



Pinellas County

Staff Report

File #: 22-1519A, Version: 1

Subject:

Fiscal Year 2022 Board Budget Amendment No. 4 to realign appropriation from the Air Quality Tag Fee Fund Reserves and the Employee Health Benefits Fund Reserves with the Public Works Operating Budget and the Employee Health Operating Budget for unanticipated Fiscal Year 2022 expenditures.

Recommended Action:

Approval of the Fiscal Year 2022 Board Budget Amendment No. 4 realigning Fiscal Year 2022 appropriation from the Air Quality Tag Fee Fund Reserves and the Employee Health Benefits Fund Reserves with the Public Works Operating Budget and the Employee Health Benefits Operating Budget respectively.

- This amendment moves \$190,000.00 from the Air Quality Tag Fee Fund Reserves to the Air Quality program budget which allows labor and benefits costs to be shifted from the General Fund to the Tag Fee Fund. As a result, the Air Quality Tag Fee Fund maintains an ending fund balance that is less than 50% of the revenue collected in FY22 as required by Florida Statutes.
- This amendment also realigns \$3,030,100.00 from the Employee Health Benefits Fund Reserves to the Employee Health Benefits program budget to cover medical claims that are projected to exceed budget due to higher than expected claims this year.

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:

This amendment increases appropriation of the Air Quality Fund within the Public Works operating department budget and the appropriation of the Employee Health Benefits Fund within the Employee Health Benefits operating department budget.

Background Information:

Each fiscal year the Air Quality Tag Fee Fund is required to maintain an ending fund balance amount that is less than 50% of the revenues collected in the same fiscal year. If the ending fund balance is greater than 50%, the Tag Fee Fund Revenue share decreases from 75% per dollar of tag fee revenue to 50%. This would result in a revenue loss of over \$450,000.00. This budget amendment allows labor and benefits costs to be shifted from the General Fund to the Tag Fee Fund to maintain an ending fund balance that is less than the 50% of the revenues collected and mitigate the reduction in tag fee revenues to the Air Quality program.

In the Employee Health Benefits Program medical claim expenditures have already exceeded budget by \$2.4M and will continue to exceed budget for the remainder of the year. The Employee Health

Benefits program is spending approximately \$1.03M per week for Medical, Dental, and Pharmacy charges. Reserves are available as they have been accumulating the past several years as claims have been historically lower than budget.

Fiscal Impact:

This amendment realigns FY22 total appropriations in the amount of \$3,220,100 (county-wide) from the Air Quality Fund reserves and the Employee Health Benefits Fund reserves to the Public Works operating budget and the Employee Health Benefits operating budget respectively. The realignment does not change the total fund budget for the impacted funds. This amendment is consistent with the FY21 actuals and the FY22 estimates.

Staff Member Responsible:

Abigail Lloyd, Budget and Financial Management Analyst
James Abernathy, Budget and Financial Management Analyst

Partners:

N/A

Attachments:

Budget Amendment BA-22-04
Budget Reports