



PASCO COUNTY, FLORIDA

"Serving Our Community to Create a Better Future"

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July 14, 2015

Honorable Chairman and Members
of the Board of County Commissioners
37918 Meridian Avenue
Dade City, Florida 33525

Dear Commissioners:

I am pleased to provide you with the proposed comprehensive Pasco County Budget for the Fiscal Year October 1, 2015, through September 30, 2016 (FY 2016), submitted in accordance with Section 129.03(3), Florida Statutes. The proposed budget, net of interfund transfers and interfund revenues, is summarized as follows:

	Budget	% of Total
Operating	\$ 451,315,411	34.4%
Capital	315,704,892	24.1%
Debt Service	40,605,263	3.1%
Reserves	503,265,511	38.4%
Total	\$1,310,891,077	100.0%

The Proposed Budget reflects an increase of 7.7% over last year. A majority of the increase is due to increases in both the capital and reserves categories. The major increase in capital is due primarily to the re-budgeting of \$30m of Development Services capital projects. Reserves increased primarily in the Utilities Services Branch as revenues were greater than expenses. The operating budget has remained relatively the same as last year (0.8% decrease) to allow for maintenance of existing levels of service and some modest increases in funding for direct customer service delivery enhancements, continued investments in renewal and repair of Pasco County's infrastructure, and enhanced public safety. The FY 2016 Proposed Budget is a financial plan designed to advance the organizational mission of *Serving Our Community to Create a Better Future*.

New construction has provided the majority of the growth in Pasco County ad valorem revenue, accounting for approximately 79% of the increase. Only 21% is due to increased valuations of existing properties, due to the large percentage of structures protected under Save Our Homes. In FY 2015, 71.2% of our tax base was residential and 52.1% of those

homes were homesteaded. The taxable value of those homesteaded properties is capped at CPI (Consumer Price Index), which is 0.8% this year according to the Property Appraiser (Department of Revenue.)

The FY 2016 Proposed Budget was developed based on an analysis of financial conditions of the past, present, and a forecast for the anticipated future. The guiding principle is to maintain resources in the organization at sustainable levels to assure that fundamental services are appropriately delivered this year and estimated for the next four years.

The Budget Document includes hundreds of pages full of facts and numbers that align our core values, programs, and investment priorities with the County's Vision, Strategic Plan, and Annual Business Plan. It also details the financial story of the services we provide to our estimated 485,331 citizens (according to the U.S. Census Bureau) and the thousands of businesses operating here. The Budget is more than just a compilation of "bottom line" numbers. It reflects the priorities of our citizens and businesses as identified through the National Citizen Survey (see summary in Exhibit H.) It is the foundation upon which we annually establish our connection to our community. It is the single most important document produced by the County. As you read through the Budget, I am sure you will agree that Pasco County is meeting our mission of "*Serving Our Community to Create a Better Future.*" A summary of the entire Budget, broken down by fund, can be found in Exhibit A.

Discussion of Revenues

Revenue estimates for all of the governmental funds are prepared by the responsible departments and reviewed by the Office of Management and Budget (OMB). Throughout the year, OMB tracks over 150 individual revenue line items. This data is used during the budgeting process, along with information received from Federal, State, and other local government agencies, to identify trends in revenue receipts. A very conservative approach is taken, so as to not overestimate revenue, using the lowest of estimates in the event that projections from other agencies exceed the estimates prepared internally, or vice versa.

Available funding sources to fund the Adopted Budget come from multiple revenue types in 82 separate funds. See Page 5 of the Operating Budget document for a listing of all funds. 77% of the proposed revenue comes from Special Revenue, Enterprise, Debt Service, or Internal Service Funds. These funds are each balanced to their revenue source independently. Ad valorem—based (property tax) funds makes up the remaining 23% of the total budget. See Exhibit A for a Summary of Revenues and Expenses *by fund*.

Only 4 of the 82 funds will derive some revenue from ad valorem assessments (directly or indirectly): the General Fund (B001), the Municipal Service Fund (B102), the Capital Improvement Fund (B301), and the Fire Municipal Services Taxing Unit (MSTU) (B119). The Proposed Budget for FY 2016 maintains the same millage rate as last year (7.3441) in the General Fund. This millage rate generates \$7.7M in new tax revenue. The proposed aggregate millage rate (weighted average of the two millage rates for the current property values) is above the "rolled back" aggregate rate and requires advertisement of a tax increase. The "rolled back" millage rate would represent the millage rate that would generate the same property tax dollars as the previous year, exclusive of new construction. A summary of the recommended millage rates for these funds is shown on the next page.

	2015 Actual Millage	2016 Rolled-Back Rate	2016 Proposed Millage	2016 Percentage Above Rolled-Back Rate
General Fund	7.3441	7.2659	7.3441	1.08%
Fire MSTU Fund	1.7165	1.6679	1.7165	2.91%
Aggregate	8.9380	8.8839	8.9409	0.64%

The Aggregate Millage Rate sums all of the ad valorem taxes levied by Pasco County (General and Fire) and divides it by the total taxable value of the County and converts it to a millage rate in order to determine an “average” tax rate that a citizen would pay. Since the total taxable value increased from 2015 to 2016, generating additional taxes levied for the same millage rate, the 2016 Proposed Aggregate Millage is greater than the 2015 Actual Aggregate Millage, even though the millage rates have not changed from 2015 to 2016.

As Pasco County continues its slow recovery from the recession, we must continue to find efficiencies in our service delivery and prioritize any new expenditures. The National Citizen Survey results (Exhibit H) continue to indicate that citizens consider public safety their number one priority, roads their second priority, and all other government services follow from there. Therefore, this Budget divides the new property tax revenue in the General Fund into three allocations: the Tax Increment Financing (TIF) Districts and Community Redevelopment Areas (CRAs), the Pasco Sheriff’s Office, and to general government and the other Constitutional Officer requests. In 2011, the Board of County Commissioners adopted a Countywide TIF District, where the County sets aside 33.3% of the growth increment from the base year for transportation improvements. TIF Districts were also created for the Villages of Pasadena Hills and the Trilby-Lacoochee areas. Once those TIF/CRA payments are taken off of the top from the total new property tax growth, the remainder is divided 50/50 between the Sheriff and the County.

During preparation for the FY 2016 budget, several initiatives were identified that required new funding. See Exhibit E for 13 of the 21 Business Plan Initiatives (BPIs) that have been funded. Some of the BPIs are funded by enterprise funds that can afford the increased expenditures. Some of the BPIs within the General Fund are one-time expenditures which can be funded with fund balances. Unfortunately, a few of the proposed public safety initiatives with recurring expenditures cannot be afforded within the current millage rate and, therefore, are not included in the base budget proposal. In addition, the Pasco Sheriff’s Office requested funding to implement the Evergreen Salary Study. Unfortunately, the implementation cannot be afforded within the current base budget. In order to fund these initiatives, the Board would need to either make significant cuts to current levels of service or increase the millage rate. A summary of these initiatives, their associated costs, and required millage is shown below.

Initiative	Recurring Costs	Millage	Funding Source	% Increase
Sheriff’s Full Request ¹	\$3,888,049	0.1915	General Fund (B001)	1.58%
Rescue 39 ²	\$471,551	0.0232	General Fund (B001)	0.32%
Code Compliance ³	\$203,095	0.0100	Municipal Svc Fund (B102)	0.14%
Fire Station 38 ⁴	\$1,137,254	0.0602	Fire MSTU Fund (B119)	3.51%

1. The Sheriff's full budget request is \$104.2M which includes a 3-Year implementation of a Salary Study at approximately \$5.8M per year. The Sheriff's base budget is \$96.1M (the FY 2015 Adopted Budget of \$97.6M minus a one-time expense of \$1.534M for health insurance reserves.) The current millage provides recurring funding to the Pasco Sheriff's Office of \$2.7M and the Board will fund the Sheriff's capital request of \$1.486M for a total proposed budget of \$100.3M. An additional \$3.9M is needed (\$104.2M requested minus \$100.3M proposed.)
2. The area served by Station 39 in Heritage Springs has the longest response times in the County system, as rescue calls are handled by adjacent stations. Adding a Rescue to this station will improve response times. The Station already has a bay and the ambulance can be purchased from Penny for Pasco. Therefore, the recurring cost of \$471K is for the 7 personnel and the necessary disposable supplies.
3. The Code Compliance initiative is to create a Strategic Code Response Team to target blighted areas and specific operations (vs. regular zone complaint response) to enhance public safety and economic redevelopment. The first year would require the purchase of vehicles and computer equipment that could be purchased from fund balance. The recurring costs of \$203K are for 4 Code Enforcement Officers and ongoing vehicle costs.
4. The Central Pasco area that would be served by Fire Station 38 (in Watergrass) is currently being served by three stations in the greater area. None of these stations are within six miles of this rapidly growing area. Residents in this area are paying higher property insurance rates as a result. The Station could be constructed and the fire truck purchased with Fire Impact Fees. The recurring costs are for the 12 personnel required to staff the unit 24 hours day on 3 shifts and the associated ongoing operating costs.

If the Board and the citizens of Pasco County wish to fund these public safety initiatives, the General Fund millage rate would need to be increased by 0.2247 to 7.5688 (3.06%). The Fire MSTU Fund millage would need to be increased by 0.0602 to 1.7767 (3.51%). The impact of these public safety increases is approximately \$28.49 per year for an average homeowner in unincorporated Pasco County (based on a \$150,000 home with a \$50,000 exemption.)

Discussion of Fund Balances

Fund balance estimates are prepared prior to the submission of the Proposed Budget in early July, and are revised during the Budget adoption process prior to the final public hearing in September, in an attempt to provide the most accurate estimates possible. A fund balance is estimated for all funds for which a budget is prepared, with the exception of grant funds. Care is taken not to overestimate fund balances which could lead to revenue shortfalls, while at the same time, avoiding underestimating fund balances which could lead to unnecessary tax or fee increases. The process requires the revenue tracking procedures mentioned above and the best estimates of expected expenditures from various operating departments for the current fiscal year. Departments are encouraged to be frugal and find the most cost-effective means of delivering essential services during the year. This allows unutilized operating funds to be returned to fund balance for next year department operating expenses.

