

FY 2022-23 Flagler County Budget Workshop

AUGUST 24TH, 2022



Today's Agenda

- Sheriff's Office Items
- FY2023 Budget Overview
- Options
- Next Steps



\$1.54M Increase in Revenue

| | June 2022 | July 2022 | Difference |
|---------------------------------------|---------------------|---------------------|--------------------|
| Increase in Property Valuation | 15.77% | 18.12% | 2.35% |
| Board of County Commissioners | \$7,503,000 | \$9,048,653 | \$1,545,653 |
| Sheriff | \$3,690,000 | \$4,450,157 | \$760,157 |
| Property Appraiser | \$369,000 | \$445,016 | \$76,016 |
| Tax Collector | \$369,000 | \$445,016 | \$76,016 |
| Clerk of Court & Comptroller | \$246,000 | \$296,677 | \$50,677 |
| Supervisor of Elections | \$123,000 | \$148,339 | \$25,399 |
| | \$12,300,000 | \$14,833,858 | \$2,533,858 |

BoCC New Ad Valorem

Where did
it go?

| | |
|--------------|--|
| \$ 4,309,000 | Increased Personnel Costs (COLA, FRS, FICA, Health Insurance, Workers Comp, CBA, Coastal Engineer) |
| \$ 800,000 | Rolling Stock |
| \$ 819,981 | Operating Increases (Fuel, Contracts, Materials, & Property Insurance) |
| \$ 302,000 | Funded Decision Units |
| \$ 114,000 | CRAs |
| \$ 297,502 | Medicaid Providers Minimum Wage |
| \$ 15,000 | Family Life Center |
| \$ 100,000 | Parks Master Plan |
| \$ 50,000 | Collision Coverage for Fire Trucks |
| \$ 250,000 | Reserve for Helicopter |
| \$ 1,991,170 | Reserves (Replenish for Fire Trucks, CBA, Increase per Policy) |
| <hr/> | |
| \$ 9,048,653 | TOTAL |

Health Insurance “Savings”

Where did it go?

Budget set aside on BoCC side

| Description | Cost |
|---|-------------|
| Expand Employee Health Clinic | \$428,000 |
| Fuel Increase | (\$110,000) |
| Medicaid Minimum Wage Increase Fire Rescue (50%) | (\$147,503) |
| Medicaid Minimum Wage Increase EMS (50%) | (\$147,503) |
| Medicaid Minimum Wage Increase Adult Daycare | (\$2,496) |
| Property Insurance Increase (approx. 25% increase)* | (\$20,498) |
| Remaining Balance | \$0 |

*Note: Additional \$125,502 pulled from Reserves to cover property Insurance Increase

Budget Items Transferring to Sheriff

Utility Costs



\$198,860

Fleet Repairs
(Update ILA)



\$581,000

Fleet
Fire Extinguishers



\$4,000

Fleet Insurance
Deductibles



\$45,000

IT Services
(Support & Radios)



\$692,947

Estimated Total = \$1,521,807

Retirement



| | All Classes (except High Risk) | | High Risk | | |
|--------------------------|---|--|---|---|--|
| Hired Before 7/1/2011 | Age 62 and 1 or more years of service | Any age with 30 years of service | Age 55 and 1 or more years of service | Age 52 or older and 25 years of service and/or military | Any age with 25 years of service |
| Hired After 7/1/2011 | Age 65 and 1 or more years of service | Any age with 33 years of service | Age 60 and 1 or more years of service | Age 57 or older and 30 years of service and/or military | Any age with 30 years of service |

Public Safety Positions

| | Law Enforcement (FCSO) | Fire Rescue (FCFR) | Emergency Management |
|-----------------------|---------------------------|------------------------|-------------------------|
| Education Requirement | 22 weeks (770 hours) | 1-2 years (1620 hours) | Bachelor's Degree |
| Annual Hours | 2184 | 2990 | 2080 |
| Hourly Rate | \$20.64 | \$13.89 / \$17.17 | \$24.65 |
| Annual Salary | \$45,082 | \$41,531 / \$51,338 | \$51,272 |



Common Budget Challenges

ALL Constitutional Officers and the BoCC are feeling the effects of rising costs related to:

- Inflation (Up ~9% according to the Bureau of Labor Statistics CPI)
- Fuel Increases (Up an average of \$1.14/gallon according to U.S. EIA)
- Contracted Service Increases (Up 9%)
- Maintenance Agreement Increases (Up 12%)
- Competitive Salaries (to retain and attract quality talent)
- Benefits (FRS, Health Insurance, FICA, Workers Comp)



