2021/22 – 2022/23
Budget Process

BCC Workshop

Mar 9, 2021

Agenda

- Overview of Financial Trends
- Policy Review
- Preliminary Projections
- Economic Uncertainties
- BCC Strategic Plan

Calendar

Dec	Review of proposed process with BCC Results from Employee Survey Results from Citizen Survey Post COVID World Exercise On-Line Solicitation of Citizen Input
Jan	Citizen Input Prepare review packet for BCC • Post COVID analysis • Citizen Survey • Employee Survey
Feb	BCC Strategic Plan Workshop Departments update PBB information Departmental budget submissions due
Mar	BCC Workshop for preliminary review • Assumptions and projected financial status • Confirm direction to organization • Review of policies Departmental meetings with Fiscal • Review operations and programs • Confirm requests • Prepare for meeting with Admin

Apr	Department Budget meetings with Admin
Apr-June	BCC workshops • Review of operations and service levels • Review cost by strategic focus area • Review efforts to advance BCC goals • Update revenue picture
May-June	Internal Balancing of Budget
July	Presentation of Recommended Budget
Sept	Public Hearings: Recommended 2021/22-2022/23 Budget BCC adoption of 2021/22-2022/23 Budget

Overview of Financial Trends

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Trends

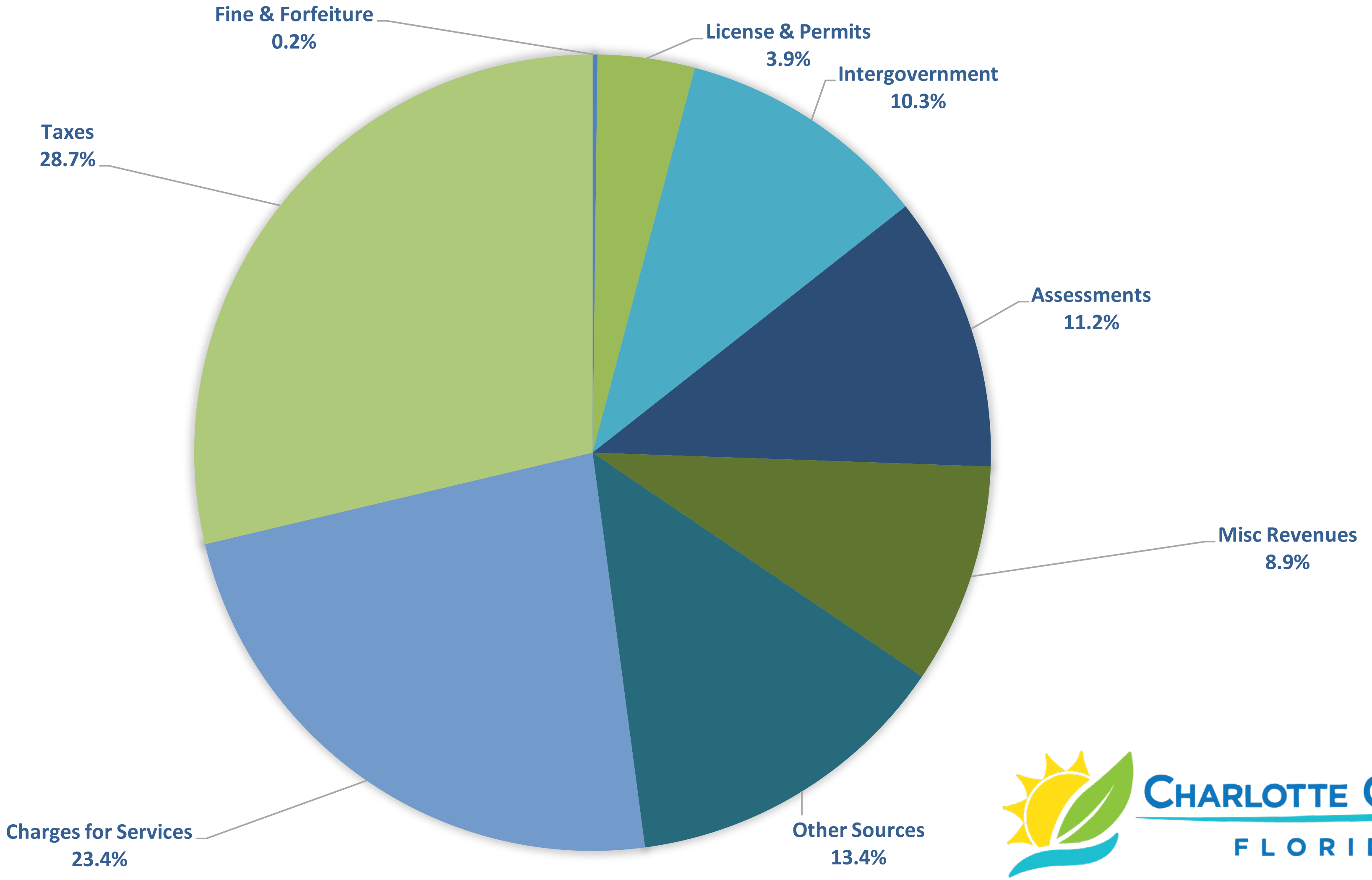
- Revenues
- Expenditures
- Property Valuations
- Employees

* FY19/20 Actuals

Revenues

All Funds

Source of Funds (FY19/20)



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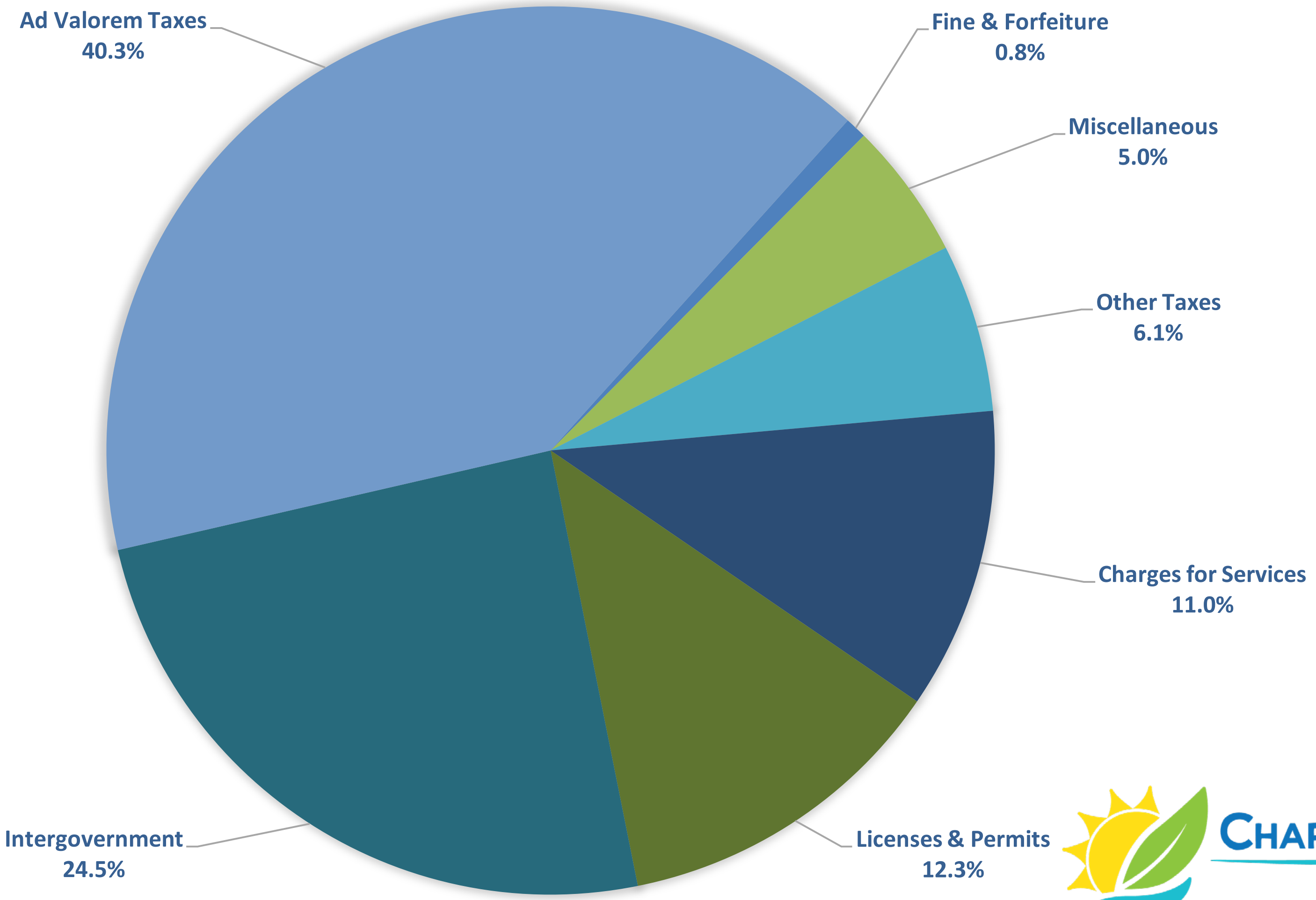
General Fund

Source of Funds (FY19/20)



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Major Revenues

(FY19/20 Actuals)

Ad Valorem Tax	153,230,198
Water & Sewer Charges	82,763,732
Assessments	77,867,708
Local Sales Tax	27,752,325
State Revenue Sharing	20,355,603
Gasoline Tax	12,638,038
Franchise Fees	9,640,539
Ambulance Service Fees	7,184,195
Communication Services Tax	4,723,816
Landfill Fees	6,855,897
Tourist Development Tax	4,439,963
Interest Earnings	8,616,051

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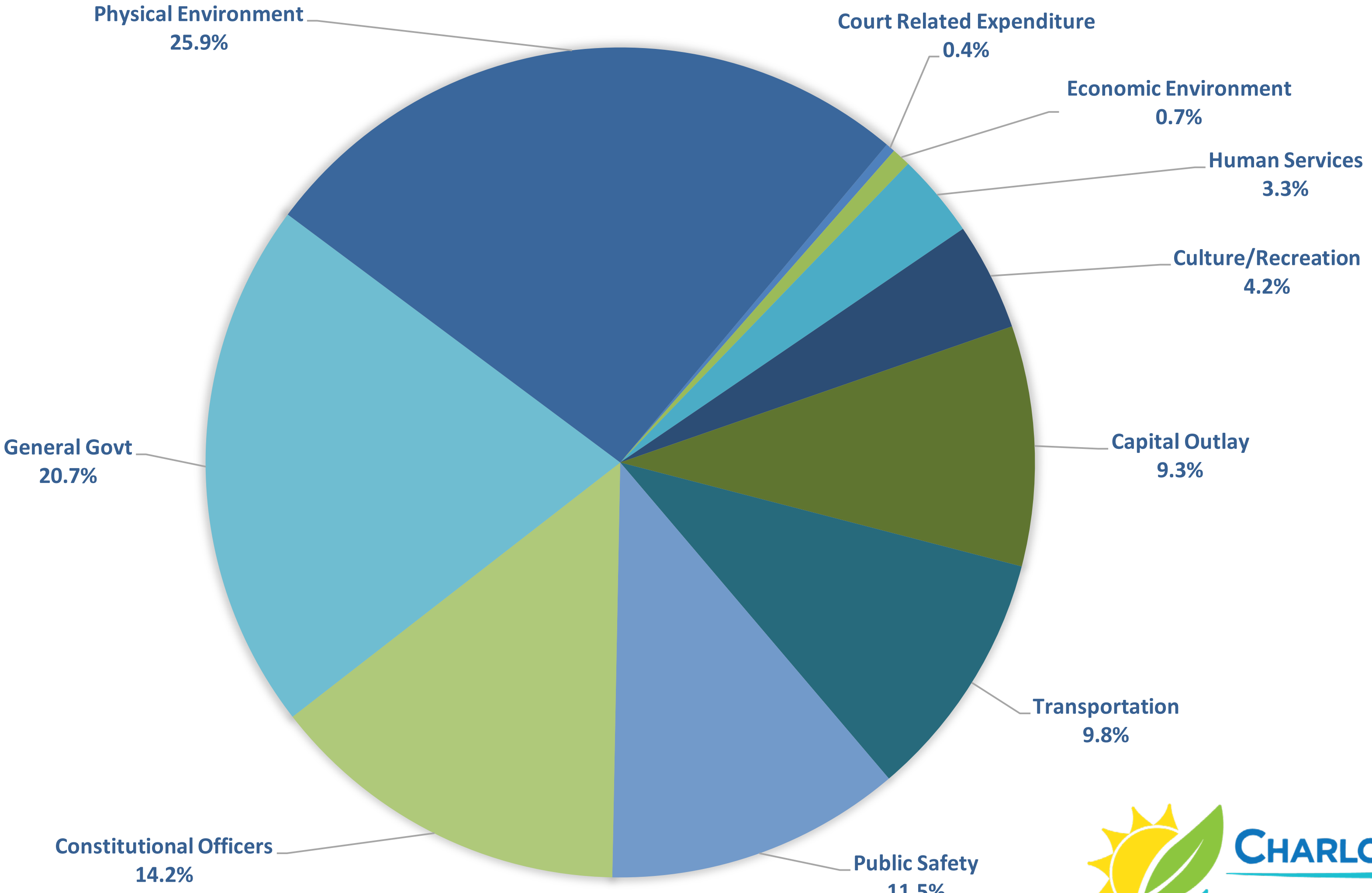
Expenditures