Fund balances for each fund are shown in the Summary Section of the Budget Document or Exhibit A. Once OMB has received the Comprehensive Annual Financial Report (CAFR) after the new fiscal year begins, and any material variances between actual and budgeted fund balances are identified, necessary adjustments to the Budget are processed in the form of Budget Resolutions approved by the Board of County Commissioners.

Additionally, fund balances accrue in capital accounts in order to fund large projects. Pasco County typically uses a pay as you go approach for road and facility projects, so the funds accumulate in the account until sufficient funds are available to award construction of the project.

Discussion of New Expenditures

As discussed previously, Pasco County is slowly recovering from the recession. Therefore, we must continue to find efficiencies in our service delivery and prioritize any new expenditures. The National Citizen Survey results (Exhibit H) continue to indicate that citizens consider public safety their number one priority, roads their second priority, and all other government services follow from there. Therefore, this budget allocates the new revenue in the General Fund in thirds: to the Pasco Sheriff's Office, to roads, and to general government and the other Constitutional Officer requests.

Consistent with Pasco County's Strategic Plan for FYs 2013-2017, the Proposed FY 2016 Budget reflects Business Plan Initiatives, projects, and operational enhancements.

Enhancing Quality of Life

Public Safety

Residents continually rank public safety as their number one priority. This Budget prioritizes public safety and reflects an increase in funding to the Pasco Sheriff's Office (PSO) and to Pasco Fire/Rescue (PFR). Throughout the lean years, Pasco County has continued to invest in public safety. Public safety expenditures account for 59% of ad valorem funded expenditures (General Fund and Municipal Fire Service Fund Expenditures - See Exhibit C.)

- The Proposed Budget includes an increase of \$2.6M for the PSO. This should be sufficient for mandated retirement rate increases and a wage adjustment for deputies and civilian personnel consistent with the 3% proposed for County staff. We agree with the Sheriff that it is important to retain highly qualified and well-trained deputies. Unfortunately, funds for implementation of the Salary Study conducted by the Sheriff are not available under the current millage rate.
- The Proposed Budget also includes \$1.4M in capital one-time spending from fund balance for the closed circuit television (CCTV) for the jail and maintenance for the aviation unit.
- The FY 2016 Proposed Budget continues funding for two successful programs that were initiated as pilot programs last year in conjunction with the PSO. The Unlicensed Contractor Initiative funds a deputy to assist in the apprehension of unlicensed contractors. The Inmate Work Initiative funds a correctional officer to supervise a crew of inmates that perform various duties in the County such as cleaning animal cages and landscape maintenance.
- During FY 2015, the Board of County Commissioners authorized eight new Emergency Communications Officer positions in response to increased calls for service in the Consolidated Emergency Communication Center. An Assistant Communications Director position was also created. The PSO is providing a lieutenant to staff this position in order to provide improved oversight to law enforcement calls. Pasco County will reimburse the

PSO for the costs of this position. In order to ensure enhanced call quality and training, the Compliance Division was created and a Compliance Manager and two Compliance Specialist positions were created. These 11 new positions are funded for a full year in the FY 2016 Proposed Budget. The total recurring costs for these enhancements is \$624K.

- The PFR budget was increased by \$2.1M. This includes full ongoing funding for 18 Firefighter/Paramedics hired under the Staffing for Adequate Fire & Emergency Response (SAFER) Grant (\$702K), hiring of an additional Fire Inspector to keep up with the increase in fire inspections, new training software, medical supplies, replacement equipment, and salary adjustments for staff.
- The Office of Emergency Management (OEM) and the Public Information Office will split fund a Public Communications Specialist (\$56K) in order to improve education to residents on emergency preparedness and provide accurate and timely information during an emergency; and assist the Public Information Officer (PIO) with day-to-day media communications, promote County services, photography-video, branding, and various public outreach campaigns.
- The County will be issuing a request for information this summer for the construction of the jail expansion and the central criminal courts facility.

Public Services

- The Public Services Branch is being reorganized to better align with needs, resulting in the elimination of the Community Services Department Director position and addition of a Program Administrator instead, and other minor changes resulting in a net savings of \$45K.
- In FY 2015, Pasco County hired a consultant (AECOM) to prepare a Parks and Open Space Master Plan to be used in guiding future development. The plan development process included extensive public engagement. The Master Plan recommends completion of projects previously promised under the 2001 Parks Plan and identifies additional amenities to be completed in anticipation of growth. Unfortunately, there are insufficient funds for capital construction and operations. An implementation plan is being developed for discussion and action in the coming year.
- Consistent with the recommendations of the Master Plan, the Environmental Lands Division was consolidated with the Parks Department to create the Parks, Recreation, and Natural Resources (PRNR) Department. This merger will encourage the leveraging of the County's environmental assets for use as passive parks and open space. This merger also created two new positions. The Natural Resources Division Manager will oversee the 12 passive parks, 3,300 acres of environmental lands, 15,000 acres of open space, the Natural Resources Regulation Program, and the Environmental Lands Acquisition and Management Program (ELAMP.) The Program Coordinator will report to the Fiscal and Administrative Services Division and help to coordinate implementation of the Master Plan. Funding for these two positions is included in the Proposed Budget.
- The FY 2016 Recreation Division Budget includes a reduction in non-competitive athletic league fees to pre-recession levels. This \$70K loss of revenue is offset with ad valorem revenue.

- The FY 2016 Proposed Budget continues to address one-time capital maintenance needs as initiated last year, with \$389K in the Parks Department Operating Budget for this year's priorities to ensure public safety. Three projects which cost \$50K or over are included in the Capital Improvement Plan (CIP.)

The County continues to utilize Public Private Partnerships (3P) in order to deliver quality of life services that we would be unable to provide on our own.

- The beach at SunWest Park is complete. Pasco County's contractor is finished and the Wake Park Project is installing their infrastructure. SunWest Park will begin operations in July of 2015. This park will return revenue to the County that can be reinvested in additional amenities as the phases of the project build out.
- The Sports Park at Wiregrass operator failed to secure the necessary funding in FY 2015. Pasco County hired Johnson Consulting to provide guidance on the appropriate mix of facilities. We will move forward to find a new partner for this project this fall.
- The Starkey Ranch District Park and Library Theatre will be developed in phases depending on funds availability. The private partner, WS-TSR, LLC, will build and operate the facility for the first few years while the economy recovers and the County prepares to take over responsibility for operations. Bids were received and work on the first phase of the park amenities will begin in the summer of 2015.

Creating a Thriving Community - Upgrading and maintaining the County's Infrastructure is one of the most important aspects of running an efficient and responsible County. The Five Year CIP is the fiscal blueprint for both major and minor infrastructure improvements, new construction, and capital maintenance projects designed to create a thriving community and preserve our quality of life.

Business Unit	No. of Projects	FY 2016 Budget
Constitutional Officers	7	\$ 2,854,294
Development Services	99	174,150,327
Internal Services	9	18,429,578
Judicial	2	449,365
Public Safety and Administration	10	22,918,435
Public Services	24	15,684,657
Utilities	38	64,603,187
Total	189	\$299,089,843

Staff continues to work diligently to evaluate the condition of County capital assets and prepare long-term plans to address deficiencies. Staff has developed ranking criteria for each type of infrastructure and has scored and prioritized the projects. Please see the CIP for more details. Several key initiatives are underway in support of this effort.

Facilities/Internal Services

- A comprehensive Facilities Master Plan (FMP) was completed this year. In FY 2015, we began to set aside funds in the Capital Improvement Fund (\$3,500,000) as a start for saving for these needs. We have used those funds to make minor floor plan changes in order to provide space for staff authorized last year to deal with growth pressure. Unfortunately, the Master Plan identified the need for several major projects including the Central Criminal Courts Facility and a jail expansion. We do not have funding for these projects. We will be soliciting for a private partner(s) to assist us in addressing these project needs.
- The Proposed Budget includes \$1.15M in the Capital Improvement Fund (B301) in order to fund the next phase of smaller departmental moves recommended in the FMP.
- The Facilities Management Department Operations Budget includes \$467K in one time funding for smaller capital maintenance projects, including \$259K for PSO facilities maintained by the County.

Public Transportation/Public Services

- In accordance with the recently adopted Transit Development Plan, we will be adding the new Moon Lake Connector route service beginning in FY 2016. Penny for Pasco funds will be used to acquire two new buses. The initiative includes five new full-time transit operators and fuel and maintenance (to be funded with Transportation Tax increment financing) at a cost of \$178,200 in the Transportation Fund (B141.)
- In addition, two dispatchers have been added to handle the increased volume of customer calls and improve call answering time and customer service.

Public Works

- The FY 2016 Road and Bridge Fund (B107) is fully funded primarily by the First Local Option Gas Tax (LOGT) and includes the third and final year of funding to purchase additional capital equipment (\$460K) necessary to support the Road and Bridge Department and restore Levels of Service to pre-2008 levels.
- The Proposed Road and Bridge Fund (B107) Budget also includes \$258K for an additional truck and materials for crack sealing for the East side of the County. Pasco County is responsible for maintenance of 801 lane miles of collector and arterial roads. 261 lane miles are in need of repaving, which is funded at the rate of 24 lane miles per year or \$5M per year from Programmed Maintenance. Over the next 10 years, the other 540 lane miles will continue to age to 20-30 years. If we begin crack sealing of these roads now, we hope to be able to add an additional 5-10 years to the life of the road. \$2.4M of repaving has been deferred with the crack sealing that has been accomplished in West Pasco over the past year.
- The Road and Bridge Fund also includes the addition of a Project Specialist to assist in capital project expense tracking and implementing more paving assessment projects, as requested by the citizens for paving of residential roads. Pasco County has a backlog of

residential road paving requests and we are attempting to speed up the process through process improvements and put more projects out to construction.

