



2013/14 – 2014/15 Budget Workshop

May 29, 2013



Agenda

- Strategic Focus Areas
 - Efficient & Effective Government
 - Fiscal & Financial Planning



Efficient and Effective Gov

Goal: Facilitate the organization's capacity to govern and manage effectively in the rapidly changing and challenging environment.

Immediate Issues or Initiatives

- Define optimal/acceptable levels of service
- Continued focus on efficiencies
- Increase community outreach of BCC
- Enhance credibility of the organization
- Proactive strategies for intergovernmental relationships
- Explore ombudsman concept for process improvement
- Continue development of overall web presence
- Expansion of wellness program and use of Employee Health Center
- Follow up on Employee Survey with focus on retention strategies



**PURCHASING
INVOICE/PAY SHEET APPROVAL
AUTOMATION REVIEW**

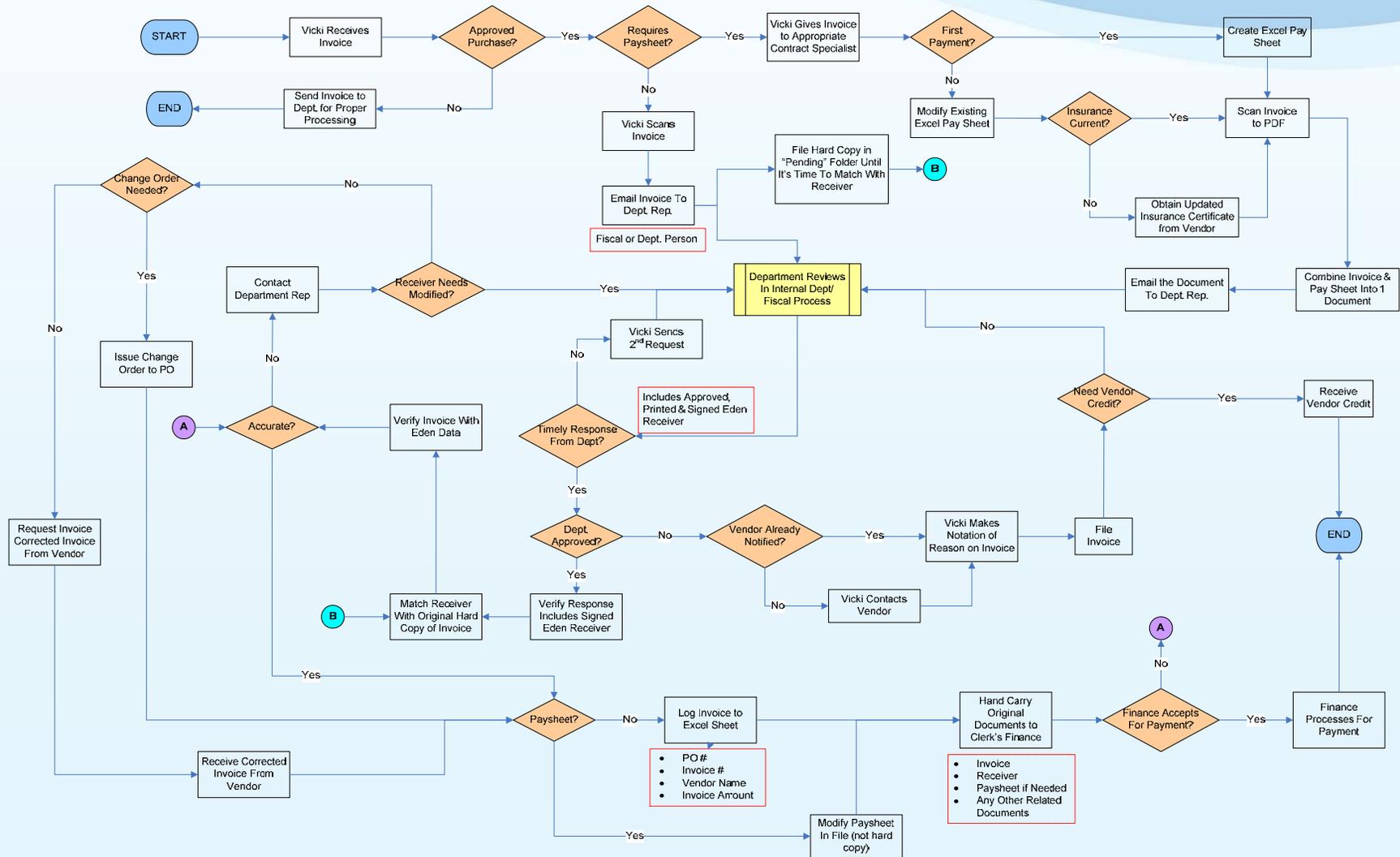


EXISTING PROCESS

- Manual Process
- Requires Printing
- Tradition Signature
- Document Rescanning
- Limited Tracking

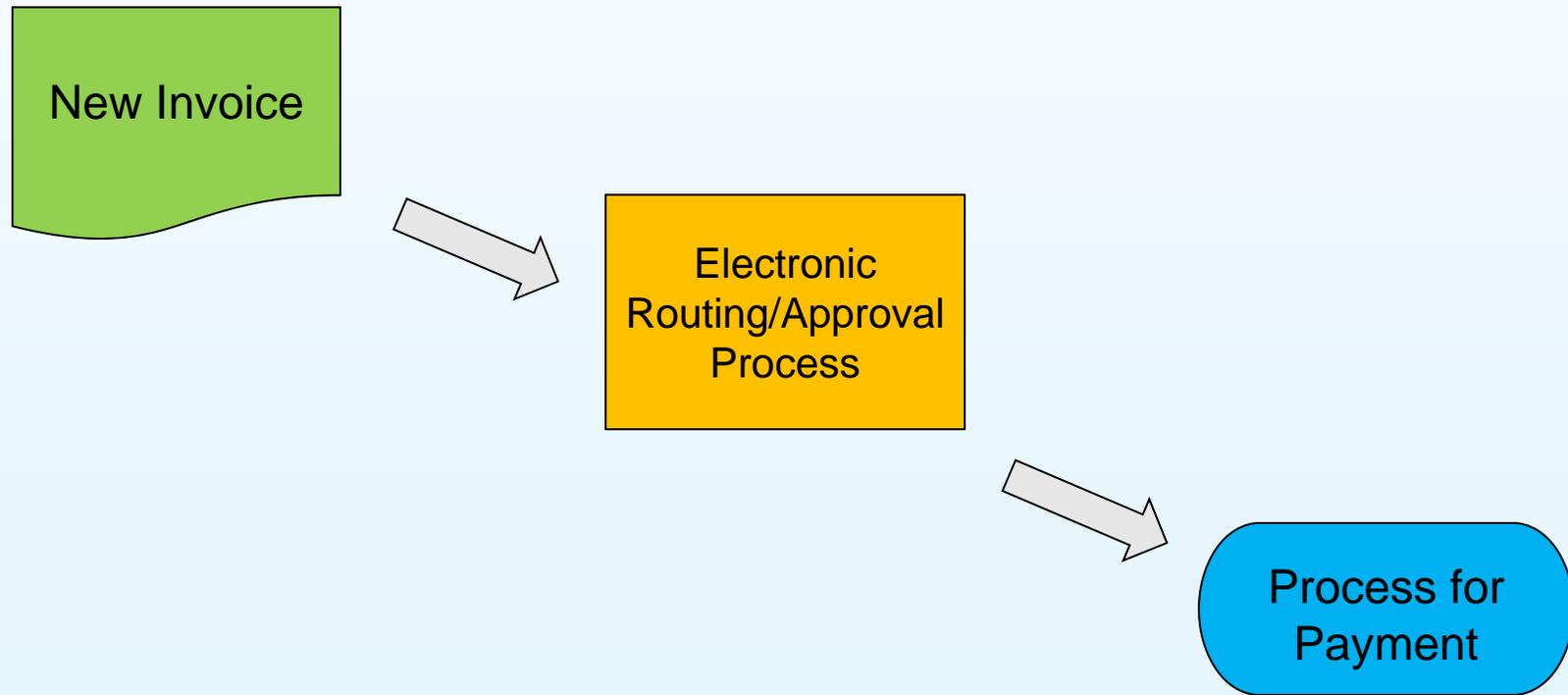


EXISTING PROCESS





PROPOSED PROCESS





PROPOSED PROCESS

- Automated Process
- Printing Not Required – All Digital
- Electronic Signature
- E-Mail Routing
- Complete Process Tracking



Health insurance benefit structure and costs



Initial Goals

- Provide a quality benefit program to our employees, that promotes wellness and is fiscally sustainable.
- **Strategy:**
 - Incentivize healthy behaviors in employees and dependents
- **Steps Taken:**
 - Require Health Risk Assessment for employees and spouses
 - Provide incentives for healthy biometrics and/or behaviors to improve (employee & spouse)
 - Incentives deposited in HRA to encourage “smart shopping”



Initial Goals

- **Strategy:**
 - Move toward County Health Clinic as base option
- **Steps Taken:**
 - General office visits and prescriptions “free” through the clinic
 - Increase perception of the “quality” of the clinic
 - Move to family practitioner model
 - Staff clinic accordingly
- **Strategy:**
 - Manage high level claims (3% of claimants represent 39% of total claims)
- **Steps Taken:**
 - Increase deductibles to discourage adverse selection
 - Mandate disease management programs



Overview of Two Year Strategy 2011/12 – 2012/13

Year One

- Flat renewal
- Moved to Self Funding
- Enhancement of the Employee Health Center

Year Two

- Flat renewal
- Plan Design Changes
 - HDHP with Health Reimbursement Accounts
 - Wellness driven
 - Mandatory Health Risk Assessments
 - Incentives based on results and behavior changes



Overview of Two Year Strategy 2013/14 – 2014/15

Year One

- Expand wellness program
- Tobacco free incentive
- Addition of Sheriff employees and dependents

Year Two

- Review and align wellness program
- Review for expansion of services
- Explore use of branch centers
- Conversations with other public entities



