

Hillsborough County
Florida

BOARD OF COUNTY COMMISSIONERS
Budget Public Hearing
September 22, 2011
6:00 p.m.

PURPOSE OF THIS HEARING

The purpose of this hearing is to allow the public to comment on the Board of County Commissioners' Tentative Budget and Millage Rates for FY 12, and adopt the Budget and Millage Rates for FY 12

Matters related to your property assessment are under the jurisdiction of the Property Appraiser's Office and should not be addressed in this meeting.

- I. Call to Order Al Higginbotham, Chairman
- II. Pledge and Invocation Ken Hagan, Chaplain
- III. Reading of Calculated Change in Aggregate
Rolled-Back Rate Mike Merrill, County Administrator
- IV. Introduction on the Status of the Budget..... Mike Merrill, County Administrator
- V. Public Comment
- VI. BOCC Discussion of Potential Changes to the Millage and/or Budget (including additional
flagged items and voting on all flagged items)
- VII. Break (if necessary to recalculate millage and/or budget)
- VIII. Reading of required information into the record Tom Fesler, Director
- IX. Adoption of Millage Rates for FY 12
- X. Adoption of Budget for FY 12
- XI. Adjourn

Copies of the Adopted Budget for FY 12 may be obtained by visiting the Business and Support Services Department located on the 26th Floor of the County Center, 601 E. Kennedy Blvd., or by accessing the Business and Support Services Department web site at:
<http://hillsboroughcounty.org/managementbudget/publications> or by calling 272-5890.



Members of the Board of County Commissioners:

I am pleased to present the County Administrator's Recommended Biennial Budget for Fiscal Years 2012 and 2013 - the ninth biennial budget for the Board of County Commissioners (Board). This recommended budget is the beginning, not the end of the budget process. It is the first step in an evolutionary process of community building to assist you in creating the Board's budget to be adopted in September 2011. Over the next four months, in workshops and public hearings, you will be provided data and information from my staff and input from your

constituents to help shape your decision making. I want to assure you of my commitment that you have timely and complete information to facilitate the adoption of a biennial budget that is responsive to constituent needs for service while enhancing financial sustainability.

Under a biennial process, the Board develops detailed budgets for two separate years. The intent of a biennial budget process is to focus on implementation of major policy decisions in a two year cycle. The first year's budget (FY 12) will be adopted in September 2011 and covers the period of October 1, 2011 through September 30, 2012. The second year's budget (FY 13) is a "planned" budget covering the period of October 1, 2012 through September 30, 2013. The continued impact of declining revenue on the County's budget – which in some cases lags the economic cycle – requires new approaches to setting priorities and determining what services we will continue to provide as well as how best to deliver those services.

Guiding Principles – FY 12 and FY 13 Recommended Budget

- Adequate reserves will be maintained in support of "AAA" credit rating
- Budget decisions will be based on data and on a clearly defined core mission
- Level-of-service commitments must be strategic and sustainable, and derived with community input
- Operating budget will be balanced without one-time revenues
- Services and programs will be designed cost effectively through collaboration and measureable outcomes
- Productivity and customer service will be enhanced through strategic investments in technology
- Capital program will be prioritized to support these principles within available resources

In a very real sense, this FY 12 and FY 13 biennial budget is an ongoing community conversation that began in the summer of 2010 during the adoption of the FY 11 budget. Facing continuing declines in all tax revenues, the FY 11 budget was balanced with one-time, non-recurring revenues. This strategy, while not sustainable in the long-term, did buy the time needed to undertake more deliberate, strategic, and transformational changes in our organization in order to improve customer service and reduce the cost of operations. Over the past 8 months, I personally have met with 61 citizen and employee groups in a concerted effort to reach out to the community and learn more about their concerns and needs, and to hear creative ideas for a more responsive government. Outreach to stakeholders through such venues as the roundtable group sponsored by the Children's Board has been instrumental in this strategic thinking process.

Far in advance of the development of this biennial budget, I began conducting "pre-budget" meetings with department directors to solicit their strategic thinking about service delivery, including:

- Identifying core services; specifically, who is served, and whether that customer is best served by County government or by another provider;
- Establishing key performance measures and how they will be tracked/verified;
- Identifying departments' functional interrelationships within the County and describing plans to more effectively integrate financially and operationally across the organization;
- Describing plans to achieve the County's client services focus;
- Describing how departments will involve staff in the decision making process; and
- Identifying strategies and investments to automate and to achieve process improvement, better customer service, and cost efficiencies.

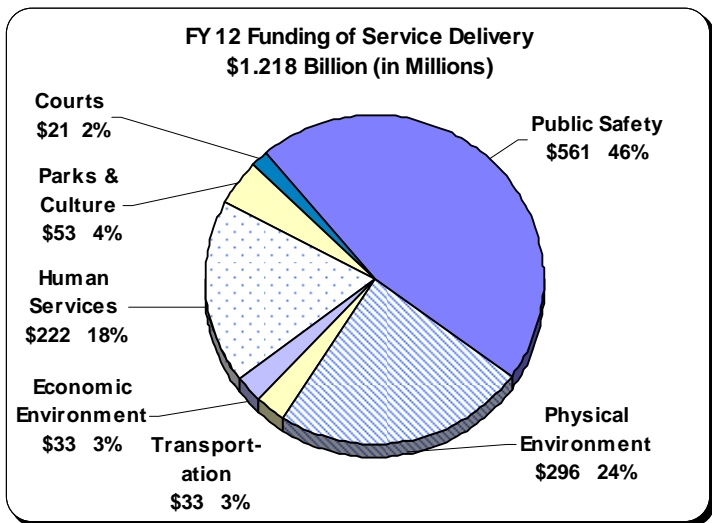
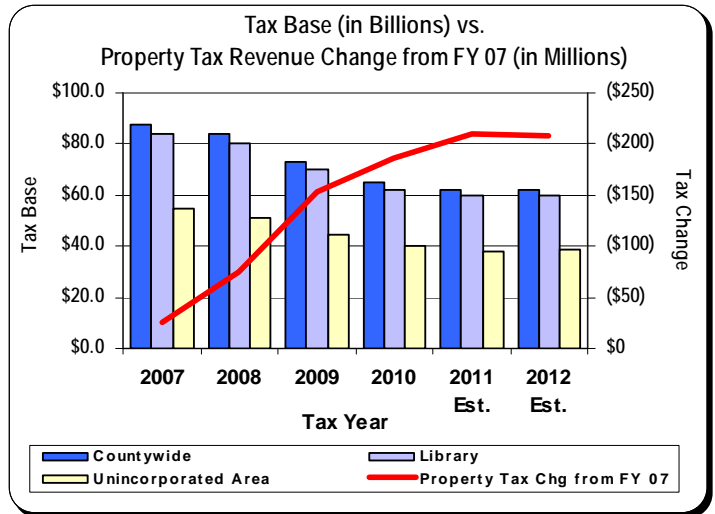
As a result of all these efforts, I can report to you that the recommended operating budgets for FY 12 and FY 13 achieve long-term fiscal sustainability in day-to-day service provision and are balanced without using one-time monies or reserves for recurring uses.

COUNTY ADMINISTRATOR'S BUDGET MESSAGE

The recommended capital budget too is balanced within available resources, but those resources have dwindled. Reductions in Community Investment Tax (CIT) revenue and ad valorem tax revenue to fund capital needs such as roads, stormwater and recreation necessitate a reprioritization of capital projects with an emphasis on pressing service needs and public safety. As a consequence, future funding sources must be considered for capital projects that do not meet these criteria. Options for future funding sources identified in the recommended Capital Improvement Program include mobility fees and tax increment financing, as well as a recommended rededication of a portion of the currently levied Communications Services Tax (CST) for critical infrastructure needs.

Budget in Brief

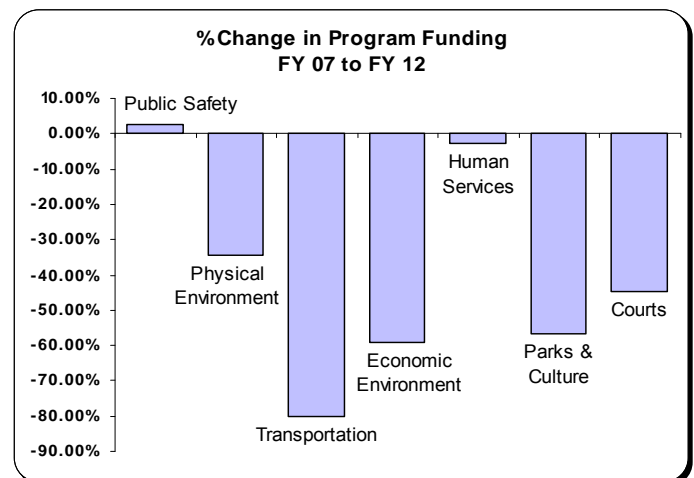
The Recommended Budget for FY 12 totals \$2.955 billion compared with the adopted FY 11 budget of \$3.521 billion. The \$566 million decrease from FY 11 to FY 12 is primarily accounted for by decreases of \$309 million in debt service, \$192 million in transfers, and \$66 million in the Capital Improvement Program. From a service delivery point-of-view, there are seven programmatic areas shown in the chart below that more meaningfully describe the budget. The individual components comprising each of these programmatic areas are itemized in Slide 1 appended to this Budget Message.



It is the operating budget that is most impacted by changes in the property tax base and reduced sales tax collections. In FY 12, funding for service delivery of \$1.218 billion represents 41% of the total County budget. The charts to the left and in the Operating Budget section below depict how the budget is allocated in FY 12. Additionally, Slide Two in the Appendix provides a breakdown of the County budget.

Since 2007, non-dedicated property tax revenue has declined by \$192.4 million due primarily to three events: legislative action to limit millage; Amendment One ap-

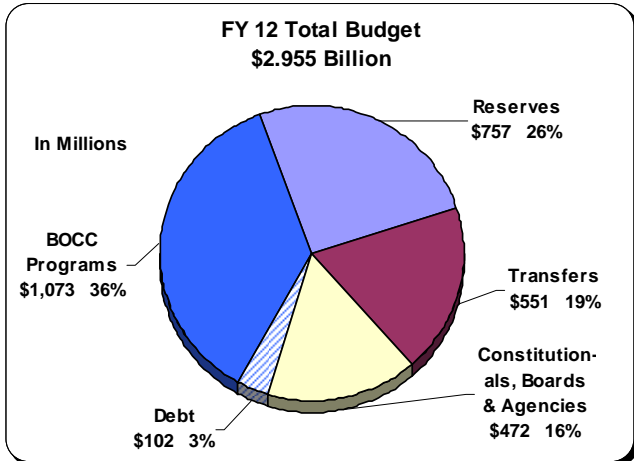
proved by the voters; and, the effect of an economic recession brought on by a collapse in the housing market. Correspondingly, half-cent sales tax collections have declined by 15.5%. Some modest good news is reflected in anticipated slow growth in some other tax revenues in FY 11; revenue from gasoline taxes and sales taxes, for example, is expected to rise slowly in FY 11. However, the projected increase is inadequate to address the reduction in other revenues.