Additional Budgetary Challenges

- Construction Cost Increases
- Technology Cost Increases
- Availability and Price of Materials
- As property values increase, payments to CRAs increase
- Lack of skilled work force
- Aging fleet, equipment, and buildings
- Transition from small to medium size county
- Preparing for recession
- Consequences from years of deferring items
- Budget requests exceed funding level
- Limited funding

Recession Mitigation Strategies



The following is a list of approaches being applied to on the BoCC:

- Reduce Spending
- Increase Reserves
- Evaluate Options to Expand Revenues
- Explore Options for Alternative Funding
- Additional Oversight for Conferences and Travel
- Reduce Take Home Vehicles
- Implement Hiring Chill, Freeze, or Reallocation of Workforce
 - Cost savings, improved efficiency, and rethinking how we do business
- Deferred Capital Improvement, Maintenance, and Fleet Rolling Stock
- Unfunded Budget Decision Units

BoCC Staffing Challenges

- Not adequately staffed
 - We have 9 maintenance personnel to serve over 980,508 sq ft
 - Industry standard is 1:50,000 sq ft
 - Flagler County has 1:108,945 sq ft
 - Does not include the additional 50,000+ sq ft for new FCSO OPS
- Reduce level of service because we can't get talent because we don't pay enough (i.e., *Transportation denying trips*)
- Firefighters being faced with mandatory overtime
- Over the last 18 months, 24 employees left due to low pay

BoCC Unfunded Decision Units

| | | |
|----------------------|--|---------------------|
| Emergency Management | Emergency Mgmt. Specialist (1 FTE) | \$ 76,250 |
| Engineering | Construction Inspector (1 FTE) | \$ 70,311 |
| Engineering | Administrative Assistant (1 FTE) | \$ 55,991 |
| Financial Services | Direct Cost Study | \$ 100,000 |
| Fire Rescue | Rescue 25 Transport Unit (6 FTEs) | \$ 1,314,233 |
| Fire Rescue | Engine Lease Program | \$ 455,204 |
| Fire Rescue | Battalion Captain (3 FTEs) | \$ 467,694 |
| Fire Rescue | Reclass 1 FTO/Shift to Lieutenant | \$ 15,000 |
| Fire Rescue | Fire Rescue Supervisor – Reclass | \$ 60,300 |
| Fire Rescue | TRT Equip. Training and Oversight | \$ 263,681 |
| Flight Ops | FLIR System Replacement | \$ 415,000 |
| Flight Ops | Helicopter Replacement | \$ 5,000,000 |
| Flight Ops | Fire-Flight 24/7 Operations (1 FTE) | \$ 259,600 |
| Transportation | 5 Driver Positions (5 FTEs) | \$ 148,720 |
| Transportation | 3 Dispatch Positions (3 FTEs) | \$ 93,725 |
| Transportation | Administrative Assistant (1 FTE) | \$ 34,445 |
| | | \$ 8,830,154 |

Bold Text = Department Personnel requests not approved for FY23

BoCC Unfunded CIP & Rolling Stock

- Planning on an estimated \$1.2M in Capital Preservation for the following 4 years to catch up.
- \$500,000 annually to keep up with technology costs (servers, storage, etc.)
- Over \$40M in unfunded projects including fire stations & fire training center, FCSO training range & Hammock substation, Health Department expansion, Princess Place Restrooms, SOE expansion, and more.

Countywide Budget by Function

Revenues

| | |
|---------------------------|-----------------------|
| Property Taxes (at 95%) | \$ 101,698,102 |
| Other Taxes | 9,194,486 |
| Licenses & Permits | 2,119,935 |
| Intergovernmental Revenue | 12,465,084 |
| Charges for Services | 11,488,961 |
| Fines & Forfeitures | 912,975 |
| Miscellaneous Revenues | 9,300,928 |
| Interfund Transfers | 6,356,113 |
| Other Sources | 1,256,479 |
| Cash Carry Forward | 69,056,453 |
| Total Revenues | \$ 223,849,516 |