- The Proposed Budget for the Stormwater Enterprise Fund (B193) includes the addition of a crew (seven positions) for major maintenance of the stormwater systems located away from roadways that convey large amounts of stormwater. These systems vary in size but are generally at least 50 feet wide and have not been maintained in many years. Over the past few years, we have used a contractor for this work at an annual cost of \$1.5M per year. This initiative will cost \$1.5M in year one, which includes approximately \$600,000 for contracted services, and \$900,000 for capital equipment and the seven positions for a part of year one. Year two ongoing costs will be reduced to approximately \$355k per year. Therefore, this initiative increases efficiency and provides an annual savings of \$1.1M per year. The savings will be used in year two to increase the replacement rate for failed infrastructure.
- The Proposed Budget for the Stormwater Enterprise Fund (B193) also includes the addition of a crew (five positions) for culvert inspections. The County National Pollutant Discharge Elimination (NPDES) Permit issued by the Florida Department of Environmental Protection (FDEP) requires the entire drainage system Pasco County maintains to be inspected every 10 years, or 10% each year. Two years ago when the NPDES Permit was reissued and the inspection frequency added, we began the use of a combination two-man culvert crew to inspect culverts with assistance from in-house crews to prep the culverts for inspection. We are unable to inspect 10% of our infrastructure using current assets, so we will be out of compliance with our NPDES Permit. This initiative will cost \$600,000 in year one to include the cost of capital equipment. Year two ongoing costs will be reduced to approximately \$190,000 per year and place us in compliance with our NPDES Permit.
- The Proposed Budget includes an increase in the Stormwater Assessment of \$10 per equivalent residential unit (ERU), for a total of \$57/ERU. These funds are necessary to continue the major system maintenance described above and required under the County's NPDES Permit, to provide funds for continued basin studies, to continue small capital projects such as culvert replacements, and for design and permitting of major maintenance projects. For example, the Stormwater Fund has spent approximately \$353K for design and permitting of the Timber Oaks Drainage Improvement Project. The construction of that project is included in the CIP and will be funded by the residents with a separate Municipal Services Benefit Unit (MSBU), and hopefully be offset by cooperative funding with the Southwest Florida Water Management District (SWFWMD.)

The Pasco County Public Works Landscape Crew received the "Project of the Year" award from the Florida West Coast Branch of the American Public Works Association (APWA.) The APWA Award was for the David "Hap" Clark Bridge Repair Project in the 2014-2015 Disaster or Emergency Construction/Repair award category.

Utilities

- The Pasco County Water and Wastewater systems continue to grow along with new construction. Although much of that new construction is accomplished by developers, it is then turned over to the County for operations and maintenance (O&M.) Other significant increases in O&M costs are commissioning of new infrastructure. There are several

initiatives included the Utilities Water and Sewer Enterprise Fund (B401) for the Proposed Budget.

- The Utilities Engineering Services Department will be initiating two major studies in FY 2016. The Wastewater Master Plan is intended to address growth and development of the past 10 years and plan for future growth. A consultant will also be hired to review the Total Enterprise Asset Management (TEAM) implementation. The study will gauge the utility's progress, identify gaps, and make recommendations to optimize TEAM implementation. A Project Manager will be added to perform system planning and manage hydraulic modeling projects for the Planning & Service Commitment Division.
- A realignment of staffing is proposed within the Utilities Engineering Services Department to better support the Operations and Maintenance Department. The Operations and Technical Services Division will include existing positions that work to improve engineering support for system planning, renewal, and replacement. An existing Technical Specialist position has been converted to an Engineering Manager position in order to lead the Division.
- This Budget provides for full commissioning and operation of the new Boyette Reclaimed Water Reservoir, which is anticipated to begin operation on or about October 1, 2015. New major operational expenses include additional contract personnel, electrical power-related to a new high service pump station, chemical costs, and regulatory compliance activities.
- A flat bed jet truck will be purchased (\$154K) to utilize within neighborhoods to improve response times, increase service calls, and reduce the potential for private property damage. The truck will be operated by existing crews in Operations and Maintenance.
- The new Utilities Administration and Customer Service building opened in June after 10 years of planning. This provides for delivery of improved customer service in Central Pasco County. In addition to continuing full customer service staffing at the West Pasco Government Center and our existing Dade City office, we have added four Customer Service Specialist positions to staff the new Land O' Lakes location as well as to assist with the call center activities.
- In order to make additional improvements to customer service delivery and in response to criticism from customers, as well as recommendations from auditors, we are making significant investments in the support activities of the Customer Information and Services (CIS) Department. In addition to the four positions above, six temporary Customer Service Specialist positions have been authorized and included in the Budget to assist with customer calls and billing activities, while refinements are being made to the CIS for online self-service. One Accountant II has been authorized to assist with financial reconciliation. Funds are programmed for training and materials on customer service for all department staff members.

Stimulating Economic Growth – Pasco County’s existing property values have increased again this year. See Exhibit D for a summary of historical property values. Additionally, new construction in 2014 (\$443,871,763) was more than 2013 (\$368,157,604.) The average increase of 4.9% results in an increase in property tax revenue of \$7.7M, based on the same millage as last year. As noted previously, new construction has provided the majority of the growth in Pasco County ad valorem revenue, with approximately 79% of the increase in revenue due to new construction.

- In 2015, we began collecting proceeds from the renewed Penny for Pasco. As approved by the voters, 20% of the County’s share of the revenue, or an estimated \$5.5M per year, was used to establish the Jobs and Economic Opportunities (JEO) Trust Fund. Implementation of the plan has begun. Pasco County has participated with Duke Energy and the City of Zephyrhills in a site readiness exercise for the Zephyrhills Airport industrial area. We have been working with stakeholders from the Pasco Economic Development Council (PEDC) and the development community to create site readiness criteria for use in issuing and evaluating a request for proposals later this summer.
- In order to provide enhanced focus on economic development and tourism development, the Strategic Policy Administrator will be spending 50% of his time on economic growth and 50% on other strategic initiatives for the County. Therefore, an additional Full Time Equivalent has been added for the Strategic Policy Administrator so that the position of Planning and Development Director can be advertised for a new hire.
- In response to the increased demands for growth in development activities, we have funded additional staffing for several departments under the Development Services Branch. On August 19, 2014, the Board approved an updated fee schedule so that we can appropriately reflect the true cost of doing business in this Branch and minimize the impact to our residents.
 - A Transportation Planner II has been added to Current Planning Fund (B102) in order to improve the time for review of transportation impacts of new development.
 - Nine positions have been funded in Building Construction Services Enterprise Fund (B104) to improve permitting and inspection services.

Pasco County received four awards at the 23rd Annual Future of the Region Awards ceremony held in the Hilton St. Petersburg Carillon Park on Friday, March 27, 2015. The Future of the Region Awards Program provides honor and recognition for notable achievement in the public and private sector for resource planning and management in the Tampa Bay region. Pasco County was honored with the following awards at the event:

- Development and Infrastructure Category - 1st place, Planning and Development, MUTRM (mixed use trip reduction measures);
- Going Green Category - 1st place, Resource Recovery, Waste to Energy;
- Community Service Category - 2nd place, Elderly Nutrition, Volunteers: Our Best Resource; and
- Honorable Mention, Pasco Economic Development Council, Smart Start Incubator

Pasco County was awarded new funding to clean, revitalize, and assess brownfields in the County. The U.S. Environmental Protection Agency (EPA) selected Pasco County for two

Brownfields Grants totaling \$595,000. Pasco was the only community in the nation to be awarded both an assessment and a cleanup grant. Targeted assessment hazardous substances and petroleum grant funds (\$400,000) awarded to Pasco County will be used to inventory brownfield sites, perform environmental site assessments in the Harbors area, and conduct community outreach activities. The EPA also selected Pasco County's Lacooshee Community Center Cleanup project (\$195,000) to remove soil contamination discovered during the construction of the Lewis Abraham Community Center.

Improving Organizational Performance - As we push our economy forward, we must consider the multiple factors that foster and support economic development, and understand that those factors are more than brick and mortar projects. I believe that our employees are both the County's greatest asset and our most important investment in providing services to our community. It is imperative to recognize that County employees are continuing to serve our community well, and performing admirably in our revitalized and fast-paced environment.

- As part of the FY 2016 proposed budget, I am recommending an increase in staffing for key areas of the County and reorganizing others. Please see Exhibit G for a complete summary of all Staffing Changes.
 - 25 positions in the *Development Services Branch*, 9 are in the Building and Construction Services Enterprise Fund (B104) for increased service demands related to the recovering economy, and 12 are in the Stormwater Enterprise Fund (B193) for major maintenance; see the Development Services Section (Page 91) for additional details.
 - Six positions in the *Internal Services Branch*, three are due to reorganization from other departments and two are for the Fleet Business Plan Initiative; see the Internal Services Section (Page 119) for additional details.
 - 15 positions in the *Public Safety and Administration Branch*, including 11 positions in the Consolidated Emergency Communications Center as previously described; see the Public Safety Section (Page 139) for additional details.
 - A net increase of one position in the *Public Services Branch* as a result of a major reorganization. Five additional bus driver positions as well as two dispatchers in the Public Transportation Department and a reduction of 11 positions in the Community Development Department due to reorganization and reduction of Federal funds; see the Public Services Section (Page 165) for additional details.
 - Ten positions in the *Utility Services Branch*, five positions are in the Utilities Customer Information and Services Department to reduce wait times on the phone, provide counter service at the Land O' Lakes office, and to provide for better accounting and Customer Information System improvements; see the Utility Services Section (Page 199) for additional details.

The net effect of the proposed position additions and eliminations is an increase in the position complement of 56.5 positions or a 2.6% increase over last year's Adopted Budget of 2,186.01 full-time positions. This number includes 13 position changes that occurred during the past year. The total of 2,242.51 positions in the FY 2016 Proposed Budget is still 21.99 positions below the 2,264.50 positions in the FY 2008 Budget. These additions will serve to restore the staffing level to a more suitable level for the continued increase in the volume of work that we now recognize as the new normal as the County continues to grow.

- The Proposed Budget for personnel includes a 3% wage adjustment for all employees. Pasco County is modifying its performance evaluation system and we plan to implement performance-based one-time bonuses in FY 2017 (for the FY 2016 performance year).
- Changes in retirement rates (Florida Retirement Service) were mandated by the State. The rate table below reflects the weighted average rates used for budgeting purposes as compared to the prior budget. The weighted average rates are reflective of the rates that went into effect on July 1, 2015, and the preliminary estimate of the rates scheduled to go into effect on July 1, 2016. The actual July 1, 2016, rates will not be determined until the conclusion of the 2016 State legislative session. The total increase for County departments and divisions due to retirement rate increases is \$355,128.