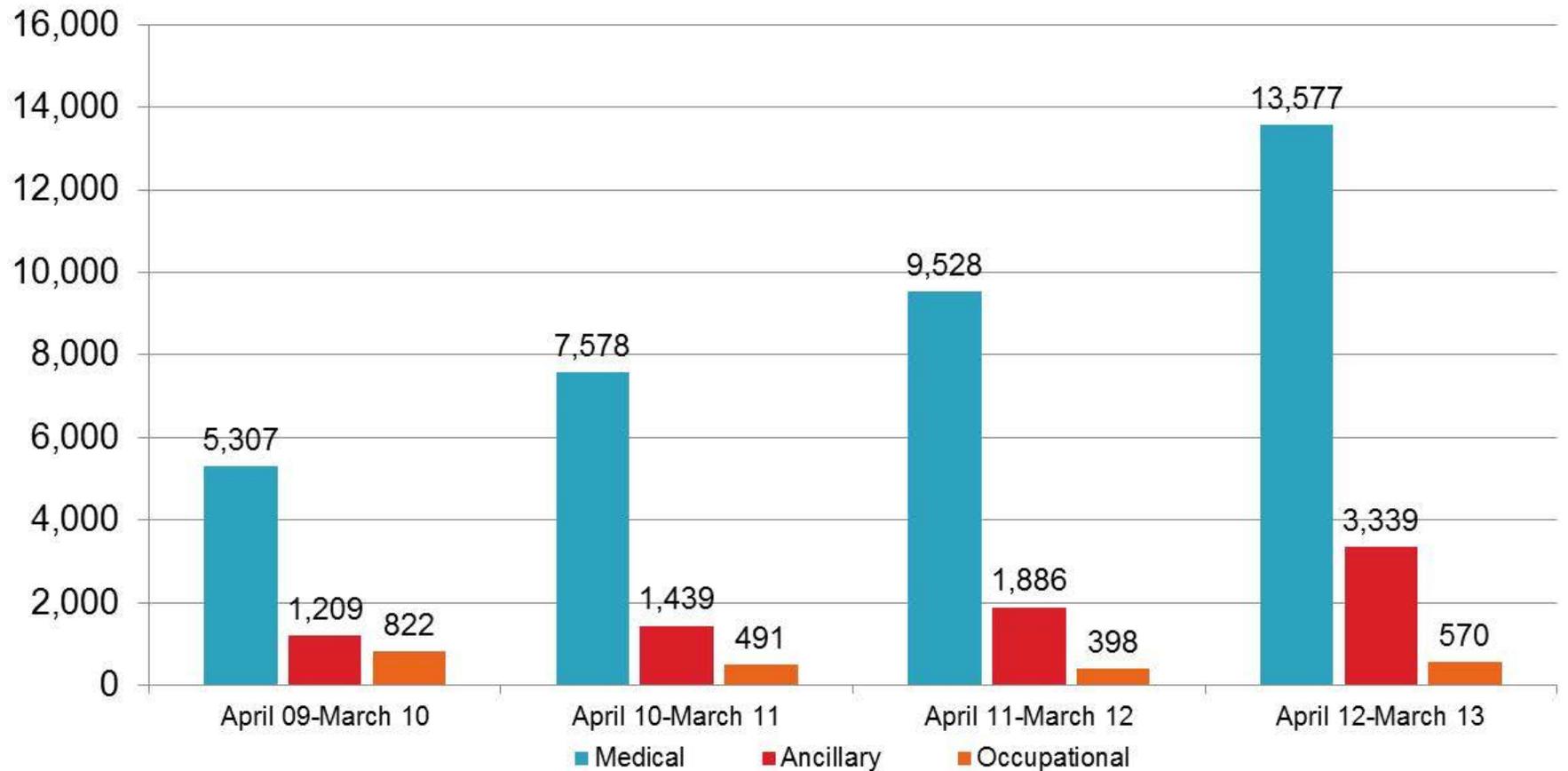
Charlotte County Employee Health Center (EHC)

Period:

April 1, 2009 – December 31, 2012



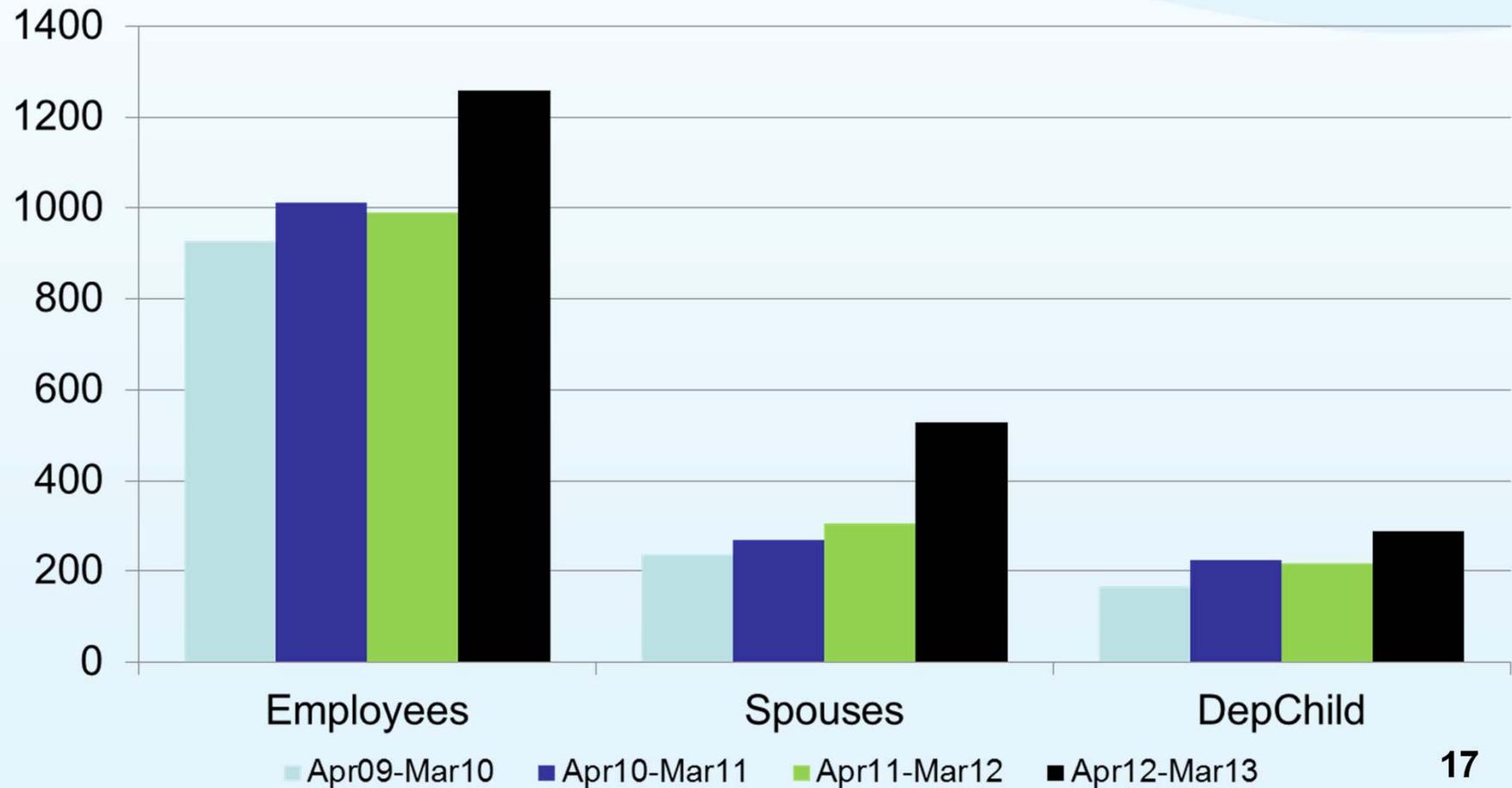
EHC Appointment Capacity Utilization



Utilization Percentage:
Apr09-Mar10: 77.2%
Apr10-Mar11: 80.9%
Apr11-Mar12: 85.5%
Apr12-Mar13: 86.4%

