



TOUGH CHOICES

FACING FLORIDA'S GOVERNMENTS

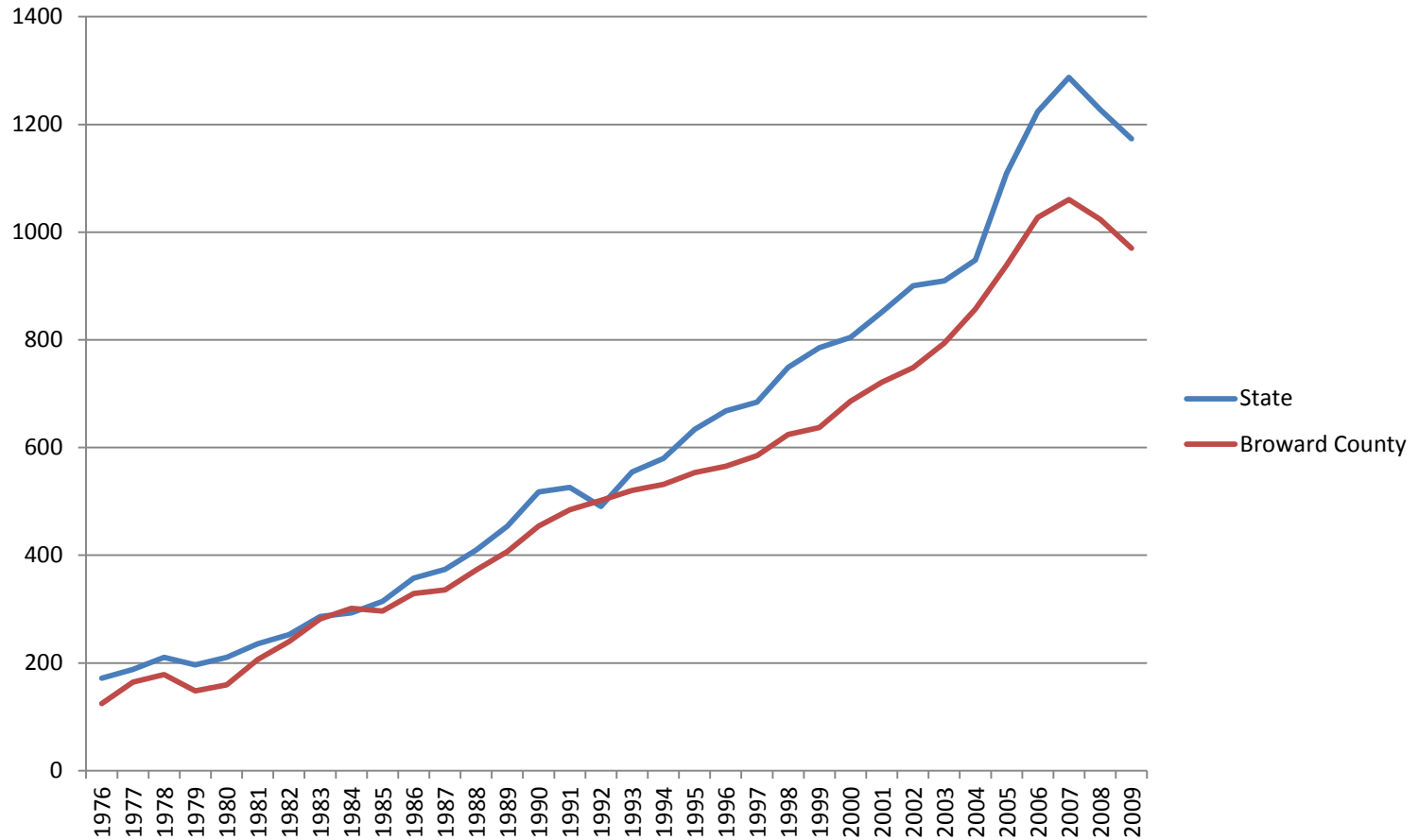
Tough Choices Facing Florida's Local Governments

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Broward Workshop
State of Our County Forum