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Overall, since 2007, approximately \$356 million in combined revenue losses have contributed to shortfalls in the County operating budget. These shortfalls have been predominately absorbed by County Administrator operations. From FY 07 to FY 12 the budget for County Administrator operations has declined by a total of \$81 million, excluding Fire/EMS and Library Services – the latter which is a separate taxing district. For FY 12 and FY 13, shortfalls in revenue have been addressed through a combination of reductions in force, elimination of vacant positions and reductions in associated operating costs.

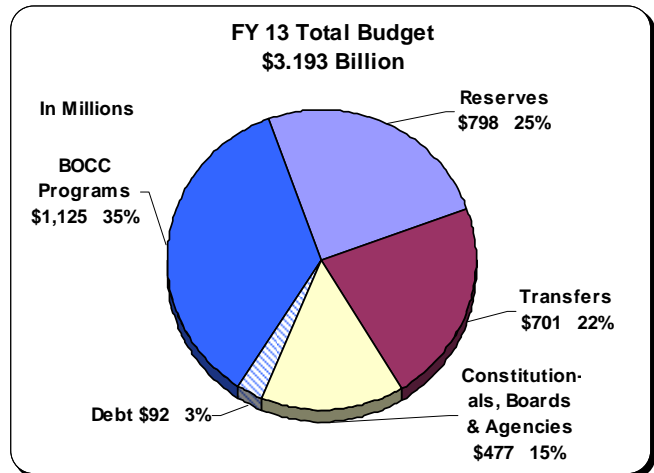
Operating Budget



The operating budget is expected to decline \$49.5 million from FY 11 to FY 12. Of this amount, \$47.1 million of the decline will take place in County Administrator department budgets including a reduction of \$20.2 million in the Affordable Housing Department and \$11.0 million in the Parks, Recreation, and Conservation Department. Most of the Affordable Housing Department's reduction is due to the transfer of the Section 8 program to the Tampa Housing Authority and the lack of any new future Neighborhood Stabilization Program funding. The Parks, Recreation, and Conservation Department's reduction is part of a departmental restructuring to more efficiently deliver programming. Major service cuts have been avoided in this

budget by transitioning the Parks Afterschool Program to other community providers. A reduction of \$14.2 million was due to changes in required Florida Retirement System contributions.

It is recommended that Countywide General Fund support of non-profit agencies be reduced by approximately 20% (\$940,462) in FY 12. The Citizen's Advisory Committee (CAC), whose members are appointed by the Board of County Commissioners, will be assisting the County in developing a new system of outcome-based performance measures that align with services determined to be part of the County's core mission. These measures and other CAC recommended criteria for awarding grants to non-profit service providers are expected to be ready in January 2012 for the Board's deliberations on funding awards.



We have achieved significant offsets to our loss of property tax revenues with cost-cutting measures that should have minimal impact on the quality of most of the services we provide. We have identified more than \$23.9 million in net reductions in our major tax funds – even after restoring some services. Examples of some of these reductions include our continuing effort to downsize/right size our fleet; reduce overtime; eliminate vacant positions; consolidate departments; reduce backroom operations; tighten operating expenditures including a focus on cell phones and printers; and reduce leased space. We should recognize that as we accept these reductions, we will lose some of the flexibility we have enjoyed in the past to be able to absorb unexpected needs or requests. Unplanned events will unlikely be able to be absorbed without a commitment for additional resources.

The FY 12 budget eliminates 316 full-time equivalent positions (449 total positions, a number of which are vacant). Additional position reductions are expected to occur before adoption of the budget in September 2011. A portion of these positions will occur through attrition and, in particular, as a result of the Voluntary Separation Incentive Program (VSIP) which I recommended and you adopted in April, 2011. As of June 2, 2011, over 111 of the 713 eligible employees are scheduled to complete their VSIP enrollment. Additionally, over 100 more employees have expressed their intent to enter the Florida Retirement System's DROP program due to recent changes in the program.

COUNTY ADMINISTRATOR'S BUDGET MESSAGE

Early retirements in the ranks of department directors provide an opportunity to reduce layers of management. Strategically, this leads to greater responsibility and accountability for the staff who are more directly involved in providing services. This is a tremendous benefit not only to our customers, but to employees as well who have a greater stake in our success in transforming the organization.

As we restructure the organization to achieve productivity, process improvement, and cost efficiencies, the employees who will leave the organization are faced with the challenge of a weak labor market. It is in the interest of the County to use every reasonable means at our disposal to assist these employees in finding new employment. Our community is already burdened with high unemployment, and we do not want to exacerbate this problem by adding more unemployed workers to the rolls. Likewise, for any of us who have experienced lay-offs first hand, we know how difficult it is in the face of worry and fear to remain fully productive in the workplace. These concerns are shared by the employees who remain and, as a result, the work environment may remain destabilized during this transition.

The most beneficial outcome for the affected employees, the organization and the community is rapid, productive re-employment. In short, the most important job for the affected employee is to find a job. Therefore, as was the case last year, from the date a reduction-in-force is announced and until September 30, 2011, affected employees will remain on-call to undertake assigned duties, but they will be provided office space in the Human Resources Department where they will receive structured employment counseling and assistance in finding a job as quickly as possible.

As part of efforts to manage staffing needs more strategically and with greater cost control, employment alternatives such as contracting for newly-hired employees either directly or through employee leasing companies are being considered. These employment alternatives, which have been used effectively by the private sector for a number of years and used more recently by public sector employers, match skills and duration of employment more cost effectively when contrasted with the administrative overhead required when hiring permanent employees. While not appropriate for every job, this alternative can be customized to enable its use on certain professional and non-professional level positions.

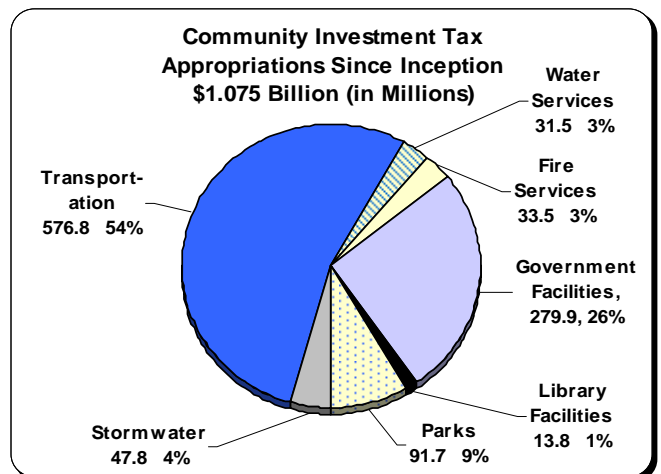
I am grateful to all of our Constitutional Officers who have demonstrated their leadership in helping to control costs in their FY 12 budgets. Other agencies and offices have also contributed to the overall goal of containing costs. The Planning Commission budget will be reduced by \$267,166, the Environmental Protection Commission by \$651,693, and the County Attorney's Office by \$738,184. All of these reductions include significant impacts resulting from Florida Retirement System changes made by the State legislature.

Capital Budget

The FY 12 recommended capital budget is \$33.4 million, down from \$99.9 million in FY 11. This budget reflects Water/wastewater increases totaling \$73.8 million offset by \$40.4 million in reductions to other capital programs. New funding for transportation projects, which had amounted to \$150 million as recently as FY 09, will be reduced by \$22 million in FY 12, reflecting required project deferrals needed to adjust to reduced Community Investment Tax (CIT) financing proceeds and to declining property tax revenues.

Unfavorable revenue performance and poor financing conditions have resulted in lower estimated financing capacity for the CIT, the major revenue source used to fund new capital projects. While CIT revenues are now exceeding the prior year's levels they have not recovered to pre-recession levels. The reduced financing capacity has necessitated deferral of

\$127.6 million of projects in the following programs until at least FY 14: Transportation - \$76.0 million, Stormwater - \$23.2 million, Government Facilities - \$1.1 million, and Parks, Recreation and Conservation - \$27.3 million. Projects will be deferred until at least FY 14 dependant upon identification of alternative funding sources. Potential funding



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sources the Board might consider include any or all of the following: tax increment financing, mobility fees, bonding of fuel taxes, extending the life of the CIT beyond its current scheduled sunset in 2026, commitment of a portion of Communications Services Tax revenue, use of one time funding sources becoming available in FY 14, or assessment of the Second Local Option Fuel Tax of up to 5 cents.

One critical capital need is a new Public Safety Operations Complex to replace an aging Emergency Operations Center that is not structurally adequate to serve a critical public safety need. This is the one facility we must be able to rely on before, during and after a natural or man-made disaster to keep our residents safe and to direct recovery and rebuilding operations. Successful models for such operations centers around the state will allow us to learn from and replicate design and construction models so as not to recreate the wheel and, more importantly, to become operational quickly. The estimated cost of the new Complex is \$37.4 million. Determining an appropriate site for the Complex should take into account the need for a secure location to assure continuation of services before, during and after a disaster. One possibility is co-locating the Complex on County-owned land on Columbus Drive between Falkenburg Road and US 301, which would help ensure coordination with other mission-critical operations such as Water/Wastewater, Solid Waste, Jails and Animal Services, and obviates the need to acquire land and lengthy siting issues. The Complex would also serve as a much needed, secure home for the County's computer network which is currently vulnerable in the County Center Building. During most of the year, the facility can serve as a training facility, service center, Fire/EMS headquarters, as well as serve the needs of constitutional offices. The Columbus Drive location allows for low-cost operations by tying into the electrical power generated by the County's Resource Recovery Plant.