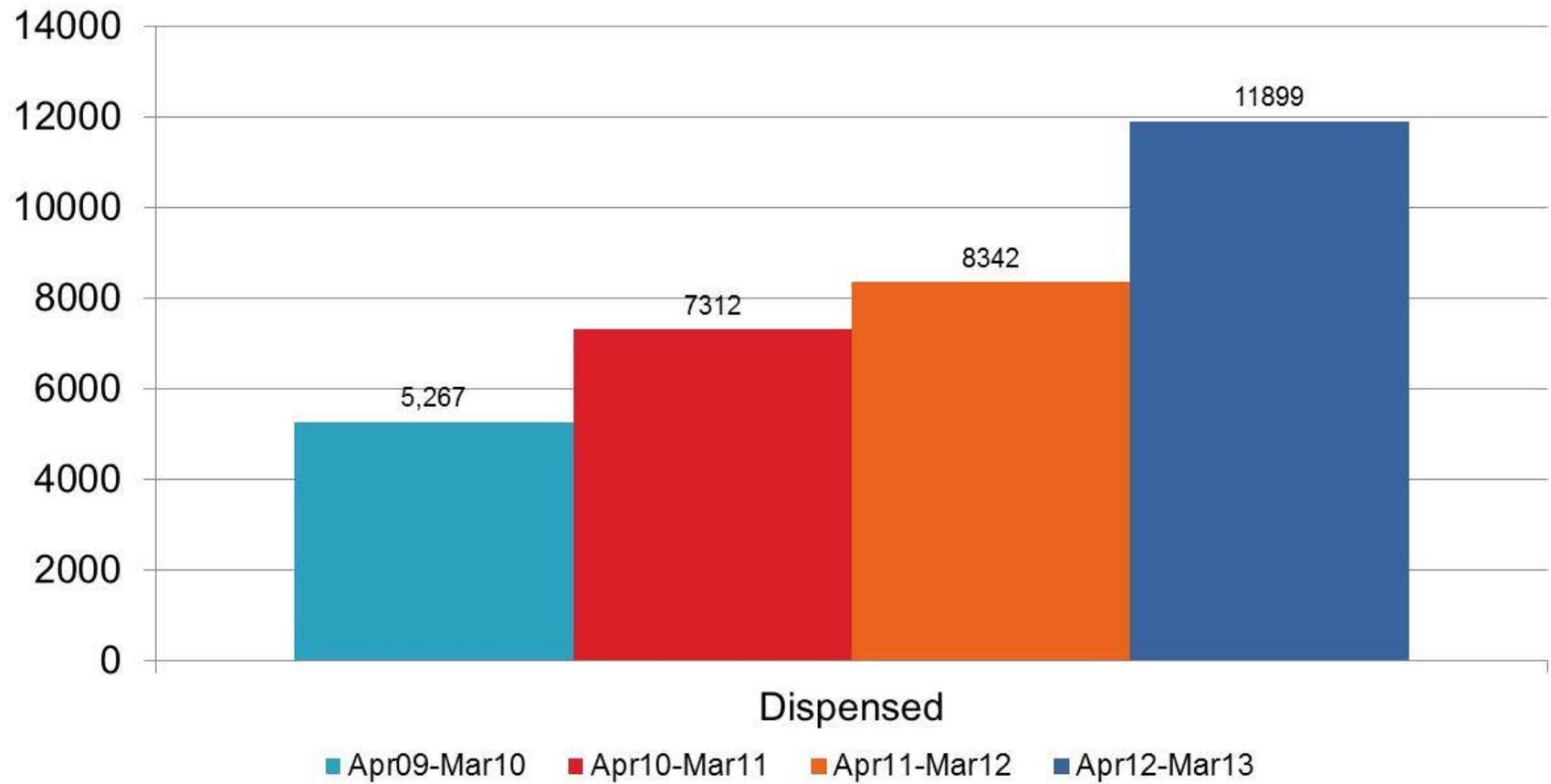


Unique Participation Breakdown Trend by Member Type



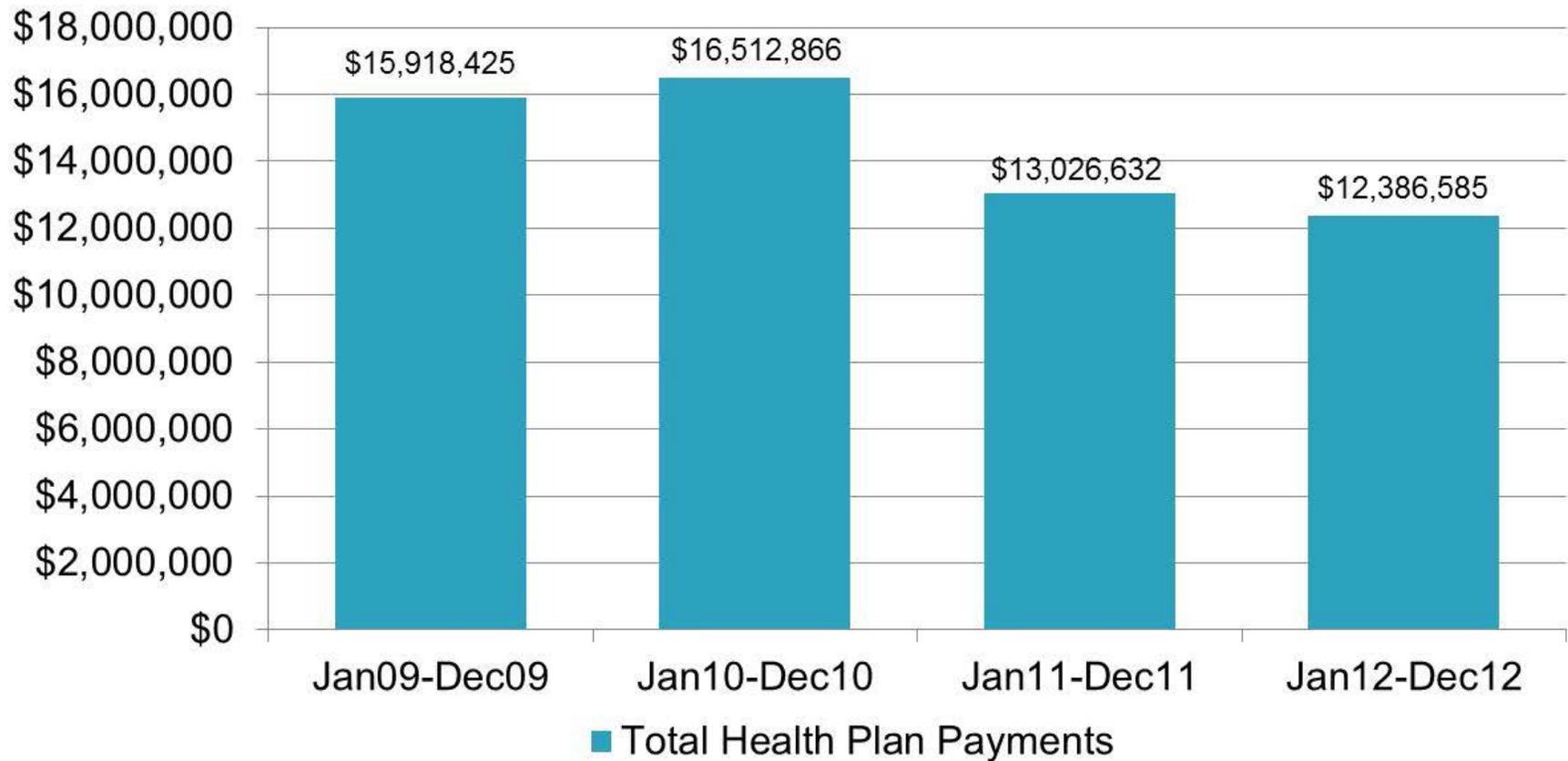


EHC Prescription Utilization



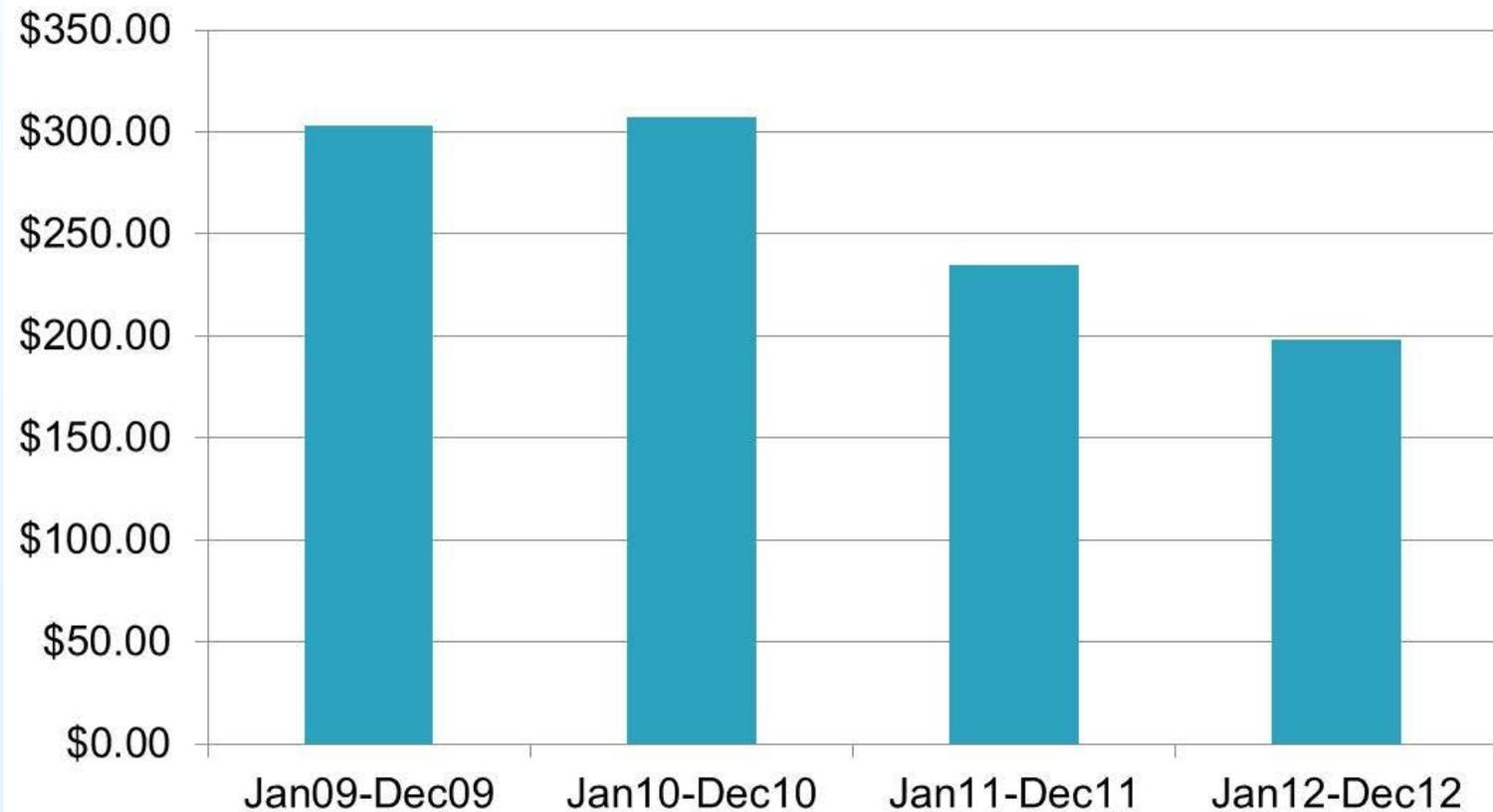


CIGNA Gross Claims Costs





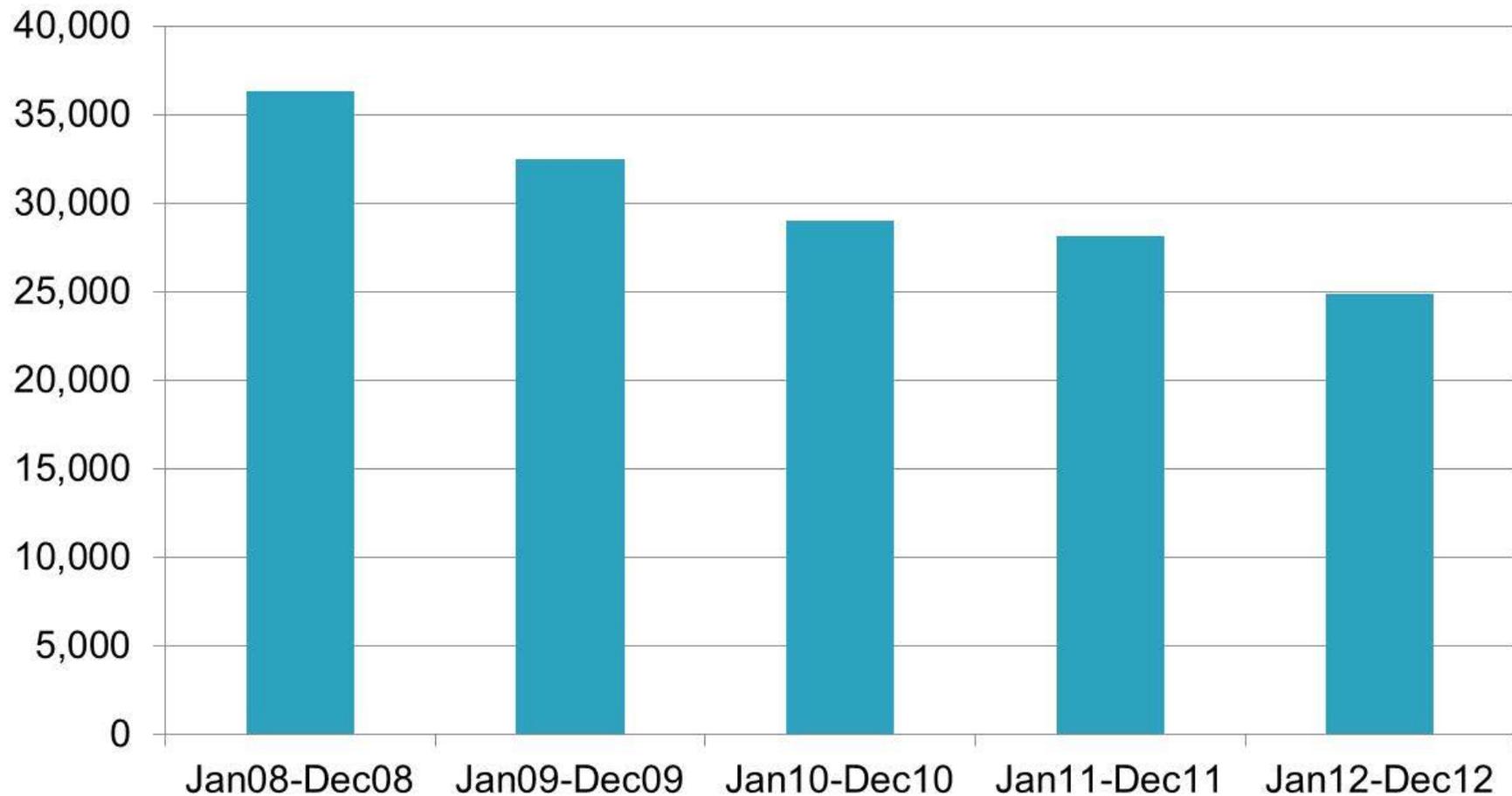
CIGNA: Primary Care Medical Plan Costs



Primary care plan costs have decreased 34% since 2009



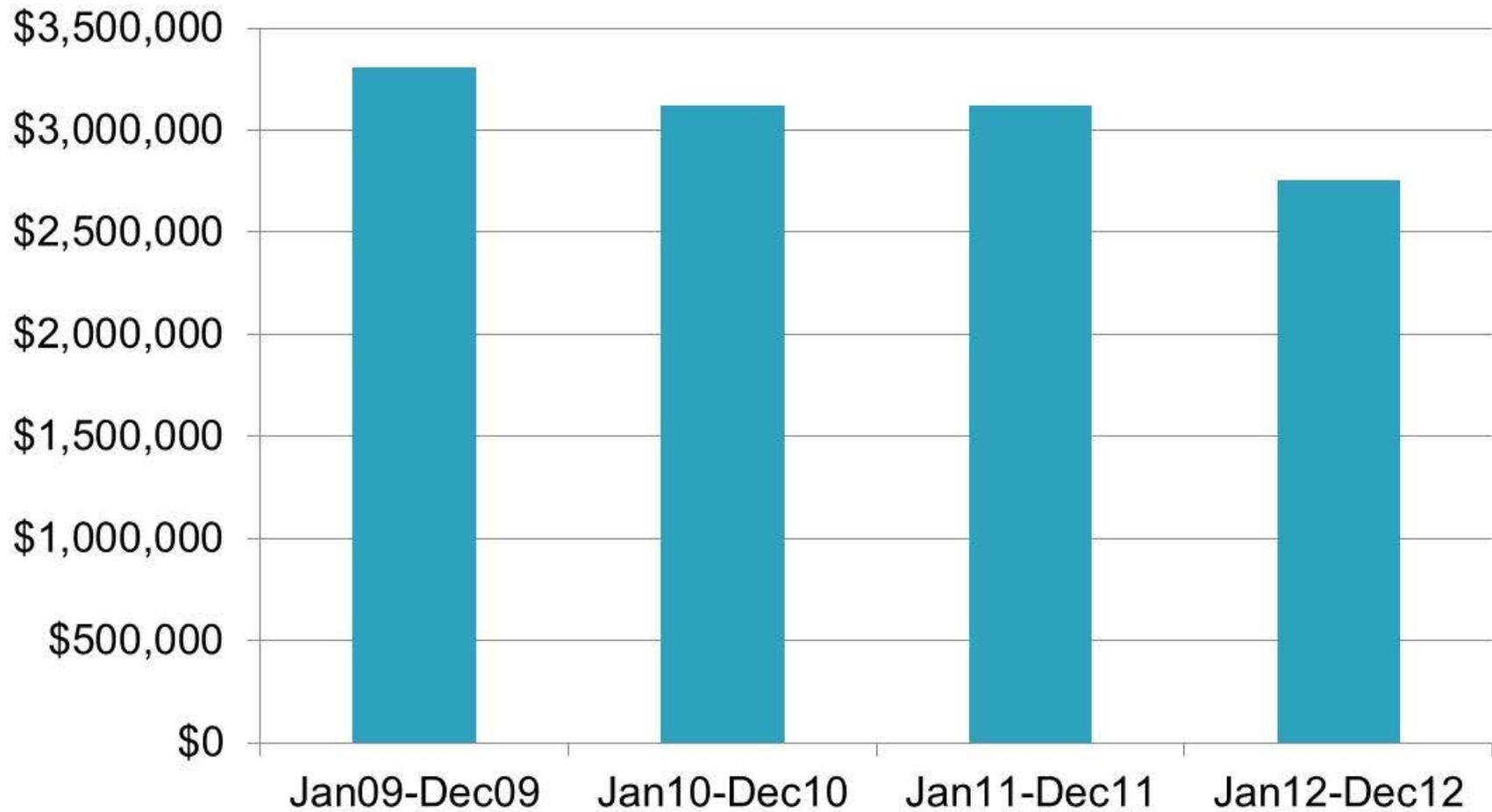
CIGNA: Prescriptions Dispensed



Since inception of the Employee Health Center, pharmacy utilization through the medical insurance plan has decreased 25.4%.



