

Collier County FY 2011

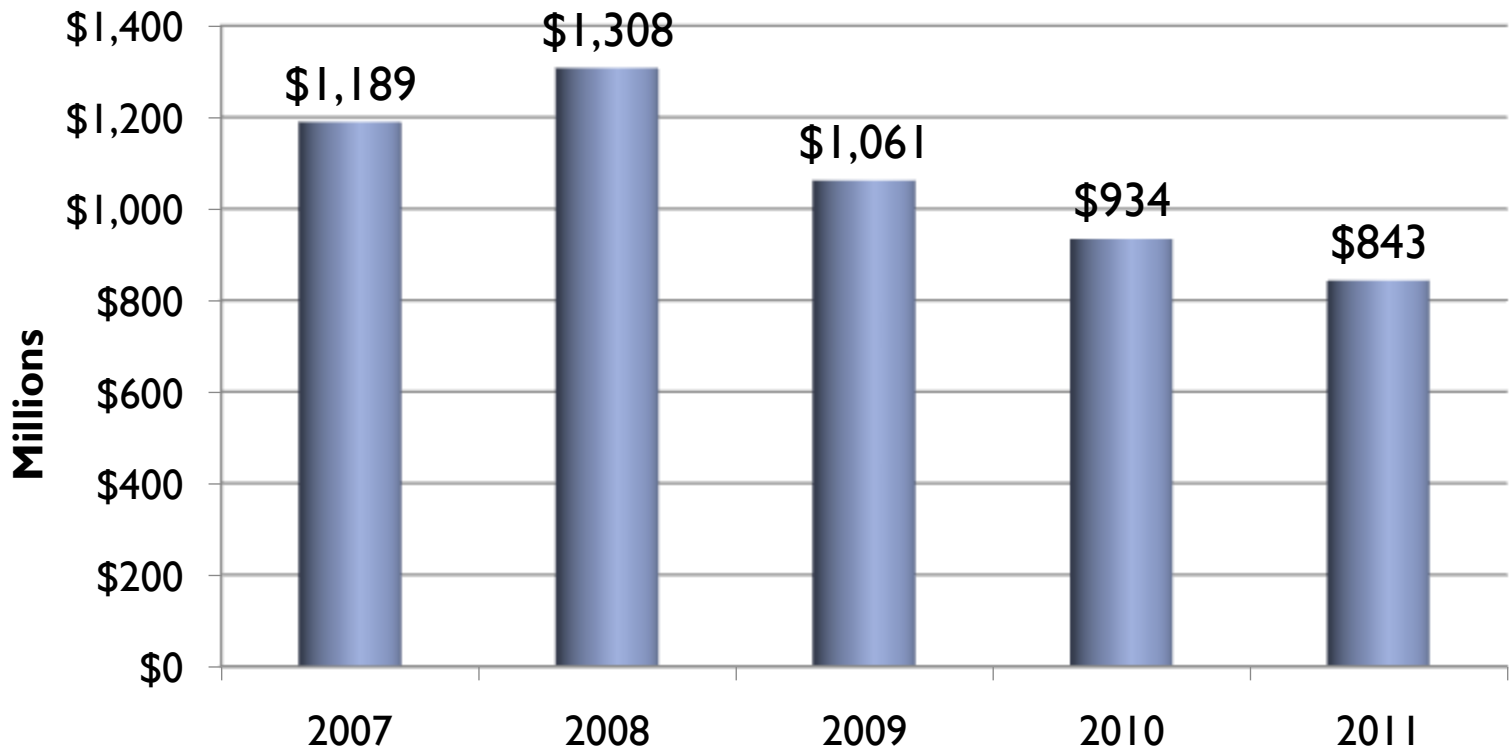
BCC Budget Workshop

Proposed FY 2011 Budget Highlights

- Net County Budget = \$843,395,500
- Represents a 9.7% reduction from FY 2010 (\$90,587,800).
 - Operating – (5.3%)
 - Capital – (19.7%)
- Continues trend of lower County budgets over last 3 years.

Total County Budget Reduced by \$465 million in last 3 years.

Collier County Net Budget



Proposed FY 2011 Budget Highlights

- No proposed increase in property tax rates.
- No new service charges or user fees.
- No significant reductions in front line services.
- No planned facility closures or reductions in operating hours.

