

Palm Beach County



Taxpayer Action Board



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TAB Coalition Partners



South Florida 912



South Florida Tea Party



PBC Lower Taxes Now



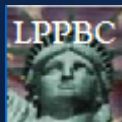
Taxpayer Action Network



Singer Island Civic Association



Town of Palm Beach County Budget Task Force



Libertarian Party of PBC



Tea Party in Action



BIZPAC



RCCPBC



Jupiter Inlet Colony



Palm Beach County Tea Party

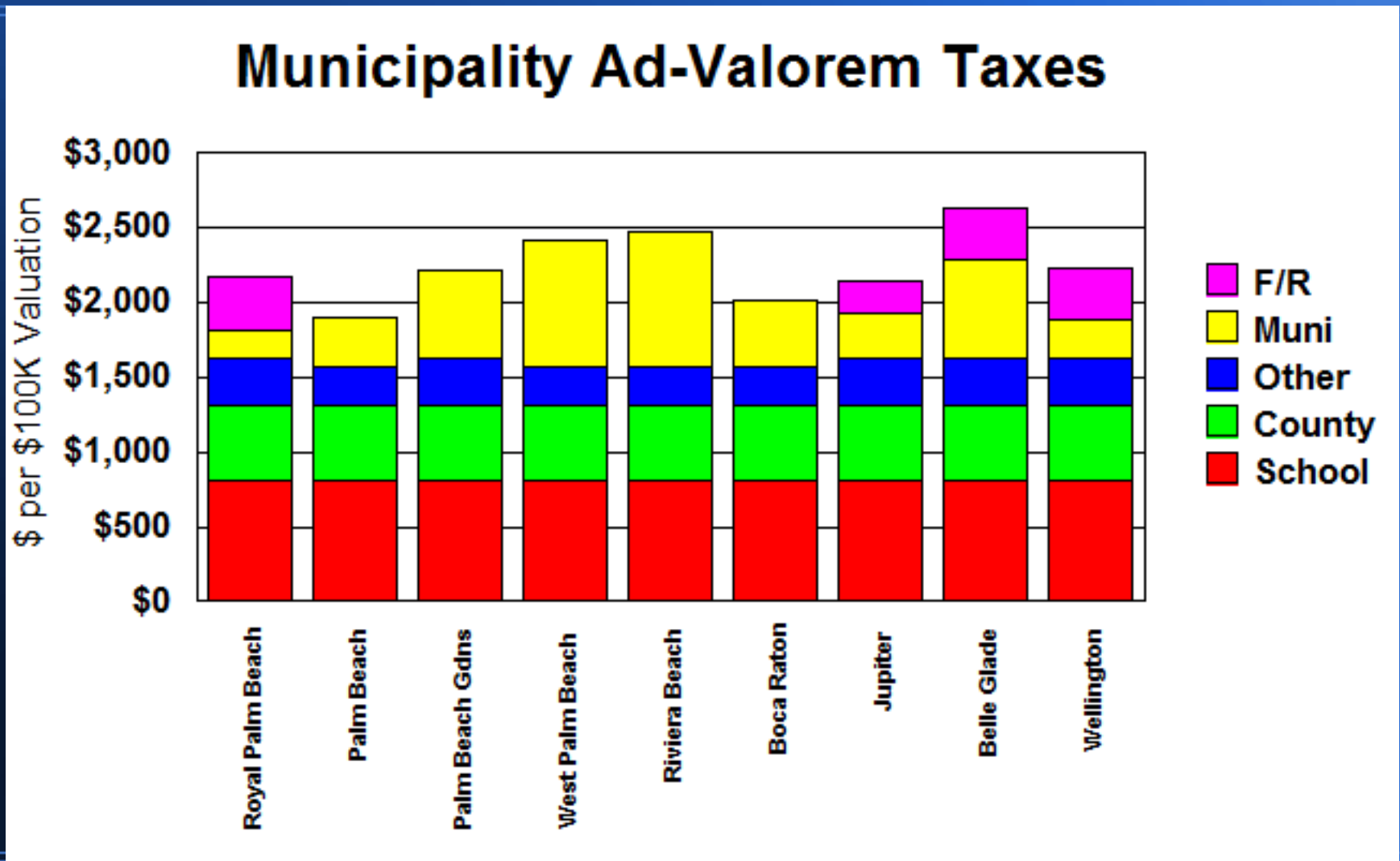
TAB Value Proposition

- Research
 - Trends, expectations and analysis of PBC Budget
- Strategy
 - Partner coordination, issue priorities, “big picture”
- Message
 - Talking points, proposal materials, presentations

