



# An Analysis of the County Budget Proposal - Part 1

TAB has a goal for this budget year to see the millage unchanged at 4.344. Since the staff proposals (green/blue pages) have been "vetted" and impact analysis performed, we have analysed those line items with an eye towards what would be reasonable and acceptable. As the green page reductions are achieved mostly through elimination of unfilled positions, they would seem to be a clear target. The blue pages (after some line items that would have strong public support are restored) are also acceptable and we believe would have little observable effect by MOST of the public. Therefore, **TAB recommends the adoption of spending cuts totalling \$56M as defined below, and the related elimination of 268 positions (2% of the county workforce) that could be accomplished through attrition.** This does not quite achieve the flat millage, but we are continuing to seek the remaining \$5M.

## Introduction

The county budget is often analysed from the perspective of the "rollback rate". This is the millage that would generate the same ad-valorem revenue as the previous budget year, given the current year's estimate of property valuations. It is useful only in that whatever becomes the actual millage for that year can be compared to the "rollback rate" to see at a glance if the tax burden is growing or shrinking. It says nothing about the spending levels at all though, as other sources of revenue (eg. fees) offset spending across departments, and the budget can be actually growing while the tax burden (ad valorem) is shrinking. **By the way - that is actually what is occurring this year - the budget appears to be growing.**

It is difficult to see this clearly, because much of the budget documents focus on the ad-valorem numbers, and department level rollups in the documents don't always match the top line figures because of the real-time nature of the process. That said, the July 6, 2010 workshop document shows the following county rollup on page A-17: (Click [HERE](#) to view the document.)

Grand Total BCC Departments/Agencies, Judicial and Constitutional Officers				
	2010	2011	Change	%
Revenues	1,061,922,162	1,170,404,859	108,482,697	10.2%
Appropriations	1,981,557,651	2,037,313,337	<b>55,755,686</b>	<b>2.8%</b>
Net Ad Valorem Requirement	919,635,489	866,908,478	(52,727,011)	(5.7%)
Positions	11,389	11,284	(105)	(0.9%)

TAB will attempt to look at spending in real terms, including such things as grants and particularly this year - the ARRA stimulus funds that the county received. (ARRA = American Recovery and Reinvestment Act). Our share of ARRA funds is in the vicinity of \$110M and it has quite an effect on the budget (as you may expect). For this article though, we will analyse the budget using the information provided in the workshop documents and stick to the Ad Valorem measurements.

## The Budget Proposal

As of the last budget meeting, at which time the maximum millage was set at 4.75 for county-wide taxes, the rollback rate was 4.8223, producing county-wide taxes of \$612,486,522. Simple arithmetic tells us that this assumes a property valuation of about \$127B. Therefore, a millage of 4.75 implies a reduction in ad-valorem equivalent from last year of \$9.2M. To achieve the TAB goal of keeping the millage unchanged (4.334) would require a reduction of \$60.7M (coincidentally - that is only \$5M more than the budget was expected to GROW this year). So how would we get there?

County staff prepared a series of proposals for budget cuts, known by their colors - the "green" and "blue" pages. The green pages are relatively easy to apply - most savings can be had without cutting occupied positions or adversely affecting services delivery. They account for \$22.5M in cuts.

The "blue" pages are harder, and are split into "level 1" (\$10.4M and the elimination of 91 occupied positions), and "level 2" (\$25.7M and 241 positions). Blue page cuts will result in some reduction of county services, some visible and needed.

Again, if we take up our calculator, we see that the sum of all these cuts is \$58.6M - pretty close to what we need to keep the millage flat. Since the Sheriff has already been asked for another \$3M, just to achieve the 4.75 millage - if that were to happen we would be over the top and have reached our goal. All without needing to look at capital projects or the details of the PBO internal, or by trading up into the aggregate millage by seeking reductions in Fire / Rescue. Wow - how about that?

So what's wrong with this picture?

The sticking point is that the "blue" pages require an actual reduction in staff - not just the cutting of "unfilled positions". Real people will lose their jobs and have to enter the job market at a bad time for the economy. Of course that challenge is faced every day by businesses who can't just maintain their staffing by raising taxes. Also, cutting staff means delivering fewer services. Some would say that the \$400M that was trimmed from the budget over the last few years was not really noticed by anyone. Would this be noticed? Let's analyse the green and blue pages by line item and see what is being proposed, and judge for ourselves if these are indeed "critical functions" that are part of the core mission of county government, or just some things that are not essential.

So let's go through the staff proposals by area, and consider the effect of the cuts.

