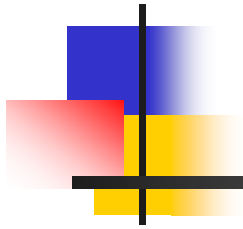


A decorative graphic on the left side of the slide, consisting of overlapping colored squares (blue, red, yellow) and a black crosshair.

**FY 12 Pre-Budget Workshop
Board of County Commissioners
March 1, 2011**



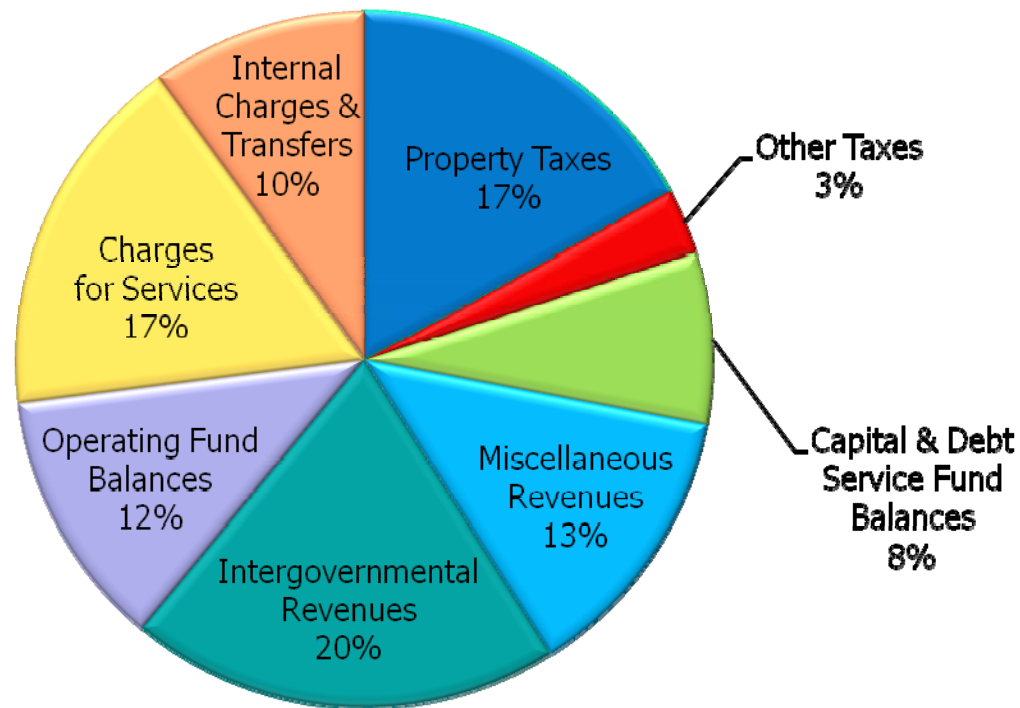
BUDGET BACKGROUND INFORMATION



DISTRIBUTION OF FY2011 BUDGET by FUND TYPE

.9 Billion	-	General Fund
1.8 Billion	-	Enterprise Funds
1.3 Billion	-	Other Funds
\$4.0 Billion (Gross)		