County Budget

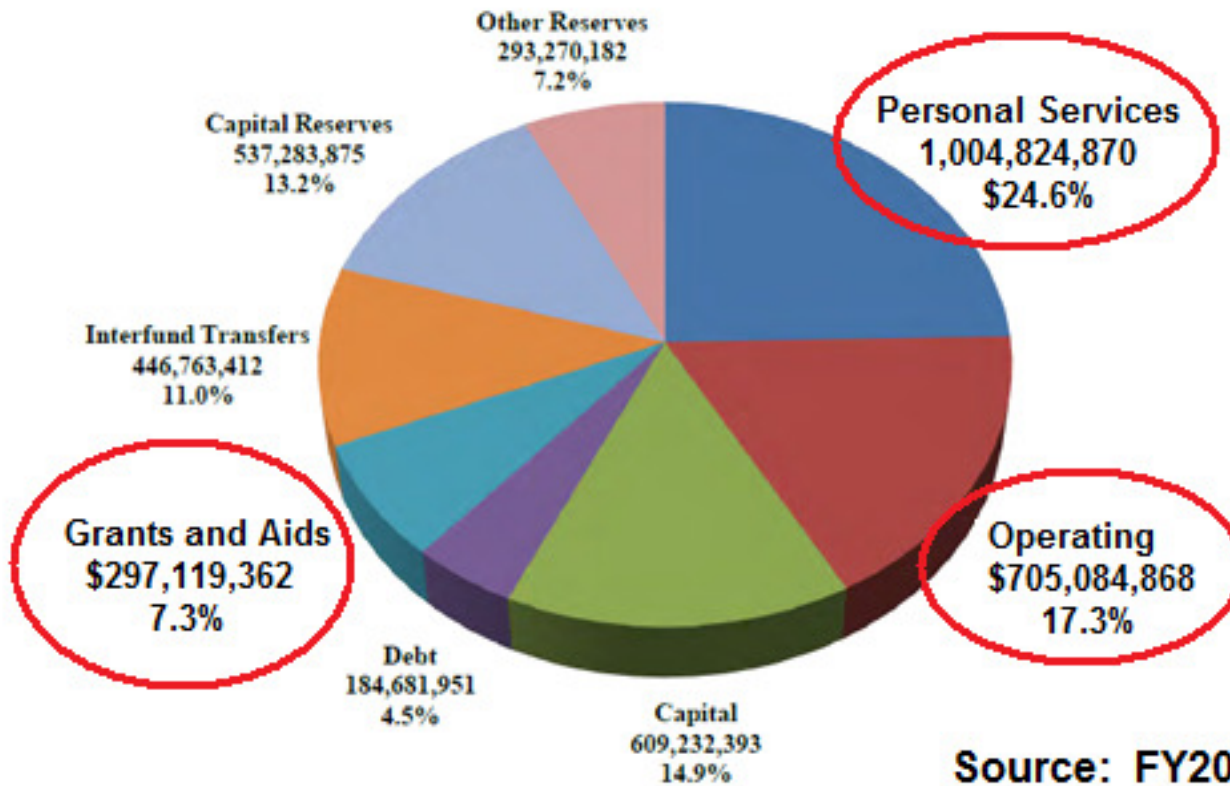
- TAB is focused on the budget items under the control of the County Commission
 - Includes county-wide departments, Fire / Rescue, Constitutional Officers including PBSO, Library System (\$4B total)
 - Does not include: School System, Solid Waste Authority (\$245M), Health Care District (\$220M), Children's Services Council (\$117M), Municipalities, etc.

