
CHARLOTTE COUNTY
PROPOSED FY07/08 BUDGET
PRELIMINARY BUDGET REVIEW

June 8, 2007

ANNUAL BUDGET PROCESS

- **Dept / CIP budgets are developed – Jan & Feb**
- **Administration reviews budgets - April**
- **BCC review of line item budgets - May and June**
- **Preliminary Budget Workshop to the BCC - June**
- **Property Appraiser certifies valuation – July 1**
- **MSBU public hearings – July 16th and 17th**
- **Workshop with BCC – All Fund Budgets – July 16**
- **Final public hearings / budget adoption – Sept 13th & 27th**

BUDGET ASSUMPTIONS

Operating Expenses:

- ✓ **Fuel Costs - 20% increase**
(increasing county costs and potentially reducing gas tax revenue)
- ✓ **Electricity – 15% increase**
- ✓ **Central & Indirect – updated model**
- ✓ **Self Insurance - increases due to property insurance premiums and reserves for projected claims**

CENTRAL & INDIRECT CHARGES

- ✓ Charging out central service departments to all other user departments in the County – Total Amount charged = \$12.3 Million

- ✓ Examples of central service departments:
 - ✓ - Human Resources
 - ✓ - Purchasing
 - ✓ - Budget Office
 - ✓ - Commission Office
 - ✓ - County Attorney

CENTRAL & INDIRECT

- ✓ Central & Indirect charges allocate expenses of support departments to the various user departments

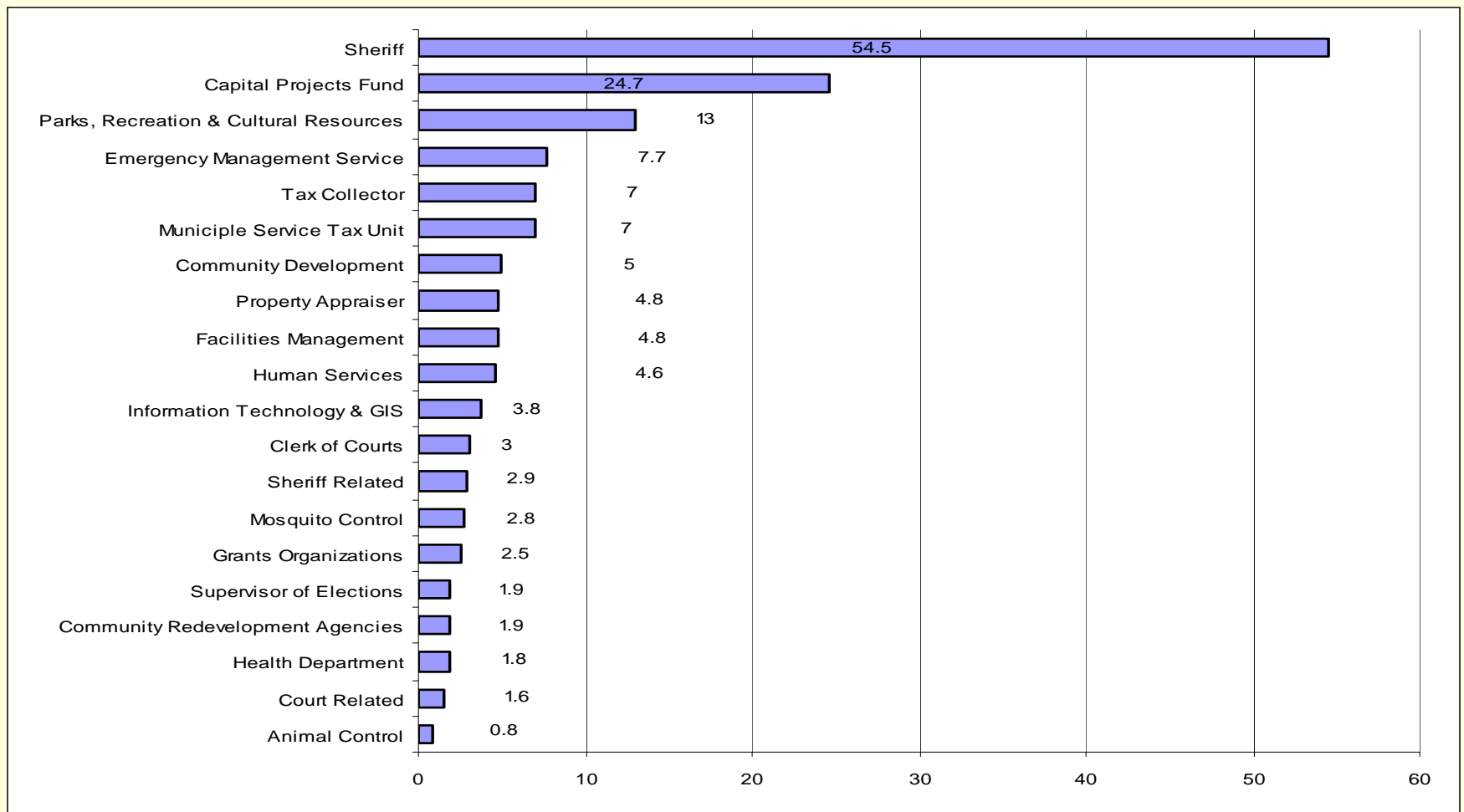
- ✓ Examples of central service departments receiving central & indirect charges:
 - ✓ - Utilities
 - ✓ - Public Works
 - ✓ - Landfill
 - ✓ - MSBU's
 - ✓ - Most all funds receive charges