CIGNA: Pharmacy Costs



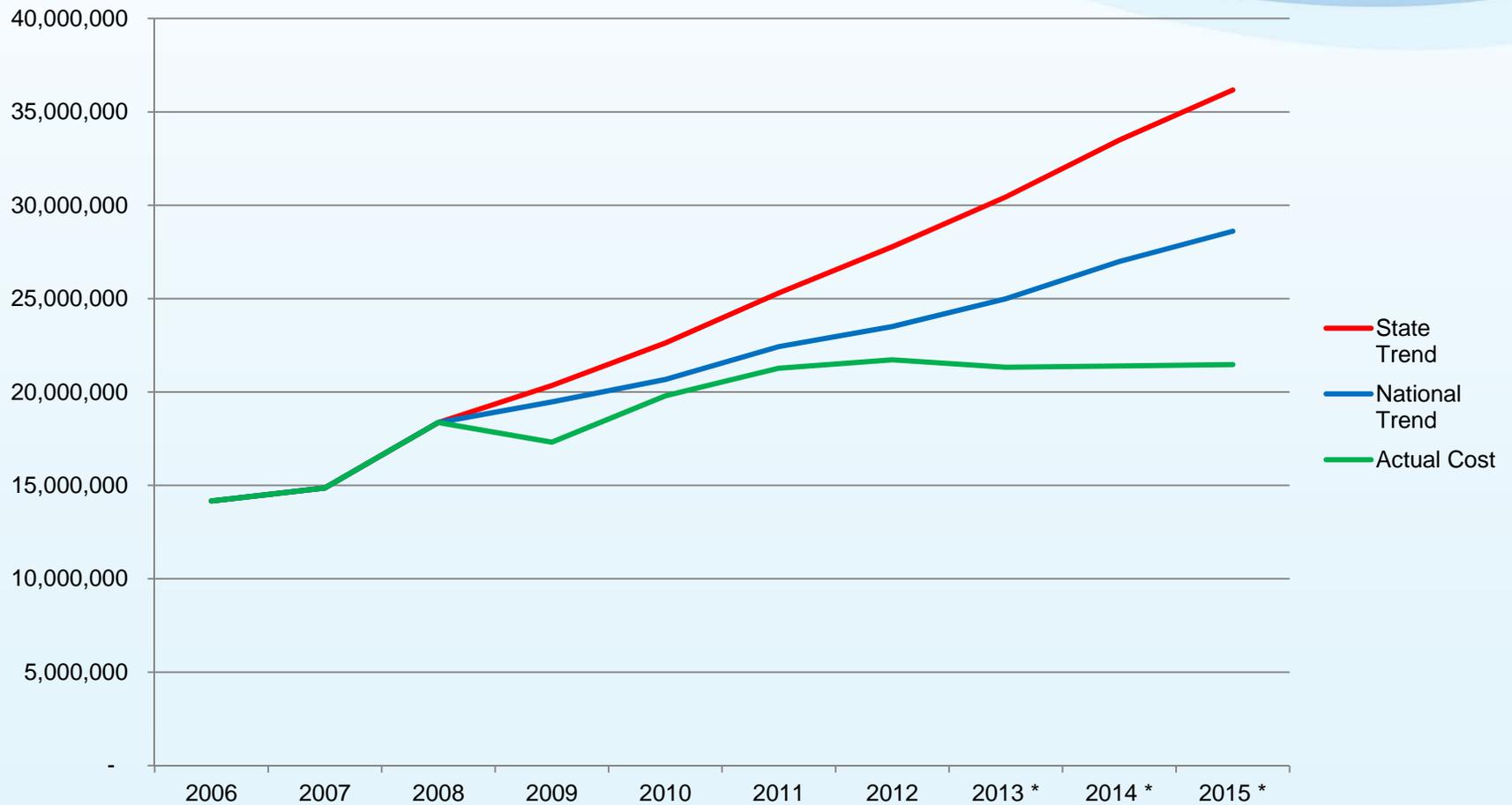


Return on Investment Through December 2012

Item	Through EHC	Average CIGNA Cost	Claims Avoidance	EHC Cost	Return on Investment
Office Visits	38,601	\$191	\$7,372,791	\$3,891,891	1.89 : 1
Rx	28,487	\$52	\$1,481,324	\$367,854	4.03 : 1
Subtotal			\$8,854,115	\$4,259,745	2.08 : 1
Mail Order Rx Savings	1,815	\$281	\$510,015	\$501,989	1.02 : 1
Insurance Renewal Credit (2010)			\$1,470,850		
Worker's Comp / Occ	2,062	\$191	\$393,842	\$226,903	1.73 : 1
Total			\$11,228,822	\$4,988,637	2.25 : 1