All Funds Expenditures

FY19/20



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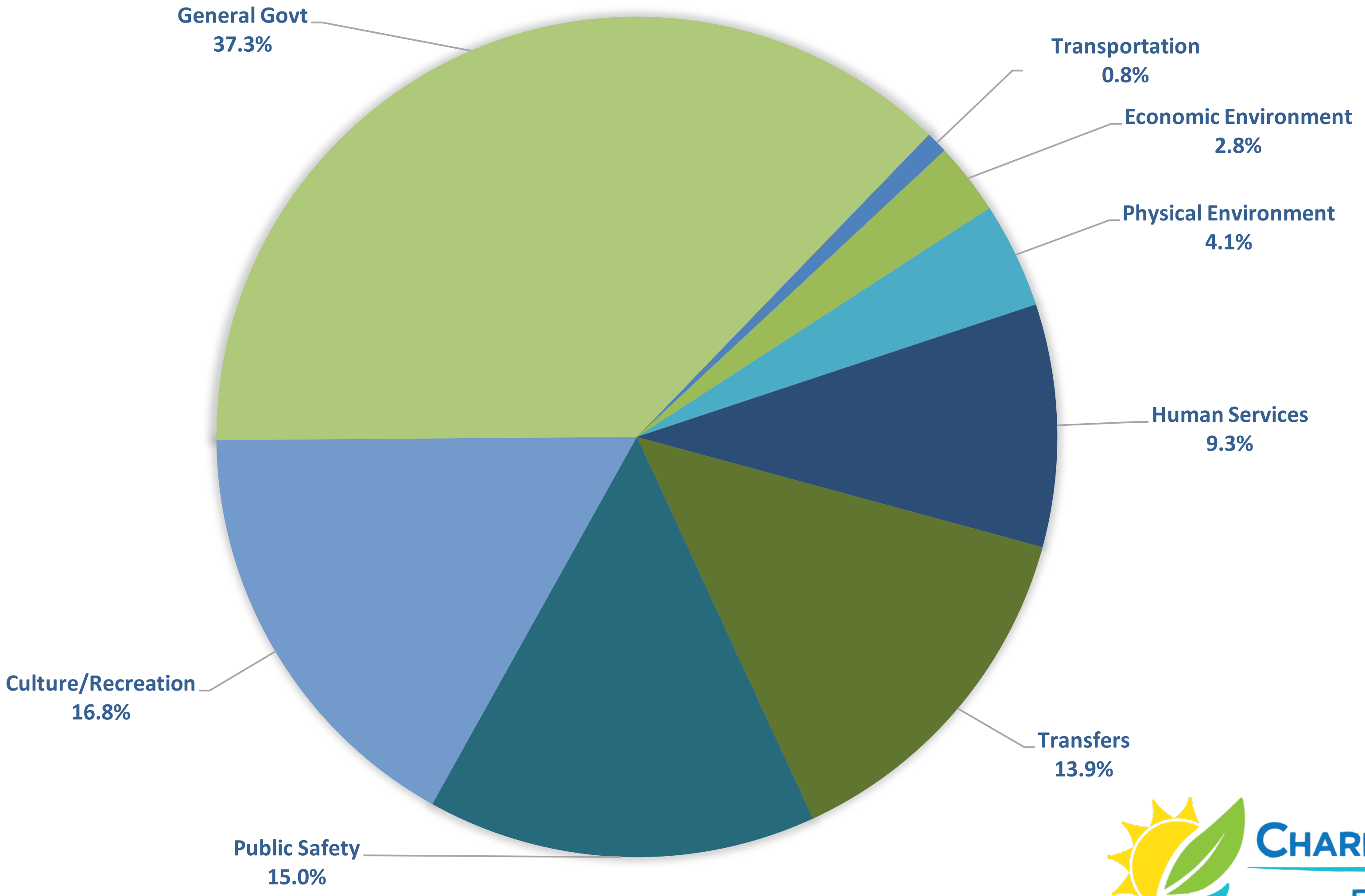
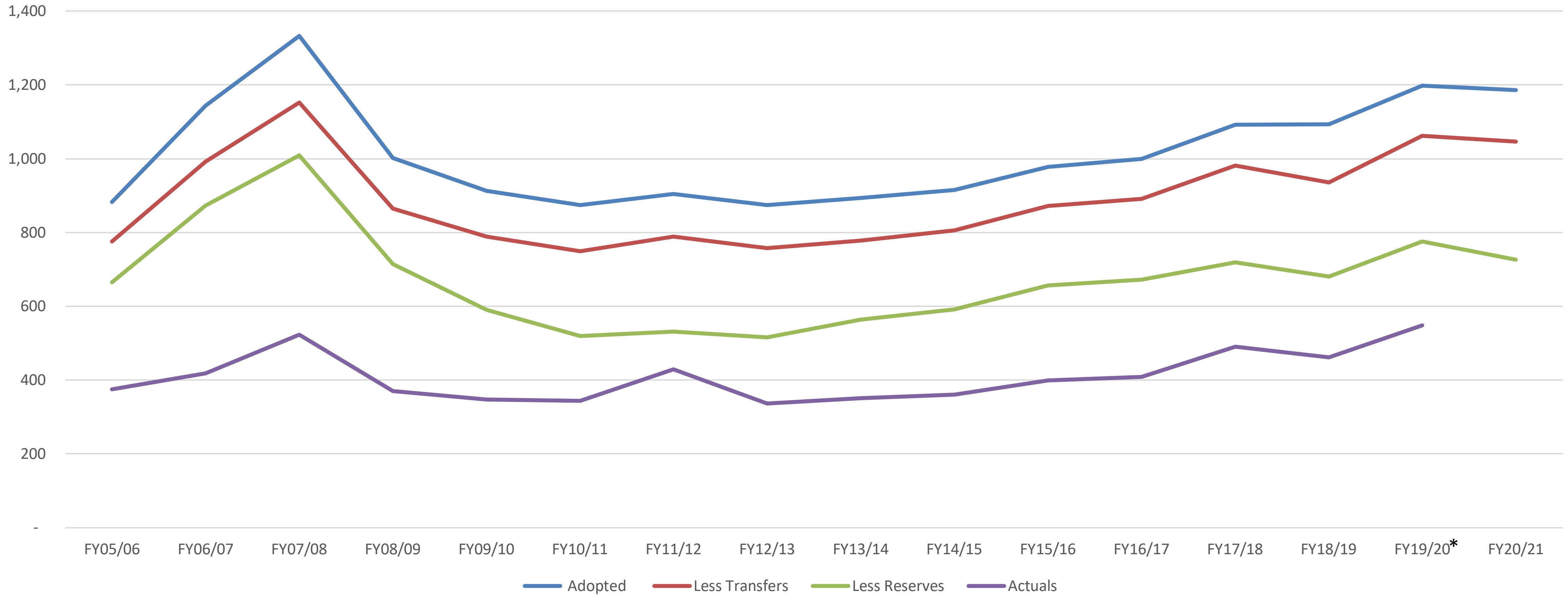
General Fund Expenditures

FY19/20



Net Amended Budgets

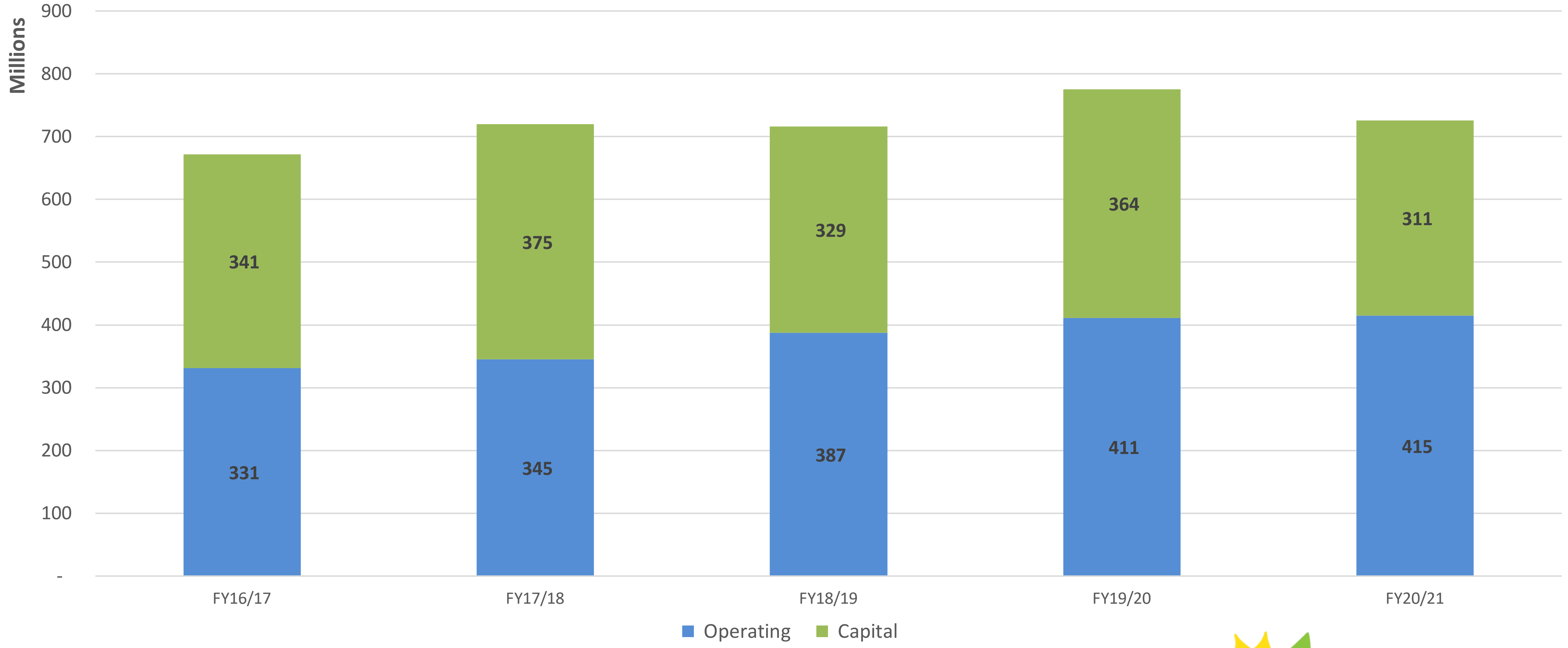
(in millions)