With regard to capital projects, Sheriff David Gee has been extremely understanding of the County's on-going financial challenges and the importance of fiscal prudence. Consequently, the Sheriff has re-prioritized the capital funding requests for the jail and eliminated the previously anticipated Phases VIII and IX (estimated at \$119,800,000) from the jail master plan. The decision to cut these projects recognizes the gravity of the County's budget situation and achieves the goal of addressing only projects deemed to be critical. The scopes for Phase VII-A (currently partially funded) and Phase VII-B (unfunded) have been redefined and residual funds from previously completed Phases V and VI have been deemed sufficient to fund the majority of the work scheduled for Phase VII-A. The revised scope for Phase VII-A includes an energy efficient chilled water plant for the jail. The Sheriff has also committed to address the needs of the other adjacent County facilities in the design of the proposed chilled water plant, which will potentially result in further energy cost reductions. Phase VII-B remains unfunded and will be given consideration for future funding.

Through an interlocal agreement, the City of Tampa and Hillsborough County are responsible for any capital and operating shortfalls of the Tampa Sports Authority. The City funds one-third and the County two-thirds of all shortfalls. During FY 12 and FY 13, the Tampa Sports Authority budget includes significant capital requirements for maintenance and replacements at Raymond James Stadium. The recommended County budget includes \$6 million in FY 12 and \$7.44 million in FY 13 to meet these needs. Additional funding of up to an additional \$8 million may eventually be required in FY 13; however, the timing of this additional need will not be known until a future date. The source of funding for these needs are commercial paper notes to be repaid from 4th Cent Tourist Development Tax revenue.

Since 1980, in addition to other taxes authorized by law, Hillsborough County has levied the Ninth Cent Fuel Tax authorized by Section 336.021, Florida Statutes. In unincorporated Hillsborough County, revenue from the tax has been used exclusively for the maintenance of roads, streets and bridges. There is a continuing need for the funding of such activities. Unless the levy of the tax is extended, it will expire December 31, 2011. Section 336.021, Florida Statutes, authorizes the Board to extend the levy of the tax by the enactment of an ordinance by extraordinary vote. The extension of the gas tax will be considered at a public hearing on June 15, 2011. The FY 12 recommended budget does not presume the Board's extension of the tax and does not include this revenue beyond the expiration date. If not renewed, the estimated revenue loss in FY 12 is \$2.9 million, and the full year loss in FY 13 would be approximately \$4 million. The One to Six Cents Local Option Fuel Tax is set to expire August 31, 2013; it has the same allowable uses as the Ninth Cent Fuel Tax. The annual revenue generated from the local option fuel tax is approximately \$24 million per year.

Setting the Stage for Fiscal Sustainability

The underpinning for this recommended budget is the recognition that a key to providing cost effective services is government's role in fostering the creation of private capital and innovation. In other words, government – together with the community – must define and commit to the essential, core services it should provide. The essential elements of community building are neither mutually exclusive nor are they competing outcomes. They are interrelated and interdependent aspects of an organic system of local government whose primary mission is to protect life and property, foster a well-educated and skilled workforce, promote economic prosperity, and create conditions that enable members of the community to fulfill their human potential.

Core Service Goals & Values

- Health and safety needs of the community and residents responsibly provided
- Economic recovery and growth stimulated through diversified and innovative solutions
- Environmentally sustainable growth promoted
- Recreational, cultural and natural resources that nourish the body and spirit
- At-risk children, seniors and families protected and nurtured to promote self-sufficiency

Embedded in this paradigm is the further goal of how best to provide the essential, core services. Outsourcing and partnering with non-profit companies, private companies, or other government agencies may, in some cases, provide the best service at the lowest cost. In these cases, the government's role remains crucial in providing oversight and assuring accountability.

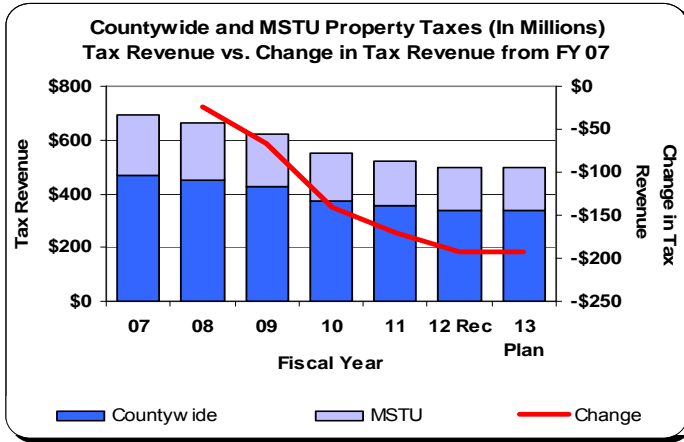
Virtually every core service we provide profoundly influences economic development. This recommended budget embodies the principle of government's role to ensure that adequate physical and administrative infrastructure exists to facilitate the free and efficient flow of goods and services that lead to job creation. In severe economic downturns such

as the one we are currently experiencing, government can provide a valuable role in stimulating economic activity. Therefore, the recommended budget incorporates the following approaches: realign capital spending to accelerate projects that immediately create jobs; streamline permitting processes; review and revise, as necessary, regulations that may inhibit job creation; and, utilize non-recurring, one-time money to provide additional economic development investments that create or retain jobs.

This budget recommends additional direct support for economic development initiatives to retain and attract jobs. Establishing a closing fund of \$2 million dollars provides a source of cash incentives that can make the difference between a business choosing Hillsborough County over another location. A small business investment fund in the amount of \$500,000 and a "green" sustainability fund in a like amount are recommended as a way to inject capital into existing businesses that encourages innovation and creates jobs. The budget also includes new funding of \$100,000 for an agriculture innovation fund and \$500,000 for a bio-tech innovation fund.

A powerful economic development engine in our community is our major cultural and entertainment venues. The Aquarium, Lowry Park Zoo, Museum of Science and Industry (MOSI), Straz Center for the Performing Arts, Glazer Children's Museum and the Tampa Bay History Center are not only educational resources, they attract tourist dollars and serve as a potent marketing tool in our effort to attract target corporate relocations. In the case of MOSI, Children's Museum and History Center, the County has made a substantial investment in the buildings and assets which must be preserved and enhanced. Dedicating a reliable, recurring revenue source to further the mission of these venues is of paramount public benefit. To that end, monies from the Seminole Gaming Compact are recommended as a funding source for these six venues. The first year's share of the Compact's distribution for the Hillsborough County amounts to \$2.036 million. Staff will work with the leadership of these venues to develop a formula for sharing of the monies and quantifiable performance measures and criteria the venues must continue to meet if the Board approves this recommendation.

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As economic resources become scarce, the County must look at all possible options to stimulate the local economy. One such potential tool that we have is the ability to establish Community Redevelopment Areas (CRA). While not included in the recommended budget, I am recommending the Board consider this idea in the area of the Florida State Fairgrounds. This area of the County has a significant amount of tourist/entertainment traffic each year due to the Fairgrounds and the Hard Rock Hotel and Casino, and is a prime candidate to become a CRA. In support of this concept, I have budgeted some transportation improvements in this area to set the stage for successful implementation.

For my organization, it has been a time of rebalancing beliefs, behaviors and operations to better align with the desired outcome of improved customer service and economic sustainability. The recession and continuing troubles in the real estate market provide us with immediate motivation and a sense of urgency to discover the clarity we seek. A mid-year organizational restructuring has netted positive results leading to savings of over \$9 million; continuing refinements over the summer will yield even greater efficiencies and savings while sustaining service levels. Some of the major results are summarized below:

Business Opportunities Enhancing Service and Reducing Cost	
Incorporated in Recommended Budget	Being Finalized for Inclusion in Recommended Budget
Consolidation of "Back Office" operations (accounting, human resources, administration); New fiscal and support units are being created on both the Infrastructure & Development and Public Safety & Community Services Teams	Restructuring of Field Operations (Public Works) Centralize field work scheduling and resource allocation, and coordinate activities across all field operations that include the maintenance units, countywide construction, and pavement management to improve service to customers and obtain optimal use of staffing, contracting of major equipment and protecting the County's assets.
Affordable Housing Department - Transfer of County Section 8 Housing operations to Tampa Housing Authority	Restructuring of Zoning operations. Evaluate and reduce the cost of processing applications by automating and re-assessing staffing needs. Automate zoning mapping and realign with Geomatics, Evaluate alignment of legal descriptions with Real Estate functions.
Transportation Maintenance Division Streamlining; The Public Works Department has been working with a consultant to streamline operations and consolidate locations. The goal of the department has been, not only to decrease cost, but to also identify improved methods of delivering service that will significantly reduce cycle times. This effort has produced some interim results, but additional changes will occur before the budget is adopted in September.	Family and Aging Services, Children's Services, and Health & Social Services Departments – Identify opportunities to merge and integrate eligibility processing through automation and streamlining of processes providing a "one-stop shop" approach for social services. Eliminate duplicative functions to realize cost savings and better operating controls. Evaluate private and/or other government providers of selected services to eliminate duplicative or redundant services while providing the same or higher level of service delivery.
Restructuring of Parks & Recreation Program - Centralization of 42 recreation sites into 12 regional centers; Contracting out maintenance of athletic fields; and transition of the afterschool program to other community providers which may include the School District, YMCA, Boys and Girls Clubs, etc.	County Inspection Functions - Evaluate opportunities to consolidate inspection functions currently embedded in departments to achieve cost savings and better service integration, e.g., code enforcement.

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Business Opportunities Enhancing Service and Reducing Cost	
Incorporated in Recommended Budget	Being Finalized for Inclusion in Recommended Budget
Restructuring of the senior nutrition services operations in the Family and Aging Services department - Daily hot meal delivery was replaced with frozen pre-plated meals allowing for a decrease in the frequency of meal deliveries.	Children's Services – Evaluating the feasibility of continuing to deliver services to children that other private vendors can or do perform in this community at a reduced cost.
One-stop Permitting Center; Consolidating intake and tracking for building permits, zoning applications and counseling, contractor licensing, site plan submittals and subdivision plats, as well as right-of-way use permits and vacatings of county property into a centralized location to enhance customer service, track application review times, and streamline processes and, ultimately, develop a virtual companion center.	Sunshine Line – Opportunities to partner with HART are actively being explored to eliminate duplicative or redundant services while providing the same or higher level of service delivery.
Multiple County departments critically reviewed their operations and identified opportunities to reduce staff resulting in 449 position eliminations.	Fire Rescue is evaluating its current fee structures in the areas of ambulance fees, treat and release fees, and fire inspection fees.
Fire Rescue identified savings in the areas of position reclassifications, fleet downsizing, entry level position realignment, wellness exam expenditures, and reductions in promotional assessment funding	Animal Services – Opportunities to partner with the Humane Society are being actively explored to eliminate duplicative or redundant services while providing the same or higher levels of service delivery.
Public Utilities identified savings in the areas of contract mowing at landfill sites, consolidation of Solid Waste and Water Resource Services administrative functions, scrap brass recycling, the central water plant electric connection, leachate plant operations, and high voltage transmissions equipment.	Development review - Evaluate the development review functions for optimal customer service, efficiencies and compatibility with capital program. Explore areas of potential duplication with a focus on transportation and stormwater.
Library Services identified multiple opportunities to become more efficient including savings in the areas of operating supplies and uniforms, staffing, building maintenance, software/hardware maintenance, the closing of the science library at MOSI, outsourcing delivery operations, and reorganization of circulation and programming functions.	Public Works is initiating an overhaul of asset management to reduce redundancies, to provide meaningful information for the planning of maintenance activities, and to comply with accounting requirements.
Inspections – Evaluate realignment of inspection functions in the areas of code enforcement, capital inspections, contributed assets, right-of-way maintenance, asset management and work order compliance.	