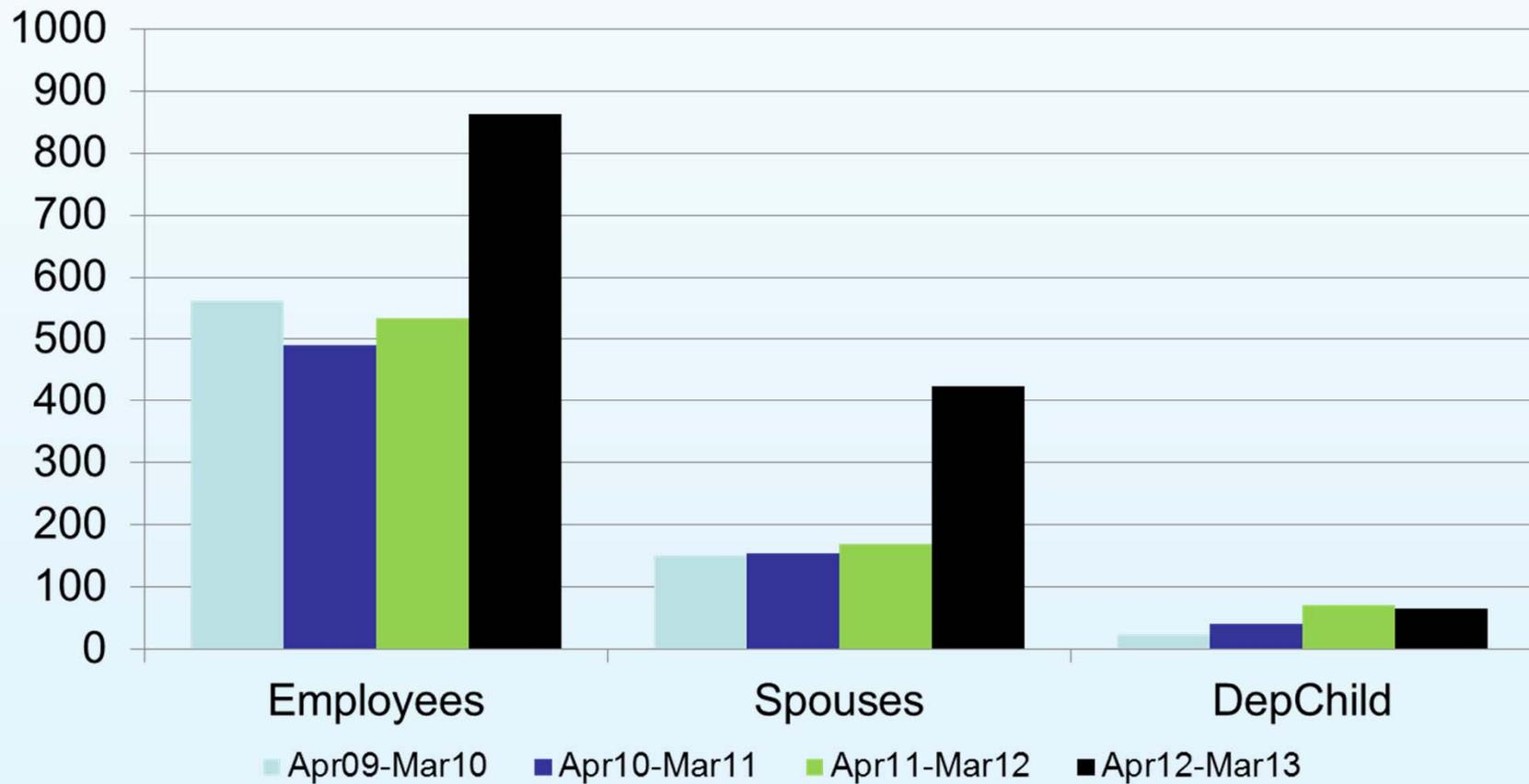
Projected Savings



* Projected costs



Health Risk Assessment Participation Trend



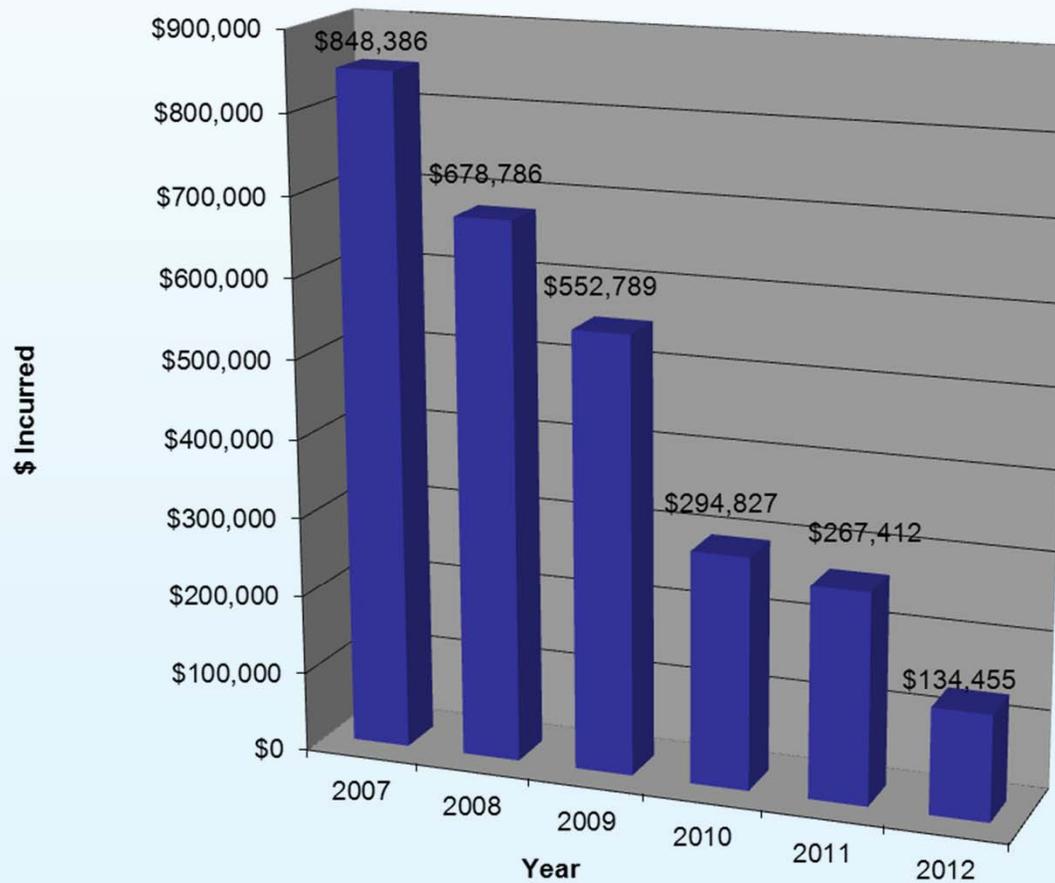


Aggregate Lab Values/ Population Risk Factors Trends

	2009		2010		2011		2012	
	Borderline	High	Borderline	High	Borderline	High	Borderline	High
Total Chol/HDL Ratio	25.58%	23.26%	21.27%	22.29%	22.02%	17.41%	21.23%	15.8%
Systolic Pressure	9.95%	8.67%	5.36%	2.64%	4.84%	1.95%	4.56%	3.64%
Diastolic Pressure	8.35%	5.30%	6.24%	2.16%	2.62%	1.55%	5.40%	3.35%
Body Mass Index	7.52%	71.48%	7.57%	69.19%	8.24%	67.42%	8.71%	63.83%
	Normal	High	Normal	High	Normal	High	Normal	High
Hemoglobin A1C	26.67%	43.33%	15.24%	40.00%	27.98%	30.05%	23.33%	30.00%
Glucose	69.77%	29.82%	68.89%	31.11%	70.79%	28.83%	71.82%	27.74%

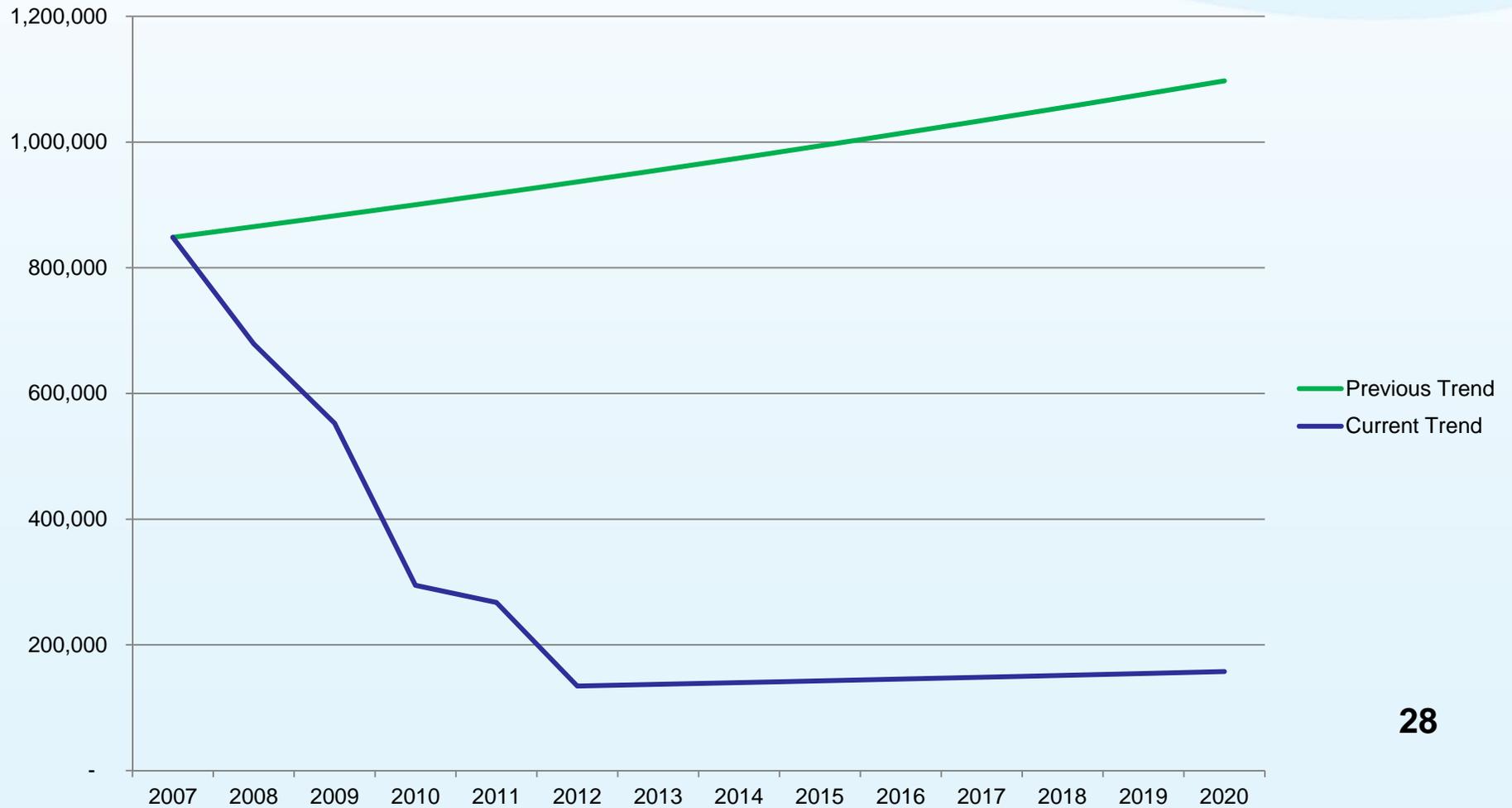


Workers Comp Costs





Workers Comp Costs





Fiscal/Financial Planning

Goal: Continue to increase the effectiveness of local government and maintain a strong financial condition.