* Actuals unaudited 2/23/21

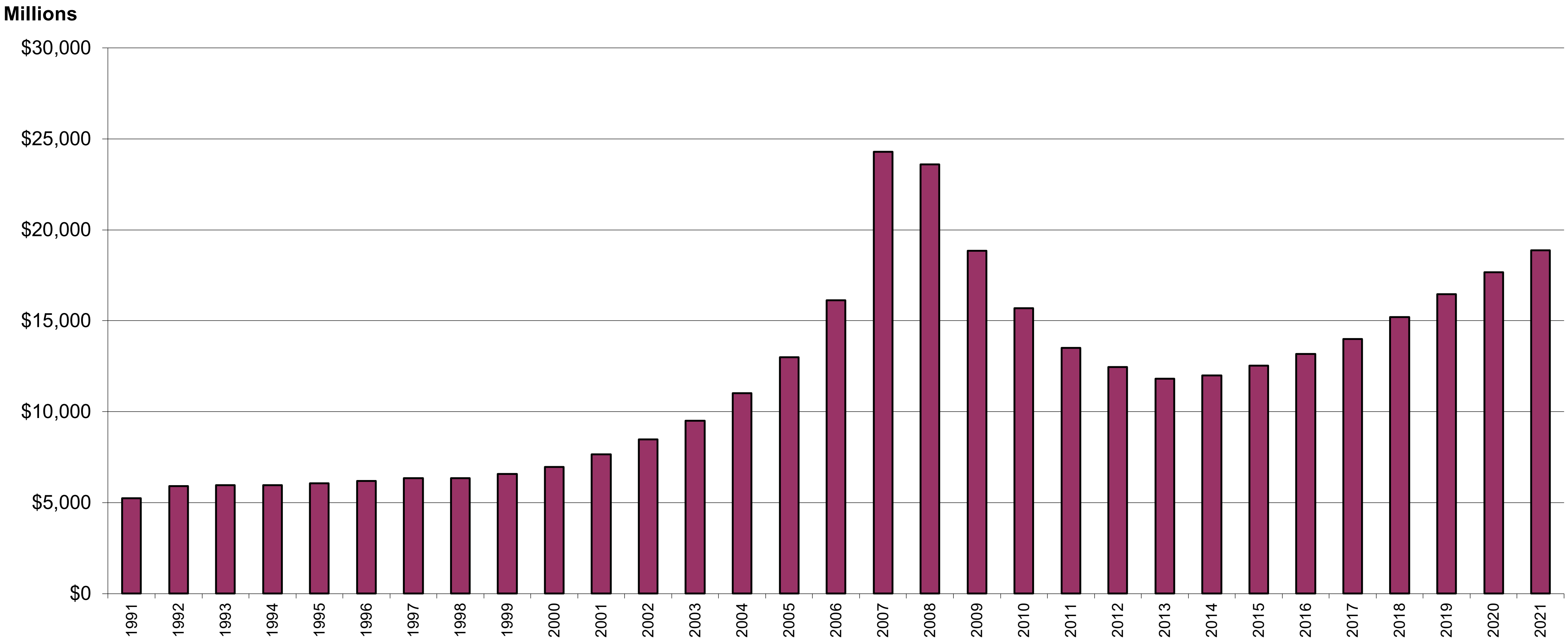
Net Budget

Capital vs Operating



Property Valuations

Assessed Valuation



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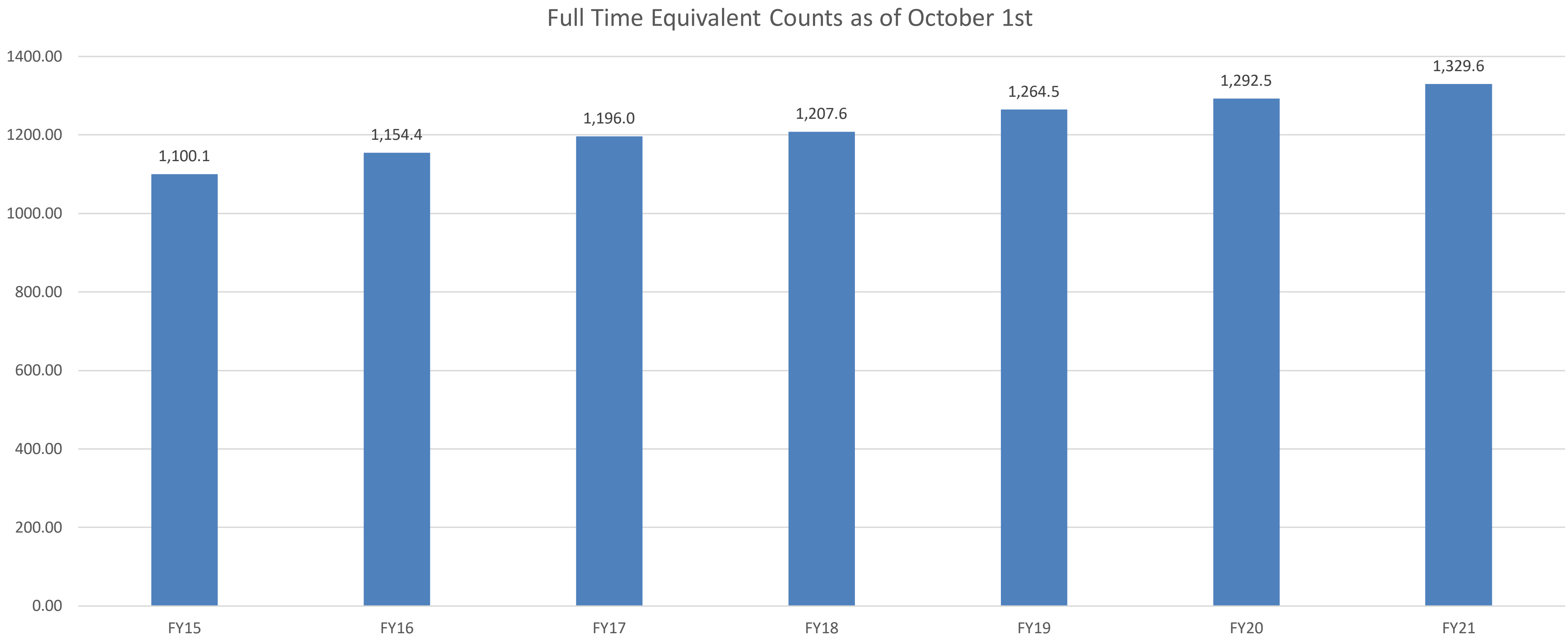
Employees

BCC Countywide FTE Count



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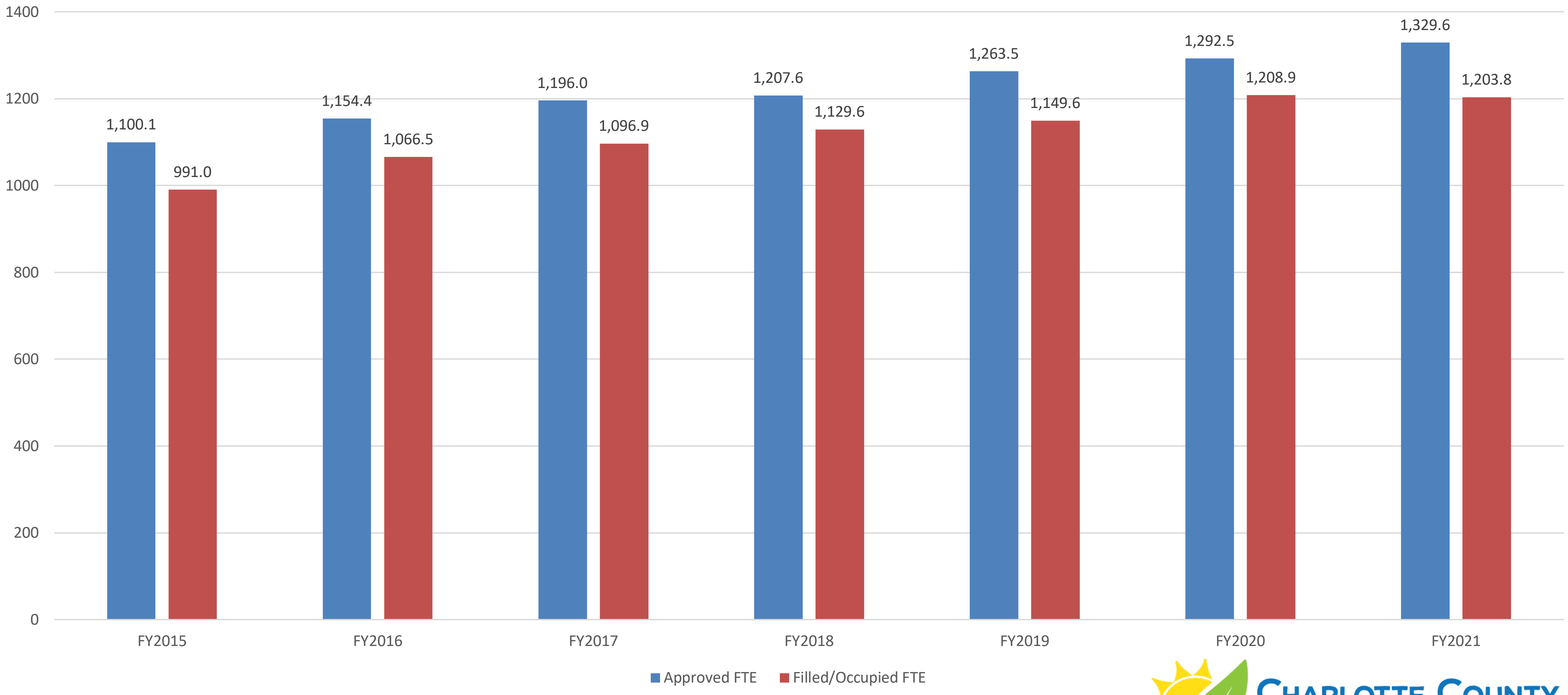
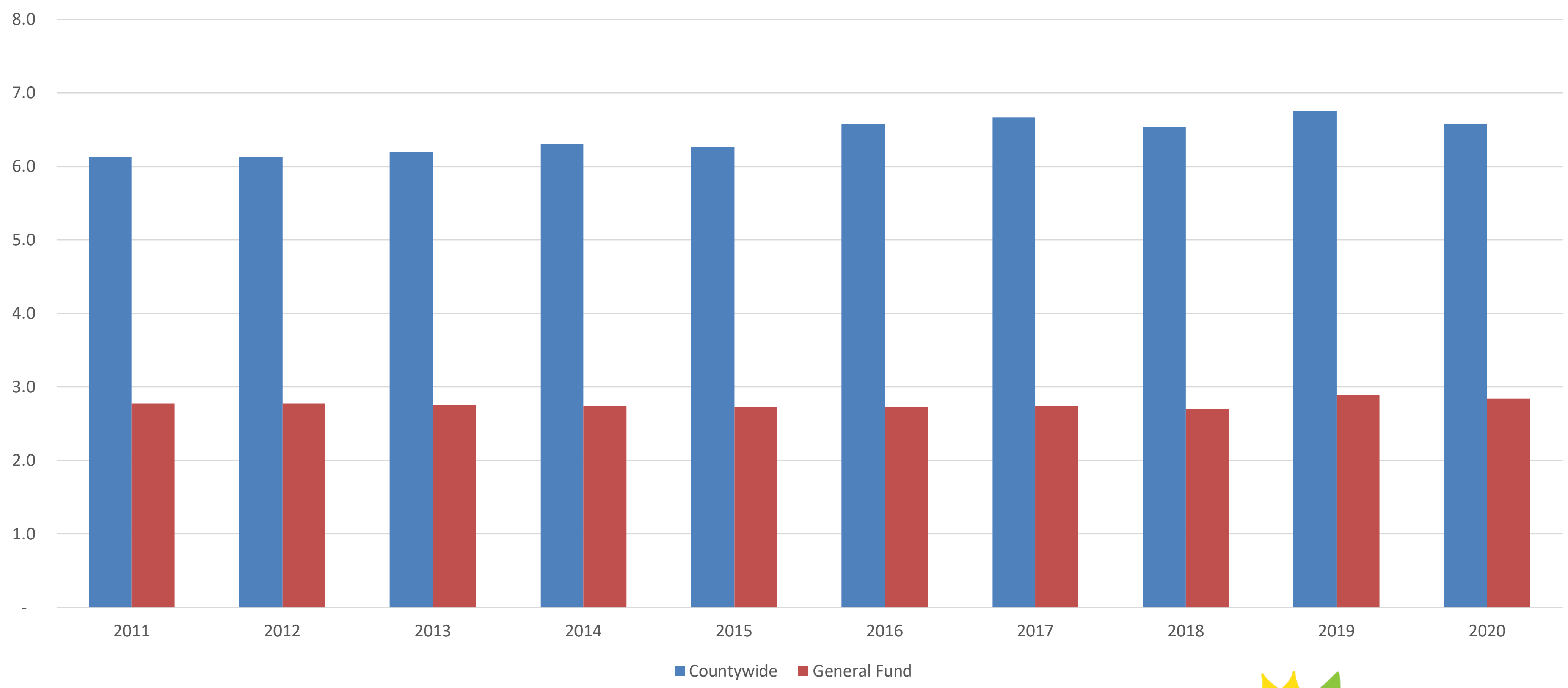
BCC Countywide Occupied FTE Count



