

The background of the slide is a photograph of a river or stream flowing through a dense, green forest. The water is calm, reflecting the surrounding trees and foliage. The scene is framed by a green banner at the top and a blue banner at the bottom.

# Preliminary Budget Development Worksessions **Financial Overview**

# **FINANCIAL OVERVIEW: AGENDA**

- **General Revenue Funds**
- **Major Revenue Sources**
- **Reserves / Operating Contingencies**
- **Appropriated Projects**
- **Forecasting Assumptions**
- **Budget Development Process**



# Financial Overview: *General Revenue*



Revenue Impact over the last 3-4 Years (In Millions)	
Property Taxes	\$15.4
Sales Taxes (State Shared)	11.5
Gas Taxes (State Shared and Local )	1.8
Other Fees and Sources of General Revenue	8.1
Economic Decline (13% Impact)	36.8
Property Tax Reform (12% Impact)	33.2
General Operating Revenue Impact (25%)	\$70.0

# Financial Overview: *General Revenue*



## Summary of Budget Status

<b>Fiscal Year 2008 &amp; 2009</b>	<b>\$24.5M</b>
<b>Fiscal Year 2010</b>	<b>29.4M</b>
<b>Total Net Reductions</b>	<b>53.9M</b>
<b>General Operating Revenue Impact</b>	<b>-70.0M</b>
<b>Tax Rate Adjustment / Other</b>	<b>12.5M</b>
<b>Budgetary Status*</b>	<b>-\$3.6M</b>

\*Budgetary basis is conservative with all expenditures at 100%, actual results are anticipated to achieve balance between operational revenues and expenditures.



# FINANCIAL OVERVIEW: General Revenues

## Actual Results FY06-FY09, and Budget FY10

- **Maintained Operating Balance**
- **Good Years Capital Outlay Funded High**
- **Unspent Project Balances Carried Forward**
- **Uncommitted Reserves Approximately 19%**
- **Unfunded Jetta Point Park Project FY09**
- **FY10 Budgetary Reserves = 27%, Actual = 33%**



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# FINANCIAL OVERVIEW: Ad Valorem Taxes

FY2005/06	FY2006/07	FY2007/08	FY2008/09	FY2009/10
\$115.4M	<b>\$143.2M</b>	\$140.3M	\$137.7M	<b>\$132.5M</b>
4.9989	4.9989	4.3578	4.5153	4.9000

