

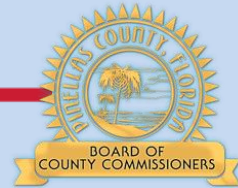


Doing Things!

Budget Forecast: FY18 – FY23

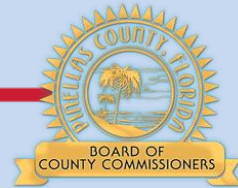
February 7, 2017





Purpose of the Forecast

- Strategic Plan #5.2 - Be responsible stewards of the public's resources
- Multi-year forecast objectives:
 - Assess long-term financial sustainability of County's funds
 - Understand impact of today's decisions on future budgets
 - Identify opportunities and challenges in advance so thoughtful decisions can be made
- Forecast projects six (6) years based on key assumptions for revenues and expenditures



Forecast Document

- Eighth year as a formal document
- Includes 10 key funds:
 - General
 - Tourist Development
 - Surface Water
 - Solid Waste
 - Sewer
 - Emergency Medical Services
 - Transportation Trust
 - Airport
 - Water
 - Capital Projects (Penny)



Forecast Document - Assumptions

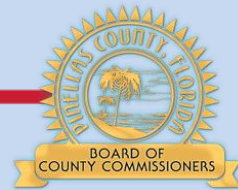
Forecast Assumptions	FY18	FY19	FY20	FY21	FY22	FY23
REVENUES						
Property Taxes - Countywide *	5.0%	4.5%	4.0%	3.5%	3.5%	3.5%
Property Taxes - MSTU *	4.5%	4.0%	3.5%	3.0%	3.0%	3.0%
Half Cent Sales Tax	4.0%	3.5%	3.5%	2.5%	2.5%	2.5%
Revenue Sharing	4.0%	3.5%	3.5%	2.5%	2.5%	2.5%
Communications Svc Tax	-5.4%	0.0%	0.0%	0.0%	0.0%	0.0%
Charges for Services	2.2%	2.4%	2.2%	2.2%	2.2%	2.2%
Transfers from Other Funds	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other revenues	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
EXPENDITURES						
Personal Services	4.5%	4.5%	4.6%	4.7%	4.8%	4.9%
Operating Expenses	2.2%	2.4%	2.2%	2.2%	2.2%	2.2%
Capital Outlay	2.2%	2.4%	2.2%	2.2%	2.2%	2.2%
Grants & Aids	2.2%	2.4%	2.2%	2.2%	2.2%	2.2%
Projected Economic Conditions / Indicators:						
Consumer Price Index, % change	2.2%	2.4%	2.2%	2.2%	2.2%	2.2%
FL Per Capita Personal Income Growth	1.0%	1.4%	1.5%	1.2%	1.3%	1.3%
Estimated New Construction % of tax base	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%

