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**County Administration**

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**Palm Beach County  
Board of County  
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**County Administrator**

Robert Weisman

To: Addie Greene, Chairperson, and Members  
Board of County Commissioners

From: Robert Weisman, County Administrator

Date: July 2, 2008

Re: July 8<sup>th</sup> Pre-Workshop Budget Submittal

Attached is a list of potential budget cuts and revenue enhancements identified by staff for consideration in achieving the additional budget reductions needed to balance the FY 2009 budget at the current millage rate of 3.7811. Following the budget workshop on June 18, 2008, we advised the board that an additional \$47 million in budget reductions would be needed to maintain the current millage rate. As a result of preliminary property values received from the Property Appraiser on July 1, 2008, as well as updated revenue and expenditure projections, the revised reduction amount is approximately \$37 million.

The County Administrator's recommendations on Page 1 of the list reflect Board direction from June 18, 2008, including a further reduction to reserves of \$15 million. The remainder of the list contains elements from many programs and services from County departments. I believe that every item on the list is a potential cut. In identifying the potential cuts, we were careful to avoid programs or services that are legally mandated or that are critical to the protection of public health and safety.

The proposal to consider delaying the jail created much debate in the justice community. The Sheriff and Judiciary suggested using impact fees currently allocated for a central County substation and jury room improvements in lieu of a delay. I concur with this approach which allows the jail expansion project to move forward as planned while temporarily delaying the substation and jury room improvements.

On Pages 2-4 (Additional Areas for Board Consideration/Direction) you will find additional potential reductions and revenue enhancements. At least \$3.2 million of these items or alternative cuts must be ultimately selected to balance the budget, assuming all items identified on Page 1 are accepted. I urge the Board to consider additional cuts and revenue enhancements above this amount to reduce the \$15 million impact on reserves. This will allow additional flexibility as we prepare for the FY 2010 budget cycle.

"An Equal Opportunity  
Affirmative Action Employer"

I am scheduling a special pre-workshop to discuss this list during the July 8, 2008, regular BCC meeting. The purpose of this pre-workshop will be to determine which of the items on this list will be moved forward to the July 14, 2008, budget workshop for further consideration and public comment, and to give the Board the opportunity to add any items to the list.

Additionally included in this packet is a budget summary comparison reflecting the net ad valorem budgets for FY 08 and proposed FY 09 as of the June 18, 2008, budget workshop.

Staff continues to be dedicated to working with you to achieve the best result possible for the well-being of the public at large.

Attachments

Cc: Department Heads

**COUNTY ADMINISTRATOR'S RECOMMENDATIONS**

Total expenditure reductions required for 3.7811 millage (June 1 values)	(47,000,000)
Net benefit of additional value on July 1	9,415,955
Net benefit of updated estimates and projections - July 1	176,924
<b>Total expenditure reductions required for 3.7811 millage after July 1 values and updated estimates and projections</b>	<b>(37,407,121)</b>

Department/Division	Program	Description	Ad Valorem Decrease	Positions Eliminated		Service Impact
				Filled	Vacant	
Capital	Road Program	Use Road Program's Gas Tax to fund RTA & Palm Tran	7,300,000			RTA/Tri Rail Subsidy \$4.3 million, Palm Tran \$3 million
Constitutional Officers	Clerk & Comptroller	Reduce net Ad Valorem funding to FY 2008 level	1,300,000			This maintains same level of net Ad Valorem funding as FY 2008 adopted budget.
Constitutional Officers	Judicial Technology	Negotiated reduction for JIS software maintenance	385,000			ISS negotiated a reduction in the annual ACS contract for JIS software maintenance.
Constitutional Officers	Sheriff	Postpone replacement of vehicles and decrease operating costs	2,000,000			The Sheriff can realize a savings by postponing replacement of some vehicles (\$1.4 million), decrease hospital guard overtime (\$118,000) and reduce other operating costs (\$482,000).
Economic Development	Business Loan Fund/Incubators	Fund Business Loan Fund & Incubators with Community Development Block Grant	464,000			Funding the Business Loan Fund & Incubators with Community Development Block Grants will reduce the Ad Valorem requirement
Engineering	Staff for Capital Projects	Reduction in staffing and operation costs	-	0	4	Positions are no longer needed due to reductions in capital projects. (Net Ad Valorem reduction is associated with reduction to capital project budget)
General Government	Cell Phone Policy	Revise Countywide cell phone policy	200,000			Revise Countywide cell phone policy to implement stipends based on established categories of service level needs.
General Government	Debt Service	Postpone Max Planck Issue one month	2,400,000			Delaying Max Planck bond issue by one month will push first principal payment to FY 2010.
General Government	Jail Expansion Project - Debt Service	Reduction in FY 2009 debt service payment	3,100,000			The underwriter's latest pricing of the bonds reduces the FY 2009 debt service payment by \$1 million and substituting Impact Fees for the principal portion of the payment will realize an Ad Valorem savings of \$2.1 million.
Parks & Recreation	Special Facilities	Ad Valorem funded staff will be charged-off to golf courses.	100,000			One Ad Valorem funded position will be charged off to golf course special revenue funds.
Public Safety/Burglar Alarm Ordinance	Public Safety/ PBSO	Increase home security alarm fees	2,000,000			Increase home security renewal alarm permit fees to \$25. Approximately 90,000 renewal applications are processed yearly at the current fee of \$5. Also, increase the current application for new alarm applications from \$18 to \$25.