No planned layoffs or furloughs

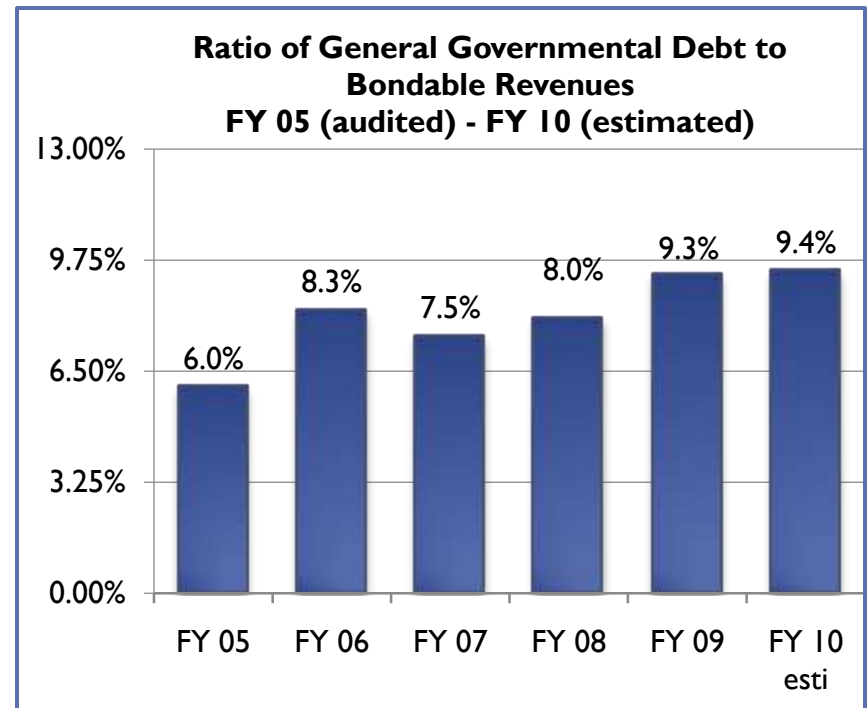
- Funded FTE Positions in County Manager's Agency down 4.2% from FY 2010.
- Funded FY 2011 Position count reduced 17.8% from FY 2009 authorized levels (359 fewer FTE)
- No expanded position requests in County Manager's Agency in FY 2011.

FY 2011 Position Count Summary

Division	FY 09 Authorized	FY 10 (Funded) Adopted	FY 10 (Funded) Forecast	FY 11 (Funded) Current	FY 11 (Funded) Expanded	FY 11 (Funded) Total	% Change
BCC	11.00	11.00	11.00	11.00	-	11.00	0.00%
County Attorney	34.00	24.00	24.00	23.00	-	23.00	-4.17%
Bayshore/Gateway Triangle CRA	4.00	4.00	4.00	5.00	-	5.00	25.00%
Immokalee CRA	3.00	3.00	3.00	3.00	-	3.00	0.00%
Airport Authority Operations	15.80	15.80	15.80	15.80	-	15.80	0.00%
Total BCC	67.80	57.80	57.80	57.80	-	57.80	0.00%
Management Offices	277.80	268.00	268.00	254.00	-	254.00	-5.22%
Administrative Services	193.25	165.90	164.50	163.50	-	163.50	-1.45%
Administrative Services-Capital	4.00	4.00	4.00	4.00	-	4.00	0.00%
Public Services	452.25	385.60	385.60	368.60	-	368.60	-4.41%
Public Services-Capital	5.00	5.00	5.00	5.00	-	5.00	0.00%
Public Utilities	404.50	394.50	394.50	394.50	-	394.50	0.00%
Growth Management	540.00	380.00	345.00	345.00	-	345.00	-9.21%
Growth Management - Capital	43.00	40.00	35.00	35.00	-	35.00	-12.50%
Total County Manager Agency	1,919.80	1,643.00	1,601.60	1,569.60	-	1,569.60	-4.47%
BCBB Funded Positions-Trans			-	-	-	-	N/A
BCBB Funded Positions-PU	2.00	2.00	2.00	2.00	-	2.00	0.00%
Grant Funded Positions-CDBG	8.05	12.95	12.95	14.85	-	14.85	14.67%
Grant Funded Positions-SHIP	2.15	-	-	-	-	-	N/A
Grant Funded Positions-Serv for Seniors	13.15	10.95	10.95	9.80	-	9.80	-10.50%
BCC Totals	2,012.95	1,726.70	1,685.30	1,654.05	-	1,654.05	-4.21%

Annual Debt Service fully funded & compliant with BCC Debt Management Policy

- Total annual general governmental debt service payments equal \$56.1 million.
- Represents 9% of total bondable general governmental revenues, well within 13% cap.