Strategic Planning

The County's existing Strategic Plan, developed during a period of strong revenue growth and unlimited expectations, no longer serves as a viable guide to decision-making in our current environment – or in the environment expected to exist in the next several years. When the Board met in its annual retreat last December, I outlined four vision statements that I saw as describing how we should move forward in this new environment: community building, identifying essential (core) services, enhancing customer service, and creating a new and vibrant organizational culture. I laid out my personal and organizational goals and objectives for each of these areas, and I embraced them as we reshaped our organization and as we built this biennial budget for Board consideration and subsequent approval.

Moving forward, it is important that we revisit strategic planning and engage in a discussion of a new approach to plotting a multi-year course for this government and the community we serve. As we discuss the process, possibly in a workshop later this summer, we will decide how to engage our citizens in that process; recognize the importance in such a process of identifying internal organizational strengths and weaknesses and external opportunities and threats; understand the need to establish organization-wide and community objectives for the next several years; and plan to use key performance indicators to chart our progress and interconnect to current and future budget decisions. These

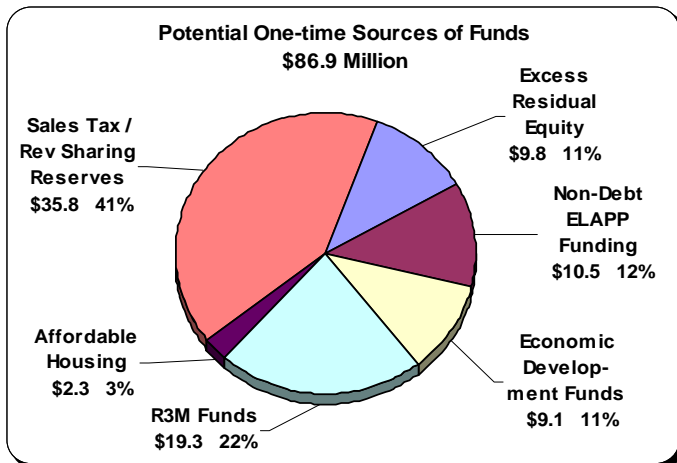
COUNTY ADMINISTRATOR'S BUDGET MESSAGE

deliberations should also be conducted in concert with other community stakeholders including the Planning Commission, Port Authority, Aviation Authority and Economic Development Corporation to name a few.

Investment Opportunities for One-Time Monies

As we have been transforming County operations to become more customer-oriented and business-friendly, several critical one-time needs have been identified in the areas of economic development and technology. These needs are being met with identified one-time sources of funding. Some of the projects include the following:

- ProjectDox is new software that provides for electronic plans review and collaboration and allows customers the ability to submit construction plans and documents to the County over the web. The estimated cost is \$220,000.
- Sharepoint, a Microsoft software product, will enable us to be more productive with a more streamlined organization. County staff will be able to set up websites to share documents and information with others. This is a document management tool that will improve transparency and allow the County to better communicate with the public and within our organization. The estimated cost is \$148,000.
- The County is pursuing the implementation of a new website with a state-of-the art innovative design that will allow our clients and visitors to our website to easily find the information and services they need. The website will also provide the platform necessary to begin conducting more of our business through the internet. The estimated cost is \$300,000.



- A new case management software is being implemented by the Public Defender. The estimated cost is \$400,000.
- The FY 12 budget provides for an additional \$3.6 million in one-time funding for economic development initiatives including closing funds, small business programs, business innovation funds, etc.

Sound budget practices include identifying one-time sources of funding to support one-time needs, including capital needs. The chart on the left identifies potential one-time sources of funding.

Collaborations and Consolidation of Services

As resources to conduct government operations become scarcer, it is imperative that we not only look within our own organization to identify needed changes, but that we look also to our other local governments and view them as partners. Over the past several months, I have reached out to our partners in an effort to identify opportunities to collaborate. Many possible opportunities have been identified including a collaborative effort with the Clerk and the Civil Service Board to implement a resource planning enterprise (ERP) system and outsource its operation – reflect the kind of partnerships I believe citizens expect of their County government. While collaborations with municipalities and other governmental authorities are part of our plans (we have bid out the ERP jointly with the City of Tampa), those do not always mature as quickly as we might prefer as issues of governance must be resolved. I have recently had discussions with the Mayor of the City of Tampa and other local government heads to identify service consolidation opportunities. I will work closely with the Council of Governments to champion this approach and expect to produce results by the end of this calendar year.

Other Factors Considered in the FY 12 and FY 13 Recommended Budget

Budget Limitation – In preparing the budget, we ensured we were in compliance with Board Policy 03.05.07.00 on limiting spending. We also carefully assessed our ability to avoid future draw downs of fund balance in the County-wide General Fund and Unincorporated Area General Fund because such actions can have significant implications on our ability to access financial markets to secure financing for County projects.

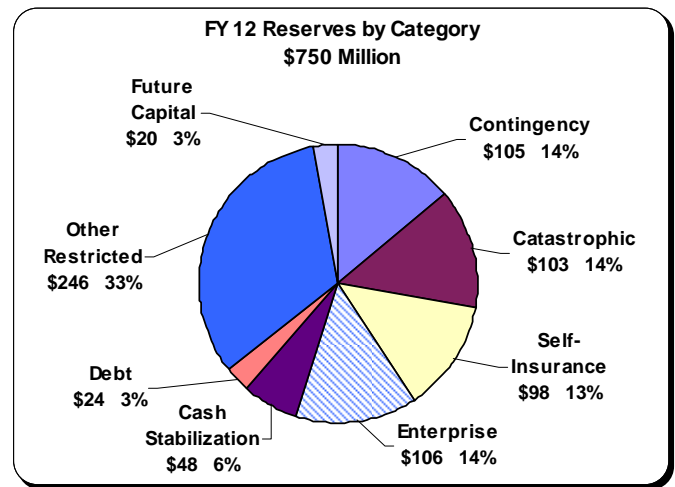
Reserves – Our reserve strategy remains sound – the County maintains reserves to meet various objectives, including adhering to best business practices; complying with statutory, bond covenant, actuarial and other requirements, and to provide a safeguard for unexpected circumstances. There are three basic categories of reserves: restricted, designated, and contingency. (See page 357 in the Recommended Biennial Budget for FY 12 and FY 13 for detail on reserves.)

Restricted reserves reflect amounts that are intended for and must be used to meet a specific purpose. The restriction can be set by legal agreement, such as a bond covenant required debt reserve; statute or other regulation, such as mandatory reserves associated with our various self-insurance programs; or by the nature of the revenue, such as revenues received by the enterprise fund whose use is restricted to enterprise program related purposes. For FY 12, restricted reserves total \$473.8 million.

Designated reserves represent amounts set aside to provide funds for a specific purpose where the actual cost is currently unknown. Once the actual need for which the funds were reserved has been met, any remaining balance may be reappropriated with Board approval for any lawful purpose. Examples include cash stabilization reserves, intended to protect the County from revenue shortfalls and to ensure that sufficient cash is on hand in the following year to meet the County's obligations until revenues are anticipated to be available; catastrophic reserves established to provide critical funds in the event of a hurricane, major flood or other disaster; reserves for future capital outlay, which are intended to fund capital project cost increases as well as unfunded capital projects in current or future years; and reserves to meet prior year obligations that have not yet been paid. For FY 12, designated reserves total \$171.7 million.

Contingency reserves represent amounts available for appropriation by the Board to meet any lawful purpose. Most funds have a contingency reserve, intended to meet unanticipated needs within the corresponding fund. When discussing contingency reserves, the usual intent relates to reserves in the two general revenue operating funds. By Board policy, use of these funds requires supermajority approval by the Board. The policy also states that the need being funded could not be reasonably anticipated during the budget process. For FY 12, contingency reserves across all funds total \$104.9 million.

Continued Suspension of Pay Adjustments – The FY 12 and FY 13 budgets contain no form of pay increase for employees – i.e., no cost-of-living increase, no merit pay, no market equity adjustment, and no step increase. As we rebalance spending to available revenue, such increases were not supportable. In a period of high unemployment, employees clearly value retaining a job over pay equity. We face the prospect, however, of future increases in order to maintain comparability with other employers, to differentiate what we pay experienced employees from inexperienced employees, and to avoid pressures to unionize more of our labor force. This prospect is exacerbated in that, beginning July 1, 2011, all County employees will be required to contribute 3% of their salaries to the Florida Retirement System. We continue to research opportunities to reduce what we spend on benefits for new employees in order to control the overall cost of compensation. Outsourcing some programs or portions of some programs will also allow us to control compensation costs.



COUNTY ADMINISTRATOR'S BUDGET MESSAGE

Vacation Payout Program – During the 2011 legislative session, legislation was passed that requires all participants in the Florida Retirement System to contribute 3% of their pay towards retirement. This requirement, combined with no County pay increases (other than union contracts) over the period FY 10 through FY 13, will place a significant burden on County employees to continue to meet their financial obligations in an environment of rising prices including a significant rise in fuel prices. The FY 12 and 13 budgets include a new program to allow employees to cash out up to 40 hours of their vacation time in excess of 80 hours of their vacation accruals. Vacation time is an obligation of the County that is paid out to all employees at the time they separate employment from the County. Therefore, as vacation time is paid out, the County will reduce its obligation for future payouts. The benefit to the County of this program is that vacation obligations will be retired in today's dollars rather than at an employees future pay rate.

Elimination of Furloughs – Furloughs were suspended after FY 10. While employees had supported them in order to save jobs, the consequences of furloughs have become obvious. We inconvenience our customers when we close facilities. We create inequities when some employees are spared from participation while others are not. Salaried employees who may normally work more than forty hours per week become hourly employees for an entire furlough week – resulting in a greater loss of productive hours for those employees than we save in costs. Furloughs were always recognized as a temporary means of cutting costs and we believe other cost-saving alternatives are preferable. We have sought to reduce overtime spending and lowered workers compensation costs through safety programs.