	Regular	Special Risk	DROP	Elected
FY 2015	7.43%	20.01%	12.54%	44.08%
FY 2016	7.33%	22.26%	13.10%	43.07%

- In October 2013, the County moved to a self-insured health plan. Since then the plan has proven to be solvent and fiscally sound. As a result of a second year with good claims experience and sustainable plan design, we were able to reduce annual premiums by over \$2,000 for employee plus spouse, children, and/or family coverage. Additionally, after going live in December 2014, the employee wellness centers have seen continued increased utilization and positive feedback from participants, thus resulting in fewer visits to outside facilities. Between the two factors mentioned above, the County has been able to offer more affordable care and provide better benefits to our employees and families.
- 21 Business Plan Initiatives were originally proposed by County departments. Funding for 13 Business Plan Initiatives are included in the Proposed Budget. The Business Plan Initiatives are tied directly to the Pasco County 2013-1017 Strategic Plan and I have already discussed many of them throughout this document. Five of the Business Plan Initiatives (\$156,102) will technically be funded directly or indirectly through Ad Valorem Taxes but due to the good work of our departments and the increased property values, we have been able to fund all of them within the same millage as last year. A summary of all the FY 2016 Business Plan Initiatives is provided in Exhibit E.

Constitutional Officers

Additional appropriations are shown in conjunction with the budget requests of all Constitutional Officers. All of the Constitutional Officers' Budgets are funded as requested, except the Pasco Sheriff's Office, and include the increase in retirement rates and wage adjustments.

The Proposed *Pasco Sheriff's Office* Budget includes an increase of \$4.2M, instead of the \$8.1M as requested. This should be sufficient for mandated retirement rate increases and a wage adjustment for deputies and civilian personnel consistent with the 3% proposed for County staff. We agree with the Sheriff that it is important to retain highly qualified and well-trained deputies. Unfortunately, funds for implementation of the Salary Study conducted by the Sheriff are not available under the current millage rate.

The Budget of the *Supervisor of Elections* reflects a 13.7% increase over the FY 2015 Budget. The reason for this increase includes temporary staff and overtime of existing staff for the three major elections in 2016 (the Presidential Preference Primary, the Primary Election, and front-end preparation for the General Election); annual staff increases (1% to 5% depending on tenure); and increased retirement rates (determined by Florida Statute.)

The *Clerk and Comptroller's* FY 2016 Budget request of \$3,398,561 is consistent with that of FY 2015, together with a 7.8% net increase to cover increases in costs for providing services to the Board of County Commissioners. Revenue sources, other than those that are court-related, remain static as a result of slow, post-recession economic growth and legislative action. A total 3% decrease in court-related revenue is anticipated in FY 2016 due to an overall decrease in revenue-generating court filings. Customer needs and State performance measure requirements, however, remain constant. 3% increases have been budgeted for teammates to help minimize turnover and attract talented applicants.

The FY 2016 Budget of the *Property Appraiser* reflects a 2.8% increase over the FY 2015 Budget. The increase can be contributed to budgeting a 5% raise for employees, new and replacement I.T. capital items, and a consulting agency to provide needed I.T. programming services. These increases were partially offset by decreasing the budget needed for office and operating supplies.

The amount shown for the *Tax Collector* is an estimate prepared by OMB of the tax collection fees we will be required to pay. The Budget for the Tax Collector's Office is not required to be submitted until August 1st.

Judicial

Funding for most court-related functions is provided through four fees:

- A \$65 surcharge on court costs for felony, misdemeanor, and criminal traffic offenses. This fee is divided evenly among four programs: Teen Diversion, Court Innovations, Legal Aid, and the Law Libraries. We believe annual collections will provide approximately \$380,000.
- An additional \$3 surcharge on court costs to be used exclusively for Teen Court. This fee was adopted by the County Commission on July 1, 2005. This surcharge is budgeted to generate \$95,000.
- A \$4 fee on document recording, of which the County receives \$2, to fund Court Technology expenses, including those of the State Attorney's Office and the Public Defender's Office. The County's portion of this fee is expected to generate approximately \$712,500.
- A \$30 surcharge on traffic and criminal violations to fund court facilities. This surcharge is budgeted to generate \$950,000 per year.

Any funds remaining from the \$65 surcharge that are not expended for Teen Diversion, Legal Aid, or Law Libraries are then transferred to Court Innovations. The legal aid portion of the surcharge provides partial funding for our State-imposed obligation to fund legal services to the indigent. Since 2006, the revenue streams have gradually declined each year, while the

expenses for the Teen Diversion, Court Innovations, Legal Aid, and Law Library Programs have incrementally increased. Due to the fact that expenses were greater than the revenues, the fund balance has declined over time. This has resulted in the need to fund the Drug Court Program (\$290K) 100% out of the General Fund instead of using revenues from the Teen Court Fund.

The following items are funded by the General Fund:

- (1) Court costs that represent costs associated with cases that began prior to the implementation of Article V reorganization (none budgeted for FY 2016);
- (2) Contract with the Medical Examiner for services;
- (3) Other appropriations, such as communication costs and software enhancements, that we are required to provide but are not eligible for technology funding; and
- (4) Non-technology funding of operating expenses in the State Attorney, Public Defender, and Guardian Ad Litem Offices.

The Public Defender has requested continuation funding in FY 2016 for the program to "divert mentally ill people from the jail into appropriate treatment settings" in the amount of \$342,640, which includes a Chronic Inebriate Program at \$125,000. The funding of this program is not required under the revisions to Article V.

Budget Facts and Figures

The following is a summary of the key components of the FY 2016 Proposed Budget.

- The Budget Document includes Summary Reports and Sections for the Branches (Constitutional Officers, Judicial, Legislative/Administrative, Development Services, Internal Services, Public Safety and Administration, Public Services, and Utilities Services); Reserves; Debt Service; Capital; Countywide Expenditures; and Other.
- The Ad Valorem Millage Rate is 7.3441. This is the same millage as last year. See Exhibit F for the Ad Valorem Millage History.
- The Municipal Fire Service Unit Millage Rate is 1.7165. This is the same millage as last year.
- The Transportation Millage Rate is 0.0000.
- Property Tax (ad valorem) accounts for only 14% of the County's total budget (Exhibit B).
- Interfund transfers for the FY 2016 Budget are \$115,490,759 (see chart on next page and Page 47 of the Operating Budget Book for additional information.) Interfund transfers represent dollar amounts transferred within the County from one fund to another. These include grant matches, funding for debt payments, allocation for tax increment financing improvements, and capital improvement subsidies.

Category	Amount
Capital	\$42,081,226
Internal Service - Risk Management	28,358,982
Internal Service - Fleet	20,396,313
Indirect Cost	8,307,572
Savings from Bond Refinancing	8,026,140
Debt Service	5,668,137
Grant Matches	1,365,943
911 Call-Takers Eligible for Fee Funding	832,000
Paving Assessment Subsidy	344,708
Administration of Street Light Fund	83,000
RESTORE Act	21,233
East Pasco Law Library Subsidy	5,505
Total	\$115,490,759

- The Board of County Commissioners has set a policy for the level of reserves in four of the largest operating funds (General Fund, Municipal Service Fund, Road and Bridge Fund, and Fire MSTU Fund) equal to operating expenses for two months (16.7%). For a detailed summary of Countywide reserves, see the Reserves Section of the Budget Document.
 - General Fund (B001) Operating Reserve is \$24,454,241 (11.6%).
 - The General Fund Reserve is lower than last year due to the decision to separate Operating Reserves from required/committed reserves of \$8.5M:
 - Economic Development - \$4,500,000
 - Medicaid - \$559,863
 - Health Care Responsibility Act - \$1,402,008
 - Judicial - \$1,806,142
 - ADA - \$224,403
 - Municipal Service Fund (B102) Operating Reserve is \$5,178,604 (25.6%). Reserves are greater than the target in this fund for one year as there is sufficient fund balance to cover the \$9M shortfall between recurring revenues and recurring expenses. These reserves will be needed in FY 2017 along with annual interfund transfers from the General Fund to cover this anticipated annual shortfall.
 - Road and Bridge Fund (B107) Operating Reserve is \$7,748,301 (61.0%). Reserves are greater than the target in this fund as recurring revenues are currently greater than recurring expenses. As more roads, multiuse paths, and sidewalks are constructed, however, recurring expenses increase in order to maintain these facilities. It is currently projected that this fund will need an ongoing interfund transfer from the Tax Increment Fund beginning in FY 2020.
 - Municipal Fire Service Unit Fund (B119) Operating Reserve is \$5,722,548 (17.4%). Reserves are slightly greater than the target in this fund as recurring revenues are currently greater than recurring expenses. It should be noted, however, that the difference between revenues and expenses is not large enough to afford all of the requests for additional service, such as adding a Fire Rescue Station in the Watergrass area, etc. It is also important to have a large enough fund balance to replace aging Fire Rescue Stations throughout the County.

- The FY 2016 Proposed Budget includes changes, additions, and deletions of positions relating to re-organizations of various departments to facilitate the above-mentioned Business Plan Initiatives, streamlining our processes, and accommodating internal and external customer demands. Exhibit G summarizes the net position changes by business unit for FY 2016.
- The revenue and expenditure portions of the Budget are depicted graphically in Exhibit B. Please note that in the expenditure chart, the slice marked "Utilities" includes Water and Sewer, Solid Waste/Resource Recovery, and Street Lighting in subdivisions. Expenditures are shown net of intergovernmental charges and certain revenues are shown net of a 5% reduction as required by State law.