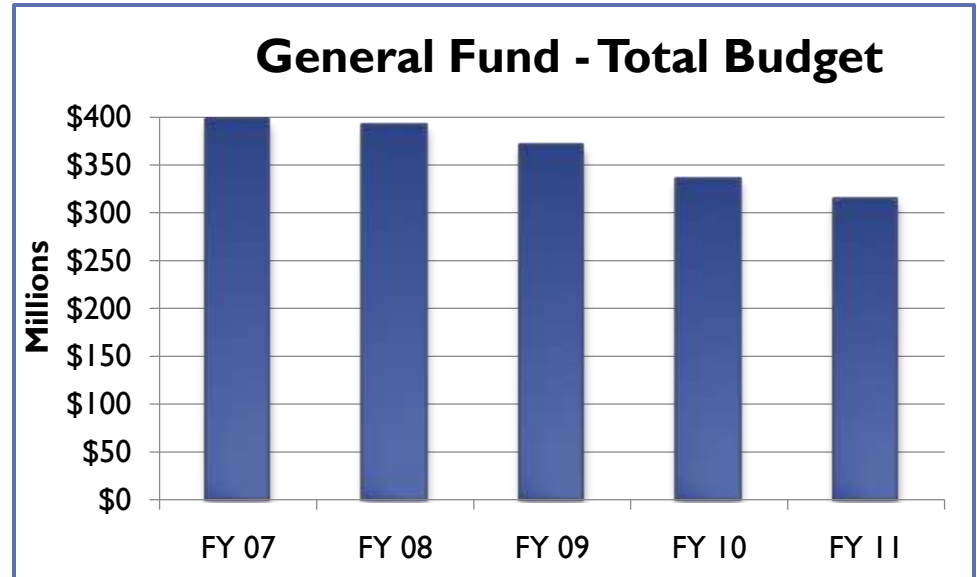


General Fund Budget Highlights

- Proposed FY 2011 General Fund Budget =

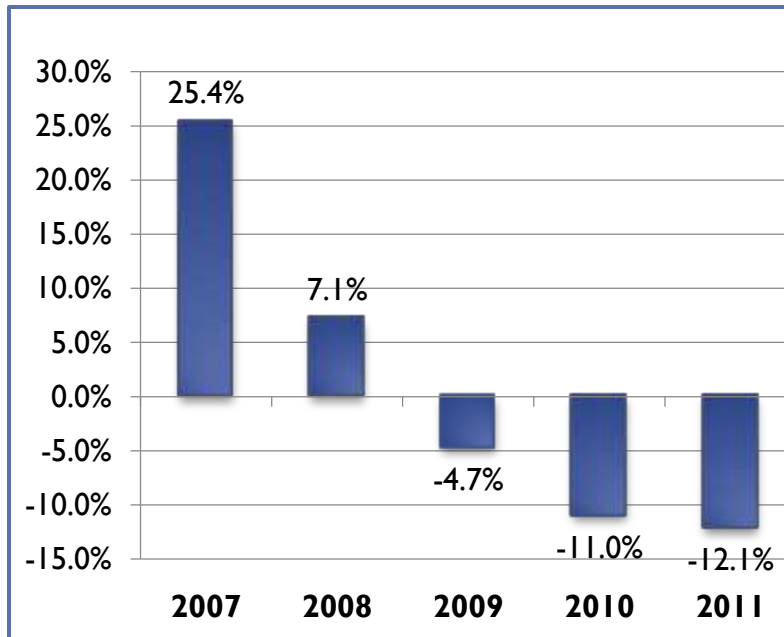
\$313,601,900

6.2% reduction
from FY 2010

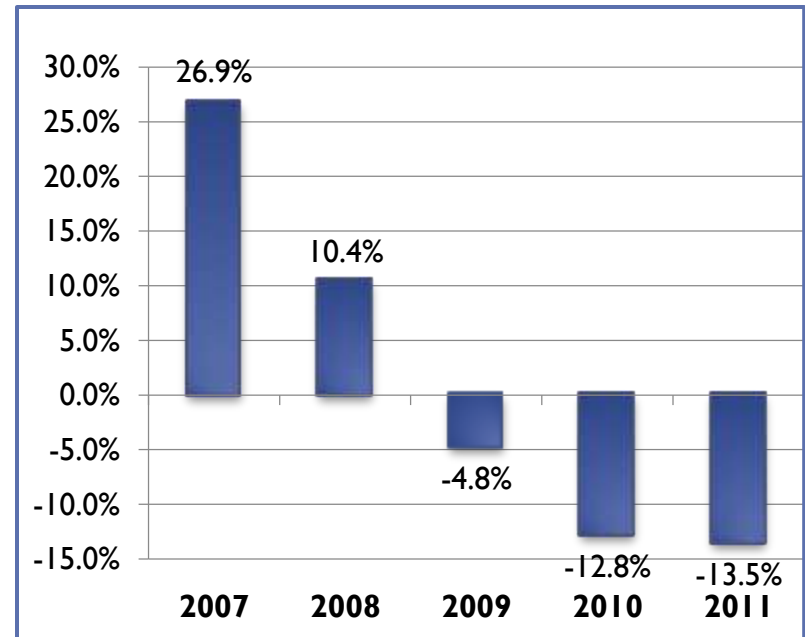


FY 2011 represents the fourth year of taxable value reductions which began in FY 2008.