* Property Tax percentages are changes in Taxable Value

(in \$ millions)	FORECAST (@100% Revenue)								
	Actual FY16	Budget FY17	Estimated FY17	Estimated FY18	Estimated FY19	Estimated FY20	Estimated FY21	Estimated FY22	Estimated FY23
BEGINNING FUND BALANCE **	127.5	112.8	125.4	109.9	113.9	120.3	128.7	135.4	139.2
REVENUES									
Property Taxes -Countywide	324.6	342.2	342.2	359.3	375.5	390.5	404.2	418.3	432.9
Property Taxes - MSTU	31.7	33.0	33.0	34.5	35.9	37.2	38.3	39.4	40.6
Half Cent Sales Tax	44.8	46.9	46.9	48.8	50.5	52.3	53.6	54.9	56.3
Revenue Sharing	17.8	19.1	19.1	19.9	20.6	21.3	21.8	22.3	22.9
Communications Svc Tax	9.7	9.8	9.8	9.3	9.3	9.3	9.3	9.3	9.3
Grants (fed/state/local)	8.2	11.0	11.0	11.2	11.4	11.6	11.8	12.0	12.2
Interest	1.2	0.9	0.9	2.2	2.8	3.6	4.1	4.3	4.5
Charges for Services	76.4	73.3	73.3	78.4	80.5	82.5	84.5	86.7	89.0
BP Settlement **	-	-	-	-	-	-	-	-	-
Other revenues	10.9	12.2	12.2	6.9	7.0	7.1	7.2	7.3	7.4
Adjust Property Taxes to 96.0%	-	-	3.9	4.1	4.3	4.5	4.7	4.8	5.0
Adjust Major Revenue to 98.0%	-	-	2.4	2.5	2.5	2.6	2.7	2.7	2.8
Adjust Other Revenue to 97.0%	-	-	3.1	3.1	2.1	2.2	2.3	2.3	2.4
TOTAL REVENUES	525.3	548.4	557.8	580.2	602.4	624.7	644.5	664.3	685.3
% vs prior year	4.4%		6.2%	4.0%	3.8%	3.7%	3.2%	3.1%	3.2%
TOTAL RESOURCES	652.8	661.2	683.2	690.1	716.3	745.0	773.2	799.7	824.5
EXPENDITURES									
Personal Services	72.7	81.4	81.4	84.7	88.5	92.6	97.0	101.7	106.7
Operating Expenses	113.7	124.2	124.2	123.3	126.1	128.7	131.6	134.7	140.1
Capital Outlay	2.0	3.3	3.3	3.2	3.3	3.4	3.5	3.6	3.7
Grants & Aids	20.6	24.8	24.8	25.9	26.8	27.8	28.8	29.8	29.7
Transfers	318.0	337.0	337.0	343.4	355.8	368.4	381.7	395.7	411.6
BP Settlement Funds**	0.4	-	6.8	-	-	-	-	-	-
Expenditure Lapse 3.0% *	-	-	(5.7)	(5.8)	(6.0)	(6.1)	(6.3)	(6.5)	(6.8)
Non-recurring Transfers to CIP	-	1.5	1.5	1.5	1.5	1.5	1.5	1.5	-
TOTAL EXPENDITURES	527.4	572.2	573.3	576.2	596.0	616.3	637.8	660.5	685.0
% vs prior year	7.0%		8.7%	0.5%	3.4%	3.4%	3.5%	3.6%	3.7%
ENDING FUND BALANCE	125.4	89.0	109.9	113.9	120.3	128.7	135.4	139.2	139.5
Ending balance as % of Revenue	23.9%	16.2%	19.7%	19.6%	20.0%	20.6%	21.0%	21.0%	20.4%
TOTAL REQUIREMENTS	652.8	661.2	683.2	690.1	716.3	745.0	773.2	799.7	824.5
REVENUE minus EXPENDITURES (NOT cumulative)	(2.1)	(23.8)	(15.5)	4.0	6.4	8.4	6.7	3.8	0.3
note: non-recurring expenditures	6.6	6.5	13.3	1.5	1.5	1.5	1.5	1.5	-
net recurring rev- exp	4.5	(17.3)	(2.2)	5.5	7.9	9.9	8.2	5.3	0.3

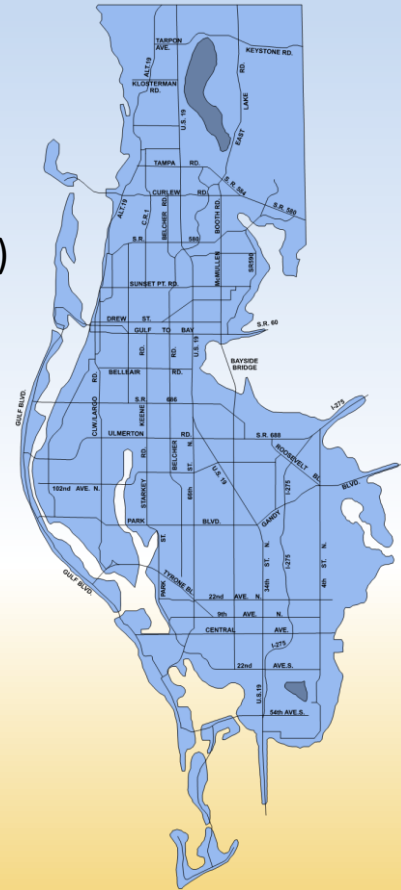
* Expenditure lapse is calculated on Personal Services, Operating Expenses, Capital Outlay, and Grants & Aids only.

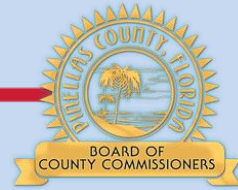
** BP Settlement funds received in FY15 are included in FY17 Beginning Balance. BCC action to approve project list for settlement funds took place in December 2016; therefore, funding is shown as an expenditure in FY17.