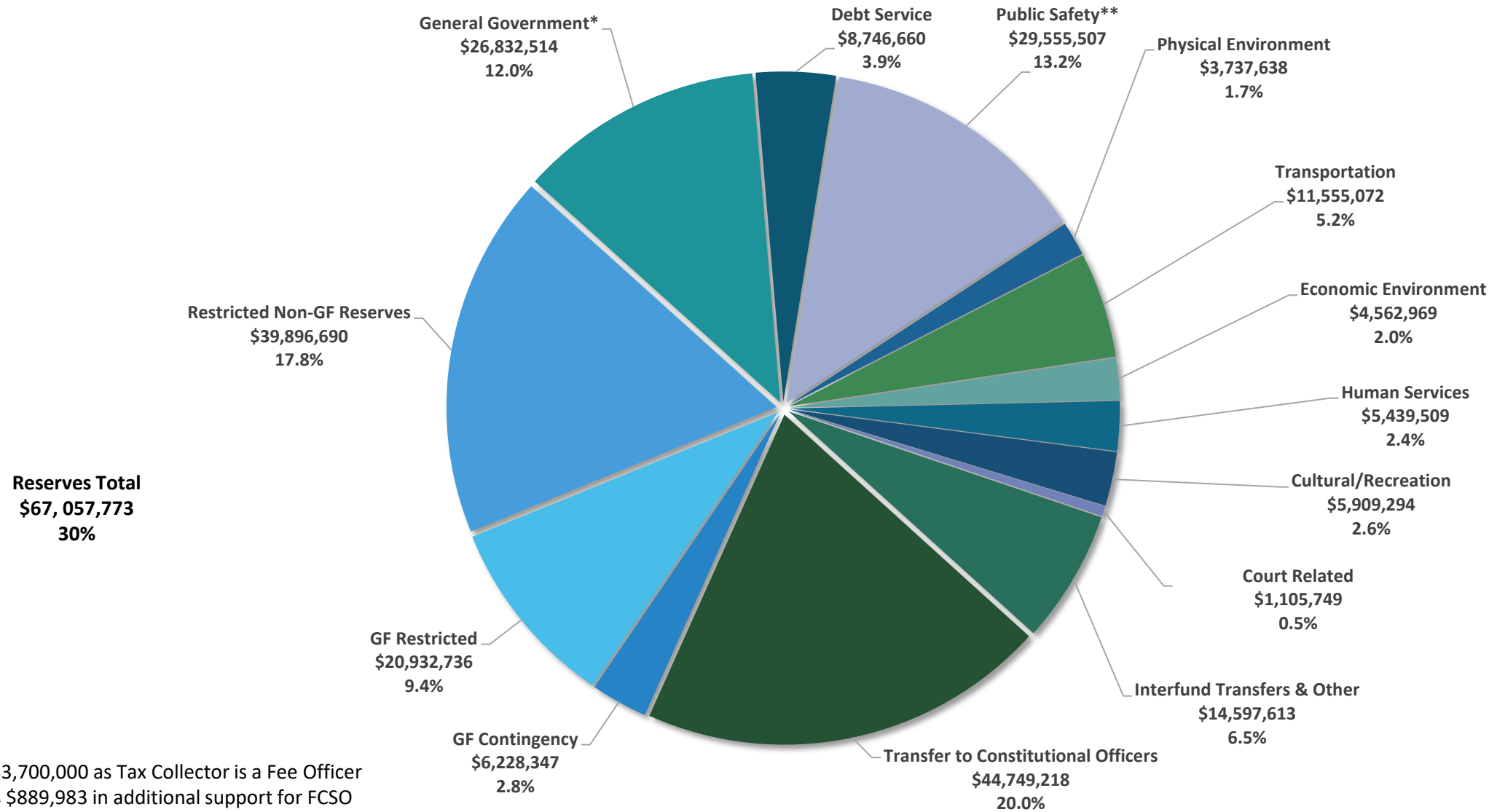
Expenditures

| | |
|-------------------------------------|-----------------------|
| General Government* | \$ 26,832,514 |
| Debt Service | 8,746,660 |
| Public Safety** | 29,555,507 |
| Physical Environment | 3,737,638 |
| Transportation | 11,555,072 |
| Economic Environment | 4,562,969 |
| Human Services | 5,439,509 |
| Cultural/Recreation | 5,909,294 |
| Court Related | 1,105,749 |
| Other Uses | 8,241,500 |
| Interfund Transfers | 6,356,113 |
| Transfer to Constitutional Officers | 44,749,218 |
| Reserves | 67,057,773 |
| Total Expenditures | \$ 223,849,516 |