*FTE and Occupied counts as of October 1st of the applicable Fiscal Year

Employees / Thousand Population



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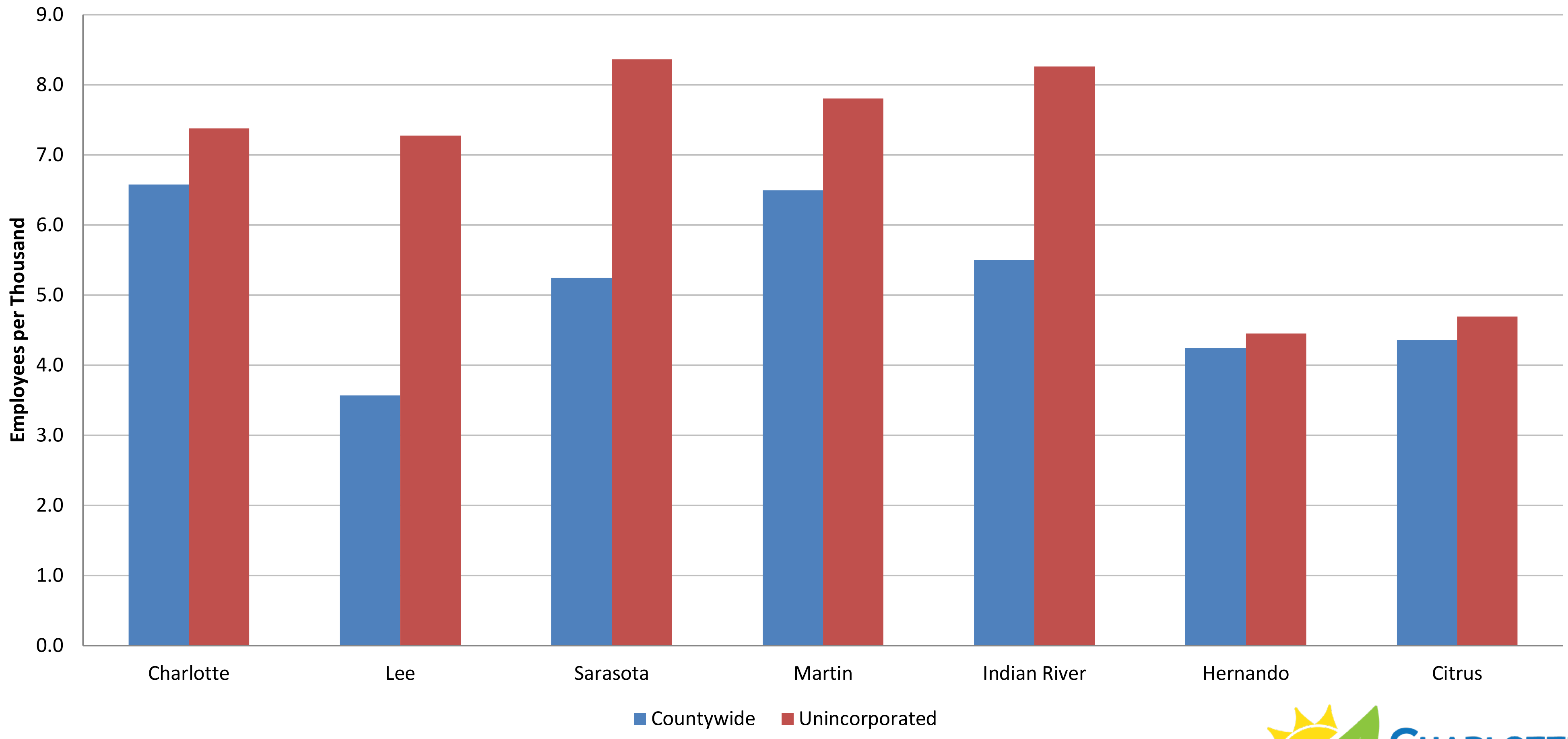
Employees / Thousand Population

Other County Comparison



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Policy Review

Reserves & Debt

Types of Reserves

- Cash Carry Forward Reserves
- Contingency Reserves
- Fiscal Stabilization Reserves
- Future Capital Reserves
- Restricted Reserves

Reserve Policy

<u>Reserve for Contingencies:</u> To mitigate current and future risks such as revenue shortfalls, unanticipated expenditures, and to ensure stable tax rates; and other unforeseen financial situations. A balance not less than 5% and not greater than 10% percent of the total budget.

<u>Cash Carried Forward Reserve:</u> For the purpose of paying expenses from October 1 of the ensuing fiscal year until the time when the revenues for that year are expected to be available. A balance not less than 5% and not greater than 10% percent of the total budget.

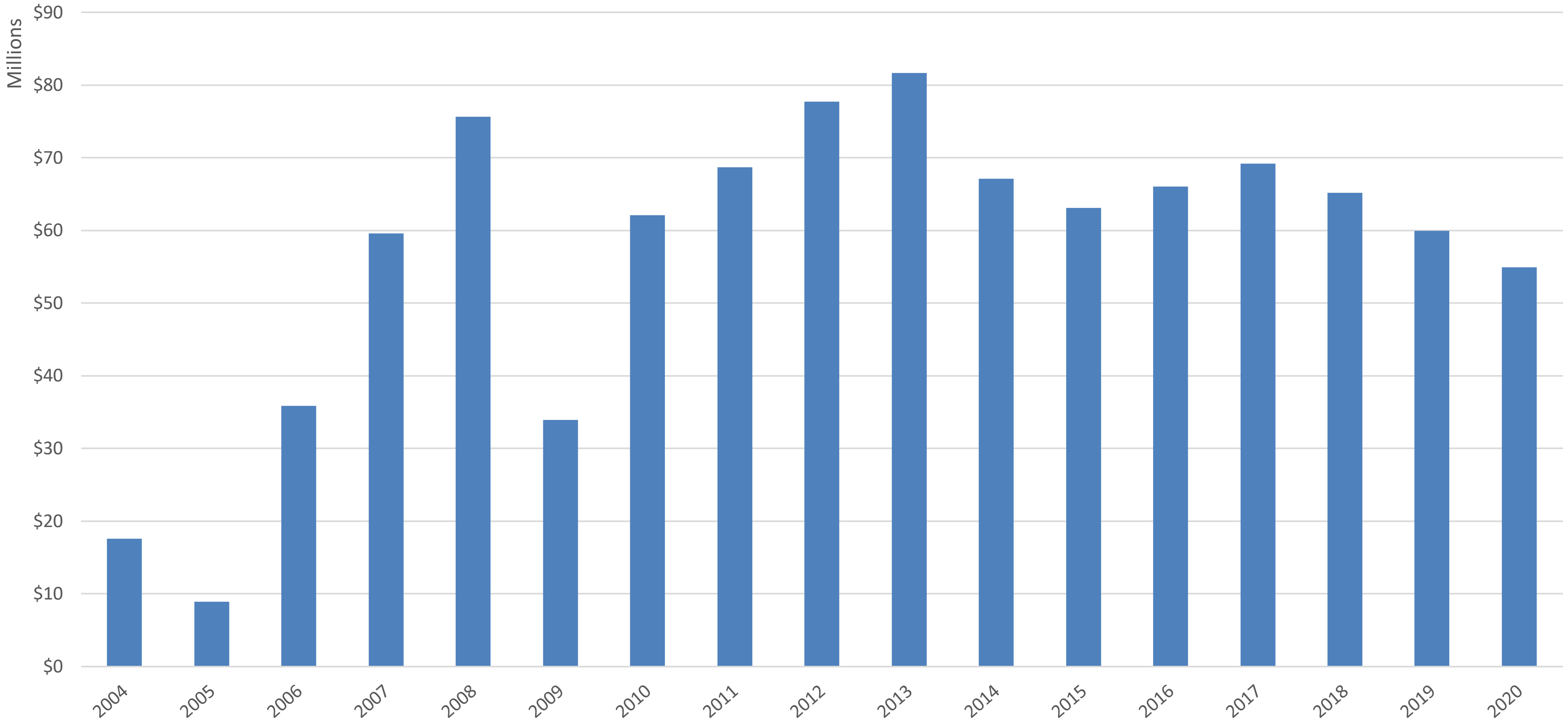
<u>Fiscal Stabilization Reserve:</u> To meet unexpected immediate increases in service delivery costs, or to maintain service levels in the event that an economic downturn should cause a shortfall in revenues or for expenditures associated with a major storm or other unforeseen disaster that fundamentally alters the current tax base. A balance not less than 15% percent of the General Fund.

Ad Valorem Reserves

	Total Reserves	% of Budget	Target
Contingency	$ 15,203,010	4.87%	5% - 10%
Cash Carry Forward	$ 16,884,292	5.41%	5% - 10%
Fiscal Stabilization	$ 22,250,042	13.11%	> 15% *
Total:	$ 54,337,344		

* Percentage of General Fund only.

Ad Valorem Beginning Balance



Reserves

	Contingency	Cash Carry Forward	Fiscal Stabilization	Future Capital	Restricted		Total
Ad Valorem	15,203,010	16,884,292	22,250,042	7,063,795			61,401,139
Transportation Trust	2,557,753	5,115,505		3,821,628			11,494,886
Building Const Services		450,488					450,488
MSBU / MSTU	20,911,395	14,795,152		38,413,800	1,767,356		75,887,703
Fire Rescue Unit	1,352,366	715,686					2,068,052
Capital Projects				41,519,044			41,519,044
Utilities	37,439,498	-	2,481,182	13,500,000	15,874,457	a	69,295,137
Landfill	3,694,879	2,892,500	150,000	1,905,780	13,057,168	b	21,700,327
All Other *	12,050,001	3,727,347	2,052,964	9,065,098	9,357,818		36,253,228
	93,208,902	44,580,970	26,934,188	115,289,145	40,056,799		320,070,004

a Restricted by Bond Covenant to guarantee debt service

b Restricted for future landfill closure

* All Other consists of:

- Internal Service Funds such as Self Insurance and Vehicle Revolving Fund
- Special Revenue Funds such as Tourism Development and Boater Revolving Fund

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Debt Policy

The objective of Charlotte County's Debt Policy is to maintain the County's ability to incur present and future debt at the most advantageous circumstances to the County and its citizens, for purposes of financing or refinancing approved elements of its capital improvements program and other County projects.

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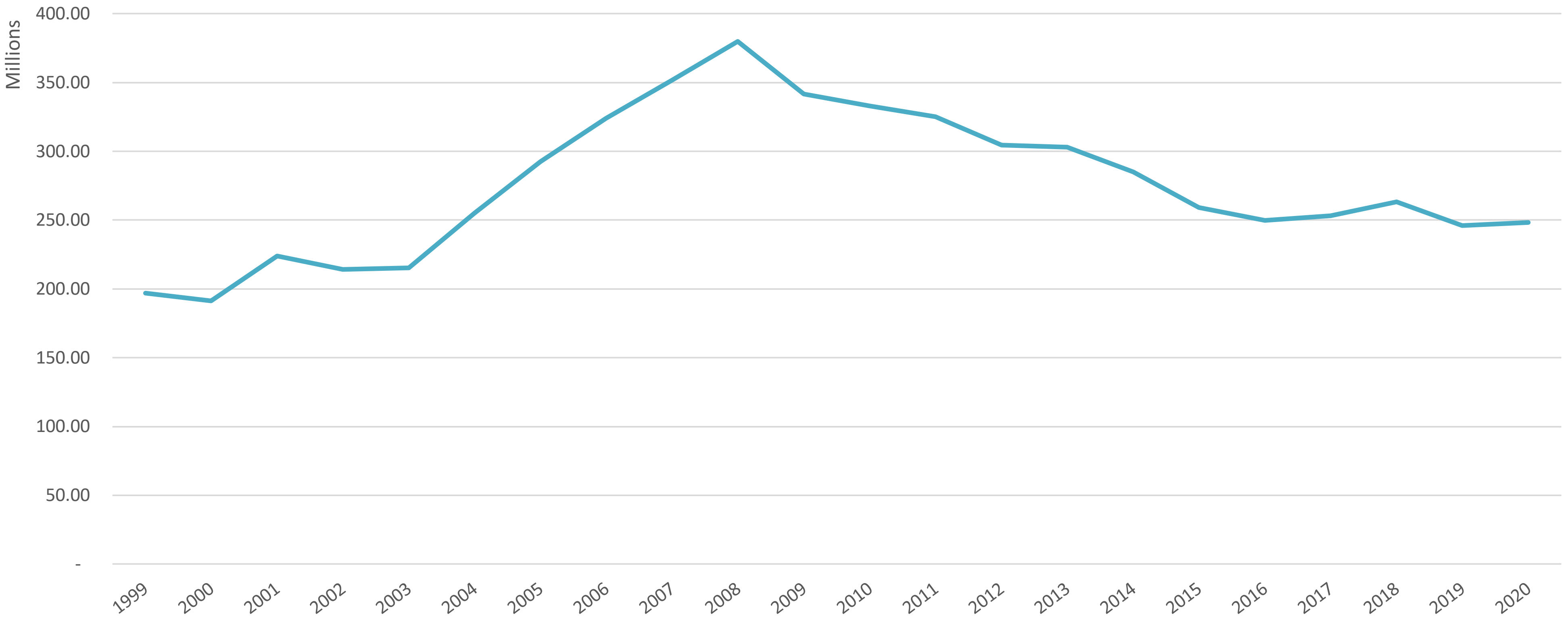
Charlotte County

