



## Board of Directors Meeting

June 14, 2012

### Approve a Millage Rate for the FY 12/13 Budget

#### Item III.C.

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<b>Recommended Action:</b>	Approve a millage rate for the FY 12/13 budget from the following options: <ol style="list-style-type: none"><li>1. The current millage rate of .8337</li><li>2. The rolled back rate (approximately .8531)</li><li>3. A rate that balances the budget over a two year period (approximately .9160)</li></ol>
<b>Programs:</b>	61 Child and Family Programs
<b>Budget Impact:</b>	Choice of the millage rate impacts revenue for the FY 12/13 budget. The attached charts details the budget impact for each rate.
<b>Strategic Plan Goal:</b>	Wisely invest public dollars. Advance the JWB strategic focus areas in School Readiness, School Success, and prevention of Child Maltreatment.

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#### Background:

At the April Board meeting, staff presented revenue projections based on applying the current millage rate to next year's property valuation. Board members requested a report detailing options that would include decreasing, maintaining and increasing revenues for the FY 12/13 budget.

Staff presented four millage options and an analysis of the Program Stability Fund over the last several years since implementation, as well as the implications of depleting it in FY 12/13. The budget gap that was created as ad valorem revenues declined has been managed over the last several years by using Program Stability Funds to close some of the gap, and by slowly reducing program funding each year during that same span of time. The average total program budget has been reduced from \$47M to \$44M. Staff has proposed reducing the FY 12/13 total program budget to \$42M, continuing with planned reductions in program services that began two years ago.

Staff received a new projection from the Pinellas County tax collector on May 23rd and expects a final figure on July 2<sup>nd</sup>, so the millage figures are only estimates and may change slightly as a result of updated numbers. However, the rolled back rate will always produce the same revenues as the previous year, and the "balanced budget" option would still be proposed to maintain the current budget over two years, regardless of the actual millage rate. At .8337, the current projection is a revenue reduction of \$1M or a 1.83% decrease from the FY 11/12 valuation (+\$800K from the May Board estimate). Each of the millage options requires a simple majority for approval.

During the May Board meeting, staff presented the .7915 millage option which would require additional cuts in FY 12/13, would widen the budget gap, and would require even greater cuts in FY 13/14. This option was not selected by the Board. The .8337 rate would reduce revenues by several million dollars over the next two years and would result in a substantial cut to the budget in FY 13/14. The rolled back rate (approximately .8531) produces the same amount of revenue in FY 12/13 as in 11/12, does not stabilize the program budget and still

results in reductions in FY 13/14. At approximately .9160, the budget is balanced for two years and the Program Stability Fund could be replenished, with no additional reductions in the program budget required in FY 13/14, which is the only option that maintains the program budget at the 11/12 level of \$44M. All the options presented either reduce or maintain the budget; none of them would increase the program budget.

The Board's headline indicators are Learn and Succeed, Stable and Nurturing Families, Safe and Supportive Neighborhoods and Healthy Children. Our primary investment is in the Learn and Succeed category with \$17M in this area, of which 70% is child care and before and after school services for 6,000 children. Other large investments in this indicator include services for special needs children (\$1.8M), Literacy (\$800K) and Mentoring (\$517K). Big Brother's Big Sisters and HIPPOY are both evidence based, blueprint-ranked programs.

The Stable and Nurturing Families indicator is a \$12.6M investment serving over 7000 children annually. Primarily, funding is for child abuse prevention through Healthy Families and Nurse Family Partnership, which are focused on support services for at-risk newborns, as well as Kinship Services for foster care children living with relatives (\$7.1M). The other major investment for this indicator is mental health and substance abuse services, focused on resolving emotional and behavioral problems arising in children facing abuse, neglect, and substance abuse issues (\$5.1M).

The Safe and Supportive Community indicators is a \$4.5M investment with primary funding for the Neighborhood Family Center network of services in JWB's target ZIP codes for at-risk children. Domestic violence and shelters are included in this indicator.

JWB has a small footprint in the Healthy Child indicator through the school based health clinics in three locations (Northeast, Boca Ciega and Gibbs High School.) The Family Services Pool (FSP) is a system of care that assists families with preventive services in order to achieve stability before more expensive intervention services are needed. When the FSP is fully implemented it will provide 13,000 units of service to at-risk families.

