



# Purpose



**The purpose of the presentation is to update the Board on the General Fund and the FY 2013 Budget Process.**

# Presentation Outline



- **December 2011 Workshop**
- **Budget Challenges**
- **County Departments**
- **Mandated/Discretionary Expenditures**
- **Updated FY 2013 Projections**
- **Summary**
- **Next Steps**
- **Board Direction**

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# December 2011 Workshop



## Millage Rate Comparison

	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
General	5.7470	4.7410	4.6511	4.6511	4.7309	4.7309
Lake County Ambulance	0.5289	0.4651	0.4651	0.4651	0.3853	0.3853
Public Lands Program	0.2000	0.2000	0.1101	0.1101	0.1101	0.1101
Total County Wide	6.4759	5.4061	5.2263	5.2263	5.2263	5.2263
Stormwater, Roads, Parks	0.6000	0.4984	0.4984	0.4984	0.4984	.4984
Fire EMS	0.0000	0.0000	0.3222	0.3222	0.3222	0.3222

# December 2011 Workshop



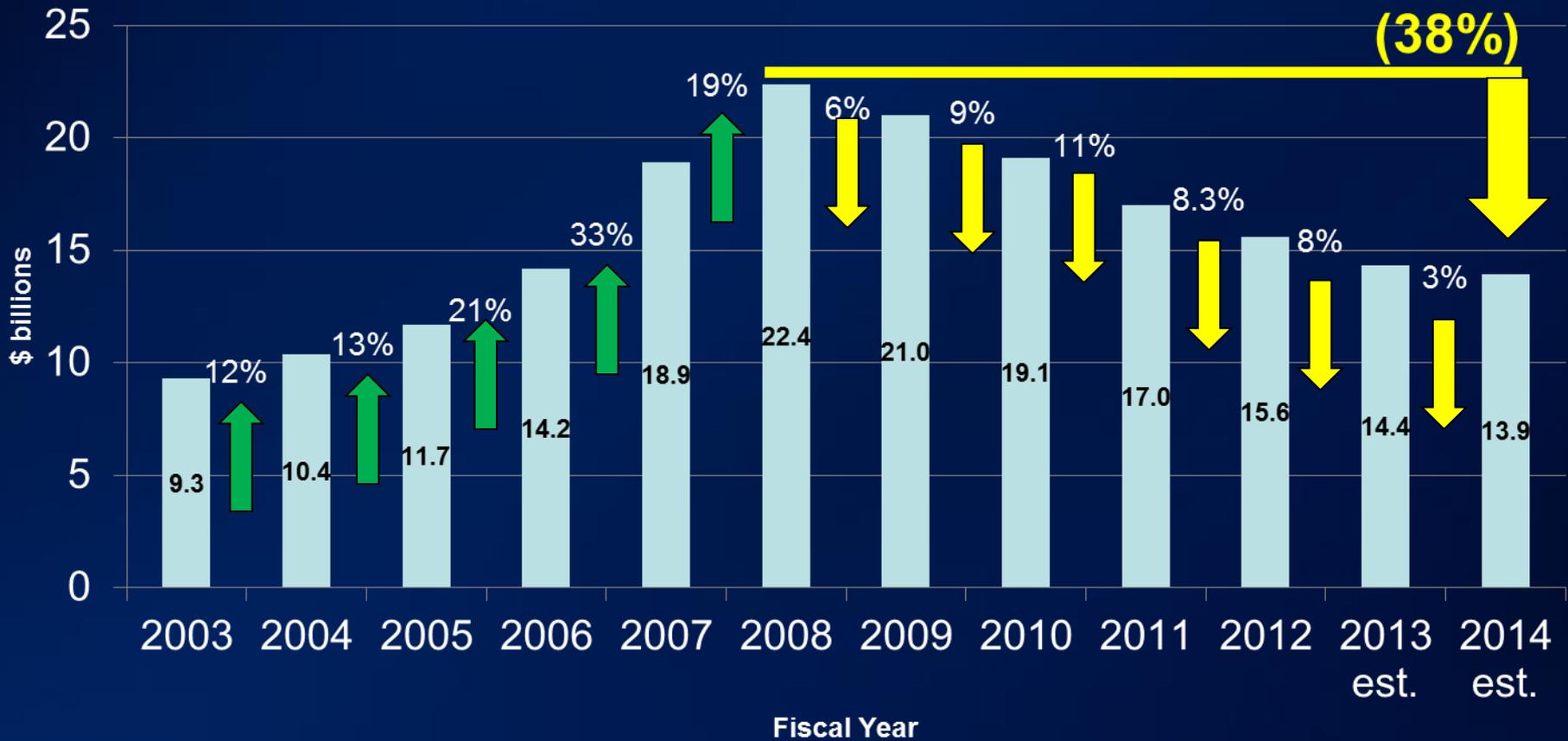
## 10 Yr Millage Rate (General Fund)



# December 2011 Workshop



## Gross Taxable Value (General Fund)



# December 2011 Workshop



## Countywide Ad Valorem



# December 2011 Workshop



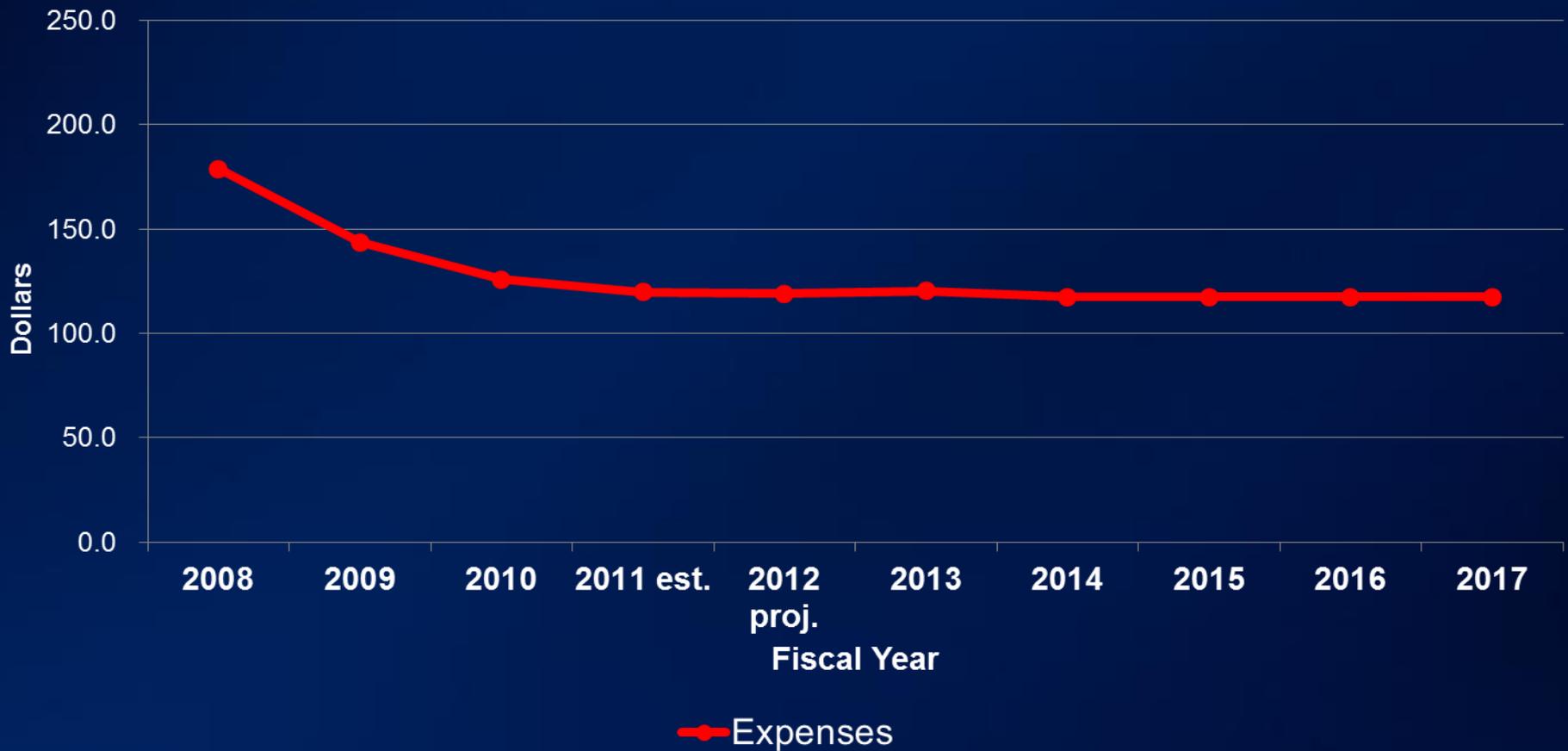
## Assumptions

- **Taxable Values**
  - **FY 2013 – 8% decrease**
  - **FY 2014 – 3% decrease**
  - **FY 2015 – 0%**
  - **FY 2016 – 1% increase**
  - **FY 2017 – 2% increase**
- **Sales Tax – 2% increase per year**
- **Increase to Medicaid Budget**
- **Decrease in Solid Waste transfer FY 2014**
- **Estimated increase in FY 2012 Reserves due to year end closeout**
- **Target Reserve - 15% of expenses**