Local Economic Outlook

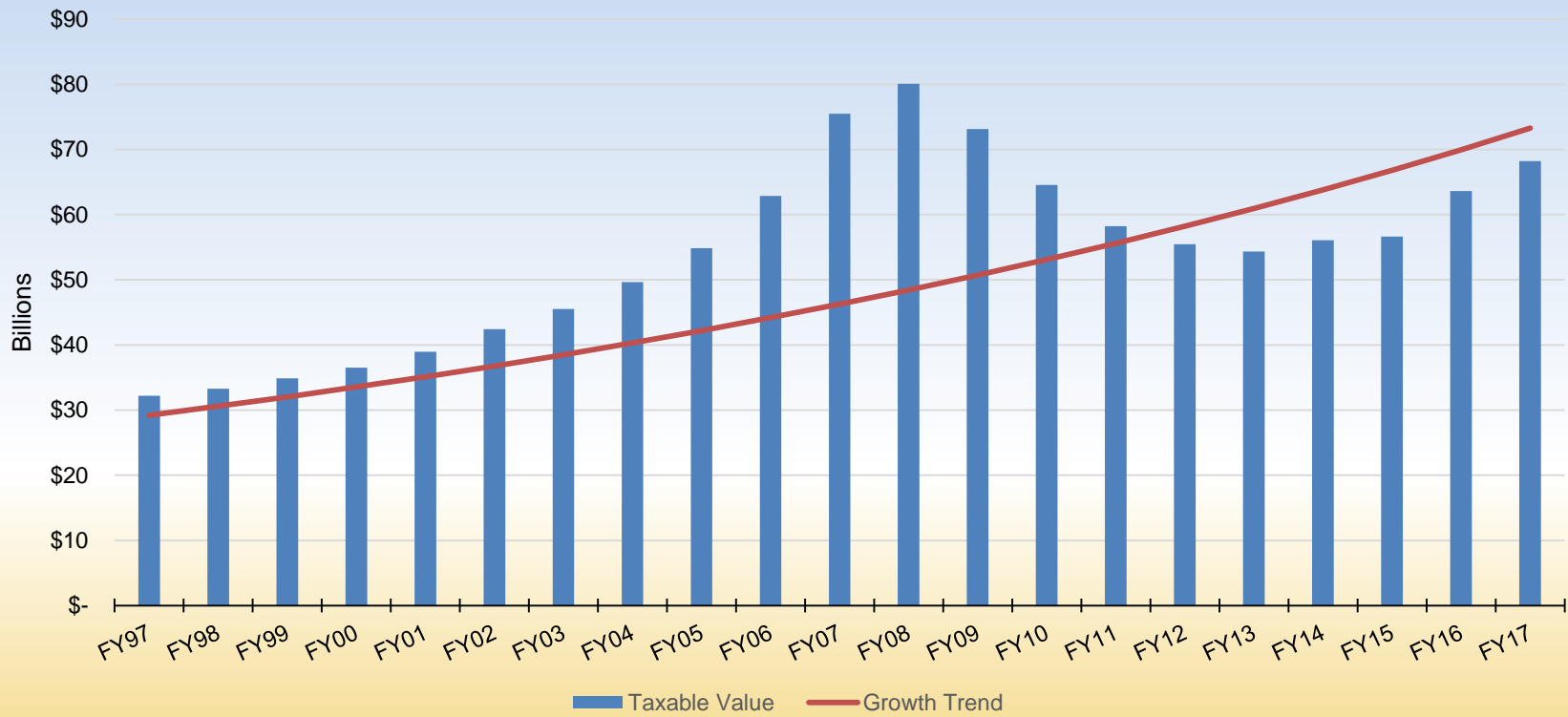
- Unemployment in November 2016 was 4.4%
- More than 5.6M overnight visitors in 2016 (Jan. - Nov.)
 - \$48.2M in 'bed tax' revenue
 - Total Economic impact of \$8.4B
- Single family home sales up 1.8%
 - Median sales price up 17.1%
- Taxable values up 7.2% in FY17

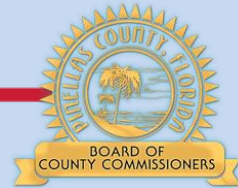




Local Economic Outlook

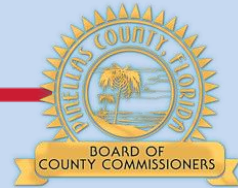
Pinellas County Total Taxable Values - FY97 to FY17





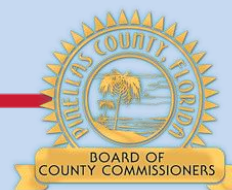
Potential Impacts to the Forecast

- New federal or state mandates
- Property tax exemptions, Save Our Homes impact
- Slower than expected economic growth
- Climate change – frequency & intensity of storms
- Utility rate changes
- Reauthorization of Penny

