

[REDACTED]

From: Lisa Cullen [lisa.cullen@brevardtaxcollector.com]
Sent: Thursday, April 08, 2010 10:53 AM
To: Brian Hanlon; Dee Dee Causey; Ena Blumer; Gil Trahan; Karen Hirschmiller; Kelli Grantland; Maria McDonald; Tom Rumble; Tracy Ballington; Annie Robinson; Barbara Miller; Becky Selman; Chrissy Culp; Cindy Skinner; Diane Bowman; Pamela Jefferson; Ruth Rowe; Stacey Decker
Attachments: 20100408102136579.pdf; 20100408103435636.pdf

Please share the following with your staff.

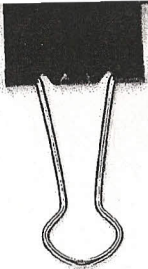
The 2009-2010 budget cycle was a challenge for this office in many ways. We face an even tougher budget year in 2010-2011 because of decreased property values created by the weak economy nationwide. This information is not being shared with you to burden you with additional stress or to scare you. I simply want you to be aware of the information that this office receives as we begin the budget process. In the last meeting that was attended by our Managers/Supervisors I asked and received input from many of you concerning ways that we could cut costs. In fact, we have already started to implement some of those ideas. My senior team and I would be grateful for you to share any ideas that you have that could potentially reduce our expenditures.

Attached is the letter from the County Manager; strongly suggesting that the Tax Collector budget be reduced by 15%. That equates to nearly 1.4 million dollars. Such a reduction can only be achieved through drastic cuts in all expenses (Personnel Services, Operating Expenses, and Operating Capital Outlay). This letter paints a pretty bleak outlook for the future, at least the next few years. As drastic as this letter reads there is truth to the economic outlook for this county.

We are early into our budget process and I will keep you apprised of how we are progressing.

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This E-mail was sent from the Brevard Tax Collector E-mail System.



BREVARD COUNTY

**TAX COLLECTOR'S
SUMMARY OF THE 2009-10 BUDGET BY APPROPRIATION CATEGORY**

Revised 08/28/09

EXHIBIT A

APPROPRIATION CATEGORY	ACTUAL EXPENDITURES 2007-08	APPROVED BUDGET 2008-09	ACTUAL EXPENDITURES 06/30/09	REQUEST 2009-10	INCREASE/(DECREASE)		AMOUNT APPROVED 2009-10	INCREASE/(DECREASE)	
					AMOUNT	%		AMOUNT	%
(1)	(2)	(3)	(4)	(5)	(6)	(6a)	(7)	(8)	(8a)
PERSONAL SERVICES (Sch.I - IA)	7,431,389	7,907,738	5,398,933	7,535,878	(371,860)	-4.70%			
OPERATING EXPENSES (Sch.II)	1,978,741	1,986,634	1,520,810	1,708,527	(278,107)	-14.00%			
OPERATING CAPITAL OUTLAY (Sch.III)	288,956	115,476	63,605	65,822	(49,654)	-43.00%			
TOTAL EXPENDITURES	9,699,086	10,009,848	6,983,348	9,310,227	(699,621)	-6.99%			
NUMBER OF POSITIONS		161		161	0				



OFFICE OF THE COUNTY MANAGER
2725 Judge Fran Jamieson Way, Building C
Viera, FL 32940

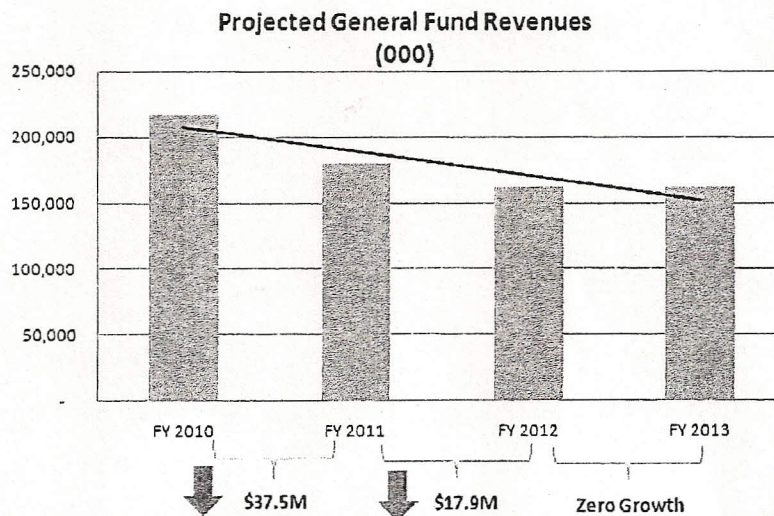
Phone: 321.633.2001
Fax: 321.633.2115

TO: The Honorable Lisa Cullen, Tax Collector
DATE: April 2, 2010
FROM: Howard Tipton, County Manager
SUBJECT: FY 2011 Budget Guidelines

As we begin the budget process for next year, we are faced with the lingering effects of the economic recession. We continue to experience record high levels of foreclosures and our unemployment rate is now at 12.7%, and is projected to peak in the range of 17.0% - 20.0%. Our property tax collections dropped by 12% this year and are projected to decline by another 12% or greater for next year. Additional projections have shown that we will continue to experience a decline in our property tax collections through FY 2012 with zero growth in FY 2013.

Based on our current economic situation, we are currently facing a projected \$4.8M revenue shortfall for FY 2010 and a projected \$37.5M shortfall in our General Fund for FY 2011. With these projected shortfalls in the General Fund and other major revenues such as sales tax, gas taxes and impact fees, balancing the budget in these tough economic times is going to be challenging and we will have to make some difficult choices.

The following chart illustrates the projected revenue stream General Fund for the next three (3) fiscal years:



The Honorable Lisa Cullen, Tax Collector
SUBJECT: FY 2011 Budget Guidelines
April 2, 2010
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As you have noticed from the chart presented, the revenues streams are projected to continue to decline over the next couple of years with zero growth anticipated in FY 2013.

Over the last couple of fiscal years, we have utilized various strategies to fill the budget gap to include using reserves and one time revenues. Over this period, reserves have decreased by 27.5%, which significantly erodes our safety net in the event of emergency situations and is not a sustainable model.

As I mentioned in my February 26, 2010 memorandum to you, in order to present a balanced budget proposal under the above mentioned constraints, I will need your assistance as a portion of the County's General Revenue is utilized to fund your budget. Therefore, I would respectfully request that you provide me with a budget reduction of 15% for the FY 2010-2011 budget cycle.

As part of this budget cycle, we will be seeking additional input on the budget from the citizens of Brevard County by holding three (3) public engagement meetings and an eTownhall forum. This will assist us at the board workshops by better understanding the needs of the community as it relates to our budget and planning process.

Although we have major budget challenges ahead and I realize there will be services or programs reduced, I am confident that we can work together to balance the budget and minimize service and program cuts through efficiencies and creative solutions.

Thank you for your assistance as we work through these challenging times. It is my intention to create a responsible budget that is not only balanced, but one that is sustainable for many years to come. Please feel free to contact me or any member of our team should you have questions.

HT/mc

c: Board of County Commissioners
Stockton Whitten, Assistant County Manager
Mel Scott, Assistant County Manager
Alphonso Jefferson, Budget Director