*Includes \$3,700,000 as Tax Collector is a Fee Officer

** Includes \$889,983 in additional support for FCSO

Countywide Budget by Function



*Includes \$3,700,000 as Tax Collector is a Fee Officer

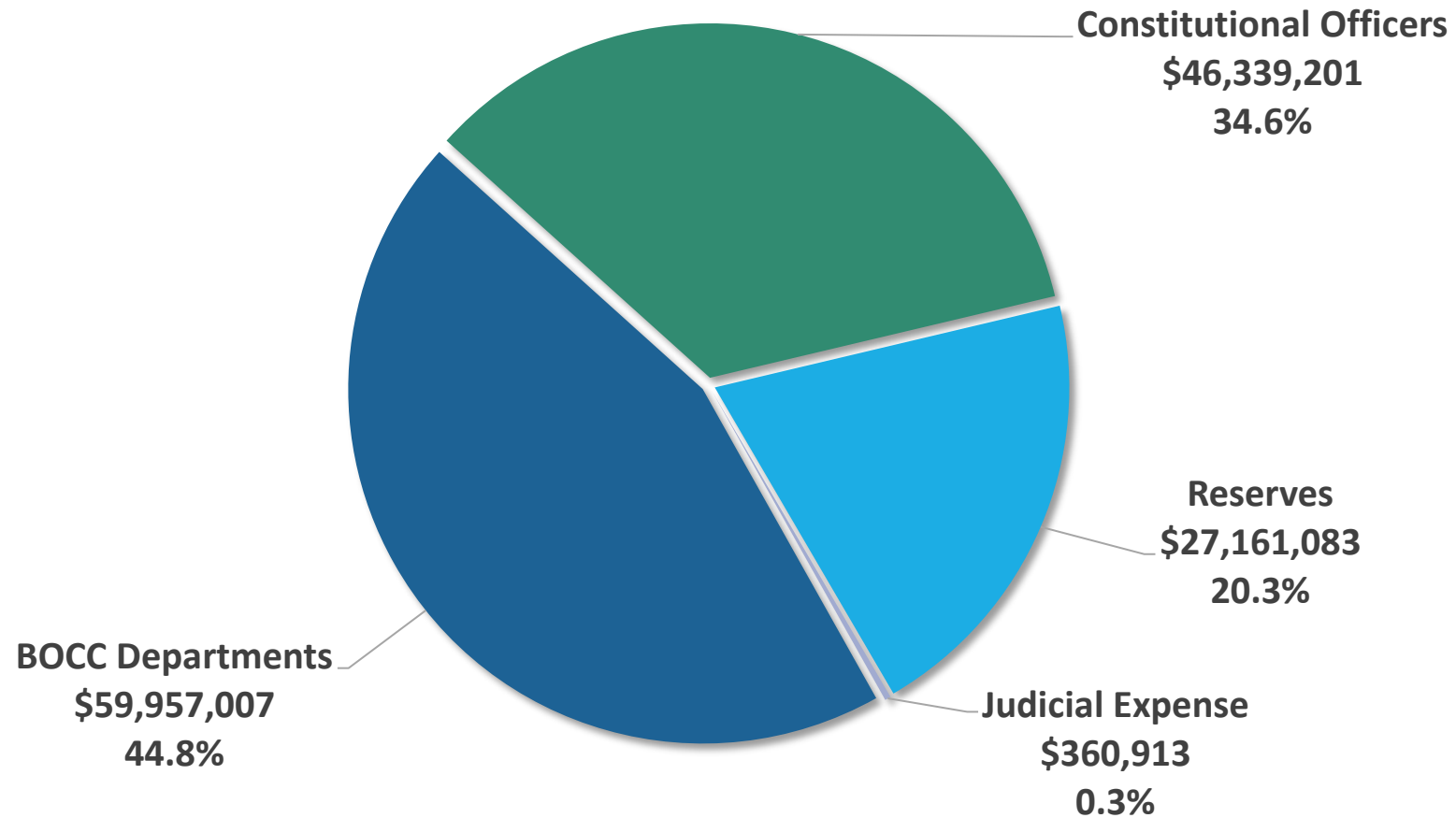
** Includes \$889,983 in additional support for FCSO

General Fund Expenditures by Department

| | | | | | |
|---------------------|--------------|--------|--------------------|-------------|-------|
| Constitutionals | \$46,339,201 | 34.63% | Financial Services | \$1,627,685 | 1.22% |
| Reserves | \$27,161,083 | 20.30% | Land Management | \$1,599,772 | 1.20% |
| Fire/Rescue | \$17,526,022 | 13.10% | Engineering | \$1,213,894 | 0.91% |
| General Services | \$11,744,788 | 8.78% | County Attorney | \$915,590 | 0.68% |
| Non-Departmental | \$11,734,302 | 8.77% | Human Resources | \$788,591 | 0.59% |
| Health & Human Svs. | \$5,042,933 | 3.77% | Emergency Mgmt. | \$714,162 | 0.53% |
| Innov. Technology | \$2,634,766 | 1.97% | Judicial | \$360,913 | 0.27% |
| Administration | \$2,200,614 | 1.64% | Ag Extension | \$370,226 | 0.28% |
| Library | \$1,648,582 | 1.23% | Economic Dev. | \$195,080 | 0.15% |