Ad-Valorem Taxes by City



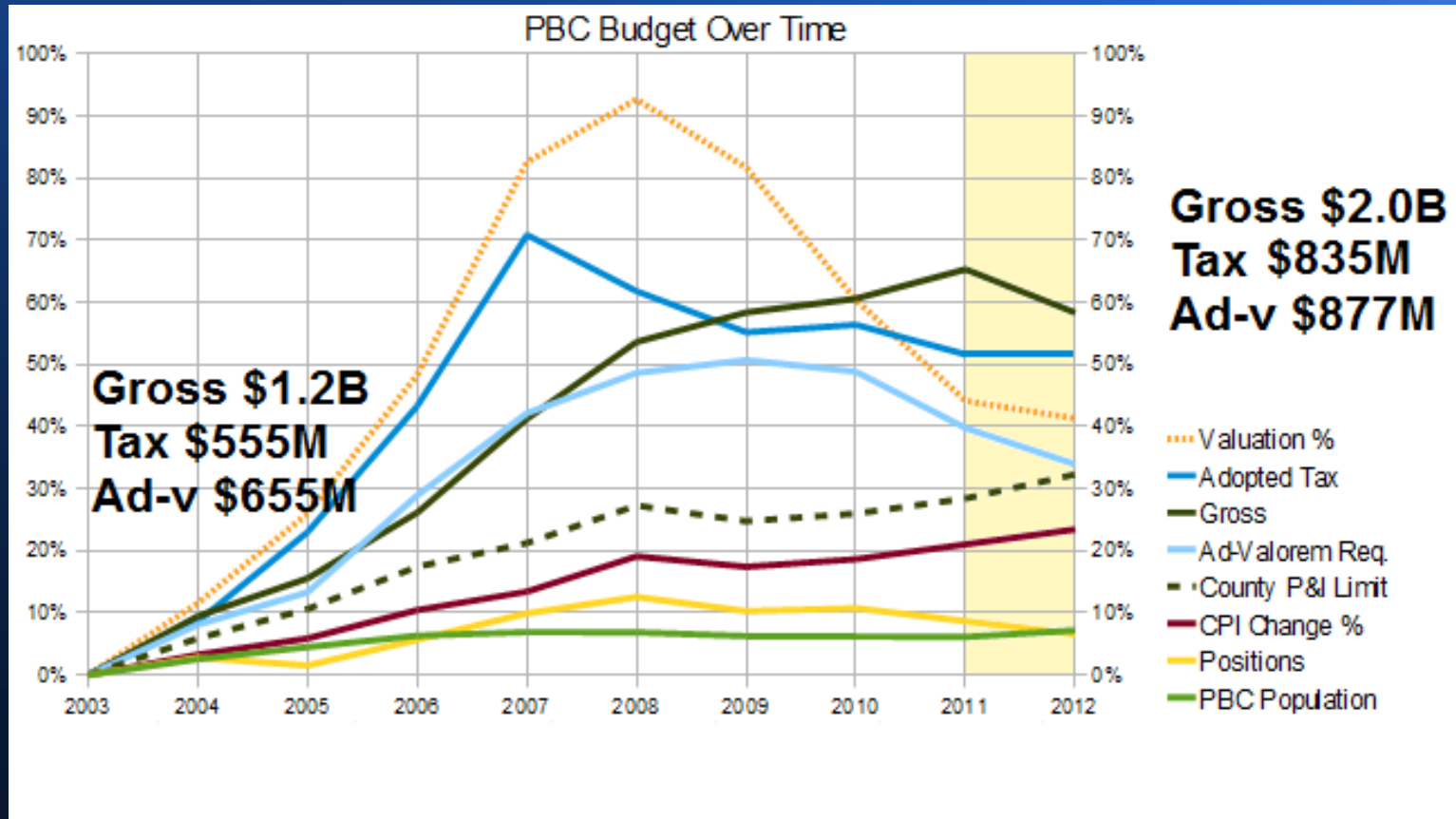
County Spending

Total of all Funds \$4,078,260,913



Source: FY2011 Budget Book

County Budget