20 Year Debt Position



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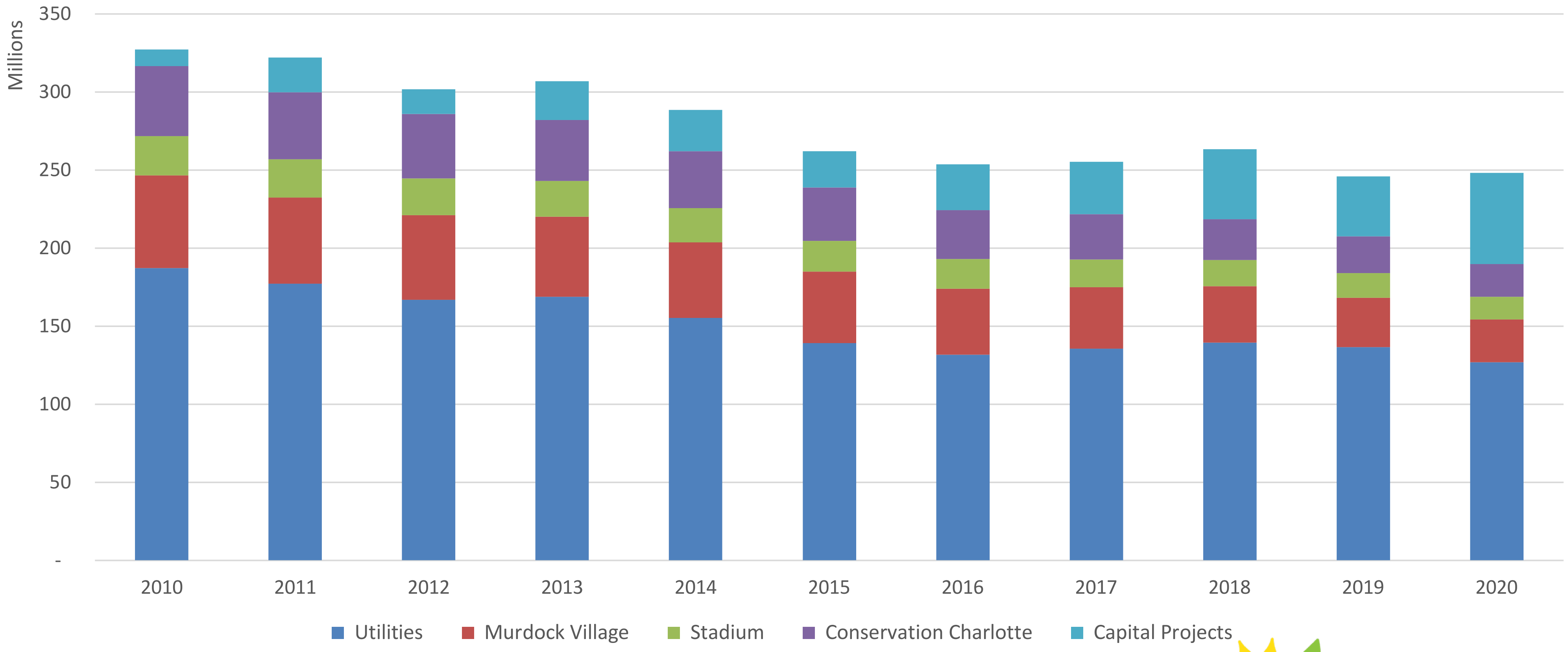
Charlotte County
Debt Breakdown



2021/22 Preliminary Projection

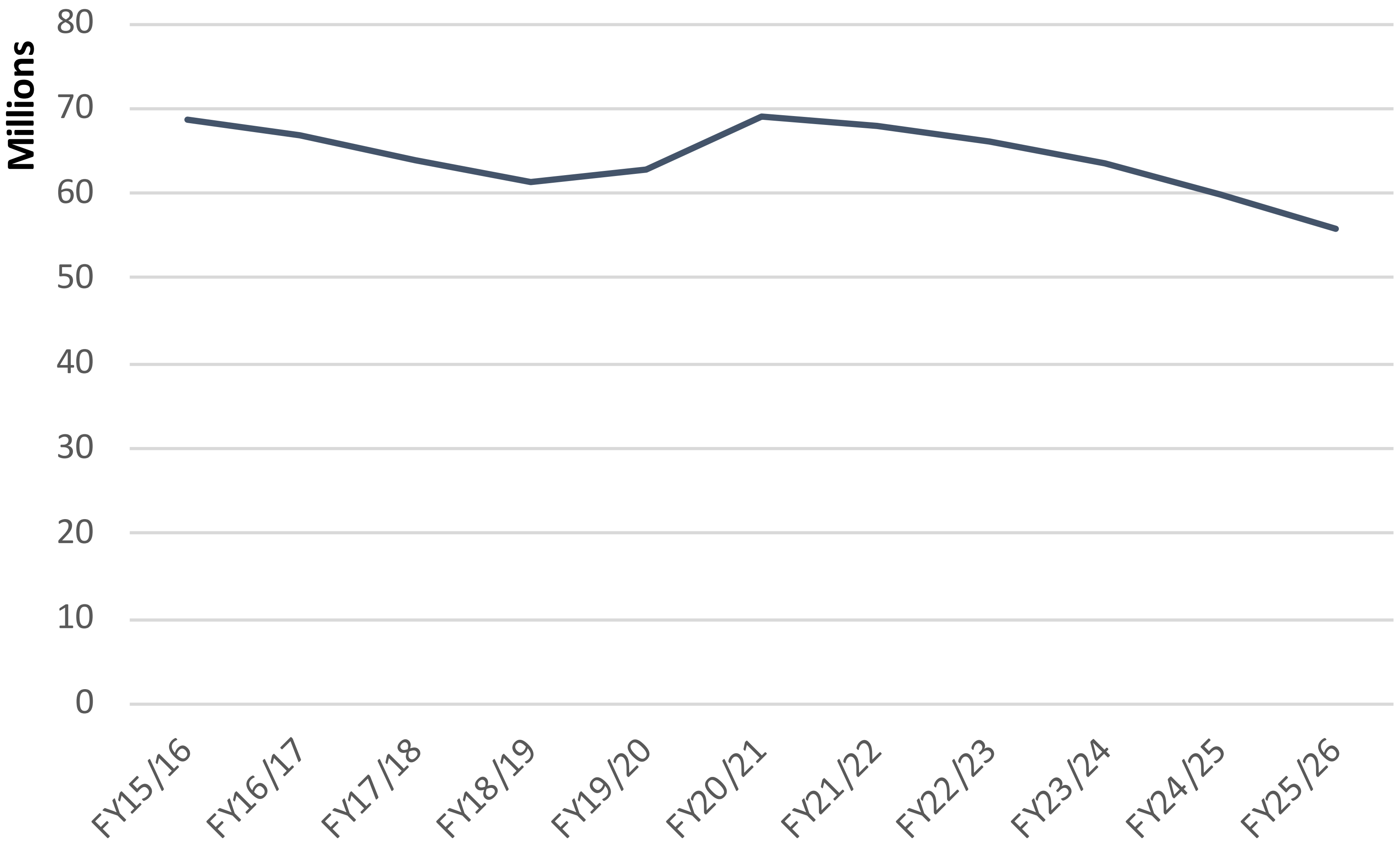
General Fund - Five Year Financial Plan

Revenue/Expenditures (Thousands)

	Actual * FY19/20	Budget FY20/21	Projected Budget FY21/22	Projected Budget FY22/23	Projected Budget FY23/24	Projected Budget FY24/25	Projected Budget FY25/26
Operating Revenues							
Ad Valorem Taxes	34,278	39,576	42,148	44,888	47,356	49,724	52,210
State Shared Revenues	19,878	22,550	23,227	23,924	24,641	25,381	26,142
Franchise Fees - FPL	9,641	10,000	10,100	10,201	10,303	10,406	10,510
Charges for Services	9,743	11,329	11,442	11,556	11,672	11,789	11,907
Less 5%-FS 129.01(2)(B)		-4,366	-4,541	-4,726	-4,898	-5,066	-5,242
Other Revenues & Fees	6,773	3,871	3,909	3,949	3,988	4,028	4,068
Internal Charges	18,852	18,676	18,676	18,676	18,676	18,676	18,676
Transfers In	8,649	7,447	7,931	8,447	8,912	9,357	9,825
Total Revenues	**107,813**	**109,082**	**112,892**	**116,914**	**120,650**	**124,294**	**128,096**
Expenditures							
Personal Services-Excluding Health	36,443	40,618	42,739	44,499	46,505	48,559	50,662
FRS Rates	4,731	4,655	5,556	5,785	6,046	6,313	6,586
Health & Life Insurance Costs	8,823	10,213	10,535	10,757	11,026	11,292	11,556
Operating Expenses	23,874	31,999	32,329	32,728	33,070	33,590	33,942
Capital Outlay	907	999	999	1,041	1,233	1,440	1,488
Grants & Aid	3,793	4,039	4,160	4,285	4,414	4,546	4,682
Constitutional Offices	16,121	16,361	16,852	17,357	17,878	18,414	18,967
Transfers	7,088	8,730	8,992	9,262	9,540	9,826	10,121
Total Expenditures	**101,779**	**117,614**	**122,162**	**125,715**	**129,710**	**133,980**	**138,004**
Use of Reserves	-6,034	8,532	9,269	8,801	9,060	9,685	9,907

* Unaudited – 2/23/21

General Fund Beginning Balance



Revenue Projections

Scenario	Projected Budget FY21/22	Projected Budget FY22/23	Projected Budget FY23/24	Projected Budget FY24/25	Projected Budget FY25/26
Baseline	112,892	116,914	120,650	124,294	128,096
Everything Booming	113,526	118,727	124,754	130,671	136,966
Safe Refuge	113,376	117,914	122,695	127,116	131,745
Retirement	113,405	117,630	122,907	128,510	134,511
Recession	111,177	111,177	112,766	115,842	120,524
Housing Shortage	112,265	116,277	120,413	124,714	129,231