# December 2011 Workshop



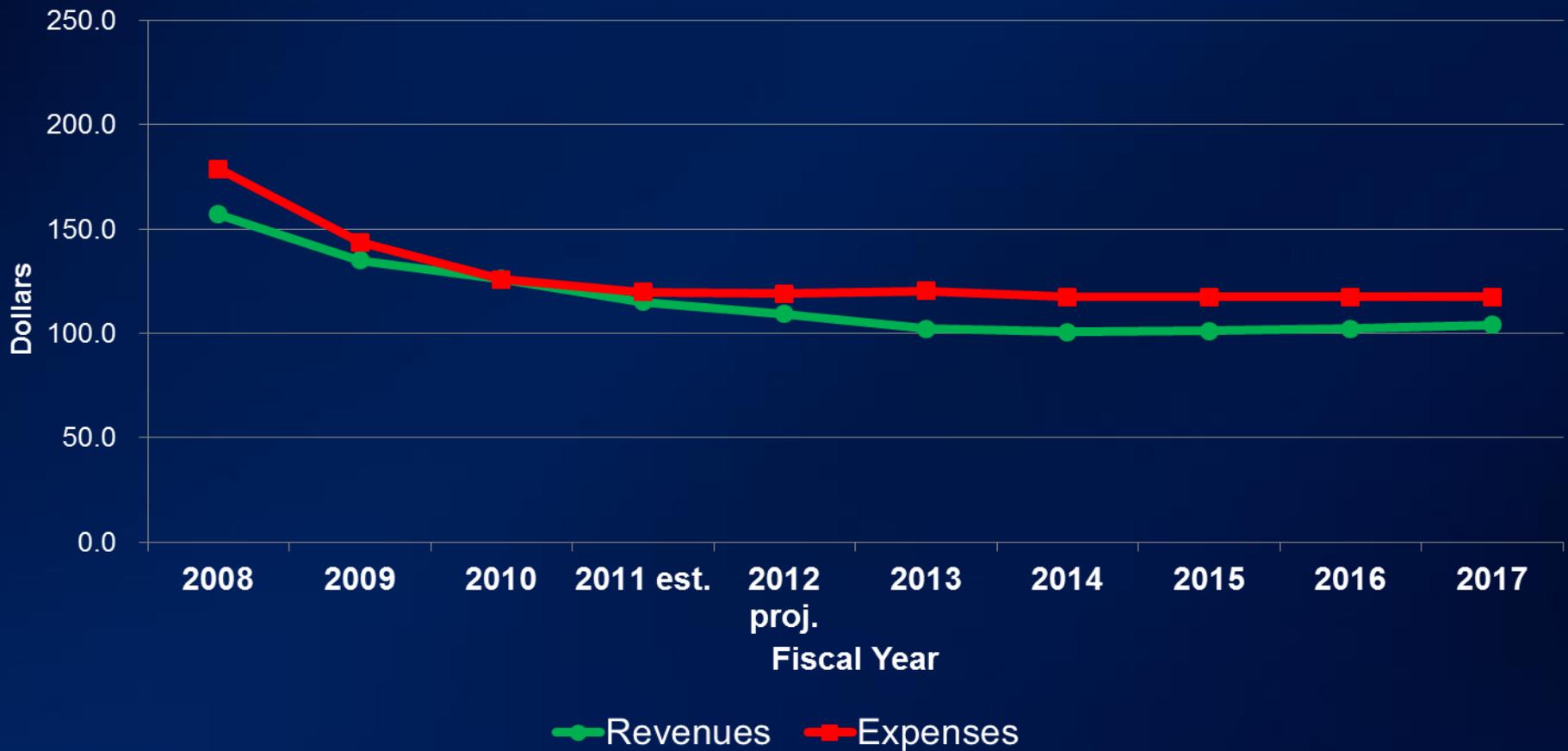
## Projections



# December 2011 Workshop



## Projections



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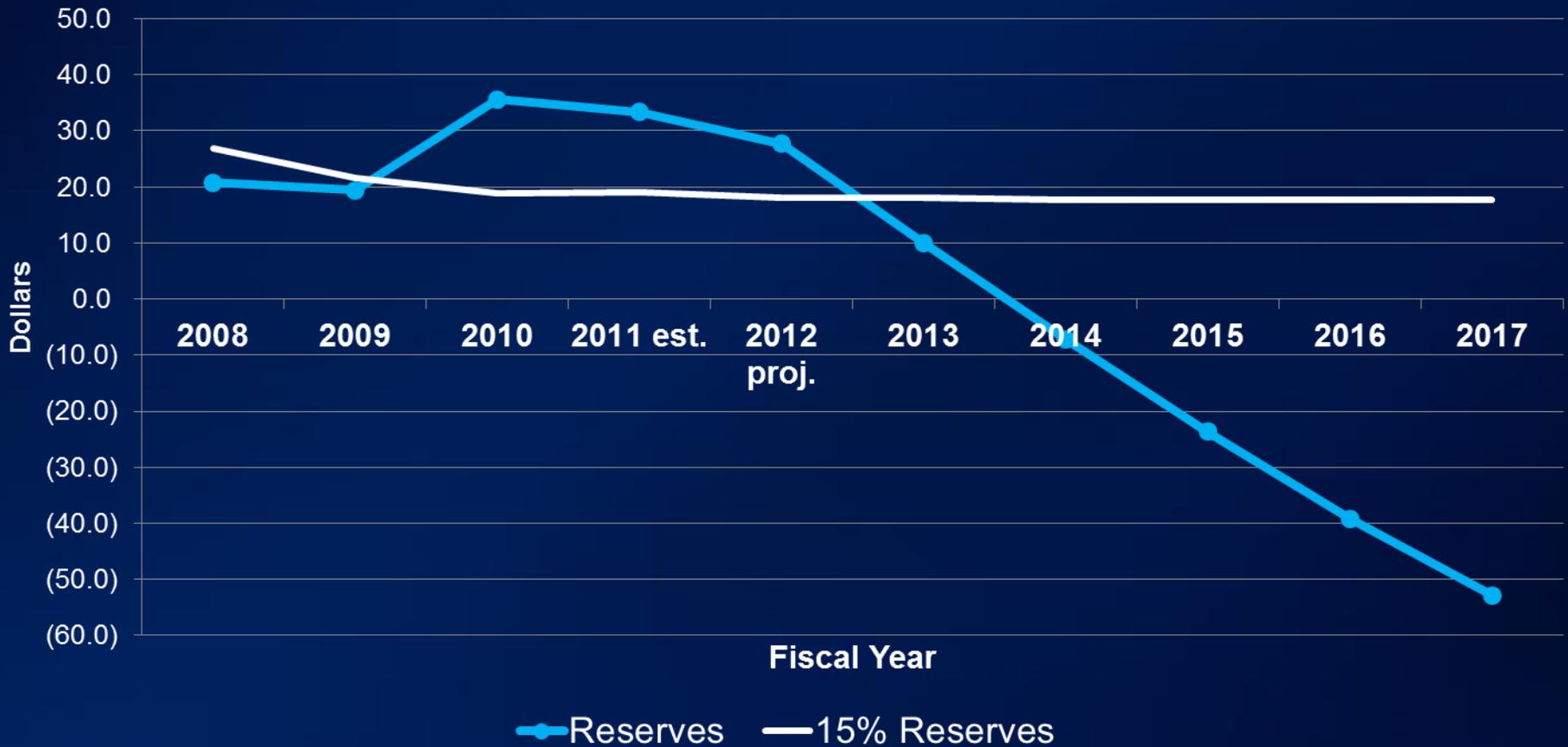
## Projections