Historical Changes in County-Wide General Fund (001) Taxable Values



Historical Changes in MSTD Unincorporated General Fund (111) Taxable Values

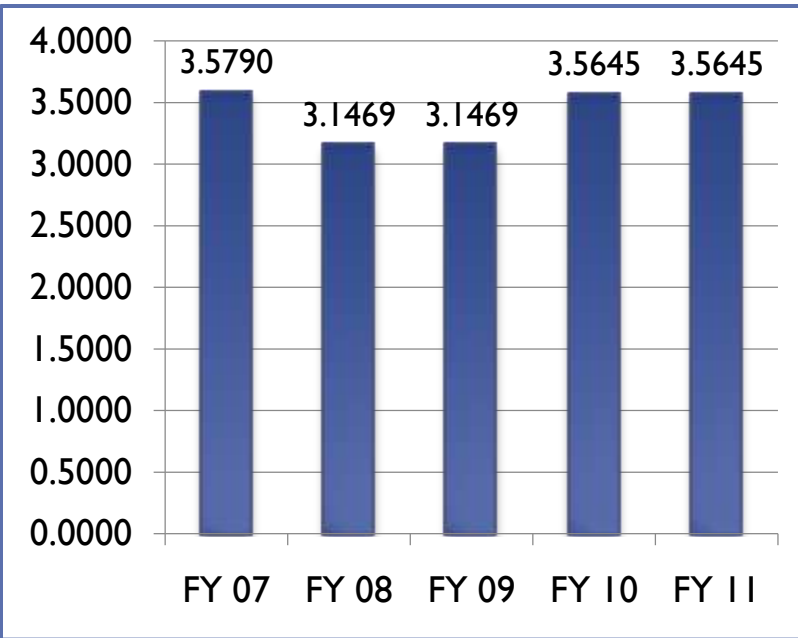


Taxable Value History

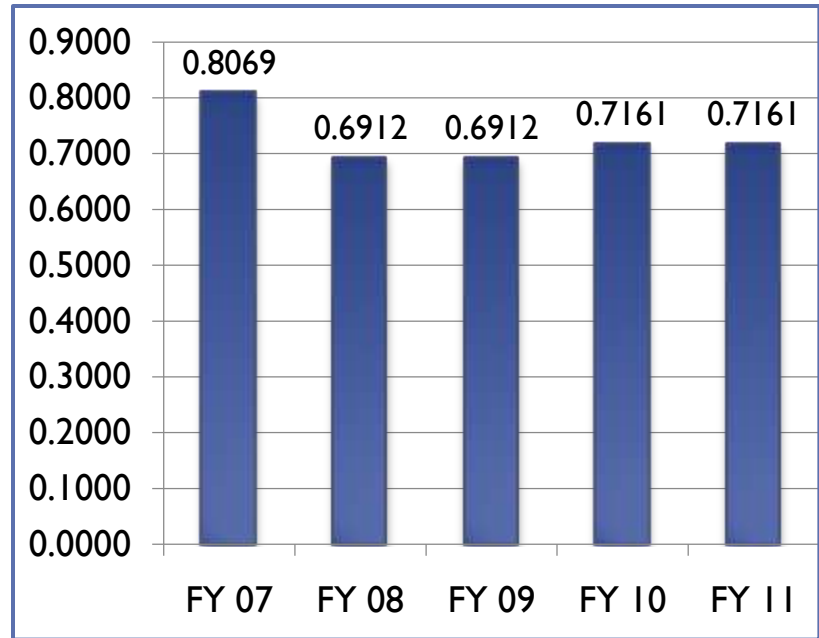
Tax Year	General Fund Taxable Values	Percent Change	MSTD Unincorporated General Fund Taxable Values	Percent Change
2007 (FY 08)	\$82,542,090,227		\$53,397,231,747	
2008 (FY 09)	\$78,662,966,910	(4.7%)	\$50,860,023,424	(4.8%)
2009 (FY 10)	\$69,976,749,096	(11.0%)	\$44,314,951,279	(12.8%)
2010 (FY 11) (Preliminary)	\$61,502,523,957	(12.1%)	\$38,329,371,464	(13.5%)
Variance FY 08 - FY 11	\$21,039,566,270	(25.5%)	\$15,067,860,283	(28.2%)