Reduced Millage – The Countywide operating millage has been reduced for the eighteenth consecutive year. As with the reduction in FY 10, the amount is minimal, but we believe that this shows a Board commitment on property taxes. The cumulative reduction amounts to \$2.41 in savings for every \$1,000 in taxable value in addition to the benefits of the doubling of the homestead exemption approved by Florida voters. For those unincorporated taxpayers who benefit from all reductions in County-levied millage rates, the total millage has been reduced for sixteen consecutive years, amounting to a total of \$3.19 in savings for every \$1,000 in taxable value. While taxpayers have benefitted from lower millage rates, a higher homestead exemption, and portability of the Save Our Homes cap on taxes, the amount of revenue generated by each mill of property tax has declined by 26 percent in the past three years.

Conclusion

Consistent with past practice, this budget continues our commitment to ensure that Hillsborough County is financially strong enough to influence its destiny by applying efficient and/or effective policies and practices. We continue to receive positive feedback – most recently when Fitch Ratings and Moody's upgraded our general credit rating to "AAA" as part of a recalibration of U.S. public finance ratings. Hillsborough County has held a "AAA" credit rating from Standard and Poor's Ratings Services since 2006.

As the budget process moves through to completion in September, our next steps are to review the budget over the summer at budget workshops and to gather public input through public hearings and other means.

I stand prepared to assist the Board in developing an adopted budget that reflects the values and vision for our community.

Respectfully Submitted,



Michael S. Merrill
County Administrator

COUNTY ADMINISTRATOR'S BUDGET MESSAGE

APPENDIX SLIDE 1

Each of the major programmatic areas comprising the total recommended County budget are shown in detail below:

Program Areas	FY 09 Adopted	FY 10 Adopted	FY 11 Adopted	FY 12 Recommended	FY 13 Planned
Public Safety	\$542.8	\$483.0	\$534.1	\$561.0	\$547.7
Physical Environment	390.7	332.5	323.1	295.7	312.1
Transportation	212.2	32.4	71.6	32.8	55.9
Economic Environment	94.8	58.7	57.2	32.9	42.5
Human Services	245.9	240.6	230.3	221.9	221.9
Culture and Recreation	124.4	108.1	104.2	52.8	74.3
Court Related Services	45.0	31.6	18.2	21.0	17.8
Non-expenditure Disbursements ¹	1,871.2	1,456.4	1,495.2	1,344.0	1,529.0
General Government	504.9	738.3	687.1	393.2	392.2
Totals	\$4,031.9	\$3,481.6	\$3,521.0	\$2,955.3	\$3,193.4

¹ Non-expenditure disbursements include transfers, reserves, and other non-operating uses.

COUNTY ADMINISTRATOR'S BUDGET MESSAGE

SLIDE 2

To fully appreciate the magnitude of the challenge and opportunities we face, this chart shows the components of the total budget

	FY 11 Adopted Budget	FY 12 Recommended Budget	\$ Change
Taxable Property Value – Countywide (in billions)	\$64.9	\$62.1	(\$2.8)
Ad valorem revenue (in millions)	\$372.4	\$356.5	(\$15.9)
Taxable Property Value – Unincorporated (in billions)	\$39.9	\$38.2	(\$1.7)
Ad valorem revenue (in millions)	\$174.4	\$167.0	(\$7.4)
Fund Balance, beginning of year (in millions)	\$803.3	\$854.8	\$51.5
County Administrator Operating Budget (in millions):			
Countywide General Fund	\$157.6	\$143.7	(\$13.9)
Unincorporated General Fund	178.0	163.4	(14.6)
Sales Tax Fund	61.0	61.9	0.9
Enterprise Funds (Water and Solid Waste)	232.7	227.3	(5.4)
All Other Operating Funds	500.4	479.1	(21.3)
Total Operating Budget	<u>\$1,129.7</u>	<u>\$1,075.4</u>	<u>(\$54.3)</u>
County Administrator Capital Budget (in millions)			
Countywide General Fund	\$0	\$0	\$0
Unincorporated General Fund	0	0	0
Community Investment Tax Fund	31.1	(107.5)	(138.6)
Enterprise Funds (Water and Solid Waste)	51.9	55.7	3.8
County Transportation Fund	3.3	40.3	37.0
All Other Capital Funds	11.2	44.9	33.7
Total Capital Budget	<u>\$97.5</u>	<u>\$33.4</u>	<u>(\$64.1)</u>
Debt Service (principal and interest) ²	\$410.0	\$101.4	(\$308.6)
Transfers to Constitutional Officers	433.8	437.1	3.3
Other Transfers	743.9	551.0	(192.9)
Reserves	706.1	756.9	50.8
Total	<u>\$3,521.0</u>	<u>\$2,955.2</u>	<u>(\$565.8)</u>

² Reduction in debt service reflects an accounting change whereby rollover of existing commercial paper notes are not required to be budgeted.

BUDGET SUMMARY

Fiscal Year	FY 10 Actual	FY 11 Adopted	FY 12 Recommended	FY 13 Planned
PROPERTY TAX RATES (In Mills)				
Countywide ⁽¹⁾	5.8027	5.8011	5.7995	5.7995
Library District ⁽²⁾	0.5583	0.5583	0.5583	0.5583
General Purpose MSTU ⁽³⁾	4.4004	4.4004	4.4004	4.4004
VALUE OF 1 MILL (In Millions of \$) ⁽⁴⁾				
Countywide	\$73.2	\$64.9	\$62.1	\$62.1
Library District	70.2	62.3	59.7	59.7
Unincorporated	44.6	39.9	38.2	38.4
BUDGET SUMMARY (In Millions of \$)				
Operating	\$1,547.9	\$1,561.9	\$1,512.4	\$1,519.6
Capital (net of reserves) ⁽⁵⁾	182.1	99.9	33.4	83.7
Debt Service ⁽⁶⁾	402.6	410.1	101.4	90.8
Reserves & Refunds ⁽⁵⁾	3.0	706.1	756.9	789.4
MAJOR ORGANIZATION OPERATING BUDGET (In Millions of \$)				
Board of County Commissioners	\$2.4	\$2.7	\$2.5	\$2.5
County Administrator	870.1	881.5	834.4	829.2
County Attorney	8.3	8.4	7.9	8.0
Elected Officials	438.6	437.6	438.5	444.4
Judicial	10.5	9.7	11.2	9.8
Guardian Ad Litem	0.2	0.2	0.2	0.2
Boards, Commissions & Agencies	24.1	23.4	22.3	22.6
Non-Departmental	193.7	198.5	195.4	202.9
	\$1,547.9	\$1,561.9	\$1,512.4	\$1,519.6
CAPITAL BUDGET (In Millions of \$)				
Fire	\$5.4	\$1.3	\$3.5	\$2.1
Government Facilities	23.0	6.0	27.6	15.4
Libraries	1.9	9.3	10.4	6.1
Parks	45.8	9.5	(24.5)	0.2
Solid Waste	12.5	1.3	(18.1)	1.1
Stormwater	4.7	8.5	(17.1)	3.4
Transportation	54.6	11.2	(22.0)	1.3
Water/Wastewater & Reclaimed Water	29.5	50.6	73.8	51.2
Other Non-CIP	4.6	2.5	(0.1)	3.0
	\$182.1	\$99.9	\$33.4	\$83.7

Detail may not add to totals because of rounding.

Note: The County uses an all years budget process for capital projects (see glossary for definition of all years budget process).

⁽¹⁾ See the pages entitled Millage Comparison for an explanation of countywide millage rates.

Includes millage levies for debt service.

⁽²⁾ Includes properties within the City of Tampa and the unincorporated areas of the County.

⁽³⁾ Unincorporated area - includes Parks General Obligation millage.

⁽⁴⁾ Based on Property Appraiser taxable assessed values as of July 1.

⁽⁵⁾ Reserves are budgeted but not expended. Actual expenditures for the operating budget, capital budget, or debt service may include drawdown of reserves. Actual expenditures shown in previous years reflect refunds.

⁽⁶⁾ Debt service amount reflects debt service capital and interest payments only.

BUDGET SOURCES AND USES OF FUNDS

SOURCES	FY 10 Actuals	FY 11 Adopted	FY 12 Recommended	FY 12 Tentative
Fund Balance Begin Of Year	\$883.4	\$803.3	\$854.8	\$866.6
Revenue:				
Ad Valorem Taxes	631.1	588.2	564.3	564.1
Other Taxes	252.0	263.3	268.6	273.0
Licenses And Permits	59.9	69.9	56.0	51.6
Intergovernmental Revenue	257.3	225.5	247.9	211.4
Charges For Services	488.4	502.7	501.4	513.2
Fines And Forfeits	6.1	6.5	5.6	5.6
Miscellaneous Revenue (including interest)	<u>87.9</u>	<u>26.5</u>	<u>45.3</u>	<u>43.7</u>
Total Revenue	1,782.8	1,682.5	1,689.0	1,662.6
Transfers	836.9	743.0	551.0	551.6
Other Non-Revenues	309.0	551.4	(67.7)	(100.8)
Less 5% Required By Law	<u>0.0</u>	<u>(67.8)</u>	<u>(71.8)</u>	<u>(73.5)</u>
TOTAL AVAILABLE	\$3,812.2	\$3,521.0	\$2,955.2	\$2,906.6
USES				
Operating Budget:				
Compensation	\$689.7	\$705.0	\$666.1	\$656.5
Operating Expenses	820.2	826.9	806.0	822.6
Equipment	<u>38.0</u>	<u>30.0</u>	<u>40.3</u>	<u>40.3</u>
Total Operating Budget	1,547.9	1,561.9	1,512.5	1,519.5
Capital Budget (net of reserves)	182.1	99.9	33.4	(1.6)
Debt Service	402.6	410.1	101.4	93.1
Transfers	836.9	743.0	551.0	551.6
Reserves and Refunds:				
Operating	5.8	635.9	745.2	739.0
Capital	1.1	28.1	(27.9)	(27.7)
Debt	<u>0.0</u>	<u>42.1</u>	<u>39.6</u>	<u>32.7</u>
Total Reserves and Refunds	6.9	706.1	756.9	743.9
TOTAL USES	\$2,976.4	\$3,521.0	\$2,955.2	\$2,906.6

Detail may not add to totals because of rounding.