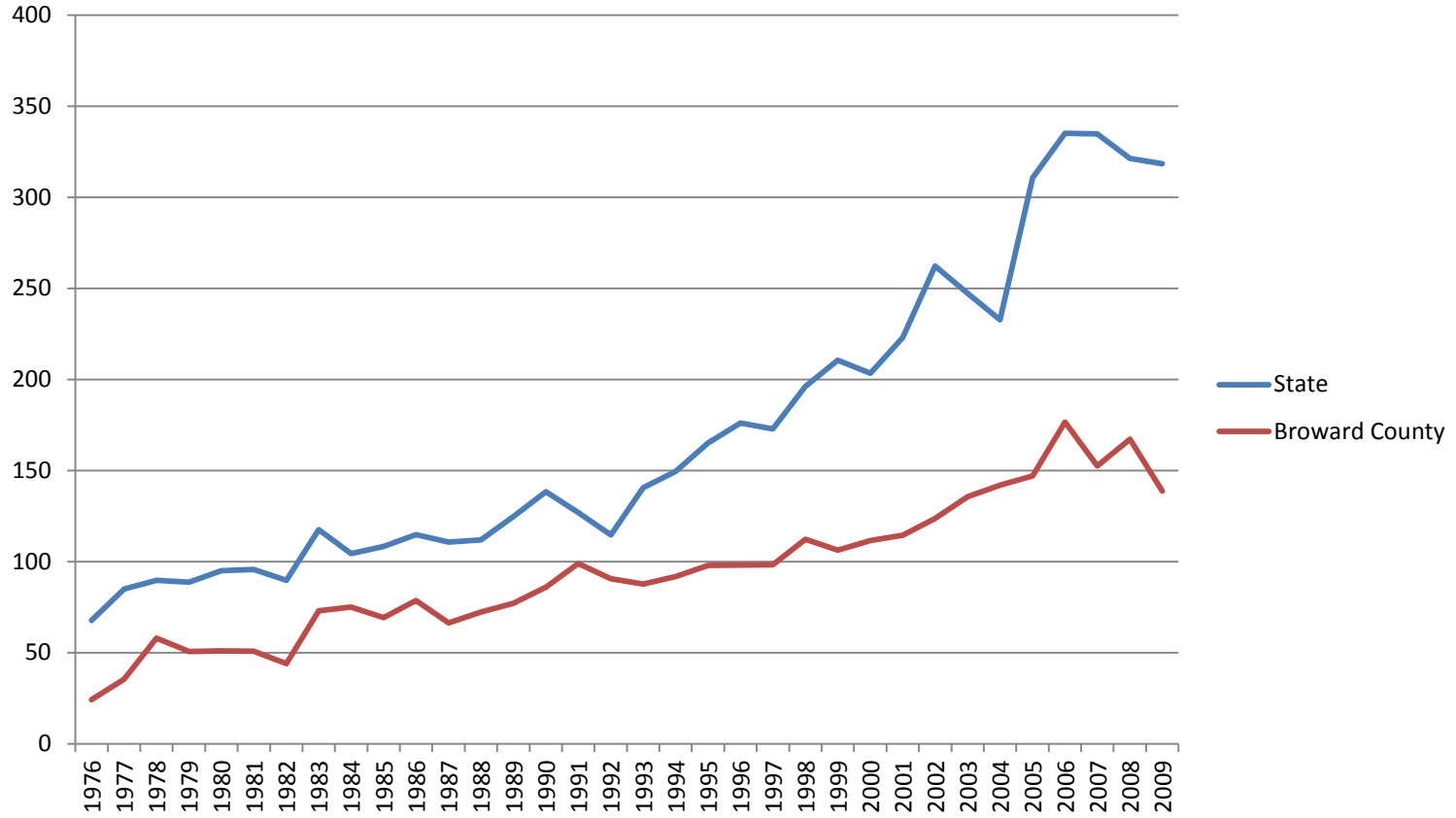
April 13, 2012

Chart 1: Total General Revenue per Capita 1976-2009



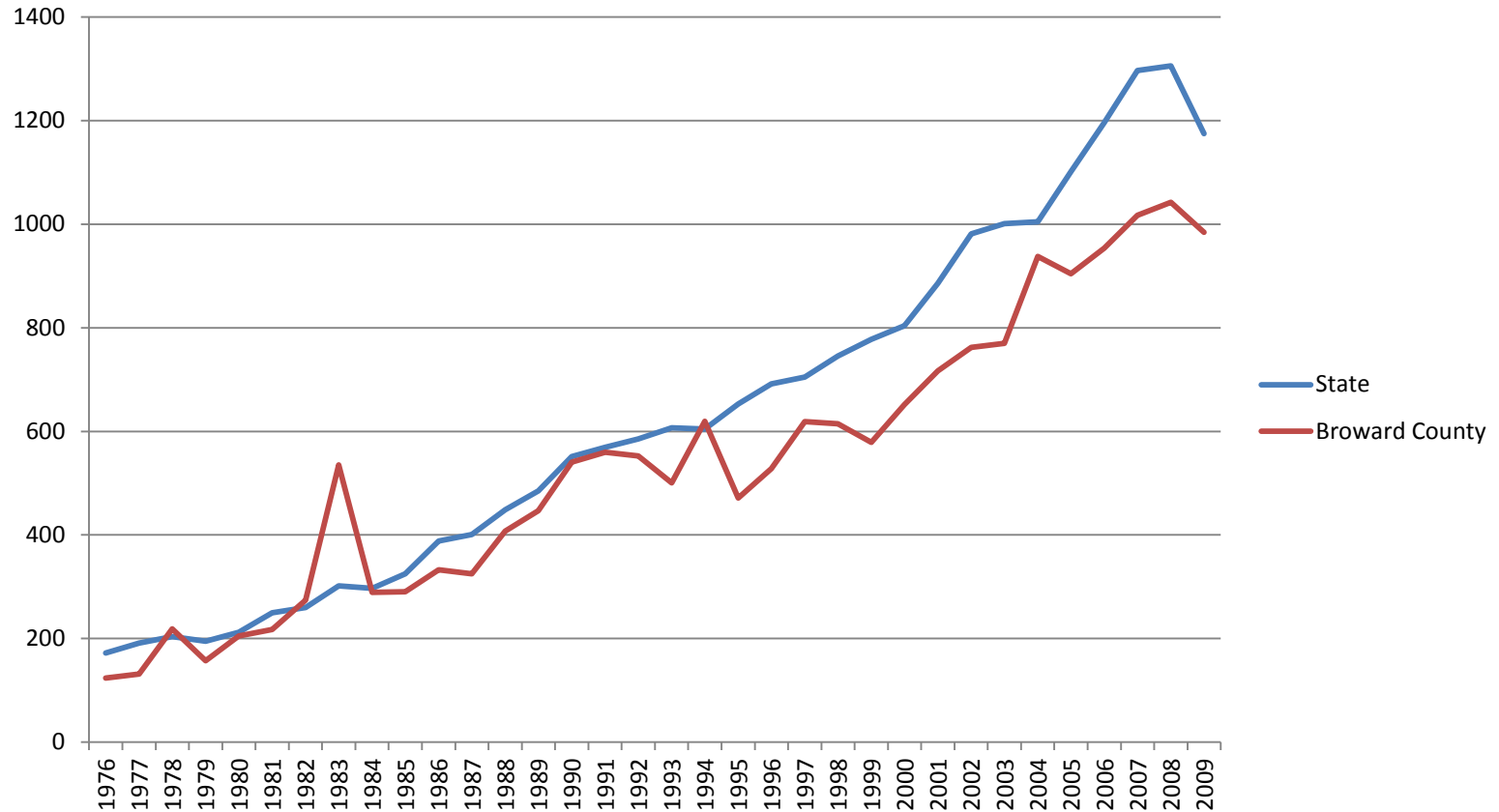
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Chart 