PROPERTY TAX REFORM

- ✓ Senate and House proposals during the past months with potential impacts ranging from a \$90 million dollar reduction in Ad Valorem revenue to a neutral or no increase position.
- ✓ Joint Select Committee on Property Tax Relief – developing new recommendations
- ✓ Could be significant impacts on Ad Valorem / property taxes departments

PROPERTY TAX EXPENDITURES

FY 2006/2007 BUDGET



STAFF REDUCTIONS AND **REVENUE ENHANCEMENTS**

- ✓ **Hiring Freeze in Place since April**
- ✓ 58 Full time Employees \$2,984,935
- ✓ 7 Part time / Seasonal Employees \$137,103

- ✓ **Employee Cuts**
- ✓ 37 Full time Employees \$1,621,685
- ✓ 8 Part-time Employees \$145,761
- ✓ **Revenue Enhancements** – Approx. 1 Million

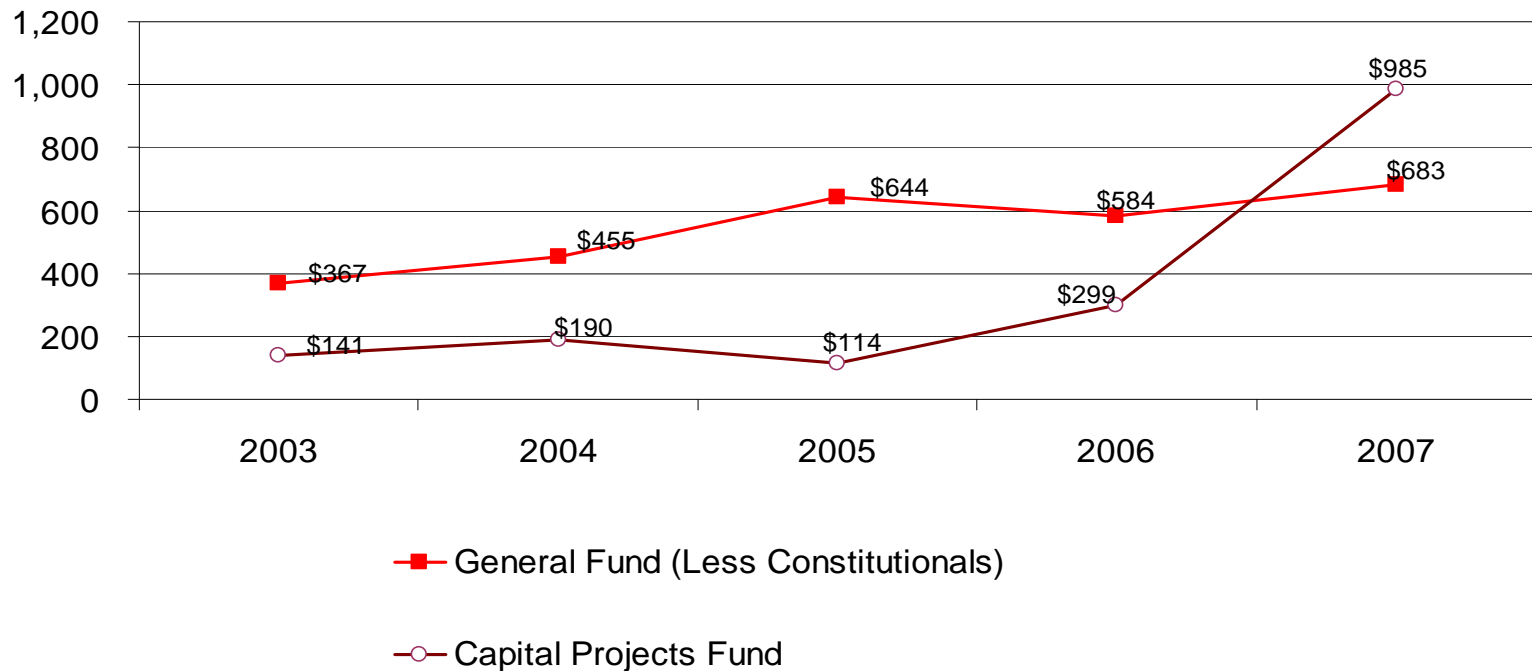
PROPOSED GENERAL FUND BUDGET

FY07/08

<u>Description</u>	<u>FY06/07</u>	<u>FY07/08</u>	<u>Increase/(Decrease</u>	<u>Percentage</u> <u>Increase/(Decrease)</u>
Sheriff-Corrections	16,300,253	20,323,902	4,023,649	24.68%
Sheriff-Law Enforcement	12,205,453	13,345,284	1,139,831	9.34%
Sheriff Courts	1,444,954	1,735,293	290,339	20.09%
Supervisor of Elections	1,859,175	4,144,515	2,285,340	122.92%
Clerk of Court	3,976,081	3,871,080	(105,001)	-2.64%
Property Appraiser	4,230,304	4,505,274	274,970	6.50%
Tax Collector	6,390,580	6,390,580	-	0.00%
BCC Departments	102,881,873	96,082,099	(6,799,774)	-6.61%
Total General Fund	149,288,673	150,398,027	1,109,354	0.74%

