

**Collier County
FY 2025
BCC Recommended Budget**

**Budget Workshop
June 20, 2024**

What are we doing today?

General Overview

Court and Related Agencies

Constitutional Officers

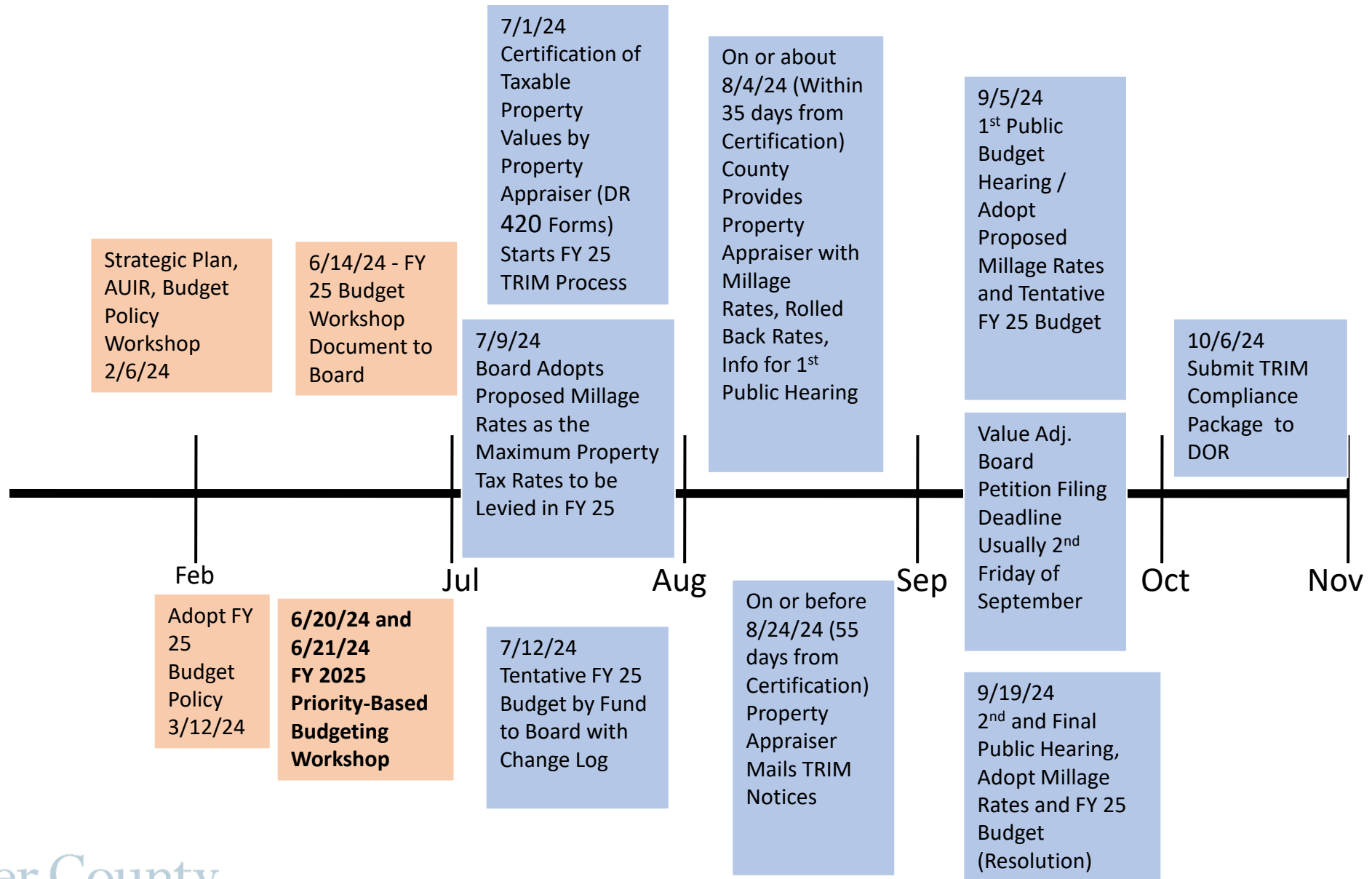
County Manager's Agency

County Attorney

Board of County Commissioners

Recap and Summary Discussion

FY 2024/2025 Collier County Budget Timeline



FY 2025 Budget Characteristics

- Budget process conforms with Chapter 129 FS – “County Annual Budget”
- Budget as presented is balanced and was prioritized in conjunction with ResourceX
- Flexible planning tool
- Provides sufficient budget required to conduct the business of government
- Document reflects the best efforts of your staff and constitutional officers to maintain and, where appropriate, enhance services for the benefit of our residents and visitors
- Budget provides the financial approach for execution of the County’s Strategic Plan



FY 2025 Budget Characteristics

- Budget includes funding for Strategic Priorities including but not limited to:
 - DAS Facilities
 - Aquatics Capital
 - Strategic Real Estate Acquisitions
 - Cybersecurity
 - Vanderbilt Beach Road Phase II
 - CR951 Golden Gate to Green Blvd
 - Roadway Resurfacing
 - Employee Recruitment and Retention

Current Economic Landscape

- County single-family permits issued in April 2024 totaled 214, up 16 percent from April 2023.
- Collier County's unemployment rate was 3.5% in April 2024, a slight increase over the 2.7% measured in April 2023. The County's unemployment rate is slightly above the State of Florida's rate for April 2024 of 3.3% and modestly below the United States rate for April 2024 of 3.9%.
- The median single-family home price in April 2024 was \$889,500 compared to April 2023 median price of \$922,500, a decrease of 3.6%. The single-family home sales numbers rose to 508 units in April 2024, an increase of 8% from the prior year.
- Visitation to the destination totaled 1,667,400 for the October– April 2024 period which is 7.7% higher than last year.