2: Total Intergovernmental Revenue per Capita 1976-2009



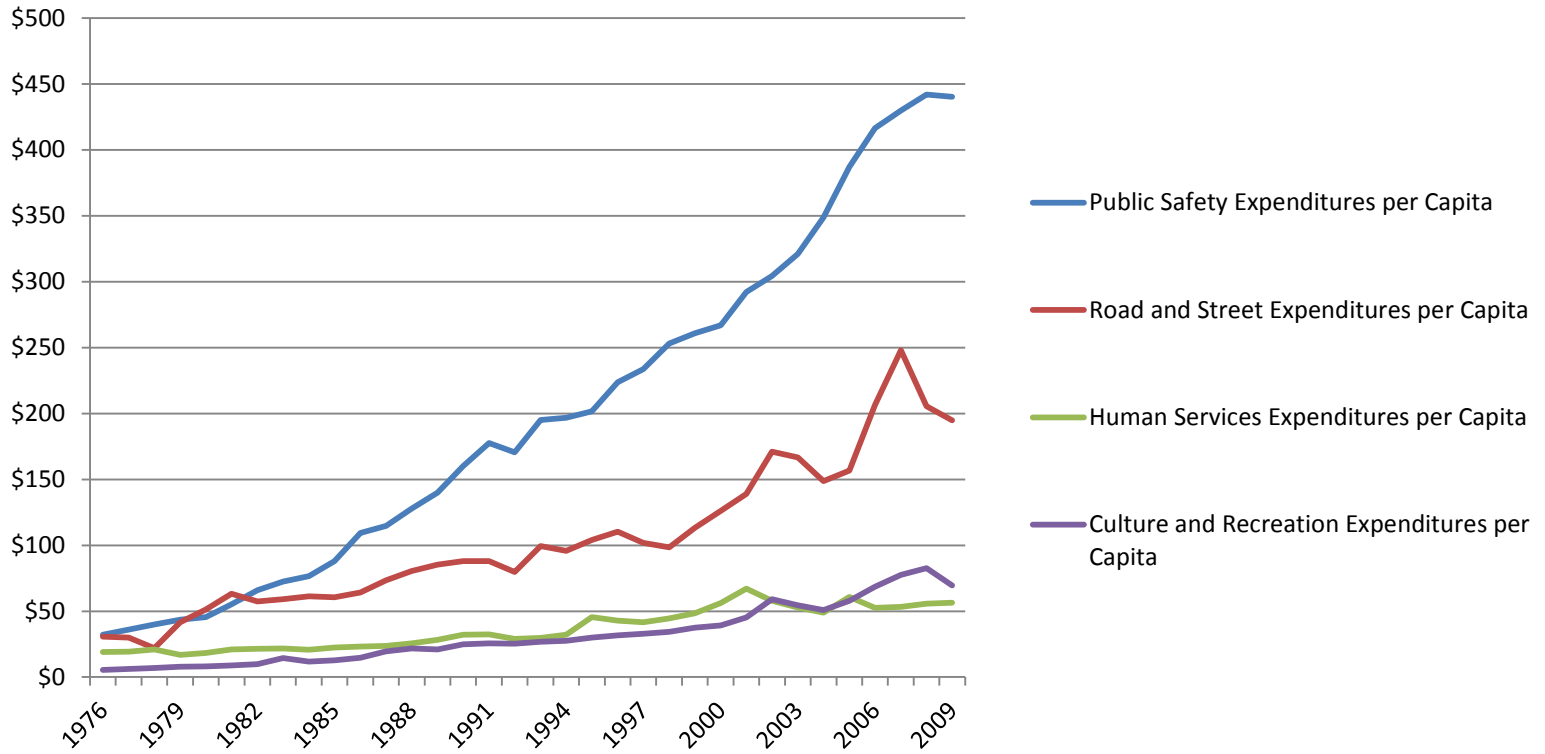
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Chart 3: Total Expenditures per Capita 1976-2009