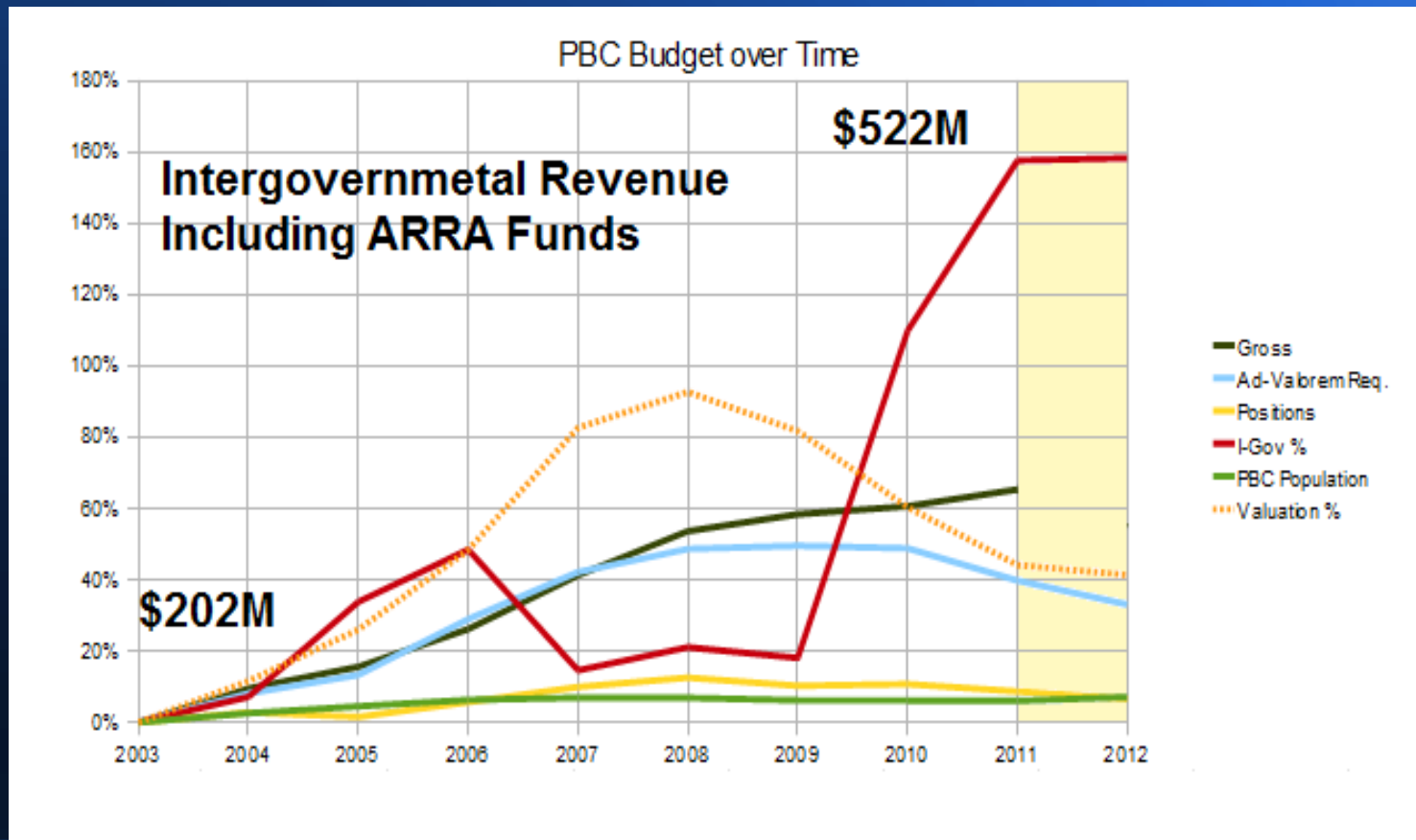


Spending is up 11X population growth, 3X rate of inflation



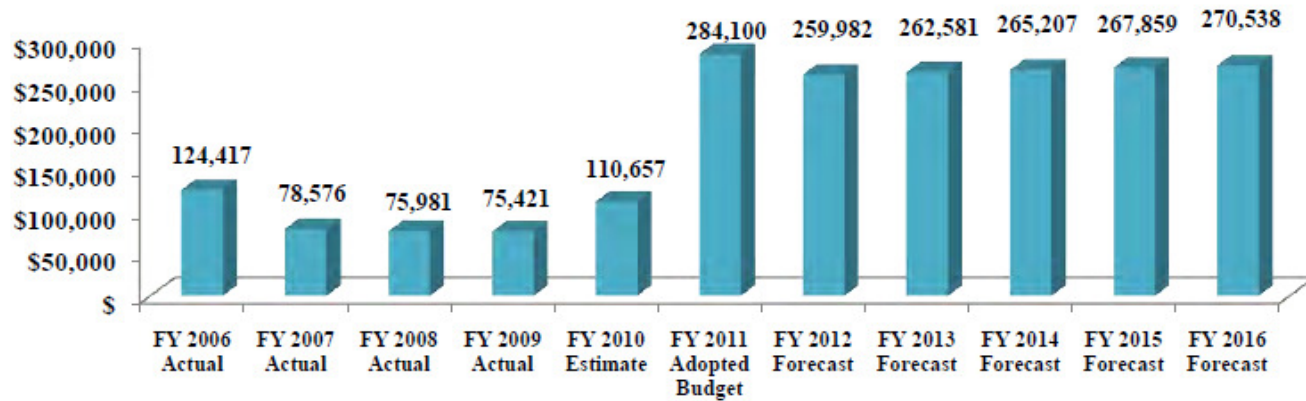
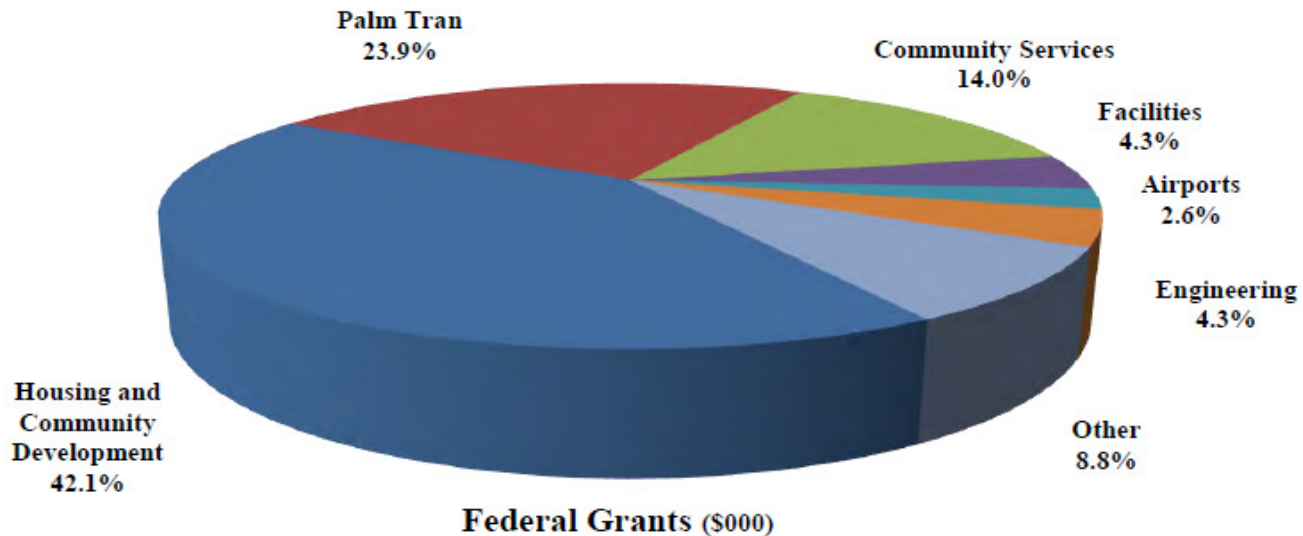
County Budget

