

# **USER'S GUIDE**

This document is the final budget for FY 2009-2010 for the period beginning October 1, 2009 and ending September 30, 2010. The intent of this document is to provide the public with concise and readable information about St. Lucie County. It contains general information, analysis of revenues and expenditures, as well as a budget history and approved budget amounts for FY 2009-2010.

## **SECTION A – SUMMARIES/ANALYSIS**

This section contains key information from subsequent sections in which the Office of Management and Budget (OMB) has extracted and then presented in an understandable format. Staff recommends this section as an excellent starting point for review of the budget because it includes a discussion of the revenue sources. Summaries of the total county budget, each constitutional officer, and of the court and legal system are available to provide ease in understanding the budget. Section A contains charts, graphs and spreadsheets showing the history of property values, tax millage rates, and the resulting revenues. This section also includes a personnel history report that shows the % change in personnel for each year.

## **SECTION B – BUDGET BY FUND**

Section B begins with a listing of the numerous funds that make up the county budget along with fund definitions. This section categorizes each fund by type and briefly describes the sources of revenue and types of expenditures found in each fund. This list is followed by a three-year history of each fund showing the budget versus actual amounts. The history also shows the amount budgeted in the new fiscal year and the percent change from the previous year's budget. A section showing the estimated changes in fund balance is also included. The remaining portion of this section is comprised of charts and graphs of selected funds that reveal the amount of budgeted revenue sources and budgeted expenditures.

## **SECTION C – DEPARTMENTAL SUMMARIES**

Section C contains budgetary information as it applies to each department. Each department includes an organizational chart, a four-year budget summary of each division located within the department along with the division mission, function, and goals. The divisions also list key indicators, which are used to measure how well each goal is being accomplished.

## **SECTION D – CAPITAL BUDGET**

The heart of this section is the St. Lucie County Board of County Commissioners Five-Year Capital Improvement Plan. This plan is designed to address the foreseeable capital improvement

needs of St. Lucie County. This section also provides information on the planning and approval process involved in the development of the Five-Year Capital Improvement Plan.

The Five-Year Capital Improvement Plans are categorized by department and may include capital improvements affecting major infrastructure facilities such as roads, bridges, beach restoration / preservation, environmental lands, drainage and stormwater projects, port and airport facilities, parks and recreational facilities, libraries, general governmental buildings and correctional facilities, utilities and museums.

Each plan identifies the sources of funding and provides a detailed listing of projects and the estimated costs associated with each project.

### **SECTION E – DEBT SERVICE**

Section E contains important information regarding outstanding debt issued by the county or, in the case of Community Development District Bonds and Industrial Revenue Bonds, in which the county has a vested interest. Some of the debt, such as the Environmental Land Bond, was issued as a result of a voter-approved referendum. Others were issued after the Board of County Commissioners approved the funding of improvements through debt financing. Still, the Board on behalf of county utilities or a third party issued other debts. The Office of Management and Budget carefully monitors the amount of debt the county issues in order to preserve its creditworthiness.

### **SECTION F - APPENDICES**

Section F, the Appendices Section includes a listing of grants that were awarded to the County, a glossary for the definitions of terms and a section on acronyms.

For any additional information, contact our office:

**ST. LUCIE BOARD OF COUNTY COMMISSIONERS**  
OFFICE OF MANAGEMENT & BUDGET  
2300 Virginia Avenue,  
Fort Pierce, FL 34982-5652  
Telephone (772) 462-1670 • Fax (772) 462-2117

or visit the St. Lucie County website: **[www.stlucieco.org](http://www.stlucieco.org)**



## **BUDGET MESSAGE**

*From the  
County Administrator  
FY 2009/2010*

Honorable Chair  
Members of the Board of County Commissioners

Dear Commissioners:

It is my privilege to present the budget for fiscal year 2009-2010. The budget upholds the vision of the Board to preserve St. Lucie County as a community with a high quality of life, an expanding economic base and a safe and secure environment in which to live, work and play.

First and foremost, the budget is based upon a countywide ad valorem millage rate of 6.4612; the same as this year and last year. The decision to hold the line on the millage rate reflects the strong desire of the Board to lessen the tax burden on residents and continue to provide an acceptable level of service on a declining revenue base. Overall, the Board has not increased the County's millage rate in over ten years and since the 2005 fiscal year, the Board has reduced the millage rate from 7.9551 to 6.4612; a decrease of 1.4939 mills.

For the two-year period in which the millage rate has been held at 6.4612, the estimated property tax revenue loss to the County exceeds \$60 million; a \$29,201,216 loss this year and a \$32,577,973 loss next year.