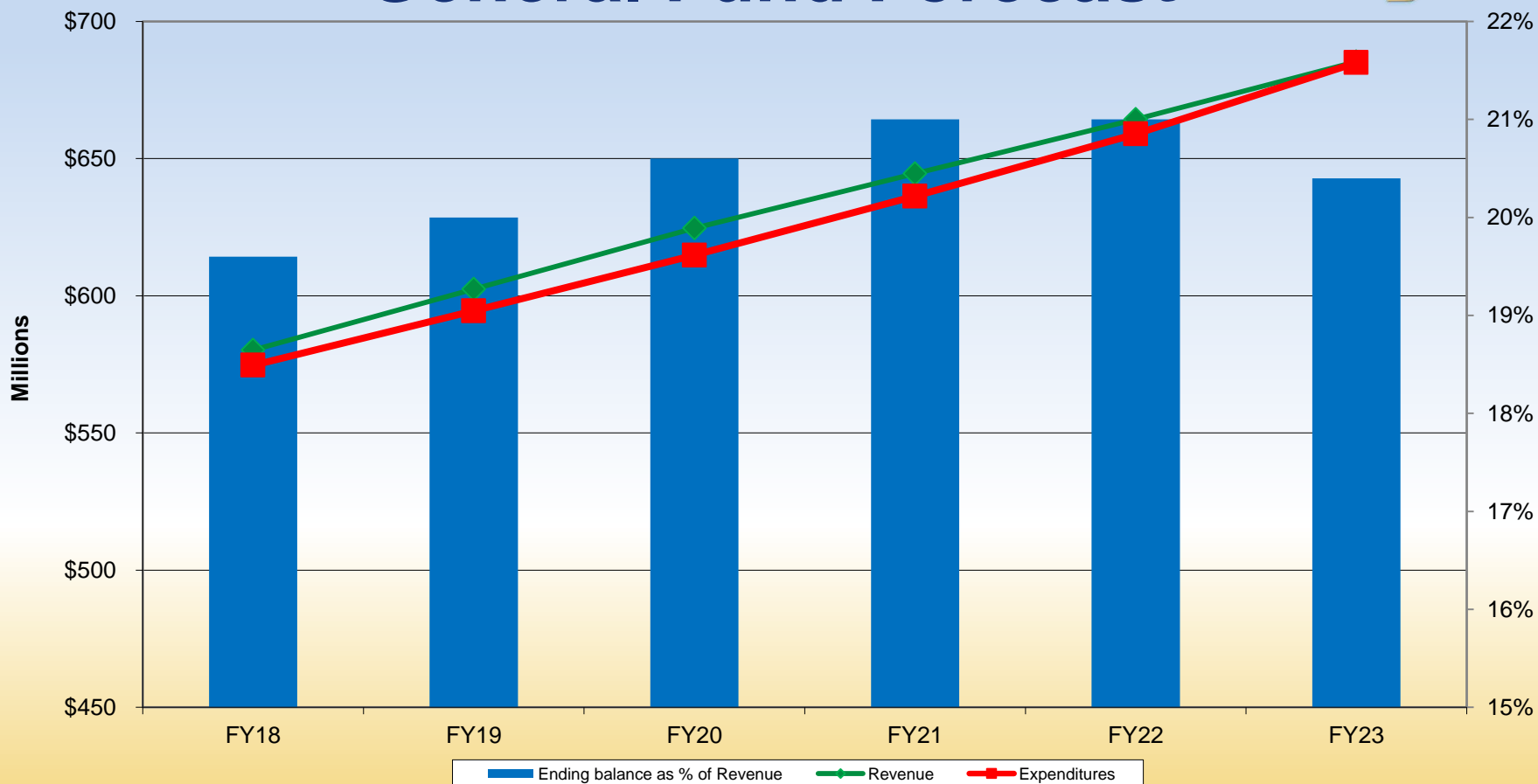


General Fund Forecast

- Balanced throughout the forecast period
 - Assumes no change in the millage rate
 - Maintains the target reserve level exceeding 15%
- Balancing strategies
 - Continue to pursue efficiencies without compromising services
 - Use non-recurring funds for one-time expenditures
 - Expenditure reductions or revenue increases