Immediate Issues or Initiatives

- Stabilize and maintain our internal infrastructure and improve where opportunities occur
- Secure health insurance benefit structure and costs
- Review of MSBU and road classification system
- Capitalize on historically low interest rate
 - Review current debt
 - Review capital projects for potential bonding



Fiscal/Financial Planning

Goal: Continue to increase the effectiveness of local government and maintain a strong financial condition.

Immediate Issues or Initiatives

- Develop plan for 2014 Sales Tax Extension
- Conduct compensation study and develop strategic plan for employee retention
- Explore alternative funding sources
- Explore location and use of CNG facilities within the County

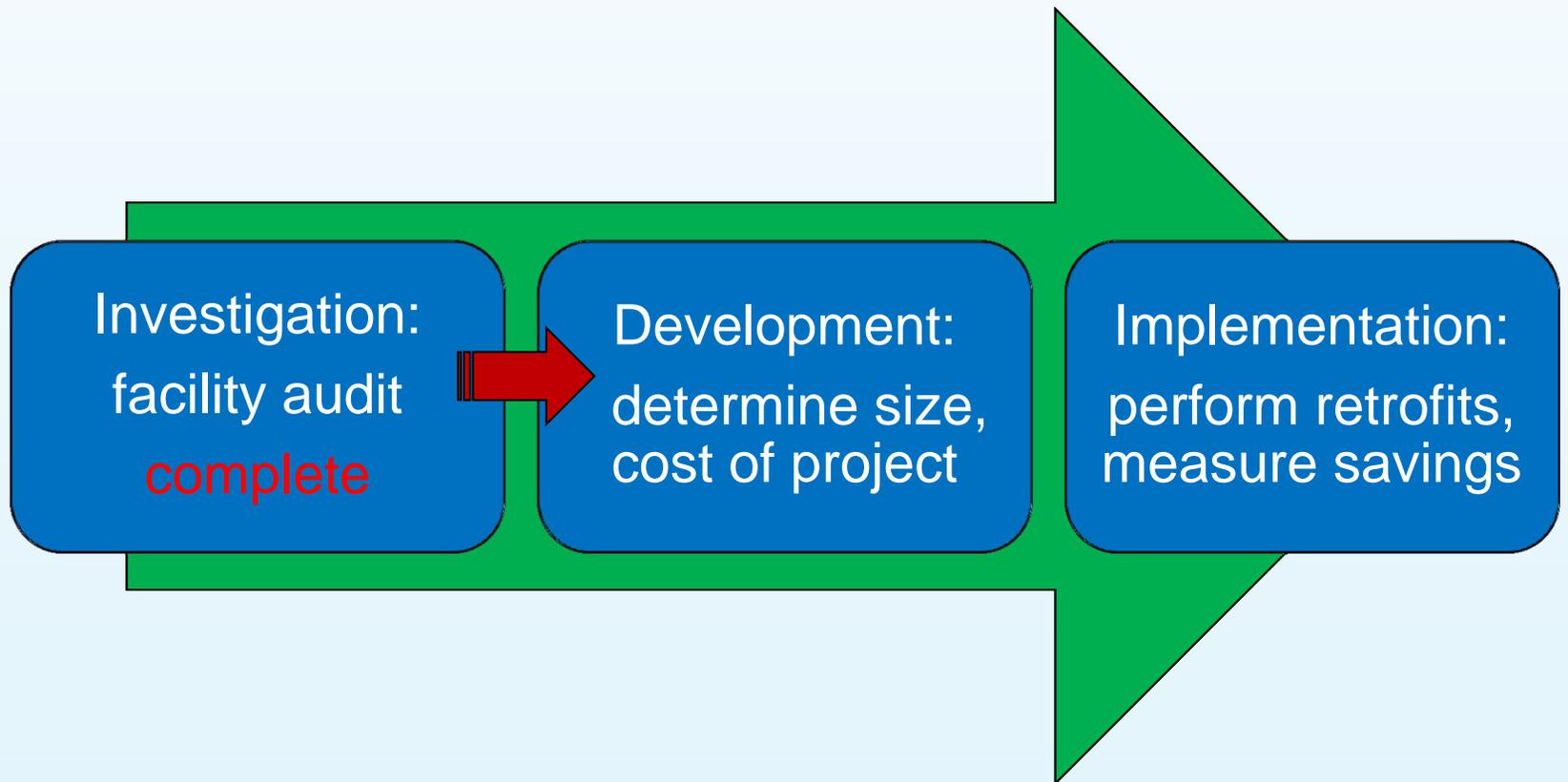


Stabilizing our Infrastructure

Guaranteed Energy Performance Contract



Performance Contract Process





Audit Findings

- In general, most facilities are energy efficient
- Aged building system components and equipment need to be replaced to improve efficiency and reduce maintenance costs
- Building envelopes need to be sealed to capture additional energy savings



Types of projects

HVAC



Duct work & HVAC Improvements
at Family Services

LIGHTING



Lighting Retrofits at Sheriff's
Administration Building

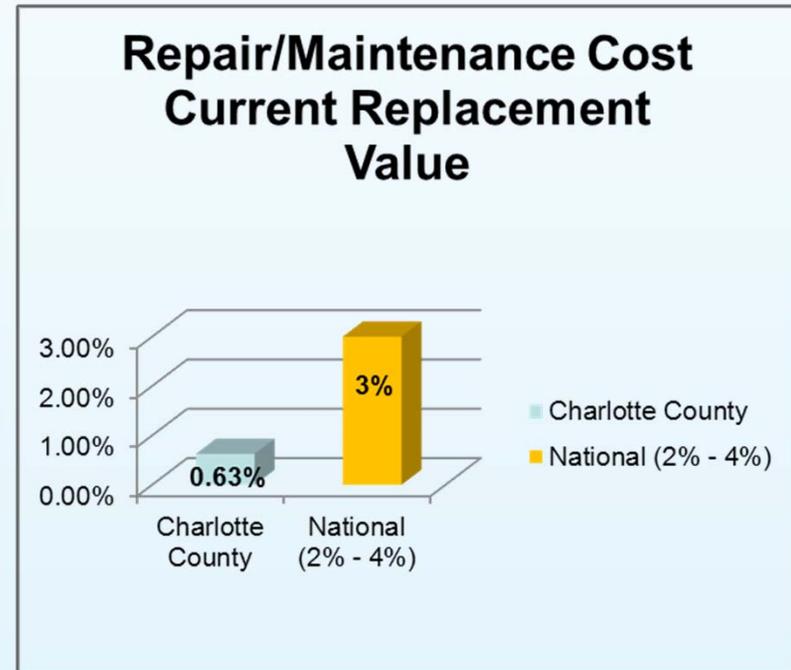
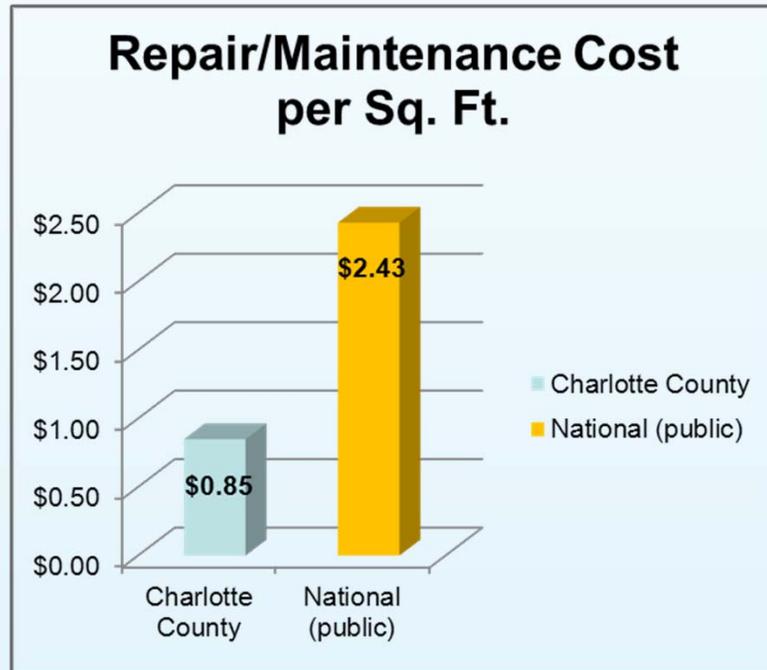