Despite best efforts of the Board, it was necessary to include millage rate increases in the budget for 15 of the 17 special lighting districts. The existing millage rates are not generating sufficient property tax revenue to cover the utilities costs. In the current year budget, the costs are being partially offset from reserve funds in the 15 impacted special lighting districts. Because the reserves are depleted in those districts and no practical options could be found to reduce the utilities, the millage rate increases had to be included in the budget.

Like property tax revenue, the budget also reflects a drop in other major revenue sources. Impact fee revenue is projected to be down from the current year as is revenue from building permits, half-cent sales tax, state revenue sharing and tourist bed tax. The drop in these and other revenues such as state and federal grants is projected to result in an additional loss of revenue in fiscal year 2009-2010 of \$21,982,257. However, revenues are expected to increase for Solid Waste as the Board approved an increase in tipping fees effective October 1, 2009. This is the first increase in landfill rates in 17 years. There will also be an increase in the solid waste assessments as a result of the new five-year contract for residential waste collection.

The total estimated revenue loss the County expects to incur next year from all revenue sources is **\$54,560,230**.

The detrimental impacts of such a huge revenue loss are offset by accumulated fund balance funds; one-time money and the steps taken by the Board last year to reshape departmental operations. Rather than cutbacks of budgeted services, the budget includes level or lower funding of County operations including the funded Constitutional Officers, State-mandated agencies and non-profit groups. It also contains a limited number of capital projects. There are no salary increases or new positions built into the budget. The budget does, however, include reinstated funding of two positions; a staff position to support the Tourism function and a Risk Manager position to support the Risk Management function.

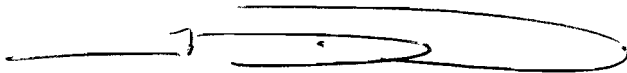
In addition, the budget also includes funding to bolster safety and quality of life initiatives. This includes the annual \$1.72 million for the Sheriff's Resource Officer Program plus an additional one-time funding of \$1.62 million to help fill the gap created from the loss of funding from other entities. One-time supplemental funding of \$150,000 is also included for tourism initiatives to further stimulate the local economy through additional heads-on-beds sports events. The \$250,000 annual funding for the Economic Development Council to continue to support the attraction of desirable employers to St. Lucie County is also in the budget.

Through the leadership of the Board, efforts of county staff and cooperation of our funding partners, the County is pushing through this economic downturn. This challenge requires us to make shared sacrifices and to recognize that there is still much to do in the coming fiscal year as revenues are expected to continue to decline and one-time money is expected to continue to drop.

Our ultimate goal must be to advance the County to a sustainable budget position for the long haul. I strongly believe we are headed in the right direction to reach our desired destination.

I am honored to present the fiscal year 2009-2010 budget.

Sincerely,

A handwritten signature in black ink, appearing to read 'Faye W. Outlaw', with a large, sweeping flourish underneath.

Faye W. Outlaw, MPA  
County Administrator

## **BUDGET OVERVIEW**

<b>Expense Type</b>	<b>Adopted Budget 2008-2009</b>	<b>Approved Budget 2009-2010</b>
Personnel Expenses	70,574,416	69,349,744
Operating Expenses	403,896,470	397,139,550
Capital Expenses	179,805,050	133,226,412
<b>TOTAL</b>	<b>\$654,275,936*</b>	<b>\$599,715,706</b>
<b>Percent Change:</b>		<b>-8.34%</b>

\* The current year budget is amended throughout the year. Currently, the fiscal year 2008-2009 amended budget is \$745,193,094.

The balancing of the 2009-2010 budget continued to offer challenges in prioritizing projects or services where they are needed most. Primary factors contributing to this challenge include property tax reform, declining revenues, increased costs such as utilities, fuel, cost of supplies and unfunded mandates. However, with the hard work of staff and their cooperation, the budget was balanced once again. The following table shows the countywide millage rate history for St. Lucie County.

<b>Countywide Millage Rate History</b>									
<b>FY02</b>	<b>FY03</b>	<b>FY04</b>	<b>FY05</b>	<b>FY06</b>	<b>FY07</b>	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>	<b>Change</b>
7.9551	7.9551	7.9551	7.8183	7.6183	6.9712	6.4612	6.4612	6.4612	0.00%

The countywide ad valorem millage for fiscal years 2009-2010 is 6.4612, which is the same as fiscal years 2008-2009 and 2007-2008. The millage consists of the following components:

General Fund	2.7694
Fine & Forfeiture	3.3957
Erosion Control – Zone E	0.0925
Mosquito Control	0.2036
<b>Total</b>	<b>6.4612</b>

Following the certification of this year’s property tax roll, the Property Appraiser increased the assessed property value for Florida Power and Light by nearly \$91 million, which will result in approximately \$558,000 in additional property tax revenue based upon the above millage rates.