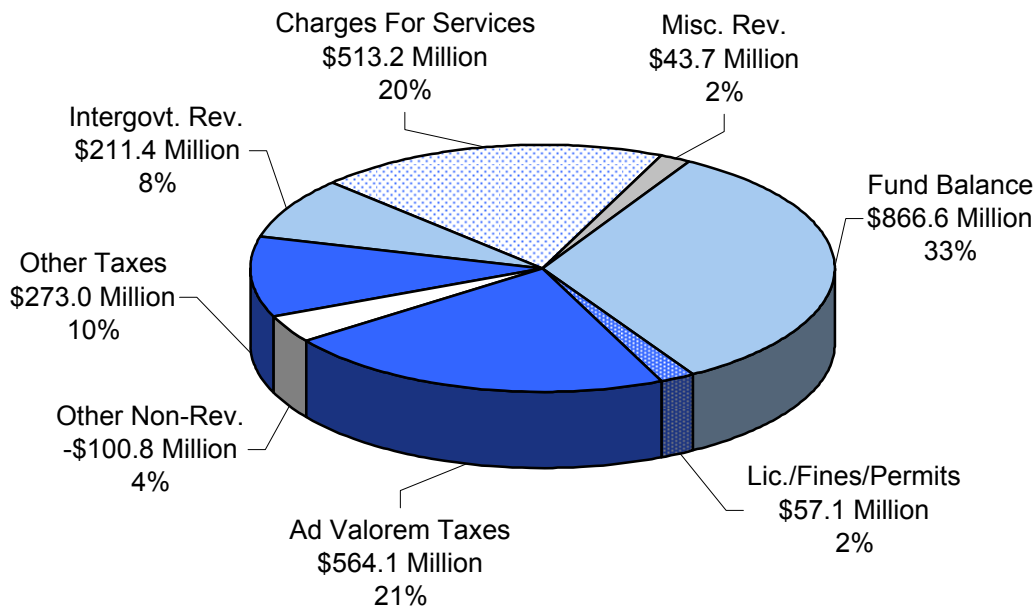
Amounts expressed in millions of dollars, rounded to the nearest one hundred thousand.

Note: The County uses an all years budget process for capital projects. This means that the current year's budget will only reflect changes in funding, such as additional funds being added to a project budget or unneeded funds being subtracted.

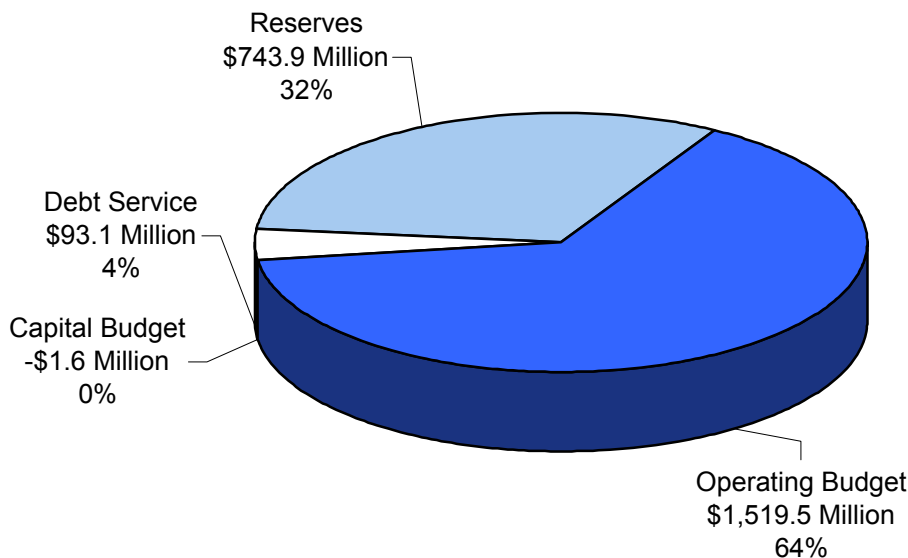
Prior year funding will remain with the project until completion and will not need to be reappropriated every year.

BUDGET SOURCES AND USES OF FUNDS

WHERE THE MONEY COMES FROM (SOURCES) FY 12 - ALL FUNDS



WHERE THE MONEY GOES (USES) FY 12 - ALL FUNDS



Note: Sources and Uses shown above exclude \$551.6 million in Transfers In and Transfers Out, respectively. With the exception of Fund Balance, Other-Non-Revenues, and Transfers In, many of the other revenues are subject to a statutory 5% reduction. That is, only 95% of anticipated revenue may be budgeted. As the reduction may only apply to selected revenues in any category, the numbers in this chart have not been reduced. Totals may not add up to 100% due to rounding.

CAPITAL PROJECTS BUDGET SOURCES & USES OF FUNDS

(in Millions of \$)

SOURCES ⁽¹⁾	FY 10 Actual	FY 11 Adopted	FY 12 Recommended	FY 13 Recommended
Revenues:				
Ad Valorem Taxes	\$0.6	\$23.7	\$62.6	\$38.3
Communications Services Tax	(4.1)	0.0	0	0
Community Investment Tax	28.1	6.9	(11.1)	0.1
Contributions	2.7	0.0	0	0
Enterprise Fees	51.0	45.0	33.1	34.4
Gasoline Taxes	2.8	6.2	1.7	1.7
Grants & Shared Revenues	15.4	0.4	33.1	0
Impact Fees	(0.1)	2.4	2.0	2.0
Miscellaneous Revenues ⁽²⁾	15.1	0.4	0.7	1.2
User Fees	55.9	0.5	4.1	4.0
Total Revenue	167.4	85.4	126.1	81.7
Other Non Revenue-Financing	(0.9)	42.6	(120.6)	0.0
TOTAL SOURCES	\$166.5	\$128.0	\$5.5	\$81.7

USES ⁽¹⁾	FY 10 Actual	FY 11 Adopted	FY 12 Recommended	FY 1' Recommended
Fire	\$5.4	\$1.3	\$3.5	\$2.1
Government Facilities	23.0	6.0	27.6	15.4
Libraries	1.9	9.3	10.4	6.1
Parks	45.8	9.5	(24.5)	0.2
Solid Waste	12.5	1.3	(18.1)	1.1
Stormwater	4.7	8.5	(17.1)	3.4
Transportation	54.6	11.2	(22.0)	1.3
Water & Wastewater	29.5	50.6	73.8	51.2
Other Non-CIP ⁽³⁾	4.6	2.5	(0.1)	3.0
Total Capital Budget	182.1	99.9	33.4	83.7
Transfer Out	0.0	0.0	0.0	0.0
Reserves ⁽⁴⁾	0.0	28.1	(27.9)	(2.0)
TOTAL USES (Including Reserves)	\$182.1	\$128.0	\$5.5	\$81.7

(1) In FY 00 the County implemented an all years budget process for capital projects. This means that beginning in FY 00 the current year's budget will only reflect changes in funding, such as additional funds being added to a project budget or unneeded funds being subtracted. Prior year funding will remain with the project until completion and will not need to be reappropriated every year.

(2) Includes interest earnings and other miscellaneous revenues.

(3) Other Non-CIP expenditures are Capital Budget Expenditures not related to the Capital Improvement Program, such as capital equipment, leasehold improvements, some land acquisitions, and the County's Major Repair, Replacement, Renovation and Maintenance Program.

(4) Reflects net changes to reserve accounts.

DEPARTMENT BUDGET SUMMARY COMPARISON

	FY 10 Actual	FY 11 Adopted	FY 12 Recommended	FY 12 Tentative
BOARD OF COUNTY COMMISSIONERS				
Board of County Commissioners	\$2,148,946	\$2,270,571	\$2,118,547	\$2,118,547
County Internal Performance Auditor	259,715	389,270	354,015	354,015
TOTAL BOARD OF COUNTY COMMISSIONERS	2,408,661	2,659,841	2,472,562	2,472,562
COUNTY ATTORNEY	8,277,206	8,383,972	7,947,020	6,958,686
COUNTY ADMINISTRATOR				
Administrative Services	0	2,302,464	4,374,679	4,499,957
Affordable Housing Office	20,901,998	26,648,177	6,374,446	6,333,446
Aging Services	15,257,120	0	0	0
Animal Services	7,696,619	7,381,632	6,756,720	7,087,795
Business and Support Services	0	7,505,567	6,210,278	5,044,982
Center for Development Services	0	0	826,797	826,798
Children's Services	43,463,610	0	0	0
Client and Liaison Services	3,365,959	1,158,593	2,340,050	1,723,532
Code Enforcement	4,731,295	4,425,101	4,770,758	4,575,591
Communications Department	2,275,143	2,986,895	2,227,461	2,236,869
Consumer Protection	539,043	703,357	0	0
County Administrator	2,674,013	2,540,431	1,445,030	1,470,710
Debt Management	623,896	0	0	0
Development Services	20,265,816	20,041,066	16,686,162	17,166,889
Economic Development	1,731,134	1,644,655	6,845,217	7,139,018
Emergency Dispatch Center	2,036,372	2,263,940	0	0
Emergency Management	1,486,013	1,161,422	0	0
Emergency Telephone (911)	7,747,402	6,347,010	7,177,540	7,173,190
Equal Opportunity Administrator	250,325	79,481	0	0
Extension Services	1,525,795	1,546,873	1,487,602	1,486,300
Facilities Management Services	0	0	15,602,356	15,477,077
Family and Aging Services	0	215,742,453	209,845,400	210,170,859
Fiscal and Support Services - Public Svcs Team	0	0	0	8,279,475
Fire Rescue	113,159,296	115,851,410	110,884,703	110,954,146
Fleet Management	22,640,706	31,242,823	39,520,353	39,073,357
Government Administrative Services	0	0	1,601,627	2,043,376
Health & Social Services	173,801,530	0	0	0
Housing & Community Code Enforcement	235,394	0	0	0
HIPAA Compliance Office	88,997	163,428	0	0
Human Resources	3,288,443	0	1,554,442	2,674,587
Information & Technology Services	14,004,612	13,102,316	13,416,710	13,416,710
Library Services	36,876,705	37,831,538	33,568,250	33,376,215
Management & Budget	1,820,075	0	0	0
Medical Examiner	4,744,726	4,646,493	4,554,062	4,554,062
Parks, Recreation & Conservation	42,558,622	44,948,297	33,969,049	35,708,047
Procurement Services	1,994,055	0	0	0
Public Safety	0	0	0	0
Public Utilities Department	0	232,678,167	227,144,762	229,456,847
Public Works	78,523,506	72,487,845	65,324,779	65,075,850
Real Estate	23,844,233	24,064,381	9,897,870	9,700,245
Security Services Agency	1,422,141	0	0	0
Solid Waste Management	80,305,187	0	0	0
Water Resource Services	134,139,550	0	0	0
Water Resources Team	36,755	0	0	0
TOTAL COUNTY ADMINISTRATOR	870,056,086	881,495,815	834,407,103	846,725,930