# December 2011 Workshop



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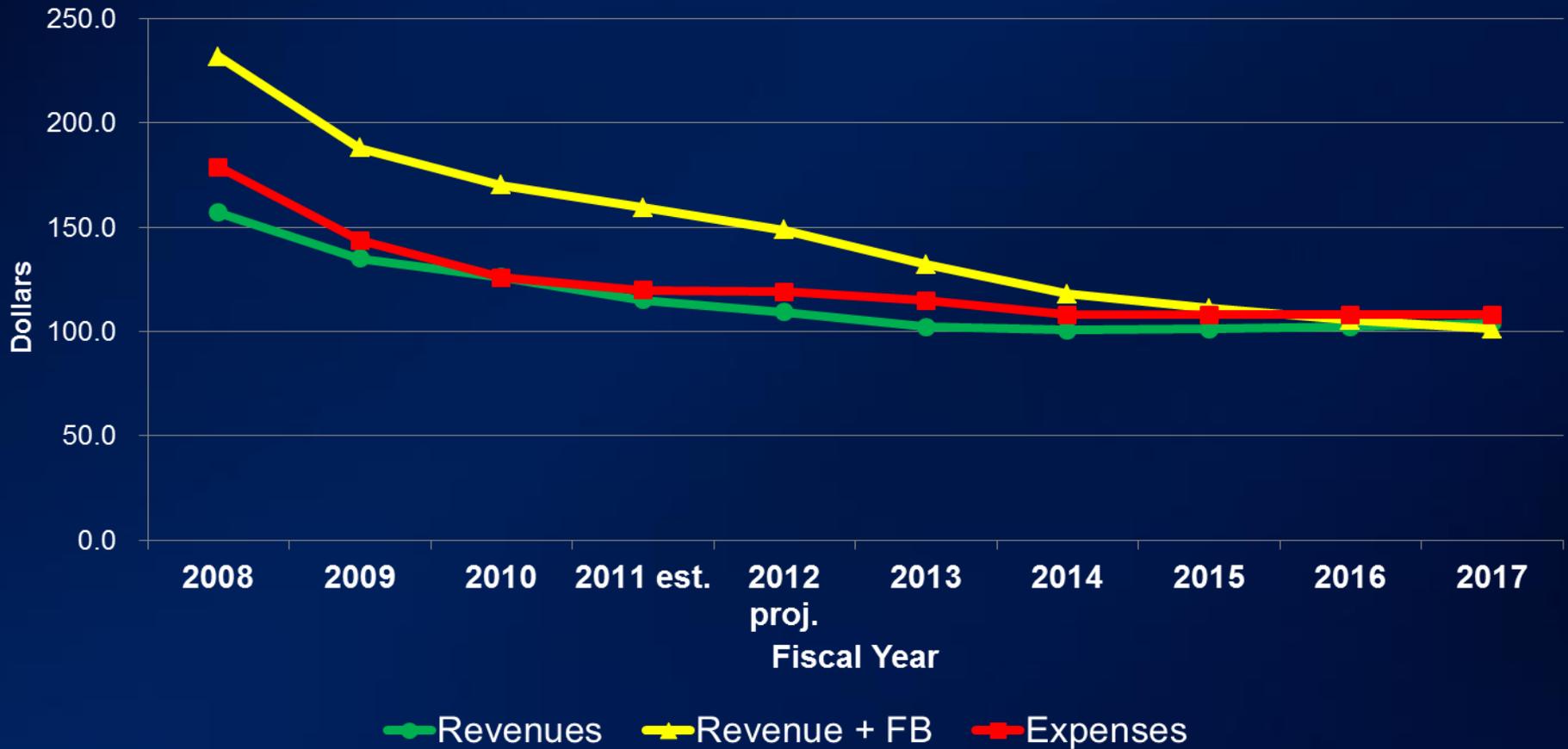
## Assumptions

- **Taxable Values**
  - FY 2013 – 8% decrease
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  - FY 2015 – 0%
  - FY 2016 – 1% increase
  - FY 2017 – 2% increase
- **Expenses**
  - FY 2013 – 5% Decrease
  - FY 2014 – 5% Decrease
- Sales Tax – 2% increase per year
- Increase to Medicaid Budget
- Decrease in Solid Waste transfer FY 2014
- Estimated increase in FY 2012 Reserves due to year end closeout

# December 2011 Workshop



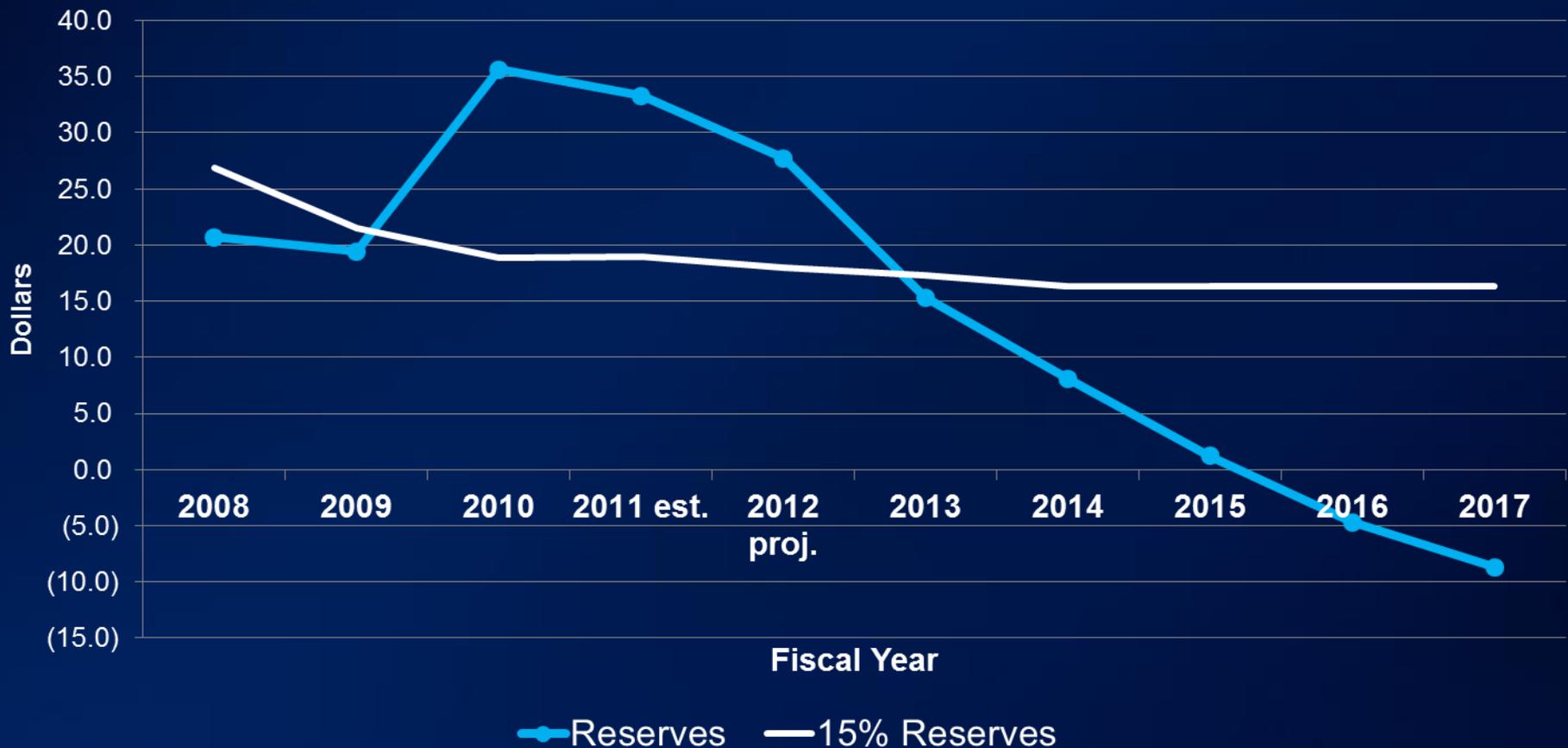
## Projections



# December 2011 Workshop



## Projections



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# Budget Challenges



- **Reductions in Ad Valorem**
- **Medicaid**
- **Transportation Disadvantaged**
- **Library**
- **Court House O&M**
- **Litigation**

# Budget Challenges



## Reductions in Ad Valorem

	FY 2012 Budget	Proposed FY 2013 Budget	Difference
8% Reduction	\$75.2 million	\$69.3 million	(\$5.9 million)
5% Reduction	\$75.2 million	\$71.6 million	(\$3.6 million)
3% Reduction	\$75.2 million	\$73.1 million	(\$2.1 million)

- From FY 2007 to FY 2013 - \$36 million decline in revenues

# Budget Challenges



## Medicaid

	FY 2012 Budget	Proposed FY 2013 Budget	Difference
Medicaid Expenses	\$2.7 million	\$0	(\$2.7 million)

- No longer budgeted as an expense
- Will be deducted from revenues

Sales Tax Revenues	\$11.6 million	\$7.3 million	(\$4.3 million)
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- Medicaid liability expected to increase by **\$1.6 million**
- Includes estimated backlog

# Budget Challenges



## Transportation Disadvantaged

	Revised FY 2012 Budget	Proposed FY 2013 Budget	Difference
Transportation Disadvantaged	\$693,240	\$1,406,281	\$713,041

- Increases due to decreased Medicaid reimbursements and rising costs (gas, etc.)
- 5 year estimate of costs updated in financial model

# Budget Challenges



## Library

	Revised FY 2012 Budget	Proposed FY 2013 Budget	Difference
Library	\$3,939,798	\$4,042,846	\$103,048