**General Fund.** The general fund budget is the largest component of the operating budget with a fiscal year 2009-2010 budget of \$142,101,574, which represents a decrease of 15.23% (decrease in personnel, operating, constitutional officers, outside agencies budgets, as compared to fiscal year 2008-2009’s adopted budget of \$167,631,982). The decrease was achieved by holding the line on staffing levels and reductions in departmental operating budgets.

**Special Revenue Funds.** The County's special revenue funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes, and are budgeted for a total amount of \$232,956,141 which represents a 2.35% decrease over fiscal year 2008-2009's adopted budget of \$238,560,485.

**Debt Service Funds.** The County's debt funds account for the payment of annual principal and interest, fees, anticipated new debt, administrative fees, etc. as well as, when stipulated, accumulation of funds for balloon payments for the county's debt obligations. The debt funds are budgeted at \$45,372,350 for fiscal year 2009-2010, which represents a 15.51% decrease over fiscal year 2008-2009's adopted budget of \$53,701,987.

In the past, the local government half-cent sales tax and the state revenue sharing proceeds were deposited directly into debt service funds. Over the years, some excess funds accumulated in these debt service funds. During the 2009 budget year, the amount deposited in the debt service funds was changed to reflect only deposit of funds to cover the annual debt service. The excess revenues are now posted directly to the general fund. This caused a significant reduction in the debt service funds budget.

The St. Lucie County debt summary for fiscal year 2009-2010 shows an estimated total outstanding principal debt of \$194,642,409. Some examples of the categories of the County's indebtedness are long-term bonds including \$4,745,000 in general obligation bonds, \$108,003,908 in bonds covered by governmental funds, \$20,175,000 in bonds covered by enterprise funds and \$34,982,563 in notes payable covered by governmental funds. The total debt funds include other bond expenses, which are not included on the debt schedule of principal and interest for the fiscal year.

**Capital Project Funds.** The County's capital project funds account for major capital construction and major capital maintenance projects. The capital project funds budget totals \$94,921,919 for fiscal year 2009-2010, representing a decrease of 17.36% in comparison to the FY2008-2009 budget of \$114,864,606. A large component of this decrease is due to limited funding for new projects.

The five-year Capital Improvement Plan (CIP) includes the capital project funds as well as capital projects within various operational funds. It provides a systematic plan for infrastructure improvements within a prioritized framework. The County CIP serves as a planning tool and provides a guideline for growth and development. The five-year CIP, included in this budget for St. Lucie County, sets the general schedule within which public improvements are proposed to be undertaken. The first year reflects the capital budget for fiscal year 2009-2010. The remaining four years represent a schedule and estimate of future capital needs that may be funded given projected revenue estimates. The CIP is reviewed and revised annually, and an additional year is added to maintain the full five-year period for the program.

**Enterprise Funds.** The County's enterprise funds account for operations that are financed in a manner similar to private business in that the cost of providing the services is primarily recovered through user fees, not county tax dollars. The enterprise funds are budgeted for a total amount of \$46,555,473 for fiscal year 2009-2010, representing a decrease of 4.13% in comparison to the fiscal year 2009 budget of \$48,561,712.

**Internal Service Funds.** The 2009-2010 internal service funds total \$33,325,827. This is a 40.5% increase over the 2008-2009 approved budget of \$23,727,468. The internal service funds are a proprietary type fund that accounts for operations that provide services to other departments or agencies of the County on a cost-reimbursement basis. Operating revenues and expenses result from providing and producing and/or delivering goods with the on-going operations. The increase in the budget for internal service funds is a reflection of the fund balance forward in the health insurance fund, which was not budgeted in the adopted fiscal year 2008-2009 budget.

**Trust and Agency Funds.** In 2008-2009, the trust and agency funds were budgeted at \$7,227,696. Trust and agency funds account for assets held by a government unit in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds (i.e. Law Enforcement Trust Fund). The amount for 2009-2010 is \$4,482,422, which represents a decrease of 37.98% from the adopted fiscal year 2008-2009 budget.

## **FINANCIAL ASSESSMENT**

An important measure of the County's financial strength is its fund balance, or simply its current assets minus current liabilities. The County's total unreserved fund balance for the general fund by September 30, 2009 is estimated to be \$103.1 million. The County's 47 special revenue funds are estimated to have a combined fund balance total of \$85.4 million.

A second indicator of financial strength is the County's current financial reserves. In 2005, the Board established an emergency reserve policy and a fund balance policy. The funding of these two reserves is often referred to as the County's financial recovery, as these policies were implemented following the depletion of emergency reserves during the hurricanes of 2004 and 2005.

**Emergency Reserves.** The emergency reserve policy states that the Board will maintain a designated emergency reserve of 5% of the total operating budget. The County has been working toward achieving this 5% goal for several years. In fiscal year 2010, 5% of the total operating budget amounts to \$15,897,555. In the 2010 budget, \$13,541,834, which is 4.26 % of the total operating budget, has been accumulated toward this goal.