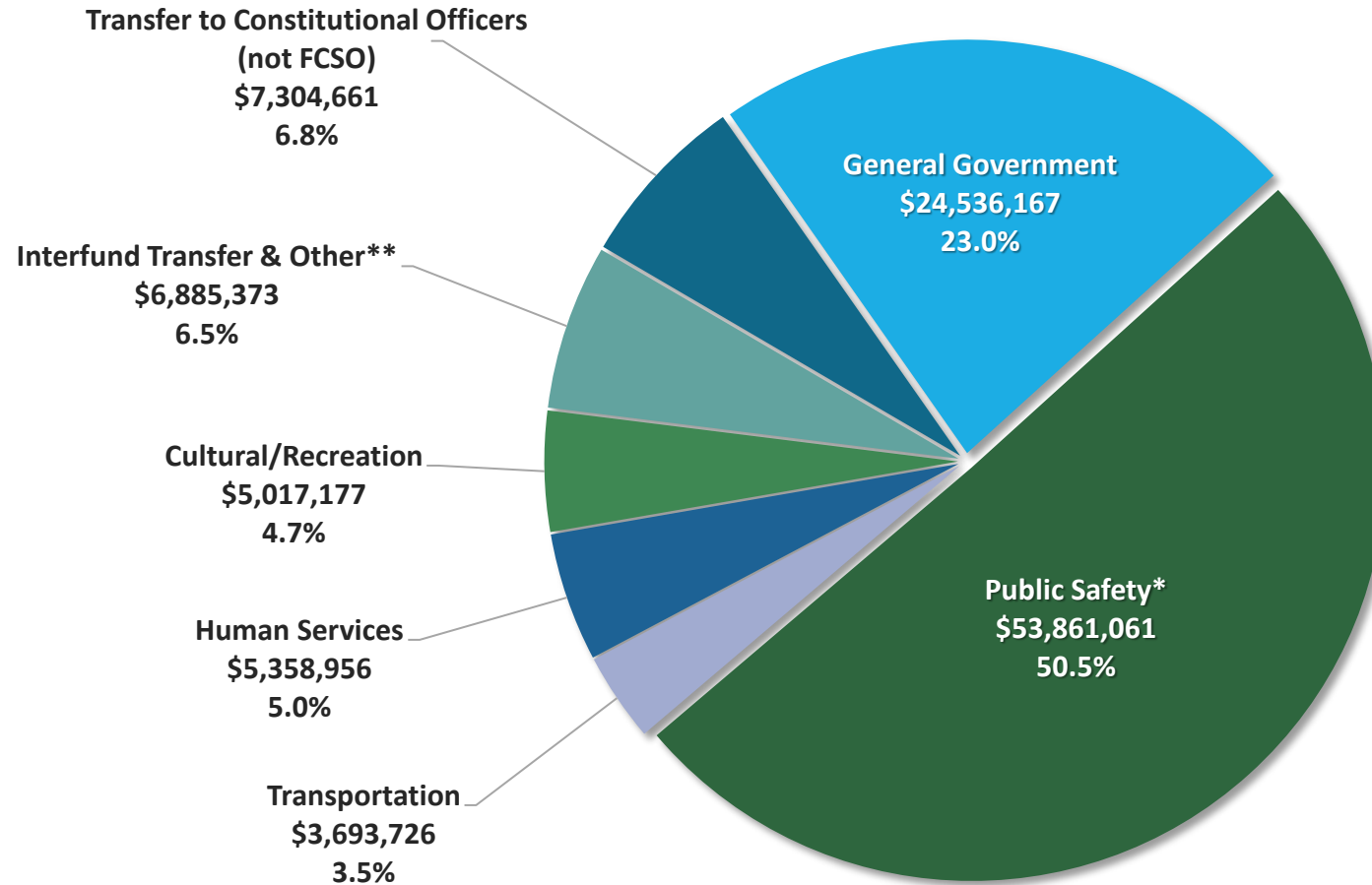
Total General Fund Expenditures \$133,818,204

General Fund Budget Allocation



General Fund Budget by Function

(not including reserves)