General Fund Forecast

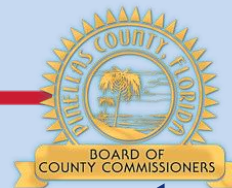




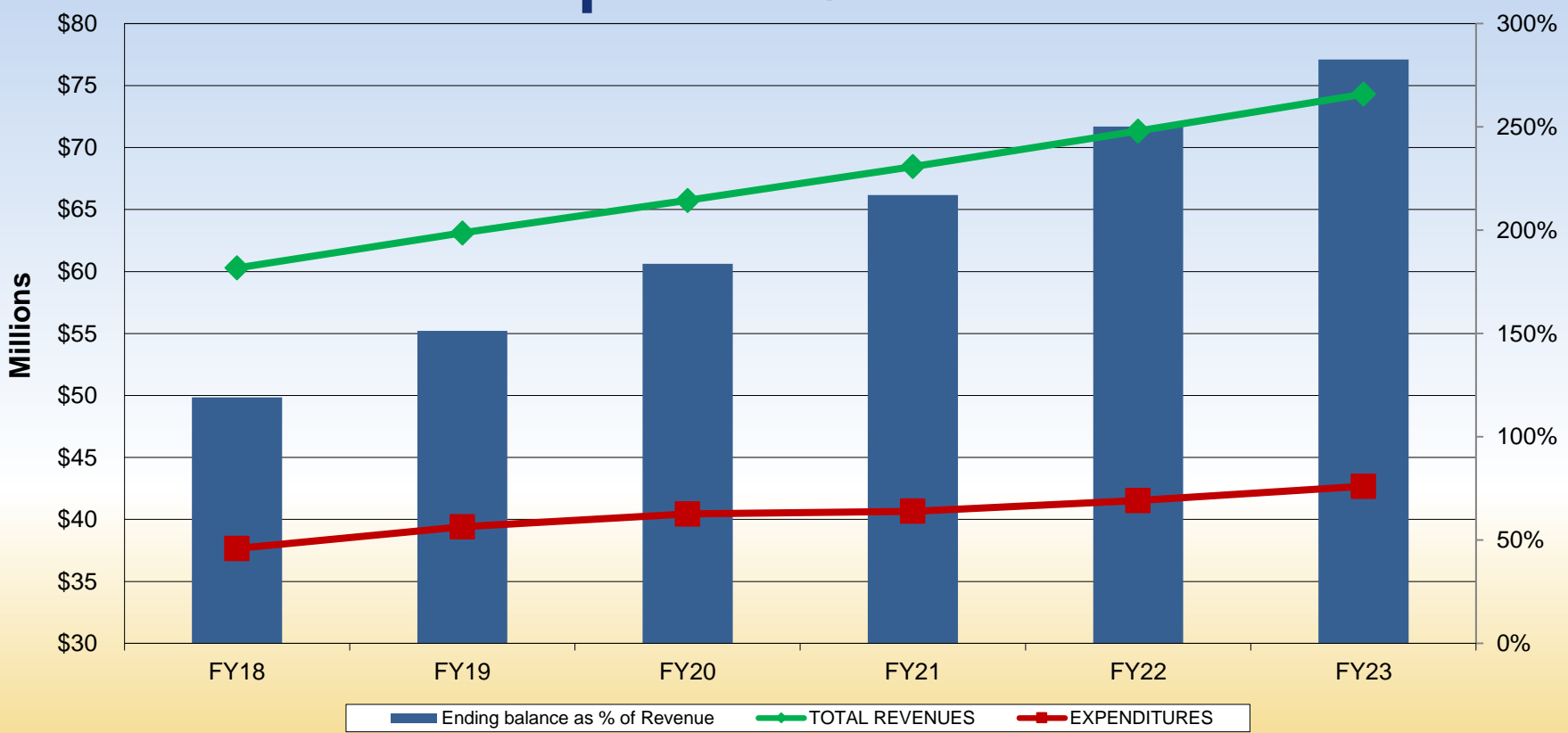
Tourist Development Council Fund Forecast

- Balanced throughout the forecast period
 - 6th percent was levied in January 2016
 - Record setting revenue for five years in a row
 - Collected \$49.5M in TDT revenue in FY16
- Capital Funding
 - BCC revised Tourist Development Plan in November 2015
 - 40% of TDT revenue available for capital projects
 - Reserves of \$37.2M in FY17
 - Beach renourishment of approx. ½ of 1% of TDT





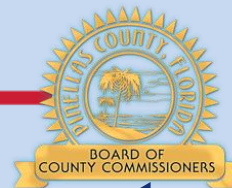
Tourist Development Council Fund Forecast