- Why Spending Can Increase



Federal Grants

FY 2011 Federal Grants by Department



Source FY2011 Budget Book

Example of Federal Grants

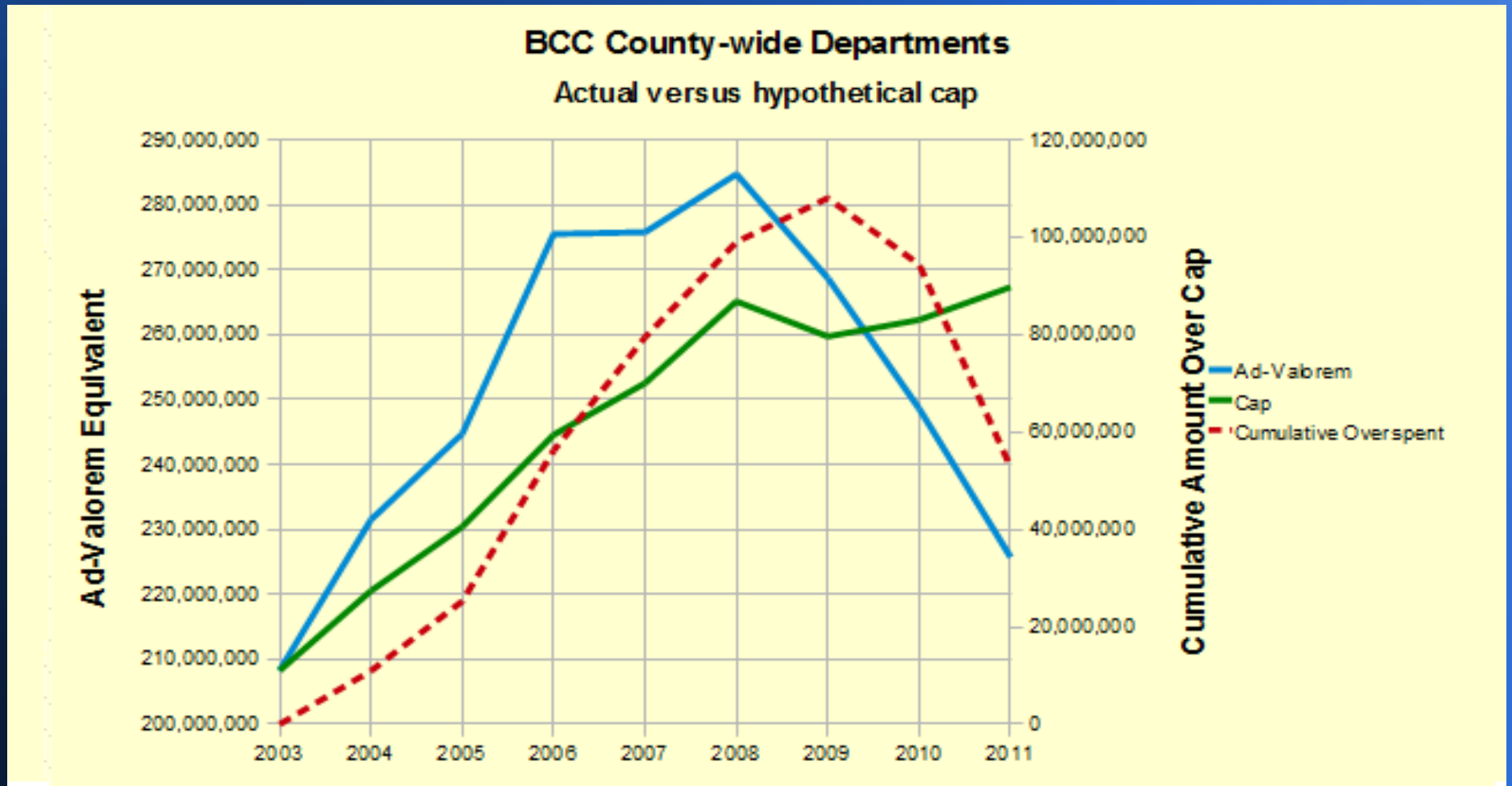


23 Hybrid Buses purchased with ARRA Grants

County Budget

- Key Budget Points
 - Spending growth 3X inflation, 11X population growth
 - As tax receipts slow and decline, grants enable spending
 - Additional spending cuts are avoided by spending reserves (“ad valorem requirement” exceeds budgeted tax receipts by \$79M in 2011, \$112M in 2010)

