



Collier County FY 2025 Budget Policy



Collier County Board of County Commissioners – March 12, 2024

2

What are we doing today?

Requested Action

FY 2025 Budget Schedule

Priority Based Budgeting Approach

FY 2024 Budget Overview

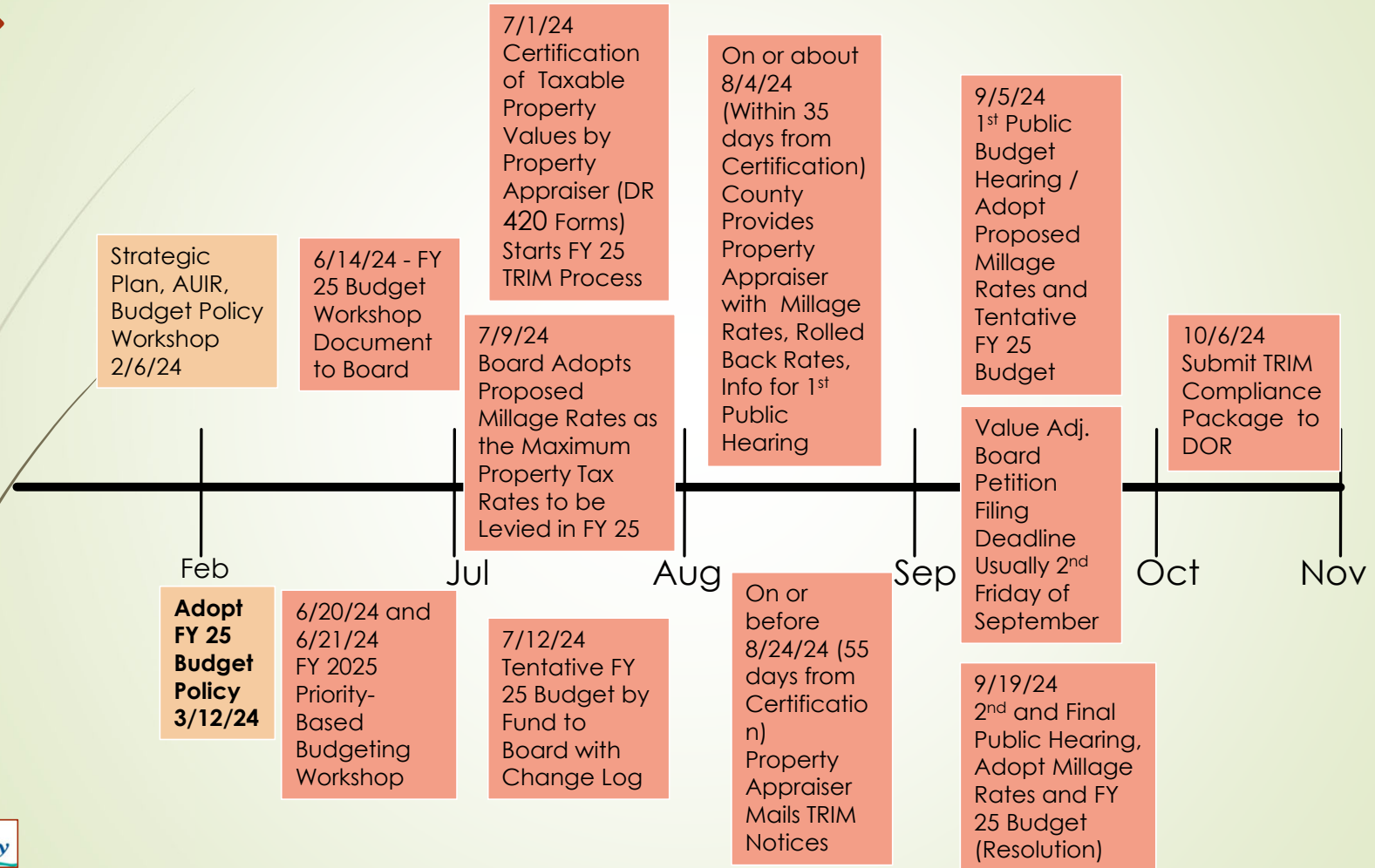
FY 2025 Budget Policy Highlights

Recommendation

Requested Action

- To Adopt the FY 2025 Budget Policy
- Establish June budget workshop dates and September public hearing dates
- Adopt a Resolution establishing a deadline of May 1, 2024, for budget submittals by the Supervisor of Elections, the Sheriff's Office, and the Clerk.