Distribution of FY11 Total Revenues



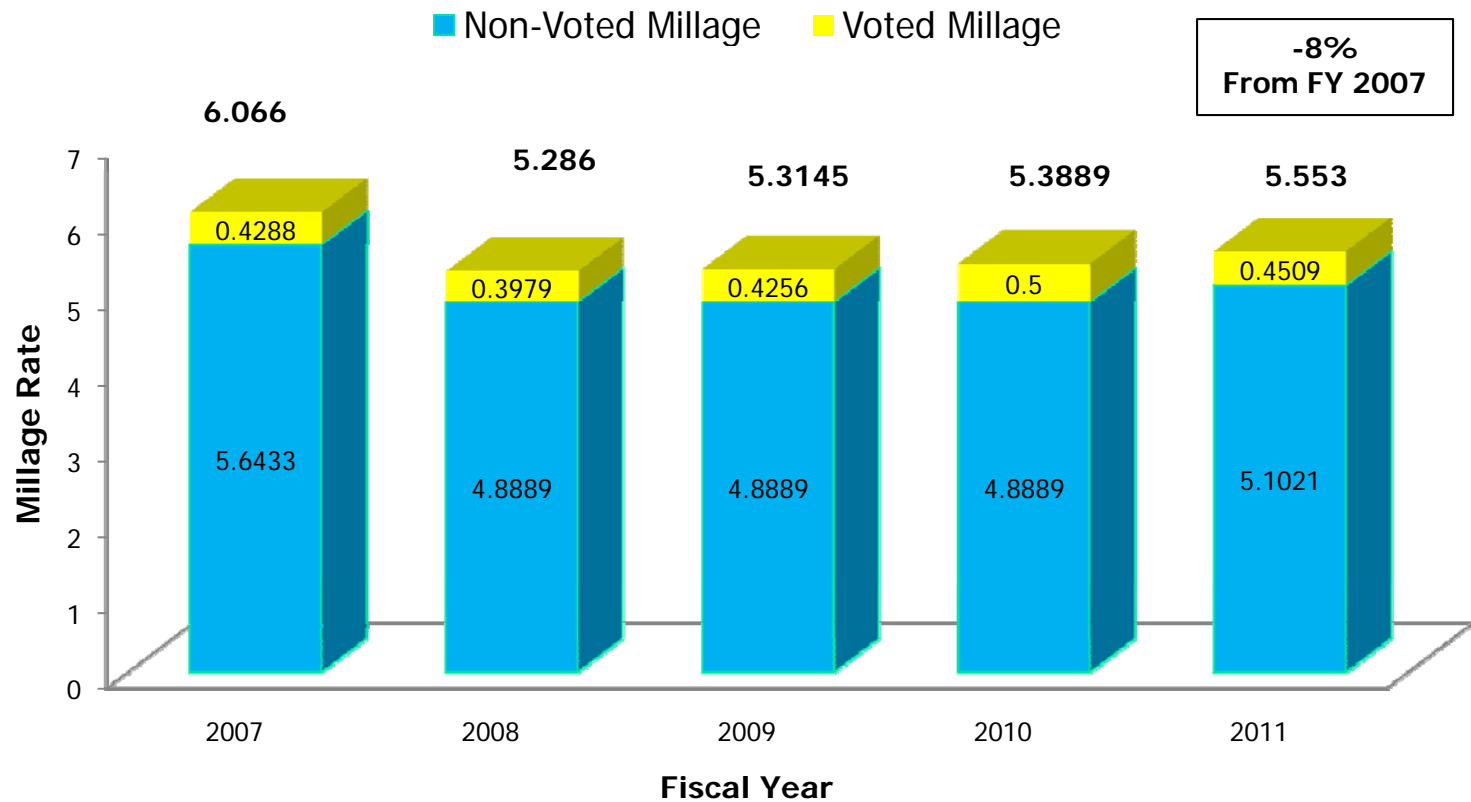
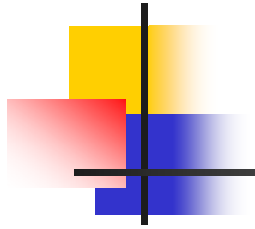


DISTRIBUTION OF FY11 PROPERTY TAXES

■ General Fund	-	\$655.0M
■ General Capital Outlay	-	\$ 8.1M
■ Voted Debt Service	-	<u>\$ 58.6M</u>
TOTAL		\$721.7M

