



Leon County

Board of County Commissioners

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NEWS RELEASE

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Leon County Tackles \$8.78M Shortfall, No Budget Increase *2013/2014 Budget Provides Deliberate, Necessary and Reasoned Focus on the Long-Term Fiscal Health of Leon County*

In its continued effort to provide a deliberate, necessary and reasoned focus on the most fiscally responsible budget possible, the Leon County Board of County Commissioners, in a 6-1 vote Monday, moved to fill an \$8.78 million budget shortfall without raising the millage rate. The proposed Fiscal Year 2014 budget of \$223 million is equal to the previous year's budget. For the sixth year in a row, the County has not increased the budget, resulting in a cumulative savings of \$61.6 million or roughly 22 percent since 2008.

The Board accomplished this year's balanced budget while leaving the millage rate at the current 8.3144 mills. The County utilized more than \$5 million in reserves, made approximately \$3.7 million in reductions and eliminated a net additional 9.2 positions with no anticipated layoffs in an effort to balance reductions while maintaining quality service.

During Monday's workshop, the Board faced a difficult task of considering a number of budget reductions as well as the appropriate continued use of reserves to address the projected shortfall. After seven and a half hours of very productive discussion and debate that began Monday morning, the Board approved a proposed budget for the 2013/2014 fiscal year.

"I continue to be impressed with the Commission's collegial, community-focused and detailed approach to the budget process," said Leon County Commission Chairman Nick Maddox. "I could not be more proud of the hard work of the Board and our continued efforts and informed decision making over a very difficult number of years recently. My colleagues and I are doing our part to continue building a solid foundation for the future of Leon County. I am confident that the Board has a responsible budget plan in place for the upcoming year."

While continuing to maintain core services and the community's infrastructure, a series of budget balancing strategies were implemented, including:

- Utilization of reserves;
- Deferring \$1.5 million of capital improvements;
- Implementing a healthcare plan that brings Leon County more in line with market and national norms by shifting a greater share of the value-based benefit design (VBD) cost to the employee;
- Implementing a phased cost-of-living adjustment (COLA); 1.5 percent in October 2013 and 1.5 percent in April 2014. This COLA is for all Board and Constitutional employees;
- Reorganizing Facilities Management operations and maintenance program, allowing for the elimination of two positions; and

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- Reorganizing Public Works operations road and right-of-way maintenance crews to address additional roadside landscape maintenance requirements, avoiding \$290,000 in additional costs to maintain roadside landscaping.

When unemployment rose dramatically and construction workers in the community were desperate for work, the County utilized cash reserves and invested tens of millions of dollars in the community, created 800 construction-related jobs and advanced essential infrastructure projects when the costs were most affordable to the taxpayer. During this same time, the County reduced its workforce by 75 positions through attrition and retirement – not through layoffs that would have added to the local employment problem.

Monday's budget workshop served to reduce or eliminate general revenue subsidies to Leon County's enterprise operations, specifically the solid waste and stormwater programs.

Recognizing the current unsustainable fiscal model of funding the County's rural waste service centers and in response to citizen input based on three community meetings, the Board elected to leave the "roll-off" sites open and implement a modest fee structure to cover the cost of operating this service. In doing so, the Board eliminates the rural waste service centers subsidy and ensures that citizens only pay for the services they use. This action, coupled with addressing the stormwater assessment earlier in the budget process, provides the County greater financial stability moving forward. Additionally, in future years, these actions will also assist the County in its ability to reduce its reliance on the use of reserves to balance the budget.

Through a structure called Leon LEADs, the organizational culture of Leon County Government focuses on those things the County can control to demonstrate results during tough times in a continuous effort to become the highest performing organization that it can be. Leon County's LEADs Cross Departmental Action Teams performed an internal review to find efficiencies and the teams' recommendations saved over \$718,000 by finding new efficiencies throughout many work areas. Leon County Government has embraced technology to reduce costs, advanced innovations, leveraged community partnerships and privatized when appropriate. Also, no small cost saving has been overlooked – such as eliminating a contract to tend greenery throughout the County Courthouse.

"Over the past several years, faced with an economic decline, the Board placed a deliberate, necessary and reasoned focus on providing tax relief to our citizens, while maintaining a high quality level of service. The County Commission continues to exercise responsible fiscal stewardship during the slow economic recovery and is poised to apply that same deliberate, necessary and reasoned focus on ensuring the long-term fiscal viability of Leon County," said Leon County Administrator Vincent S. Long. "The Board approved a preliminary budget that properly balances the use of reserves, additional budget reductions and a consistent level of property tax collection. I am extremely proud that Leon County is continuing to stay fiscally sound while providing exemplary services to this community."

Also approved on Monday, the Board gave the County Administrator direction to effectuate a long-term agreement for the provision of fire services in the unincorporated area that would provide cost containment and rate stabilization for Leon County and budget certainty for the City of Tallahassee over the next 10 years.

As part of recent discussions and negotiations regarding the current fire services agreement, the County Administrator and City Manager developed a series of recommendations for their respective Commissions to finalize an extension of the existing six-cent gas tax and the

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imposition of the additional five-cent gas tax under a 50/50 split that would generate approximately \$2 million in revenue to the County. This proposed additional gas tax revenue would support the County's highest transportation priorities and/or address the on-going general revenue subsidy to the transportation fund. Additionally, the proposed agreement includes \$150,000 in County funding for the Palmer Munroe Teen Center for an additional three-year term. To confirm this agreement, the City of Tallahassee is expected to take these items up at a future City Commission meeting.

The Emergency Medical Services (EMS) Municipal Services Taxing Unit (MSTU) was reestablished at 0.5 mills.

In spite of increased costs, unfunded mandates from the State, financial constraints born out of tax-reform legislation, and the continual decline in taxable value, the Board of County Commissioners has made a concerted effort over the past six years to minimize the impact on service delivery to the citizens of Leon County, implementing expenditure reductions and reducing and restructuring services.

The development of the current year budget is not an action that is isolated from previous Board budgets, but a continuation of an ongoing effort to address declining property values while maintaining quality services. The proposed budget is essentially a maintenance budget. The highest priorities are placed on continuing a quality level of service of current County programs. The majority of the funds are allocated toward the maintenance of the County's infrastructure, such as roads, facilities, stormwater improvements and parks.

Leon County continues to maintain the lowest net budget, the lowest net budget per resident, the lowest number of employees and the lowest number of employees per capita than any other like-sized counties in Florida.

And when compared to Florida's other 66 counties:

- Leon County has the fifth lowest net budget per capita; and
- Leon County has the third lowest number of employees per capita.

Citizens will have the opportunity to provide input on the budget before it is finalized in September. The first public hearing will be on Tuesday, Sept. 17, at 6 p.m. in the Commission Chambers on the fifth floor of the Leon County Courthouse, located at 301 S. Monroe St.

The second public hearing will be at the same location on Tuesday, Sept. 24, at 6 p.m., at which time the Board is scheduled to adopt the final budget and millage rates.

To inform the community of the upcoming budget hearings, Leon County will continue to implement public information and community outreach via media partner interaction, utilization of the County's website, government access television channel (Comcast Channel 16) and social media outlets.

For detailed information on Monday's budget workshop, please visit the Leon County website at www.LeonCountyFL.gov/OMB/, call the Leon County Office of Financial Stewardship / Office of Management & Budget at (850) 606-5100 or contact Leon County Community and Media Relations at (850) 606-5300 / cmr@LeonCountyFL.gov .

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