**County-wide Property Tax  
Revenue Decrease  
FY07 to FY10**

**\$10.7M**

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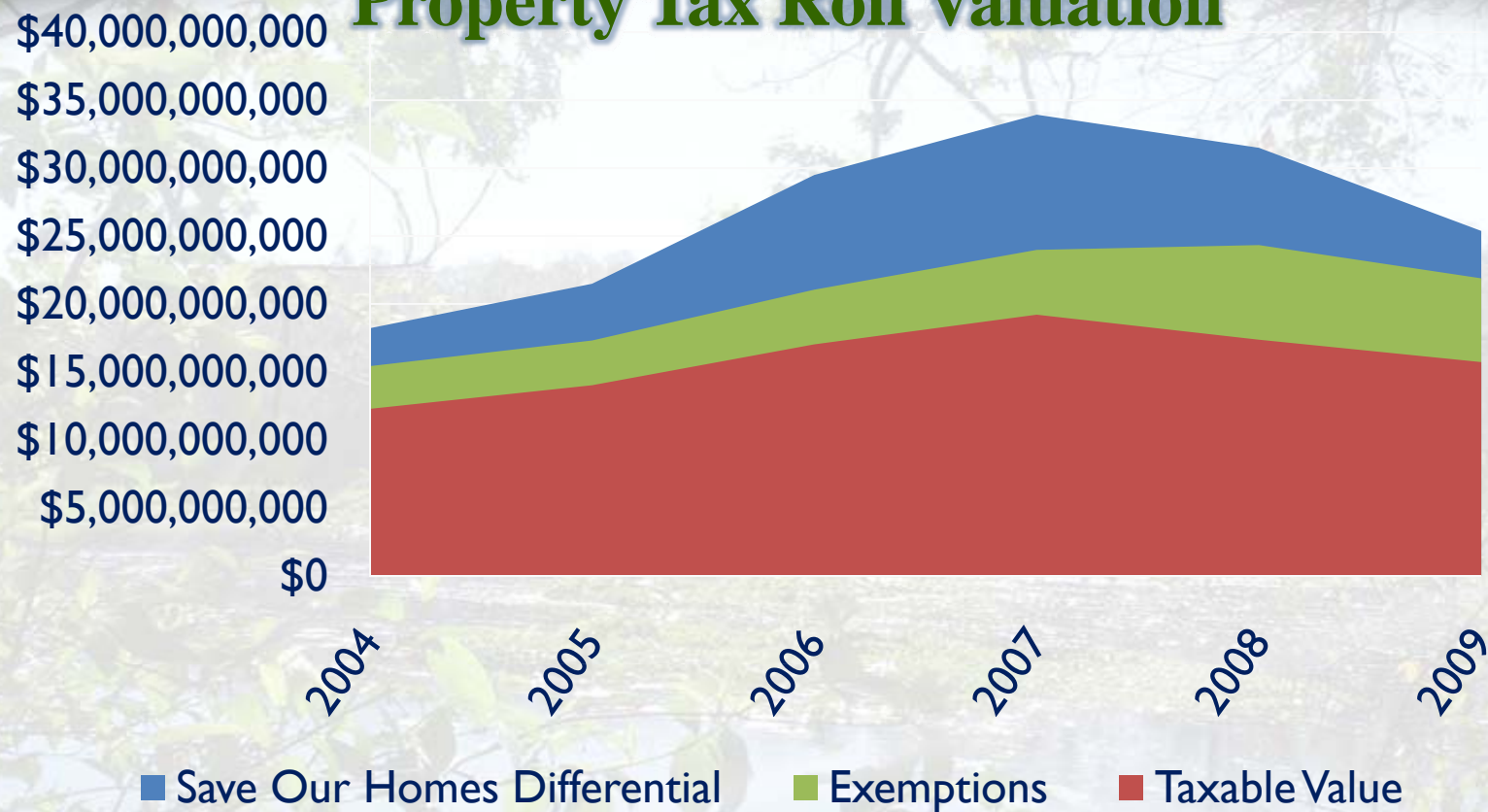
# Financial Overview: *Property Tax Rate*

- ★ FY 2007/08: **HB 1B legislation** - millage reduction reduced tax revenue by \$20.6M
- ★ FY 2008/09: **Amendment I** exemptions reduced tax revenue by \$13.0M, Tax rate adjusted retaining \$5.4M
- ★ FY 2009/10: Tax rate adjusted retaining in \$10.5M

Property Tax History	
Fiscal Year	Tax Rate
2010	4.9000
2009	4.5153
2008	4.3578
2000-2007	4.9989
1999	5.1579
1995-1998	5.1638

# FINANCIAL OVERVIEW: *Residential*

## Property Tax Roll Valuation





# FINANCIAL OVERVIEW: Sales Tax

FY2005/06	FY2006/07	FY2007/08	FY2008/09	FY2009/10
<b>\$27.2M</b>	\$24.9M	\$22.8M	\$19.5M	<b>\$18.5M</b>
6%	-8%	-8%	-15%	-5%

- Half-cent Sales tax down **\$8.7M** or **-32%**
- FY00 & FY01 collections = \$19.3M
- State Revenue Sharing down **\$2.4M**
- Total Sales Tax Decline **\$11.1M**



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# FINANCIAL OVERVIEW: Gas Taxes

FY2005/06	FY2006/07	FY2007/08	FY2008/09	FY2009/10
<b>\$15.7M</b>	\$15.5M	\$15.2M	\$14.6M	<b>\$14.2M</b>

- Gas Taxes down **-10%**
- Two State Shared Sources
- Two Local Levied Sources
- 6 Cent Local Option Expires 2013



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# FINACIAL OVERVIEW: Utility Taxes

Fiscal Year	Communication Service Tax	Public Service Tax
FY2005/06	\$9.2M	\$5.3M
FY2006/07	\$9.8M	\$5.5M
FY2007/08	\$9.7M	\$5.4M
FY2008/09	\$8.6M	\$5.6M
FY2009/10	\$8.5M	\$5.4M

- **No Growth – Flat Revenue**
- **3 Year Audit Adjustment on CST**



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# FINANCIAL OVERVIEW: Ad Valorem Taxes

FY2005/06	FY2006/07	FY2007/08	FY2008/09	FY2009/10
\$37.7M	\$46.3M	\$46.0M	<b>\$48.0M</b>	\$42.3M
2.6334	2.6334	2.3299	2.3299	2.3299

