



Pinellas County

Staff Report

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Subject:

Fiscal Year 2021 Board Budget Amendment No. 5 to realign appropriation from Reserves for Contingency in the General Fund, Building Services Fund, Fleet Management Fund, and Risk Financing Fund for unanticipated Fiscal Year 2021 expenditures.

Recommended Action:

Approval of the Fiscal Year (FY) 2021 Board Budget Amendment No. 5 pursuant to section 129.06(2) (b) realigning:

- \$160,000.00 from Reserves for Contingencies in the General Fund for Development Review Services to offset expenditures related to three new Development Project Manager positions created during FY21.
- \$160,000.00 from Reserves for Contingencies in the Building Services Fund to offset higher-than-expected expenditures for contracted building inspectors resulting from increased permit volume.
- \$195,000.00 from Reserves for Contingencies in the Fleet Management Fund for the purchase, installation, and support of Global Positioning and Telematics System equipment in county-owned vehicles and heavy equipment.
- \$236,000.00 from Reserves for Contingencies in the Risk Management Fund to cover higher-than-anticipated insurance premiums.

Strategic Plan:

Deliver First Class Services to the Public and Our Customers

5.2 Be responsible stewards of the public's resources

5.3 Ensure effective and efficient delivery of county services and support

Summary:

In the General Fund, this budget amendment realigns \$160,000.00 from Reserves for Contingencies in the General Government cost center to the DRS cost center to address overages in personal services related to the creation of three (3) new Development Project Manager positions.

In the Building Services Fund, this budget amendment realigns \$160,000.00 from Reserves for Contingencies to the Building Permits cost center to offset contractual services costs due to an increased need for contracted building inspectors.

In the Fleet Management Fund, this budget amendment realigns \$195,000.00 from Reserves for Contingencies to the Fleet Parts Management cost center for the purchase, installation, and support of GPS equipment in county-owned vehicles and heavy equipment.

In the Risk Financing Fund, the amendment realigns \$236,000.00 from Reserves for Contingencies to the Risk Transfer cost center to address increased insurance premium costs.

Background Information:

After the adoption of the FY21 Budget, three (3) FTE were added to the DRS cost center in the General Fund as part of the implementation of the Development Review Project Management Pilot Program to guide customers through the land development process. Funding to support the positions was not provided at the time of implementation; therefore, a budget amendment is needed to support the unanticipated expenditures.

In the Building Services Fund, building permits have unexpectedly increased 15.8% from FY20 to FY21. As a result, the Building Services Fund reflects increased operating costs due to a corresponding need for contracted inspectors to supplement County staff. A portion of the costs can be absorbed within the department's budget due to personal services lapse; however, the remaining costs require appropriation to be realigned from Reserves.

On April 27, 2021, the Board approved a five-year contract with NexTraq LLC for the purchase and support of GPS units for county-owned vehicles and heavy equipment. The initial purchase and installation costs were not included in the FY21 Adopted Budget and were paid using existing appropriation from the Fleet Management Fund. As a result, an amendment is needed to support the unexpected FY21 expenditure as there was not sufficient lapse to absorb the cost. Reimbursement to Fleet Management by the various user departments has been programmed into the FY22 Adopted Budget.

Since FY18, the cost of insurance premiums paid by the Risk Financing Fund has increased by 32.3%. Despite the County's attempt to mitigate the rising costs by updating coverages and deductibles, FY21 expenses for premiums exceeded the budget by \$235,098.10. Anticipated FY21 lapse within the Risk Financing Fund was previously realigned to offset increased Workers Compensation claims and therefore not available for this purpose.

Fiscal Impact:

This amendment realigns FY21 appropriation as follows:

- \$160,000.00 from the Reserve for Contingencies in the General Fund to increase the DRS budget as outlined above.
- \$160,000.00 from the Reserve for Contingencies in the Building Services Fund to increase the Building & Development Review Services budget as outlined above.
- \$195,000.00 from the Reserve for Contingencies in the Fleet Management Fund to increase the Fleet Parts Management budget as outlined above.
- \$236,000.00 from the Reserve for Contingencies in the Risk Financing Fund to increase the Risk Transfers budget as outlined above.

These estimates are consistent with those provided during the development of the FY22 Adopted Budget and discussed with the Board during each Department's respective FY22 Budget Information Sessions.

Staff Member Responsible:

Cecilia McCorkell, Countywide Budget Division Director, Office of Management & Budget

Partners:

N/A

Attachments:

Budget Amendment