FY 2024/2025 Collier County Budget Timeline



Priority-Based Budgeting Approach

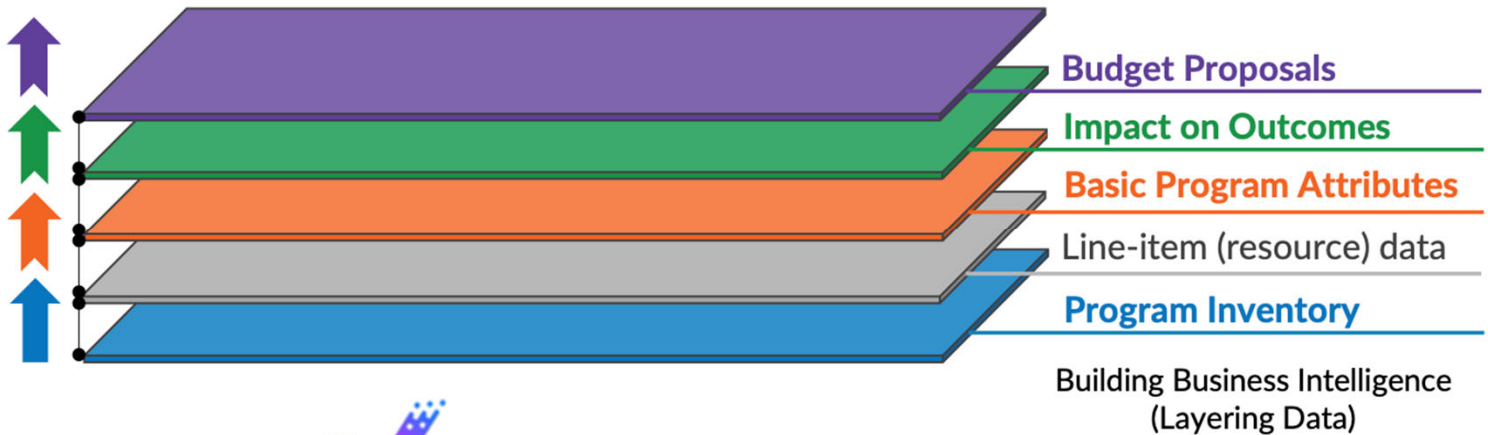
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PRIORITY BASED BUDGETING



DATA
DRIVEN

- More compelling budget proposals
- Alignment with priorities
- Optimized resources
- Backed by evidence