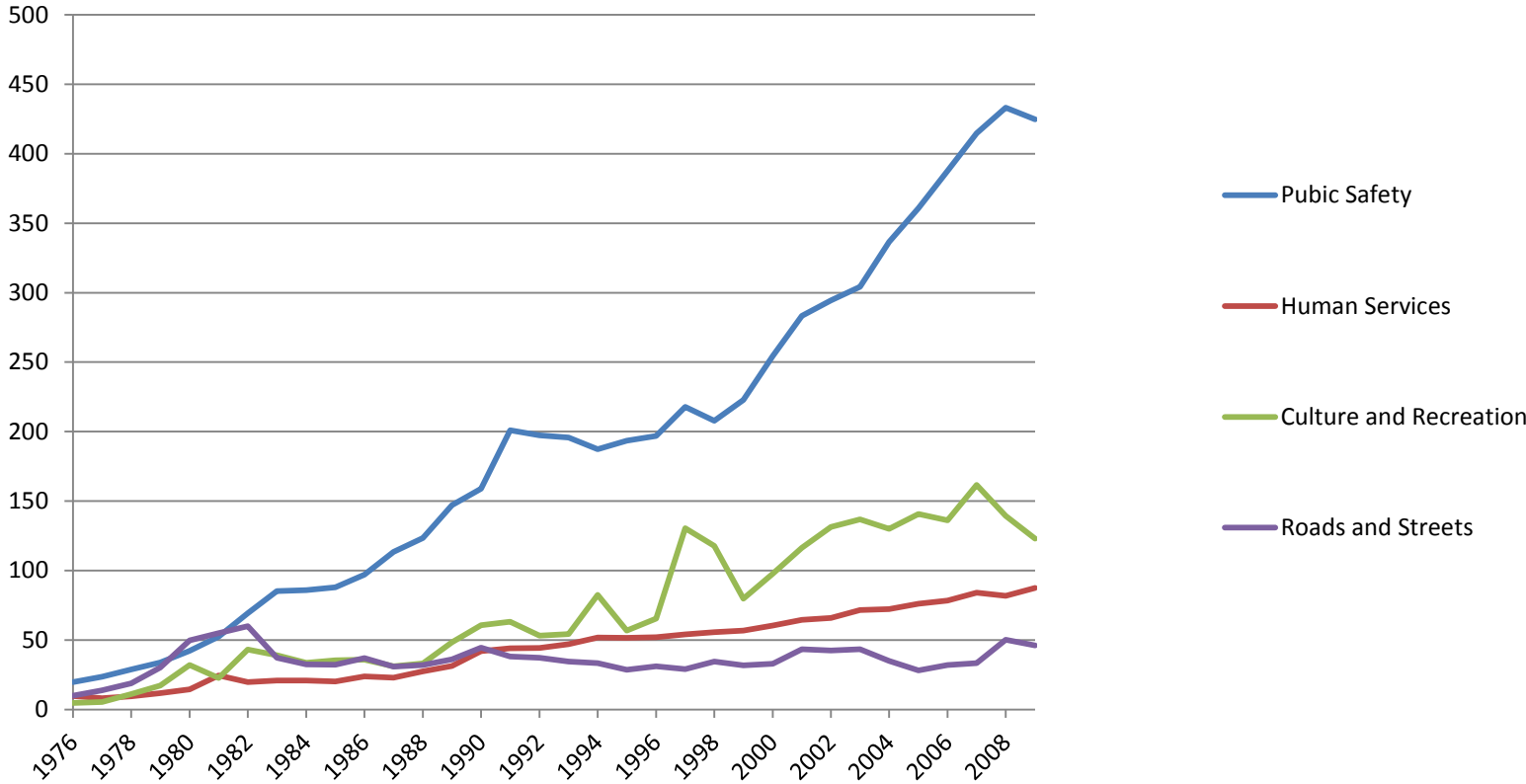
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**Chart 4: Per Capita Expenditures for Select Expenditure Categories
Counties 1976-2009**