Millage Rate History

Property Tax Rates - General Fund



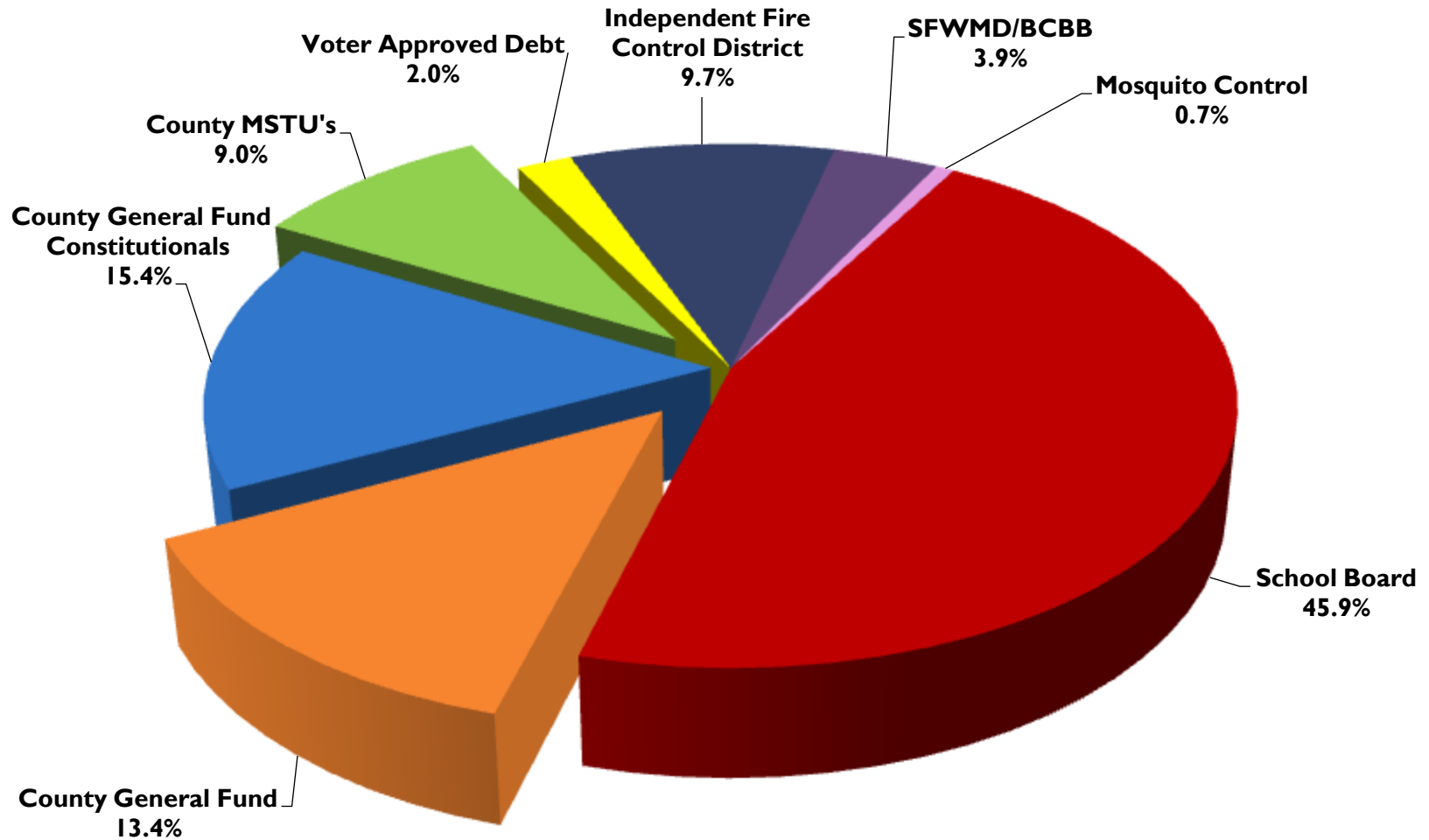
Property Tax Rates - MSTD Unincorporated General Fund



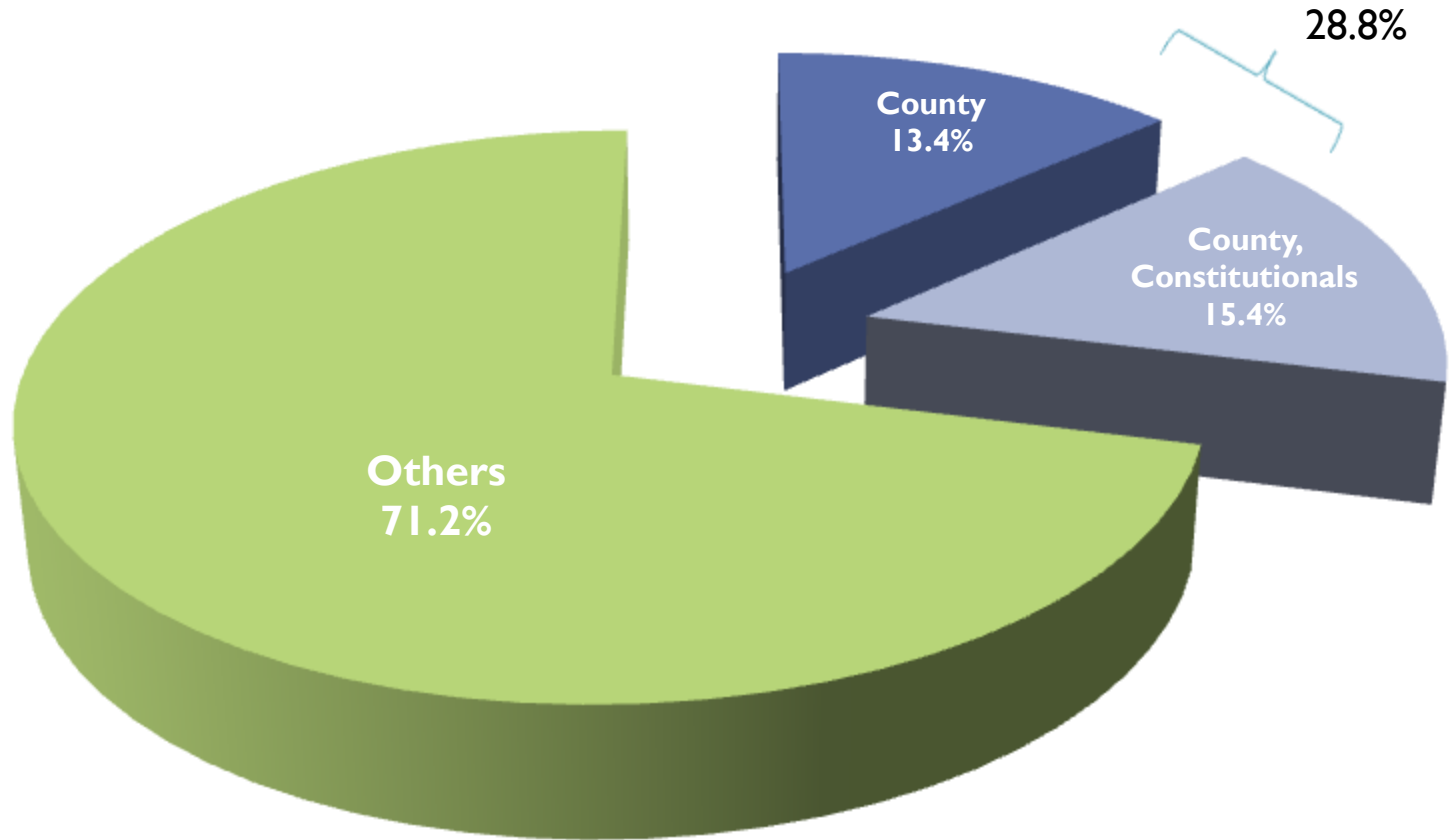
No proposed increase in General Fund & Unincorporated MSTD General Fund property tax rates.