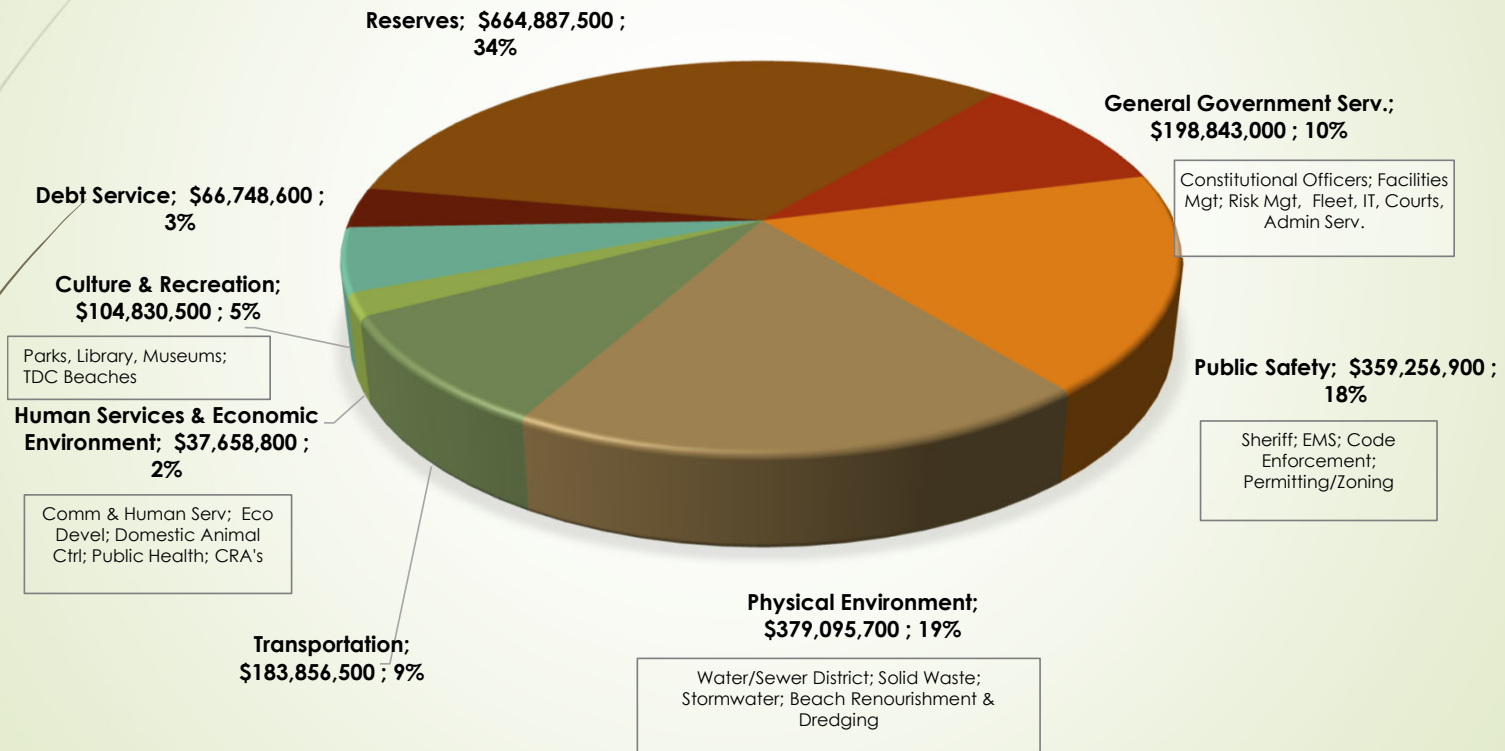


FY 2024 Budget Overview

7

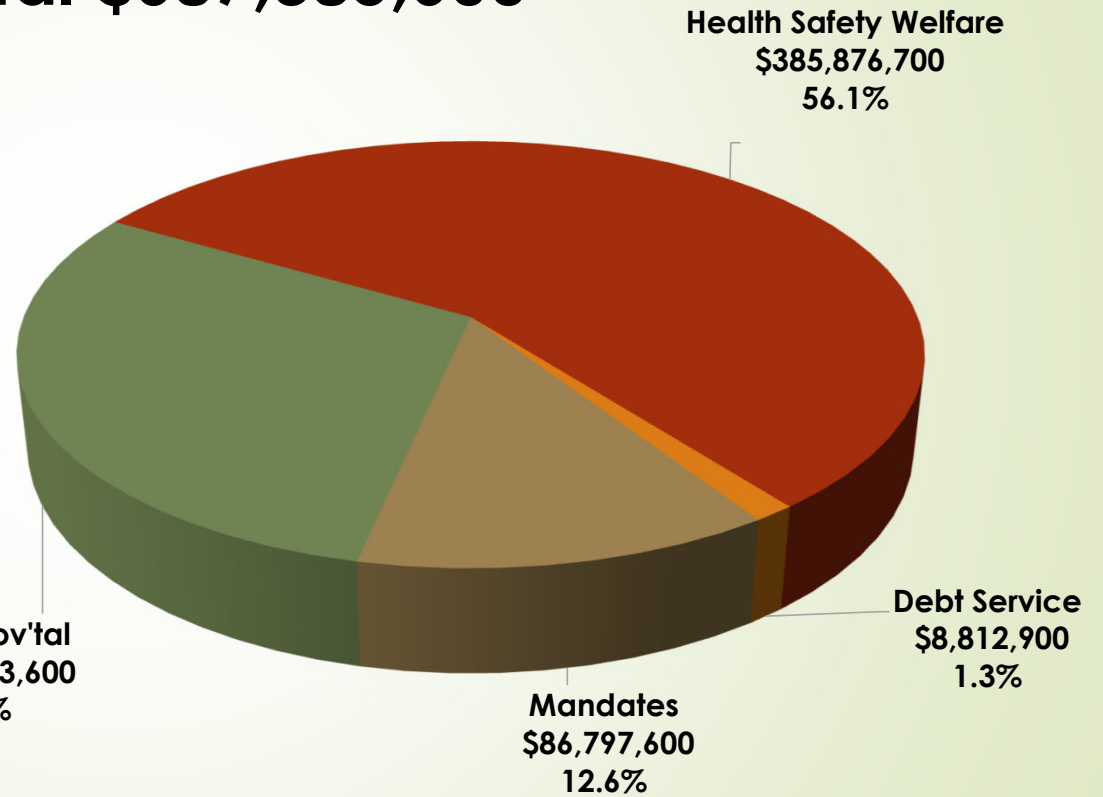
FY 2024 Net Adopted Budget

\$1,995,177,500



FY 2024 General Fund (0001) Expense by Category Total \$687,385,600

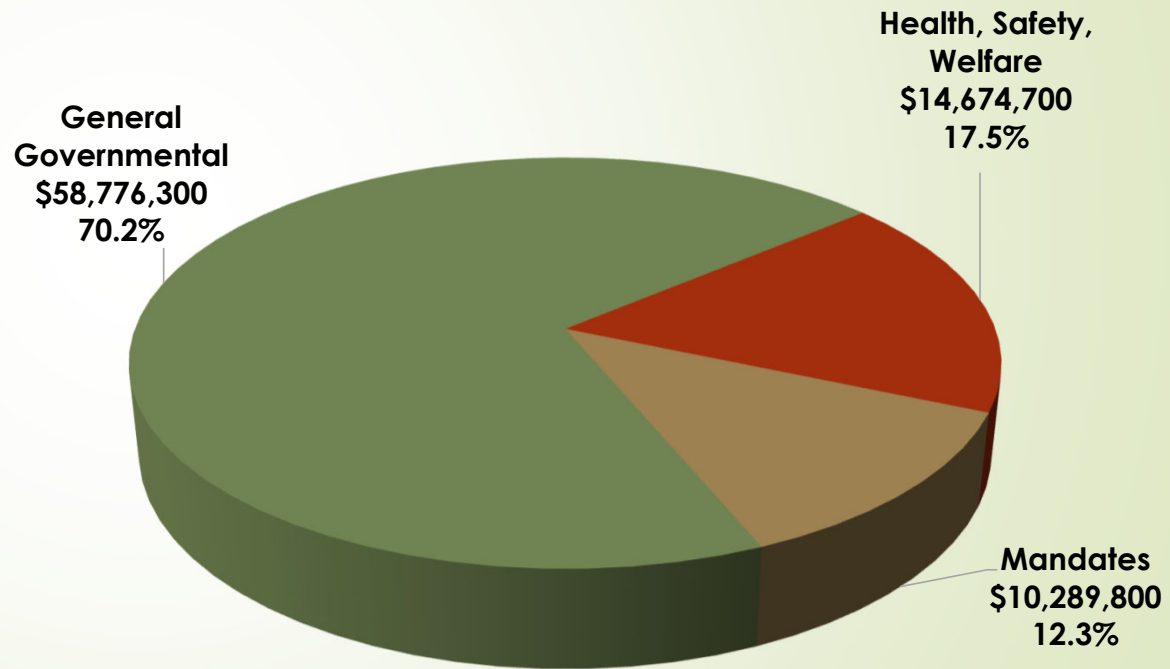
General Governmental	Health, Safety, Welfare
Roads	Sheriff
Stormwater	Mental Health
Parks & Rec.	Health Dept.
County Atty	Emergency Svcs
County Manager	State Attorney
Budget/Mgmt/Grants	Public Defender
Corp Comp & Internal Review	Judges
Domestic Animal Svcs	Mandates
Library	BCC
Museum	Dept of Juv Justice
Veteran Services	Medicaid Payment to State
General Administration	Facilities (Utilities)
Social Svcs/Seniors	Reg. Planning Council
Affordable Housing	CRAs/Eco Dev & Innov Zones
Extension Svcs	Beach Parking
Sports Complex	Supervisor of Elections
Facilities Mgmt	Property Appraiser
Capital Projects	Tax Collector
Real Estate Svcs	Clerk of Courts
Info Technology	Courts
Contribution C-ARP Grants	Debt Service
Employee Svcs	Special Obligation Bond
Purchasing	
Dept Admins	
Transp. Disadvant.	
CAT	
Econ. Dev/Impact Fees	
Com Planning & Resiliency	



