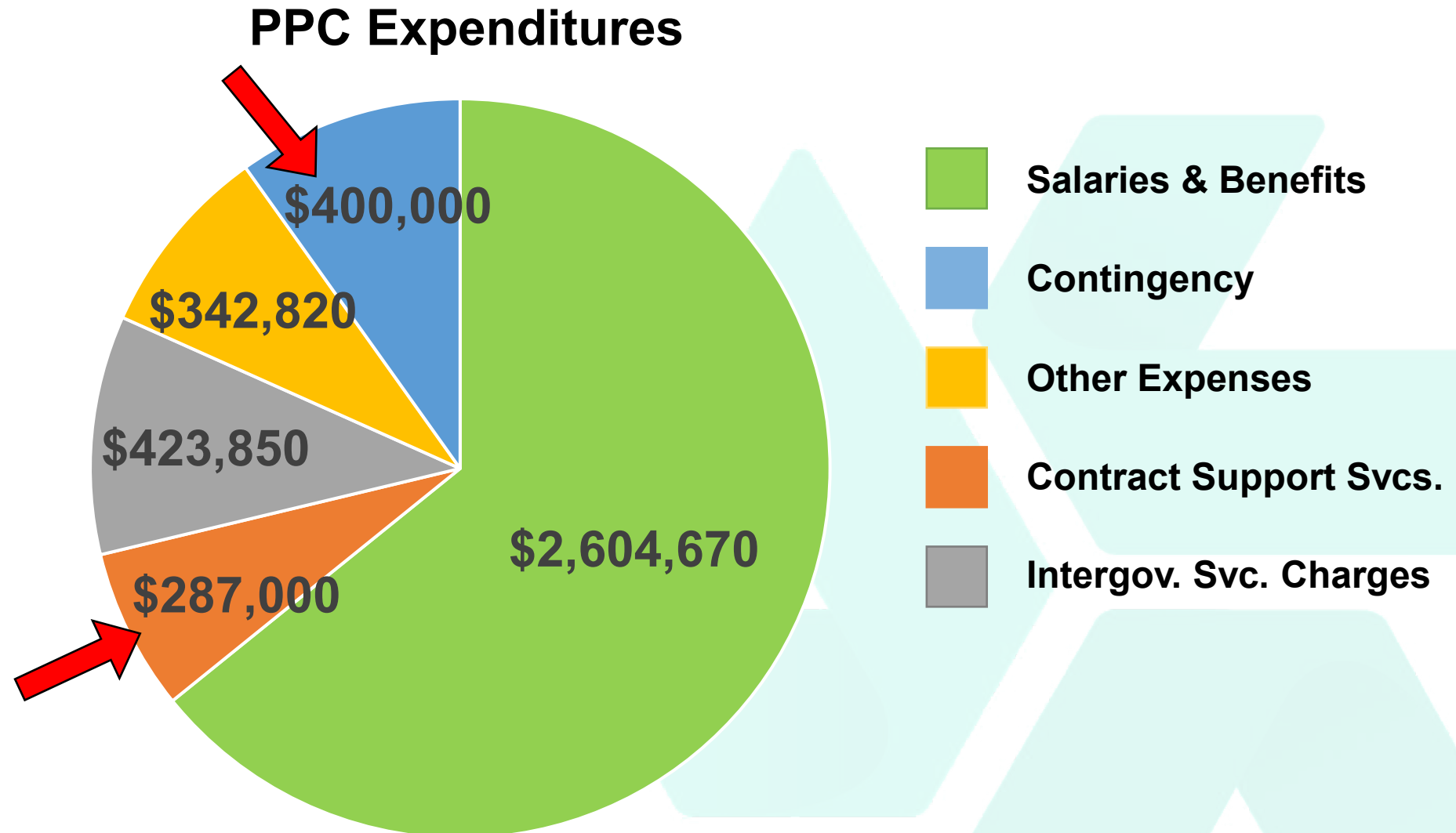


# Pinellas Planning Council (PPC) Preliminary FY23 Budget Discussion

Forward Pinellas Board  
May 11, 2022

# Budget Structure



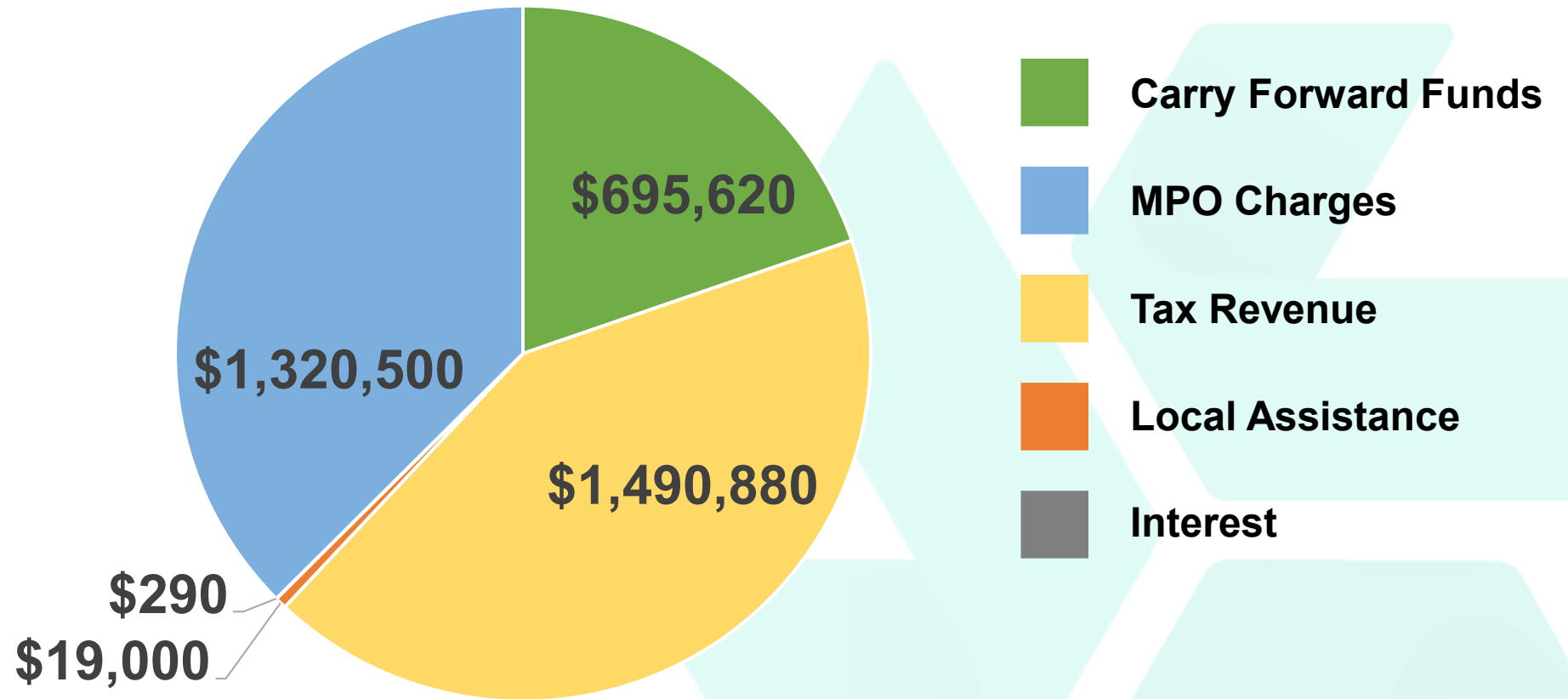
# Budget Structure

## Key Points (Expenditures):

- Number of staff has not grown since the merger
- Forward Pinellas Board policy is to maintain a minimum of 10% of expenditures in contingency/reserves
- Intergovernmental Service Charges were instituted in FY17 and have grown to \$423,850 (i.e.; risk management, information technology, general government)
- Local government assistance is budgeted under Contract Support Services (i.e.; special projects, local grant programs, etc.)

# Budget Structure

## PPC Revenues



# Budget Structure

## Key Points (Revenues):

- No millage adjustment was made for the PPC post-merger with the MPO or when Intergovernmental Service Charges were instituted
- Current PPC millage rate (0.0150) was lowered in 2016 and is 9% of the statutory cap
- Revenues from local assistance projects varies from year to year based on needs and requirements
- Since the merger, carry forward funds have been used in most years to balance the budget

# Structural Imbalance

- PPC does not receive enough revenue to develop a balanced budget without making additional adjustments to the FY23 draft outline (-\$332,050)
- Some expenditures can be reduced
  - Amend board contingency/reserve policy to reduce this amount from 10% to 5% (+\$200,000)
  - Reduce or eliminate 6 vacant positions (+\$545,930)
  - Use MPO funds to cover costs associated with the USF Fellowship agreement and certain tasks of the Investment Corridor Transition Plan (+\$194,000)
- These actions will significantly impact our level of responsiveness to countywide and local issues and won't address the structural imbalance of revenues and expenditures

# Budget Scenario “A”

- Assumptions
  - Eliminate the 6 vacant positions
  - Board adopts a reduced reserve policy
  - Keep the rate at 0.0150 mils
  - More MPO cost-sharing
- Total budget would reduce to \$3.5M
- Expenditures would still be greater than revenues
- The budget would be balanced, but the goal of generating revenues to cover expenses would not be met