Current Economic Landscape

- In April 2024, the Miami-Fort Lauderdale Consumer Price Index for All Urban Consumers rose 4.5% over the last 12 months to an index level of 348.439 points. Core inflation indexed for all items less food and energy increased 5.8% over the same period.
- Year over Year
 - Electricity prices decreased -11.1% (Hurricane Surcharge Phased Out);
 - Food costs modestly increased 0.8%;
 - Cost of goods and services grew 5.6%;
 - Prices increased 7.2% for rent of primary residence.

FY 2025 Tax Policy

- **Tax Policy** – Tax rate based on budget requirements.
 - FY 2025 Budget developed by the County Manager is built around the rolled back tax rate.
- **Millage Rates:**
 - Developed General Fund and Unincorporated Area General Fund Operating Budgets utilizing a priority-based budgeting approach.
 - Further program adjustments or funding realignment may result in changes to the millage rate.
 - MSTU's were limited to a millage rate sufficient to cover current budget year operations and planned annual capital program allocations.

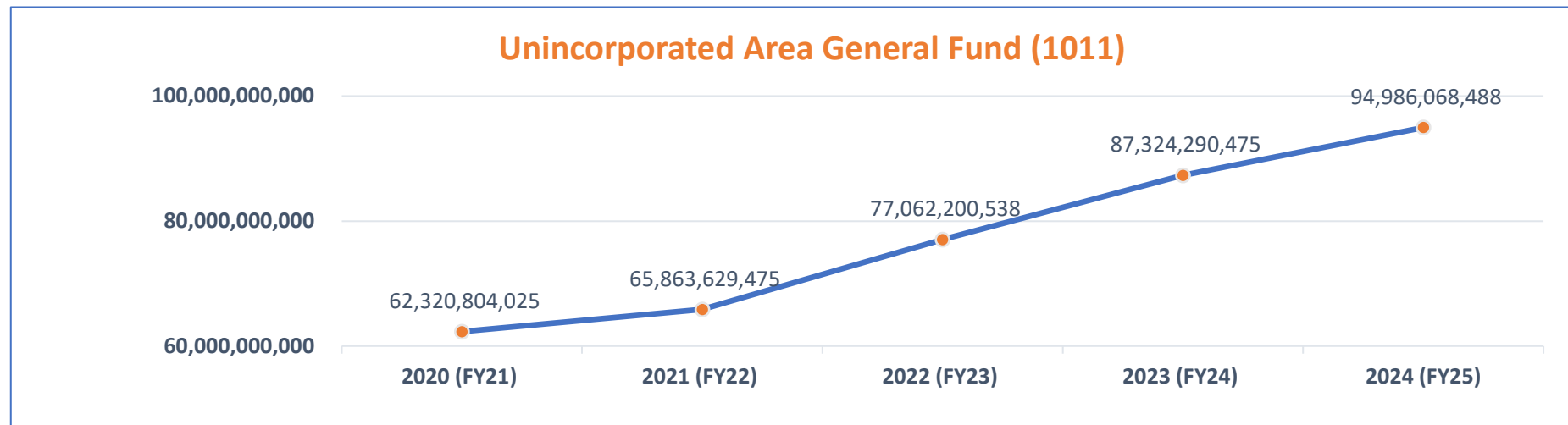
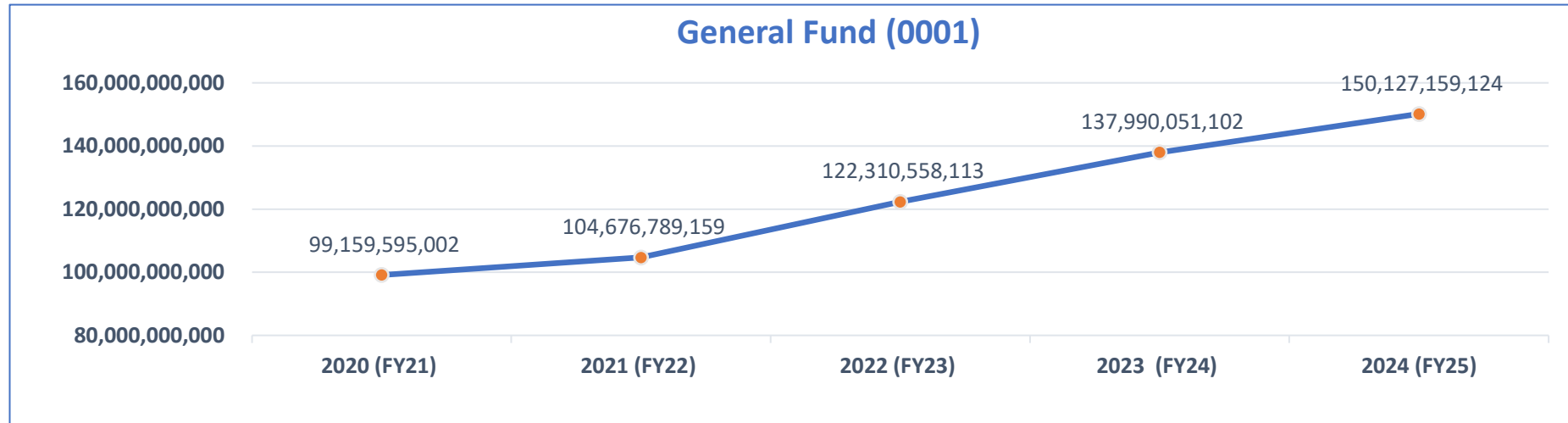
Preliminary Taxable Value