MILLAGE RATE HISTORY

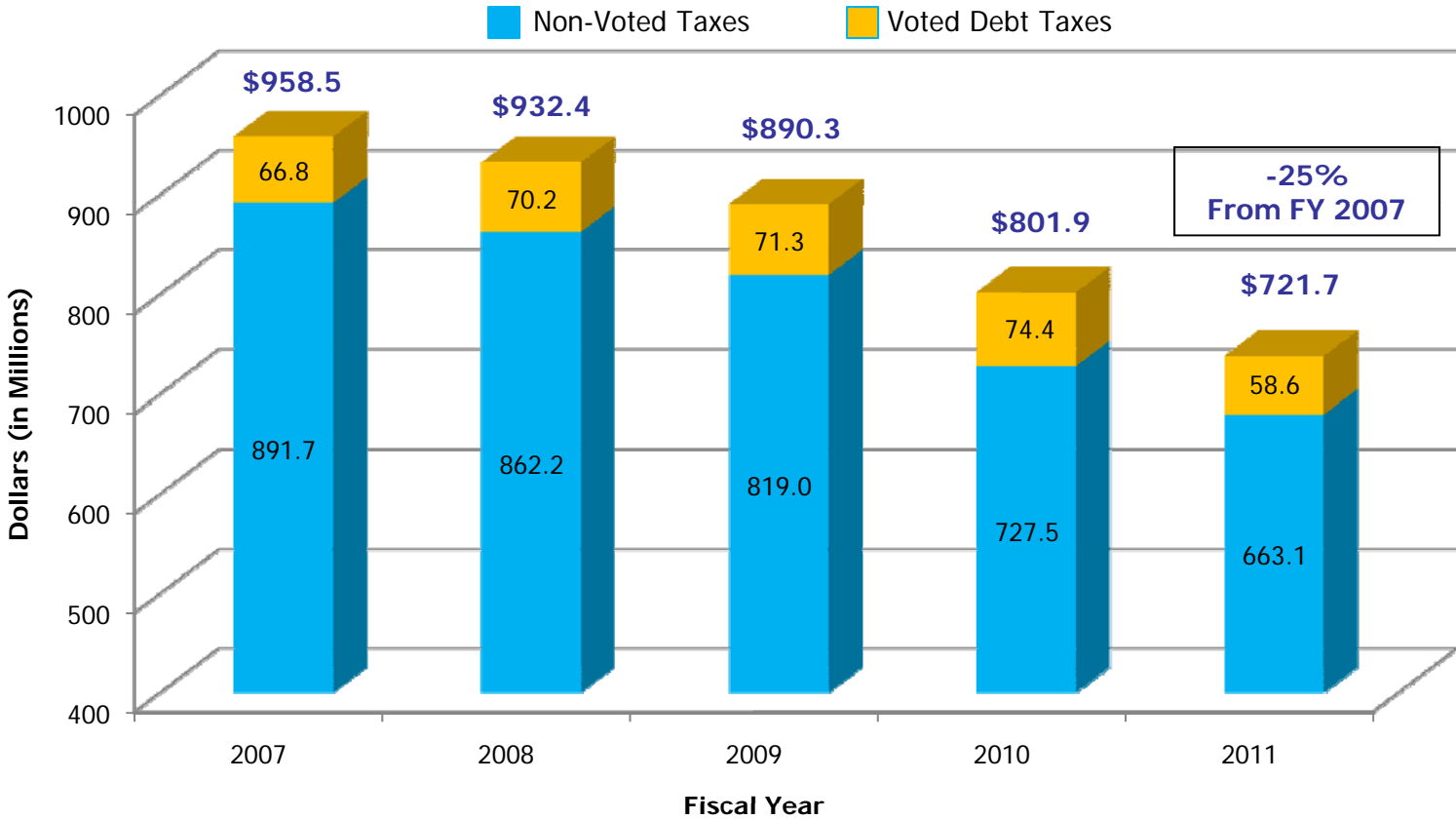
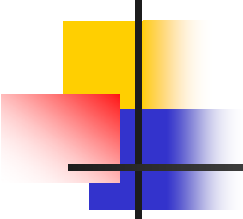
FY07 – FY11



TREND OF DECLINING PROPERTY TAXES

FY07 – FY11

(\$ IN MILLIONS)

