



Doing Things!

Budget Forecast: FY19 – FY24

February 27, 2018





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

- Ninth 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)



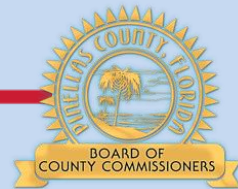
Forecast Document - Assumptions

Forecast Assumptions	FY19	FY20	FY21	FY22	FY23	FY24
REVENUES						
Property Taxes - Countywide	6.0%	5.5%	4.5%	4.0%	3.5%	3.5%
Property Taxes - MSTU	5.0%	5.0%	4.0%	3.5%	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	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Interest	1.6%	2.2%	2.5%	2.5%	2.5%	2.5%
Charges for Services	2.2%	2.4%	2.2%	2.5%	2.4%	2.5%
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	4.2%	4.2%	4.2%	4.5%	4.3%	4.3%
Operating Expenses	2.2%	2.4%	2.2%	2.5%	2.4%	2.5%
Capital Outlay	2.2%	2.4%	2.2%	2.5%	2.4%	2.5%
Grants & Aids	2.2%	2.4%	2.2%	2.5%	2.4%	2.5%
Projected Economic Conditions / Indicators:						
Consumer Price Index, % change	2.2%	2.4%	2.2%	2.5%	2.4%	2.5%
FL Per Capita Personal Income Growth	2.0%	1.7%	1.1%	0.9%	0.7%	0.7%
Estimated New Construction % of tax base	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%

(in \$ thousands)	FORECAST								
	Actual FY17	Budget FY18	Estimated FY18	Estimated FY19	Estimated FY20	Estimated FY21	Estimated FY22	Estimated FY23	Estimated FY24
BEGINNING FUND BALANCE	123.9	109.1	116.5	90.6	113.5	121.6	135.0	150.0	163.2
REVENUES									
Property Taxes -Countywide	340.0	368.9	368.9	391.0	412.5	431.1	448.3	464.0	480.3
Property Taxes - MSTU	32.8	35.1	35.1	36.9	38.7	40.2	41.7	42.9	44.2
Half Cent Sales Tax	45.5	46.4	46.4	48.3	49.9	51.7	53.0	54.3	55.7
Revenue Sharing	18.6	18.9	18.9	19.7	20.3	21.1	21.6	22.1	22.7
Communications Svc Tax	9.4	8.7	8.7	8.7	8.7	8.7	8.7	8.7	8.7
Grants (fed/state/local)	8.0	9.2	9.2	9.4	9.6	9.8	10.0	10.2	10.4
Interest	1.5	2.3	2.3	1.4	2.5	3.0	3.4	3.7	4.1
Charges for Services	46.5	59.6	59.6	61.1	62.5	63.7	65.2	66.6	68.1
FEMA Reimbursement - Irma	-	-	-	20.7	-	-	-	-	-
FEMA Reimbursement - Hermine	-	-	-	1.1	-	-	-	-	-
Other revenues	52.6	26.9	26.9	27.6	28.3	29.0	29.8	30.6	31.4
Adjust Property Taxes to 96.0%			4.3	4.5	4.7	5.0	5.2	5.3	5.5
Adjust Major Revenue to 98.0%			4.6	4.7	4.8	5.0	5.1	5.2	5.4
Adjust Other Revenue to 97.0%			0.6	0.6	0.6	0.6	0.6	0.6	0.7
TOTAL REVENUES	554.9	576.0	585.4	635.5	643.2	668.9	692.5	714.4	737.0
% vs prior year		3.8%	5.5%	8.6%	1.2%	4.0%	3.5%	3.2%	3.2%
TOTAL RESOURCES	678.8	685.1	701.9	726.1	756.7	790.5	827.5	864.4	900.3
EXPENDITURES									
Personal Services	74.4	86.1	86.1	89.7	93.5	97.4	101.8	106.2	110.7
Operating Expenses	120.0	129.9	129.9	137.4	141.7	144.8	148.6	152.2	156.0
Capital Outlay	1.9	3.6	3.6	3.7	3.8	3.9	3.9	4.0	4.1
Grants & Aids	21.3	25.4	25.4	26.6	27.9	29.3	28.8	29.5	30.4
Transfers	329.6	341.1	341.1	354.5	367.6	381.3	395.7	410.8	427.6
Debt Service	5.8	5.7	5.7	5.7	5.7	5.7	5.7	5.7	5.7
Hurricane Irma Expenses	5.7	-	17.9	-	-	-	-	-	-
Hurricane Hermine Expenses			1.2						
BP Settlement Funds*	1.6	5.0	5.0	-	-	-	-	-	-
Expenditure Lapse 3.0% **	-		(6.1)	(6.5)	(6.7)	(6.9)	(7.1)	(7.3)	(7.5)
Non-recurring Transfers to CIP	2.0	1.5	1.5	1.5	1.6				
EXPENDITURES	562.3	598.3	611.3	612.6	635.1	655.5	677.5	701.2	727.2
% vs prior year		6.4%	8.7%	0.2%	3.7%	3.2%	3.4%	3.5%	3.7%
ENDING FUND BALANCE	116.5	86.8	90.6	113.5	121.6	135.0	150.0	163.2	173.1
Ending balance as % of Revenue	21.0%	15.1%	15.5%	17.9%	18.9%	20.2%	21.7%	22.8%	23.5%
TOTAL REQUIREMENTS	678.8	685.1	701.9	726.1	756.7	790.5	827.5	864.4	900.3
REVENUE minus EXPENDITURES (NOT cumulative)	(7.4)	(22.3)	(25.9)	22.9	8.1	13.4	15.0	13.2	9.9