Public Hearings

Prior to August 4th, we must notify the Property Appraiser of the proposed millage rates and special assessments, and the date, time, and location of the first public hearing on the Budget. The proposed millage rate will be set during the Regular meeting of July 21, 2015. In keeping with previous years' policy, the first public hearing will be held in Dade City at 6:30 p.m., Tuesday, September 8, 2015. The second public hearing to adopt the Final Budget is scheduled for Tuesday, September 22, 2015, in New Port Richey at 6:30 p.m. The public hearing for the Solid Waste Assessment, Stormwater Assessment, and all Municipal Service Benefit Units (MSBUs) will be held on Wednesday, September 2, 2015, in New Port Richey at 9:00 a.m.

I would like to thank the Board of County Commissioners for allowing me to present this Proposed Budget using the same millage rates as last year. As the economy begins to show signs of a slight recovery, we can begin reinvesting in public safety and capital maintenance, and those services that support the Pasco County Strategic Plan for 2013-2017. The proposed FY 2016 Budget provides State-mandated funding for retirement rates, provides funding for wage adjustments to retain well-trained employees, maintains the current Level of Service for most departments, provides funding to a handful of Business Plan Initiatives intended to enhance public safety and quality of life, stimulate economic growth, and provides funding for essential program enhancements.

The goal of this administration is to provide a dynamic County organization that delivers the highest quality of services to our community in a cost-effective manner. We have made significant progress over the past several years in aligning priorities within the organization, adopting a cross-departmental approach to addressing issues, and managing within our means while strategically planning for the future. Pasco County residents can rest assured that their hard-earned tax dollars are being strategically allocated by a capable and dedicated team of department and division heads, fiscal staff, and budget analysts. It is my honor to work with them, and with you, through the budget development process.

Sincerely,

Michele L. Baker
County Administrator

List of Exhibits

- A. FY 2016 Proposed Budget Fund Summary
- B. Summary of Revenues and Expenditures Charts
- C. General Fund and Municipal Fire Service Fund Expenditure Chart
- D. Property Value History
- E. Business Plan Initiatives
- F. Ad Valorem Millage History
- G. Summary of Staffing Changes
- H. National Citizen Survey (NCS) Summary Results

Exhibit A

FY 2016 Proposed Budget Fund Summary

Fund	Revenues		Expenditures			Total Budget
	Anticipated Revenues	Fund Balance	Operating / Recurring	Capital / Non-Recurring	Reserves	
B001 General	210,725,295	44,201,193	213,022,608	8,957,223	32,946,657	254,926,488
B102 Municipal Service	11,785,306	14,569,476	20,229,989	632,645	5,492,148	26,354,782
B103 Local Option Gas Tax	8,530,143	15,694,530	200,560	20,233,992	3,790,121	24,224,673
B104 Bldg Insp & Permittings	6,836,907	5,110,804	7,718,445	136,800	4,092,466	11,947,711
B105 West Pasco Law Library	64,268	25,336	64,420	22,113	3,071	89,604
B106 East Pasco Law Library	62,353	20,034	52,387	30,000	-	82,387
B107 Road And Bridge	19,153,264	15,307,135	13,039,070	13,673,028	7,748,301	34,460,399
B108 Law Enforcement	190,855	677,975	200,000	-	668,830	868,830
B113 Tourist Development Tax	893,000	12,158,396	818,477	8,500,000	3,732,919	13,051,396
B114 Paving Assessment	2,705,458	11,188,515	4,899,836	7,089,883	1,904,254	13,893,973 *
B115 Intergovernmental Radio Comm	274,550	1,890,006	297,472	46,000	1,821,084	2,164,556
B116 Restore Act	21,233	33,980	55,213	-	-	55,213
B118 Quail Hollow Village Msbu	5,714	58,282	29,471	-	34,525	63,996
B119 Municipal Fire Service Unit	32,793,617	5,842,103	32,854,897	58,275	5,722,548	38,635,720
B123 Hud Housing & Recovery-Nsp II	1,000,000	-	1,000,000	-	-	1,000,000
B125 Hud Housing & Recovery	215,000	-	215,000	-	-	215,000
B126 Department Of Hud	4,761,411	-	3,720,817	1,040,594	-	4,761,411
B127 Dept Community Affairs Grant	236,015	-	236,015	-	-	236,015
B128 Dept Of Transportation Grant	61,881,856	1,908,140	6,225,448	57,564,548	-	63,789,996
B129 Home Program - Hud	2,023,960	-	2,023,960	-	-	2,023,960
B130 Hud-Housing&Recovery-Nsp3	250,000	-	250,000	-	-	250,000
B131 U.S. Dept. Health & Human Serv	325,000	-	325,000	-	-	325,000
B134 Division Of Library Services	12,000	-	12,000	-	-	12,000
B135 Library Cooperative Grant	7,824	-	7,824	-	-	7,824
B136 Rural Economic & Dev. Admin.	48,000	28,979	76,979	-	-	76,979
B138 Dept. Of Elder Affairs	105,000	-	105,000	-	-	105,000
B141 Public Transportation	1,100,570	-	1,100,570	-	-	1,100,570
B142 Title III-B Transporation	295,721	-	295,721	-	-	295,721
B143 Department of Health	52,000	-	-	52,000	-	52,000
B144 Elderly Nutrition	1,021,365	-	1,021,365	-	-	1,021,365
B147 Dept Environ Protection	2,051,340	-	245,134	50,000	1,756,206	2,051,340
B150 Park Development	-	18,860	18,860	-	-	18,860 *
B153 Environmental Lands Management	3,477	1,797,453	67,508	60,000	1,673,422	1,800,930
B154 Affordable Housing	15,000	283,606	298,606	-	-	298,606
B155 Williamsburg West - Mstu	16,266	20,698	26,964	-	10,000	36,964
B156 E911 Emergency Services	2,040,600	2,823,073	2,314,471	-	2,549,202	4,863,673
B157 St Housing Initiatives Part.	3,137,115	483,002	3,620,117	-	-	3,620,117
B158 Pasco Co. Housing Finance Auth	-	34,188	34,188	-	-	34,188
B159 Florida Boating & Improvement	130,625	1,589,444	80,019	1,321,294	318,756	1,720,069 *
B160 Us 19 Concurrency	1,900	1,169,125	-	-	1,171,025	1,171,025 *
B161 Trans Impact Fee - West	55,799	11,747,176	-	1,581,569	10,221,406	11,802,975 *
B163 Trans Impact Fee - Central	291,742	57,849,931	-	5,725,675	52,415,998	58,141,673 *
B165 Trans Impact Fee - East	803,243	11,208,921	-	2,731,463	9,280,701	12,012,164 *
B168 Impact Fee - Schools	9,700,000	-	9,700,000	-	-	9,700,000 *
B170 Ct.Costs For Ct.Fac. Fs 939.18	963,300	9,753,612	-	250,000	10,466,912	10,716,912 *
B171 Cnty Alcohol & Oth Drug Abuse	16,198	(2,561)	13,637	-	-	13,637
B172 Teen Court	190,713	15,752	206,465	-	-	206,465
B178 Multi-Modal Transportation	4,898,410	3,091,910	564,725	2,479,706	4,945,889	7,990,320
B179 Lacochee/Trilby Redevelopment	5,364	2,886	-	-	8,250	8,250
B180 Combat Impact Fee	649,551	3,266,950	1,200	3,915,301	-	3,916,501 *
B181 Park Impact Fee-West	450,367	4,974,161	1,500	5,423,028	-	5,424,528 *
B182 Park Impact Fee-Central	622,072	2,949,926	1,500	3,489,408	81,090	3,571,998 *
B183 Park Impact Fee-East	53,838	593,346	1,500	645,684	-	647,184 *
B184 Rescue Impact Fee	455,361	5,000,442	1,200	5,454,603	-	5,455,803 *
B185 Library Impact Fee	223,197	2,190,660	550	2,413,307	-	2,413,857 *
B188 Hurricane Mitigation Fee	23,039	228,235	-	-	251,274	251,274 *
B193 Stormwater Management	14,394,894	8,449,036	13,087,792	2,610,280	7,145,858	22,843,930 *
B194 Fox Ridge MSBU	247,106	149,118	335,854	-	60,370	396,224
B195 Tree	16,646	1,261,180	120,000	-	1,157,826	1,277,826 *

*Funds with this designation are included in the Capital Improvement Plan.

Exhibit A - Continued

FY 2016 Proposed Budget Fund Summary

B226 Section 108 Debit Service	1,082,177	1,140,000	1,082,177	1,140,000	2,222,177
B233 Guar Ent Int&Sink Ser '13	704,911	432,748	703,344	434,315	1,137,659
B234 1/2 Cent Sales Tax Series '13	2,668,650	1,468,884	2,650,450	1,487,084	4,137,534
B235 Guaranteed Entitlement Loan 14	9,008,181	642,438	8,996,890	653,729	9,650,619
B236 Penny For Pasco Bond	1,918,650		1,918,650		1,918,650
B300 Penny For Pasco	23,439,915	75,092,590	2,397,166	78,536,267	17,599,072
B301 Capital Improvement	1,160,459	5,504,434	-	3,973,263	2,691,630
B311 Mobility Fee District 1-West	1,707,672	10,031,201		5,545,576	6,193,297
B312 Mobility Fee District 2-Centrl	2,614,080	16,077,375		1,640,900	17,050,555
B313 Mobility Fee District 3-East	2,889,281	11,363,519		7,805,654	6,447,146
B314 Voph Transportation	205,109	170,069			375,178
B326 Section 108 Capital		3,851,343		1,100,000	2,751,343
B331 1/2 Cent Sales Tax Cip		3,160,871		2,715,830	445,041
B401 Pasco Water And Sewer	110,423,466	151,255,278	150,900,295	3,493,820	107,284,629
B404 Water/Sewer Capital Projects	28,615,337			28,615,337	
B431 Water & Sewer Bonds 2009	-	3,210,976		-	3,210,976
B432 Water And Sewer Rev Bonds 2014		40,323,000		25,421,000	14,902,000
B450 Solid Waste System	48,678,761	91,068,723	45,183,360	368,000	94,196,124
B454 Solid Waste Capital Project	7,222,500			7,222,500	
B501 Equipment Service	21,128,519	20,874,979	17,867,889	11,566,675	12,568,934
B504 County Insurance	9,229,977	14,290,874	8,162,987		15,357,864
B505 Health Self Insurance	19,512,351	9,993,117	20,320,347		9,185,121
B701 Street Lighting Assessment	3,750,547	1,969,012	3,746,665		1,972,894
Total	704,795,391	721,586,445	604,770,554	334,193,241	487,418,041