- Average reduction of 12.1% in County portion of tax bill for Non-Homestead & Commercial Properties
- Homestead property owners are likely to see an average increase in their County portion of the tax bill of 2.7% in accordance with the State recapture provision pursuant to Florida Statute 193.155

Breakdown of Typical FY 2011 Unincorporated Area Residential Tax Bill



Breakdown of Typical FY 2011 Unincorporated Area Residential Tax Bill



General Fund Expenditure reductions in FY 2010

Reductions in expenses	Amount
Road Capital Fund 313	\$15,646,700
Storm Water Capital Fund 325	\$3,000,000
County Wide Capital Fund 301	\$5,019,300
Total Reductions from FY 2010 budget	\$23,666,000

FY 2011 General Fund expenditures reduced due to reduction in taxable values and resulting loss in ad valorem revenue

Reductions in expenses (FY 2011) in the General Fund 001	Amount
Operating Department budgets	\$5,123,400
Transfer to Transportation Capital Fund 313	\$4,819,800
Transfer to Storm Water Capital Fund 324/325	\$4,260,400
Transfer to General Government Capital/Debt Fund 301	\$6,160,100
Transfer to Constitutional Officers	\$7,910,400
Sub-total of Reductions	\$28,274,100
Fiscal Year Draw on Beginning FY 2011 Fund Balance	\$3,682,800
Total Reductions in Expenses & Fund Balance	\$31,956,900

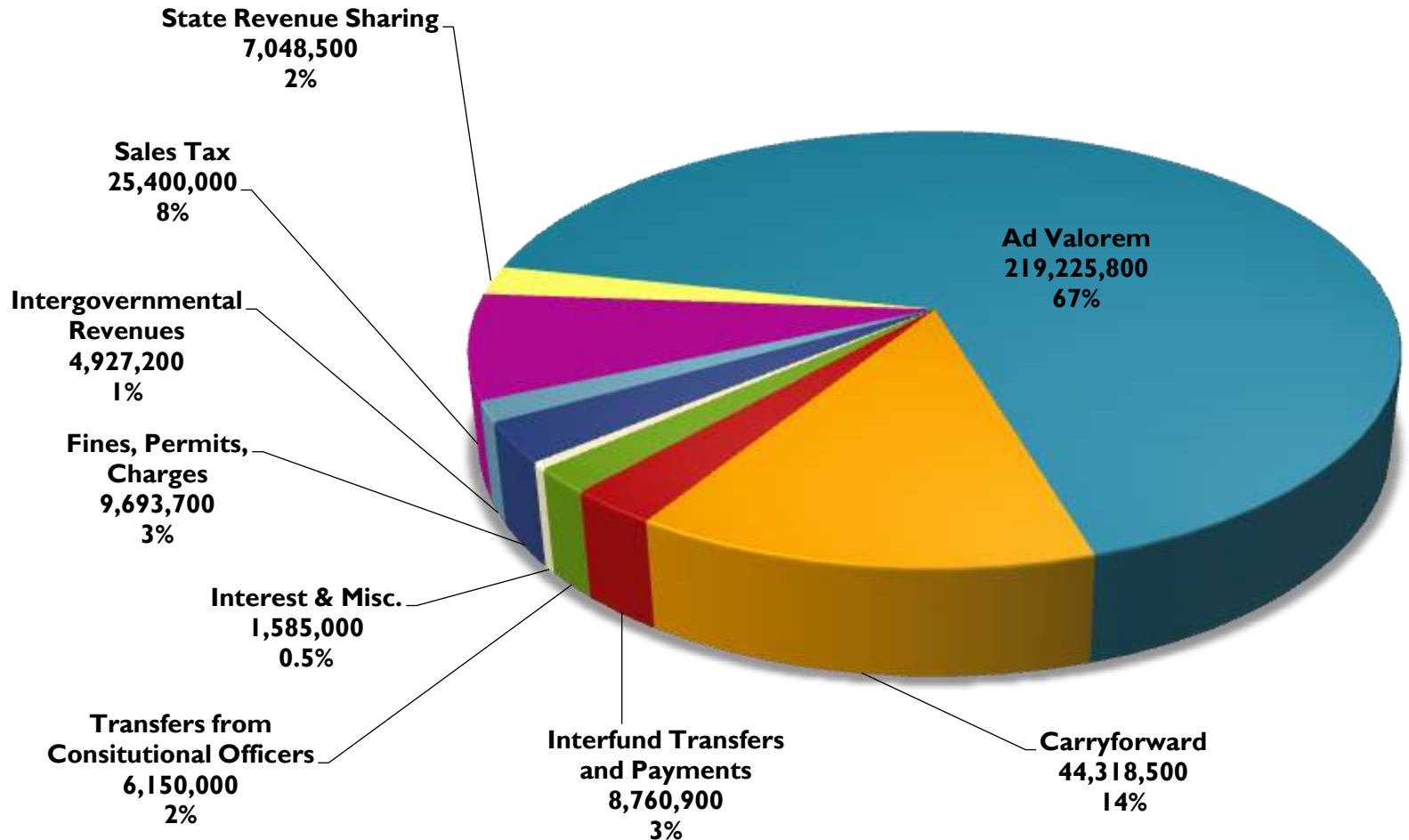
Unincorporated Area General Fund Budget Highlights