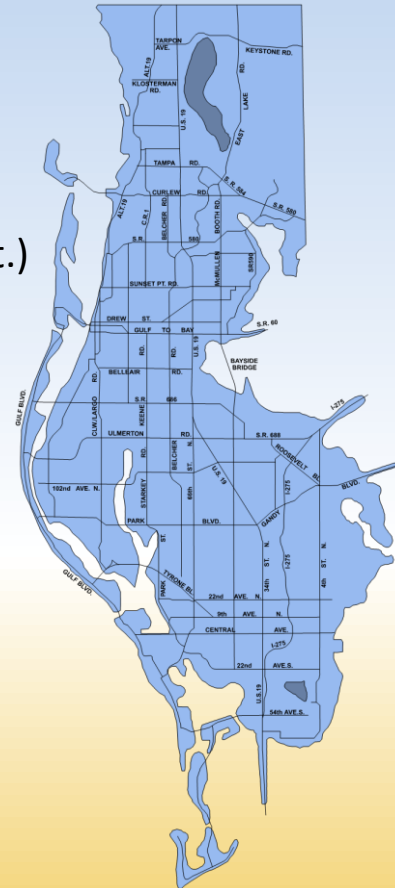
* BP Settlement funds were received in FY15, and projects were approved by the BCC in December 2016. Funding is shown as an expenditure in FY17 and FY18 for ongoing projects.

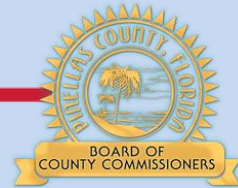
** Expenditure lapse is calculated on Personal Services, Operating Expenses, Capital Outlay, and Grants & Aids only.



Local Economic Outlook

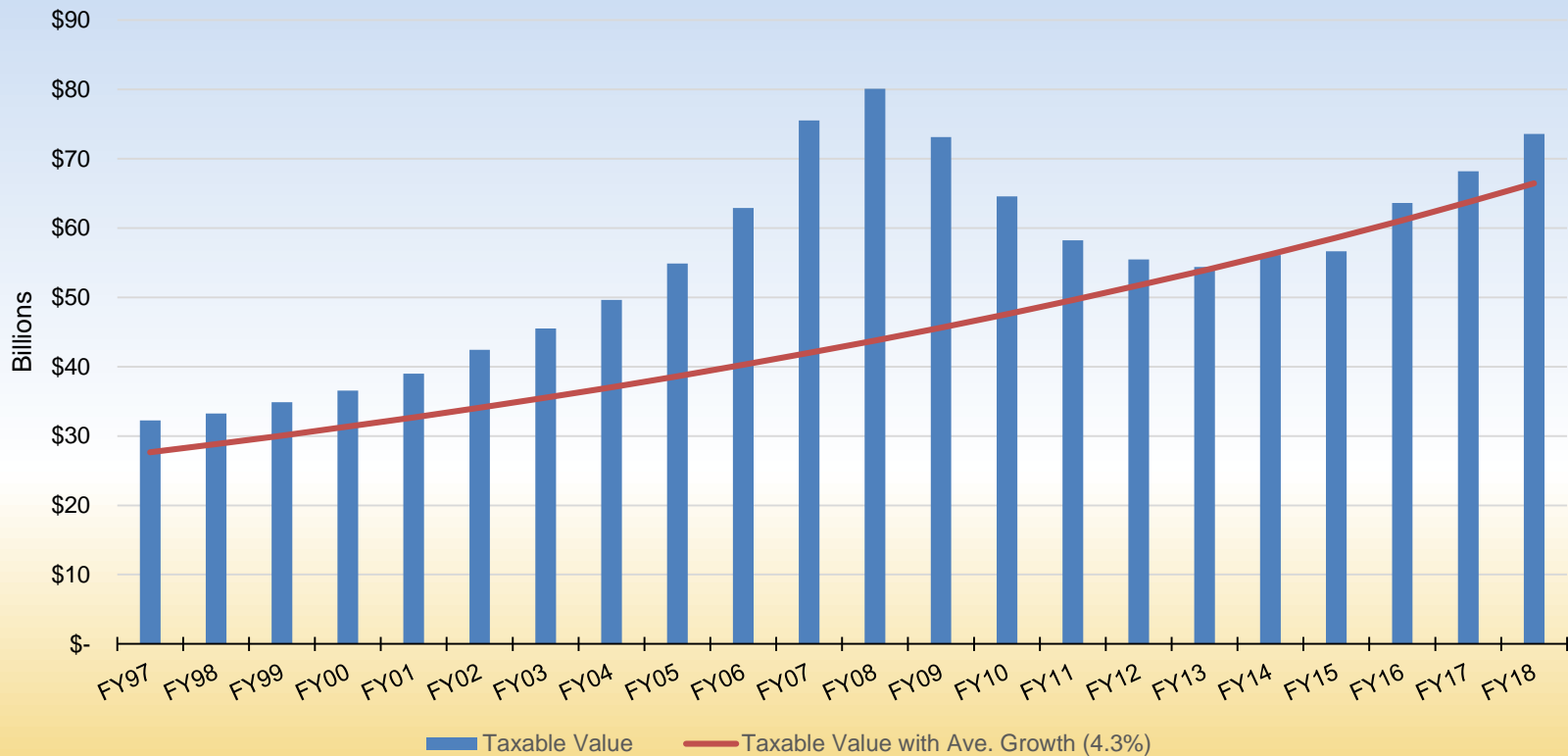
- Unemployment in December 2017 was 3.2%
- More than 5.1M overnight visitors in 2017 (Jan. – Sept.)
 - \$54.8M in 'bed tax' revenue
 - Average daily rate up 57.4% since 2010
- Median single family home sales price up 12.7% in 2017 (Jan. – Oct.)
- Taxable values up 7.9% in FY18

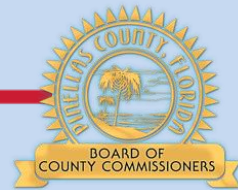




Local Economic Outlook

Pinellas County Total Taxable Values - FY97 to FY18





Fund Reviews

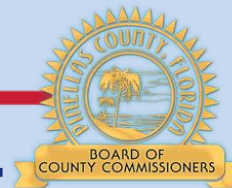


Tourist Development Tax Fund Forecast

- **Balanced throughout the forecast period**
 - FY17 was the first full year with the 6th percent of TDT
 - Record setting revenue for six years in a row
 - Collected \$54.8M in TDT revenue in FY17