FY 2024 Unincorporated General Fund (1011) Expense by Category Total \$83,740,800

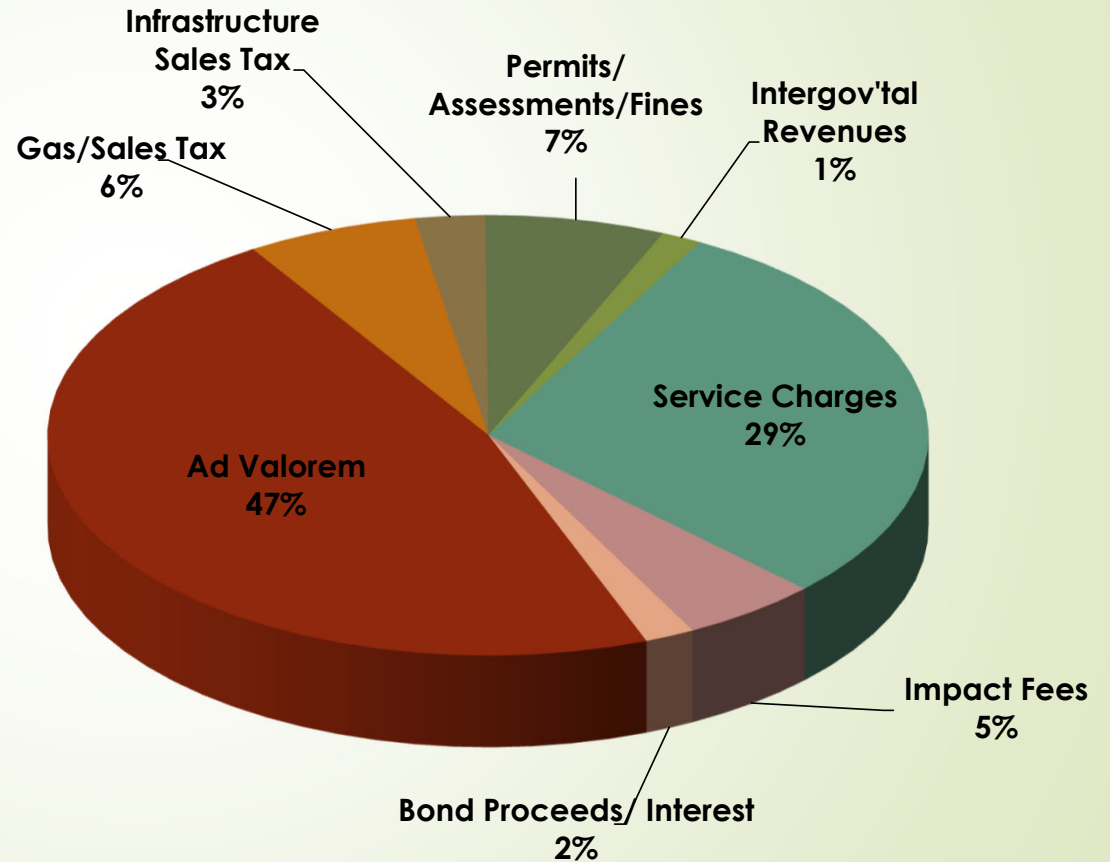
10

General Governmental	Health, Safety, Welfare
Parks & Rec. Ops	Code Enforcement
Parks & Rec. Cap	Division of Forestry
Road Maintenance Ops	Ochopee Fire District
Road Maintenance Cap	Reserves
Stormwater Ops	Mandates
Stormwater Cap	Other G&A (Beach Pking & Ins)
IT Capital	Zoning, Land Devel, Comp Plan
Other Gen & Admin	Cable Admin
Public Information	Coastal Zone
Clam Pass	Natural Resources