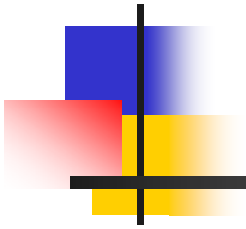




PROPERTY TAX HISTORICAL PERSPECTIVE

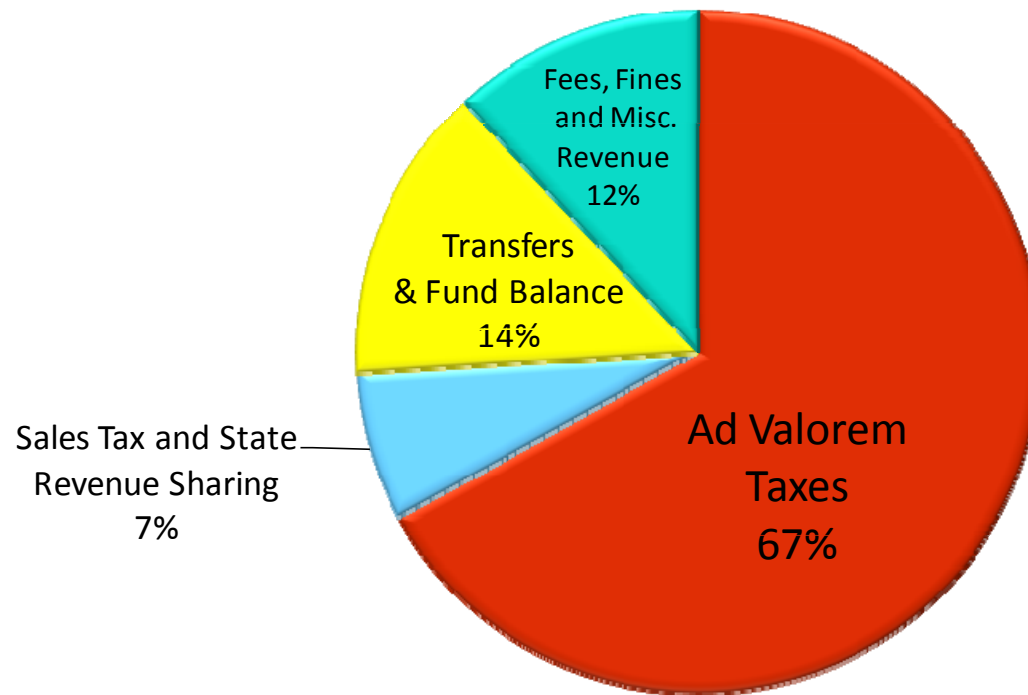
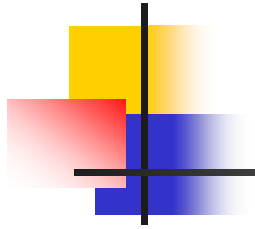
- \$721.7M in taxes is lowest amount levied since FY03
- CPI has increased 26%
- Population has increased 6%