- \$12.1 Billion TV Increase County Wide
 - \$4.1 Billion Net New Taxable Value
- \$7.7 Billion TV Increase in the Unincorporated Area
 - \$2.7 Billion Net New Taxable Value
- The State Ad Valorem Estimating Conference projects continued tax base increases of 10.2% and 7.1% for tax year 2025 and 2026 respectively.

| Collier County, Florida Taxable Property Values Based on June 1, 2024 Preliminary Taxable Value | | | | | |
|---|----------|--------------------------------------|-------------------------------------|----------------------------------|--------------------------|
| Fund Title | Fund No. | Prior Year Final Gross Taxable Value | Current Year Adjusted Taxable Value | Current Year Gross Taxable Value | % Change From Prior Year |
| County Wide | | | | | |
| General Fund | 0001 | 137,990,051,102 | 146,042,618,827 | 150,127,159,124 | 8.80% |
| Water Pollution Control | 1017 | 137,990,051,102 | 146,042,618,827 | 150,127,159,124 | 8.80% |
| Conservation Collier | 1061 | 137,990,051,102 | 146,042,618,827 | 150,127,159,124 | 8.80% |
| Dependent Districts and MSTU's | | | | | |
| Unincorporated Area General Fund | 1011 | 87,324,290,475 | 92,263,066,261 | 94,986,068,488 | 8.77% |



Taxable Value History



Preliminary Tax Scenarios

| Collier County, Florida Property Tax Dollars Based on June 1, 2024 Preliminary Taxable Value | | | | | | | |
|--|----------|--------------------------------|--------------------------------------|---------------------------------|-----------------------------|-------------------------------------|--------------------------------------|
| Fund Title | Fund No. | Prior Year Adpoted Tax Dollars | Current Year Rolled Back Tax Dollars | Variance Rolled Back Prior Year | Millage Neutral Tax Dollars | Variance Millage Neutral Prior Year | Variance Millage Neutral Rolled Back |
| County Wide | | | | | | | |
| General Fund | 0001 | 444,334,435 | 456,656,793 | 12,322,358 | 481,052,456 | 36,718,021 | 24,395,663 |
| Water Pollution Control | 1017 | 3,646,973 | 3,723,154 | 76,181 | 3,948,344 | 301,371 | 225,190 |
| Conservation Collier | 1061 | 31,089,405 | 31,796,932 | 707,527 | 33,658,509 | 2,569,104 | 1,861,577 |
| Subtotal County Wide | | 479,070,813 | 492,176,879 | 13,106,066 | 518,659,309 | 39,588,496 | 26,482,430 |
| Dependent Districts and MSTU's | | | | | | | |
| Unincorporated Area General Fund | 1011 | 63,890,893 | 65,730,359 | 1,839,466 | 69,149,858 | 5,258,965 | 3,419,499 |

FY 2025 Recommended Budget Highlights

- FY 2025 Net Budget - \$2.088 Billion
 - Increase of \$92.9 Million over FY 2024
- FY 2025 General Fund Budget - \$688.3 Million
 - Increase of \$890K over FY 2024
- FY 2025 Unincorporated Area General Fund Budget - \$84.4 Million
 - Increase of \$655K over FY 2024

FY 2025 Recommended Budget Highlights

- **Overall Budget guidance of 3.5% met** for County Manager Agency General Fund and Unincorporated Area General Fund budgeted operations and operating transfers based upon net cost impact.
 - Net Cost Impact = Program Expense – Program Revenue

FY 2025 Recommended Budget Highlights

- **Expanded service requests:**
 - Budgeted County Manager expanded services include 27 FTEs plus 10 vehicles and operating increases for EMS, Code Enforcement, Domestic Animal Services, Immokalee CRA, Human Resources, and Facilities.
 - \$4,012,900
 - Budget expanded services for the Clerk of Courts include funding to support the improvements to the SAP payroll system.
 - \$208,800

FY 2025 Recommended Budget Highlights

| Department | Division | Fund | FTE | Vehicle | Operating Increase | Total Requested |
|--|--|------|--------------|--------------|--------------------|---------------------|
| Corporate Business Operations Department | Human Resources Division | 0001 | 3.00 | | | \$ 300,700 |
| Growth Management Community Development Department | Code Enforcement | 0001 | 10.00 | 10.00 | | \$ 1,339,400 |
| Public Services Department | Domestic Animal Services Division | 0001 | 4.00 | | | \$ 355,100 |
| Office of the County Manager | Facilities Management Division | 0001 | | | 1.00 | \$ 1,000,000 |
| Office of the County Manager | Immokalee Community Redevelopment Agency (CRA) | 1025 | 1.00 | | | \$ 69,800 |
| Public Safety Department | Emergency Medical Services (EMS) | 4050 | 9.00 | | | \$ 947,900 |
| Elected Officials - Constitutional Officer | Clerk of Courts | 0011 | | | 1.00 | \$ 208,800 |
| Totals: | | | 27.00 | 10.00 | 2.00 | \$ 4,221,700 |



FY 2025 Recommended Budget Highlights

- Investment in the workforce
 - Per budget policy, for FY 2025, the recommended budget includes a 3% wage increase to all classifications, plus 1.5% to implement a merit-based incentive program, and a .5% pay plan maintenance component to strengthen targeted classifications.
- Employee Health Care
 - Per budget policy, for FY 2025, the recommended budget includes a 7% increase rate increase to the existing rate structure.

