

MEMORANDUM
FROM
OFFICE OF THE COUNTY MANAGER

DATE: June 15, 2015

To: BoCC

FROM: Roger J. Desjarlais

County Manager

RE: **Continuation Budget, 2nd Draft – June 16, 2015 Workshop**

Commissioners:

The 2nd draft of the FY15-16 Continuation Budget looks very similar to the 1st draft presented on June 2, with the following changes and outstanding issues:

Changes

1. **Salaries** – As directed, salary increases for next year were increased from 3% to 4% (an additional \$1.6 million), for discussion purposes, for both Constitutionals and BoCC departments. This would include some combination of an across-the-board increase and merit.
2. **Debt** – Debt service has been reduced \$1 million due to a recent refinancing and the structure of existing debt payments.
3. **Jail Management** – The final cost of expanding two Courts programs – Early (Felony) Case Resolution and Drug Court – is \$453,371 and includes the addition of 2 assistant state attorneys and an administrative position, 2 public defenders, and \$101,000 for SalusCare treatment support. This would expand Drug Court from 150 slots to up to 200. It would increase the Early Case Resolution docket by 88% (1,500 cases to 2,820 cases), which would be a significant increase in the current resolution rate of 30% to up to 56%. Both of these programs are deemed significant jail reduction and public safety programs. With average length of stay in the jail in 2014 increasing from 23.7 days to 24.9 days, this could significantly help manage daily jail population and defer the need to build new jail beds.
4. **Trail Dairy** -- \$500,000 has been added to the Capital Improvement Program to expand the EMS station at the North Fort Myers Fire District Trail Dairy station. This funding will be from a combination of EMS impact fees and accumulated CIP funds.

Outstanding Issues

1. **Medicaid** – Currently in the budget is a “worst case” scenario for our state Medicaid cost share of \$7.7 million. If the Legislature approves a proposed cap, that share could decrease by \$500,000.
2. **Construction Costs** – Bids on the county's recent road projects are coming in about 20% higher than original estimates due to the recovering economy. We are monitoring the situation, but want to make the Board aware of these cost increases.
3. **Supervisor's iPads** – As discussed, the Supervisor of Elections requested funding to replace her poll registration iPads. The current iPads work with the Supervisor's recently purchased Voter (Elections) System, but it is not fully integrated, meaning certain manual processes still exist. The two systems have been used since the August 2014 primary elections. Our recommendation is to hold the \$892,956 replacement cost in reserves until sufficient integration data can be provided and timelines for purchase, testing, and implementation of equipment is provided; as well as a determination as to whether the current iPads and manual processes are adequate.
4. **Good Wheels** – During budget deliberations last year, Good Wheels requested funding to expand their Transportation Disadvantaged service level. The board did not appropriate funds but instructed staff to review the Transportation Disadvantaged program with Mr. Mandel for future consideration.

Good Wheels is requesting matching funds from the county for two state grants:

- a. A 10% match (\$50,000) of an ongoing capital grant (\$500,000) to replace and purchase new vehicles.
- b. A 50% match (\$88,000) of an ongoing operations grant (\$176,000), known as a 5310 grant, to enhance Transportation Disadvantaged service, meaning these funds cannot be used for existing services.

After a number of meetings with Mr. Mandel we have concluded that this funding request will be an annual request. The operating and capital grants available to Good Wheels always require a local match between 10% and 50% and other than Lee County there does not appear to be a reliable local source of funds.

Two additional considerations:

- a. The funding request could increase because there are indications the state's operating grant could increase to anywhere from \$114,000 to \$140,000.

- b. There are other local entities that provide similar-type trips as Good Wheels, and at least five apply for and receive the same 5310 grants from the state without requesting a match from the county.

This would be a new service level for the county. The county currently invests \$4,385,395 annually for its ADA (Passport) service within LeeTran's fixed route service area.

5. **Medical Examiner** – The office's caseload has increased over the last two years (see the attached business case), and the ME is requesting an additional Assistant ME position and administrative position. These positions would be hired mid-year and the \$185,715 is the FY15-16 cost for six months of salary and benefits. Staff recommends approval.
6. **VCB Budget & Reserves** – At the June 11 TDC meeting the advisory committee voted to recommend:
 - a. Approval of the submitted VCB operating & marketing budget;
 - b. Adding \$1.5 million to the marketing & advertising budget;
 - c. Having a discussion about estimated VCB reserves based on the continuing trend of increased tourist tax revenue collections.

We will provide the Board an update of projected reserves at the work session.

Thank you.