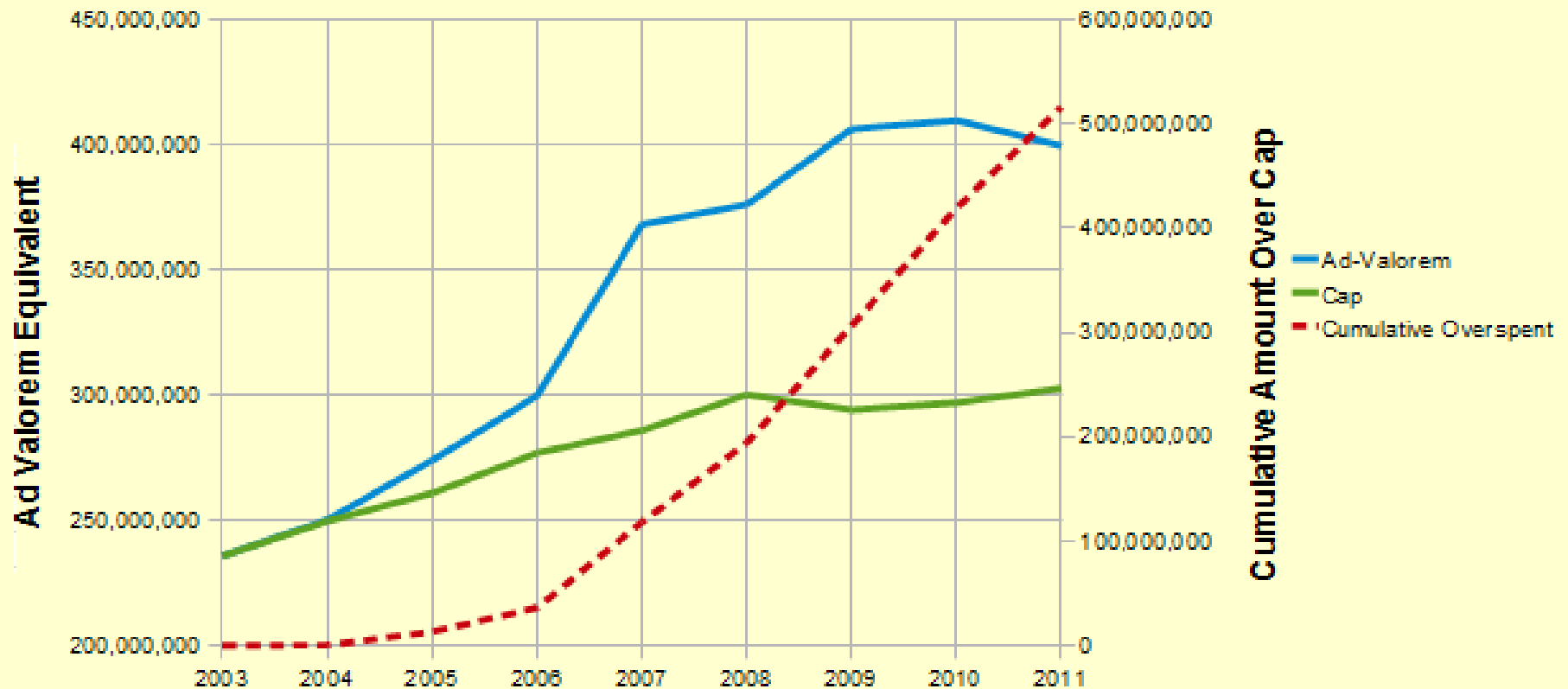
Palm Beach County Departments



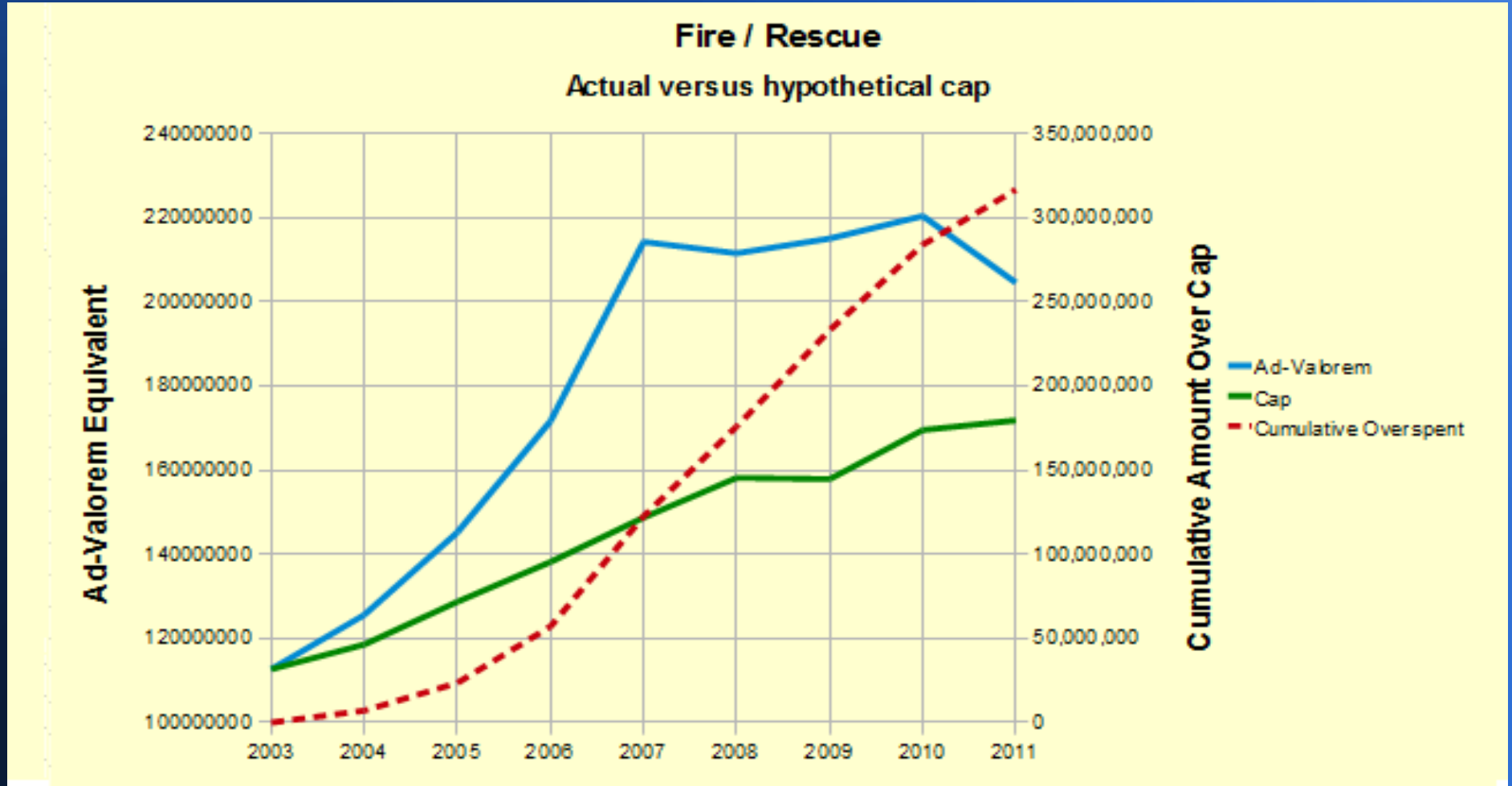
Palm Beach County Sheriff

PBSO

Actual versus hypothetical cap



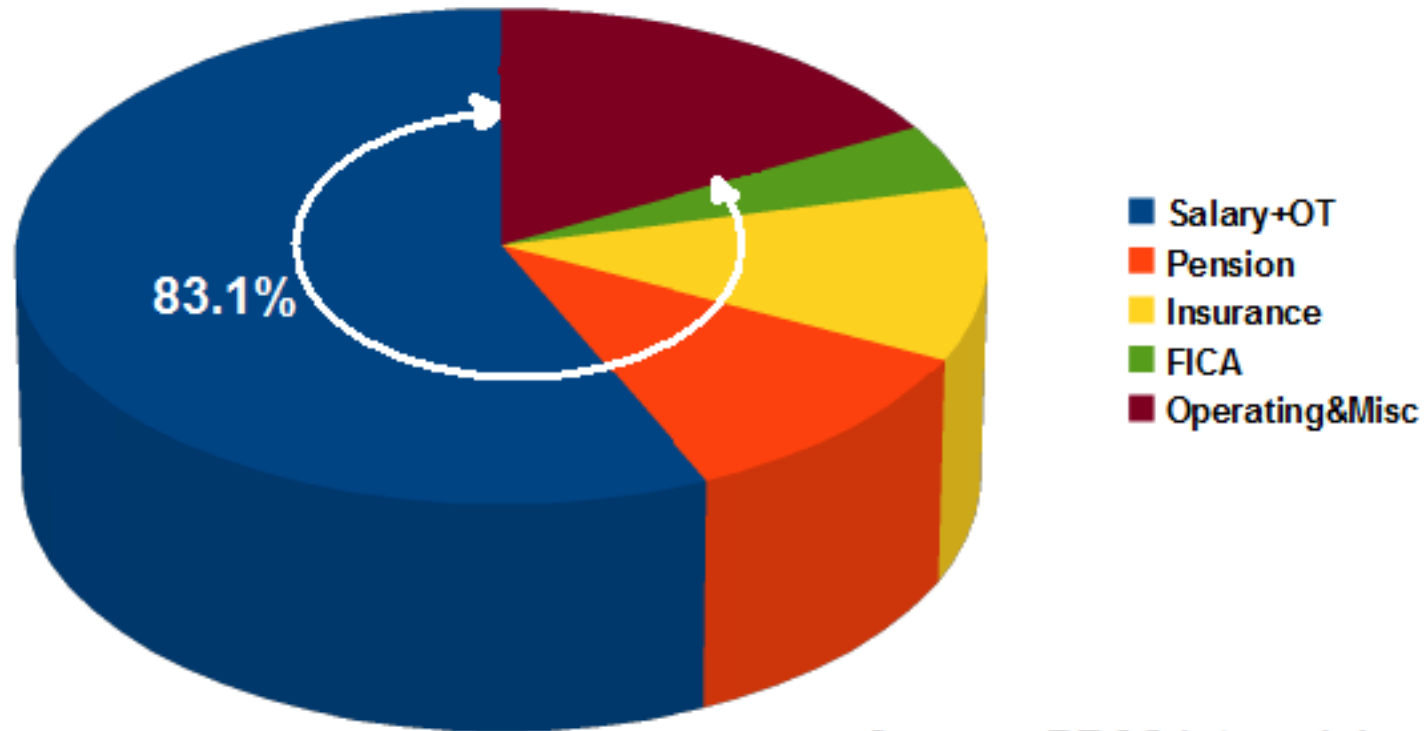
Palm Beach County Fire-Rescue



Palm Beach County Sheriff

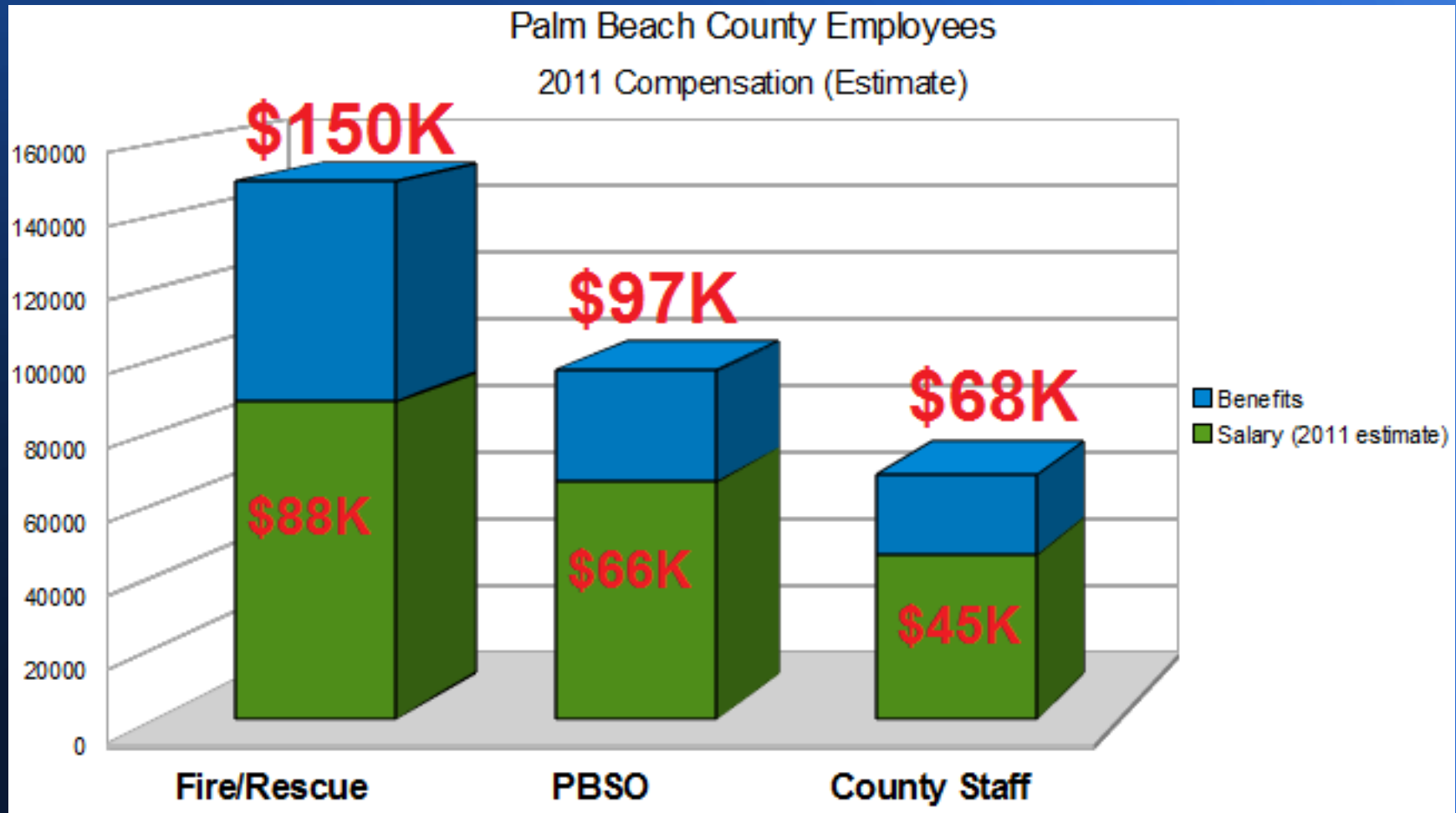
2011 PBSO Budget Allocation

\$469,291,694 (Preliminary budget data)



Source: PBSO internal documents

Palm Beach County Compensation



Looking Ahead



Budget Environment

- Valuation Assumption: -1.8% (2.6% less new con.)
- FRS Savings – we estimate \$48M overall
 - \$15.4M county departments (\$7.8M A-V equiv.)
 - \$20.6M PBSO (\$18M reported)
 - \$11.6M Fire / Rescue
 - And an additional \$50M in school system
- “\$40M Hole” - \$12M in valuation change, rest from non tax revenue declines and fund balances

Budget Environment - June

- 6/13 workshop package
 - County, Library, Fire/Rescue same rate as 2011
 - Sheriff -\$22M, county departments - \$13.6
 - 240 positions eliminated, (70 filled)
 - Cuts pools, lifeguards, charity, Palm Tran and other popular programs
- BUT – Administrator wants rollback (4.922 +3.6%) to “reinstate less desirable budget cuts”.