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Chart 5: Broward County per Capita Expenditures for select categories 1976-2009



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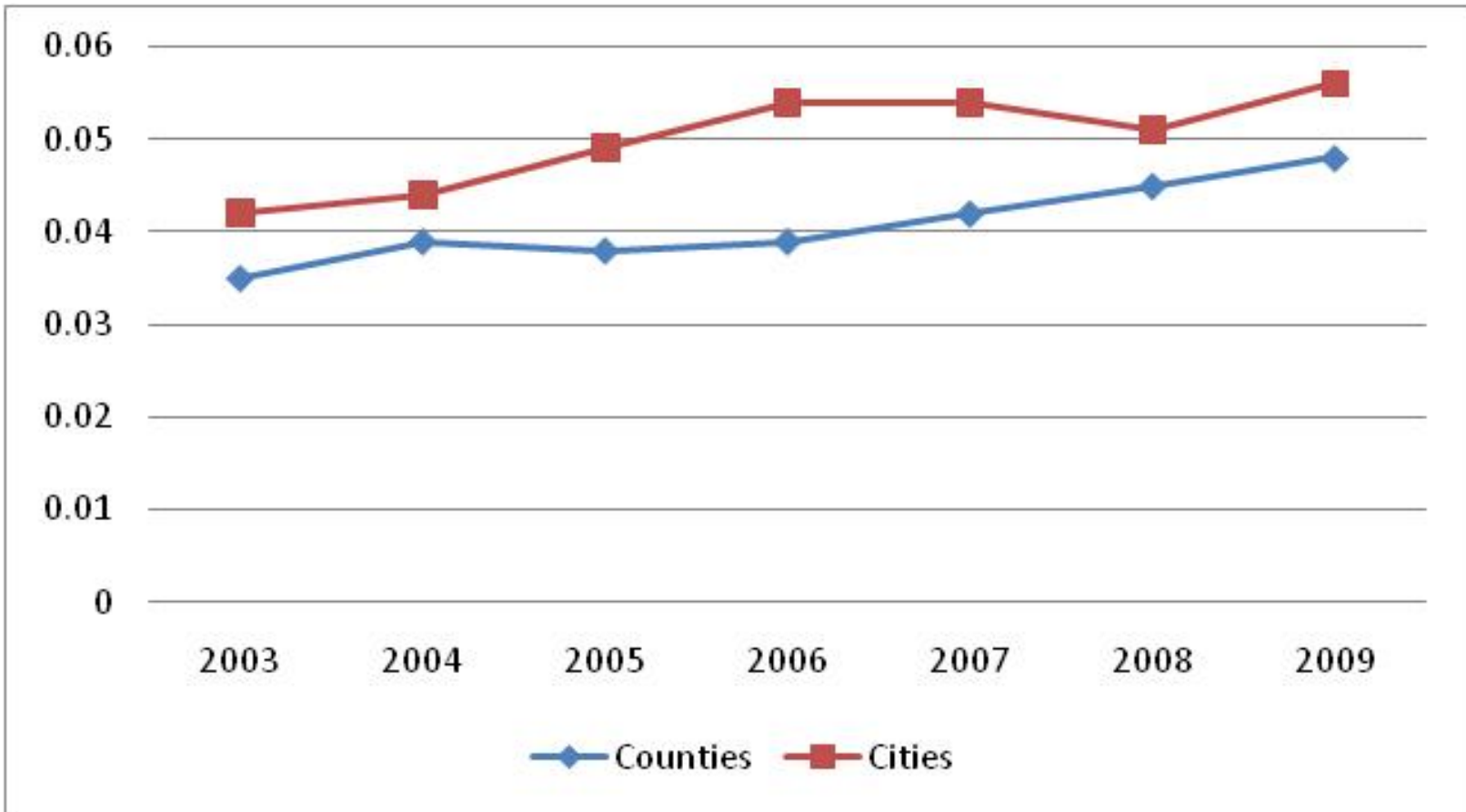
TRENDS IN PENSIONS