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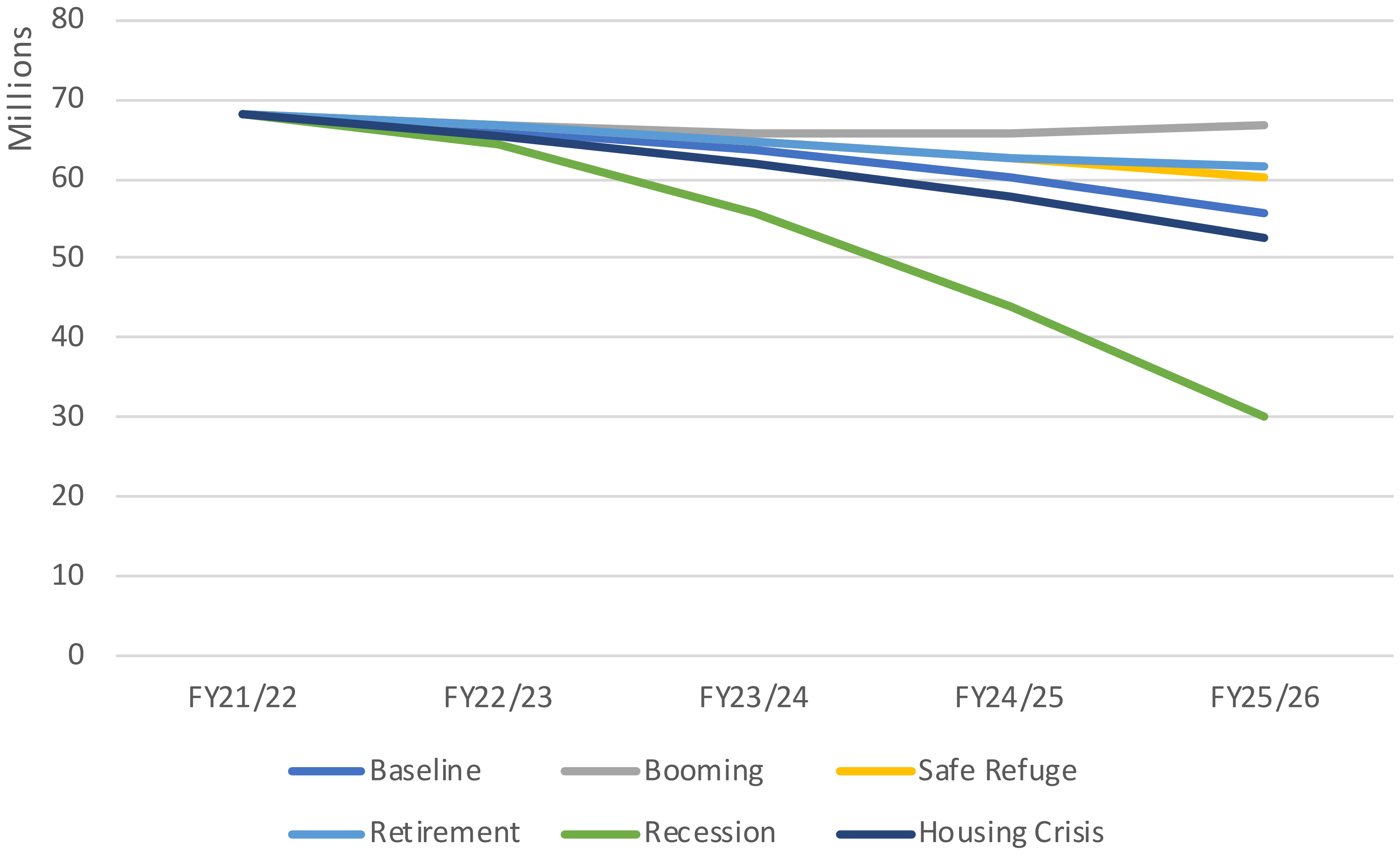
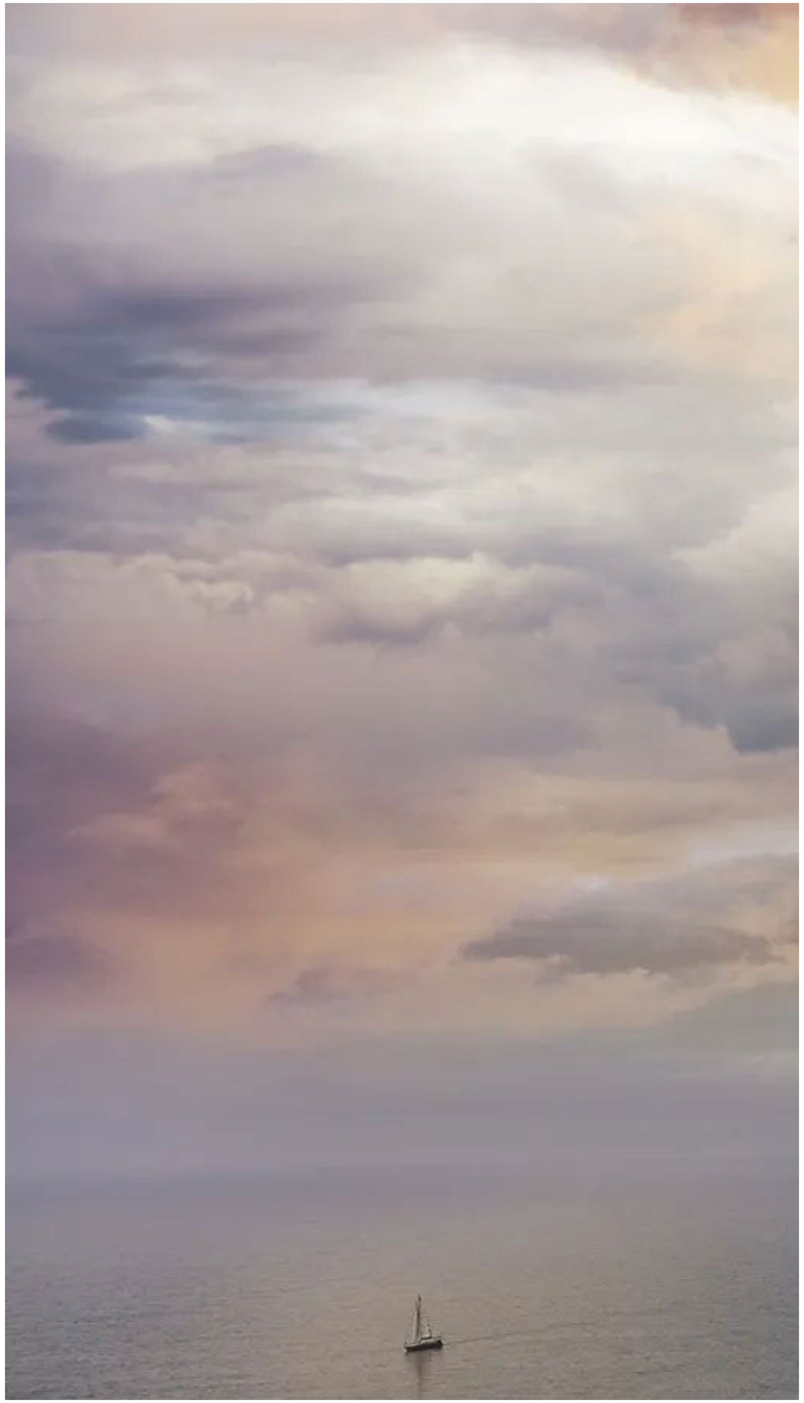
Post COVID Scenario Projections

Beginning Balances





Charting a Course Post-COVID

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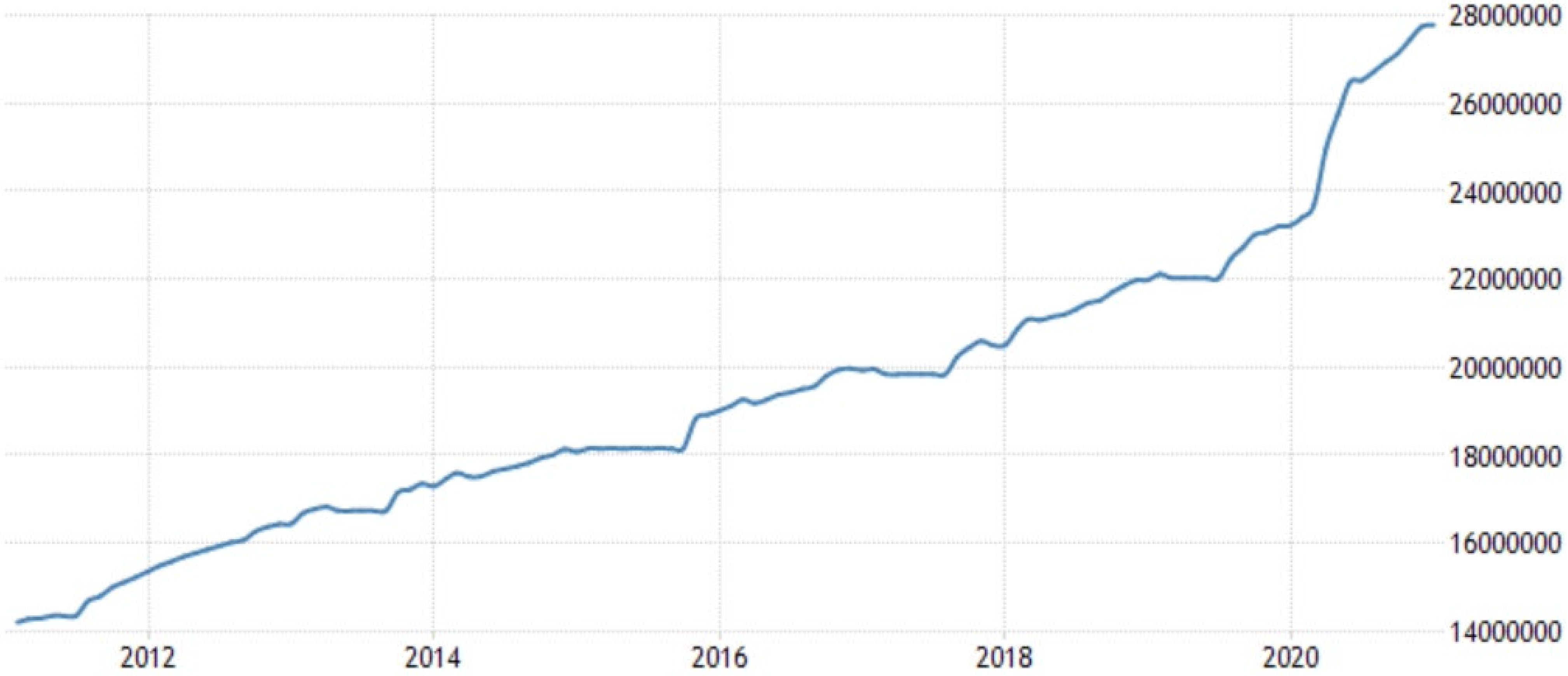
National Debt



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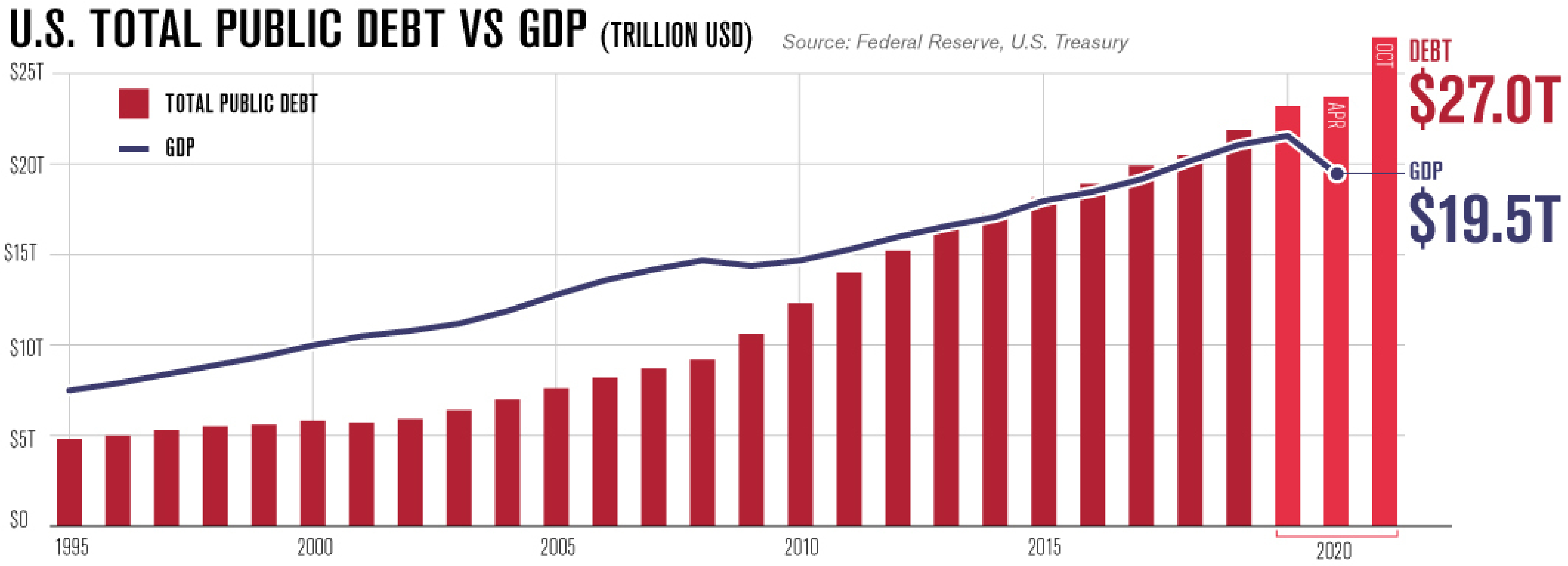
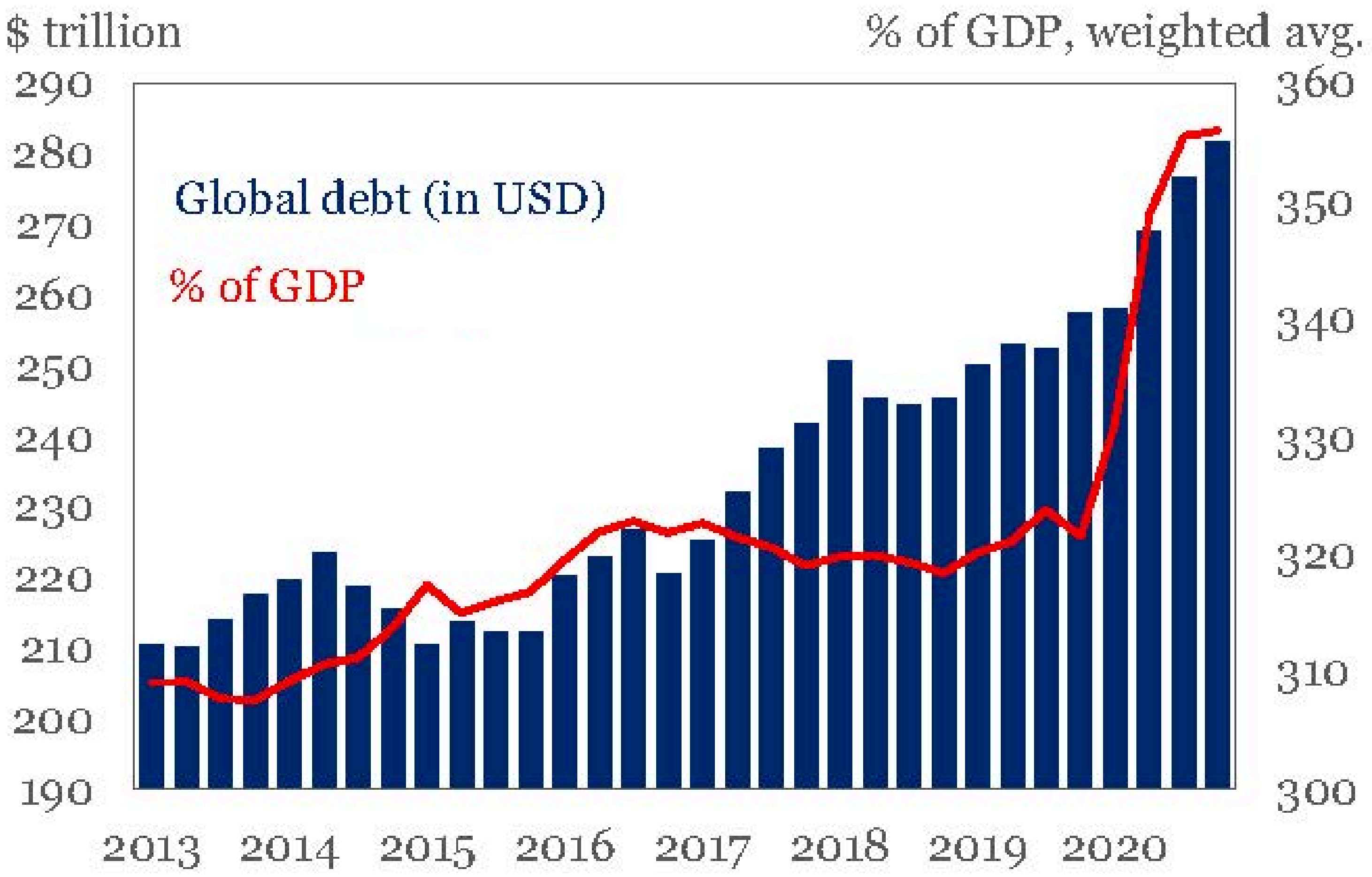
National Debt