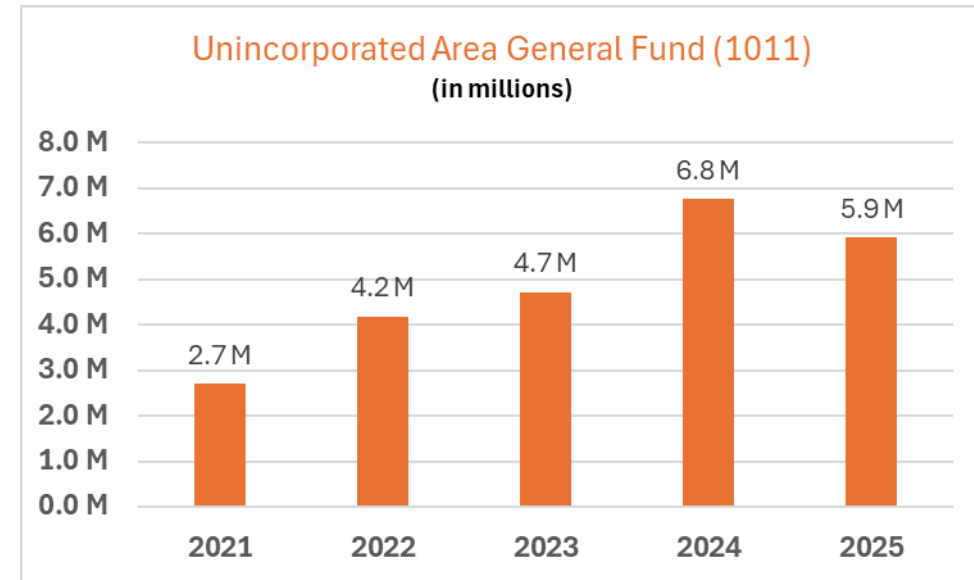
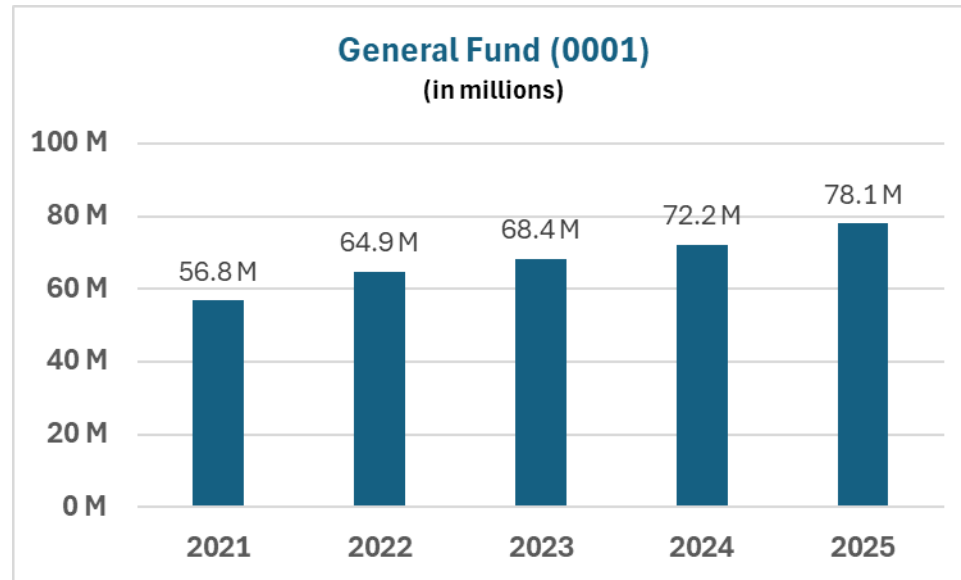
FY 2025 Recommended Budget Highlights

| CRA & Economic Development Zone TIF Transfers | General Fund (0001) | Unincorporated Area GF (1011) | Total |
|--|---------------------|-------------------------------|----------------------|
| Transfer-Ave Maria Innovation Zone | 131,200 | \$ 29,900 | \$ 161,100 |
| Transfer-Golden Gate City Innovation Zone (1032) | 2,260,700 | \$ 514,300 | \$ 2,775,000 |
| Transfer-I75 & Collier Innovation Zone | 493,700 | \$ 112,400 | \$ 606,100 |
| Transfer Bayshore CRA | \$ 3,762,800 | \$ 856,100 | \$ 4,618,900 |
| Transfer Immokalee CRA | \$ 1,122,600 | \$ 255,400 | \$ 1,378,000 |
| City of Naples CRA | \$ 7,154,700 | \$ - | \$ 7,154,700 |
| Total | 14,925,700 | \$ 1,768,100 | \$ 16,693,800 |