FY11 GENERAL FUND

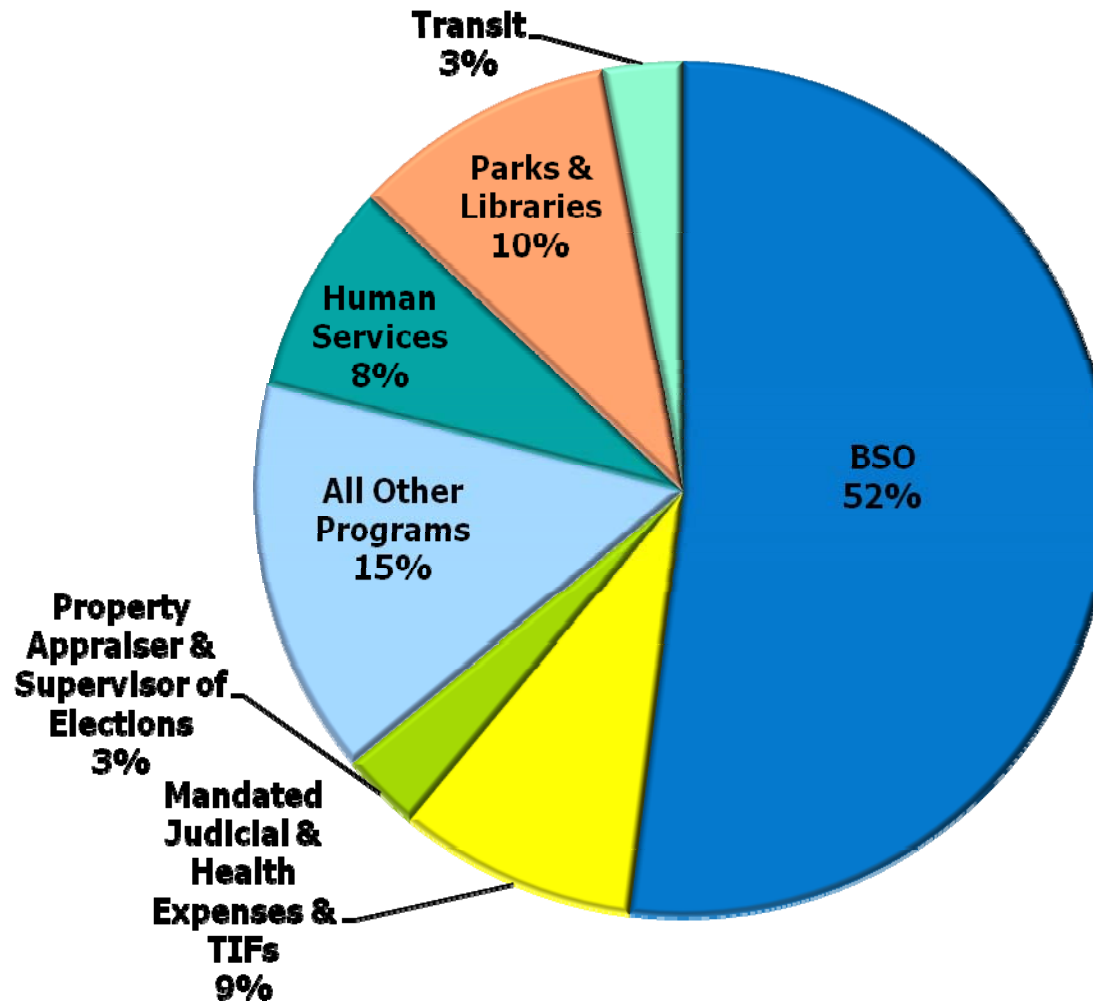


FY 11 BUDGET - \$926.5M

FY11 GENERAL FUND REVENUES



ALLOCATION OF FY11 GENERAL FUND REVENUES (NET OF FEES)





FY08 – FY11 GENERAL FUND BUDGET GAPS

FISCAL YEAR	\$ GAP
08	\$ 90 M
09	\$ 87 M
10	\$109 M
11	\$ 99 M
Cumulative	\$385 M

SUMMARY OF ACTIONS TAKEN TO ADDRESS BUDGET GAPS (\$ IN MILLIONS)

FY	OPERATING EXPENSE REDUCTIONS	CAPITAL EXPENSE REDUCTIONS	PRE-FUNDED DEBT REDUCTIONS	FEE INCREASES	OTHER REDUC- TIONS	TOTAL
08	44	22	6	9	9	90
09	61	---	8	2	16	87
10	76	6	0	4	23	109
11	73	17	0	1	8	99
TOTAL	254	45	14	16	56	385

Note: Over 1800 positions eliminated



SUMMARY OF KEY GENERAL FUND BUDGET CHANGES

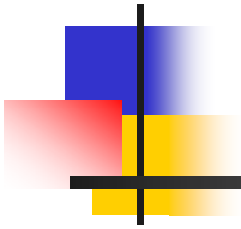
(\$ in Millions)

	FY07	FY11	% CHANGE
BSO	\$450.8	\$403.1	-10.6
County Commission Agencies	\$436.3	\$331.7	-24.0
Property Appraiser & SOE Operations	\$25.6	\$20.2	-21.1

FY07 – FY11 OPERATIONAL CUTS

(All Tax Supported Agencies)

- \$250M +
- 1,800 + Positions Eliminated



FY12 TAX SUPPORTED FUNDS OUTLOOK



FY12 General Obligation Debt Service

- Debt payments will decline from \$55.9M to \$44.7M
- Provides \$11.2M in recurring property tax savings



FY12 General Fund Assumptions

- Flat General Fund Revenues
- Apply \$11.2M in Recurring General Obligation Debt Savings to Assist with Balancing General Fund
 - Provides Approximately 1.3% Increase to General Fund Appropriations
- Emergency Reserve would decline for 2nd year to reach 10% reserve level based on three year plan



Key County Commission Agency Budget Issues FY11 Budget - \$331.7M*

- Compensation
- Health Insurance Costs
- Fuel Costs
- FY11 Library Budget Reductions Pending Implementation of Study (\$1.4M)
- Cost of Inspector General Office

* Excludes reserves, tax increment payments, mandated health and DJJ payments and debt transfer



Key BSO Budget Issues

FY11 Budget = \$403.1M*

- Compensation
- Use of One Time Funds in FY11 to balance budget (\$18.6M)
- Fuel Costs
- Health Insurance and Inmate Health Costs
- Jail Population
- Outcome of Dispatch Issue

*Excludes contract agencies funds and 911 funds



Status of Dispatch Issue

- Need for action due to current funding inequities

Agencies BSO Dispatches		Agencies Self-Dispatched or Dispatched by Another City
Cooper City	Tamarac	Hollywood
Davie	West Park	Pembroke Pines
Hallandale	Weston	Coral Springs
LBTS	Unincorporated	Plantation
Lauderdale Lakes	Fort Lauderdale P.D.	Sunrise
Lauderhill	Wilton Manors	Margate
Lighthouse Point	Pompano Beach	Parkland F.D.
N. Lauderdale	Dania Beach	Coconut Creek
Oakland Park	Deerfield Beach P.D.	Deerfield Beach F.D.
Pembroke Park	Lazy Lake	Hillsborough Beach
Port Everglades	Miramar P.D.	Miramar F.D.
Sea Ranch Lakes	Parkland P.D.	Fort Lauderdale F.D.
S.W. Ranches	Aviation	
Courthouse		



