

**PINELLAS PLANNING COUNCIL
AGENDA MEMORANDUM**

AGENDA ITEM: V B-2.

MEETING DATE: June 17, 2009

SUBJECT:

Annual Budget and Millage Rate for F.Y. 2009-10 – Draft

RECOMMENDATION:

Council Review and Provide Direction on Draft of Annual Budget and Millage Rate for F.Y. 2009-10

BACKGROUND

A semi-final draft of the proposed budget and accompanying millage rate for F.Y. 2009-10 has been prepared for review by the Council and is attached for your consideration.

The proposed budget reflects, and is consistent with, the accompanying draft of the annual work program for F.Y. 2009-10 which has been reviewed with the Council over the preceding months and is to be considered immediately preceding this agenda item.

In brief, the proposed budget of \$1,406,640 is a decrease of \$102,860 or 6.8 percent as compared to the current fiscal year budget. The millage rate is proposed to remain the same at .0170 – having been reduced four times between 2003-04 and 2007-08 by some 24 percent in total. The revenue raised from ad valorem taxable value is proposed to be reduced by approximately \$135,080 or 11.4 percent. The difference between the reduction in ad valorem tax revenue and the reduction in the total budget, some \$32,220, will be made up from unexpended revenues in this year's budget and carried forward to the next fiscal year.

The proposed budget amount of \$1,406,640 is \$42,640 more than set forth in the May draft, reflecting the difference between the projected "worst case" 15 percent reduction in ad valorem value and the 11.1 percent reduction in the Property Appraiser's Office preliminary estimate released May 20th. This additional amount, consistent with Council direction, has been added to the cash reserves. With this addition, total proposed reserves of \$192,640 represent 13.7 percent of the budget. Minor adjustments have been made to

PINELLAS PLANNING COUNCIL ACTION:

COUNTYWIDE PLANNING AUTHORITY ACTION:

SUBJECT: Annual Budget and Millage Rate for F.Y. 2009-10 – Draft

individual line items in the Operating Account, but the sub-totals of the Payroll and Operating accounts remain as previously proposed. (See Attachment 1-A.)

The accompanying draft budget package includes the following:

- Introduction – including background information related to the Council’s millage rate, the revenue it generates and budget trends.
- Budget Overview – describing the budget and its component parts.
- Proposed Budget – outlining projected revenues, expenses and reserves by line item.
- Attachments I, II and III – comparing, by line item, the proposed budget to the current budget, the allocation of expenditures for contractual support services, and comparison of previous budget amounts, millage rates and tax revenues.

The attached budget is in a form for Council review and direction pending receipt of the certified values from the Property Appraiser’s Office on July 1st. Based on the certified value, Council staff will make any required minor adjustments and prepare the budget in a form for approval by the Council in July, transmittal of the requisite forms to the Property Appraiser in compliance with the TRIM notice procedure, and transmittal to the BCC for adoption and certification of the millage rate at public hearings scheduled for September 8 and 22, 2009.

**Budget as Adjusted From May
Based on Property Appraiser's Office Preliminary Values**

REVENUES			
INCOME ACCOUNT			
Carry Forward/Encumbered	\$ 243,400		
Interest	7,200		
Tax Revenue	1,007,000	1,049,640	*
Total Revenues		\$1,300,240	
RESERVES			
RESERVE ACCOUNT			
Cash Reserves	\$ 106,400		
Total Reserves		\$106,400	
Total Revenues Plus Reserves			\$1,406,640
EXPENDITURES			
PAYROLL ACCOUNT			
Salaries	\$ 681,500		
Benefits	192,000		
Sub-total		\$873,500	
OPERATING ACCOUNT			
Contractual Support Services	\$ 38,000		
Legal Services	5,000		
Rent	92,000		
Equipment & Furnishings	15,500	\$16,000	*
Telephone	3,000	\$3,500	*
Mail	6,500		
Advertising Notice	60,000		
Printing/Reproduction	26,000		
Office Supplies/Materials	12,000	\$10,500	
Property Appraiser & Tax Collector	40,000		
Travel	12,000		
Reference & Education	10,000		
Audit	12,500		
Administrative Hearing	5,000		
Council Activities	1,500		
Contingency	1,500	\$2,000	*
Sub-total		\$340,500	
TOTAL EXPENDITURES			\$1,214,000
RESERVES			
RESERVE ACCOUNT			
Reserve Cash Balance	\$ 50,000	\$92,640	*
Svc. Sustainability Reserve	100,000		
Total Reserves		\$192,640	
Total Expenditures Plus Reserves			\$1,406,640