- **Capital Funding**
 - Beach renourishment \$4.7M
 - Five new projects were added in FY18
 - A sixth project is being finalized, with funding expected to begin in FY19
 - Total FY18 funding \$25.0M

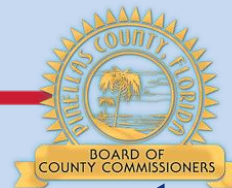




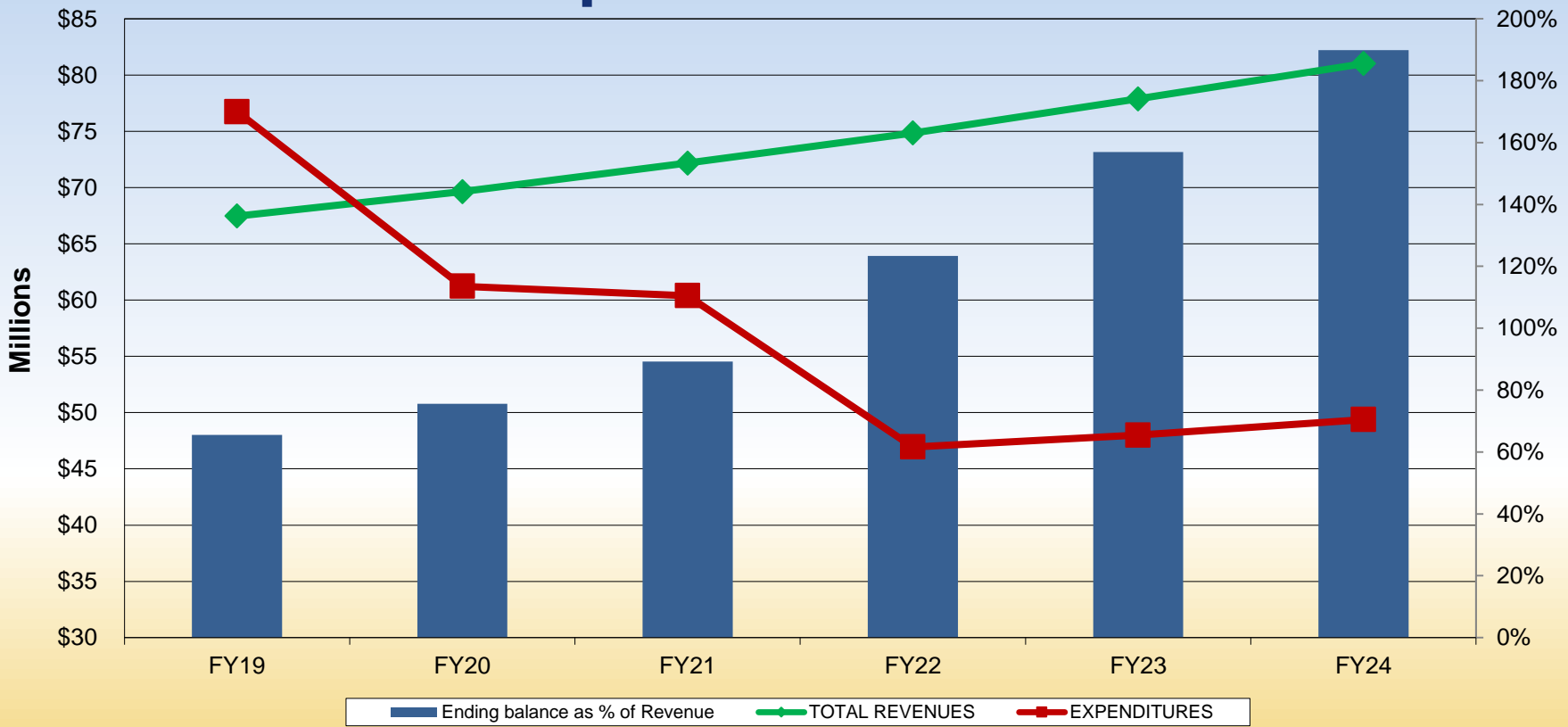
Tourist Development Tax Fund Forecast

Capital Funding Projects

Project	FY18 Budget
Clearwater Marine Aquarium	\$ 13,000,000.00
City of Clearwater - Ruth Eckerd Hall	\$ 2,750,000.00
American Craftsman Museum	\$ 2,000,000.00
City of Clearwater - Countryside Sports Complex	\$ 950,000.00
City of Clearwater - Spring Training	\$ 587,650.00
Dali Museum	\$ 500,000.00
City of Clearwater - Eddie Moore Softball	\$ 495,000.00
Total	\$ 20,282,650.00



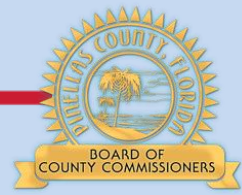
Tourist Development Council Fund Forecast