Status of Dispatch Issue

cont'd

- If current system is maintained BSO needs to charge all agencies they dispatch for
- If a consolidated system is agreed upon, funding will likely be driven by a usage based formula
- Benefits of consolidated system
 - Efficiencies
 - Hardened facilities
 - Less call transfers



Status of Dispatch Issue

cont'd

- Progress to date
 - White paper on Proposed New System
 - BCCMA Subcommittees on governance and funding
 - Letters to BSO cities and county operations detailing potential budgetary impact for FY12
 - Research on establishment of dependent special district



Status of Dispatch Issue

cont'd

- Next Steps
 - Draft special district ordinance
 - March 1st BCCMA Committee Meeting Follow-up



Key Property Appraiser Budget Issues

FY11 Budget = \$14.3M

- Use of One Time Funds in FY11 to Balance Budget (\$1.3M)



Key Supervisor of Elections Budget Issues FY11 Budget = \$11.7M

- Two countywide elections rather than typical year with one
- Occurs every 4 years
- Estimated cost of typical countywide election - \$4.5M



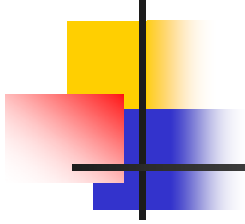
Potential Impact of State Budget

- Potential for broad-based impact
- Governor's proposal for FRS contribution reductions and sales tax/revenue sharing reductions
- Beach Renourishment
- Human Services
- State Aid for Libraries



Potential Impact of State Budget cont'd

- Juvenile Justice Detention Cost Share
- Transportation Disadvantaged Funding
- Arrestee Medical Expenses
- Medicaid Payments
- Ocean Outfall Bills



MULTI-YEAR OUTLOOK FY13 – FY16



Economic Forecast Factors

- Tourism growth leading recovery in Florida
- Slow improvement in housing market
- Low population growth (approximately 1% per year)
- High unemployment for several years



State Revenue Estimating Conference Projections of Property Value Change (for school budgeting purposes)

FY13	.1%
FY14	2.7%
FY15	4.4%
FY16	4.7%

Note: Estimates are from 12/3/2010 Conference



General Fund Revenue Growth Forecasts

FY13	< 1%
FY14	2.7%
FY15	4.0%
FY16	4.0%



General Obligation Debt Service Multi-Year Tax Forecasts

FY12 - \$44.7M

FY13 - \$36.9M*

FY14 - \$36.9M

FY15 - \$36.9M

FY16 - \$36.9M

*Reduction will offset increase in general fund for courthouse debt service



General Capital Program Multi-Year Tax Assumptions

FY12	-	\$8.1M
FY13	-	\$8.1M
FY14	-	\$8.1M
FY15	-	\$16.6M
FY16	-	\$21.7M



General Capital Program

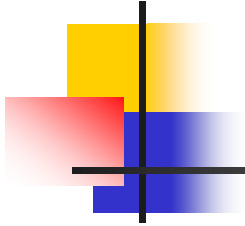
- Fund Balance Used Through FY15 to Keep Taxes Down
- Program is almost entirely maintenance
- Over \$1.7 Billion investment in detention, parks, libraries and general government facilities



General Capital Program

cont'd

- Higher tax levy will be unavoidable – could phase in earlier than FY15
- Replacement of Public Safety Radio System will require debt financing



RECOMMENDED STRATEGIES



County Agency Budgets

- Develop recommended budget for county agencies based on projected flat general fund revenues plus savings from GO debt decrease
- County agency budget reductions will be necessary to fund cost increases
- Develop list of contingency cuts
- Obtain Board direction regarding impact of State legislative session in May



Constitutional Officer Budgets

- Communicate request for constitutional officer budgets to live within projected flat general fund revenues plus savings from GO debt decrease
- Suggest development of contingency cuts for results of State legislative session
- Dispatch: proceed with creation of dependent district



Constitutional Officer Budgets cont'd

- Fund second election for FY12 with fund balance generated from hiring freeze through 2nd supplemental budget (3/29)