



2008 Annual Awards Program

Program Excellence Awards Nomination Form

Deadline for Nominations: March 14, 2008

Complete this form and attach to your descriptive narrative.

SECTION 1: Information About the Nominated Program

Program Excellence Award Category (select only one)

- Community Health and Safety
- Community Partnership
- Community Sustainability
- Strategic Leadership and Governance

Name of program being nominated: Strategic Budgeting Using Public Opinion Polling

Jurisdiction where program originated: City of Tarpon Springs, Florida

Jurisdiction population: 25,000

Please indicate the month and year in which the program you are nominating was fully implemented. (Note: All Program Excellence Award nominations must have been fully implemented by or before January 31, 2007 to be eligible. The start date should not include the initial planning phase.)

Month: September Year: 2003

Name(s) and title(s) of individual(s) who should receive recognition for this award at the ICMA Annual Conference in Richmond, Virginia, September 2008. (Each individual listed MUST be an ICMA member to be recognized.):

Name: Ellen S. Posivach

Title: City Manager Jurisdiction: City of Tarpon Springs, Florida

Name: _____

Title: _____ Jurisdiction: _____

Name: _____

Title: _____ Jurisdiction: _____

SECTION 2: Information About the Nominator/Primary Contact

Name of person who should be contacted with questions regarding the nomination:

Judy Staley

Title of nominator: Research & Information Officer Jurisdiction of nominator: City of Tarpon Springs

Street address: P. O. Box 5004 ; 324 E. Pine Street

City: Tarpon Springs State/Province: FL

Zip/Postal code: 34688-500 Country: USA

Telephone: 727-938-3711 Fax: 727-937-8199 E-mail: jstaley@ci.tarpon-springs.fl.us

**STRATEGIC BUDGETING USING PUBLIC OPINION POLLING
ICMA 2008 ANNUAL AWARDS
STRATEGIC LEADERSHIP AND GOVERNANCE**

When Ellen Posivach was hired as the City Manager for the City of Tarpon Springs, Florida, in 1999, one of her first tasks was to begin working on the FY 2000 budget. She sought input from a number of sources including city commissioners, citizens, businesses and employees. Each department director was asked to hold their proposed budget to the level of funding that had been approved for FY 1999, excluding salary and benefits for existing personnel.

When the proposed budget was presented to the Commission, the Mayor took the lead in the work sessions, emphasizing that detailed questions were to be reviewed with staff in advance. This tactic significantly reduced detailed public discussions. However, at the eleventh hour, numerous representatives of special interest groups showed up at the budget hearings to lobby for additional funding for the library and performing arts programs. As a result of these demands, the Commission directed the City Manager to rebalance the budget to accommodate the increased funding for these services.

The identical set of budget related issues continued for the next several years. In late 2002, Ms. Posivach was able to gain commission support for a citizen opinion survey to be conducted by a nationally recognized political scientist from the University of South Florida. The survey was conducted in January and February of 2003. Questions concerned the quality of services in the city and the relative importance of each type of service provided by the city. Residents were also asked about their preferences regarding user fees and property taxes and their views on increasing fees and taxes versus cuts in services. Results were tabulated by length of residency, residency status (year-round or seasonal), location of residence, age, gender, employment status, education, race / ethnicity, annual household income and whether there were children under 18 in the home.

The University also conducted three open public forums where business owners and residents were invited to give input on how the City should reduce costs or increase revenue. This input was tabulated and made a part of their report.

Concurrently, staff tracked changes and trends in the economy. In the spring prior to September 11, 2001, the City Manager noted a distinct slow-down in economic growth, which was later seriously compounded by the ramifications of September 11th. In response to these conditions, the City Manager immediately began freezing vacant positions and shifting workloads throughout the organization. By the time we received the survey results in 2003, eight percent of the general fund positions had been frozen. Staffing

for services such as filling pot-holes, overlay work and sidewalk construction had been reduced; funding for Public Safety, Police, Fire and EMS functions had fallen behind previous levels of funding due to CPI growth, while annual funding demands for the Library and Performing Arts continued to increase. The local situation mirrored a survey conducted by the National League of Cities which showed that only about 20% of cities believed that they were able to meet budget pressures in 2003.