Update - July

- Sheriff / Staff resolved FRS Accounting – means \$12M less for county departments
- Valuation and other revenue decline less than expected – positive impact of \$5M
- Current rollback calculation: 4.8751 (+2.6%)
- Sun-Sentinel reports “cuts will be restored”
- Year to year comparison difficult as data in package is incomplete

Update - September

- County / Sheriff not agreed on allocation of cuts
- Maximum Millage set at rollback (4.8751) in 4-3 vote
- At rollback, county-wide taxes collected will actually increase \$4M.
- Library and Fire/Rescue millage is not expected to change
- Much data was missing from OFMB June/July package making thorough analysis by the public impossible – if September package is better we will fill in the details

TAB 2012 Budget Objectives

- Flat Millage 4.75 (~ \$12-15M less tax revenue)
- Take most cuts from PBSO (P&I Trend)
- Reduce property inventory and debt
- Use reserves (currently excessive compared to peers)

And ... Promote County “Smart Cap” Charter Change for 2012 ballot

Coming Events.

- 2012 Budget Meetings
 - Workshops
 - June 13, 14
 - July 11, 12
 - Public Hearings
 - September 13, 27

WHAT CAN YOU DO?

- Support the TAB Proposal
 - Attend the 9/13 budget hearing and ask the commissioners not to raise our tax rate again
 - Reference the TAB proposal and its four points
 - If you can't attend, call, email, fax or write to the commissioners
- We will provide sample emails and talking points on pbctab.org by 9/9 – register on the site to get our call to action.

For More Information:

pbctab.org



BACKUP



Charter

- Proposing “Smart Cap” for county
 - Follow state CD/JSR958 amendment for 2012
 - Tied to last cap, not revenue (unlike CO TABOR)
 - Exemptions: unfunded mandates, League list
 - Override provisions for emergencies
- **WHY?** - When valuations begin to rise again, there will be no restraints on spending.

Legislative Update

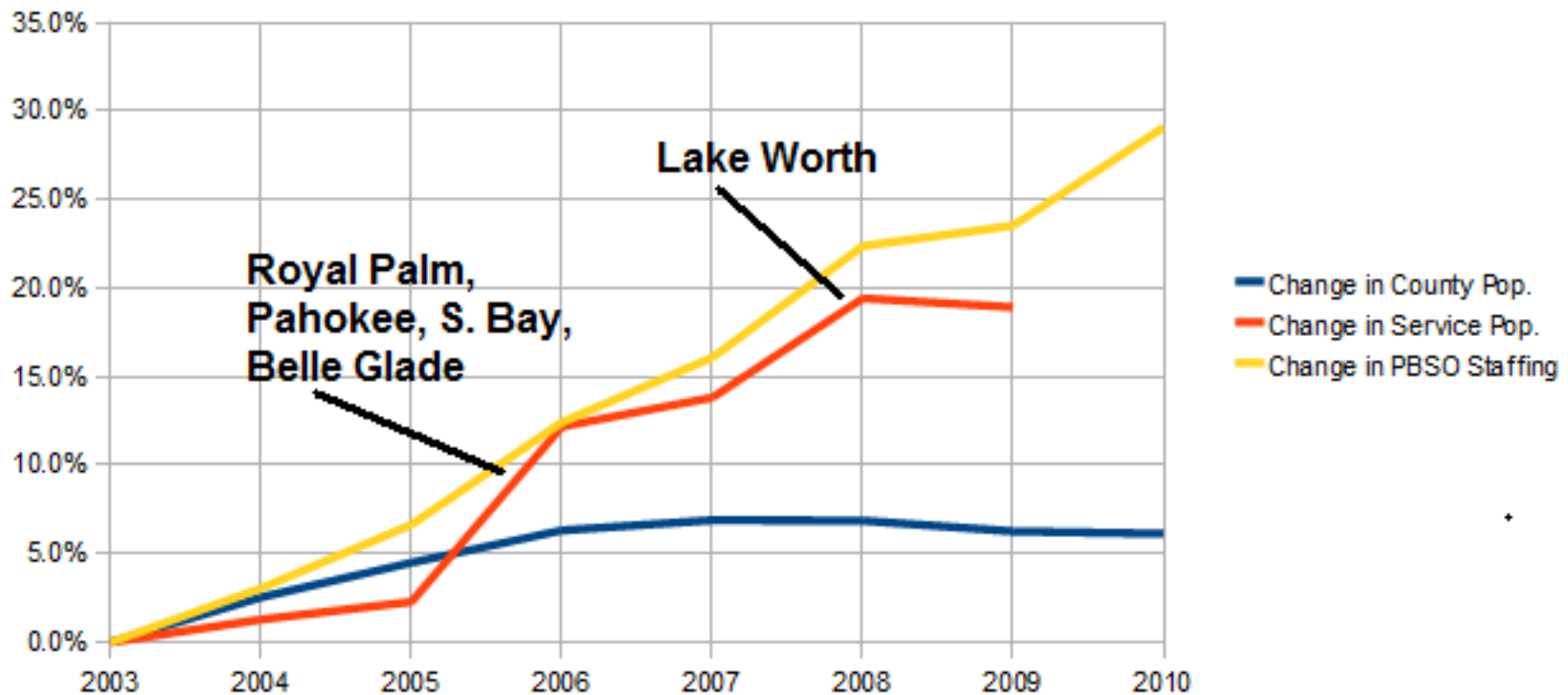
- FRS Reform
 - 3% Employee Contribution
 - No COLA for accruals after July
 - DROP program interest rate 1.6% (not 6%)
 - For new hires:
 - 8 years vest (not 5), 8 years AFC (not 5)
 - Age / service:
 - 65/33 (not 62/30) regular class
 - 60/30 (not 55/25) special risk class

Legislative Update

- 2012 Ballot Amendments
 - HJR381 – Assessment Caps
 - JSR958 – Smart Cap
- SB224 – Local Government Accountability

Palm Beach County Sheriff

Size of PBSO Jurisdiction



Source: PBSO Resource Guides

TaxWatch Study

- Capital, Debt and Reserves
 - Compare to peers
 - Debt ratio trendline
 - Influence on bond ratings
- Inventory underutilized land, buildings and other assets and recommend sale or other disposition
- Funded by PBCA and individual contributors
- Completion date September 6