

FY16-17 Budget **Policy Decisions**






March 1, 2016



Continuation Budget

Definition: What it costs to provide the exact same level of services next year.

Incorporated into this year's (FY15-16) Continuation Budget:

	Growth Increment for Infrastructure	\$7,856,910
	LeeTran ADA Passport Service Expansion	\$301,674
	Partnering for Transportation Results Program	\$321,900
	Drug Court/Early Case Resolution Expansion	\$528,476
	Medical Examiner Staffing (new Assistant ME)	\$185,715

Revenue Assumptions

7.8%



Predicted Lee County
Property Tax Base Increase

State Revenue Estimating Conference
(December 2015)

Other General Fund Revenues Showing Moderate Increases.

Exceptions:

- FPL Franchise Fees (Estero Impact)
- Ambulance Fees (Monitoring; Federal Coding System Changes Caused Billing Issues)

Expense Assumptions

Continuation
Budget Only

Growth Increment
Funding for FY16-17
\$9,569,017

(Compared to \$7,859,910 this year)

Major Maintenance
Priority:
Planned Expenditures on
Existing Assets

(No Priority for New Requests)

Assumption:
No Major Maintenance
Costs will be Funded by
Reserves

By Comparison:
\$8.9M - FY14-15 Reserves
\$6M - FY15-16 Reserves

20/20 Management
Requires an Estimated
\$4M - \$5M

vs. \$6.3M This Year

Supervisor of Elections:
Budget Should Decrease
after Presidential Election
Year

BoCC Operating Estimates

Expenses

Revenues

FY 12-13	\$349M	\$312M
FY 13-14	\$337M	\$338M
FY 14-15	\$354M	\$360M
FY 15-16	\$385M	\$385M
FY 16-17	\$405M	\$407M

Fiscal Considerations

\$30
MILLION
 Excess General
 Fund Reserves
 (\$107M Compared to
 Min. 20% Level of \$77M)

Growth Increment Funding Estimates:

FY 15-16	\$7.9M (Current Continuation Budget)
FY 16-17	\$9.6M
FY 17-18	\$11.0M
FY 18-19	\$12.4M
FY 19-20	\$13.6M
FY 20-21	\$15.0M

BP Economic Damages
\$4,182,689

Internal Loan Repayment from Tourist Taxes
\$4,315,957

- General Fund Tax Rate Reduction Scenarios will be Developed
- Major Maintenance - Still Catching Up
- Water Quality Projects Still to be Identified (TMDLs)
- Unincorporated MSTU - Operates at a Deficit but Better Than Expected Reserves

County Debt Policy

Administrative Code 3-18

- Adopted August 1990, Last Amended August 2005

General Policy for Issuing and Refunding Debt

- Debt Can be used to Fund Capital Projects; Impact must be Analyzed Prior to Inclusion in CIP
- Debt will not Exceed Useful Life of Asset
- General Obligation Debt Must have Voter Approval (County has none of this)
- Equal Debt Repayment Preferred
- Repayment of Debt is Designed to Recapture Credit Capacity for Future Use as Soon as Possible
- Debt Refundings (Refinancing) should Produce Net Present Value Savings of at Least 3%

Most Recent Debt Issues

2015	Three Oaks Wastewater Treatment Plant	\$29.2M
2013	Green Meadows Water Treatment Plant	\$52.4M
2013	Twins Stadium Improvements	\$41.5M
2010	Red Sox Stadium Bonds	\$80.3M
2010	Gateway Wastewater Treatment Plant	\$26.2M

Solid Waste Bonds (2001 Series)

\$34.1 M Balance
Repaid Early 2011

Refinancings Since 2010

11 at Savings of \$56.3M
Avg. Net Present Value
Savings of 12.5%

Current Debt Profile

Fund/ID #	Debt Type	Use	Amount	Next Call Date
Utilities Fees				
48774	Rev Bond 2011	FL Cities Water / Avatar	\$59,150,000	Matures 2026
48775	Rev Bond 2012A	FL Cities Water / Avatar	\$19,190,000	2022
48776	Rev Bond 2012B	Gulf Env Services	\$7,490,000	2022
48777	Rev Bond 2013A	Green Meadows	\$52,355,000	2023
48778	Rev Bond 2013B	Gulf Env Services	\$35,540,000	2023
48766	SRF Loan	1991 Rev Bonds / Mult Pjts	\$222,566	Matures 2017
48769	SRF Loan	North Lee County WTP	\$16,939,956	Matures 2028
48773	SRF Loan	Gateway WWTP	\$26,171,443	Matures 2030
	SRF Loan	Three Oaks WWTP	\$29,216,000	2029
			\$246,274,965	
Tolls/Gas Tax				
20716	Five Cent Local Gas Tax 2014	Roads	\$8,505,000	Matures 2021
21760	Non Ad Val Rev Bond 2013	Midpoint Bridge	\$33,715,000	Matures 2022
42169	Bank Loan 2011	Cape Coral Bridge	\$10,710,000	Matures 2017
42171	Revenue Bond 2014	Midpoint/Sanibel Bridges	\$103,735,000	2024
			\$156,665,000	
Tourist Taxes				
22660	Tourist Revenue Bond	Original Twins	\$790,000	Matures 2016
22661	Tourist Revenue Bond	Red Sox	\$42,480,000	2020
22662	Tourist Revenue Bond	Red Sox	\$37,403,000	2020
22663	Tourist Revenue Bond	Red Sox	\$370,000	Matures 2016
22664	Tourist Revenue Bond	Twins Expansion	\$41,475,000	2023
			\$122,518,000	
Solid Waste				
40162	Rev Bond	W-T-E Facility	\$76,345,000	2016
Transit				
48640	SIB Loan	Facility	\$589,195	2017
General Fund				
23560	No Adv Rev Bond 2012	Justice Center	\$38,535,000	Matures 2025
23561	Cap Rev Bond 2015	Jail	\$48,640,000	Matures 2027
23683	Refunding Rem Rev Bond	Jail	\$2,390,000	Matures 2017
			\$83,920,000	
		Grand Total		\$686,312,160

Chart of Refunding Opportunities

ID #	Debt Type	Use	Amount	Next Call Date
40162	Rev Bond	W-T-E Facility	\$76,345,000	2016
48640	SIB Loan	Facility	\$589,195	2017
22661	Tourist Revenue Bond	Red Sox	\$42,480,000	2020
22662	Tourist Revenue Bond	Red Sox	\$37,403,000	2020
48775	Rev Bond 2012A	FL Cities Water / Avatar	\$19,190,000	2022
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Upcoming Work Sessions



APRIL 5 CIP / Major Maintenance Work Session



MAY 17 Operating Budget Issues Work Session



JUNE 7 1st Draft Continuation Budget with Board



JUNE 21 2nd Draft Continuation Budget with Board



AUGUST 16 3rd and Final Draft Continuation Budget with Board