## The Green Pages

The \$22.5M spending reductions listed in the "Green Pages" are almost completely achieved by eliminating unfilled positions. Where an impact is noted, it would be because some growth in service level was anticipated in the area, or an attempt was being made to reduce workload on current staff. By definition, if the the positions are unfilled, then it is not likely that a service impact will be felt at current service levels. **TAB recommends adoption of ALL Green Page proposals.**

Department/Program	Description	Savings	Positions	TAB Analysis
Financially Assisted Agencies	Reduce 5%, Eliminate funding for Culture Council	\$1.6M	0	Not essential services.
Office of Community Revitalization	Reduce street light maintenance	\$131,232	0	No impact
Community Services	Adjustments with grant funded projects	\$1,231,950	4	Not essential or absorbed.
Cooperative Extension Service	Eliminate unfilled positions	\$207,432	0	No impact - positions were unfilled
Criminal Justice Commission	Reduce ad-valorem portion of staffing	\$514,261	4	Redundant or not essential services.
Economic Development	Reduce scale of programs	\$309,105	0	Questionable value - what are the metrics?
Engineering	Eliminate unfilled positions	\$2,853,280	0	No impact - positions were unfilled.
Environmental Resources Management	Reduce program scale	\$1,692,707	0	Work slowdown - positions were unfilled
Facilities Development and Ops	Eliminate unfilled positions, some procedure changes	\$1,073,778	2	Minor or no service level impact.
Financial Management and Budget	Eliminate unfilled positions	\$99,936	0	No impact - positions were unfilled.
Human Resources	Eliminate unfilled positions	\$166,548	0	No impact - positions were unfilled.
Information Systems	Eliminate unfilled positions	\$2,772,681	0	No impact - positions were unfilled.
Judicial	Various efficiencies	\$1,446,985	0	Little or no impact
Legislative Affairs	Eliminate unfilled position	\$58,961	0	No impact - position was unfilled.
Palm Tran	Change in fees and eligibility	\$3,075,000	0	Not essential service.
Parks and Recreation	Eliminate unfilled positions	\$2,688,895	0	None - positions were unfilled.

Planning, Zoning, Building	Eliminate unfilled positions	\$907,472	0	No impact - positions were unfilled.
Public Affairs	Eliminate unfilled positions	\$387,068	1	No impact - positions were unfilled or moved.
Public Safety	Eliminate unfilled positions and juggle workload	\$1,174,404	2	Little impact - positions were unfilled or can be handled elsewhere.
Risk Management	Eliminate unfilled positions	\$121,824	0	None - duties absorbed.
Small Business Assistance	Reduce mission.	\$21,533	0	Not essential service.
<b>GRAND TOTAL - GREEN PAGES</b>		<b>\$22,531,056</b>	<b>13</b>	

## The Blue Pages - Level 1

The level 1 blue pages contain \$10M in spending reductions that require staff reduction of filled positions. With the exception of the Parks & Recreation line item that would result in the closing of pools, parks and nature centers, most of the effect would be to spread work around or ask remaining staff to pick up the load - perhaps with longer delays for service, but in no way is public safety, gross customer satisfaction, or critical mission requirements compromised. In most cases, the reductions are not in what TAB would consider core county missions. **TAB recommends adoption of all blue level 1 cuts (except those noted) for a reduction of \$8M and 53 positions.**

Department/Program	Description	Savings	Positions	TAB Analysis
Financially Assisted Agencies	Reduce 5%, Eliminate funding for Culture Council	\$1.6M	0	Not essential services
Financially Assisted Agencies	Reduce additional 5% over green pages	\$569,000	0	Not essential services
Community Services	Reduce veteran's service 25%	\$48,204	1	Redundant or not essential services
Facilities Development and Ops	Eliminate 1 auto tech and reduce window washing	\$101,000	1	Slight increase in time to repair - ACCEPTABLE
Information Systems	Reduce staff by 5 positions (<3% of department)	\$526,000	5	Spread workload - ACCEPTABLE
Office of Community Revitalization	Sweep funds	\$1,150,551	2	No current impact - ACCEPTABLE
Office of Equal Opportunity	25% cut without violating mandates	\$60,000	1	Reduces scope - ACCEPTABLE
Palm Tran	Raise Fees	\$2,650,000	0	Higher fees and lower subsidy - ACCEPTABLE
Parks and Recreation	Reduce staff and close facilities, defer maintenance, reduce public relations	\$3,937,581	53	TAB believes the beaches, pools, and nature centers are widely utilized by the public and should be kept open. Some ancillary and seasonal cuts are acceptable. TAB recommends restoring \$2,426,000 and 38 positions from this line item.
Planning, Zoning, Building	Reduce planning functions to mandated levels	\$218,560	3	Planning function only - ACCEPTABLE
Public Affairs	Consolidate office services, reduce coverage of channel 20.	\$400,000	13	With major meetings still on channel 20, other cuts are ACCEPTABLE