DEPARTMENT BUDGET SUMMARY COMPARISON

	FY 10 Actual	FY 11 Adopted	FY 12 Recommended	FY 12 Tentative
ELECTED OFFICIALS				
Clerk of the Circuit Court	17,910,217	18,327,134	18,177,333	18,177,333
Property Appraiser	11,408,140	10,742,545	10,746,100	10,746,100
Public Defender	1,702,173	1,114,602	1,549,602	1,549,602
Sheriff's Office	371,431,012	370,819,372	370,957,474	363,027,841
State Attorney Part I	895,436	1,085,666	1,126,759	1,126,759
State Attorney Part II (Victims' Assistance)	2,279,498	2,124,902	1,914,325	1,914,325
Supervisor of Elections	8,704,293	9,365,861	10,852,097	10,852,097
Tax Collector	23,515,075	23,273,281	22,376,952	22,778,116
Value Adjustment Board	750,812	769,099	767,564	767,564
TOTAL ELECTED OFFICIALS	438,596,656	437,622,462	438,468,206	430,939,737
JUDICIAL BRANCH (ADMIN OFC OF COURTS)	10,521,903	9,658,255	11,205,736	11,205,736
GUARDIAN AD LITEM	221,015	235,490	219,054	219,054
BOARDS, COMMISSIONS & AGENCIES				
Charter Review Board	6,294	0	0	0
Civil Service Board	2,619,927	3,499,821	3,274,199	3,274,199
Environmental Protection Commission	13,651,286	13,252,699	12,601,006	12,500,420
Law Library Board	460,918	474,839	425,276	425,276
Legislative Delegation	99,612	0	0	0
Metropolitan Planning Organization	2,259,473	1,630,126	1,666,539	1,699,943
Planning Commission	4,754,606	4,256,593	4,122,247	4,091,204
Soil & Water Conservation Board	208,563	238,032	230,576	230,576
TOTAL BOARDS, COMMISSIONS	24,060,679	23,352,110	22,319,843	22,221,618
NON-DEPARTMENTAL				
Capital Improvement Program Projects ¹	176,840,793	97,402,139	33,429,570	(1,320,282)
Debt Service Accounts ²	403,944,162	410,889,147	102,139,433	93,600,369
Governmental Agencies	77,127,485	73,641,863	73,966,151	76,621,120
Major Maintenance & Repair Program	3,631,231	1,278,315	(2,368,827)	(2,604,059)
Non-Departmental Allotments	101,463,669	106,288,144	104,911,463	105,791,751
Nonprofit Organizations	19,354,451	19,023,257	18,138,214	18,179,771
TOTAL NON-DEPARTMENTAL	782,361,791	708,522,865	330,216,004	290,268,670
TRANSFERS, RESERVES & REFUNDS				
Reserves and Refunds	3,005,154	706,109,848	756,946,512	743,922,378
Intrafund Transfers	405,266,763	413,399,737	335,198,094	339,052,531
Interfund Transfers	431,628,927	329,575,948	215,837,823	212,573,118
TOTAL TRANSFERS, RESERVES & REFUNDS	839,900,844	1,449,085,533	1,307,982,429	1,295,548,027
TOTAL BOARD OF COUNTY COMMISSIONERS AND CONSTITUTIONAL OFFICERS	\$2,976,404,841	\$3,521,016,343	\$2,955,237,957	\$2,906,560,020

(1) Excludes funding for Capital Projects under the specific control of various operating departments.

(2) This category includes all costs charged to debt service, not only costs associated with interest and principal payments, and includes consulting fees and other operating costs not classified under the Florida Uniform Accounting System as Debt Service.

STATUS OF FLAGGED ITEMS

Item #	Flagged Items	Action Taken at July 27 th Budget Reconciliation Workshop	Commissioner
F-1	Evaluate the 57 citizen advisory boards and committees to identify consolidation opportunities and to determine the need for Hillsborough County's participation. (Flagged at 1/27/11 budget workshop)	No action.	Higginbotham
F-2	Evaluate a more efficient method of providing Law Library services. Consider public/private partnerships with major law firms or possible consolidation with Hillsborough County's library system. (Flagged at 1/27/11 budget workshop)	No action.	Higginbotham
F-3	Improvements to Citrus Park Little League facility.	No action taken. Will be reconsidered as part of overall Citrus Park recreation plan.	Hagan
F-4	Improvements for North Brandon Park facility. One-time funding.	Approved funding from R3M program. \$200,000	Hagan
F-5	Consider using funding for skateboard parks for other purposes.	Board decided that if northwest area skateboard park is not feasible, funds would be allocated to other eligible projects in Citrus Park area.	Murman
F-6	Fund improvements for the Nuccio Recreation Center. (Flagged at 6/16/11 budget workshop)	Approved funding of \$50,000 from R3M program	Miller
F-7	Using one-time funds, allocate additional resources in the recommended FY 12 budget for Tampa Bay and Company, the Sports Commission and the Film Commission. (Flagged at 6/16/11 budget workshop)	Approved \$1.5 million one-time only, \$500,000 each contingent on approval of business plans..	Hagan
F-8	Re-allocate \$250,000 from one-time money to the recruiting efforts of the Economic Development Council (EDC). The additional funding would be contingent on the City of Tampa providing a \$250,000 cash match. (Flagged at 6/16/11 budget workshop)	Approved \$250,000 one-time only contingent on cash match from the City of Tampa of \$250,000	Higginbotham

Item #	Flagged Items	Action Taken at July 27 th Budget Reconciliation Workshop	Commissioner
F-9	Consider using funds allocated for the Veteran's Combat Tax program for alternate veterans programs. (Flagged at 6/16/11 budget workshop)	Approved allocating \$125,000 to close out County Veteran's Combat Grant Program; \$100,000 for a homeless study; funding two new Veteran's Services Officers; \$300,000 to the Family and Aging Services Department for homeless assistance; and the remaining balance for yet to be determined programs. The total reprioritization of funds was \$1,000,000.	Beckner
F-10	Provide an update on the status of the Section 8 transition to the Tampa Housing Authority. (Flagged at 6/16/11 budget workshop)	No action taken at workshop. Approved at August 3 rd regular board meeting.	Miller
F-11	Meet with the Ybor City Redevelopment Corporation to evaluate potential resource needs. (Flagged at 6/16/11 budget workshop)	Withdrawn	Crist
F-12	Fund median improvement to Northdale Blvd. (Flagged at 7/14/11 budget workshop)	Approved \$160,000 from Unincorporated Area General Fund	Hagan
F-13	Fund allocation for renovations to the old Ruskin Fire Station for use as the Ruskin Arts Center (Flagged at 7/14/11 budget workshop)	Approved \$100,000 from Countywide General Fund as a one-time cost.	Murman
F-14	Reduce the County Attorney's budget. A revised budget to be submitted by the County Attorney's Office. (Flagged at 7/14/11 budget workshop)	Approved the revised budget as presented on July 27 th . Will discuss further efficiencies at budget workshop in August. Total additional savings of \$705,169.	Higginbotham
F-15	Funding for preservation of historical buildings in Ybor City. (See F-18) (Board vote at 7/13/11 Board meeting)	Approved \$2.5 million previously authorized at July 13 th regular board meeting. Board clarified that this is for all eligible historical buildings in Ybor City.	Hagan
F-16	Fund the South County YMCA (Flagged at 7/14/11 budget workshop)	Approved \$2.0 million spread over four years.	Murman

Item #	Flagged Items	Action Taken at July 27 th Budget Reconciliation Workshop	Commissioner
F-17	Create a matching fund program for the historical preservation program proposed at the 7/13 Board meeting.	Approved \$2.0 million for countywide historical preservation efforts with a maximum of \$250,000 per request. Requires successful applicants to match dollar for dollar.	Crist
F-18	Reduce the Public Safety Operations Center (PSOC) building budget. (See F-15) (Board vote at 7/13/11 Board meeting)	No board action required. The board approved this at its July 13 th regular meeting. Staff will make necessary adjustments to budget. A detailed discussion of PSOC scope to take place at an August 30 workshop.	Hagan
F-19	Fund annual increase to the HMIS homeless tracking system in the amount of \$34,000. Fund a one-time increase of \$100,000 for Partnership with HUD to develop a ten year plan on homelessness. (Flagged at 7/14/11 budget workshop)	Approved \$134,000 in FY 12 and \$34,000 in FY 13. Related to F-9.	Murman
F-20	Re-allocate presently funded Public Art budgets. (Flagged at 7/14/11 budget workshop)	No action taken. Staff will review policies and recommend modifications and report back at a future Board meeting.	Crist
F-21	Fund proposal from Tampa Bay Community Network to produce public service shows. (Flagged at 7/14/11 budget workshop)	Board did not approve item. The total request was \$210,000 .	Beckner
F-22A	Fund Jail Diversion Project (Indigent Health Care Trust Fund) (Presentation at 7/21 budget workshop)	Approved \$725,000 each year for three years starting in FY 12 from Indigent Health Care Trust Fund. The total approved request for three years is \$2,175,000 .	Murman
F-22B	Fund Jail Diversion Project (Countywide General Fund) (Presentation at 7/21 budget workshop)	Approved use of \$200,000 of \$358,768 in the FY 12 Recommended Budget allocated in previous budgets for Goodwill Industries Services. The agreement with Goodwill will not continue in FY 12. The remaining \$158,768 will be distributed to the remaining drug treatment agencies funded in the budget.	Murman