- **Includes 5% reduction in funding for member libraries - \$53,712**
- **Other cost reductions are being reviewed**
  - Reduction in library page positions
  - Elimination of interlibrary loan program
- **Challenges - Polk County not renewing agreement**

# Budget Challenges



## Court House O&M

- **Court House Expansion – 168,000 sq/ft**
  - Substantial Completion – 7/31/12
  - Estimated Opening Date – 10/1/12
- **Services Needed**
  - Utilities
  - Custodial
  - Repair & Maintenance
    - Elevators, maintenance fees, pest control
- **Estimated Impact – \$1.0 Million**
- **Does not include additional security costs**

# Presentation Outline

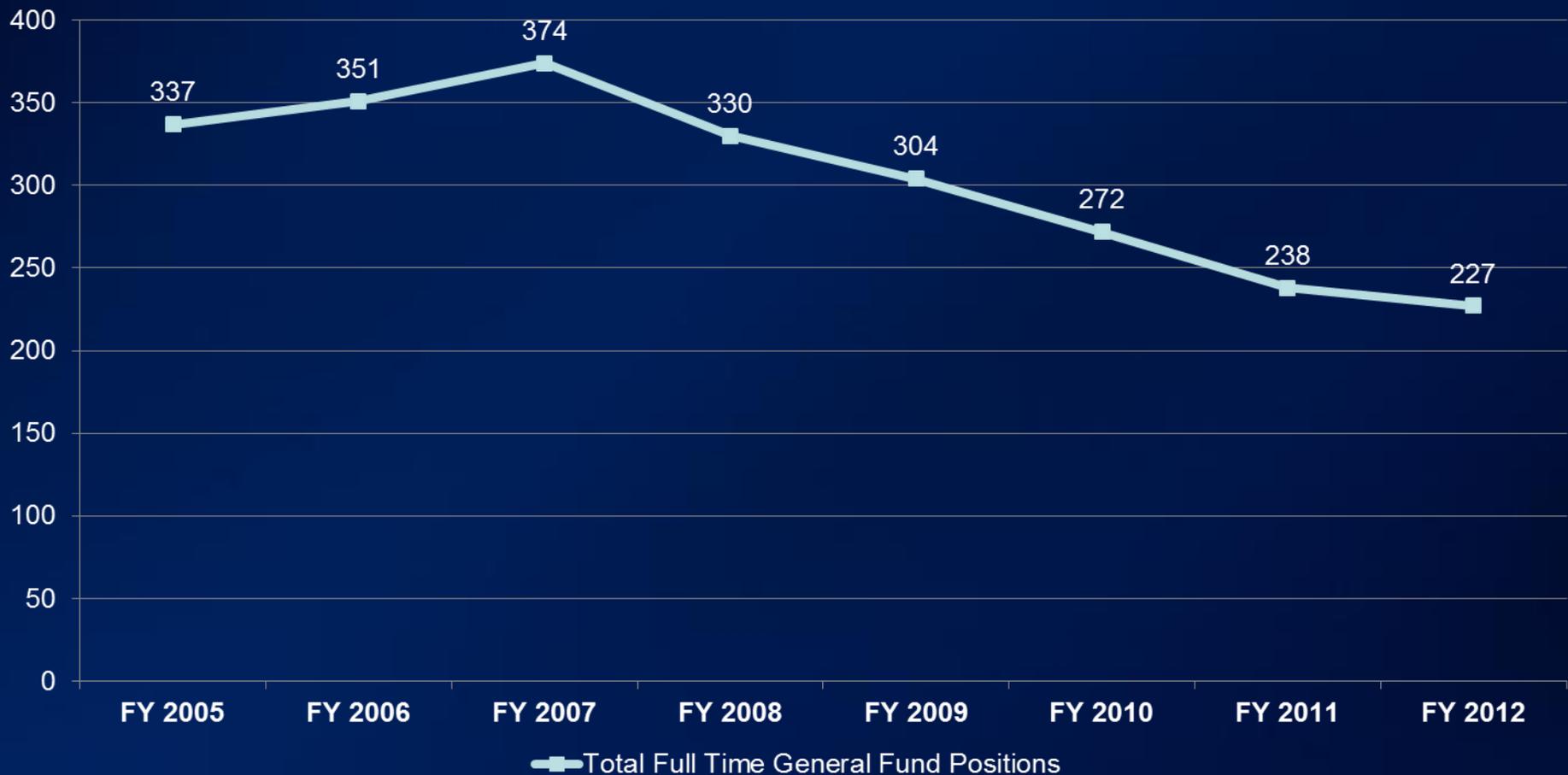


- December 2011 Workshop
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- Mandated/Discretionary Expenditures
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# County Departments



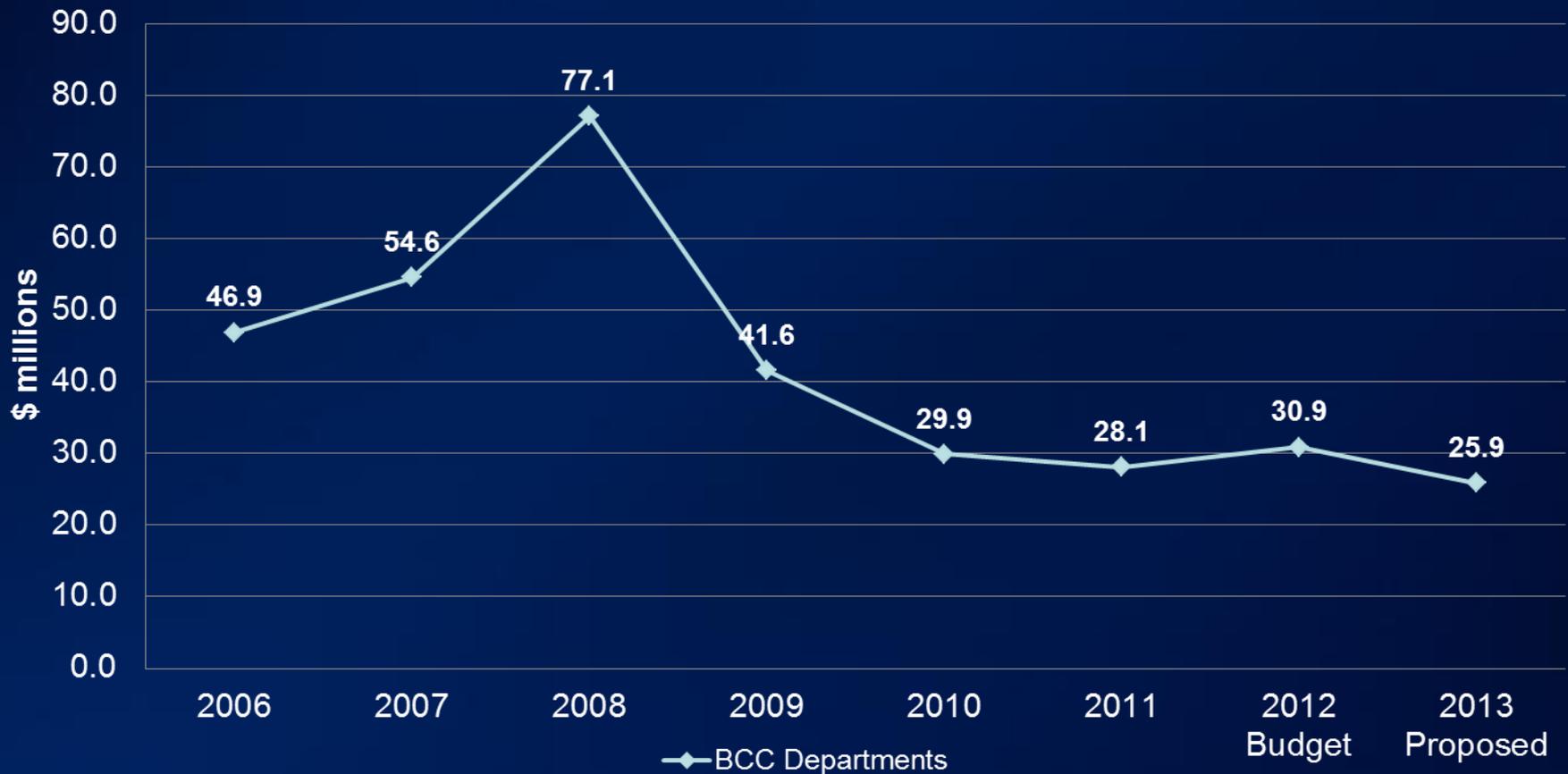
## Changes in Number of General Fund Positions