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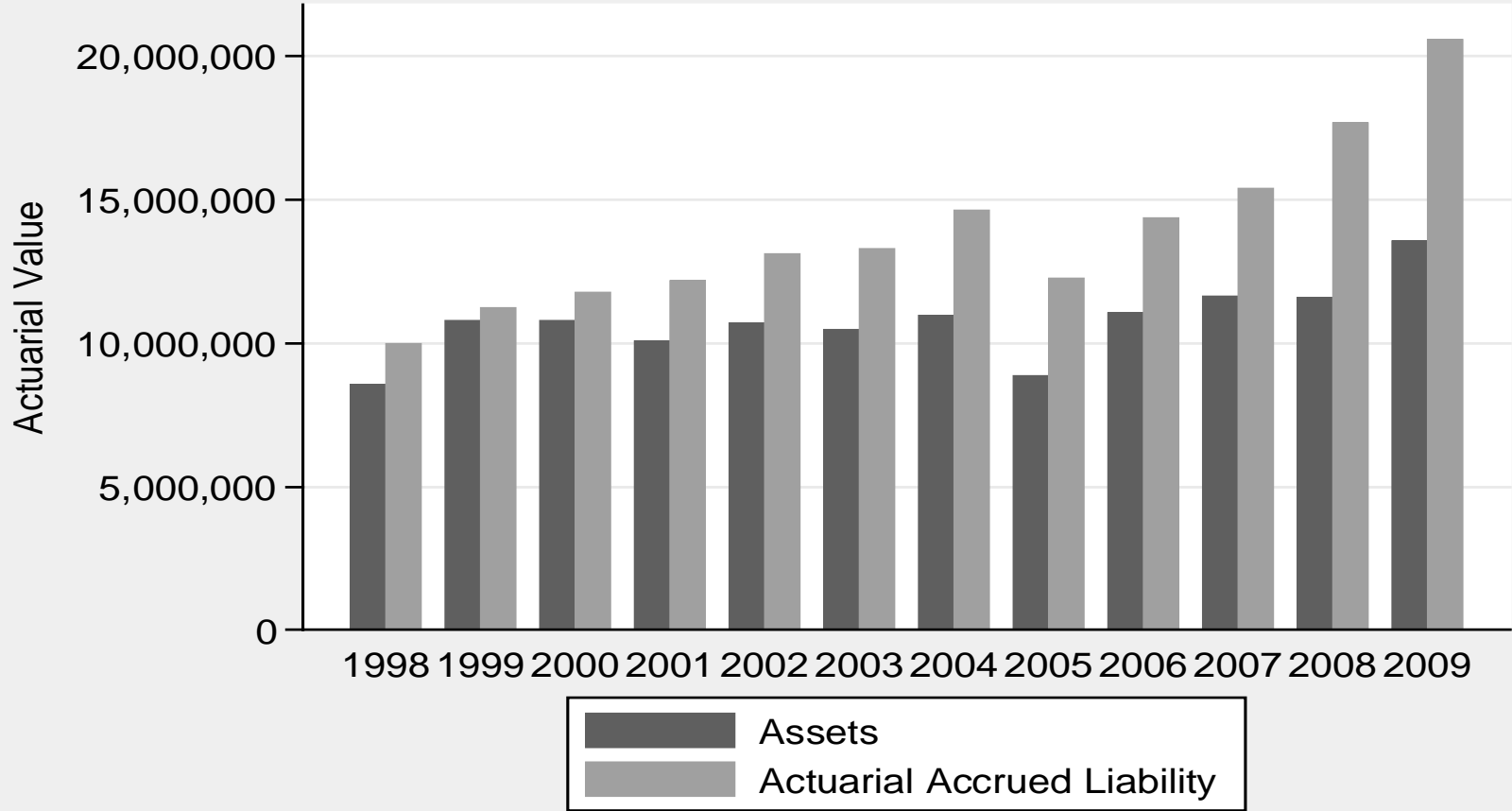
The text "TOUGH CHOICES" is in a large, bold, dark brown sans-serif font. Below it, the text "FACING FLORIDA'S GOVERNMENTS" is in a smaller, bold, gold-colored sans-serif font. The text is contained within a white rectangular box with a thin black border. The background of the slide is a map of Florida with various city names like Okeechobee, Swamp, St. A, Daytona Beach, Kennedy, and Myers visible.

Total Pension Contributions as a Proportion of Total Governmental Expenditures Cities and Counties 2003-2009