FY 2025 Recommended Budget Highlights

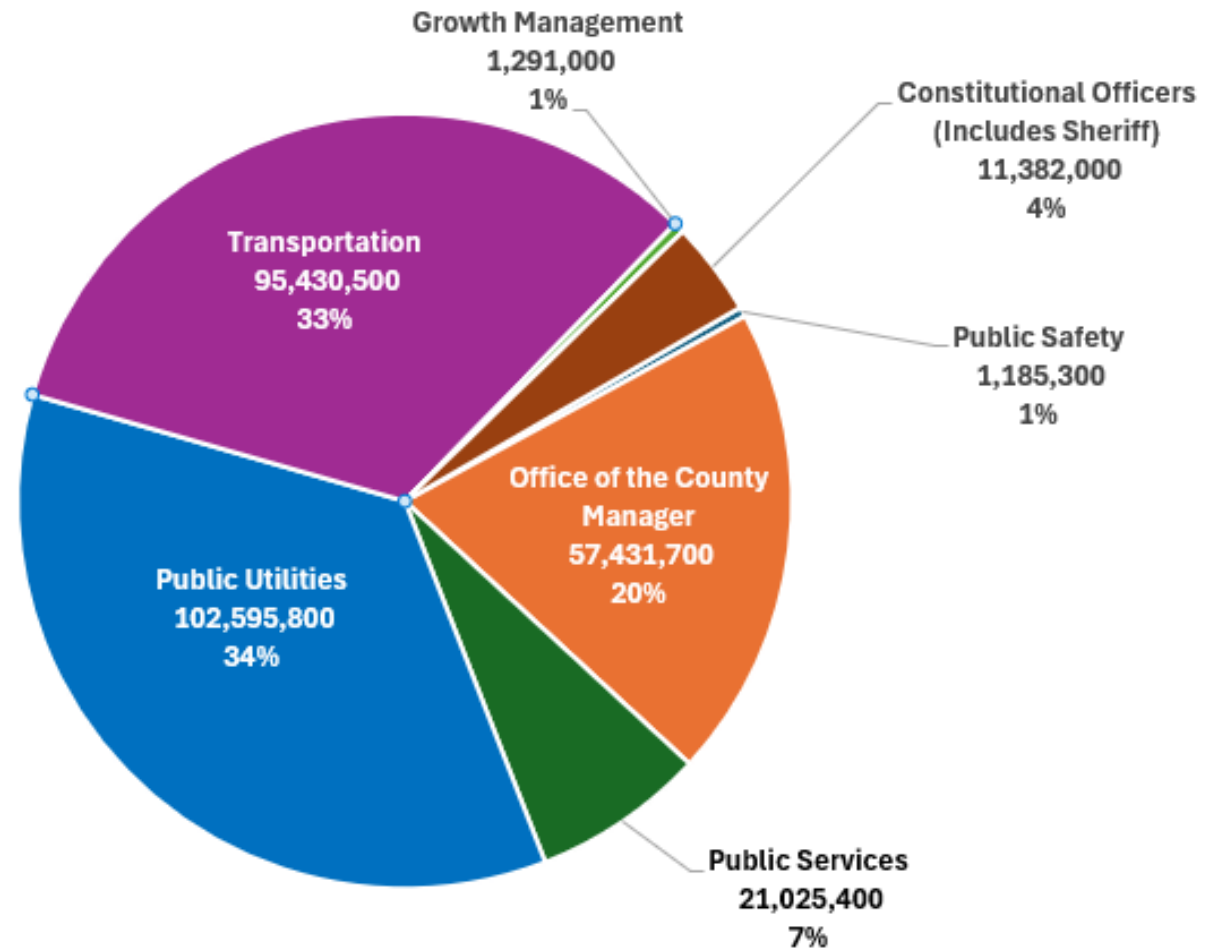
- **Reserves:**

- General Fund reserves increased to \$78.1 million or 12.8% of expenses.
- Unincorporated Area General Fund reserves modestly decreased to \$5.9 million or 7.5% of expenses.



FY 2025 Recommended Budget Highlights

- **Capital Project Budget**
 - **\$686,077,700**



FY 2025 Recommended Budget Highlights

General Fund & Unincorporated Area General Fund Capital Transfers

| | FY 2024 Adopted Budget | FY 2025 Recommended Budget |
|---|------------------------------|----------------------------------|
| Capital Funds | | |
| Sea Turtle Monitoring (1804) | 138,700 | 143,500 |
| Countywide Capital Fund (3001) | 52,934,500 | 34,863,400 |
| Museum (3026) | 200,000 | 162,700 |
| Pelican Bay (3041) | 520,000 | 520,000 |
| Stormwater Capital (3050) | 8,500,000 | 8,925,000 |
| Parks & Recreation Repairs & Maintenance - Regional Pks (3062) | 3,000,000 | 3,150,000 |
| Park & Recreation Repairs & Maintenance - Community Pk (3062) | 3,900,000 | 4,095,000 |
| Transportation Capital (3081) | 22,800,000 | 23,940,000 |
| Loans to Impact Fees | 1,139,100 | 1,700,700 |
| Grand Total - Capital Transfers from General Funds (0001 & 1011) | 93,132,300 | 77,500,300 |