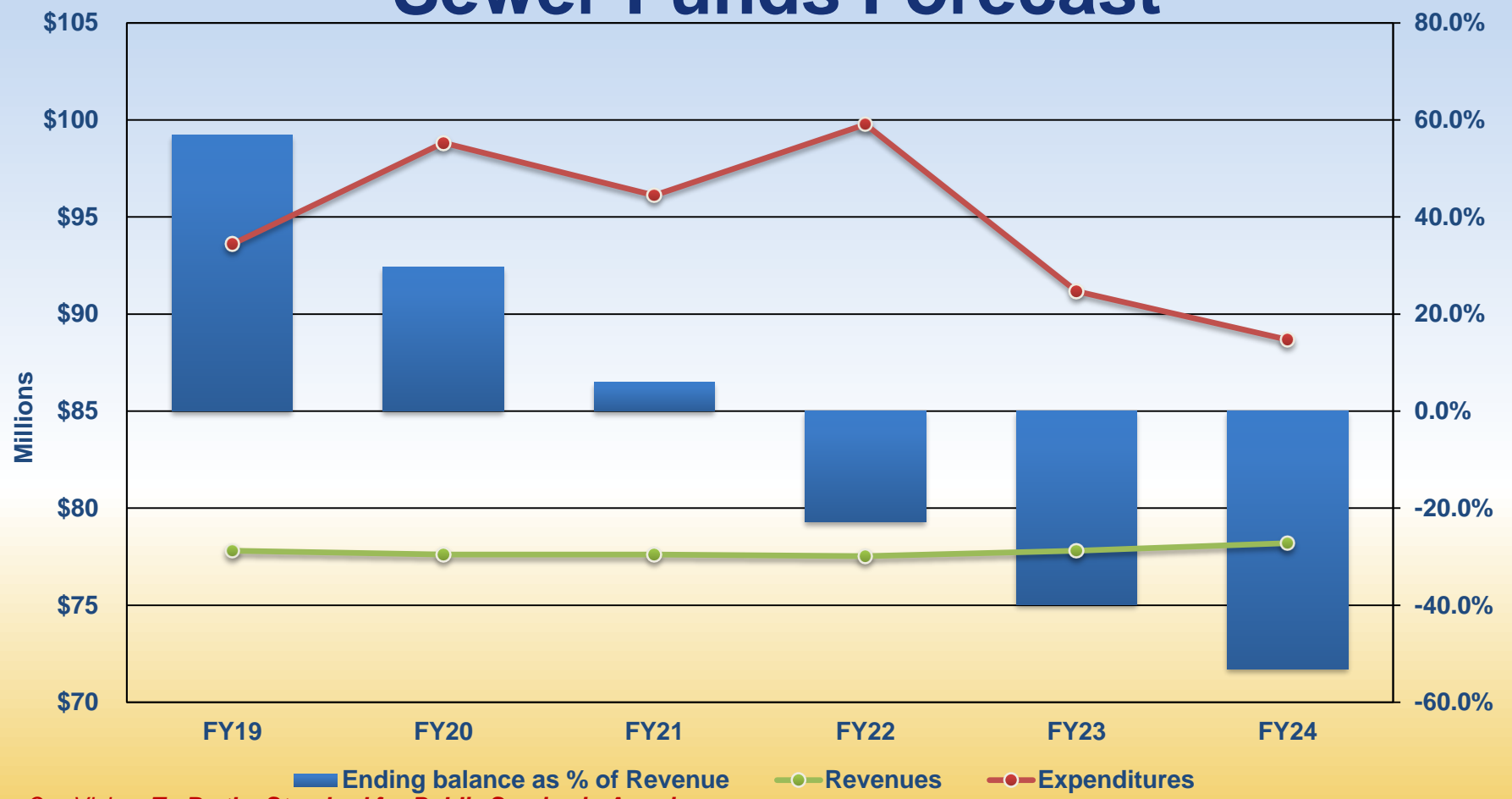


Sewer Funds Forecast

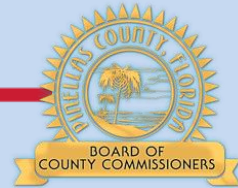
- Fund is not structurally balanced through the forecast period
 - The multi-year rate increases approved for FY16 – FY19 provides sufficient revenue to maintain reserves and the required debt service coverage while continuing normal operation of the system through FY19
 - Reserves are projected to be used to complete major capital projects
- Balancing strategies
 - A rate study will be conducted this year
 - Reduce planned capital projects