Improvement Districts	Pelican Bay
	MPO
	CRA's & Innov Zones
	Property Appraiser
	Tax Collector



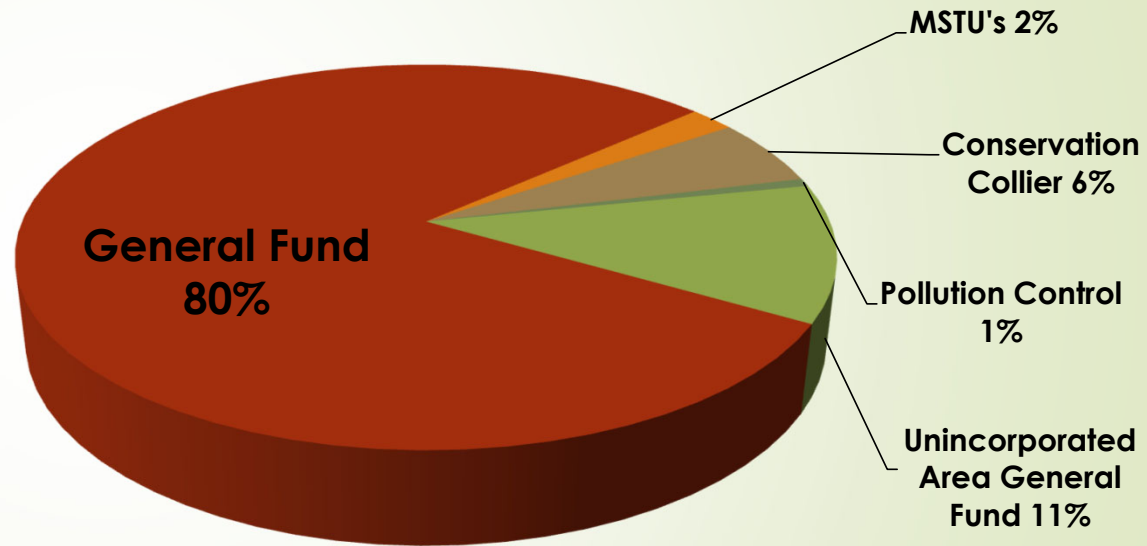
Sources of Current County Government Operating Revenues all Funds

Source	Budget
Ad Valorem	\$ 554,728,300
Gas/Sales Tax	\$ 74,603,100
Infrastructure Sales Tax	\$ 30,313,400
Permits/ Assessments/Fine	\$ 78,272,200
Intergov'tal Revenues	\$ 17,532,100
Service Charges	\$ 346,953,400
Impact Fees	\$ 59,868,000
Bond Proceeds/ Interest	\$ 21,638,900
Total Revenue	\$ 1,183,909,400