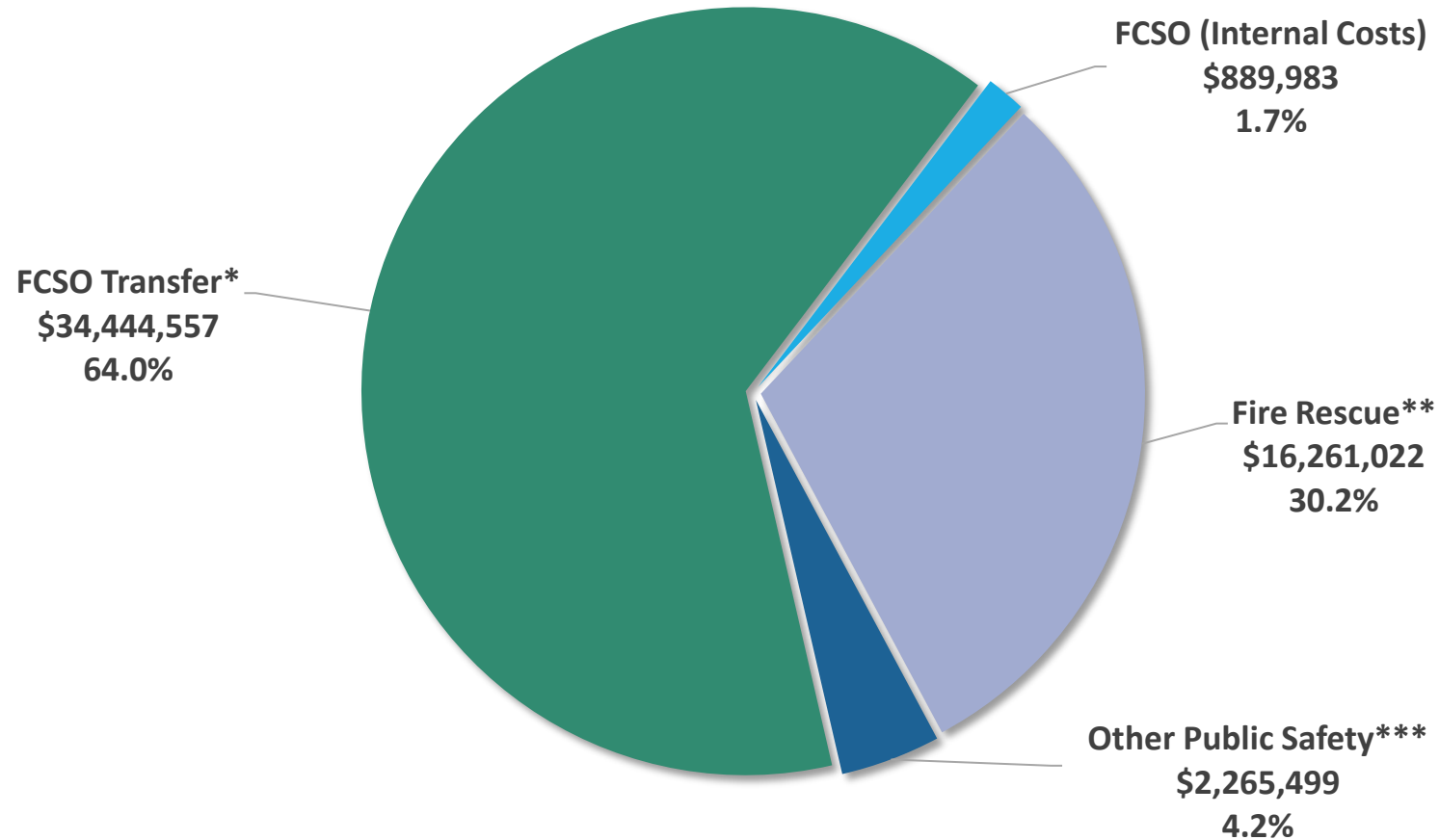


*Does not include \$3 million additional funding for the Jail from the current ½ Cent Small County Surtax

** Other includes Physical Environment, Court Expenditures, Economic Environment, CIP Projects, & Debt Service

General Fund Public Safety Budget

(Represents 50.5% of GF)