Sewer Funds Forecast

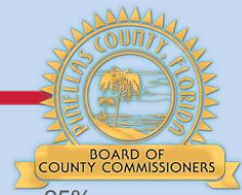


Our Vision: *To Be the Standard for Public Service in America*

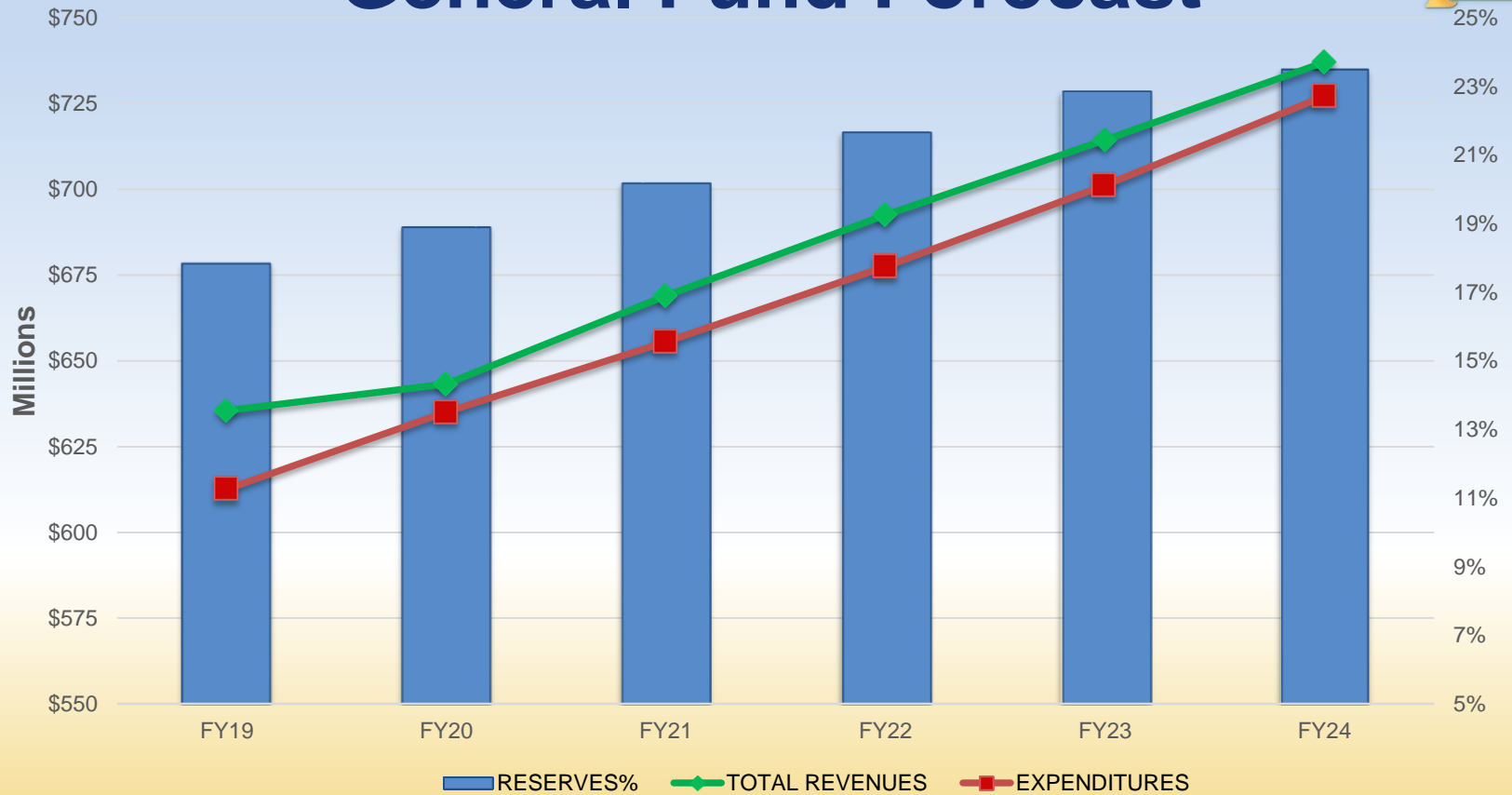


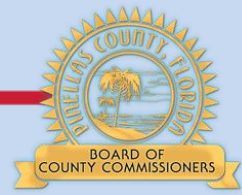
General Fund Forecast

- **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





Impact of Third Homestead – General Fund

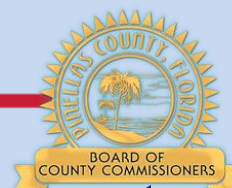


Emergency Medical Services Fund Forecast

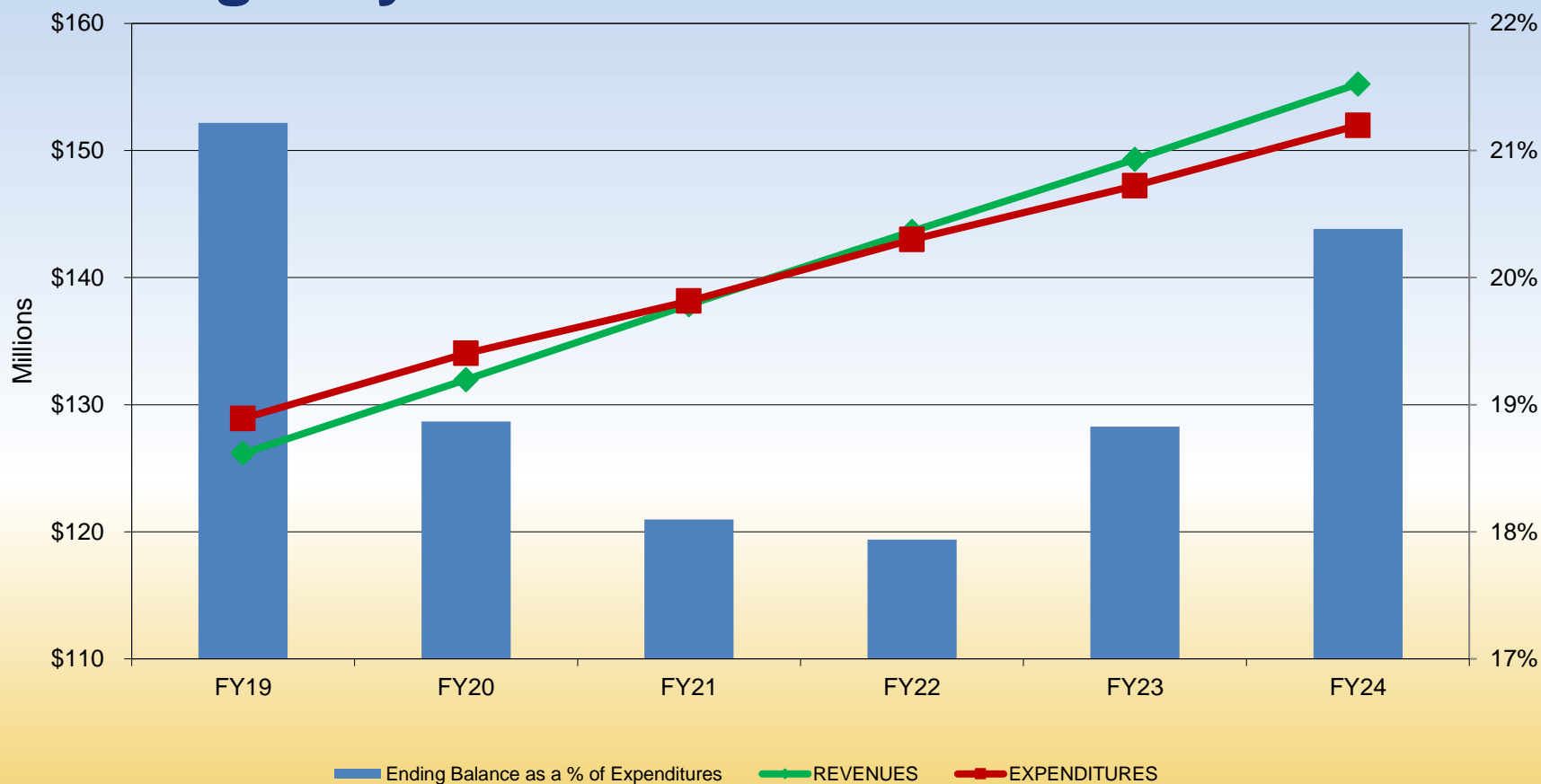
- Fund is balanced through the forecast period
 - Assumes no change in the millage rate
 - Fund would be impacted by the additional Homestead exemption
 - Revenue growth reflects increase in property values and increase in transport volume