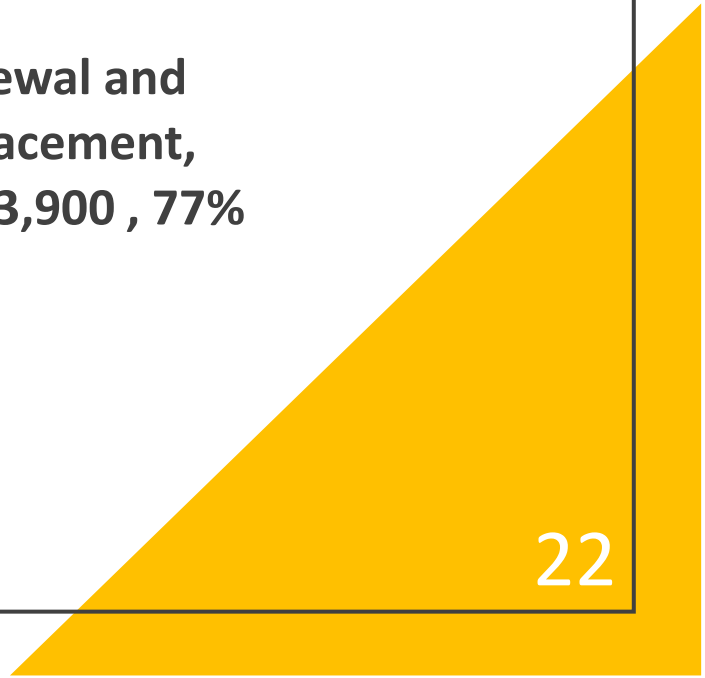
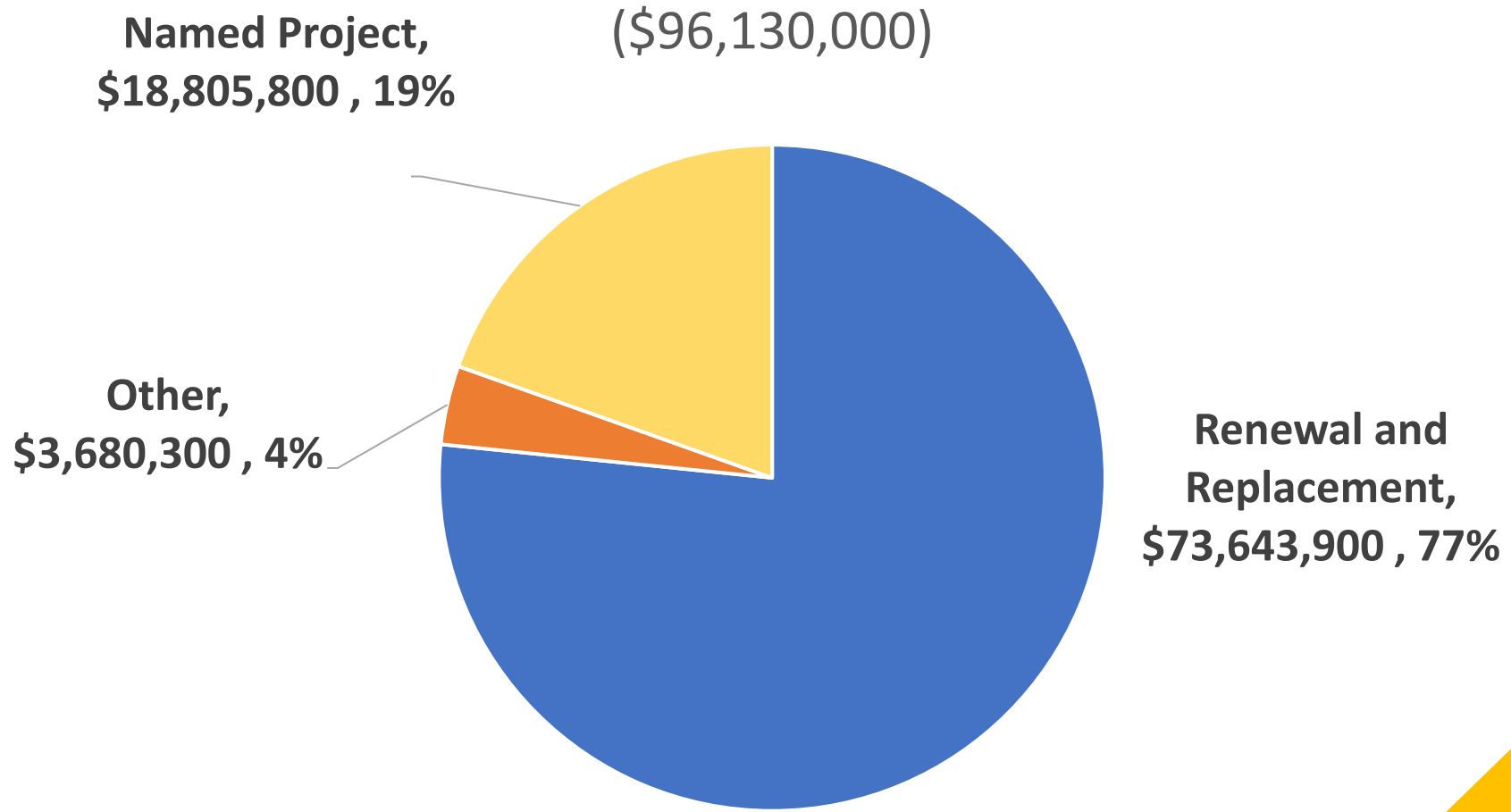
FY 2025 Recommended Budget Highlights

General Fund & Unincorporated Area General Fund Capital Budget

| | FY 2024 Recommended Budget |
|---|---|
| Capital Funds | |
| Sea Turtle Monitoring (1804) | 546,500 |
| Countywide Capital Fund (3001) | 50,146,200 |
| Museum (3026) | 210,000 |
| Pelican Bay (3041) | 2,258,600 |
| Stormwater Capital (3050) | 11,223,200 |
| Parks & Recreation Repairs & Maintenance - (3062) | 6,345,000 |
| Transportation Capital (3081) | 25,400,500 |
| Grand Total - Capital Transfers from General Funds (0001 & 1011) | <u>96,130,000</u> |



FY 2025 General Fund and Unincorporated Area General Fund Supported Capital Investment



Questions?