Public Safety	Reduce hours in animal control, reassign work, reduce staff	\$605,819	11	Reduction is 3% of Public safety area - ACCEPTABLE
Small Business Assistance	Eliminate 1 specialist	\$155,625	1	14% staff cut to non-essential service - ACCEPTABLE
GRAND TOTAL - BLUE PAGES LEVEL 1		\$10,422,340	91	With TAB Restores: \$7,996,340 and 53 positions.

## The Blue Pages - Level 2

The level 2 blue pages contain cuts that are more visible and significant than the level 1 cuts. That said, most of them are in areas that we do not consider "core county mission" and are acceptable spending reductions, except as noted. Cutting maintenance for traffic signal loops or curtailing mosquito control would seem to be silly, and closing the parks and pools is not acceptable to most residents. Therefore, **TAB recommends adopting these cuts except where noted, for a total of \$23M and 215 positions.**

Department/Program	Description	Savings	Positions	TAB Analysis
Financially Assisted Agencies	Reduce another 5%	\$540,000	0	Not essential services - agencies that receive FAA funds have other sources and can adjust their service delivery appropriately.
Community Services	Reduction of county overmatch on grant programs	\$4,398,000	14	These programs appear to get funding from grants and county contribution is not essential - ACCEPTABLE
County Commission	Decrease Commission Support Staff	0	0	A 33% cut in commissioner staff with no claimed savings would seem to be not helpful.
Engineering	Eliminate funding for signal loop maintenance	\$285,000	0	Would seem to be unwise. KEEP
Environmental Resources Management	Cutbacks in Mosquito Control	\$200,000	2	Would seem to be unwise. KEEP
Facilities Development and Ops	Eliminate various positions (3%) and outsource Electronic Security Services	\$1,018,648	35	Phase in outsourcing (50%) and keep receptionist. Restore \$377990 and 16 positions.
Information Systems	Eliminate 9 positions (~5% of IT)	\$1,192,000	9	5% can be absorbed in any IT organization by increasing exempt overtime.
Palm Tran	Eliminate unfilled positions, change fees	\$2,863,225	2	Fixed route Sunday service positions were unfilled. Other service cuts would need to be evaluated in larger context but they seem ACCEPTABLE.
Parks and Recreation	Further cuts that would result in closing of many visible facilities and programs and deferring maintenance.	\$11,572,331	126	As with the Parks and recreation cuts in level 1, TAB supports restoring the visible facilities that are open to all county residents. Of the 15 line items in this section, we would maintain funding for items 1 (rangers), 2 (nature centers), and 5 (pools), for a total of \$2,217,073 and 24 positions.
Planning, Zoning, Building	Reduce code enforcement budget by 25%	\$795,072	11	Staff cuts will result in delays but not omission of enforcement functions - ACCEPTABLE

Public Safety	Elimination of some ancillary services (youth affairs, victim services) and reduction in hours of animal control	\$2,522,400	40	Core functions remain operational and programs that are not "essential services" are curtailed - ACCEPTABLE
Small Business Assistance	Further staff cuts to SBA resulting in about half current level.	\$275,000	2	Providing assistance to small business, while helpful to those using it, is not a essential to county government - ACCEPTABLE
<b>GRAND TOTAL - BLUE PAGES LEVEL 2</b>		<b>\$25,659,882</b>	<b>241</b>	<b>With TAB restores, \$22,579,819 and 215 positions.</b>

## Summary

So, based on an analysis of the county staff proposed cuts, we believe that a serious reduction in county spending is possible, without drastically curtailing county services that the majority of the public has come to expect. Taking into account the cuts we would restore, TAB sees one possible scenario as follows:

Rollback tax revenue	\$612,486,522
Green cuts	(\$22,531,056)
Blue-1 (TAB version)	(\$7,996,340)
Blue-2 (TAB version)	(\$22,579,819)
Sheriff's Challenge	(\$3,000,000)
Resulting Revenue	\$556,379,307
Equivalent Millage	4.381

So, we are close but not quite at flat millage. In part 2, we will examine where else we can find cuts.