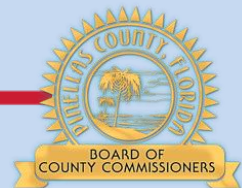
- Balancing strategies
 - Use of accumulated reserves when expenditures exceed revenues



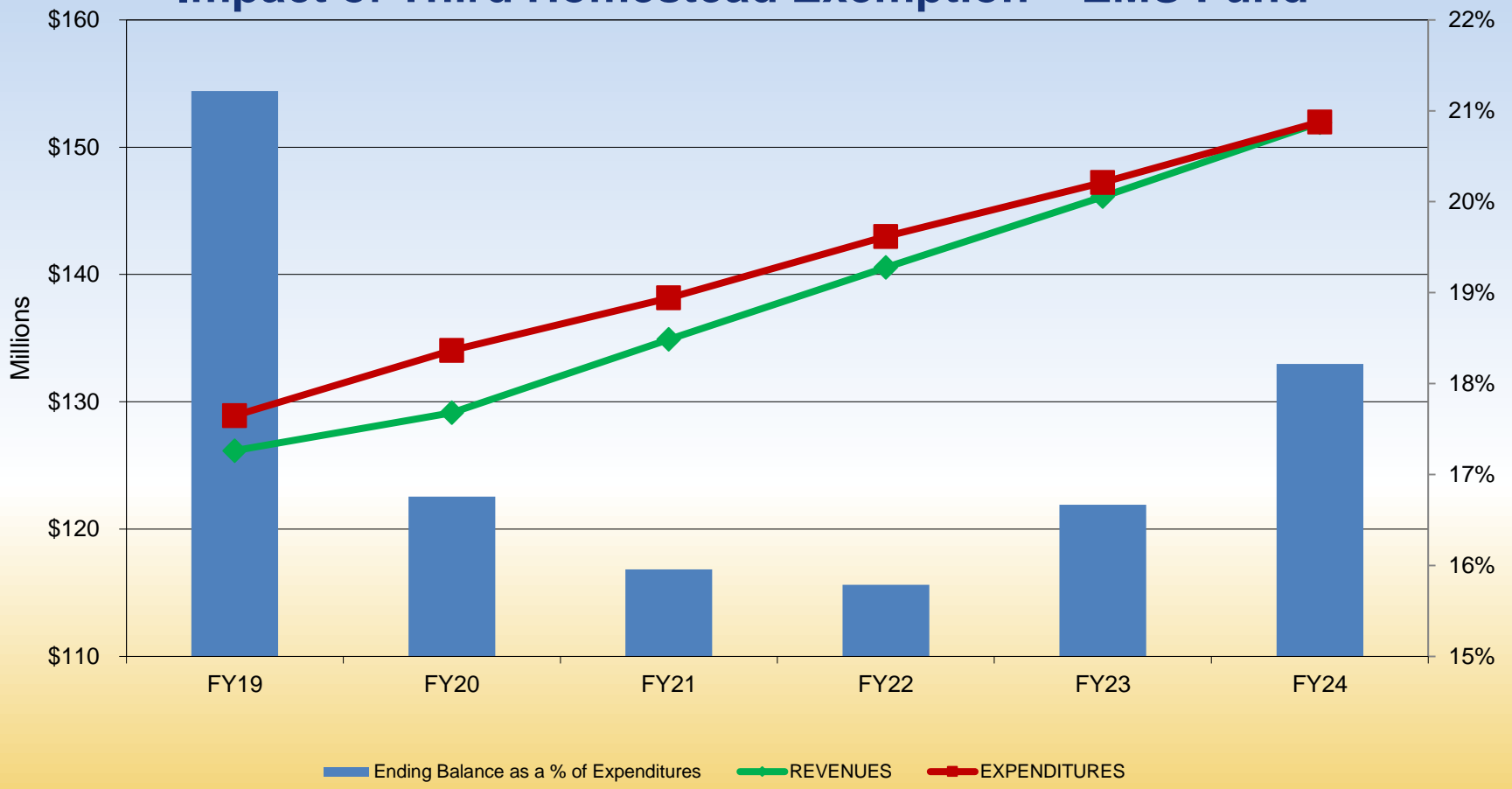


Emergency Medical Services Fund Forecast





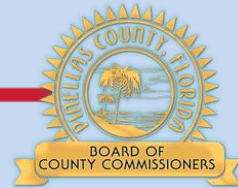
Impact of Third Homestead Exemption – EMS Fund





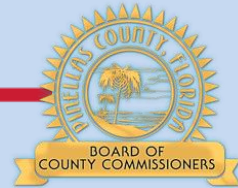
Potential Impacts to the Forecast

- 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



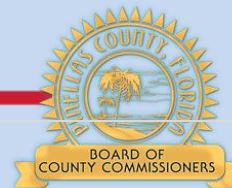
Third Homestead Exemption

- Statewide ballot initiative sponsored by Legislature
- 60% approval required to pass
- Election Date: November 6, 2018
- Ballot Mailing Dates
 - Military and Overseas Voters: September 21, 2018
 - Domestic Voters: October 2, 2018
 - Mail Ballot Request Deadline: October 31, 2018
- Early Voting: October 22 – November 4, 2018, 7a-7p daily