Up Next
Resource X



Areas of Interest



- Organizational Adjustments
 - Workforce Prioritization Pool
- Process/Resource Alignment
 - GMD, Procurement, Project Management, HR, IT
- Fee Rightsizing
 - GMD, Parks, DAS, Impact Fees, Etc.
- Funding Alignment
 - Tourist Development Tax
 - General and Unincorporated General Fund
- Program Partnerships/Privatization
 - Aquatics
 - Museums
- Level of Service Analysis
 - Libraries, Culinary Accelerator, Museums



Workforce Prioritization Pool

| Workforce Prioritization Pool | | |
|--------------------------------------|-----------------|------------|
| <u>Department</u> | <u>Division</u> | <u>FTE</u> |
| PSD | Libraries | 6.5 |
| | Parks | 9.5 |
| | OVS | 4 |
| Management Offices | Facilities | 5 |
| | Communications | 1 |
| TMSD | Transportation | 3 |
| | Stormwater | 2 |
| Workforce Prioritization Pool | Total | 31 |

General Fund (0001) - FY 2025 vs. Policy

General Fund (0001)

Revenue Variances:

| | Variance Between Rec FY2025 vs. Policy | Policy FY 2025 | Rec. FY 2025 |
|-----------------------------------|--|--------------------|--------------------|
| Ad Valorem Taxes | 5,657,400 | 450,999,400 | 456,656,800 |
| Departmental Revenues & Transfers | 1,436,600 | 120,240,400 | 121,677,000 |
| Carryforward | (9,827,100) | 146,767,100 | 136,940,000 |
| Neg 5% Required by Law | 455,300 | (27,453,800) | (26,998,500) |
| Total Revenues | (2,277,800) | 690,553,100 | 688,275,300 |

General Fund (0001) - FY 2025 vs. Policy

| | Variance Between | | |
|---|--------------------------|--------------------|--------------------|
| | Rec FY2025 vs. Policy | Policy FY 2025 | Rec. FY 2025 |
| Expenditure Variances | | | |
| Constitutional Officers | | | |
| Clerk of the Circuit Court | (208,800) | 15,194,800 | 14,986,000 |
| Clerk Expanded Request | 208,800 | - | 208,800 |
| Property Appraiser | - | 9,267,700 | 9,267,700 |
| Sheriff | 3,693,700 | 262,758,400 | 266,452,100 |
| Supervisor of Elections | - | 6,175,900 | 6,175,900 |
| Tax Collector (fee based) | - | 26,099,700 | 26,099,700 |
| Paid by Board | (332,900) | 7,395,400 | 7,062,500 |
| Subtotal | 3,360,800 | 326,891,900 | 330,252,700 |
| County Manager's Agency | | | |
| CRA & Zones (includes City of Naples) | 1,774,100 | 13,151,600 | 14,925,700 |
| Road and Bridge Fund (1001) | (920,900) | 28,596,700 | 27,675,800 |
| Stormwater Fund (1005) | 621,600 | 2,945,600 | 3,567,200 |
| IT Security and Infrastructure (5006) | 578,100 | 3,701,100 | 4,279,200 |
| I-75&Collier Blvd Inn Zone - Loan (1031) | (643,200) | 2,000,000 | 1,356,800 |
| TD/CAT (4032-4035) | 257,100 | 6,088,300 | 6,345,400 |
| Expanded Level of Service Requests | 2,995,200 | - | 2,995,200 |
| Other Department Operations & Transfers | (412,700) | 160,668,500 | 160,255,800 |
| Subtotal | 4,249,300 | 217,151,800 | 221,401,100 |
| Debt & Capital Transfers | | | |
| Debt Service Transfer (2013/2022) | (419,700) | 8,189,100 | 7,769,400 |
| County-Wide Capital Reserve (3001) | 2,617,100 | 5,000,000 | 7,617,100 |
| Other Capital Projects (3001,3062,3081,3050,3026) | (13,059,300) | 56,218,300 | 43,159,000 |
| Subtotal | (10,861,900) | 69,407,400 | 58,545,500 |
| Reserves (0001) | 974,000 | 77,102,000 | 78,076,000 |
| Total Expenditures | (2,277,800) | 690,553,100 | 688,275,300 |

Unincorporated Area General Fund 1011 - FY 2025 vs. Policy

| Expenditure Variances | Variance Between | | |
|---|--------------------------|-------------------|-------------------|
| | Rec FY2025 vs. Policy | Policy FY 2025 | Rec. FY2025 |
| County Manager's Agency | | | |
| CRA & Zones | 249,600 | 1,756,100 | 2,005,700 |
| Growth Management Department | (578,000) | 9,774,600 | 9,196,600 |
| Parks & Recreation Division | (107,400) | 18,006,800 | 17,899,400 |
| Transportation Road Maintenance | (22,800) | 5,799,400 | 5,776,600 |
| Expanded Level of Service Requests | - | - | - |
| Other Division Operations | (75,100) | 7,783,600 | 7,708,500 |
| Transfer to Ochopee Fire (1040) | (203,600) | 2,420,400 | 2,216,800 |
| Transfer to Stormwater Ops (1005) | (273,900) | 5,400,400 | 5,126,500 |
| Other Departmental Transfers | 32,400 | 2,886,100 | 2,918,500 |
| Subtotal | (978,800) | 53,827,400 | 52,848,600 |
| Capital Transfers | | | |
| Parks Capital (3062) | - | 4,095,000 | 4,095,000 |
| Transportation Capital (3081) | - | 14,280,000 | 14,280,000 |
| Stormwater Capital (3050) | 285,000 | 5,700,000 | 5,985,000 |
| Other Capital Projects (5006, 3041, 5023) | 66,300 | 1,202,200 | 1,268,500 |
| Subtotal | 351,300 | 25,277,200 | 25,628,500 |
| Reserves (1011) | (644,100) | 6,562,400 | 5,918,300 |
| Total Expenditures | (1,271,600) | 85,667,000 | 84,395,400 |