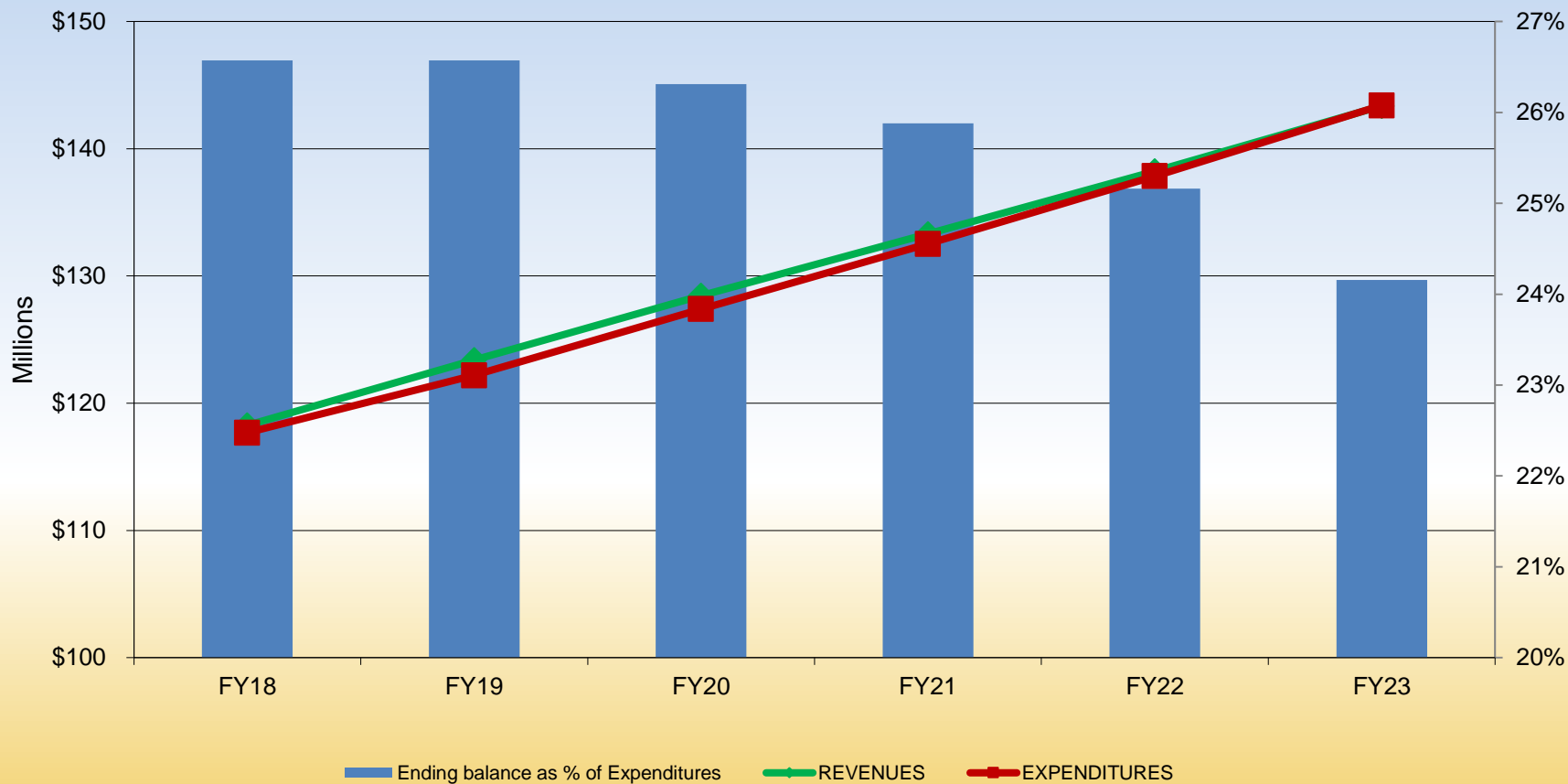
Emergency Medical Services Fund Forecast

- Fund is balanced through the forecast period
 - Assumes no change in the millage rate
 - Revenue growth reflects increase in property values and increase in transport volume
- Balancing strategies
 - Stable financial outlook
 - Continue to work with the ambulance provider, municipalities and districts to maintain long term financial sustainability





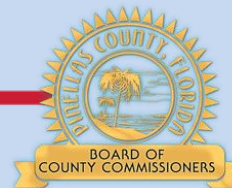
Emergency Medical Services Fund Forecast