**Sub Total - County Administrator's Recommendations      19,249,000      -      4**

**Reduce reserves to 7.9% of Countywide Ad Valorem budget      15,000,000**

**TOTAL      34,249,000**

**Remaining cuts to be made      (3,158,121)**

**ADDITIONAL AREAS FOR BOARD CONSIDERATION/DIRECTION**

Department/Division	Program	Description	Ad Valorem Decrease	Positions Eliminated		Service Impact
				Filled	Vacant	
Capital	CCRT	Reduce proposed funding for CCRT capital projects	1,222,000			Postponing 6 of the 13 proposed CCRT projects will reduce Ad Valorem required by \$1.2 million, and leave \$735,000 for the remaining 7 projects in the proposed budget. The 6 projects to be postponed are: Roan Lane/Elmwood Estates - paving/drainage improvements; Westgate - drainage and sanitary sewer flood mitigation; Pine Ridge/Cherry Lane - water improvements on Bimini Lane; Englewood Manor - water installation on 2nd Ave.; Wallis Road Area - water improvements; and Royal Palm Estates - water improvements on Hatch Lane.
Capital	Engineering Street & Drainage Improvement	Roan Lane/Roan Court Drainage Improvements - District 1	300,000			Reduce proposed Ad Valorem funding for Roan Lane Drainage project
Capital	ISS	Reduce proposed ISS capital funding.	1,185,000			Reduce proposed ISS capital by eliminating New Enterprise Computing Center at Cherry Road project from FY 2009 proposed projects list.
Capital	Median Beautification	Eliminate gas tax funded reserves for new median beautification projects	3,000,000			Transfer Road Program's gas tax funded reserves from prior year allocations (Accumulated OTIS funds) to Palm Tran.
Capital	Parks & Recreation	Reduce Ad Valorem requirement for proposed Parks projects	1,525,000			Alternative, non Ad Valorem funding has been identified for all Park's proposed capital projects, except for Lake Lytal Park Field Improvements which will be postponed and addressed later.
Capital	Parks & Recreation Planning and Design	Planning and Design positions will be eliminated.	125,000	2		Due to the reduction of the Capital program, two planning staff will be eliminated.
Community Services	Individual & Family Services	Reduction in staffing and operation costs	325,000	4	3	Reduction is part of a Community Action Program/Human Services consolidation effort, combining nearby offices and staffing. Initially may result in temporary disruption. Long term anticipated outcome will be increased efficiency, service enhancement and improved access to services. Several offices will be combined and a one-person office in Boynton Beach will be closed.
Constitutional Officers	Judicial Technology	Reduction in court-related IT funding	167,000			Court-related IT funding will be reduced to the level of revenue generated to offset the County's cost of providing it. The IT funding levels (excluding ISS Enterprise) for Court Administration, Public Defender and State Attorney will be \$1,155 per connection. The County's average is \$943 per connection.
County Sponsored Programs	Summer Camp Scholarship Program	Eliminate program funding	513,000			With the 5% reduction previously proposed, this cut eliminates approximately 840 of the 2,130 summer camp scholarships issued to low-income children in Palm Beach County. The remainder of the scholarships are currently funded by other organizations, including the Children's Services Council.
Criminal Justice Commission	To be determined	To be determined by CJC at an emergency CJC meeting July 8	150,000			
Criminal Justice Commission	Youth Violence Prevention - Youth Empowerment Center Project	Eliminate County funding for Youth Empowerment Centers.	2,000,000	1		Funding for Youth Empowerment Centers (WPB, Riviera Beach, Lake Worth, Boynton, Belle Glade) and the Youth Violence Prevention projects will be eliminated. This is the third year of funding of the BCC's three year commitment.
Economic Development	Ag/Development Regions	Elimination of Development Regions Grant Program	315,000			Elimination of the program will reduce business assistance to agricultural and poverty areas in the County.
Engineering	Median Landscaping	Reduce frequency of maintenance for "beautification" medians	200,000			Will reduce contract services to significantly decrease frequency from current 39 times yearly