Unincorporated Area General Fund 1011 - FY 2025 vs. Policy

| Unincorporated General Fund (1011) | Variance Between | | |
|---|---------------------------|-------------------|-------------------|
| | Rec FY 2025 vs. Policy | Policy FY 2025 | Rec. FY 2025 |
| Revenue Variances | | | |
| Ad Valorem Taxes | 881,100 | 64,849,300 | 65,730,400 |
| Communication Service Tax | 0 | 3,800,000 | 3,800,000 |
| Department Revenues | 307,700 | 4,338,900 | 4,646,600 |
| Transfers | 3,200 | 585,300 | 588,500 |
| Interest and Misc. Revenue | 190,000 | 200,000 | 390,000 |
| Carry forward | (2,560,100) | 15,542,900 | 12,982,800 |
| Neg 5% Required by Law | (93,500) | (3,649,400) | (3,742,900) |
| Total Revenues | (1,271,600) | 85,667,000 | 84,395,400 |

How Did We Achieve Rolled Back?

- Priority Based Review of Program Revenue and Expenses
- Departure from the Historically Conservative Approach to Revenue Forecasting and Budgeting
- Reduction in County Wide Capital Program
- Reduction in Reserves

Adjustments

| Projects | Amount |
|-----------------------------------|------------------------|
| 800 MHZ Upgrade | \$ (6,000,000) |
| Parking Lot Repairs | \$ (2,521,000) |
| Advance CCSO Furniture & Fixtures | \$ (2,000,000) |
| Capital Recovery Reserves | \$ (16,850,200) |
| | <u>\$ (27,371,200)</u> |

Conservation Collier Transfer

| Adopted Transfers | | | | | |
|---------------------------------------|---------------------------------|--|--|---------------------|---------------------|
| <u>Fund</u> | <u>General Fund 0001</u> | <u>Water Pollution Control 1017</u> | <u>Unincorporated Area General 1011</u> | <u>Total</u> | |
| Conservation Collier Acquisition 1061 | \$ 8,560,600 | | \$ 6,416,300 | \$ | 14,976,900 |
| Conservation Collier Management 1062 | \$ 38,150,200 | \$ 395,200 | | \$ | 38,545,400 |
| Total Adopted Transfers | \$ 46,710,800 | \$ 395,200 | \$ 6,416,300 | \$ | 53,522,300 |
| Revised Transfers | | | | | |
| <u>Fund</u> | <u>General Fund 0001</u> | <u>Water Pollution Control 1017</u> | <u>Unincorporated Area General 1011</u> | <u>Total</u> | |
| Conservation Collier Acquisition 1061 | \$ 28,895,865 | | | \$ | 28,895,865 |
| Conservation Collier Management 1062 | \$ 723,532 | | | \$ | 723,532 |
| Total Revised Transfers | \$ 29,619,397 | \$ - | \$ - | \$ | 29,619,397 |
| Variance | \$ (17,091,403) | \$ (395,200) | \$ (6,416,300) | \$ | (23,902,903) |

Conservation Collier Repayment Options

- Total Anticipated Transfer \$29.6 million
- Repayment Options:
 - Single Year Repayment
 - Millage Increase to Millage Neutral and Reduction in Countywide Capital Reserve
 - \$24.4 Million Additional Ad Valorem and Reduction to Reserve of \$5.2 Million
 - Repayment over Remainder of the Program (7 Years)
 - Millage Increase over Rolled Back
 - \$4.23 Million/Year

County Wide Capital Reserve Reestablishment

- The planned County Wide Capital Reserve of \$27.5 million was reduced by \$19.9 million to \$7.6 million to achieve a rolled-back rate for the FY 2025 recommended budget.
- Restoration Options:
 - Single Year Restoration
 - Millage Increase Over Rolled Back
 - \$19.9 Million Additional Ad Valorem
 - Restoration Over 5-year Period
 - Millage Increase over Rolled Back
 - \$4 Million/Year Additional Ad Valorem

Renewal and Replacement

| Renewal and Replacement Projects | |
|---|---------------------|
| Division | Current |
| Constitutional Officers Capital | \$ 7,822,000 |
| Facilities Management Division Capital | \$22,289,700 |
| Museum Division Capital | \$ 210,000 |
| Parks and Recreation Division Capital | \$ 4,845,000 |
| Pelican Bay Services Division Capital | \$ 1,200,000 |
| Public Services Department Capital | \$ 4,259,500 |
| Stormwater Capital | \$11,189,400 |
| Transportation Capital | \$24,509,800 |
| | \$76,325,400 |

Renewal and Replacement Funding Benchmark

| Annual Renewal and Replacement (Estimate) | |
|--|------------------|
| Current Asset Replacement Value | \$ 2,800,000,000 |
| Average Life (Yrs) | 25 |
| Target Annual Allocation | \$ 112,000,000 |
| Less PayGo R&R | \$ (76,325,400) |
| Variance from Annual Target | \$ 35,674,600 |

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 | \$7,617,100 |
| YOY Variance | \$5,000,000 | \$4,000,000 | \$8,500,000 | \$18,300,000 | \$(13,332,700) | \$(14,850,200) |

- Established in FY 2020
- FY 2023 Approved Transfers to FEMA Fund (1813) to Cashflow Hurricane IAN Recover Totaled \$35 Million
- Current FY 2024 Balance \$22.5 Million
- FY 2025 Recommended Balance \$7.6 Million