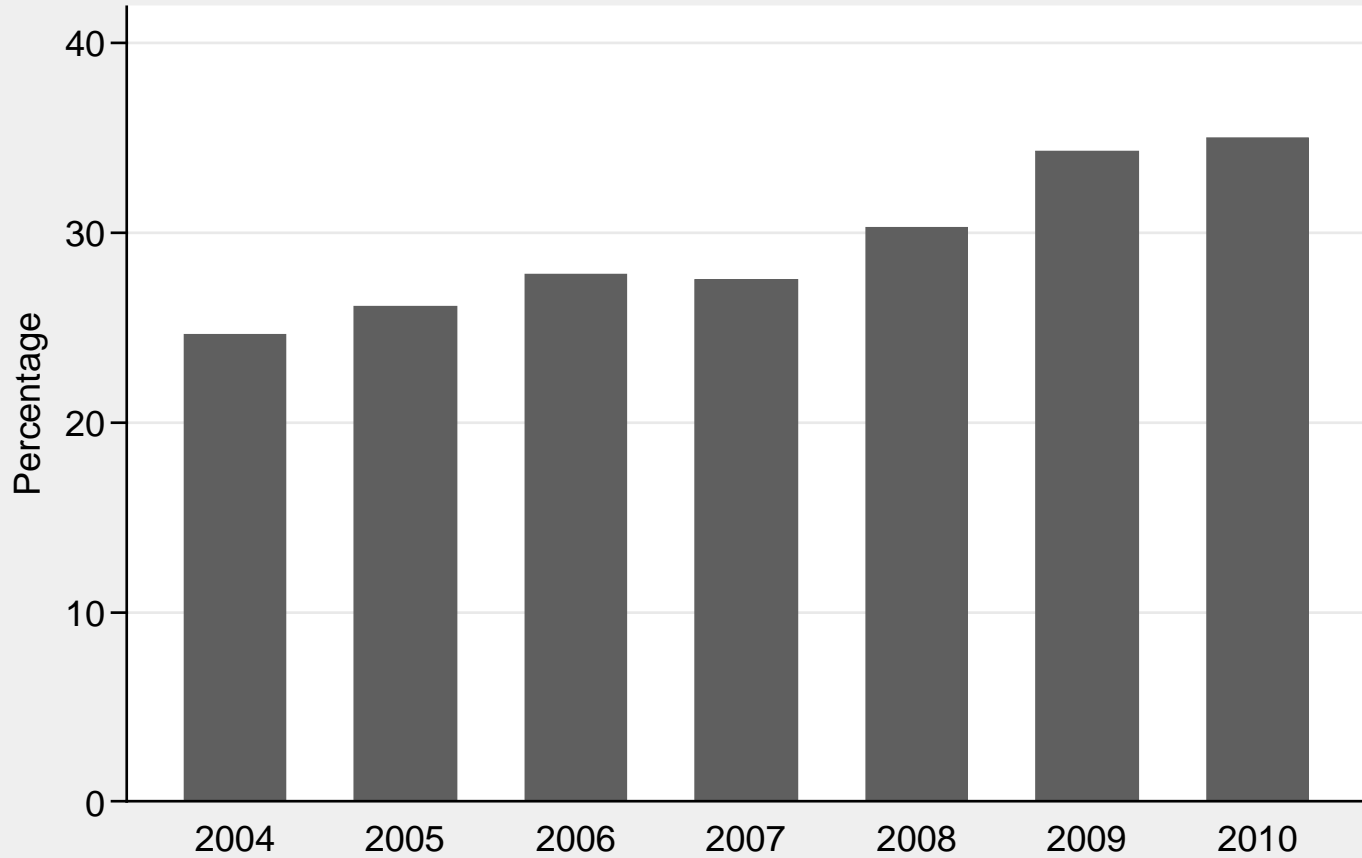
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Liability and Assets (Median)



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Annual Pension Contribution Percent of Payroll - Median Values



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Pension Plan Grades

TABLE 1: GRADING SUMMARY

GRADE	PERCENT FUNDED	NUMBER OF CITIES RECEIVING	PERCENTAGE OF CITIES RECEIVING
A	More than 90% funded	30	14%
B	80 to 90% funded	48	23%
C	70 to 80% funded	63	30%
D	60 to 70% funded	36	17%
F	Less than 60% funded	31	15%