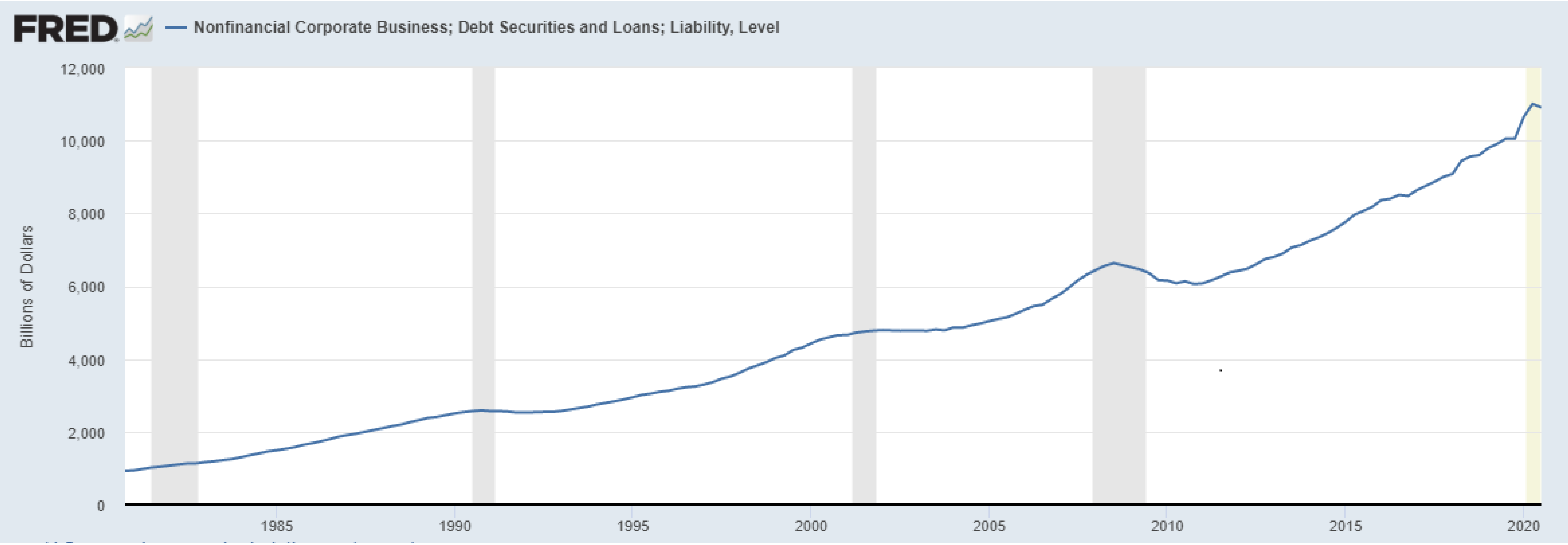


Global Debt

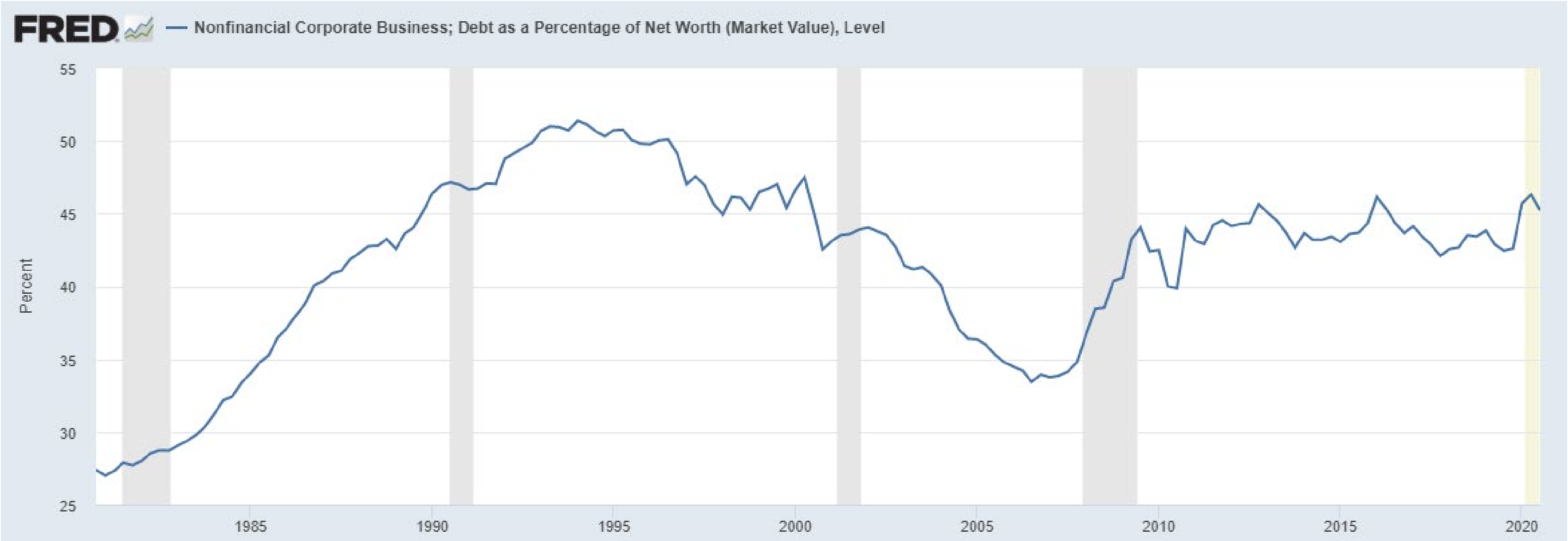


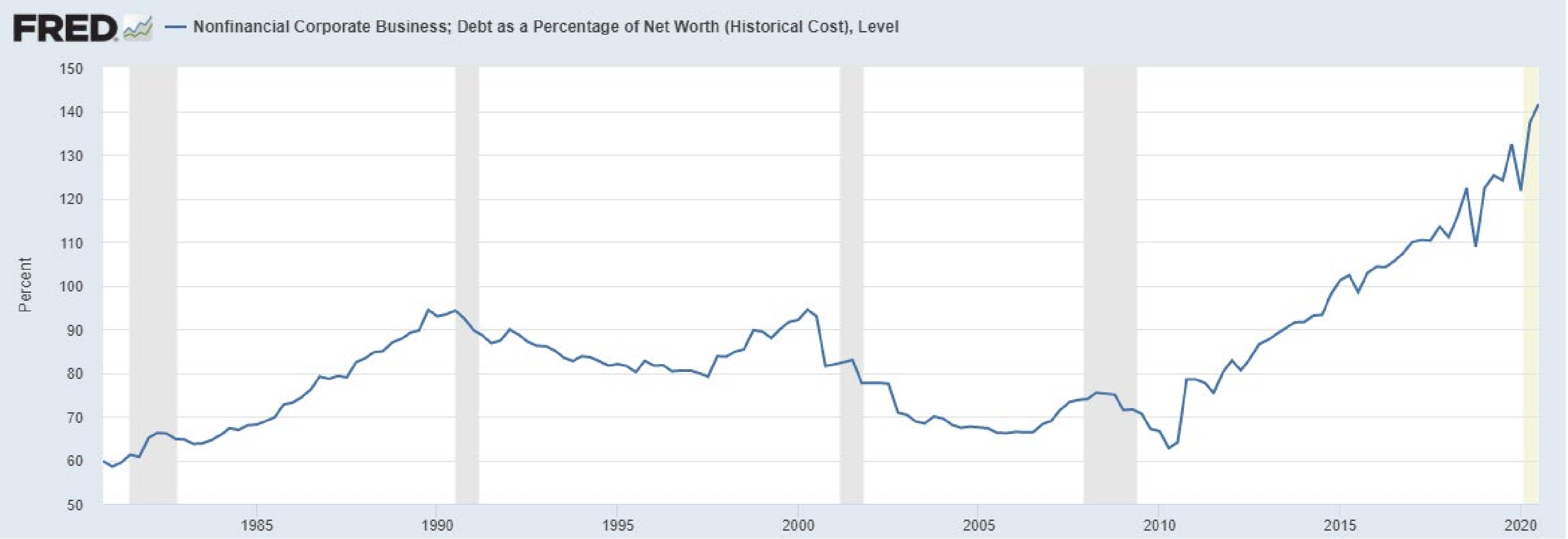
Source: IIF, BIS, IMF, National sources

Corporate Debt

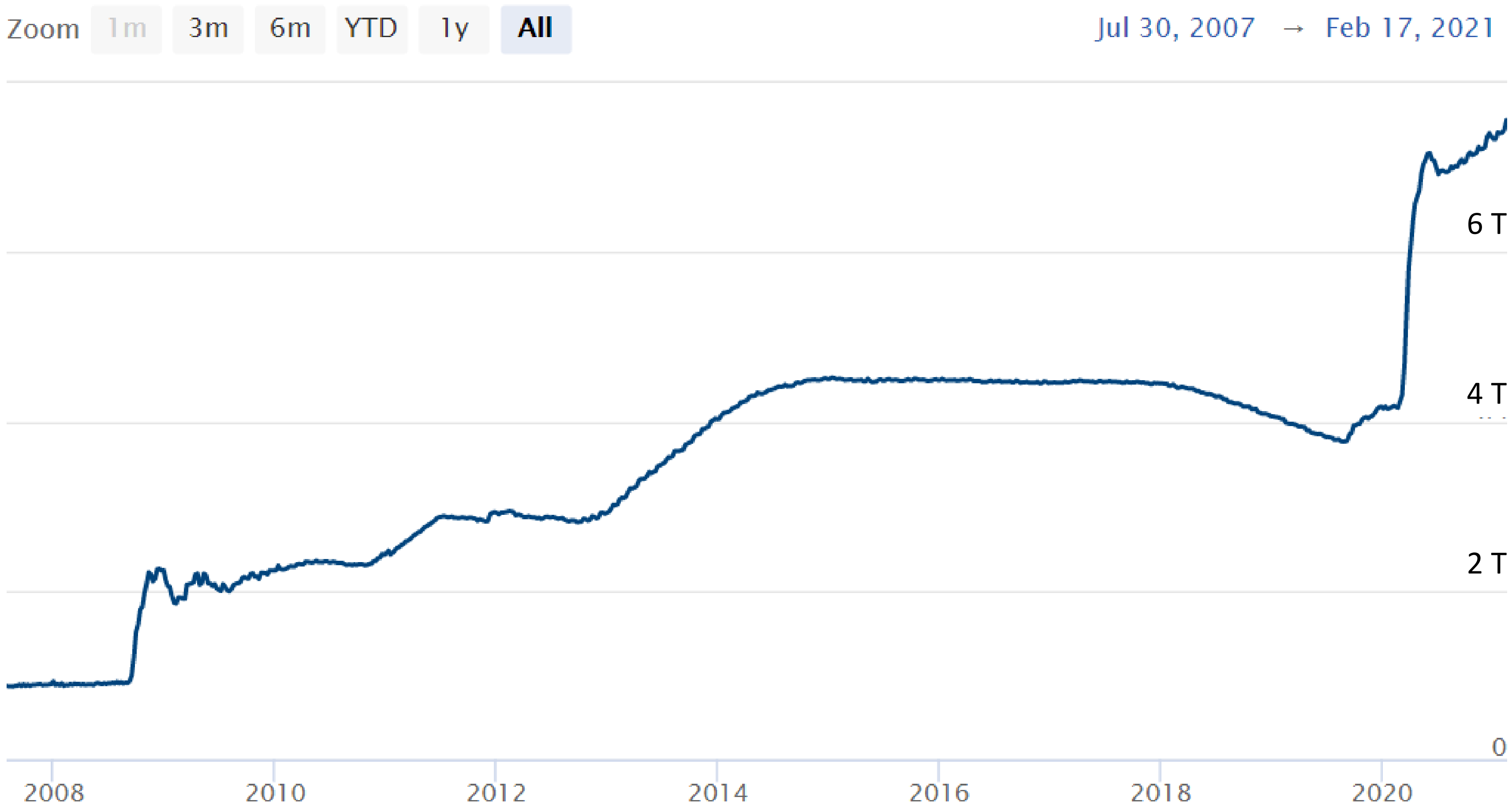


Corporate Debt / Net Worth

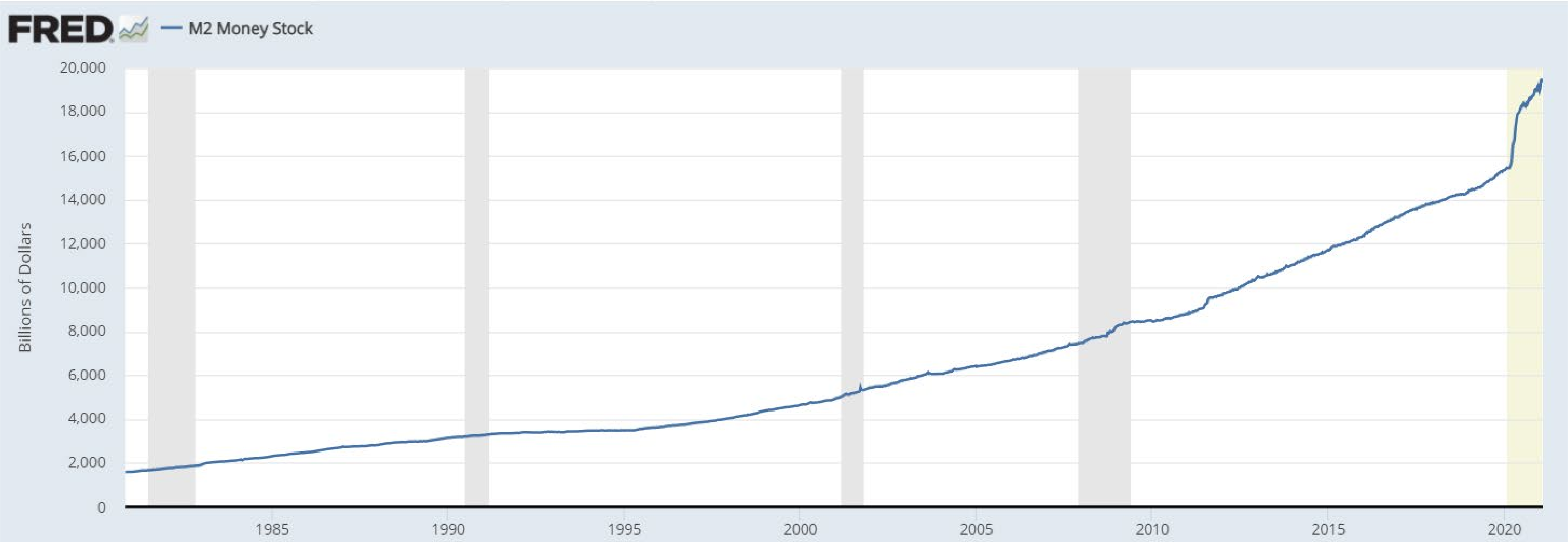




Federal Reserve Assets



Money Supply



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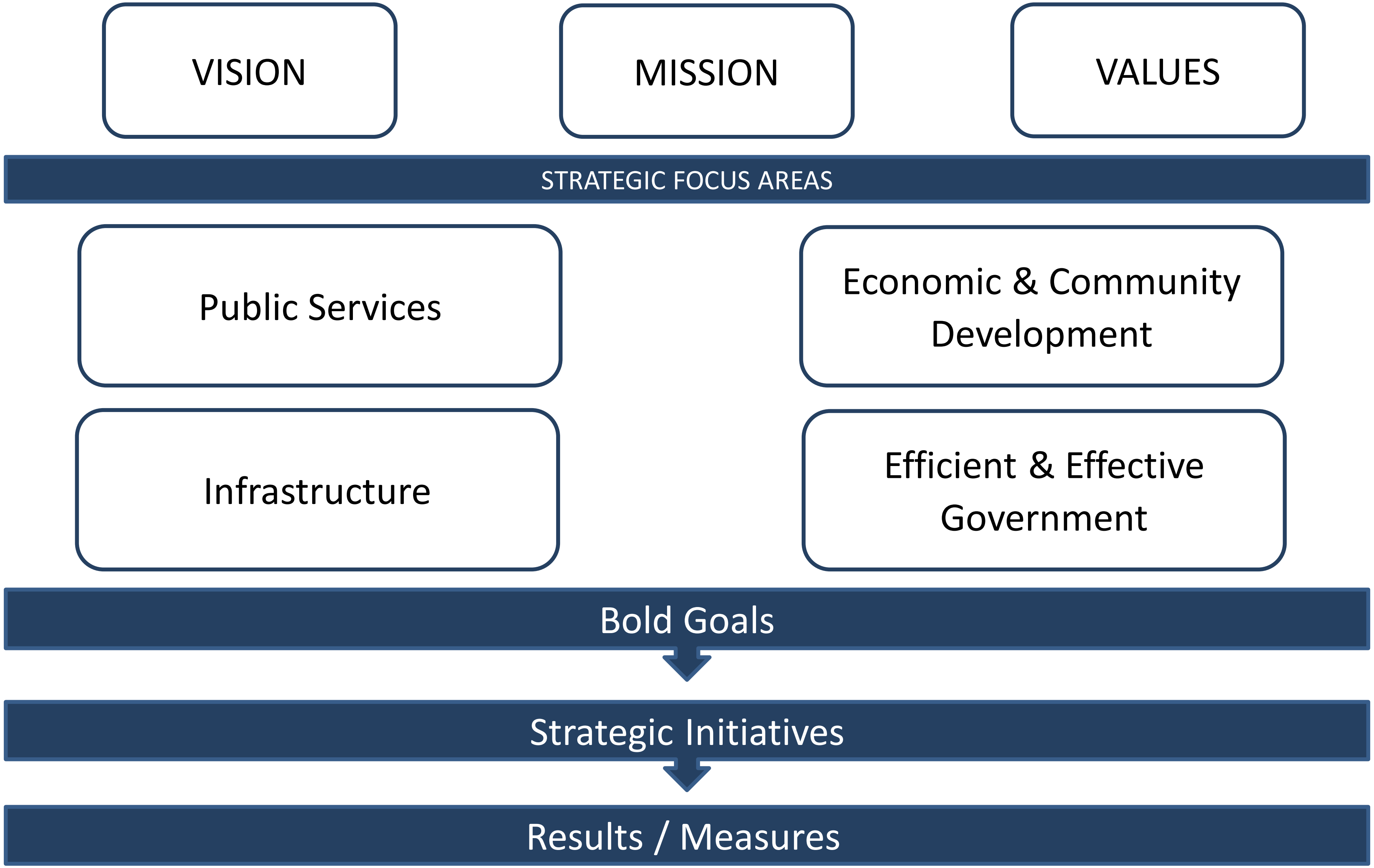
10 Year Treasury Rate

Federal Funds Rate

BCC Strategic Plan

Confirmation of Goals and initiatives from Feb. 16th BCC Workshop


VISION
MISSION
VALUES
STRATEGIC FOCUS AREAS
Public Services
Economic & Community Development
Infrastructure
Efficient & Effective Government
Bold Goals
Strategic Initiatives
Results / Measures

Economic & Community Development

To create a business climate that promotes a diversified, growing economy consistent with sustainable growth management plans, environmental stewardship and enhanced quality of life.

Economic & Community Development

Bold Goals

- Add 3,650 affordable housing units by 2024
- Improve water quality by 5%
- Increase enrollment in secondary education by 5% (including trades and technical)

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Economic & Community Development
Housing

- Make realistic but include an annual increase
- Subsidy needed to make progress
- Follow-up workshop for deeper review- include HUD
- Explore creation of Housing Authority

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Economic & Community Development

Water Quality

- Need to establish appropriate measurements before we can quantify

- Series of workshops with new position to flesh out goals

- Need a milestone plan to demonstrate progress

Economic & Community Development

Secondary Education

- Existing goal is too broad
- Focus internally
  - Review by department what jobs and skillsets are needed for the future
  - Introduce students to operations at a younger age

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Economic & Community Development

Revised Goals