These areas of strategic focus would be impacted as follows at the .8337 rate. The rolled back rate would slightly restore the Program Stability Fund, but would be insufficient to maintain the program budget. The .9160 rate balances the budget both years. Should the .9160 rate be selected, staff would prepare a recommendation for the July meeting that would transfer planned program reductions from the Emergency Response Team, and Suncoast Center or to the Stability Fund for further investment in the Board's headline indicators, particularly Learn and Succeed.

Program Allocation						
Headline Indicators	% Chg 10/11 vs	11/12	12/13	Planned Reduction	% Chg 11/12 vs	Comment
Every child lives in a Stable and Nurturing Family	-1.76%	\$14,744,081.00	\$12,637,669.00	(\$2,106,412.00)	-14.29%	Suncoast/ERT Reductions
Every child lives in a Safe and Supportive Community	-16.21%	\$4,396,698.00	\$4,532,113.00	\$135,415.00	3.08%	
Every child is Ready to Learn and Succeed	8.44%	\$16,649,809.00	\$16,998,292.00	\$348,483.00	2.09%	21st Century & rollover funds. Fund reduction in OST
Every child is Healthy	38.75%	\$582,341.00	\$716,357.00	\$134,016.00	23.01%	Annualized amount per Board action
Supports All Indicators	58.96%	\$6,100,000.00	\$6,250,000.00	\$150,000.00	2.46%	Annualized amount per Board action
Other Program Related Services	-62.20%	\$1,565,380.00	\$1,163,799.00	(\$401,581.00)	-25.65%	
<b>TOTAL</b>		<b>\$44,038,309.00</b>	<b>\$42,298,230.00</b>	<b>(\$1,740,079.00)</b>		

Millage options	Children served	Revenues (in Millions)
<b>.8337</b>	45,716	<b>\$43.78</b>
<b>Rolled back rate .8531</b>	46,567	<b>\$44.80</b>
<b>Balanced budget .9160</b>	47,195	<b>\$48.11</b>
<b>FY 11/12 budget .8337</b>	47,184	<b>\$44.74</b>

Program  
Stability

## Revenue projections with Program Budget Reductions over one year period



**Budget FY 12/13**

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Program  
Stability

## Revenue projections with Program Budget Reductions over two year period



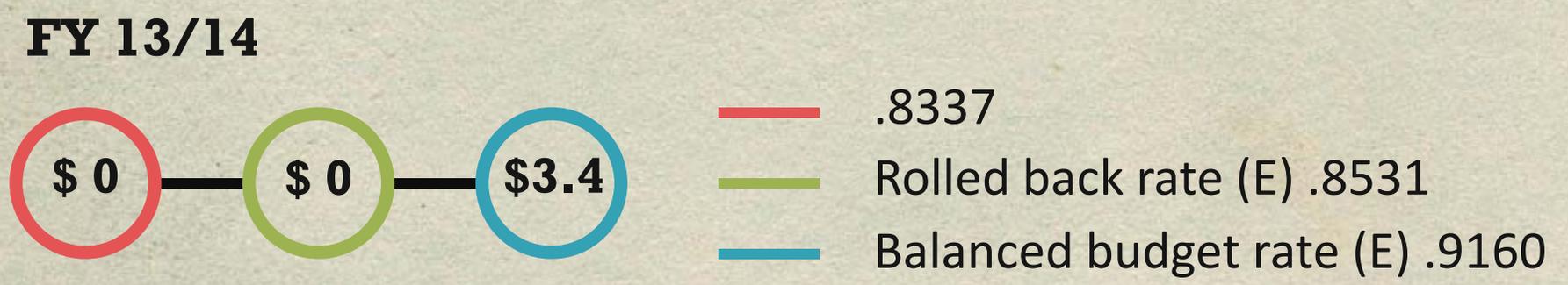
**Budget FY 12/13**

# Remaining Program Stability

Fund Amount (in Millions)

<b>Millage options</b>	
<b>.8337</b>	\$ .6
<b>Rolled back rate .8531</b>	\$1.3
<b>Balanced budget .9160</b>	\$4.0
<b>FY 11/12 budget .8337</b>	\$3.9

## Impact on Program Stability Fund over two years



**Budget FY 12/13**