# County Departments



## 7 Yr Expenditure Comparison



# County Departments



## Budget Reductions

- **\$2,700,000**      **Reduction in Medicaid Expenses, will be deducted from State Revenues**
- **\$1,000,000**      **One time expense of South Lake Health Clinic(costs reimbursed)**
- **\$ 93,258**      **Health Department lease costs**
- **\$ 15,000**      **Public Lands environmental and archeological permitting fees**
- **\$ 57,560**      **Facilities/Contractual Services custodial contract**
- **\$ 73,939**      **Elimination of Development Processing Manager position**

# County Departments



## Budget Reductions

- \$ 13,700      **Planning and Community Design/  
Professional Serv. consultant fees**
- \$ 45,750      **Code Enf./Contractual Services for demo  
and clean-up of foreclosed properties**
- \$ 50,000      **County Technology/Office supplies for  
PC replacement**
- \$ 112,500      **County Technology/Machinery and  
Equipment for servers, etc.**
- \$ 79,065      **Astatula Fuel Clean-up/Contractual  
Services for fuel remediation costs**

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# Mandated/Discretionary Expenditures



## Mandated-Critical Expenditures

	FY 2012 Budget	FY 2013 Proposed	Notes
Health Department	\$359,813	\$341,822	5% decrease
CRA's (Cities)	\$1,369,114	\$1,369,114	Update June 1st
Medical Examiner	\$780,060	\$780,060	Receive Budget allocation in June
Juvenile Justice	\$750,000	\$600,000	Based on recent experience
Lifestream Behavioral	\$873,987	\$873,987	Requested \$950,000
ECFRPC Dues	\$48,654	\$48,654	State funding request vetoed
Transfer - Solid Waste	\$3,586,000	\$3,299,120	8% decrease

# Mandated/Discretionary Expenditures



## Mandated-Critical Expenditures

	FY 2012 Budget	FY 2013 Proposed	Notes
Transfer – Clerk of Courts	\$3,685,371	TBD	June 1 <sup>st</sup>
Transfer – Property Appraiser	\$1,913,505	TBD	June 1 <sup>st</sup>
Supervisor of Elections	\$2,129,958	TBD	June 1 <sup>st</sup>
Transfer – Tax Collector	\$3,963,460	TBD	August 1 <sup>st</sup>
Transfer - Sheriff	\$52,268,767	TBD	June 1 <sup>st</sup>
Transfer – Debt Service	\$5,738,405	\$5,740,780	Principal and Interest
Transfer – Fire Assessment	\$177,444	\$192,298	Institutional buildings

# Mandated/Discretionary Expenditures



## Discretionary Expenditures

	FY 2012 Budget	FY 2013 Proposed	Notes
Social Services Grants and Aids	\$47,500	\$45,125	5% reduction
Children Services Grants and Aids	\$150,761	\$143,223	5% reduction
Prescription Drug Program	\$66,500	\$0	Funded Health Dept. position for program
We Care	\$75,000	\$71,250	5% reduction
State Attorney's Office Early Intervention 2 pos.	\$87,840	\$83,448	5% reduction
Reimbursement to Cities Non resident rec. fees	\$30,000	\$0	Providing more rec opportunities (MAC)

# Mandated/Discretionary Expenditures



## Discretionary Expenditures

	FY 2012 Budget	FY 2013 Proposed	Notes
Trout Lake Nature Center	\$55,000	\$52,250	5% reduction
My Region.Org	\$10,000	\$0	
LASER	\$51,800	\$49,210	5% reduction
Lake County Historical Society	\$20,000	\$19,000	5% reduction
St. John's River Alliance Dues	\$5,000	\$0	
Economic Development Initiatives	\$535,000	\$500,000	
Metro Orlando EDC	\$288,739	TBD	Pending June 12 <sup>th</sup> presentation

# Presentation Outline

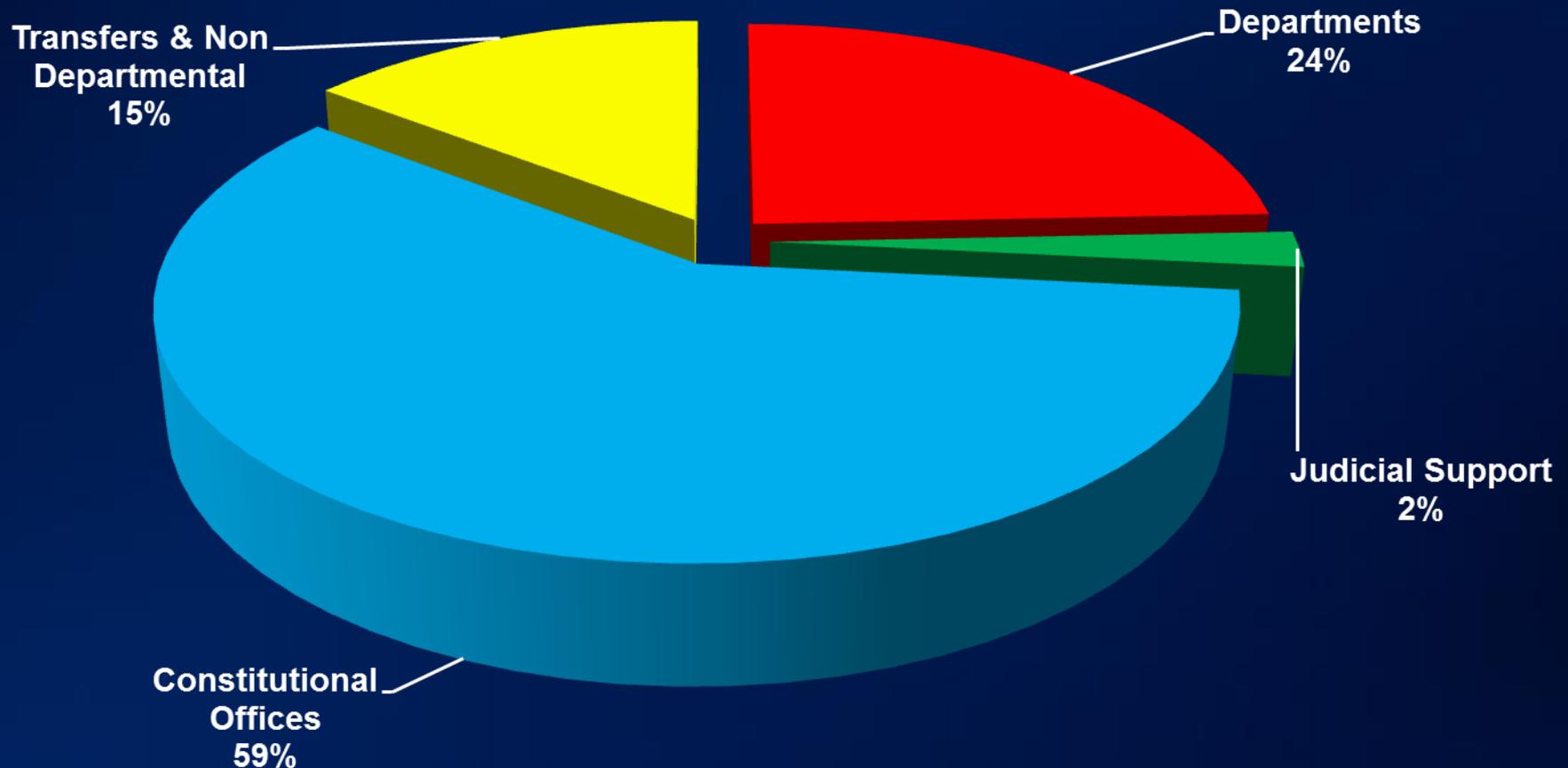


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# Updated FY 2013 Projections