The results of the 2003 survey significantly guided the preparation of the FY 2004 and all future budgets since. Citizens ranked emergency medical services (89%), Fire services (89%) and police services (85%) as the most critical followed by pothole/street repair (66%), keeping businesses from leaving the city (59%) and sidewalk, curb and gutter repair (54%).

Only 35% thought library services were critical and only 5% thought theater and the performing arts were critical municipal services.

Residents identified their favored approach to meeting revenue needs as increased fees and use of our AAA rated bonding capacity over property tax increases. Residents were also asked to identify a preferred budget balancing approach when costs exceeded revenues. Their top choice was to keep current tax rates the same while cutting some services.

Interestingly, 48.6% of residents rated service quality the same and 43% rated services as better than it was 5 years before. During that period, the workforce had been reduced and department budgets had been seriously reduced or reduced through CPI erosion. The General Fund work force during this time was reduced by more than 10 percent, through attrition, and in 2008, frozen vacant positions account for about an additional 5 percent of that work force.

During this time, the City Manager had concentrated on providing training to the remaining workforce including both technical trainings and leadership skills. This enabled the organization to push decision making down to front line employees who had been trained in problem solving. The remainder of the employees have been cross-trained and the City has purchased equipment, at a one-time cost, that allows employees to operate much more efficiently. Clearly, these efforts were rewarded by the report-card from our residents.

The City Manager has also exponentially increased the amount of outside revenue that has been brought in to the City. In the nine years since she was hired through a nationwide recruitment process, competing against over 100 other professionally trained applicants, she made a strong commitment to significantly focus on the financial condition of the city, especially the opportunity to use a variety of methods to obtain outside funding.

Since then, more than \$17.9 million in funding has been obtained from outside sources. To give this figure context, it equals about one year of the average General Fund Budget between Fiscal Year 2000 and 2008. This allowed for a reduction in property taxes from Fiscal Year 2000 through Fiscal Year 2007 by 12.58 percent. In addition, during the current 2008 Fiscal Year the property tax rate was further reduced by 10.15 percent. This amounts to a total property tax reduction of 22.73 percent since Fiscal Year 2000.

Since Fiscal Year 2000 Tarpon Springs has received more than \$3.4 million in federal grants to fund such things as sewer projects, historic downtown street construction, water and wastewater infrastructure and emergency preparedness; more than \$3.3 million in state funds to support projects such as landscaping, sewer projects, and improvements to city buildings; more than \$ 4.2 million in other grants including funding of \$1.8 million for the Tarpon Springs Public Library and more than \$1 million for road improvements; and more than \$4.7 million in indirect grants including funding from HUD, the State Housing Redevelopment Partnership and Pinellas County Redevelopment.

Additionally, during the 2007 legislative session, the City Manager was able to secure a \$1.1 million direct appropriation to the city for infrastructure and federal funding for a bayou erosion restoration effort of \$1.075 million.

The City Manager also led an effort on behalf of the City to change a longstanding policy of the Southwest Florida Water Management District that prohibited funding for local government water projects and secured a \$20 million grant for a reverse osmosis water treatment plant. This funding will offset a considerable portion of the bonding debt for this project.

The City of Tarpon Springs has term limits for elected officials, but even as Commissioners have come and gone, the budget process has been guided since 2003 by the citizen opinion survey results and by the former Mayor's approach of having elected officials do their homework in order to avoid moving line item by line item through the budget. This allows the elected officials to set broader policy oriented goals for the budget process.

The City Manager continues to focus on these types of positive efforts. The City of Tarpon Springs is very proud of these accomplishments.