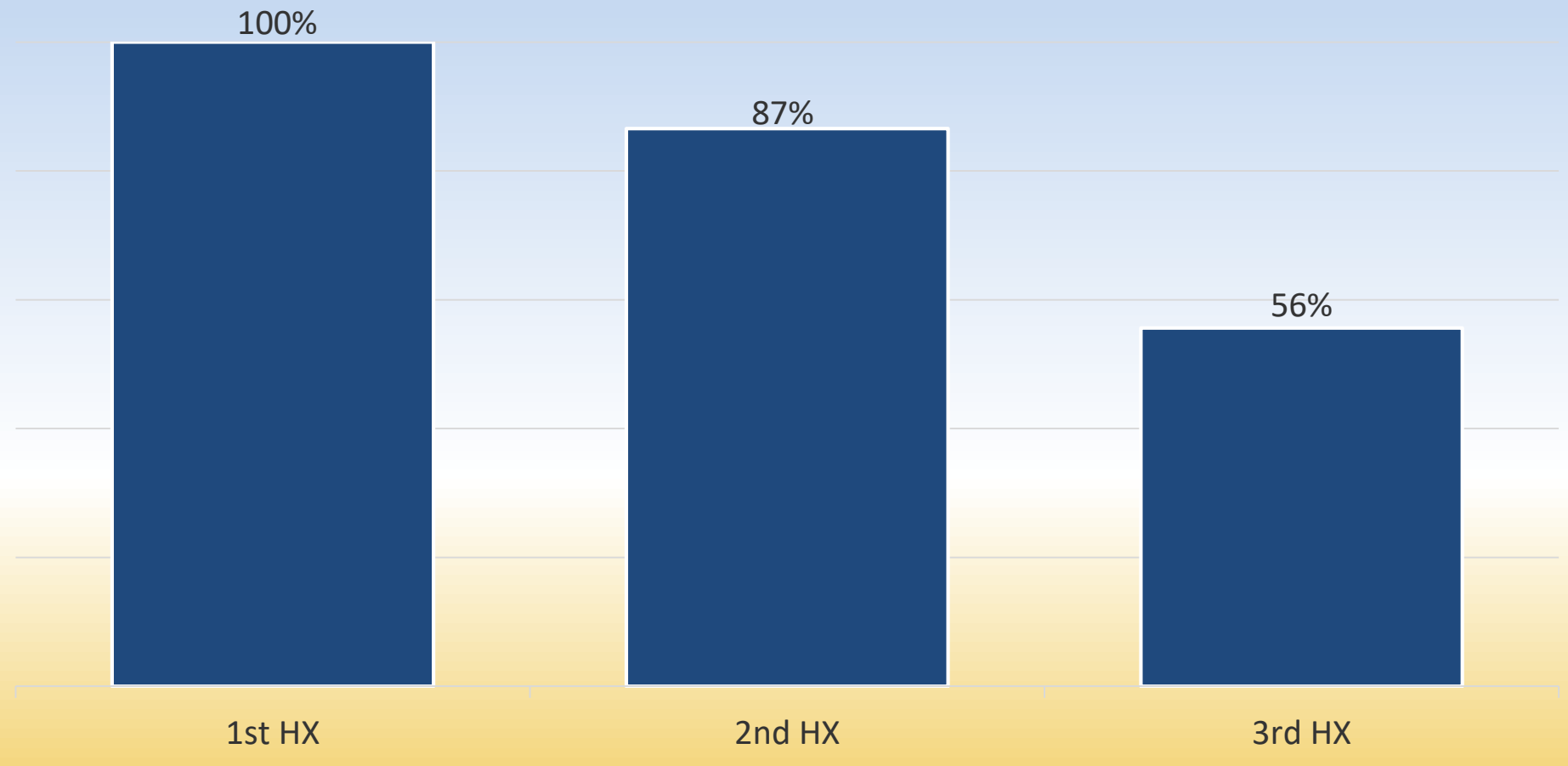


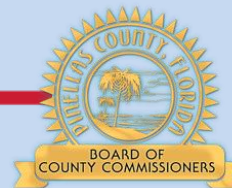
Ballot Language

- Proposing an amendment to the State Constitution to increase the homestead exemption by exempting the assessed value of homestead property greater than \$100,000 and up to \$125,000 for all levies other than school district levies. The amendment shall take effect January 1, 2019.
- Impacts starting in FY20 if approved