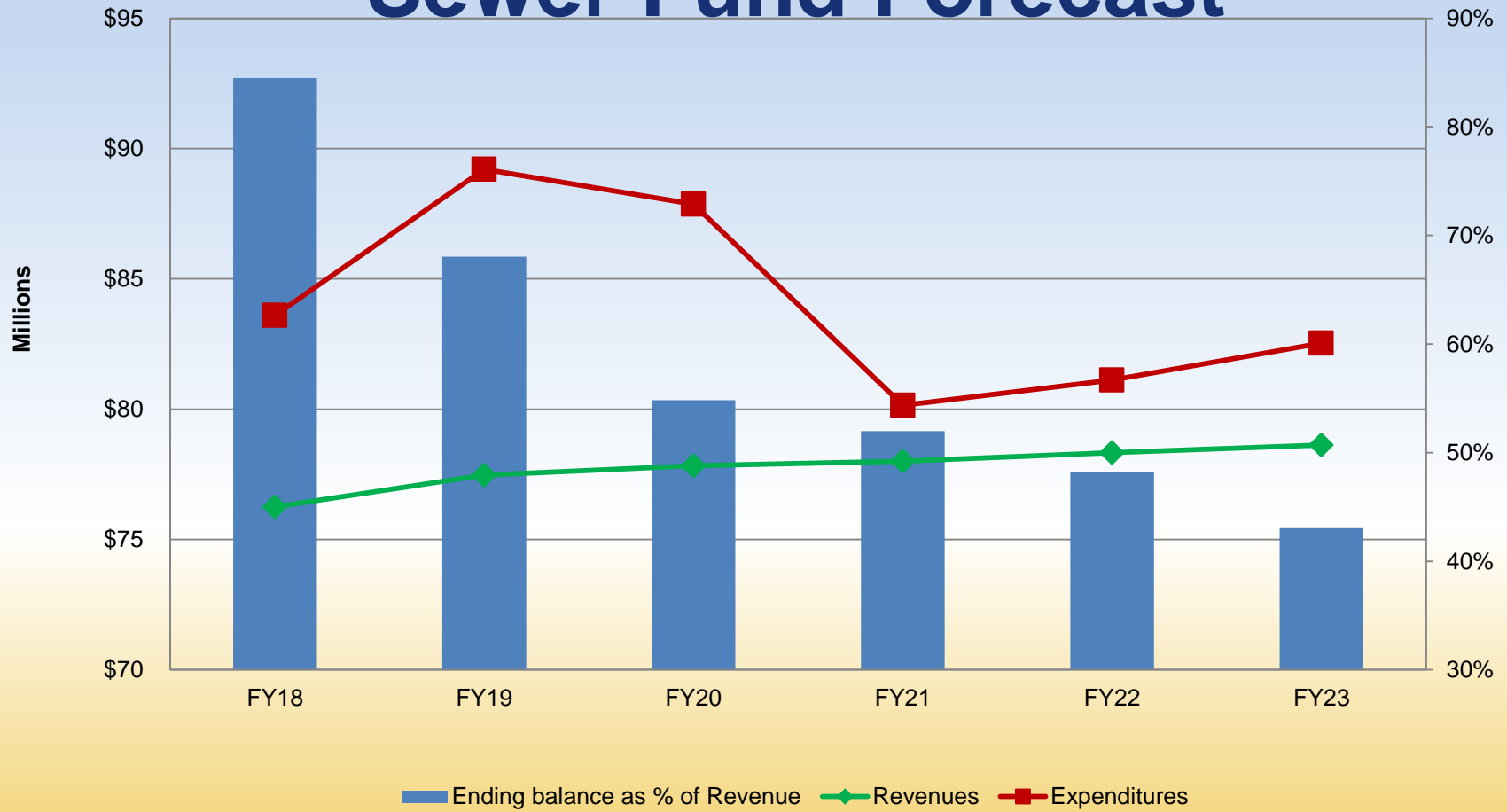
Sewer Fund Forecast

- Fund is balanced through the forecast period
 - Expenditures drop in FY21 due to a reduction in capital spending
 - Debt service payments on the Sewer Revenue Bonds are steady during the forecast period at \$14.6M annually
- Reserves
 - Reserve levels drop during the forecast period due to planned usage of reserves for capital projects
 - Will be available for unplanned repairs and replacements