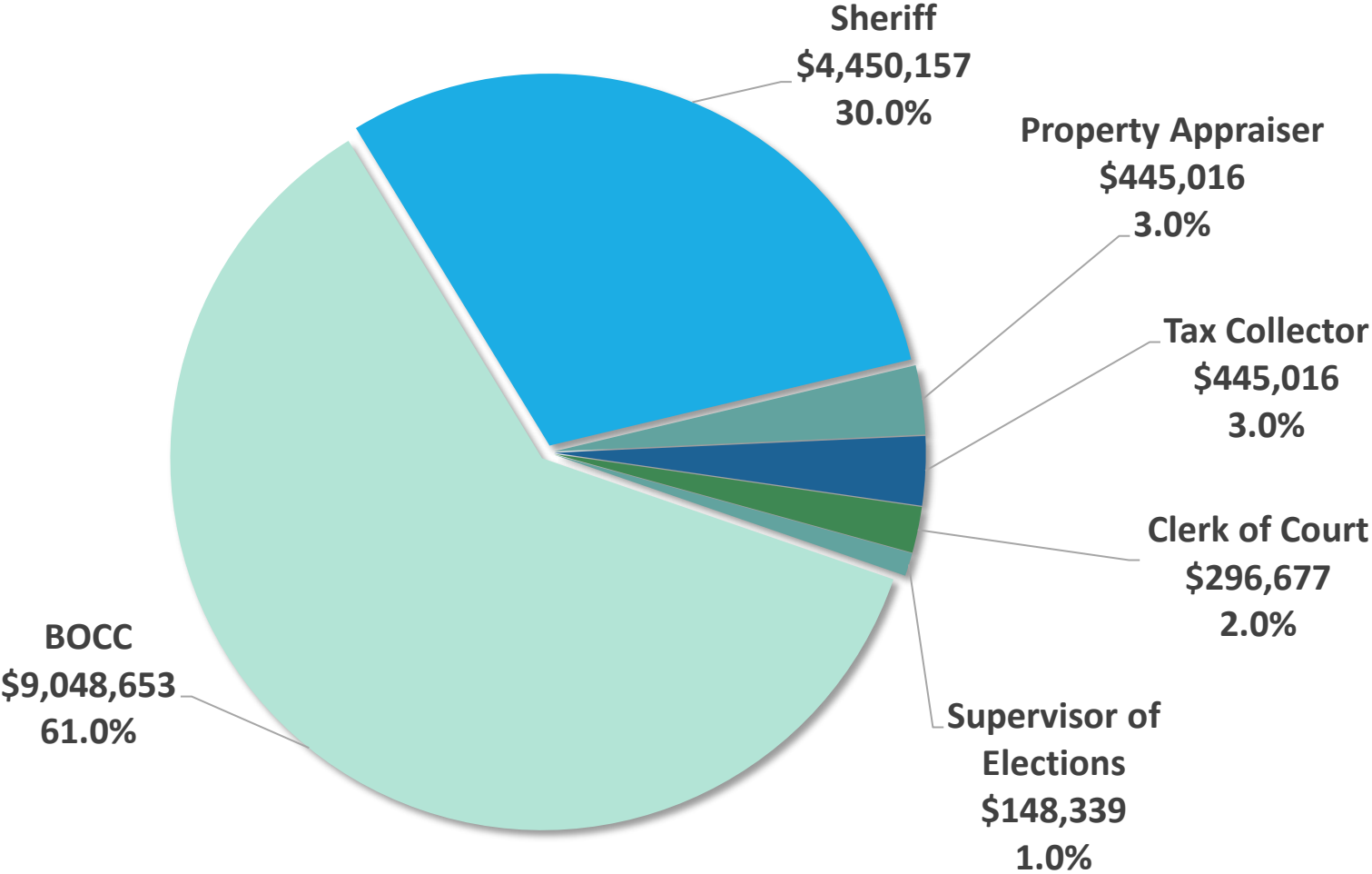


*Does not include \$3 million additional funding for the Jail from the current ½ Cent Small County Surtax. Does include the est. \$1,521,807 to be transferred

**Fire Rescue includes Fire Admin and Flight Ops

***Other includes DOF, CAD, Emergency Management, Law Enforcement Reimbursement, Medical Examiner, Inmate Medical, HazMat Update

Allocation of Additional Ad Valorem



Potential Funding Sources for the Future



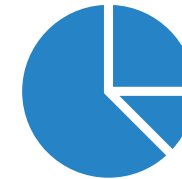
MSTU/MSBU

Would Require Interlocal Agreements with Municipalities



Impact Fees

Relatively small amount of money
Must be used for expenditures related to growth



Separate Dedicated Millage Rates

Library, Fire, EMS, Law Enforcement, Health Dept, etc.