- Proposed FY 2011 Budget =
 - \$42,369,100
 - 16.7% Reduction from FY 2010
- Reductions in MSTD Unincorporated General Fund included:
 - Cut operating expenses 5%
 - Shifted funding of Transportation Operations to the General Fund (001)

Ad Valorem Support for Road & Bridge Operations Fund (101)

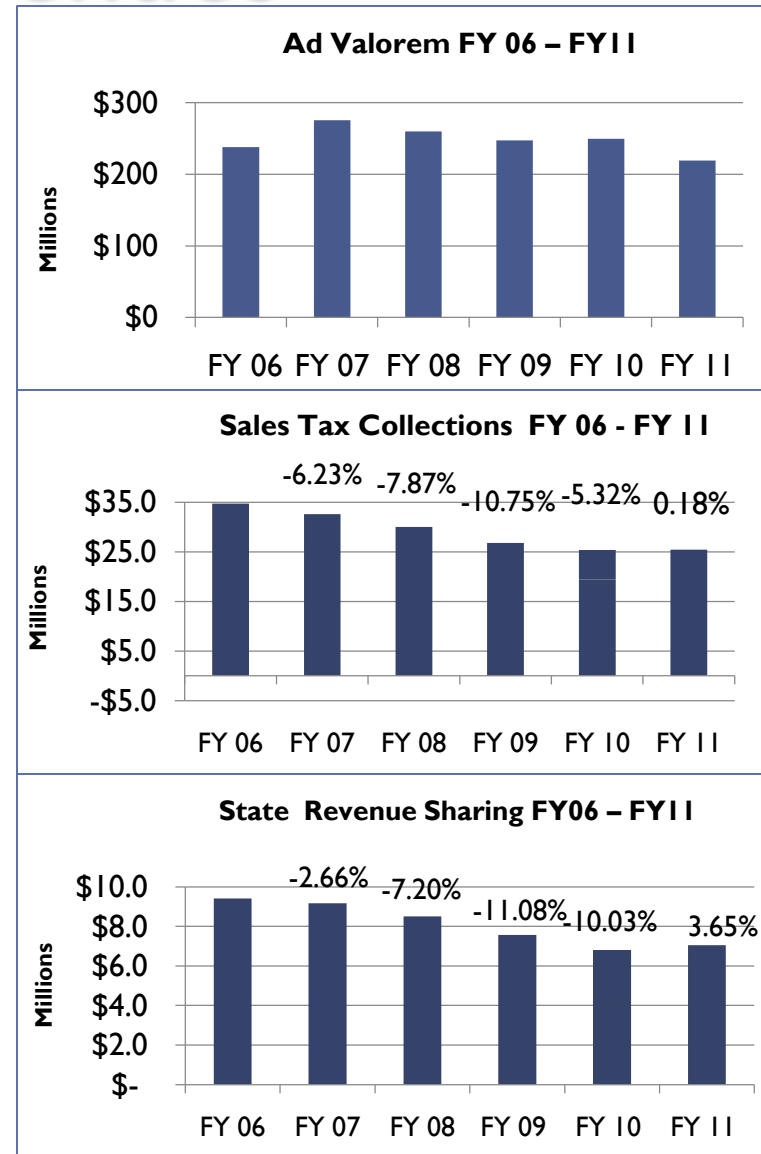
Transfers to Road & Bridge Fund 101	FY 2010	FY 2011	%
General Fund (001)	\$7,935,400	\$12,971,400	
Unincorporated Area MSTD General Fund (111)	\$8,786,900	\$2,912,800	
Total	\$16,722,300	\$15,884,200	(5.0%)

FY 2011 Revenues Sources General Fund (001)