**ADDITIONAL AREAS FOR BOARD CONSIDERATION/DIRECTION**

Department/Division	Program	Description	Ad Valorem Decrease	Positions Eliminated		Service Impact
				Filled	Vacant	
ERM	Vegetation Protection	Discontinue regulatory portion of program.	560,000	7		A modification to the landscape code will shift the burden of tree preservation from a permit process prior to development to a post-development performance standard. This may result in less salvaged vegetation relocated to public lands by developers and a reduction in native trees preserved within developments.
General Government	Debt Service	Elimination of Max Planck funding	800,000			Elimination of Max Planck Grant Program will reduce proposed budget by \$0.8 million
ISS	Various Programs	Reduce staffing levels in computer operations and ISS administrative programs	270,000	2	2	These budget strategies will reduce operations staffing coverage during weekend and evening shifts; reduce staffing for strategic planning and technical studies, and require the reorganization of the security program.
Legislative Affairs	Lobbyists	Reduce funding for lobbyist	50,000			This reduction could impact the success in achieving County grants, appropriations and legislative priority goals at Federal and State levels.
Parks & Recreation	New User Fee	Boat Ramp Fee	400,000			This revenue (net of costs) will be generated from a \$10 fee for boat launching on weekends and holidays at the County's saltwater boat ramps.
Parks & Recreation	Parks Security	Elimination of Park Ranger Program	1,350,000	20		Essential functions currently performed by Park Rangers will be absorbed by PBSO Park Enforcement Deputies and other Parks and Recreation Department employees. General response times will increase. Contractual security options may be required at specific park facilities during peak times as situations dictate. In addition, cooperation from municipal police agencies will be required to assist PBSO with park enforcement functions in those County parks that lie within municipal boundaries.
Parks & Recreation	Recreation Services	Reduction of Employee Development and Volunteer Coordination Staff	55,000	1		This cut eliminates 1 of 3 positions assigned to coordinate employee training, professional development, recognition programs and events, and the recruitment and training of volunteers. Staff assignments will be adjusted in a manner that maintains an effective volunteer program.
Public Affairs/Community Relations & Marketing	Marketing & Advertising of County's Special Projects & Events	Reduce Informational and Promotional activities for PBC	223,000			Eliminates contracted services for required reception coverage that assists the public entering the 1st floor east entrance of the Historic Courthouse. Reduces web translation Spanish services thereby posting only critical information. Reduces the printing of PBC information materials such as The Black Book (to be web based) and lessening the updating and reprinting of publications, such as yearly Guide to Services that are distributed at 40 County information racks and to the residents by request. Reduces promotional advertising, activities, and items for County-wide and special events that PBC has a presence or participation level at including the South Florida Fair, Hispanic Fest, Artigras, Chilifest, Kaleidoscope and Fourth on Flagler.
Public Safety/Animal Care and Control	Spay Neuter Voucher Program	Eliminate Spay Neuter Voucher Program	500,000			5,000 Spay Neuter Vouchers would not be provided to Palm Beach County residents on Public Assistance.