Ad Valorem (Propoerty Tax) Funds	223,671,060	64,275,103	233,252,597	13,563,131	41,130,435	287,946,163
Fire Municipal Service Taxing Unit Fund	32,793,617	5,842,103	32,854,897	58,275	5,722,548	38,635,720
Special Revenue Funds	188,137,234	316,768,222	80,876,671	243,884,503	180,144,282	504,905,456
Debt Service Funds	15,382,569	3,684,070	15,351,511	-	3,715,128	19,066,639
Enterprise (Business Type) Funds	194,940,064	285,857,977	196,083,655	65,120,657	219,593,729	480,798,041
Internal Service Funds	49,870,847	45,158,970	46,351,223	11,566,675	37,111,919	95,029,817
	704,795,391	721,586,445	604,770,554	334,193,241	487,418,041	1,426,381,836

Total Budget funded by Property Taxes (Ad Valorem and Fire MSTU)	36.39%	9.72%	44.00%	4.08%	9.61%	22.90%
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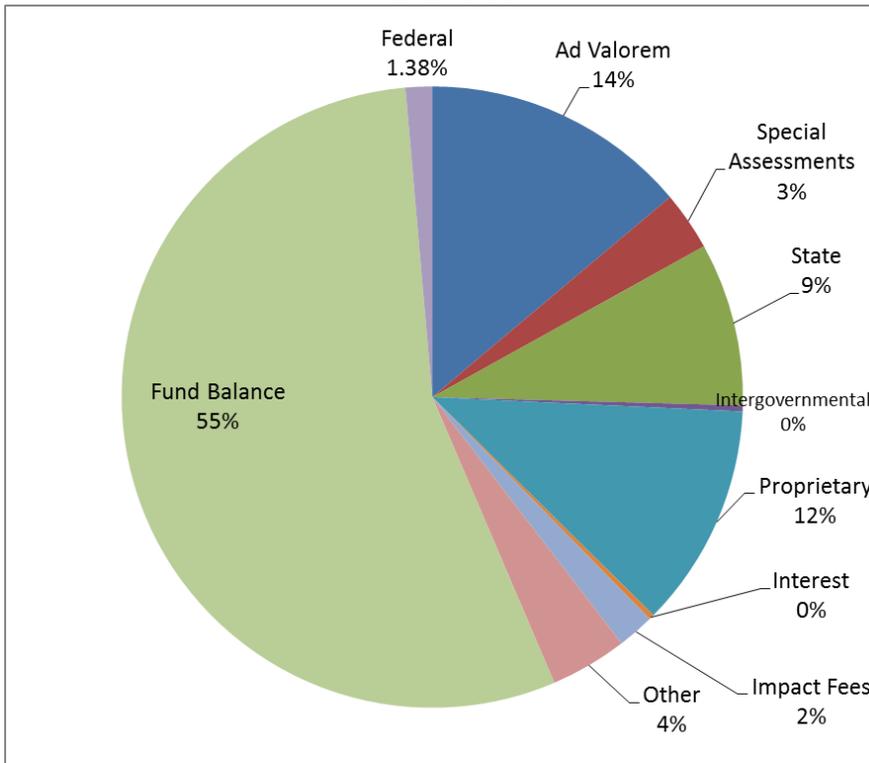
Note: This chart represents the gross budget which includes interfund transfers. When excluded, the total budget is \$1,310,891,077.

*Funds with this designation are included in the Capital Improvement Plan.