Item #	Flagged Items	Action Taken at July 27th Budget Reconciliation Workshop	Commissioner
F-23	Provide an updated analysis of vacant funded positions. Information should include the time vacant for each position and a determination of the position's criticality (Flagged at 7/21 budget workshop)	No action taken. Report to be provided by August 5 th .	Crist
F-24	Develop a hybrid afterschool model to include afterschool care at a minimum of 25 - 30 sites (Flagged at 7/21 budget workshop)	No action taken. Board asked staff asked to develop alternate fee options.	Hagan
F-25	Provide all line items in budget for planned new Public Safety Operations Center (Flagged at 7/21 budget workshop)	No action taken. Staff provided a report. Workshop scheduled for August 30 to discuss details of PSOC.	Crist
F-26	Provide plan jointly developed between County Administration and the Planning Commission on Community Plan implementation (Flagged at 7/21 budget workshop)	No action taken. Mr. Merrill provided a briefing to the Board.	Crist
F-27	Funding for Vance Vogel Sports Complex (Flagged at 7/21 budget workshop)	This was a duplicate flag to F-16. This was a flag to fund the South County YMCA. A Board vote was not required for this item.	Murman
F-28	Fund South Shore Chamber of Commerce Small Business Development Center (Flagged at 7/21 budget workshop)	Approved \$25,000 .	Murman
F-29	Marti-Maceo Club Building historical preservation	Included in F-15	Miller
F-30	Fund the Veteran's Council an additional \$3,000	Approved \$3,000 .	Murman
F-31	Request by County Administrator: Fund two-year limited duration positions for the Building Services Division to be funded by the Building Services fund	Approved \$1,461,798 over two years.	N/A
F-32	Request by County Administrator: One-time funding to non-profits pending completion of Citizen Advisory Board recommendations	Approved \$471,000 in one-time funds from the Countywide General Fund	N/A
F-33	Request by County Administrator: Fund Community Plan consultants from remainder of Pay and Compensation Study allocation.	Withdrawn	N/A

Pending for Future Action

Item #	Flagged Items	Commissioner
F-34	Mercy House – The Board identified \$90,000 to be considered at a future budget meeting. (Flagged at July 27 th budget workshop.)	Murman

Item #	Flagged Items	Commissioner
F-35	Sulphur Springs Heritage Center organization is requesting \$82,000 to renovate Buildings #1 and #2 on E. River Cove St. (Flagged at July 27 th budget workshop.)	Miller
F-36	Teaching Tools (Non-profit) The flag is for \$50,000 (Flagged at 8/24/11 workshop)	Murman
F-37	Sidewalk for Town and Country Commons The flag is for \$100,000 to \$200,000 (Flagged at 8/24/11 workshop)	Hagan
F-38	Tampa Theater - Assist with operating costs at \$150,000 . (Flagged at 8/24 and 8/31/11 workshops)	Beckner
F-39	Restore Arts Council funding to FY 11 level - \$137,445 (Flagged at 8/31/11 workshop)	Murman
F-40	Restore longevity pay for County employees (Flagged at 8/31/11 workshop)	N/A
F-41	Have staff explore ways to assist the Redlands Christian Migrant Association due to loss of \$50,000 in CDBG grant funding (Flagged at 8/24/11 workshop)	Sharpe
F-42	Establish a sensitivity training program for supervisors, managers and directors (Flagged at 8/31/11 workshop)	Miller

Resolution No. R11-

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF HILLSBOROUGH COUNTY, FLORIDA, ADOPTING THE RESPECTIVE AD VALOREM TAX MILLAGES TO BE LEVIED FOR ALL COUNTY PURPOSES, EXCEPT COUNTY SCHOOL PURPOSES, FOR THE CALENDAR YEAR 2011 FOR THE COUNTYWIDE NON-VOTED LEVY, COUNTYWIDE VOTED DEBT SERVICE, THE TAMPA/HILLSBOROUGH LIBRARY SERVICES, THE HILLSBOROUGH COUNTY MUNICIPAL SERVICE TAXING UNIT, AND VOTED DEBT SERVICE OF THE MUNICIPAL SERVICE TAXING UNIT; ANNOUNCING A DECREASE IN THE AGGREGATE MILLAGE RATE AS COMPARED TO THE AGGREGATE ROLLED-BACK RATE; DIRECTING THE CLERK TO FORWARD COPIES OF THIS RESOLUTION TO THE OFFICIALS HEREIN SPECIFIED; AND PROVIDING AN EFFECTIVE DATE.

Upon motion by Commissioner _____, seconded by Commissioner _____, the following Resolution was adopted by a vote of ____ to _____, with Commissioner(s) _____ voting "No." Commissioner(s) _____ being absent.

WHEREAS, the Property Appraiser of Hillsborough County certified to the Board of County Commissioners of Hillsborough County, Florida (the "Board") as of July 1, 2011, the taxable value within the County for calendar year 2011; and

WHEREAS, the TRIM notice was issued, which advertised the first Public Hearing to adopt a tentative budget; and

WHEREAS, on September 14, 2011, at 6:00 p.m., at the first Public Hearing the Board met to hear comments of the public regarding the budget and adopted the tentative County Budget for FY 12, having first adopted the respective tentative ad valorem tax millages to be levied for all County purposes (excluding County School purposes) for calendar year 2011; and

WHEREAS, on September 17, 2011, the Board advertised its intent to adopt a final millage rate and budget, and published a summary of the adopted tentative budgets, in the TAMPA TRIBUNE, a newspaper of general circulation in Hillsborough County; and

WHEREAS, on September 22, 2011, at 6:00 p.m., the Board met to hear comments of the public regarding the budget and to adopt the County Budget for FY 12, having first set forth the respective ad valorem millages to be levied for all County purposes (excluding County School purposes) for calendar year 2011.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF HILLSBOROUGH COUNTY, FLORIDA, that:

SECTION 1. There is hereby levied an ad valorem tax on all real and personal property save all exempt homesteads within the geographical limits of Hillsborough County for the calendar year beginning January 1, 2011, at the following rates:

	ADOPTED MILLAGE	TAX LEVY
COUNTYWIDE NON-VOTED LEVY		
General Revenue	<u>5.7391</u>	<u>\$356,403,108</u>
COUNTYWIDE VOTED DEBT SERVICE LEVY		
General Obligation Bonds:		
Environmentally-Sensitive Lands	<u>0.0604</u>	<u>\$ 3,765,154</u>
TOTAL COUNTYWIDE LEVY	<u>5.7995</u>	<u>\$360,168,262</u>

SECTION 2. There is hereby levied on non-exempt property an ad valorem tax millage of 0.5583 within the limits of the City of Tampa and the unincorporated area of Hillsborough County for the Library Services for a tax levy of \$33,313,287.

SECTION 3. There is hereby levied on non-exempt property an ad valorem tax millage of 4.3745 outside the limits of any municipality for the Unincorporated Area Municipal Service Taxing Unit for a tax levy of \$166,911,034.

SECTION 4. There is hereby levied on non-exempt property outside the limits of any municipality a voted debt service levy for Park bonds an ad valorem tax millage of 0.0259 for a tax levy of \$988,226.

SECTION 5. The FY 12 aggregate millage rate is **8.9633 mills** which is *less* than the aggregate “rolled-back rate” (as defined in Section 200.065, Florida Statutes) of **9.5072 mills** by 5.72%.

SECTION 6. The foregoing ad valorem tax millage levies are in accordance with the Constitution and laws of the State of Florida.

SECTION 7. The Clerk of the Board is hereby directed to forward a copy of this Resolution to the Property Appraiser and Tax Collector of Hillsborough County, and to the Department of Revenue of the State of Florida in accordance with applicable law.

SECTION 8. This Resolution shall be effective immediately upon its adoption.

STATE OF FLORIDA
COUNTY OF HILLSBOROUGH

I, Pat Frank, Clerk of the Circuit Court and Ex Officio Clerk of the Board of County Commissioners of Hillsborough County, Florida, do hereby certify that the above and foregoing is a true and correct copy of a Resolution adopted by the Board of County Commissioners of Hillsborough County, Florida, at its meeting of _____2011, as the same appears on record in Minute Book _____ of the Public Records of Hillsborough County, Florida.

WITNESS my hand and official seal this _____ day of _____, 2011.

PAT FRANK, Clerk

By:_____

Deputy Clerk

Approved as to form
and legal sufficiency:

COUNTY ATTORNEY

By:_____

Senior Assistant County Attorney

Resolution No. R11-

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF HILLSBOROUGH COUNTY, FLORIDA, ADOPTING THE BUDGET FOR FISCAL YEAR 12 FOR EACH FUND OF THE BOARD OF COUNTY COMMISSIONERS; AND PROVIDING AN EFFECTIVE DATE.

Upon motion by Commissioner _____, seconded by Commissioner _____, the following Resolution was adopted by a vote of ____ to ____, with Commissioner(s) _____ voting "No." Commissioner(s) _____ being absent.

WHEREAS, pursuant to Section 200.065, Florida Statutes, at a properly advertised public hearing held on September 22, 2011, at 6:00 p.m., the Board of County Commissioners of Hillsborough County, Florida (the "Board") adopted ad valorem millage rates for each fund of the Board, each special taxing district, and each municipal service taxing unit; and

WHEREAS, Sections 129.01 and 200.065, Florida Statutes, require the Board to adopt a balanced budget after estimating total anticipated receipts and expenditures, considering the comments of the public, and adopting the ad valorem tax millage rates to be levied;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF HILLSBOROUGH COUNTY, FLORIDA, that:

SECTION 1. There is hereby adopted a budget for FY 12 with the following classifications of Funds and totals as indicated:

Countywide General Fund

\$ 596,343,872

Unincorporated Area General Fund	<u>\$ 361,749,173</u>
Library District Fund	<u>\$ 85,900,155</u>
Other Special Revenue Funds	<u>\$ 788,444,651</u>
Debt Service Funds	<u>\$ 81,755,500</u>
Capital Projects Funds	<u>\$ (82,660,914)</u>
Enterprise Funds	<u>\$ 692,394,099</u>
Internal Service Funds	<u>\$ 369,670,141</u>
Agency Funds	<u>\$ 12,963,343</u>
Total Budget	<u>\$2,906,560,020</u>

Details of the budget are available from the Department of Business and Support Services, telephone (813) 272-5890 or on the internet at www.hillsboroughcounty.org.

SECTION 2. The above-budgeted amounts shall regulate the expenditures of the County and shall have the effect of fixed appropriations and shall not be amended, altered, or exceeded except as provided in Section 129.06, Florida Statutes.

SECTION 3. This Resolution shall be effective October 1, 2011 through September 30, 2012.

STATE OF FLORIDA

COUNTY OF HILLSBOROUGH

I, Pat Frank, Clerk of the Circuit Court and Ex Officio Clerk of the Board of County Commissioners of Hillsborough County, Florida, do hereby certify that the above and foregoing is a true and correct copy of a Resolution adopted by the Board of County Commissioners of Hillsborough County, Florida, at its meeting of _____, 2011 as the same appears on record in Minute Book _____ of the Public Records of Hillsborough County, Florida.

WITNESS my hand and official seal this _____ day of _____, 2011.

PAT FRANK, Clerk

BY: _____
Deputy Clerk

Approved as to form
and legal sufficiency:

COUNTY ATTORNEY

By: _____
Senior Assistant County Attorney