- Averaging 200 new affordable housing units added to the community inventory per year, 1000 total units added in 5 years
- Develop and implement the One Charlotte One Water integrated water resource management plan before the end of FY2023
- Increase dual enrollment in vocation centers and local colleges by 3%
- Increase # of college internships to 15 students (5 students per semester) for FY2022. 20 students for FY2023.

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Florida

Infrastructure

To build and maintain countywide infrastructure that meets our evolving needs and enhances our community appearance, improves public safety and protects our natural resources.

Infrastructure
Bold Goals

- Funding and completion of Capital Needs Assessment through 2024.

- Define and maintain balance between Capital and Operating budgets.

Infrastructure
Revised Goals

- Funding and completion of Capital Needs Assessment through 2026.
- Define and maintain balance between Capital and Operating budgets.

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Public Services

To maintain a safe and healthy community by delivering essential services from skilled, professional and dedicated public servants.

Public Services

Bold Goals

- Define levels of service for both quality and quantity by 2020.

Public Services
Levels of Service

- Asset management system (CityWorks) critical for measurement and monitoring of Levels of Maintenance

- Want to maintain or improve overall quality

Public Services

Revised Goals

- Define levels of maintenance by 2022
- Use levels of service to develop staff and cost models
- Improve customer satisfaction

Efficient & Effective Government

To manage fiscally sound county operations with a culture of transparency, accountability, citizen engagement and innovation.

Efficient & Effective Government

Bold Goals

- Ensure Culture as “Great Place to Work”
- Ensure Culture of continuous improvement

Efficient & Effective Government

Revised Goals

- Ensure Culture as “Great Place to Work”
- Ensure Culture of continuous improvement
- Increase “Line of Sight”

Questions?