MILLAGE RATE 0.0170

* changed line items

ANNUAL BUDGET

Fiscal Year 2009-2010

Draft
June 17, 2009

PPC PINELLAS
PLANNING
COUNCIL

PINELLAS PLANNING COUNCIL

ANNUAL BUDGET F.Y. 2009-2010

PINELLAS PLANNING COUNCIL

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Vice Mayor Jerry Knight, Vice Chairman
Commissioner John Morroni, Treasurer
Mayor Pat Gerard, Secretary
Vice Mayor Nina Bandoni
Councilmember Sandra L. Bradbury
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Councilmember Jim Kennedy
School Board Member Linda S. Lerner
Commissioner Stephanie Oddo
Mayor Jim Ronecker
Mayor Patricia Shontz

Draft

June 17, 2009

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ANNUAL BUDGET

FISCAL YEAR 2009-2010

INTRODUCTION

The annual budget has been prepared consistent with the annual work program for fiscal year 2009-10.

Additional background information important to an understanding of the Council's budget includes the following:

- The maximum tax levy authorized by the Special Act (Chp. 88-464, Laws of Florida) is one-sixth of one mill (.1666). The current millage levy of .0170 is 10.2 percent of the authorized levy.
- The current millage rate of .0170 is proposed to be maintained. Given the 11.1 percent reduction in ad valorem value, the proposed millage rate represents approximately an 11.8 percent reduction to the rolled-back rate.
- Council has reduced its millage rate from .0225 in 2003-04 to the current and proposed rate of .0170. This represents a 24.4 percent reduction in the millage rate over this six-year period.
- Over this same six-year period, the Council budget, as proposed for F.Y. 2009-10, will have increased by a total of \$84,040 or 0.06 percent.
- The proposed budget of \$1,406,640 represents a reduction of 6.8 percent from the previous year and a total reduction of \$287,240 or 16.9 percent over the three year period from F.Y. 2006-07 to 2009-10.
- F.Y. 2009-10 reductions to the Payroll and Operating Accounts total \$189,100 or 13.5 percent as compared to the current F.Y. 2008-09 budget.

The accompanying materials outline the budget approach, identify its relationship to the current budget, and examine past trends with respect to the budget, millage rates and revenues raised.

BUDGET OVERVIEW

The preliminary draft budget for F.Y. 2009-10 is \$1,406,640 – a decrease of \$102,860 or 6.8 percent as compared to the current year. The accompanying millage rate is proposed to remain at the current rate of .0170 per \$1,000 of ad valorem taxable value.

Revenues consist of monies estimated to be available to be carried forward, interest earned on monies received and invested prior to expenditure, tax revenues from the ad valorem tax levy, and monies budgeted and held as reserves.

The projected carry-forward/encumbered amount of \$243,400 is comprised of a portion of the existing fund balance and the anticipated amount by which we will come in under budget for 2008-09, inclusive of estimated encumbered funds for completion and payment of work in progress. Other revenues include \$7,200 projected to be earned as interest on unexpended funds, an estimated \$1,049,640 from tax revenues, and the \$106,400 in cash reserves projected to be carried forward from 2008-09.

The reduction in ad valorem tax revenues of \$135,080 represents an 11.4 percent reduction in the tax revenues to be raised, consistent with the decrease in countywide taxable values.

Expenditures are grouped by payroll, operating, and reserve accounts.

The payroll account is projected to decrease by \$44,000 or 4.8 percent, while the operating account will decrease by \$145,100 or 29.9 percent – including an \$82,000 reduction in contractual support services.

Cash reserves in the amount of \$92,640 are budgeted, slightly less than the current \$106,400 in cash reserves, and a service sustainability reserve of \$100,000 has been added. Together the reserve account will total \$192,670 or 13.7 percent of the total budget.

In brief, the proposed budget represents a decrease in the total budget as compared to the current F.Y. 2008-09 budget of approximately \$102,860 or 6.8 percent. The proposed millage rate of .0170, applied to the reduced countywide taxable value, results in a reduction in the revenues received from ad valorem tax dollars of \$135,080 or 11.4 percent and personnel and operating expenses have been reduced by a combined total of \$189,100 or 13.5 percent.

The budget attempts to meet the current core needs of the Council and its member local governments, consistent with the approved annual work program for fiscal year 2009-10, and the revenues available to the Council, in a fiscally responsible and stable manner.