## FY 2012 Expense Budget \$120.1 million



# Updated FY 2013 Projections Scenario 1



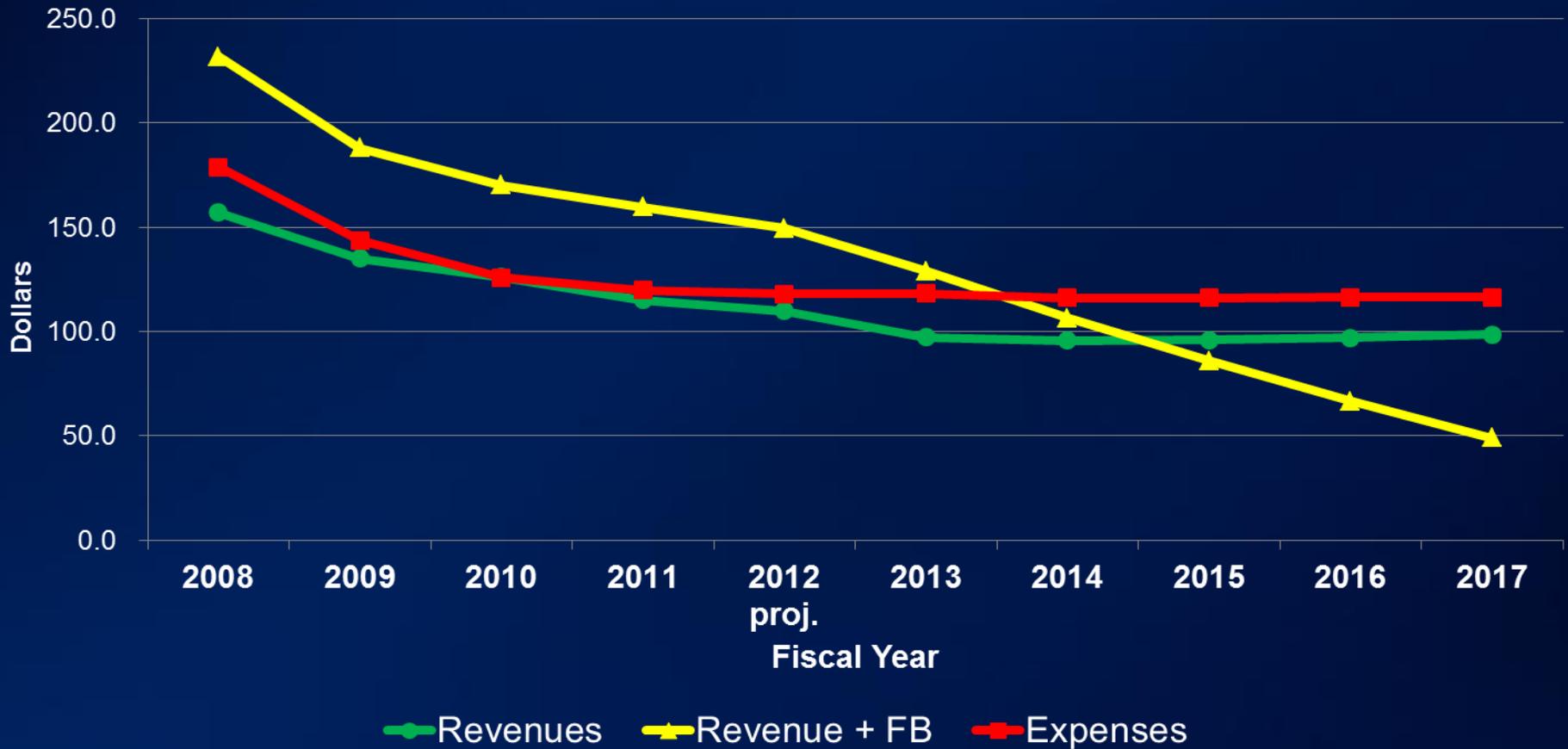
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- **Taxable Values**
  - **FY 2013 – 8% decrease**
  - **FY 2014 – 3% decrease**
  - **FY 2015 – 0%**
  - **FY 2016 – 1% increase**
  - **FY 2017 – 2% increase**
- **Includes 5 year update of Transportation Disadvantaged funding**
- **Includes impact of Medicaid to Revenue Sharing**
- **Constitutional transfers at FY 2012 levels**
- **Includes preliminary Department submittals**
- **Decrease in Solid Waste transfer FY 2014**
- **Target Reserve - 15% of expenses**

# Updated FY 2013 Projections Scenario 1



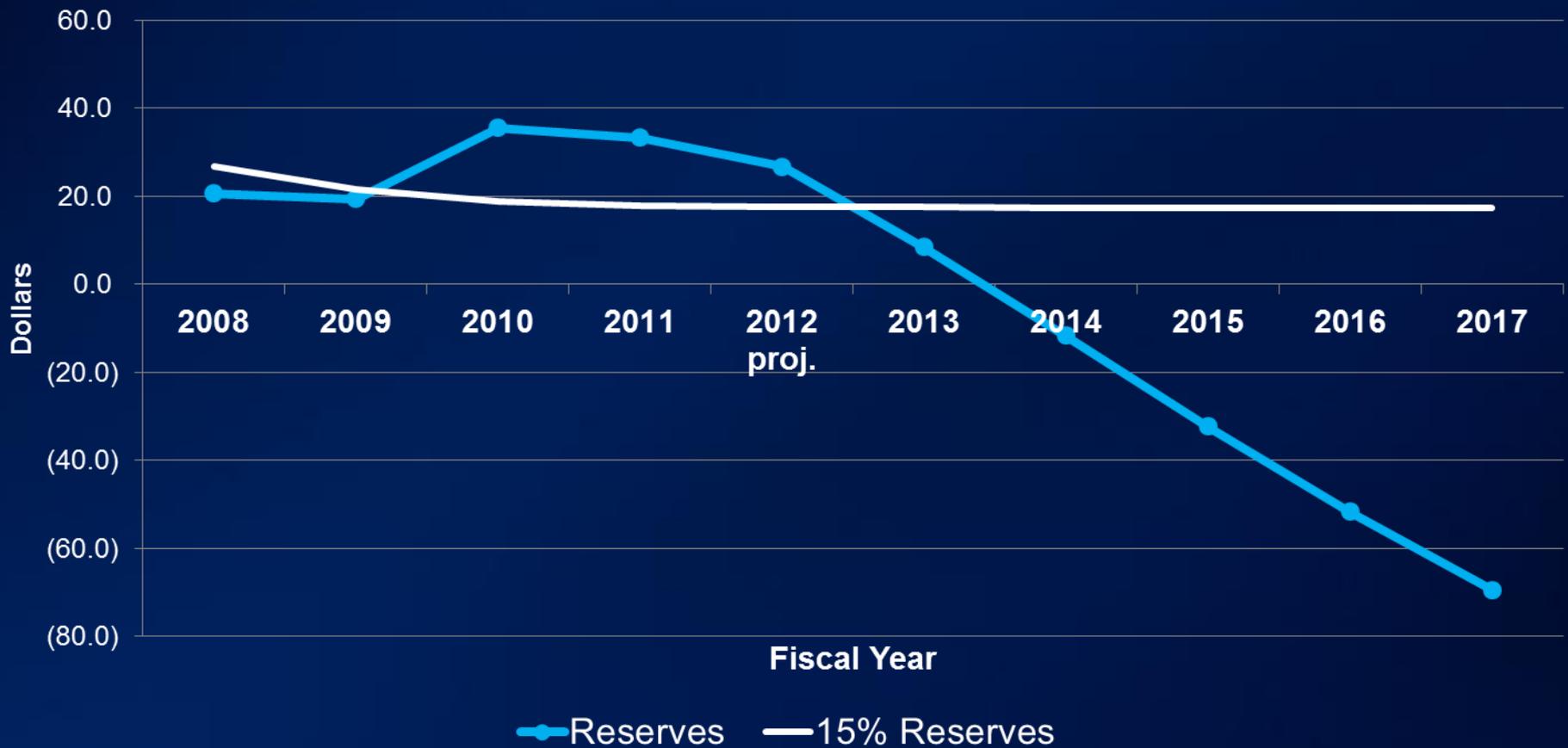
## Projections



# Updated FY 2013 Projections Scenario 1



## Projections



# Updated FY 2013 Projections Scenario 2



## Assumptions

- **Taxable Values**
  - **FY 2013 – 8% decrease**
  - **FY 2014 – 3% decrease**
  - FY 2015 – 0%
  - FY 2016 – 1% increase
  - FY 2017 – 2% increase
- **Expenses**
  - **FY 2013 – 5% Decrease FY 2014 – 5% Decrease**
- Includes 5 year update of Transportation Disadvantaged funding
- Includes impact of Medicaid to Revenue Sharing
- Constitutional transfers at 5% decrease
- Includes preliminary Department submittals
- Decrease in Solid Waste transfer FY 2014