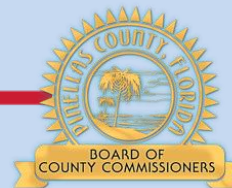
Sewer Fund Forecast



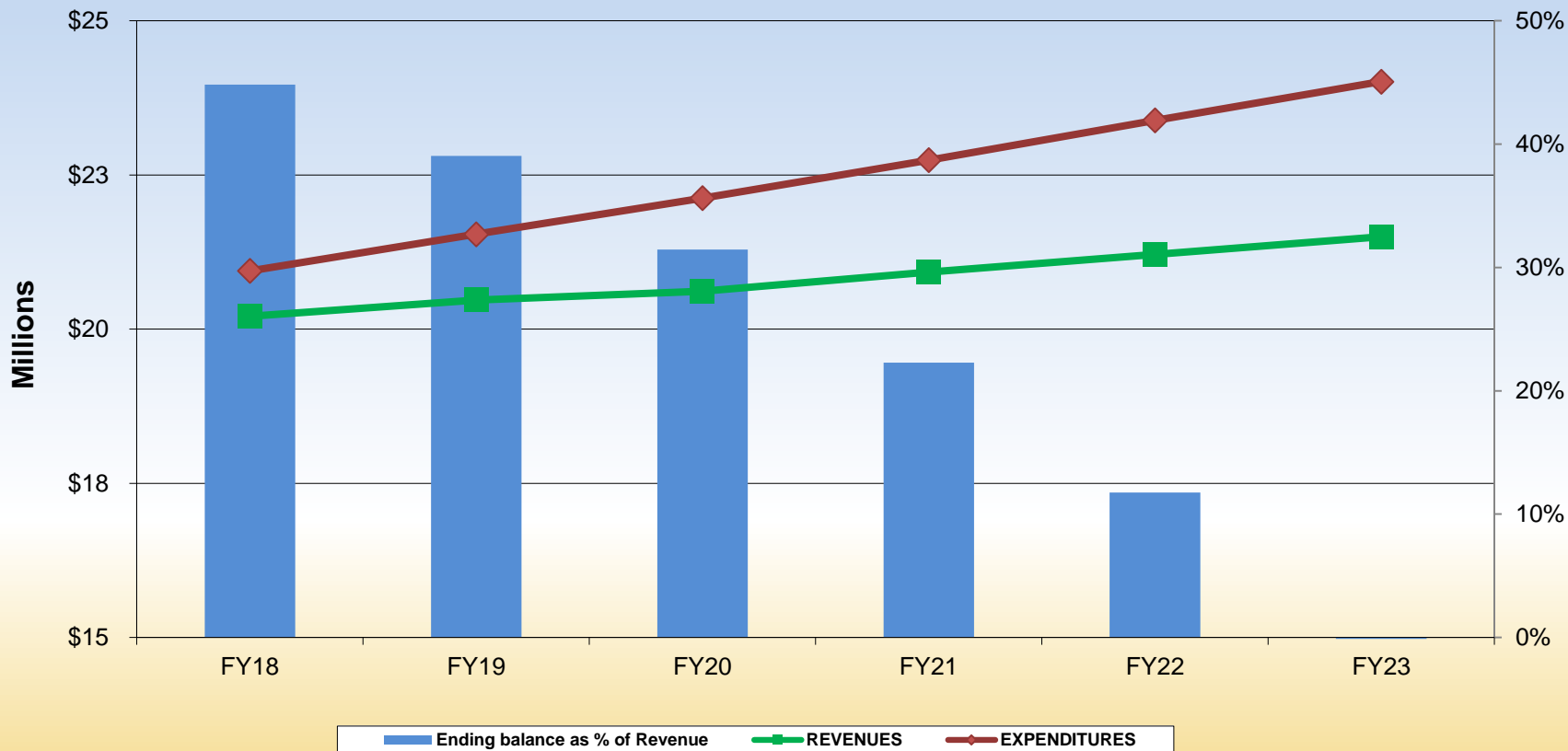
Surface Water Fund Forecast

- Fund is not balanced through the forecast period
 - Level of Service goal (B-) will be partially achieved this fiscal year
 - CPI increases to assessment fee are insufficient to match inflationary increases in expenditures during the forecast period
- Balancing Strategies
 - Adjust level of service to match available funding



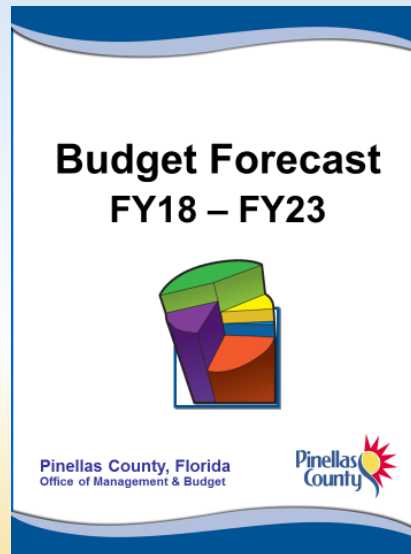


Surface Water Fund Forecast



Citizens Guide to the Budget

Doing Things for You!



www.PinellasCounty.org/budget