Ad Valorem Property Tax by Fund

Fund	Budget
General Fund	\$ 444,334,400
MSTU's	\$ 11,766,700
Conservation Collier	\$ 31,089,400
Pollution Control	\$ 3,647,000
Unincorporated Area General Fund	\$ 63,890,800
Total Ad Valorem	\$ 554,728,300



FY 2025 Budget Policy Highlights

Operating Control Lines

Mission Critical Program Enhancements

Millage Rate Policy

Conservation Collier

Employee Compensation

Health Insurance

Capital Allocations

Reserves

General Fund and Unincorporated Area General Fund Operating Control Lines

► Recommended Policy:

- Establish a control line of 3.5% for operational increases at the department level.
 - This means that department operations for FY 2025, which rely on the General Fund and Unincorporated Area General Fund for dollars, will be restricted to a 3.5% increase for current programs, services, and operating transfers.
- Subject to Prioritization



Recommendation Aligned with Responsible Governance Strategic Objective

"Safeguard Taxpayer Money by Promoting Fiscal Stewardship and Sound Budget Oversight"

Mission Critical Program Enhancement (Expanded) Requests

► Recommended Policy:

- Expanded requests will be limited to Board-approved capital facility openings, priority-based service level adjustments, and/or historically strained mission critical imperatives with final County Manager recommendations presented at the June budget workshop
- Subject to Prioritization



Recommendation Aligned with Responsible Governance Strategic Objective

"Safeguard Taxpayer Money by Promoting Fiscal Stewardship and Sound Budget Oversight"

Millage Rate (General Fund and Unincorporated Area General Fund)

► Recommended Budget Policy:

- Develop a General Fund (0001) and Unincorporated Area General Fund (1011) operating budget utilizing a priority-based budgeting approach.
- Recommended millage rates will be calculated utilizing preliminary taxable value based on prioritized budget requirements within established control lines.
- Program adjustments or funding realignment may result in changes to the millage rate.



Aligned with Responsible Governance Strategic Objective

"Safeguard Taxpayer Money by Promoting Fiscal Stewardship and Sound Budget Oversight"

MSTU Millage

► Recommended Budget Policy:

- For FY 2025, it is suggested that MSTU's be limited to a millage rate sufficient to cover current budget year operations and planned annual capital program allocations.
- Program adjustments or funding realignment may result in changes to the millage rate.



Recommendation Aligned with Responsible Governance Strategic Objective

"Safeguard Taxpayer Money by Promoting Fiscal Stewardship and Sound Budget Oversight"

Conservation Collier

► Recommended Budget Policy:

- Planned FY 2025 allocations will be consistent with the approved Conservation Collier Ordinance.



Recommendation Aligned with Responsible Governance Strategic Objective

"Safeguard Taxpayer Money by Promoting Fiscal Stewardship and Sound Budget Oversight"

Employee Compensation

► Recommended Budget Policy:

- Appropriate dollars equivalent to a 3% base wage increase to all classifications plus 1.5% to implement a merit-based incentive program and a 0.5% pay plan maintenance component to strengthen certain targeted classification pay grades where market balance exists.
- Total cost for the County Manager's Agency is approximately \$7.5 million for FY 2025.



Recommendation Aligned with Board Strategic Priority

"Human Resources Recruitment and Retention to Position Collier County as an Employer of Choice"

Employee Health Insurance

► Recommended Budget Policy:

- For FY 2025, a 7% rate increase to the existing rate structure is recommended.
- This rate increase will result in an employer portion funding increase of approximately \$2 million for the County Manager's Agency.
- Bi-monthly employee cost increases will be between \$4 and \$7 for employees with single coverage and \$10 and \$16 for employees with family coverage.



