

**Indian River County
Inter-Office Memorandum
Office of Management and Budget**

Date: March 1, 2017
To: Members of the Board of County Commissioners
Through: Jason E. Brown, County Administrator
From: Michael Smykowski - Director, Office of Management & Budget
Subject: Children's Services
Funding Allocation for Fiscal Year 2017/2018

Description and Conditions

Each year, the Board of County Commissioners approves a funding allocation for Children's Services. This amount is then allocated to the applicants based upon recommendations of the Children's Services Advisory Committee. The County historically changed the funding allocation based upon the previous fiscal year's taxroll change with exceptions during the economic downturn. Funding during the downturn reached a low point of \$623,890 and was held constant at that level during FY2012/2013, FY2013/2014, and FY2014/2015.

For fiscal year 2015/16, the Board of County Commissioners approved a matching program where each dollar raised by the community would be matched dollar for dollar up to \$200,000 in addition to the based funding amount of \$651,965. It should be noted that the base funding amount was based upon the prior year's allocation (\$623,890), plus the change in the taxroll for the prior year (4.5%). This resulted in total county funding of \$851,965, plus \$200,000 raised from the community (for a total of \$1,051,965) allocated through the process.

In the current fiscal year, (FY 2016/2017), the Board of County Commissioners provided funding for the entire allocation from the previous year (\$1,051,965), which resulted in a \$200,000, or 23.5% increase from the prior year. The \$1,051,965 in FY 2016/2017 approved funding represents an increase of \$428,075 or 68.6% from the low point of \$623,890 approved in FY2014/2015.

Staff is requesting that the Board set a funding allocation for Children's Services for FY 2017/18 at this time. The funding level in accordance with the prior policy for Children's Services (based upon the previous fiscal year's tax roll change) would generate \$1,117,397 which is an increase of \$65,432 or 6.22% over the base funding amount for the current year.

Staff anticipates a moderate increase in the tax roll for next fiscal year. Staff also anticipates several other funding request increases due to deferred capital purchases and continued constrained funding levels for various agencies. It is anticipated that these requests will continue to strain the County's resources, even with the benefit of a rising tax roll.

It should be noted that interested parties in the community have suggested increasing the Children's Services funding to the 0.1250 millage cap. Assuming a 3% growth in taxable value, the 0.1250 millage would yield \$1,857,000 in FY 2017/2018 based on appropriating only 95% of estimated revenues, in accordance with Florida Statutes.

If the Board wants to consider funding Children's Services at the millage cap, staff would recommend that this be phased in over a six year period, as this would lessen the financial pressure on the General Fund in FY2017/2018 and still provide an average annual increase of \$186,468 in funding each year. (See table below).

Assumption re Taxable Value	Taxable Value	Millage Rate	Revenue Generated at Millage Cap	95%	Incremental Revenue	Millage Increment
FY2017 Taxable Value	\$15,182,423,493	0.1250	\$1,897,803	\$1,802,913		
FY2108 Taxable Value @ 3% Increase	\$15,637,896,198	0.1250	\$1,954,737	\$1,857,000		
FY2017 Taxable Value	\$15,182,423,493	0.072935	\$1,107,332	\$1,051,965		
FY2108 Taxable Value @ 3% Increase	\$15,637,896,198	0.0800	\$1,251,032	\$1,188,480	\$136,515	0.0071
FY2019 Taxable Value @ 3% Increase	\$16,107,033,084	0.0900	\$1,449,633	\$1,377,151	\$188,671	0.0100
FY2020 Taxable Value @ 3% Increase	\$16,590,244,076	0.1000	\$1,659,024	\$1,576,073	\$198,922	0.0100
FY2021 Taxable Value @ 3% Increase	\$17,087,951,399	0.1100	\$1,879,675	\$1,785,691	\$209,618	0.0100
FY2022 Taxable Value @ 3% Increase	\$17,600,589,940	0.1200	\$2,112,071	\$2,006,467	\$220,776	0.0100
FY2023 Taxable Value @ 3% Increase	\$18,128,607,639	0.1250	\$2,266,076	\$2,152,772	\$146,305	0.0050

Recommendation

Staff recommends that the Board of Commissioners approve funding for Children's Services agencies in the amount of \$1,117,397 for fiscal year 2017/2018, which is an increase of 6.22% or \$65,432 from the current year base funding level. This recommendation is based on efforts to avoid a General Fund millage increase in the upcoming fiscal year.

Attachment

Children's Services Funding History

APPROVED AGENDA ITEM:

FOR: March 14, 2017

Children's Services Council Advisory Committee Funding History (FY1997/98 through FY2016/17)

Fiscal Year	Total Approved Funding	% Increase
1997/1998	\$81,370	n/a
1998/1999	\$293,835	261.1%
1999/2000	\$414,072	40.9%
2000/2001	\$750,000	81.1%
2001/2002	\$900,000	20.0%
2002/2003	\$900,000	0.0%
2003/2004	\$1,147,750	27.5%
2004/2005	\$1,223,000	6.6%
2005/2006	\$1,173,000	-4.1%
2006/2007	\$1,208,100	3.0%
2007/2008	\$1,100,000	-8.9%
2008/2009	\$882,700	-19.8%
2009/2010	\$768,100	-13.0%
2010/2011	\$691,290	-10.0%
2011/2012	\$656,726	-5.0%
2012/2013	\$623,890	-5.0%
2013/2014	\$623,890	0.0%
2014/2015	\$623,890	0.0%
2015/2016	\$851,965	36.6%
2016/2017	\$1,051,965	23.5%

Children's Services Council Funding History