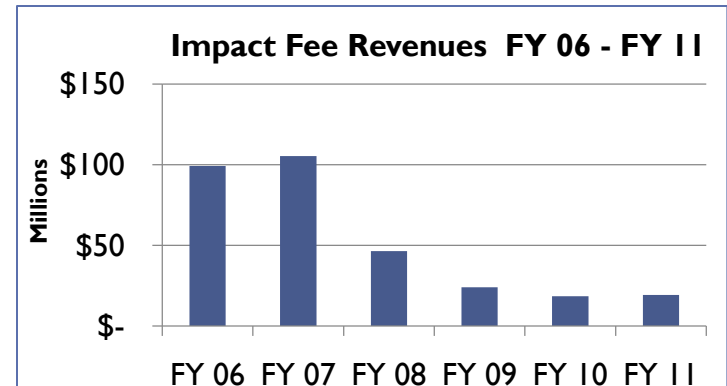
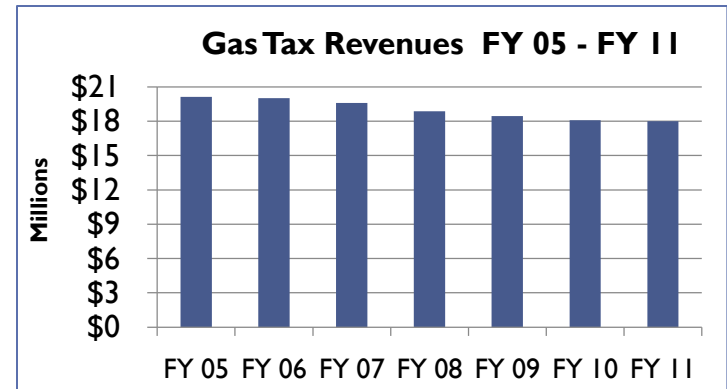
General Fund Revenues

- Ad valorem revenues are down \$31,956,800 in FY 2011.
- FY 2011 Sales Tax Collections will be slightly higher than FY 2010.
- FY 2011 State Shared Revenues are estimated to be 3% above 2010 activity.



Other Revenues

- FY 2011 Gas Tax estimates are flat to FY 2010.
- Impact Fees continue to drop. Since FY 2007 (peak), Impact Fee Revenues have dropped 82%.
- FY 2010 Interest Income is substantially below FY 2009 activity and will remain low in FY 2011.

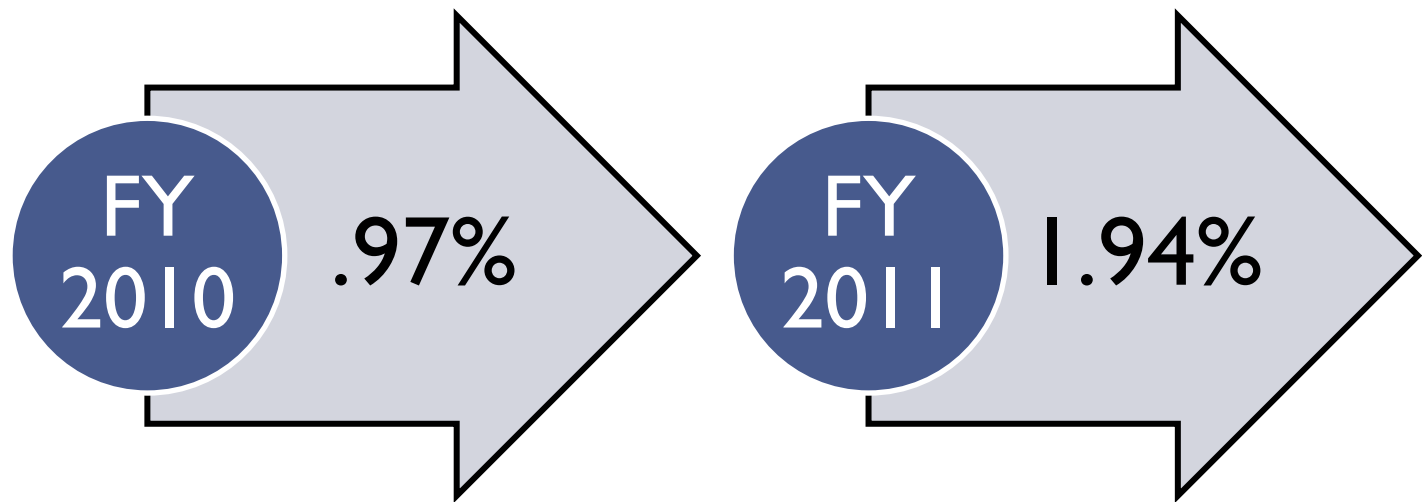


Areas of Concern

- Millage neutral budget achieved with heavy reliance on reductions in nonrecurring capital expenditures.
- Similar approach will not be available in comparable scope and dollar volume in FY 2012 if taxable values continue to decline and the BCC maintains millage neutral guidance.

General Fund Reserves

- Still below budget policy level of 2.5% of operating expenses.
- Trending in the right direction.



Deferral of fixed asset preventive maintenance and equipment replacement

- Deferrals began 3 years ago.
- Manageable in FY 2011, but prolonged deferrals likely to lead to significant breakdowns and costly repairs over time.
- Need to monitor closely.

Base salary adjustments and merit bonuses deferred for second consecutive year

- Cost of living increases were not provided in FY 2010 nor proposed in FY 2011.
- Need to be in position to compete/retain best talent when the market turns.