Preliminary Annual Budget For FY 2009-10

Preliminary Pinellas Planning Council Budget - FY 2009-10			
REVENUES			
INCOME ACCOUNT			
Carry Forward/Encumbered	\$ 243,400		
Interest	7,200		
Tax Revenue	1,049,640		
Total Revenues		\$1,300,240	
RESERVES			
RESERVE ACCOUNT			
Cash Reserves	\$ 106,400		
Total Reserves		\$106,400	
Total Revenues Plus Reserves			\$1,406,640
EXPENDITURES			
PAYROLL ACCOUNT			
Salaries	\$ 681,500		
Benefits	192,000		
Sub-total		\$873,500	
OPERATING ACCOUNT			
Contractual Support Services	\$ 38,000		
Legal Services	5,000		
Rent	92,000		
Equipment & Furnishings	16,000		
Telephone	3,500		
Mail	6,500		
Advertising Notice	60,000		
Printing/Reproduction	26,000		
Office Supplies/Materials	10,500		
Property Appraiser & Tax Collector	40,000		
Travel	12,000		
Reference & Education	10,000		
Audit	12,500		
Administrative Hearing	5,000		
Council Activities	1,500		
Contingency	2,000		
Sub-total		\$340,500	
Total Expenditures			\$1,214,000
RESERVES			
RESERVE ACCOUNT			
Reserve Cash Balance	\$ 92,640		
Svc. Sustainability Reserve	100,000		
Total Reserves		\$192,640	
Total Expenditures Plus Reserves			\$1,406,640

MILLAGE RATE 0.0170

COMPARISON OF 2008- 09 AND 2009-10 BUDGET BREAKDOWN

	2008-09		2009-10	
REVENUES				
INCOME ACCOUNT				
Carry Forward/Encumbered	\$ 237,780		\$ 243,400	
Interest	12,000		7,200	
Tax Revenue	1,184,720		1,049,640	
Reserves	75,000			
Total Revenues		\$1,509,500		\$1,300,240
RESERVES				
RESERVE ACCOUNT				
Cash Reserves			106,400	
Total Reserves				\$106,400
Total Revenues Plus Reserves		\$1,509,500		\$1,406,640
EXPENDITURES				
PAYROLL ACCOUNT				
Salaries	\$ 706,700		\$ 681,500	
Benefits	210,800		192,000	
Sub-Total		\$917,500		\$873,500
OPERATING ACCOUNT				
Contractual Support Services	\$ 120,000		\$ 38,000	
Legal Services	19,000		5,000	
Rent	104,500		92,000	
Equipment & Furnishings	16,000		16,000	
Telephone	4,100		3,500	
Mail	8,500		6,500	
Advertising Notice	62,000		60,000	
Printing/Reproduction	30,000		26,000	
Office Supplies/Materials	17,000		10,500	
Property Appraiser & Tax Collector	43,000		40,000	
Travel	17,000		12,000	
Reference & Education	15,000		10,000	
Audit	12,500		12,500	
Administrative Hearing	10,000		5,000	
Council Activities	3,500		1,500	
Contingency	3,500		2,000	
Sub-Total		\$485,600		\$340,500
Total Expenditures		\$1,403,100		\$1,214,000
RESERVES				
RESERVE ACCOUNT				
Reserve Cash Balance	\$ 106,400		\$ 92,640	
Svc. Sustainability Reserve			100,000	
Total Reserves		\$106,400		\$192,640
Total Expenditures Plus Reserves		\$1,509,500		\$1,406,640
MILLAGE RATE				
		0.0170		0.0170

**CONTRACTUAL SUPPORT SERVICES
F.Y. 2009-10**

Allocation	Amount
Mapping - Property Appraiser's Office	\$20,000
Minutes - County Clerk	\$8,000
Software Licensing	\$2,500
Special Projects / Miscellaneous	\$7,500
TOTAL	\$38,000

**COMPARISON OF PAST PPC BUDGET AMOUNTS
MILLAGE RATES AND TAX REVENUES**

Fiscal Year	Budget Amount	Millage Rate	Tax Revenue
1999-00	\$1,167,500	0.0225	\$781,700
2000-01	\$1,182,000	0.0225	\$833,960
2001-02	\$1,218,500	0.0225	\$908,350
2002-03	\$1,262,500	0.0225	\$975,850
2003-04	\$1,322,600	0.0225	\$1,063,060
2004-05	\$1,372,800	0.0220	\$1,148,320
2005-06	\$1,561,400	0.0218	\$1,302,390
2006-07	\$1,693,880	0.0195	\$1,401,530
2007-08	\$1,598,140	0.0170	\$1,294,650
2008-09	\$1,509,500	0.0170	\$1,184,720
2009-10	\$1,406,640	0.0170	\$1,049,640