GROWTH PER CAPITA

BOARD OF COUNTY COMMISSIONERS PER CAPITA COSTS

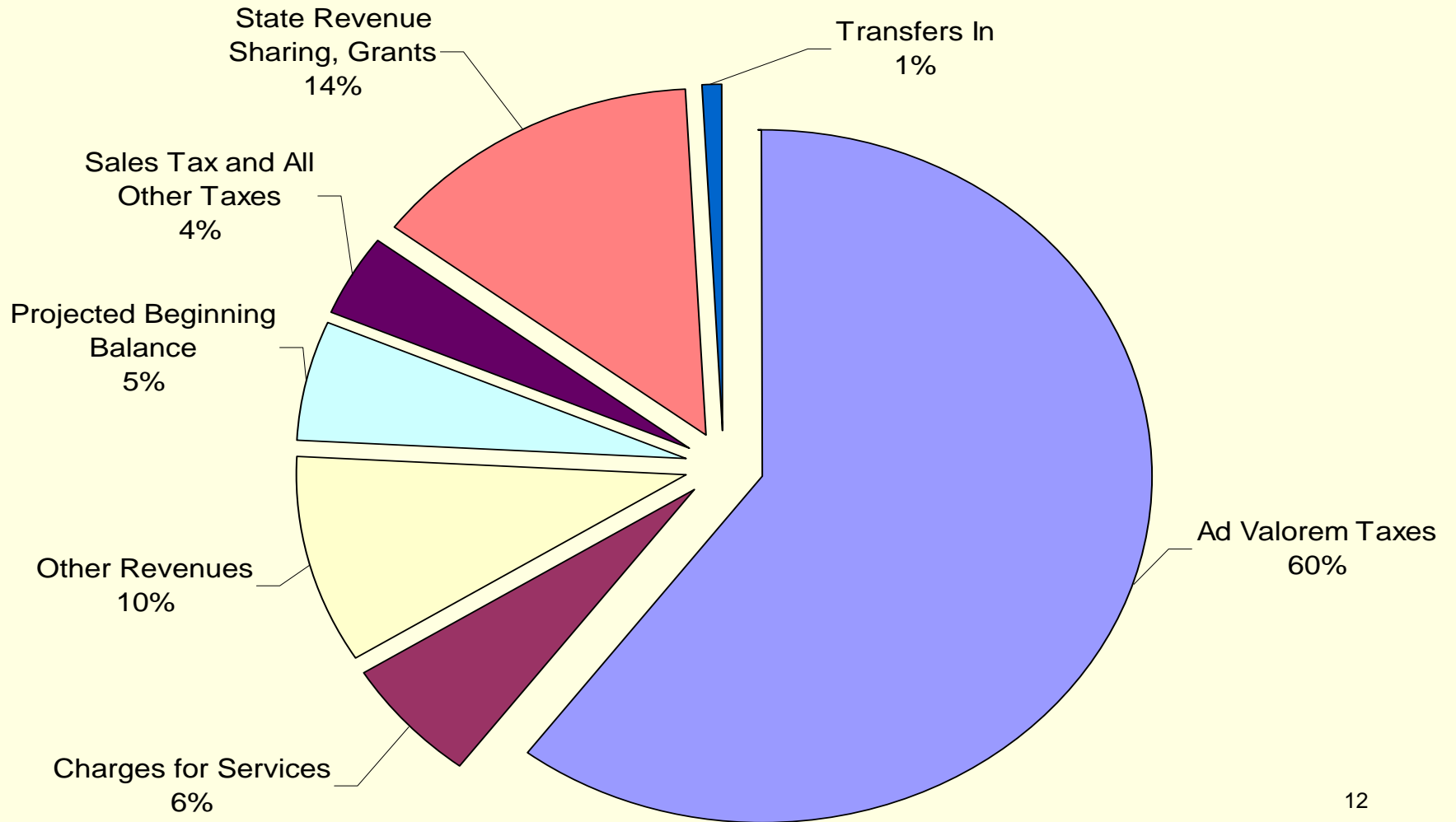




GENERAL FUND REVENUES

GENERAL FUND REVENUE

FY 07/08



GENERAL FUND REVENUES

- Ad Valorem Taxes -

- ✓ **Preliminary Valuation – 6% increase in the General Fund which equals \$5.8 Million**
- ✓ **Certified property values – July 1st**
- ✓ **Ad Valorem (Property tax) is approx. 15% of the total County budget.**

FRANCHISE FEES

- ✓ **Revenues derived from utility companies - such as FPL for use of County Right-of-Way – \$8.8 Million**
- ✓ **Revenues split 50/50 between general fund and public safety fund**
- ✓ **\$.8 million increase anticipated in FY07/08**

STATE SHARED SALES TAX

- ✓ Annual distribution = \$16.9 Million

This is approximately the same revenue as FY06/07

- ✓ This revenue source had been on the rise but has now normalized.