**ADDITIONAL AREAS FOR BOARD CONSIDERATION/DIRECTION**

Department/Division	Program	Description	Ad Valorem Decrease	Positions Eliminated		Service Impact
				Filled	Vacant	
Public Safety/ Consumer Affairs	Consumer Protection	Abolishment of 36 year old Consumer Affairs Ordinance would eliminate all non-regulated consumer protection services provided by the Division and Division's ability to take legal action against businesses which commit unfair or deceptive trade practices.	500,000	7		Services to be eliminated include: 1) Mediation services between consumers and businesses (2,990 cases) which would result in a loss of mediation services (\$1,798,843 not being refunded to consumers. No other agency mediates landlord-tenant disputes (ranked 3rd for all complaints received). Would be unable to assist 60+ seniors which account for 46% of all cases. 2) Business complaint history reports provided to consumers (202,941 reports issued). 3) Phone or walk-in assistance for consumers (60,000+). 4) Consumer education programs (4,179) - for H.S./College students and seniors. 5) Administrative actions handled through Hearing Board (103). 6) Ability to provide hurricane/emergency assistance, unable to enforce Price Gouging Ordinance during disaster declaration. Statistical numbers are for the period 10/1/06 - 5/31/08.
Public Safety/ Therapy/Counseling	Therapy/Counseling	Eliminate Crisis Therapy Program	205,000	3		Eliminates all crisis therapy to 3,000 crime victims annually. Without our specialized trauma therapy, the citizens may experience an increase in joblessness, family breakdown, substance abuse, homelessness, suicide, school dropouts and medical costs. Therapy helps victims cope with depression and reduces the fear that prevents them from leaving their homes, going to the local malls, restaurants, attending school, and performing daily activities.
Public Safety/High Ridge	Highridge Family Center Residential Program	Elimination of 24 Beds (12 girls & 12 boys)	454,000	6	2	The elimination of 24 residential beds at Highridge Family Center would prevent severely at-risk families from obtaining help at our site. These children are involved in or suffering from a myriad of high risk behaviors, including gang involvement, school failure, domestic violence, social problems (Asperger's), sexual abuse, substance abuse, promiscuity, violent acts, etc. There are no other residential behavioral programs offering the scope of services which this facility provides to the community. These services are free of charge to our low to middle income families.
PZB/Planning	Corridor Master Plan	Eliminate one position that works significantly with the corridor master plans required in the comprehensive plan.	71,000	1		The Planning Division's involvement with the corridor master plans would be reduced significantly and the corridor master plans would be eliminated in the next available round of amendments.
PZB/Planning	County Archaeologist	Eliminate the County Archaeologist program.	78,000	1		Historic resource consultant costs will be incurred by the County on an as-needed basis. Grant development expertise relating to archaeology will no longer exist within the County, and if needed will be contracted out.
PZB/Zoning	Architecture Review	Eliminate the Architecture Review program: 2 Planner II's, 1 Secretary and associated operating costs.	201,000	3		The visual/aesthetic qualities of built forms in the County will be impacted. This program is not subject to any statutory requirements.
Small Business Assistance (SBA)	Operating	Eliminate contracted services provided by Palm Beach County Resource Center (PBCRC)	98,000			Elimination of this contract with PBCRC will reduce services to small businesses in Palm Beach County.
<b>TOTAL</b>			<b>16,842,000</b>	<b>58</b>	<b>7</b>	

**Budget Summary Comparison**  
**BCC Departments, MSTUs, Constitutionals, FAAs, Other County Sponsored**  
**at June 18th Budget Workshop**

DEPARTMENT	FY 2008 Net Ad Valorem	County Administrator's Proposed FY 09 Net Ad Valorem	Net Ad Valorem Increase/ (Decrease)	Position Cuts	
				FY 09 Vacant	Filled
Airports	0	0	0	0	0
Community Services	24,184,807	23,702,527	(482,280)	(3)	0
County Administration	1,926,375	1,740,997	(185,378)	(1)	0
County Attorney	4,544,937	4,536,664	(8,273)	(4)	0
County Commission	3,095,803	2,952,820	(142,983)	0	0
County Cooperative Extension	3,027,958	2,837,702	(190,256)	(3)	0
Criminal Justice Commission	3,238,210	3,244,544	6,334	0	0
Economic Development	1,779,845	525,349	(1,254,496)	(1)	0
Engineering & Public Works	36,546,694	33,171,261	(3,375,433)	(7)	(1)
Environmental Resource Mgmt. <sup>(1)</sup>	12,471,963	12,535,464	63,501	0	0
Facilities Development & Ops.	43,298,795	40,782,026	(2,516,769)	(18)	(12)
Financial Management & Budget	3,435,062	3,268,470	(166,592)	(2)	(3)
General Government	8,439,575	7,849,466	(590,109)	0	0
Health Department	2,400,510	2,400,510	0	0	0
Housing & Community Dev.	0	10,000	10,000	0	0
Housing Finance Authority	0	0	0	0	0
Human Resources	3,843,627	3,570,553	(273,074)	(1)	0
Information System Services	27,639,610	26,257,629	(1,381,981)	(8)	(2)
Internal Audit	1,245,601	1,155,049	(90,552)	(1)	0
Judicial	1,117,589	4,543,414	3,425,825	0	0
Legislative Affairs	729,609	703,508	(26,101)	0	0
Medical Examiner	2,785,777	2,590,513	(195,264)	0	0
Metropolitan Planning Org.	47,295	47,349	54	0	0
Office of Community Revitalization	798,183	671,890	(126,293)	(2)	0
Office of Equal Opportunity	496,646	479,497	(17,149)	0	0
Palm Tran <sup>(2)</sup>	29,484,792	30,774,714	1,289,922	(15)	(2)
Parks & Recreation	56,670,248	53,296,378	(3,373,870)	(41)	0
Planning, Zoning & Building	14,619,589	13,516,226	(1,103,363)	(43)	(1)
Public Affairs <sup>(3)</sup>	5,048,164	4,613,395	(434,769)	(3)	0
Public Safety	23,573,336	22,521,382	(1,051,954)	(7)	(6)
Purchasing	4,031,506	3,638,089	(393,417)	(2)	(3)
Risk Management	4,696,344	4,418,448	(277,896)	(1)	0
Small Business Assistance	1,117,426	1,043,141	(74,285)	0	0
Tourist Development	0	0	0	0	0
Value Adjustment Board	264,990	260,020	(4,970)	0	0
Water Utilities	0	0	0	(11)	(8)
<b>Total - Countywide</b>	<b>327,270,866</b>	<b>314,658,995</b>	<b>(12,611,871)</b>	<b>(174)</b>	<b>(38)</b>