# Updated FY 2013 Projections Scenario 2



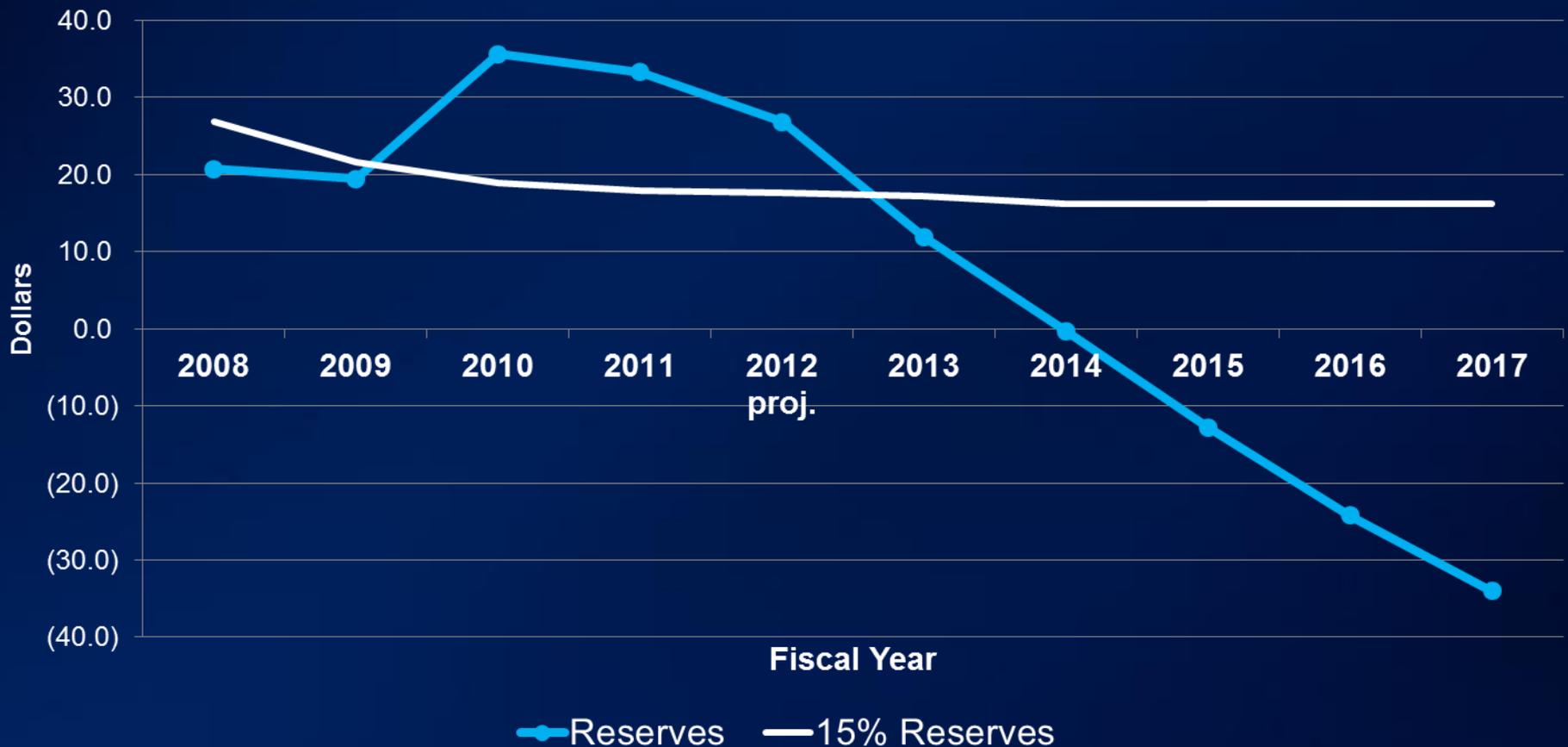
## Projections



# Updated FY 2013 Projections Scenario 2



## Projections



# Updated FY 2013 Projections Scenario 3



## Assumptions

- **Taxable Values**
  - **FY 2013 – 4% decrease**
  - **FY 2014 – 2% decrease**
  - FY 2015 – 0%
  - FY 2016 – 1% increase
  - FY 2017 – 2% increase
- **Expenses**
  - **FY 2013 – 5% Decrease FY 2014 – 5% Decrease**
- Includes 5 year update of Transportation Disadvantaged funding
- Includes impact of Medicaid to Revenue Sharing
- Constitutional transfers at 5% decrease
- Includes preliminary Department submittals
- Decrease in Solid Waste transfer FY 2014