Stabilizing our Infrastructure

Asset Management Study



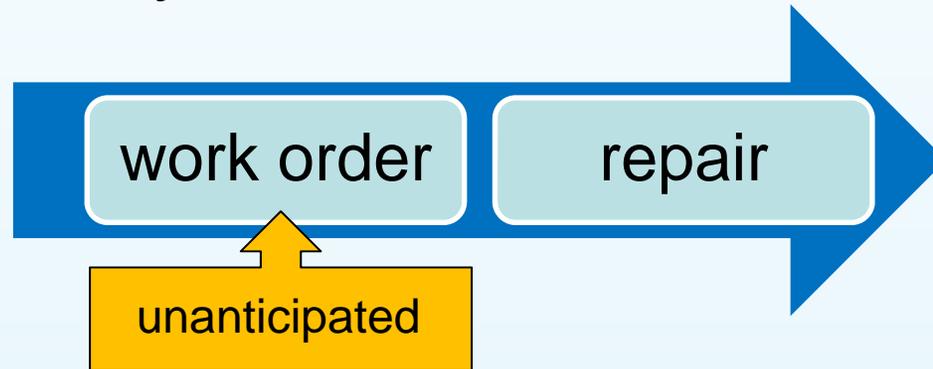
Current Reality



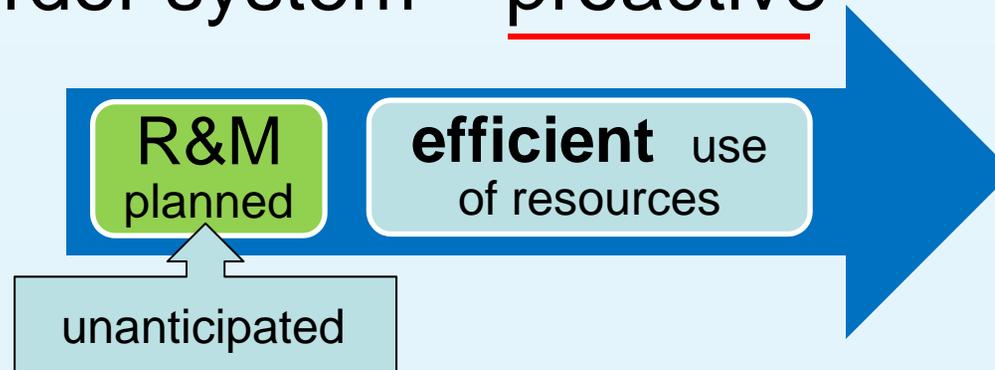


Goals

- Work order system – reactive

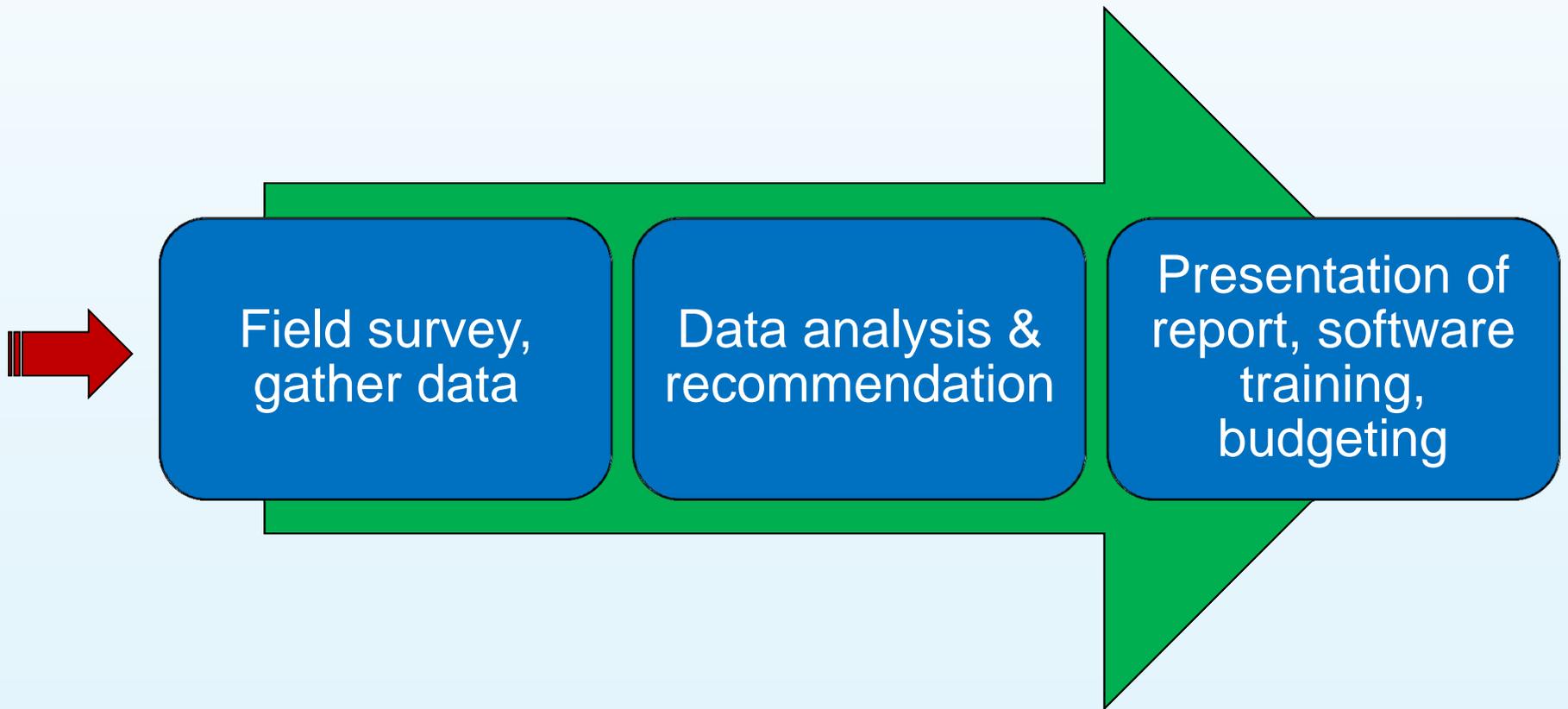


- Work order system – proactive





Process





Facility Optimization Software

COMPONENT DETAILS

Name:	Standpipes
Discipline:	Fire Protection Summary
Building Elements:	Fire Protection
Description:	Fire Suppression
Class:	Water Based Fire Protection
Type:	Standpipe
Description:	<p>There are standpipes with 2.5" hose valves in each of the four main stairwells of the building. These standpipes were installed as part of the 2005 renovations. These standpipes tie into the wet pipe sprinkler system installed in 2005. The standpipes in the two stairways on the west side of</p>
Overall Condition:	Good
Replacement Component Cost:	\$0
Original Cost:	\$0
Model No:	
Equipment Tag:	
Serial No:	
Date Installed:	01/01/2005
Warranty Expiration Date:	
Useful Life:	
Manufacturer:	
Size:	
HP:	
Material:	
Voltage:	

Comments:
Nearly all earlier standpipes or hose cabinets in this building appear to have been removed. An 1-1/2" incoming water service marked "Fire Line" is located in room 18A in the basement (with apparently a similar service and pipe in room 28).

Recommendations:

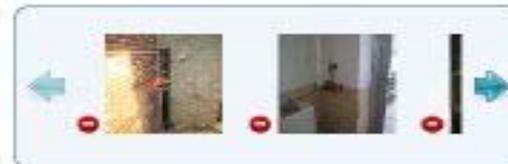
Critical Issues:

File: Browse...

Caption:

UPLOAD

Pictures:

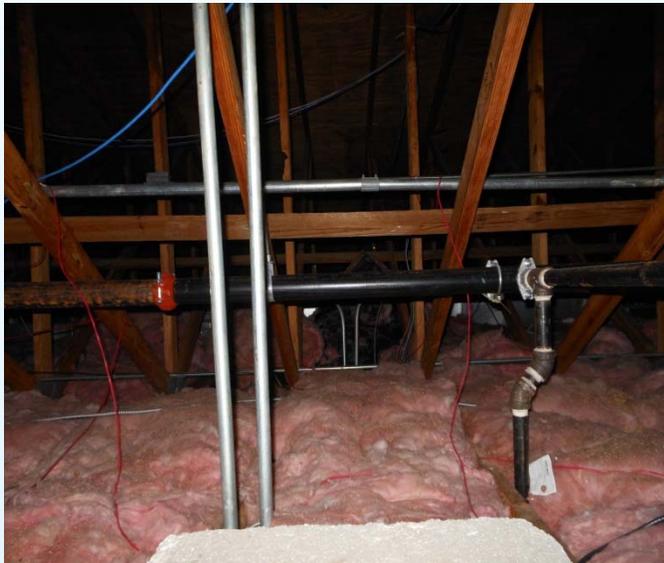


Other Files:



Types of projects

BUILDING SYSTEMS



Fire & Plumbing Systems

ROOFING



Membrane Roofing Condition



Efficiencies and Stewardship of Resources

- Operational: cost savings and user benefits through Energy Performance Contract (EPC) retrofits
- Capital projects: Asset Management Study and EPC will be mutually supportive and based on objective data
- Repair & Maintenance: data-driven budgeting for capital maintenance and planned repairs



MSBU Infrastructure

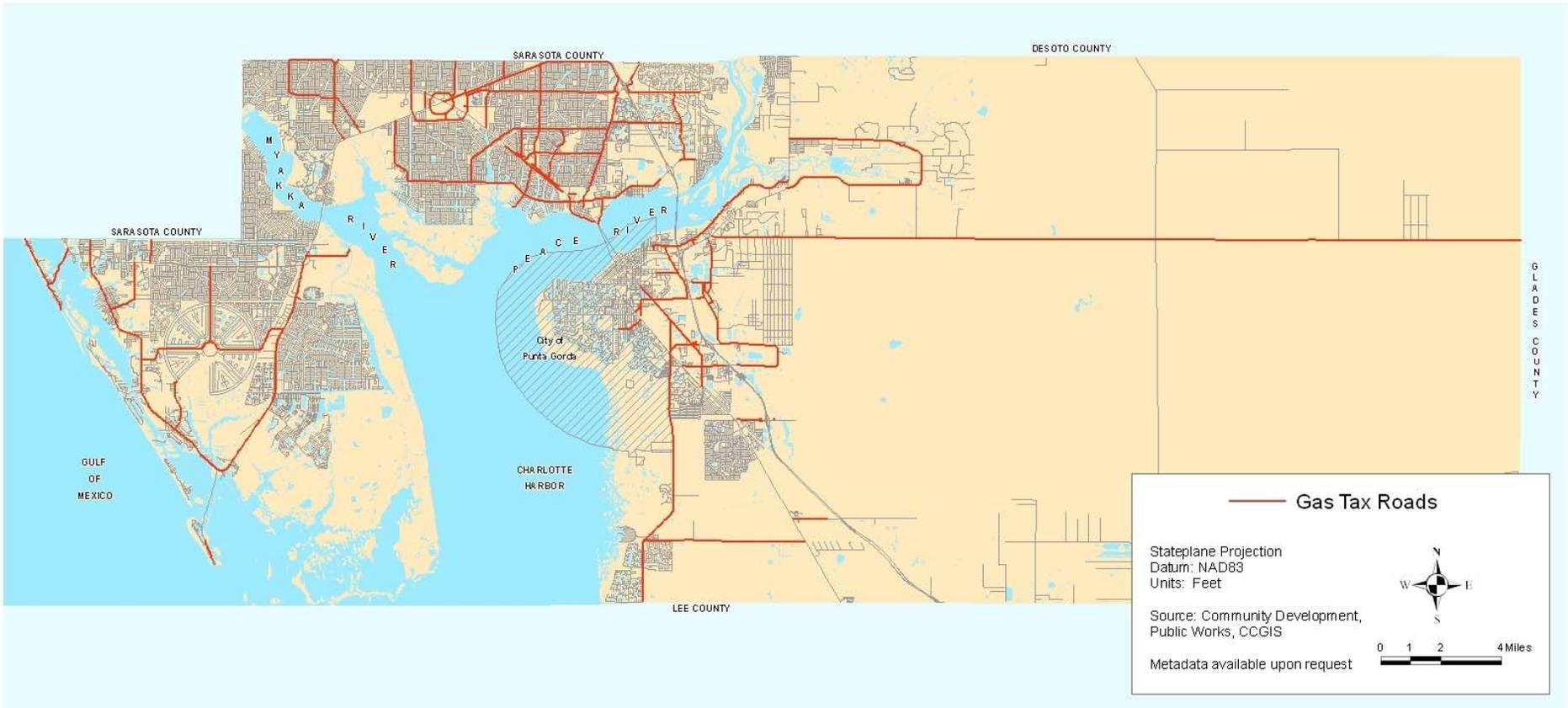


Gas Tax Revenue for Road Maintenance

	FY10 Collections	FY11 Collections	FY12 Collections	FY13 Budget	FY14 Estimate
Local Option 6 cents	4,527,471	4,397,081	4,608,546	4,572,746	4,654,631
Constitutional 2 cents	1,999,769	1,991,665	1,978,415	2,019,767	1,998,199
County 1 cent	872,924	869,241	856,704	881,654	865,271
Ninth Cent 1 cent	183,539	176,626	185,156	185,375	187,008
Misc receipts (off rd rebate)	67,890	70,228	72,740	65,171	71,175
Total Maint Collections	7,651,593	7,504,841	7,701,561	7,724,713	7,776,284