<sup>(1)</sup> Maximizing charge-off opportunities to capital projects in FY 08 reduced ERM capital projects scopes, but realized a net ad valorem savings of \$772,997. Taking this into consideration, ERM's change in net advalorem is \$623,598 less in FY 09.

<sup>(2)</sup> Board approved an additional \$1 million in gas tax funding at the June 18th Budget Workshop.

<sup>(3)</sup> Excludes Graphics which will be included in the General Fund in FY 2009.

**MSTU**

Library	46,822,632	46,425,554	(397,078)	(29)	0
Fire Rescue - Main MSTU	188,225,964	184,574,593	(3,651,371)	0	0
Jupiter Fire Rescue	13,575,921	19,721,865	6,145,944	0	0
Glades Fire Rescue*	1,411,164	0	(1,411,164)	0	0

\*Glades Fire Rescue is included in the Main Fire Rescue MSTU beginning in FY 2009.

**Budget Summary Comparison**  
**BCC Departments, MSTUs, Constitutionals, FAAs, Other County Sponsored**  
**at June 18th Budget Workshop**

DEPARTMENT	FY 2008 Net Ad Valorem	County Administrator's Proposed FY 09 Net Ad Valorem	Net Ad Valorem Increase/ (Decrease)
Sheriff	370,436,200	406,057,314	35,621,114
Tax Collector *	5,838,901	5,838,901	0
Property Appraiser	18,499,837	18,620,832	120,995
Clerk & Comptroller	15,320,704	16,696,435	1,375,731
Supervisor of Elections	11,228,444	9,997,168	(1,231,276)

\* Tax Collector submits her budget to the State in August. The recommended budget assumes no increase.

Financially Assisted Agencies	13,749,311	13,061,845	(687,466)
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**Other County Sponsored Agencies/Programs**

Agency Certification Initiative	100,000	95,000	(5,000)
Area Agency on Aging - Seniors Program	242,000	129,900	(112,100)
Camp Scholarships (Summer Camp)	540,000	513,000	(27,000)
Center for Family Services	141,345	134,278	(7,067)
Center for Info / Crisis Services (211)	165,000	156,750	(8,250)
Child Protective Services	0	160,000	160,000
Cultural Council *	800,000	470,000	(330,000)
Developmental Day Service	45,000	42,750	(2,250)
Disaster Recovery Response	125,000	48,750	(76,250)
Early Learning Coalition	300,000	285,000	(15,000)
HIV Prevention (Health Dept)	128,120	121,714	(6,406)
Mae Volen Senior Center	1,200,000	1,140,000	(60,000)
PBC Development Board	1,105,000	1,049,750	(55,250)
Prosperity Campaign	210,655	105,655	(105,000)
RTA Funding	2,670,000	2,670,000	0
Tri-Rail Operating Deficit	4,366,950	1,565,000	(2,801,950)
<b>Total Other County Sponsored</b>	<b>12,139,070</b>	<b>8,687,547</b>	<b>(3,451,523)</b>

\* For FY 2009 the General Fund portion is \$150,000, Tourist Tax portion is \$320,000.