Exhibit B

Summary of Revenues and Expenditures Charts

Revenues



Expenditures

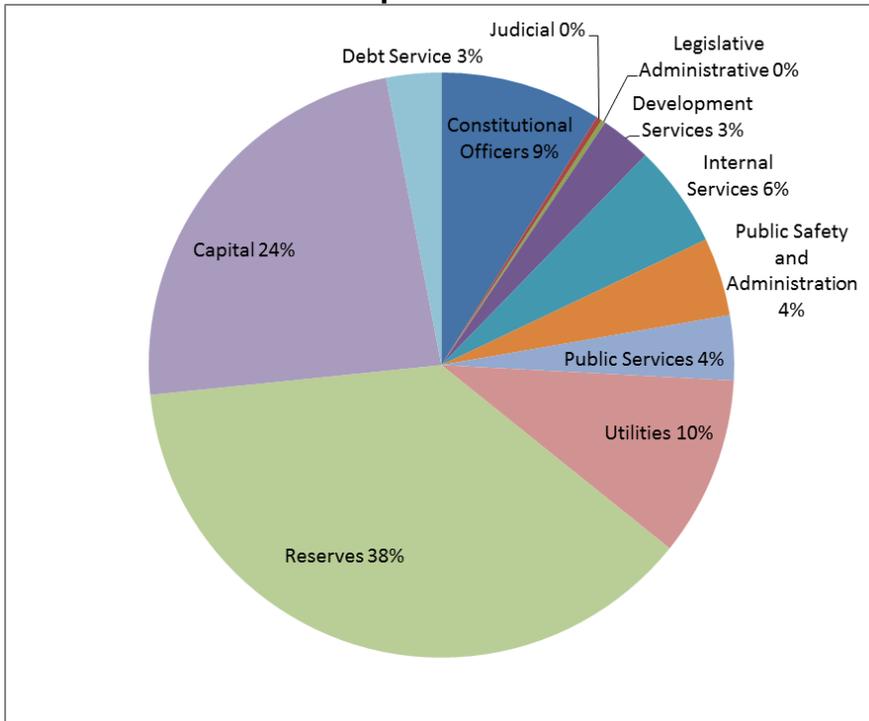


Exhibit C

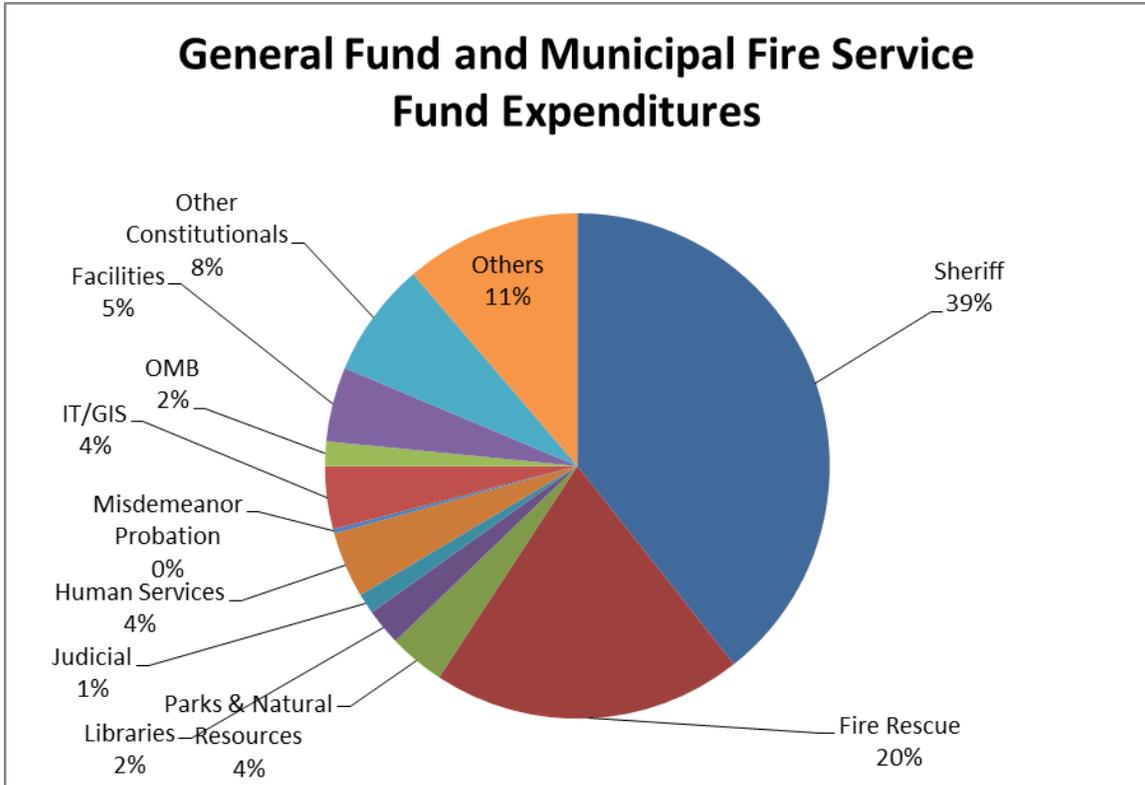


Exhibit D

Property Value History

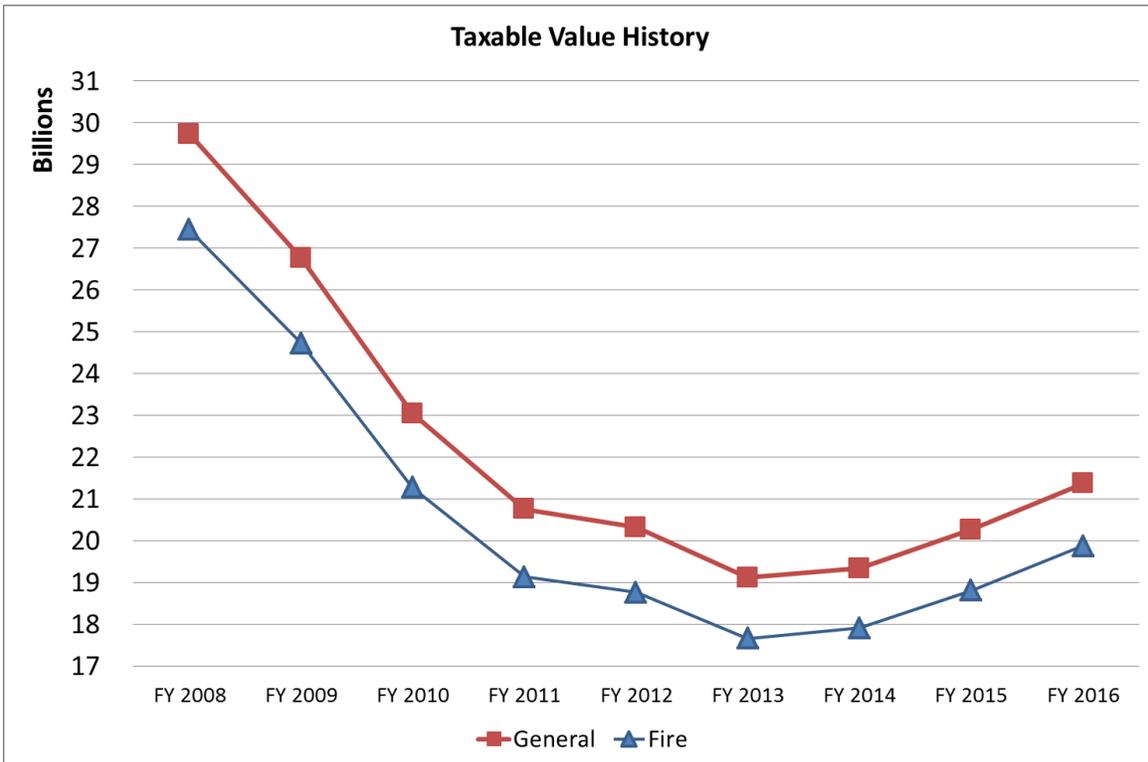


Exhibit E

Business Plan Initiatives FY2016

Department	Initiative	Strategic Objective Alignment	FY16 Amount	Funding Source(s)
Facilities w/Parks & Rec	Reopen Community Center Park	Create a Thriving Community	\$0	B001 General (Paid for out of FY2015 Savings)
IT	Board Room Video Conferencing	Improve Organizational Performance	\$30,516	B001 General
Emergency Management/PIO	Public Education	Enhance Quality of life	\$56,091	B001 General & B102 Municipal Services
Fire/Rescue	Target Solutions software	Enhance Quality of Life	\$69,495	B001 General & B119 Fire MSTU
Animal Services	Animal Behavior Coordinator	Enhance Quality of life	\$0	B102 Municipal Service Fund (Funded by Donations)
Central Permitting	Permit Technician Certification Pilot Program	Stimulate Economic Growth Improve Organizational Performance	\$15,000	B104 Building Insp & Permitting
Road & Bridge	Expand Crack Seal Program	Create a Thriving Community	\$257,994	B107 Road & Bridge
Public Transportation	Moon Lake Connector Service	Create a Thriving Community	\$178,200	B141 Public Trans & B178 Multi-Modal Trans
Public Works	Stormwater Utility Initiative	Create a Thriving Community	\$2,419,861	B193 Stormwater Management
O&M	Flatbed Mounted Jet Truck	Create a Thriving Community	\$153,897	B401 Pasco Water and Sewer
Customer Service	Billing Integrity Team	Improve Organizational Performance	\$70,756	B401 Pasco Water and Sewer
Engineering	Operations and Technical Support Division	Improve Organizational Performance	\$46,576	B401 Pasco Water and Sewer
Fleet	Field Maintenance Crew	Improve Organizational Performance	\$322,794	B501 Fleet

B001 General	\$102,571
B102 Municipal Services	\$18,783
B104 Building Inspections	\$15,000
B107 Road and Bridge	\$257,994
B119 Municipal Fire Service	\$34,748
B141 Public Transportation	\$18,945
B178 Multi-Modal Transportation	\$159,255
B193 Stormwater Mgmt	\$2,419,861
B401 Pasco Water and Sewer	\$271,229
B501 Fleet	\$322,794
	\$3,621,180

Exhibit F

Ad Valorem (Property Tax) Millage History

During the growth years (2001-2007), the Board of County Commissioners consistently lowered the millage rate from 9.1320 to 5.9880 (a decrease of 34.4%). As property values decreased during the recession (2008-2013), millage rates stayed relatively flat (5.4333 to 6.8623), bringing in just enough revenue to maintain essential services. During that same period (2008-2013), Pasco County lost \$10.5 Billion in property value, which equated to a loss of nearly \$30 Million in ad valorem revenue. Beginning in FY 2014, the County began to experience a slight recovery in economic conditions. Property Values increased 4.4% in FY 2015 and increased 4.9% in FY 2016.

General Fund

Fiscal Year	Rolled-Back Rate	Millage Rate	Percentage Change from the Rolled-Back Rate
2008	5.6013	5.4333	-3.00%
2009	6.2696	5.4333	-13.34%
2010	6.5130	6.3668	-2.24%
2011	7.1853	6.3668	-11.39%
2012	6.5610	6.3668	-2.96%
2013	6.8623	6.8623	0.00%
2014	6.9680	7.3441	5.40%
2015	7.2831	7.3441	0.84%
2016	7.2659	7.3441	1.08%

Fire MSTU Fund

Fiscal Year	Rolled-Back Rate	Millage Rate	Percentage Change from the Rolled-Back Rate
2008	1.0263	0.9955	-3.00%
2009	1.1515	0.9955	-13.55%
2010	1.1991	1.1991	0.00%
2011	1.3575	1.4267	5.10%
2012	1.4699	1.4267	-2.94%
2013	1.5405	1.5405	0.00%
2014	1.5543	1.7165	10.44%
2015	1.6703	1.7165	2.77%
2016	1.6679	1.7165	2.91%

Exhibit G

Summary of Staffing Changes

	FY08	FY15	FY16	FY15 to 16	FY08 to 16
Constitutional Officers					
Clerk & Comptroller	309.30	332.69	332.69	0.00	23.39
Property Appraiser (1)	68.00	53.90	53.80	-0.10	-14.20
Sheriff (2)	1087.00	1158.75	1081.00	-77.75	-6.00
Supervisor of Elections	25.00	23.00	23.00	0.00	-2.00
Tax Collector	154.00	166.00	166.00	0.00	12.00
Total	1643.30	1734.34	1656.49	-77.85	13.19

Judicial					
Court Grants (3)	0.00	0.00	0.50	0.50	0.50
Court Innovations	3.00	3.00	3.00	0.00	0.00
Court Technology - Administration	3.00	4.00	4.00	0.00	1.00
Court Technology - Court Justice Information Systems	5.00	5.00	5.00	0.00	0.00
Law Library - East	1.00	1.00	1.00	0.00	0.00
Law Library - West	1.00	1.00	1.00	0.00	0.00
Teen Diversion Programs	4.00	4.00	4.00	0.00	0.00
Total	17.00	18.00	18.50	0.50	1.50

Legislative/Administrative					
Board of County Commissioners (4)	9.00	9.00	9.00	0.00	0.00
County Administration (5)	5.00	5.16	4.00	-1.16	-1.00
County Attorney	21.00	20.73	20.73	0.00	-0.27
Total	35.00	34.89	33.73	-1.16	-1.27

Internal Services					
Facilities Management (6)	102.50	59.60	60.60	1.00	-41.90
Fiscal Services (7)	0.00	9.00	10.00	1.00	10.00
Fleet Management (8)	43.00	40.00	42.00	2.00	-1.00
Human Resources	20.00	16.50	16.50	0.00	-3.50
Information Technology (9)	91.00	71.00	72.00	1.00	-19.00
Internal Services Administration	0.00	3.00	3.00	0.00	3.00
Office of Management and Budget (10)	12.00	9.00	10.00	1.00	-2.00
Purchasing	16.00	16.00	16.00	0.00	0.00
Total	284.50	224.10	230.10	6.00	-54.40

Exhibit G - Continued

Summary of Staffing Changes

Development Services

Building Construction Services (11)	143.00	88.00	97.00	9.00	-46.00
Development Services Administration (12)	11.00	11.00	12.00	1.00	1.00
Engineering Administration	3.00	3.00	3.00	0.00	0.00
Metropolitan Planning Organization (MPO) (13)	5.00	5.00	6.00	1.00	1.00
Real Estate	7.00	7.00	7.00	0.00	0.00
Road & Bridge (14)	132.00	102.00	103.00	1.00	-29.00
Planning & Development (15)	67.00	72.84	74.00	1.16	7.00
Project Management	29.00	32.00	32.00	0.00	3.00
Public Works Administration	0.00	4.00	4.00	0.00	4.00
Traffic Operations	20.00	22.00	22.00	0.00	2.00
Stormwater Management (16)	14.00	65.00	77.00	12.00	63.00
Survey	20.00	15.00	15.00	0.00	-5.00
Total	451.00	426.84	452.00	25.16	1.00

Public Services

Community Services Administration (17)	3.00	10.00	0.00	-10.00	-3.00
Animal Services	41.00	37.05	37.05	0.00	-3.95
Community Development (18)	16.00	27.00	16.00	-11.00	0.00
Cooperative Extension Service	11.00	7.00	7.00	0.00	-4.00
Elderly Nutrition Program	24.00	14.13	14.13	0.00	-9.87
Human Services	10.00	8.00	8.00	0.00	-2.00
Veterans Services	6.00	6.00	6.00	0.00	0.00
Library Services	130.00	100.50	100.50	0.00	-29.50
Parks & Recreation (19)	161.50	122.50	124.50	2.00	-37.00
Public Services Administration (20)	2.00	3.00	16.00	13.00	14.00
Public Transportation (21)	86.50	76.00	83.00	7.00	-3.50
Total	491.00	411.18	412.18	1.00	-78.82

Public Safety and Administration

Customer Service	0.00	11.05	11.05	0.00	11.05
Fire Rescue (22)	483.00	475.00	476.00	1.00	-7.00
Misdemeanor Probation	14.00	14.00	14.00	0.00	0.00
Emergency Management (23)	9.00	8.00	7.50	-0.50	-1.50
Public Information Office (24)	0.00	1.00	1.50	0.50	1.50
Performance Development	0.00	4.00	4.00	0.00	4.00
Public Safety Administration (25)	0.00	0.00	2.00	2.00	2.00
Public Safety Communications (26)	35.00	85.00	96.00	11.00	61.00
Office of Economic Growth (27)	0.00	3.00	4.00	1.00	4.00
Tourism Development	3.00	4.00	4.00	0.00	1.00
Total	544.00	605.05	620.05	15.00	76.05