Gas Tax Roads





Gas Tax Road Maintenance

- 463 lane miles have been designated for maintenance using gas tax dollars
- Annual paving cost estimate is \$3,380,000 (based on 12 year life @ \$85,000 per lane mile)

Projected Revenue	7,776,284
Non Paving Related Costs	<u>4,784,829</u>
Balance Available for Paving	2,991,455



Fiscal/Financial Planning

Immediate Issues or Initiatives

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Employee Retention



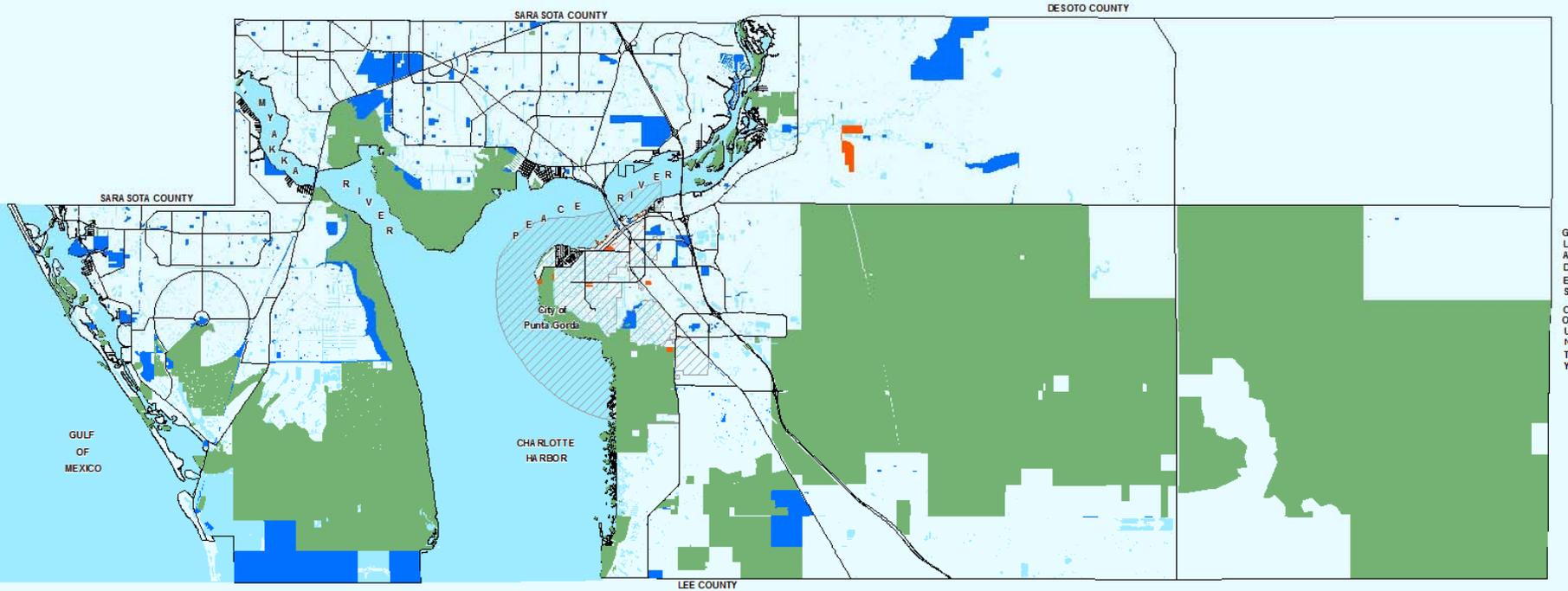
Retention Strategies

- **After reviewing “best practices”, the following is suggested:**
 - Implement “stay interviews” to capture what retains our current employees rather than “exit interviews”
 - Enhance manager/supervisor performance through focused training
 - Increase course offerings re: coaching, evaluation, employee development, and customer service
- HR Customer satisfaction survey
- Compensation market survey to be completed in Oct, 2013



CHARLOTTE COUNTY

Government Owned Land in Charlotte County



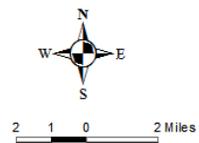
465,142 Total Land Acres in Charlotte County

- City Owned Land - 489 Acres
- County Owned Land - 14,153 Acres
- State Owned Land - 180,743 Acres

Stateplane Projection
Datum: NAD83
Units: Feet

Source: GIS Department

Metadata available upon request



* NOTE: Total Land Acres does not include the Peace or Myakka Rivers, Charlotte Harbor or the Inter-Coastal Waterway with the exception of partially submerged lands near Bull and Turtle Bay.

This map is a representation of compiled public information. It is believed to be an accurate and true depiction for the stated purpose, but Charlotte County and its employees make no guarantees, implied or otherwise, to the accuracy, or completeness. We therefore do not accept any responsibility as to its use. This is not a survey or is it to be used for design. Reflected Dimensions are for informational purposes only and may have been rounded to the nearest tenth. For precise dimensions, please refer to recorded plats and related documents.



Reserves



Reserve Policy - Adopted 9/8/09

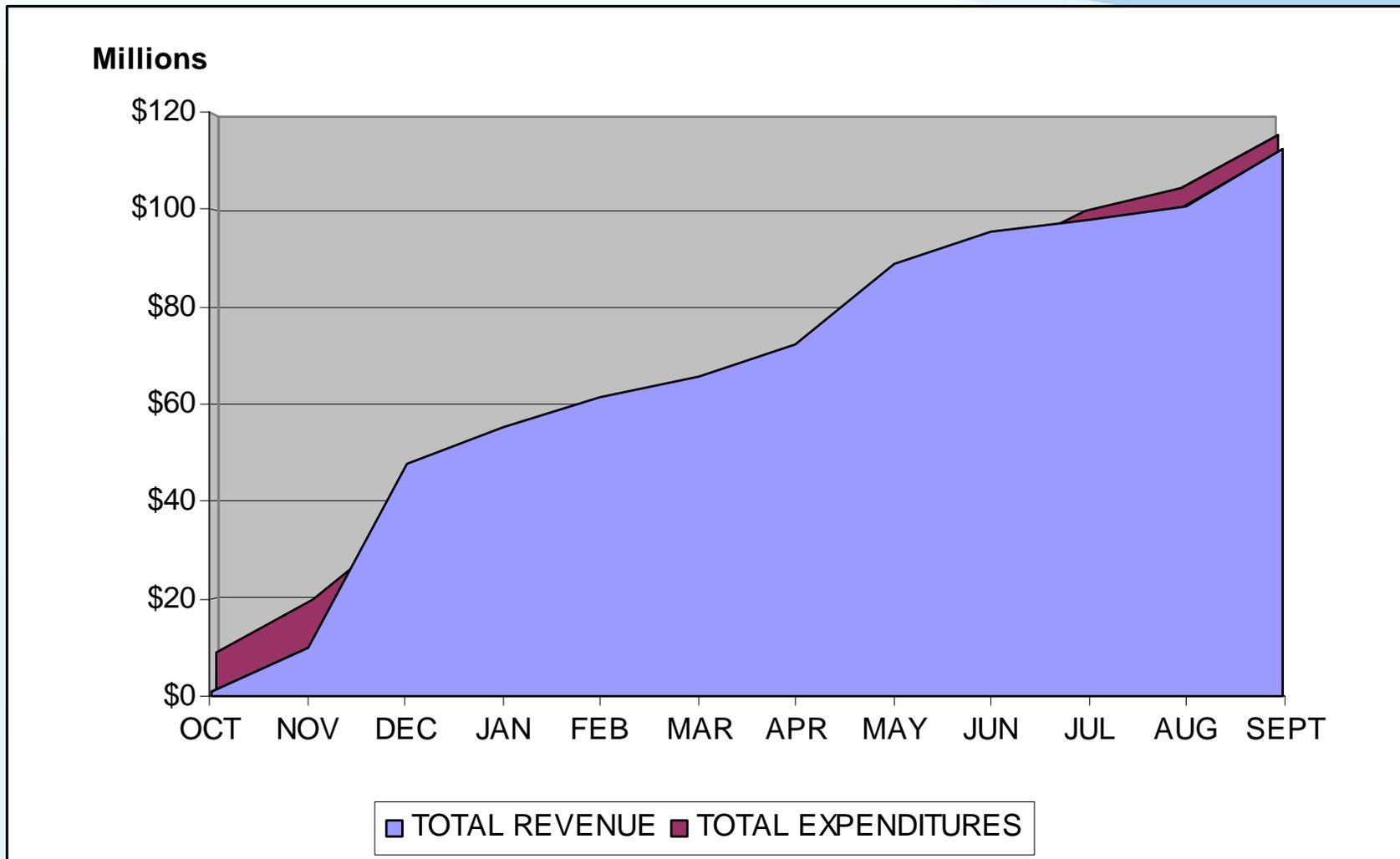
Reserve for Contingencies: To mitigate current and future risks such as revenue shortfalls, unanticipated expenditures, and to ensure stable tax rates; and other unforeseen financial situations. A balance not less than 5% and not greater than 10% percent of the total budget.

Cash Carried Forward Reserve: 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.

Fiscal Stabilization Reserve: 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.⁵² A balance not less than 15% percent of the total budget.



Cash Reserve Needs





Reserve Breakdown

	Contingency	Future Capital Outlay	Restricted	Fiscal Stablization
Ad Valorem	21,733,654			34,374,302
MSBUs	9,562,541	13,449,170		
Charlotte County Utilities			47,022,353	
Landfill			20,583,474	
Fire Rescue MSBU	1,686,861	13,351,698		
Transportation Fund	12,457,785			
Self Insurance Funds			9,651,073	
Sub Totals	45,440,841	26,800,868	77,256,900	34,374,302

* Figures above are net of cash carry forward reserves



Ad Valorem Reserves