BoCC Future Funding Challenges

Stormwater Plan

Vulnerability Study and Resiliency Plan

FDOT and Federal Grant Match

- Grant overruns
- New 20% Match Requirement

Deferred CIP, Preservation, and Rolling Stock

- 1998 still in service

**SAFER Grant
(Fire Rescue)**

Bringing Fire Rescue Up To Standard

- Replacement of Two (2) More Fire Stations

Dune and Beach Management Plan

- Flagler Beach ACOE Project - Additional \$2.35 M
- ACOE 3x3x3 Study – Match of \$1.5 M
- Implementation Cost - Unknown

Option 1 - Flat (GF) Millage

(As presented on July 11th as Tentative Budget)

| | FY 22 Base Budget | FY 23 Increase | Tentative FY 23 Budget | Requested FY 23 Budget | Shortage From Request |
|---------------------------|---------------------|---------------------|------------------------|------------------------|-----------------------|
| BoCC | \$59,983,686 | \$9,048,653 | \$69,032,339 | \$77,862,493 | (\$8,830,154) |
| Sheriff* | \$28,472,593 | \$4,450,157 | \$32,922,750 | ***\$33,622,750 | (\$700,000) |
| Property Appraiser | \$2,772,881 | \$445,016 | \$3,048,820 | \$3,048,820 | N/A |
| Tax Collector | \$3,286,471 | \$445,016 | \$3,700,000 | N/A | N/A |
| Clerk of Court** | \$2,145,151 | \$296,677 | \$2,441,828 | \$2,590,151 | **(\$148,323) |
| Supervisor of Elections** | \$1,665,674 | \$148,339 | \$1,814,013 | \$2,133,249 | **(\$319,236) |
| Totals | \$98,326,456 | \$14,833,858 | \$112,959,750 | N/A | (\$9,997,713) |

* Does not include \$3 million additional funding for the Jail from the current ½ Cent Small County Surtax

** Will be funded during the carryforward process with savings recognized from FY 22

***As of Aug 15 meeting

Option 2 – Reduce Millage (.10 combined)

(with all Constitutionals taking a reduction)

| | Tentative FY 23 Budget | 0.0615 GF Millage Reduction | FY 23 Budget with Reduction | Requested FY 23 Budget | Shortage from Request |
|-------------------------|------------------------|-----------------------------|-----------------------------|------------------------|-----------------------|
| BoCC | \$69,032,339 | (\$451,706) | \$68,580,633 | \$77,410,787 | (\$8,830,154) |
| Sheriff* | \$32,922,750 | (\$222,150) | \$32,700,600 | ***\$33,622,750 | (\$922,150) |
| Property Appraiser | \$3,048,820 | N/A | \$3,048,820 | N/A | N/A |
| Tax Collector | \$3,700,000 | N/A | \$3,650,000 | N/A | N/A |
| Clerk of Court | \$2,441,828 | (\$14,810) | \$2,427,018 | \$2,590,151 | (\$163,133) |
| Supervisor of Elections | \$1,814,013 | (\$7,405) | \$1,806,608 | \$2,133,249 | (\$326,641) |
| Totals | \$112,959,750 | (\$696,071) | \$112,213,679 | N/A | (\$10,242,078) |

* Does not include \$3 million additional funding for the Jail from the current ½ Cent Small County Surtax

***As of Aug 15 meeting

Option 3 – Flat Millage

(Funding the \$700K for FCSSO)

| | FY 22 Base Budget | FY 23 Increase | Tentative FY 23 Budget | Shortage From Request | FY 23 Budget |
|---------------------------|---------------------|---------------------|------------------------|-----------------------|----------------------|
| BoCC | \$59,983,686 | \$9,048,653 | \$69,032,339 | (\$9,530,154) | \$68,332,339 |
| Sheriff* | \$28,472,593 | \$4,450,157 | \$32,922,750 | \$0 | ***\$33,622,750 |
| Property Appraiser | \$2,772,881 | \$445,016 | \$3,048,820 | N/A | \$3,048,820 |
| Tax Collector | \$3,286,471 | \$445,016 | \$3,700,000 | N/A | \$3,700,000 |
| Clerk of Court** | \$2,145,151 | \$296,677 | \$2,441,828 | **(\$148,323) | \$2,441,828 |
| Supervisor of Elections** | \$1,665,674 | \$148,339 | \$1,814,013 | **(\$319,236) | \$1,814,013 |
| Totals | \$98,326,456 | \$14,833,858 | \$112,959,750 | (\$9,530,154) | \$112,959,750 |

* Does not include \$3 million additional funding for the Jail from the current ½ Cent Small County Surtax

** Will be funded during the carryforward process with savings recognized from FY 22

***Requested budget as of Aug 15 meeting

Next Steps

Board Guidance and or Direction

- Funding Decisions
- Millage Rate
 - Flat
 - Decrease General Fund Operating Millage by .0615 to 7.9682

Special Meeting to Follow