Exhibit G - Continued Summary of Staffing Changes

Utilities/Solid Waste

Environmental Compliance	0.00	5.00	5.00	0.00	5.00
Environmental Laboratory	12.00	13.00	13.00	0.00	1.00
Recycling and Education	0.00	6.00	6.00	0.00	6.00
Utilities Administration and Support Services (28)	4.00	16.60	20.10	3.50	16.10
Utilities Customer Information and Services (29)	61.60	57.95	62.95	5.00	1.35
Utilities Engineering & Contract Management (30)	41.00	34.00	36.00	2.00	-5.00
Utilities Operations and Maintenance (31)	273.00	274.00	273.00	-1.00	0.00
Solid Waste/Resource Recovery (32)	49.40	50.40	50.90	0.50	1.50
Warehouse Services	0.00	9.00	9.00	0.00	9.00
Total	441.00	465.95	475.95	10.00	34.95
Total All BOCC FTEs (Excludes Constitutional Officers)	2263.50	2186.01	2242.51	56.50	-20.99
Total County	3906.80	3920.35	3899.00	-21.35	-7.80

Notes to Proposed Budget Position Changes

- (1) Presented as requested.
- (2) The Sheriff's total FTE's decreased due to contracting out kitchen staff, nursing staff, and correctional officers.
- (3) Addition of .5 for a Court Program Specialist I.
- (4) Transferred 1 Custodian to Facilities Management. Addition of 1 Senior Secretary.
- (5) Transferred 1 Assistant County Administrator and 1 Executive Assistant to Public Safety Administration. Increased .16 to .5 Strategic Policy Administrator. Transferred .5 Planner I from Planning and Development.
- (6) Transferred 1 Custodian from Board of County Commissioners. Changed 1 Maintenance Technician to 1 Quality Assurance/Quality Control Officer. Changed 1 Secretary to 1 Project Specialist within the Department.
- (7) Addition of 1 Budget Analyst II. Changed 1 Accounting Clerk to 1 Senior Accounting Clerk within the Department.
- (8) Addition of 2 Automotive Technicians.
- (9) Addition of 1 Technical Analyst II that is 100% charged back to the Water and Sewer Fund. Changed 1 Programmer Analyst II to 1 GIS Analyst within the department.
- (10) Transferred 1 Community Development Specialist to Office of Management & Budget as 1 Budget Coordinator - Grants. Changed 1 Budget Analyst II to 1 Budget Coordinator - Operating within the Department.
- (11) Addition of 4 Field Inspector II, 1 Central Permitting Manager, 2 Permitting Technicians, 1 Development Review Technician, 2 Plans Examiner II, 2 Chief Field Inspectors. Deleted 3 Building Inspections Field Supervisors.
- (12) Addition of 1 Sr. Accounting Clerk.
- (13) Addition of 1 Senior Project Clerk.
- (14) Addition of 1 Project Specialist.

Exhibit G - Continued

Summary of Staffing Changes

Notes to Proposed Budget Position Changes

- (15) Addition of 1 Transportation Planner II and 1 Planning and Development Administrator. Changed the Strategic Policy Administrator and 1 Planner I to be split evenly between the Office of Economic Growth and County Administration. Changed 1 Transportation Planner II to 1 Sr. Planner, 1 Planner II to 1 Technical Specialist II, and 1 Planner II to 1 Sr. Planner within the Department.
- (16) Addition of 6 Equipment Operators I, 2 Equipment Operator II, 3 Heavy Equipment Operators, 1 Special Equipment Operator.
- (17) Changed 1 Community Services Director to Program Administrator transferred to Public Services Administration. Deleted 1 Administrative Assistant. Transferred 3 Sr. Accounting Clerks, 1 Accountant I, 1 Accountant II, 2 Accounting Clerks, and 1 Fiscal Services Manager to Public Services Administration.
- (18) Deleted 4 Housing Specialists, 1 Sr. Accounting Clerk, and 1 Records Clerk II. Transferred 1 Community Development Specialist as a Budget Coordinator - Grants to the Office of Management & Budget. Transferred 2 Sr. Accounting Clerks, 1 Accountant I, and 1 Accountant II to Public Services Administration.
- (19) Midyear addition of 1 Natural Resources Manager and 1 Program Coordinator.
- (20) Changed 1 Community Services Director to 1 Program Administrator from Community Development. Transferred 2 Sr. Accounting Clerk, 1 Accountant I, 1 Accountant II from Community Development. Transferred 3 Sr. Accounting Clerks, 1 Accountant I, 1 Accountant II, 2 Accounting Clerks, and 1 Fiscal Services Manager from Community Services Administration.
- (21) Addition of 5 Bus Drivers, 2 Bus Dispatchers.
- (22) Addition of 1 Certified Fire Inspector
- (23) Addition of .5 Public Communications Specialist. Deletion of 1 Project Specialist.
- (24) Addition of .5 Public Communications Specialist.
- (25) New Department. Transferred 1 Assistant County Administrator and 1 Administrative Assistant from County Administration.
- (26) Midyear addition of 8 Emergency Communications Officers, 1 Compliance Manager, and 2 Compliance Officers.
- (27) Transfer .5 Planner I and .5 Strategic Policy Administrator from Planning and Development.
- (28) Addition of .5 Government Affairs Officer, 1 Accountant II, 1 Administrative Services Manager, and 1 Fiscal Services Manager.
- (29) Addition of 1 Accountant II and 4 Customer Service Specialist II. Changed 1 Senior Project Clerk to 1 IT Tech I within the Department.
- (30) Addition of 1 Project Manager. Transferred 1 SCADA Technical Specialist from Utilities Operations & Maintenance.
- (31) Transferred 1 SCADA Technical Specialist to Utilities Engineering & Contract Management
- (32) Addition of .5 Government Affairs Officer.

Exhibit H

National Citizen Survey (NCS) Summary Results

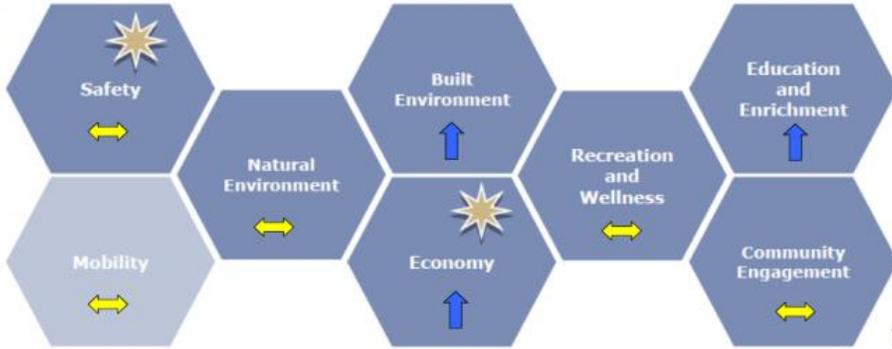


2015 National Citizen Survey Pasco County, Florida

- Higher than national benchmark
- Similar to national benchmark
- Lower than national benchmark

- ↑ Higher than 2014
- ↔ Same as 2014

* Most important



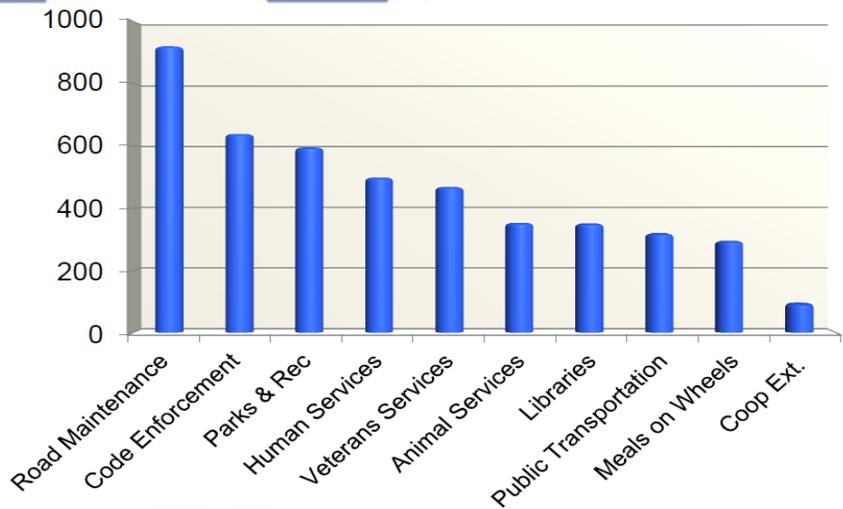
Citizen's Top Priorities

- Public Safety
- The Economy

Top Priority Services

(Outside of Public Safety)

- Road Maintenance
- Code Enforcement



Citizen satisfaction with Pasco County Government is up from 2014.

- Value of Services for Taxes paid
- Overall Direction the County is Going
- Confidence in County Government
- Acting in the Best Interest of Our Citizens
- Being Honest
- Treating Residents Fairly
- Overall Customer Service



Citizen Confidence

in County Government
Increased Significantly

Exhibit H - Continued
National Citizen Survey (NCS) Summary Results



Safety and the Economy are Priorities

- Ratings for Safety Services are similar to other communities.
- Ratings for overall Economic Health (37%) are Ranked 259 out of 368.
- Employment opportunities, while stable, are still well below the national benchmark (22%) - Ranked 310 out of 407.

Citizens are experiencing the need for infrastructure maintenance and transportation solutions.

- Road Repair (25%) – Ranked 517 out of 593.
- Traffic Flow (32%) – Ranked 278 out of 353.
- Ease of Travel by Public Transportation (22%) – Ranked 102 out of 123.

The Overarching Message

- Ratings for the Governance of the Board of County Commissioners are on the rise.
- Ratings for most of the services provided by the Board of County Commissioners are on the rise.
- The issues solely under our control are being addressed.
- Many issues require collaborative efforts (Overall image of Pasco County, Quality of Life, Appearance of the County, etc.)
- Our Challenge: Engage others in being part of the solution.