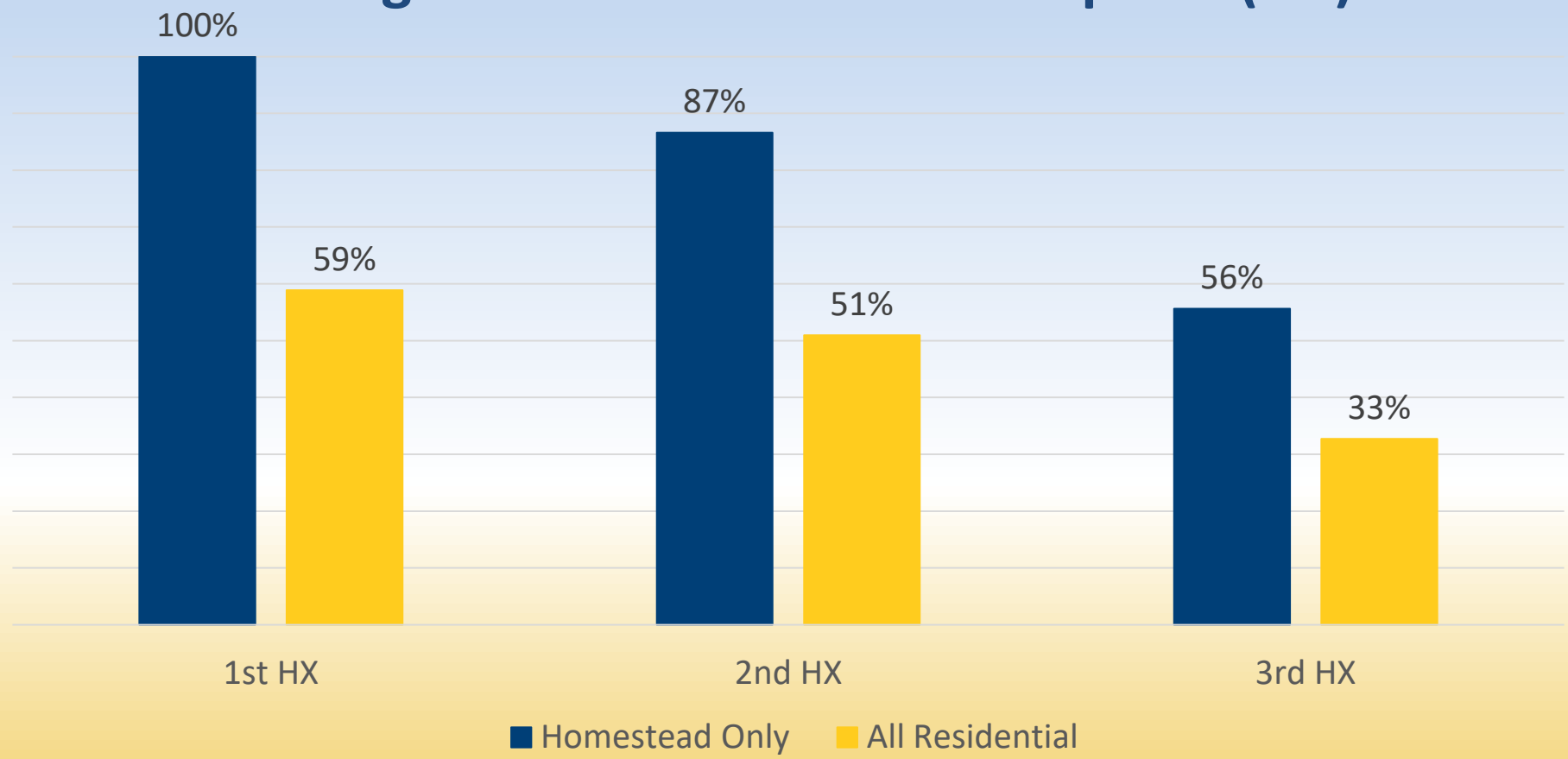


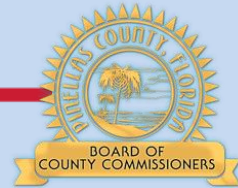
% Eligible for Each Homestead (HX) Tier





% Eligible for Homestead Exemption (HX)





Estimated Fiscal Impacts

- General Fund - \$17.0M
- MSTU - \$2.3M
- EMS Fund - \$2.9M
- Health Department - \$0.3M



Balancing Strategies

- Reduce or Eliminate Service Enhancements
- Reduce or Eliminate Support for State and Federal Services Supported by County
- Focus on County Charter Responsibilities
- Millage Increases



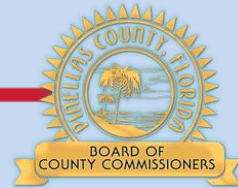
FY18 Service Enhancements

- Public Defender / Crossover Case Managers
- Community Health Centers of Pinellas – Lealman Clinic, Dental Care, Opioid Task Force
- Human Services – Homeless, Coordinated Case Management, Mental/Behavioral Health
- Neighborly Care Networks – Meals on Wheels
- 211 Tampa Bay Cares
- School Nurses
- Heritage Village Museum Educator



Subsidized Services

- Services Supported by Pinellas County Government
 - Fully or partially funded and/or administered
 - Not part of County Charter responsibilities
 - Currently and/or previously within scope for federal, state, and/or other governmental entity
 - Support meets needs of our local community

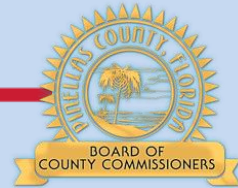


Subsidized Services

Article V and Court Support (FY17 Budget)

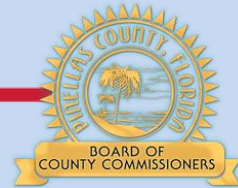
	Expenditures	Revenue	Difference
I. Required County Functions	\$ 35.4 M	\$ 3.5 M	\$ (31.9 M)
II. Local Options with defined revenue sources	1.7 M	1.5 M	(0.2 M)
III. Court Innovations and Other Local Options *	1.4 M	0.4 M	(1.0 M)
IV. Other Court Related Programs *	0.9 M	0	(0.9 M)
Total	\$ 39.4 M	\$ 5.4M	\$ (34.0M)

* Note: \$1.9M is subject to discretionary decisions by the Board.



Subsidized Services

- Tax Collector
 - Driver Licenses, Tags and Titles - \$9M
 - Facilities supporting state functions
 - School Board tax collector commissions - \$8.3M
- Medical Examiner - Forensic and DNA Laboratory - \$1.5M
- Health Department
 - Primary Care Services - \$4.2M
 - Dental Sealants - \$179K

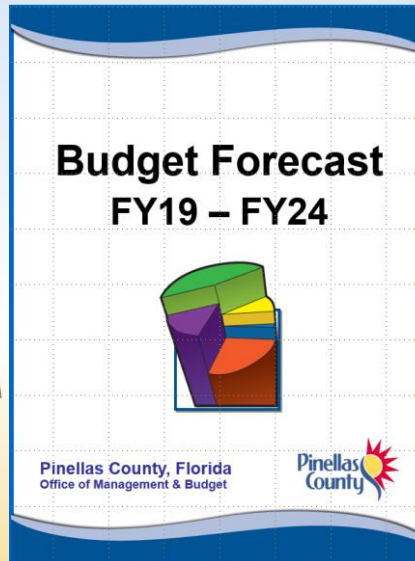


Subsidized Services

- Human Services
 - Medicaid statutory contributions - \$13.6M
 - Other statutory mandates - \$2.4M
 - State not accepting Medicaid expansion
 - Veterans Services - \$691K
 - Juvenile Detention - \$4.6M
- Public Works – Mosquito Control (\$4.2M) and NPDES
- Safety & Emergency Services – 911
 - General Fund subsidy - \$3.7M

Citizens Guide to the Budget

Doing Things for You!



www.pinellascounty.org/budget