- **Fire/EMS District Property Tax**
  - **FY08 - HBIB 12% reduction in Millage Rate**
  - **FY09 – Amendment I offset by Winter Springs Merger**



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# FINANCIAL OVERVIEW: Tourism Tax

FY2005/06	FY2006/07	FY2007/08	FY2008/09	FY2009/10
<b>\$2.6M</b>	\$2.4M	\$2.3M	\$1.8M	<b>\$1.8M</b>
11%	-8%	-5%	-22%	-0%

- **Value of 1 Cent of Tourism Tax**
  - **FY2005/06 = \$867K**
  - **FY2008/09 = \$600K**
  - **Down -31%**

Note: Table represents 3 cents for comparative purposes, an additional 2 cents was levied during FY09 for a total of 5 cents.



# FINANCIAL OVERVIEW: Future Planning

## Proactive Financial Planning

- **Expenditure Reductions**
- **Revenue Stabilization Measures**
- **Economic Stabilization Reserve**
  - *Established to offset tax reform and slowing economy*
  - **Budget Basis \$37.7 million 18% (2 months)**



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# FINANCIAL OVERVIEW: Reserves

## GRFs Fund Balance Reconciliation

Actual Ending FB 9/30/09	\$85.2M
Budgetary Beg. FB 10/1/09	\$71.3M
<b>Difference</b>	<b>\$13.9M</b>
Budget Reserves 9/30/10	\$57.7M
<b>Adjusted Budget Reserves</b>	<b>\$71.5M</b>

## Preliminary Close Positive Adjustment \$13.9M

- Revenue
- Unspent Personnel
- Unspent Operating
- Unspent Capital
- Stormwater \$4.0M



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# FINANCIAL OVERVIEW: Reserves

## Economic Stabilization Reserve

- **Adjusted balance \$50M**
- **Established to mitigate continued losses**
  - *Revenues*
  - *Services*
- **Planned use through forecasting**



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# FINANCIAL OVERVIEW: Reserves

## Operating Contingency Funds

- **Used in Funds where there is little or no discretion in BCC direction of funds**
- **Separate account to provide for transparency with regard to intent of use**
- **General Fund Central Charges used for minor unanticipated items or grant match.**



# FINANCIAL OVERVIEW: Projects

## General Revenue Fund Appropriated Projects

1. Land Account = \$6.3M
2. Communication Towers = \$3.4M
  - No immediate intent to spend funds
  - Cushion

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# **FINANCIAL OVERVIEW: Forecasting**

**Seminole County Property Appraiser,  
David Johnson**

**Presentation of Property Valuation**

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# FINANCIAL OVERVIEW: Forecasting

Sources	FY11	FY12	FY13	FY14	FY15
Ad Valorem	-10%	-2% to -5%	0%	2%	2%
Sales Taxes	0%	1%	1%	2%	2%
Gas Taxes	0%	1%	1%	2%	2%
Public Service Taxes	1%	1%	2%	2%	2%
Communications Service Tax	1%	2%	2%	2%	2%
Other Revenues	0%	0%	1%	2%	2%

## Current Revenue Growth Assumptions



# FINANCIAL OVERVIEW: Forecasting

Uses	FY11	FY12	FY13	FY14	FY15
Personal Services	0%	0%	3%	3%	3%
Operating Exp.	0%	0%	2%	2%	2%
Grants & Aids	0%	0%	0%	2%	2%
Debt Service	Actual	Actual	Actual	Actual	Actual
Constitutional Officers	0%	0%	3%	3%	3%
Capital Equipment	\$-0-	\$-0-	\$1M	\$1M	\$1M
Facilities R&M	\$-0-	\$-0-	\$500K	\$500K	\$500K

## Expenditure Growth Assumptions

# FINANCIAL OVERVIEW: Budget Process

- **Preliminary Budget Development Worksessions**
  - *Financial Overview*
  - *Fund Forecasts*
  - *Departmental Review FY10*
  - *Board Consensus*
- **Budget Development**
- **Worksessions**
- **Public Hearings**

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# FINANCIAL OVERVIEW: Fund Forecast

## Fund Forecast Meeting – February 9<sup>th</sup>

- **General Revenue Funds**
- **Fire / EMS District**
- **Tourism Funds**
- **Building Fund**
- **Transportation Funds**
- **Water & Sewer Funds**

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# FINANCIAL OVERVIEW

## *Questions / Discussion*

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