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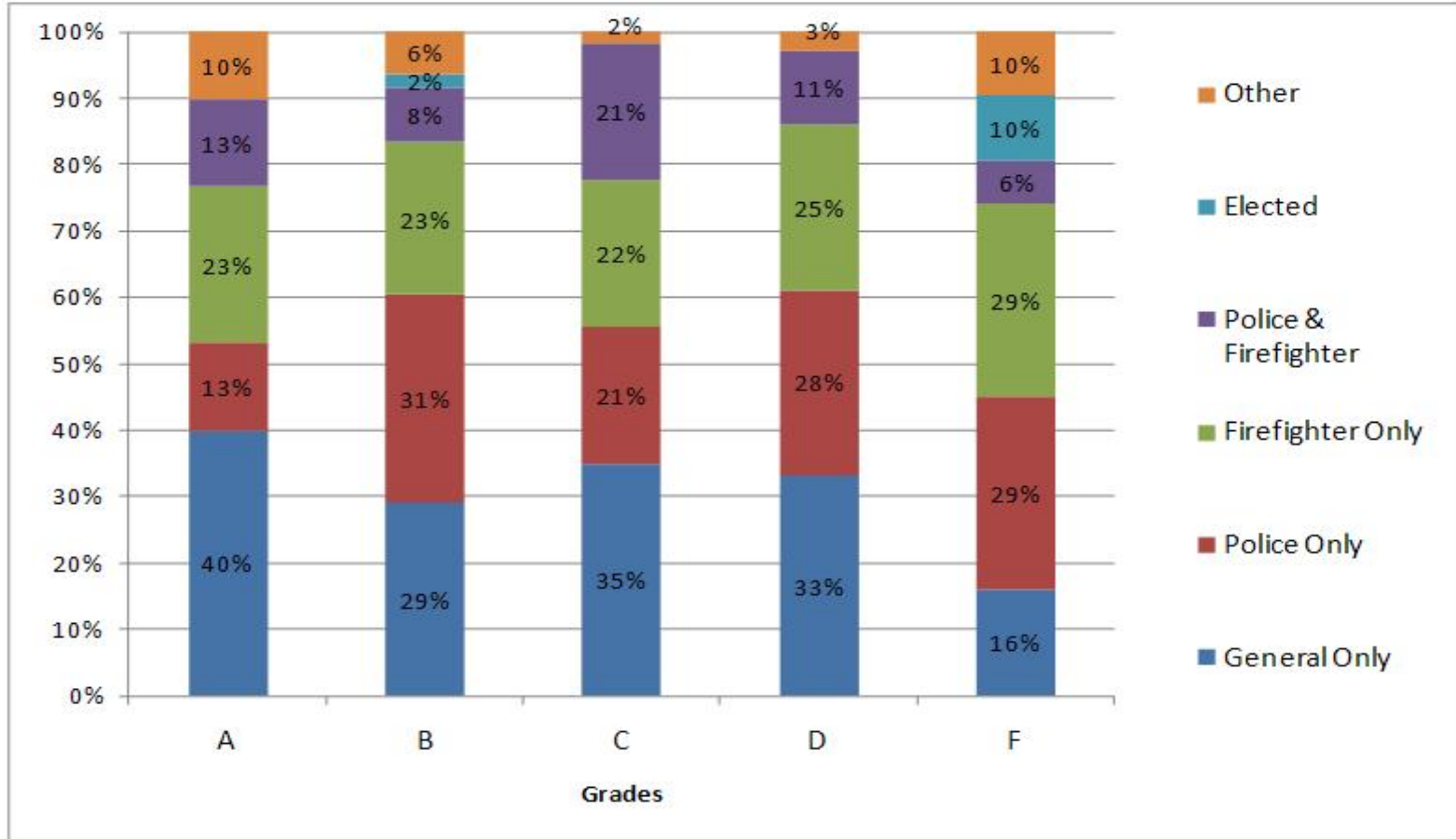
Broward Municipal Plans

Grade	Plans	%Receiving
A	3	7
B	4	10
C	19	45
D	10	24
F	6	14



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Grades & Participant Type



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Plan Costs by Grades

TABLE 4: ANNUAL COSTS OF PLANS BY GRADE

GRADE	MEDIAN COST PER PARTICIPANT
A	\$ 5,784
B	\$ 12,666
C	\$ 12,410
D	\$ 18,886
F	\$ 26,305



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Plan Costs by Participant Type

TABLE 5: ANNUAL COSTS OF PLANS BY PARTICIPANT

MEDIAN COST PER PARTICIPANT

Elected Officials	\$ 50,773
Police & Firefighters	\$ 21,738
Firefighters Only	\$ 17,819
Police Only	\$ 15,245
General Only	\$ 9,297



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Broward Plan Costs

- Low End

- Plantation General \$5,780
- Delray Beach General \$6,031
- Pompano Beach General \$7,258

- High End

- Parkland Police \$77,880
- Pembroke Pines P&F \$61,809
- Hollywood Fire \$63,270



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LCI Recommendations

Recommendations for local governments on retiree benefits:

1. The minimum age before a retiree qualifies for benefits should be gradually raised. A reasonable age to begin receiving benefits could be approximately 60.
2. Localities should not include overtime or additional earnings/bonus pay in the base salary used to calculate pension benefits.



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LCI Recommendations

Recommendations for state government on health benefits:

1. Among other options, Florida lawmakers should give much consideration to repealing current Florida law requiring the implicit subsidization of healthcare benefits for Florida local governmental retirees.
2. State oversight by a relevant state agency should be provided in statute to manage local retiree health benefit obligations. This agency should establish standards and provide technical assistance, if desired, to local government staff and local officials.



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LCI Recommendations

Recommendations for state and local governments on administration and transparency:

1. Municipalities should set a minimum contribution rate to ensure minimal contribution levels during good years and reduce the need to significantly increase contributions during periods of fiscal stress.
2. The statutory restrictions on the use of premium tax dollars that link increases in tax premium funds to the provision of additional benefits should be reduced or removed. Municipalities and counties should be able to use premium tax dollars to cover their current pension obligations.
3. Localities should improve the accessibility of funding, actuarial reporting and liabilities information to its taxpayers.



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Returning to Revenues and Spending

- Good news?
 - Economy may be improving
 - Uptick in revenues
- Bad news?
 - TABOR or worse on ballot this year
 - Lack of concern in Tallahassee about local governments



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