- ✓ The state will provide projections for FY07/08
(within the next month)

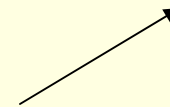
COMMUNICATIONS SERVICES TAX

- ✓ Taxes on telecommunications, cable, direct-to-direct satellite
- ✓ State and locally imposed taxes
- ✓ \$6.2 Million annually
- ✓ Trends show this revenue source increasing by nearly \$1 Million in FY07/08

MAJOR GENERAL FUND REVENUES

	FY06/07 Budget	FY07/08 Budget	Variance \$	Change %
Ad Valorem Tax	91,294,007	91,294,007	-	0.0%
Millage Rate	4.2537	4.2537	-	0.0%
Telecommunications	5,207,811	6,160,990	953,179	18.3%
State Revenue Sharing	4,143,168	4,529,295	386,127	9.3%
1/2 Cent Sales Tax - Local	12,967,801	12,401,333	(566,468)	-4.4%
Ambulance Service Fees	4,800,000	5,000,000	200,000	4.2%
	<u>118,412,787</u>	<u>119,385,625</u>	<u>972,838</u>	0.8%

PROJECTED INCREASE



GENERAL FUND

EXPENDITURES

GENERAL FUND CHANGES

FY06/07 vs FY07/08

<u>Major changes in the General Fund</u>	<u>Inc / (Dec)</u>	
1 Sheriff - Law Enforcement	\$ 1,139,831	To support 5-year strategic plan
2 Sheriff - Corrections	\$ 4,023,649	Jail Expansion
3 Sheriff - Courts Budget	\$ 290,339	Salary & Fringe benefits
4 Supervisor of Elections	\$ 2,285,340	Computer and equip upgrade to comply with state & fed standards
5 Property Appraiser	\$ 274,970	Based on increase in Ad Valorem collected - estimate
6 Clerk of the Court	(105,001)	
7 Debt Service Payments	\$ 251,784	Interest and principal payments 1.0M loan - Family Services Center
8 Reserves / Transfers	\$ (5,278,762)	
9 BCC Operating Expenses	\$ (1,956,108)	All BCC Line Items
10 Dept of Juvenile Justice	\$ 183,312	Mandated cost - payment to the state for Juvenile expenses
11 Net Expenditure Increase	<u>\$ 1,109,354</u>	
12 New General Fund Rev. Avail.	<u>1,109,354</u>	

CORRECTIONS AND JAIL EXPANSION

- ✓ Total Budget Request - \$20.3 Million
- ✓ (increase of 4 million)

Major Issues:

- ✓ 5 new positions for existing jail site
- ✓ salary and benefits increases – existing staff
- ✓ 38 new positions – jail expansion

SHERIFF – LAW ENFORCEMENT

- ✓ Total Budget Request = \$39.8 Million
(3 Million increase over FY06/07)

Major Issues:

- ✓ Salary and benefits increases for existing staff
- ✓ Keeping in line with 5-year strategic plan (14 new Law Enforcement Personnel)

PUBLIC SAFETY FUND

- ✓ Funds the Community Development Department and 2/3 of the Sheriff's Law Enforcement Budget
- ✓ Ad Valorem funds are collected in this fund but not from the incorporated area of the County – Punta Gorda

PUBLIC SAFETY FUND – EXPENDITURES

- ✓ Expenditures decreasing by \$1,890,577
- ✓ Operational Increases – Community Development
 - ✓ Increased - \$ 27,166
- ✓ Other Areas of Public Safety Fund decreased
 - ✓ Total decrease of \$3,833,502 (Includes Building Services decrease in reserves of \$2,231,352)
- ✓ Sheriff – Law Enforcement
 - ✓ (2/3 of Law Enforcement budget is funded by the Public Safety Fund)
 - ✓ Increased by \$1,916,759

PUBLIC SAFETY FUND REVENUES

✓ Revenues decreasing by \$1,889,577

✓ Ad Valorem – Flat	\$	0
✓ Building Permits	\$	(2,460,086)
✓ All Other Fees	\$	(385,332)
✓ Beginning Balance	\$	(2,562,537)

SUMMARY

- ✓ Legislative impacts unknown
- ✓ Property Valuation increase
- ✓ Hiring Freeze and cuts (reduction to services)
- ✓ 1st round of line item reductions - complete
- ✓ Reserve levels need to be clarified
- ✓ State Revenue forecasts will be known