Recommendation Aligned with Quality of Place Strategic Objective

"Support Access to Health, Wellness, and Human Services"

Planned General Fund Capital Allocations

Category General Fund	Non-Growth Debt	Investment for Impact Fee Funds - Debt	County Wide Capital	Transfer for Other Capital	Transfer to Parks	Transfer to Road Network	Transfer to Storm-Water Capital	Long Term Replacement Capital Reserve	Total
FY 2025	\$8,189,100	\$1,285,700	\$38,972,600	\$2,210,000	\$3,150,000	\$9,660,000	\$2,940,000	\$5,000,000	\$71,407,400



Recommendation Aligned with Infrastructure and Asset Management Strategic Objective

"Optimize the Useful Life of All Public Infrastructure and Resources through Proper Planning and Preventative Maintenance"

Planned Unincorporated Area General Fund Capital Allocations

Unincorporated Area General Fund	Transfer to Parks	Transfer to Roads	Transfer to Storm-Water Capital	Total
FY 2025	\$4,095,000	\$14,280,000	\$5,700,000	\$24,075,000



Recommendation Aligned with Infrastructure and Asset Management Strategic Objective

“Optimize the Useful Life of All Public Infrastructure and Resources through Proper Planning and Preventative Maintenance”

General Governmental Reserves



General Fund - floor; 8% of operating revenues or \$44.9 million – Ceiling; 16% of operating revenues or \$89.9 million for FY 2025; FY 2024 budgeted reserve is \$72.2 million.



Unincorporated Area General Fund – Target 8.3% of operating expenses or approximately one month of expenses approximately \$6.6 million. FY 2024 budgeted reserve is \$ 6.8 million.



Other general governmental funds that receive transfer revenue from the GF will have reserves sized to cover the first month of operations or until the first GF/UAGF transfer is scheduled.



Recommendation Aligned with Responsible Governance Strategic Objective

“Safeguard Taxpayer Money by Promoting Fiscal Stewardship and Sound Budget Oversight”

Enterprise Fund Reserves



CCWSD user fee reserves established minimally between 5% and 15% of revenues with working capital resources set between 45 days and 90 days.



Solid Waste reserves set between 45 days and 90 days based on FY 2024 operating expenses. Continue re-establishment of a solid waste restricted reserve for disaster response of ten (10) percent of the budgeted charges.



Targeted reserves within the GMD building permit fund (113) and planning fund (131) set at 12 months and 24 months of total budget appropriations, respectively.



Recommendation Aligned with Responsible Governance Strategic Objective

“Safeguard Taxpayer Money by Promoting Fiscal Stewardship and Sound Budget Oversight”

County-Wide Capital Reserve

County-Wide Capital Reserve History						
	<u>FY2020</u>	<u>FY2021</u>	<u>FY2022</u>	<u>FY2023</u>	<u>FY2024</u>	<u>Recommended FY2025</u>
Adopted Budget	\$ 5,000,000	\$ 9,000,000	\$ 17,500,000	\$ 35,800,000	\$ 22,467,300	\$ 27,467,300
YOY Variance	\$ 5,000,000	\$ 4,000,000	\$ 8,500,000	\$ 18,300,000	\$ (13,332,700)	\$ 5,000,000

- Established in 2020
- FY2023 Approved Transfers to FEMA Fund (1813) to Cashflow Hurricane IAN Recover Totaled \$35 Million
- Current FY2024 Balance \$22.5 Million
- FY 2025 Recommended Contribution \$5 Million



Recommendation Aligned with Infrastructure and Asset Management and Responsible Governance Strategic Objectives

“Prepare for the Impacts of Natural Disasters on our Critical Infrastructure and Natural Resources”

“Optimize the Useful Life of All Public Infrastructure and Resources through Proper Planning and Preventative Maintenance”

“Safeguard Taxpayer Money by Promoting Fiscal Stewardship and Sound Budget Oversight”

Recommendation

- To Adopt the FY 2025 Budget Policy, establish June budget workshop dates and September public hearing dates, and adopt a Resolution establishing a deadline of May 1, 2024, for budget submittals by the Supervisor of Elections, the Sheriff's Office, and the Clerk.

Thank You