# Updated FY 2013 Projections Scenario 3



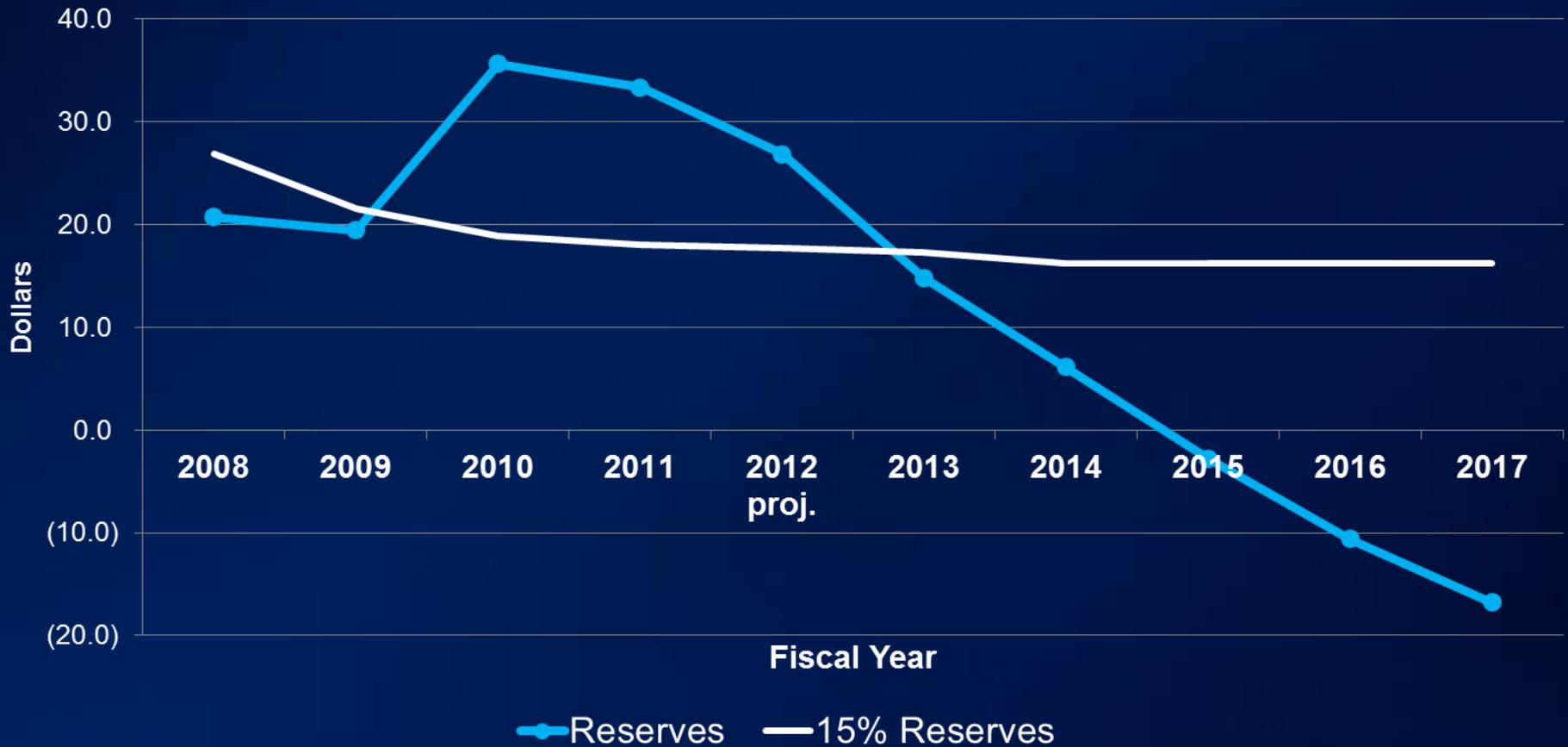
## Projections



# Updated FY 2013 Projections Scenario 3



## Projections



# Updated FY 2013 Projections

## Scenario 4



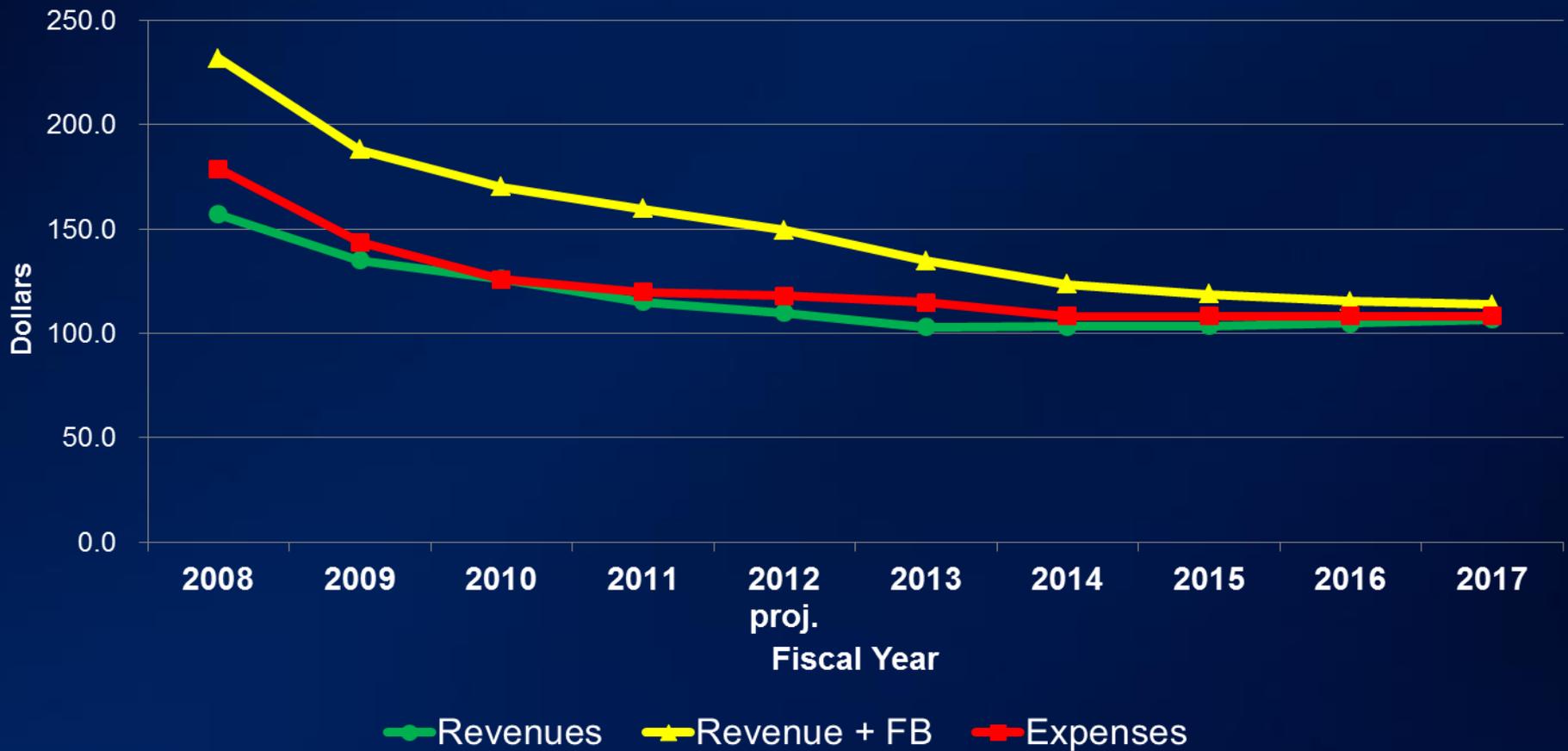
### Assumptions

- **Taxable Values**
  - **FY 2013 – 0%**
  - **FY 2014 – 0%**
  - **FY 2015 – 0%**
  - **FY 2016 – 1% increase**
  - **FY 2017 – 2% increase**
- **Expenses**
  - **FY 2013 – 5% Decrease FY 2014 – 5% Decrease**
- **Includes 5 year update of Transportation Disadvantaged funding**
- **Includes impact of Medicaid to Revenue Sharing**
- **Constitutional transfers at 5% decrease**
- **Includes preliminary Department submittals**
- **Decrease in Solid Waste transfer FY 2014**

# Updated FY 2013 Projections Scenario 4



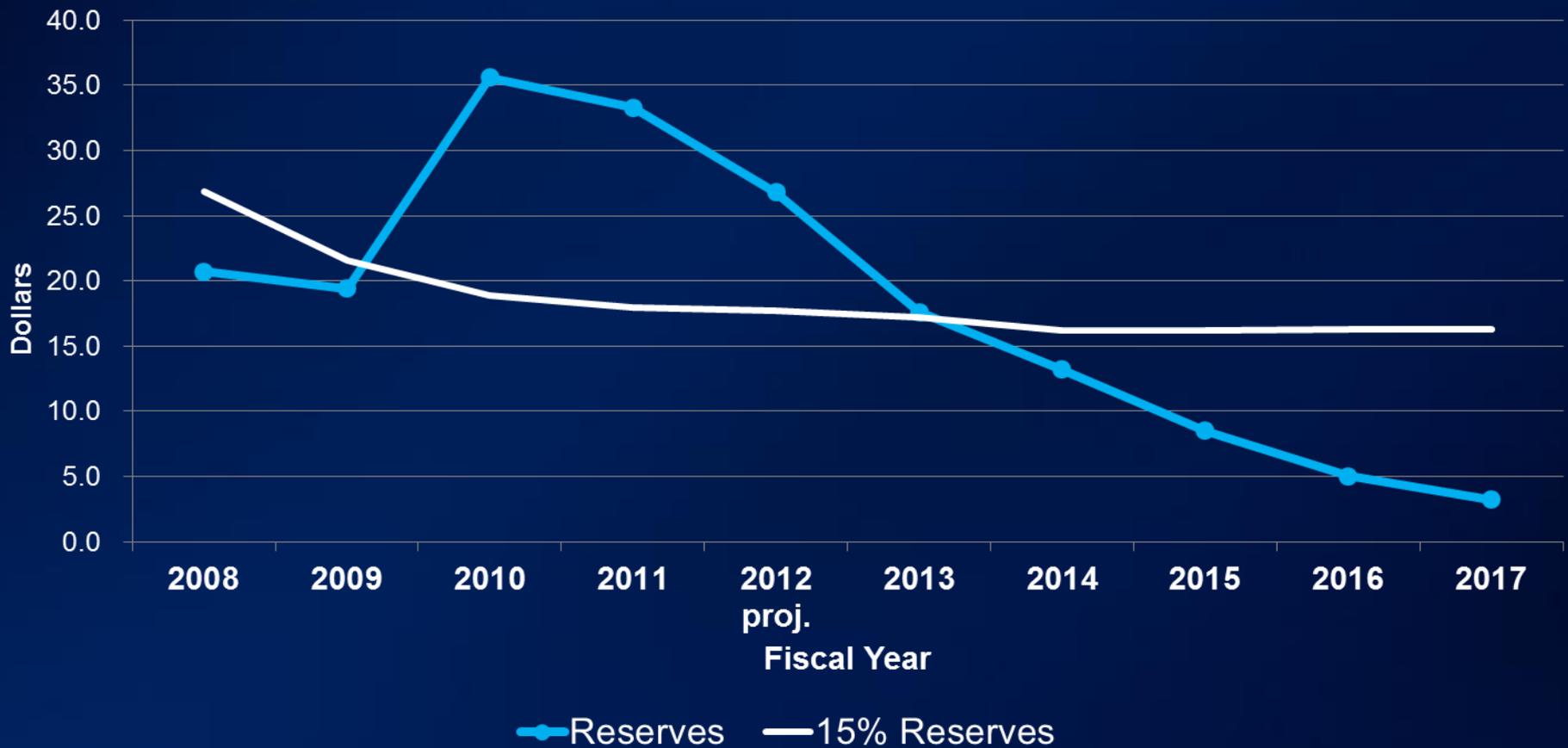
## Projections



# Updated FY 2013 Projections Scenario 4



## Projections



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# Summary



## Scenario 1

- **Continued reductions in BCC Departments and declines in ad valorem revenue will not maintain Reserves at BCC policy level of 15%.**
  - **FY 2013 Reserves – 7.2%**
  - **FY 2014 Reserves – 0%**

# Summary



## Scenarios 2 & 3

- **Reductions in BCC Departments and Constitutional Offices when coupled with projected ad valorem revenue declines will not maintain Reserves at BCC Policy of 15%**
  - **FY 2013 Reserves – 9.4% to 11.3%**
  - **FY 2014 reserves – 0% to 5.6%**

# Summary



- **Scenario 4**
- **Reductions in BCC Departments and Constitutional Offices when coupled with the same ad valorem revenue as FY 2012 are projected to keep Reserves at BCC Policy of 15%**
  - **FY 2013 Reserves – 15.3%**
  - **FY 2014 Reserves – 12.1%**
  - **FY 2015 Reserves – 7.8%**

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# Next Steps



- **April-May** Budget meetings with Departments
- **May 30<sup>th</sup>** Budgets due from Constitutional Officers (Except Tax Collector)
- **June 1<sup>st</sup>** Preliminary estimate of property value
- **June** Budget Workshop
- **June 29<sup>th</sup>** Certification of Taxable Property Value
- **July 3<sup>rd</sup>-15<sup>th</sup>** Distribution of Recommended Budget Book

# Next Steps



- **July 24<sup>th</sup>** Adoption of TRIM Rates and budget workshop if needed
- **Aug. 1<sup>st</sup>** Budget due from Tax Collector
- **Aug. 4<sup>th</sup>** Statutory deadline to notify Property Appraiser of proposed TRIM Rates
- **Aug. 24<sup>th</sup>** Last day to mail TRIM notices
- **Sep. 11<sup>th</sup>** **First public hearing – 5:05 p.m.**
- **Sep. 25<sup>th</sup>** **Second public hearing – 5:05 p.m.**

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# Board Direction



- **Direction concerning communication with Constitutional Offices and outside agencies concerning FY 2013 Budget**
- **Date for Budget Workshop in June**



LAKE COUNTY  

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FLORIDA

Thank you.