- Severe financial impacts in FY24

# Budget Scenario “B”

- Assumptions
  - Eliminate the 6 vacant positions
  - Board adopts a reduced reserve policy
  - Increase the rate to 0.0200 mils
  - More MPO cost-sharing
- Total budget would reduce to \$4M
- Revenues at this level would be \$10,730 more than the requested expenditures
- The budget would be balanced and the goal of generating revenues to cover expenses would be met



# Budget Scenario “C”

- Assumptions
  - Eliminate the 3 of the 6 vacant positions
  - Board adopts a reduced reserve policy
  - Increase the rate to 0.0220 mils
  - More MPO cost-sharing
- Total budget would remain at \$4.2M
- Revenues at this level would be \$3,250 more than the requested expenditures
- The budget would be balanced and the goal of generating revenues to cover expenses would be met



# Discussion

# Budget Timeline

## Key Milestones:

- February
  - Preliminary budget outline due to OMB
- March
  - OMB reviews/refines budget outline
- April
  - OMB and Appointing Authorities meet with County Administrator
- June
  - Property Appraiser delivers Estimated Taxable Values
  - Budget Information Sessions with the Board of County Commissioners (BCC)
  - Forward Pinellas Board approves millage rate and budget resolution

# Budget Timeline

## Key Milestones:

- July
  - Property Appraiser delivers the Preliminary Tax Roll
- August
  - Forward Pinellas Board approves amended millage rate and budget resolution
- September
  - BCC adopts final FY23 millage rates and budgets
- October
  - Beginning of FY23



## Other Considerations

- Current property tax revenue projections are based on a 6.8% increase in values
- Final taxable values will be available in July and will affect the property tax revenue projections
- A millage rate increase in the ranges cited would result in the average single-family homeowner paying an additional \$1.49 per year



## Next Steps

- Refine the preliminary revenue and expense estimates in consultation with OMB
- Forward Pinellas Board budget discussion and action in June
- Budget Information Session presentation to the Board of County Commissioners in June
- Forward Pinellas Board adoption of amended FY23 budget and millage rate in August