

Leon County Budget Development Background and FY2013 Budget Overview

- Total Budget
 - The proposed FY2013 budget of \$223 million is \$12.5 million or 5.3 percent lower than the prior year.
 - For the fifth year in a row, the County has reduced the budget, resulting in a cumulative savings of \$60.5 million or roughly 22 percent since 2008.

- Property Taxes and Budget Balancing
 - Without a tax increase, absorbed \$1.0 million increase in unfunded state mandated Medicaid expenses
 - The Board accomplished this year's continued budget reduction by implementing the aggregate rolled-back millage rate of 8.3144.
 - Without the levying of the rolled-back rate, and leaving the millage rate at the current 7.85 mills, the Board would have had to make an additional \$5.9 million in reductions.
 - The total estimated tax collections for FY2013 will be \$587,000 or 0.5 percent less than 2012.
 - The recession has greatly affected the collection of property taxes, which resulted in a decline in taxable property values from 2007 – 2012 by \$3.2 billion, 20 percent.
 - Since FY2009, the total tax collection for the Board has been reduced by \$13.1 million or 11 percent.
 - By establishing the tax rate at the rolled-back millage rate, the Board has ensured that in accordance with Florida Statutes there will not be a tax increase next year.
 - This means that the County will not collect more in property tax revenues, excluding new construction, than during the prior fiscal year.
 - However, regardless of the tax rate established by the Board, individual taxable property values may have increased, decreased or remained the same.
 - As such, an individual's property taxes, which are calculated by multiplying the tax rate by the taxable value, may also increase, decrease or remain the same.
 - The actions of the Board are independent of any other local taxing authority.

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- Proposed Current Year Reductions
 - A series of reorganizations, which included position eliminations in Public Works Engineering Services, Purchasing, Human Service and Community Partnerships, and Planning;
 - Increasing Probation Officer Case Loads consistent with industry standards;
 - Additional reductions in operating and capital outlay by the Sheriff's Office, Supervisor of Elections, Clerk of the Circuit Court, and Property Appraiser;
 - A cost shift in healthcare costs to employees;
 - Leveraging private-sector relationships for creating efficiencies related to Centralized Printing and Copies; and
 - Reducing Rural Waste Collection Center Hours of Operation to Equivalent Hours at the Branch Libraries from 50 to 40 hours per week.

- Local Economy and Job Creation
 - Infrastructure improvements through the commitment of approximately \$107 million which has contributed to approximately 1,000 construction jobs being created.
 - Tax incentives to six companies (Bing Energy, Event Photography, Inc., ACS State and Local Solutions, Sunnyland Solar LLC, SolarSink, LLC and Red Hills Surgery Center) diversify the local economy.
 - Over the next several years, an additional 550 jobs are anticipated to be created through this investment.
 - FY2013 Budget includes funding to support the widening of the running trail Apalachee
 - A \$10.7 million economic impact could be realized through the hosting of a number of state, regional and national events that cannot currently be hosted given the track's existing configuration
 - Tourism Development's marketing and public relations advertising campaigns continue to:
 - Drive 2.3 million visitors to our community
 - \$540 million direct economic impact
 - Industry supports over 11, 240 jobs

- County Employees and Jobs
 - Eliminated an additional net 5.5 jobs, for total of 75.5 positions
 - Accomplished reductions through attrition; no layoffs
 - Shifted a portion of health care cost to employees
 - Cost-of-living adjustment (COLA) of one percent in October and one percent in April was included in the budget.

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- This COLA is for all Board and Constitutional employees.
 - COLAs have not been provided to employees since FY2010, and the adjustment was only for half that year.
 - Last year, as a result of legislative changes to the Florida Retirement System (FRS), which requires employees to contribute 3 percent of their salaries to retirement, County staff saw between a 0- to 3-percent pay reduction.
 - In an effort to mitigate the effect of the cuts on employees, the Board took action to provide an offset, with the lowest-paid employees receiving a higher level offset.
 - County Commissioners and higher-paid employees did not receive the offset.
- Cost Avoidance
 - County LEADs process initiated during FY2011 focused on areas that the County can either control or influence
 - As evidenced by this approach, staff is continuously looking at ways to avoid costs and create efficiencies in the organization
 - Over \$10.5 million in cost avoidance realized this year, including:
 - Supervisor of Elections consolidated space in old Ashley's; eliminated need for \$10 million new capital project
 - Absorbed branch library expansion through existing staff; avoided hiring 4 new positions at \$260,000
 - Realigned a number of positions into critical areas such as Veteran Services and Parks and Recreation, thereby eliminating the need to create additional positions (3 positions \$133,000 saved)
 - Through Blueprint 2000 and other funding sources, over the past five years, the County has experienced a significant increase in greenways and passive parks, 1,185 acres, which require on-going maintenance. The County is experiencing a significant increase in demand for services in claims support from returning veterans.
- Reserves
 - Utilized \$4.9 million to balance operating budget
 - Maintain overall reserves above policy minimums
 - Allocated \$14.7 million to support on-going capital maintenance needs for the next five years

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- Prior year budget actions
 - Restructuring Library Administration and Collection Services and opening the expanded library branches without adding additional staff;
 - Reducing Executive Management by 33 percent;
 - Closing the Solid Waste Facility to the public for the disposal of Class III waste and contracting with a private vendor to recycle this waste stream;
 - Significantly restructuring the Public Works Department's stormwater and mosquito control programs - specifically, stormwater maintenance was previously performed by two divisions and is now being conducted by one division;
 - Eliminating 18 positions in the Development Support and Environmental Management Department, over a two year period, to reflect decreased staffing needs due to the significant downturn in the construction industry;
 - Privatizing the Pre-trial GPS Monitoring Program;
 - Reducing roadside maintenance through the elimination of an operations crew saving; and
 - Utilization of fund balances to offset budget shortfalls.

- Comparative Information
 - 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 seventh lowest net budget per capita; and
 - Leon County has the second lowest number of employees per capita.

- Public Hearings
 - The first public hearing will be on Tuesday, Sept. 11, 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. 18, at 6 p.m., at which time the Board is scheduled to adopt the final budget and millage rates.