**Fund Balance Policy.** The fund balance forward policy was recommended by bond rating companies and states that the Board will maintain a fund balance reserve in the general fund equal to 5% of the general fund operating budget. In fiscal year 2010, 5% of the general fund operating budget amounts to \$4,214,153. In the 2010 budget, \$4,149,790, which is 4.92% of the general fund operating budget, has been accumulated toward this goal.

The following table is a breakdown of the funding needed to achieve the financial goals as stated in these reserve policies.

<b>Financial Recovery</b>		
	<b>2010 Budget</b>	<b>Financial Goal</b>
Emergency Reserves	\$13,541,834	\$15,897,555
Fund Balance Policy	\$ 4,149,790	\$4,214,153
<b>Total</b>	<b>\$17,691,624</b>	<b>\$20,111,707</b>

In addition to these reserve policies, the County maintains a general contingency fund budget of \$1,000,000.

### **MEETING THE CHALLENGES**

**Economy.** St. Lucie County is facing many challenges related to the current economy. We have experienced a significant drop in new development. Single family home construction in the unincorporated area decreased from 908 new homes in 2004 to 108 new homes in 2008. This has contributed to an increase in the County’s unemployment rate, which has increased from 7.2% in July of 2004 to 14.7% in July 2009, as jobs in the construction industry have been reduced.

County Commissioners are taking aggressive steps to improve the local economy, including two new ordinances, a local preference ordinance and a local economic stimulus ordinance, that will help area businesses and residents. These programs focus on job creation, both short-term and long-term. The County will also accomplish important major capital projects at the airport, courthouse and the research and education park, while improving roads, drainage and parks.

**Impact Fees.** Impact Fees continue to decline, which caused some projects relying on this funding to be pushed out into future years.

**Community Redevelopment Agencies (CRAs).** The following are the County’s tax refund requirements to the CRAs to be used for various projects within the CRAs. The County’s funding obligation for the CRAs has decreased for the past two years due to declining property values. However, the CRAs continue to have a significant impact on our budget.

#### **Tax Refunds to Port St. Lucie CRA**

	<b><u>2008 Actual</u></b>	<b><u>2009 Actual</u></b>	<b><u>2010 Budget</u></b>
General Fund	\$1,357,956	\$1,018,092	\$ 700,000
Fine & Forfeiture	\$ 606,711	\$ 707,229	\$ 700,000
<b>Total</b>	<b>\$1,964,667</b>	<b>\$1,725,321</b>	<b>\$1,400,000</b>



**Tax Refunds to Fort Pierce CRA**

	<u>2008 Actual</u>	<u>2009 Actual</u>	<u>2010 Budget</u>
General Fund	\$3,138,773	\$2,156,380	\$1,600,000
Fine & Forfeiture	<u>\$1,436,004</u>	<u>\$1,518,820</u>	<u>\$1,600,000</u>
<b>Total</b>	<b>\$4,574,777</b>	<b>\$3,675,200</b>	<b>\$3,200,000</b>

**Law Enforcement.** The St. Lucie County Sheriff’s Office submitted a proposed budget request in the amount of \$65,137,956 representing a 0.23% decrease over fiscal year 2008-2009’s budget of \$65,288,073. The amount recommended to the Board, by the County Administrator, was at the same level as the Sheriff’s requested amount. Following discussion, the Board of County Commissioners agreed to approve the amount of \$66,757,956. This represents a 2.25% increase over fiscal year 2008-2009’s budget. This budget for 2010 includes one-time additional funding in the amount of \$1.62 million for school resource officers (SROs) over fiscal year 2008-2009’s amount.

**Funding for Constitutional Officers and Outside Agencies.** The following table shows the changes in funding for Constitutional Officers and outside agencies. The percent change represents the amount of increase or decrease of the fiscal year 2010 budget as compared to the fiscal year 2009 budget. A more detailed description of these agencies can be found in the summaries/analysis section of this budget book.

	<b>2009 Budget</b>	<b>2010 Budget</b>	<b>Percent Change</b>
Clerk of Circuit Court	\$1,908,698	\$1,894,407	-0.75%
Supervisor of Elections	\$2,621,422	\$2,621,423	0.00%
Sheriff	\$65,288,073	\$66,757,956	2.25%
Tax Collector*	\$7,729,969	\$7,080,926	-8.40%
Property Appraiser	\$4,826,183	\$4,838,107	0.25%
Judicial Agencies	\$2,585,922	\$2,611,912	1.01%
Non-County Agencies	\$1,986,196	\$1,986,467	0.01%
Other Agencies	\$378,438	\$366,109	-3.26%

\* The Tax Collector’s Budget is estimated based on commissions and fees collected, and not a request from the Tax Collector.

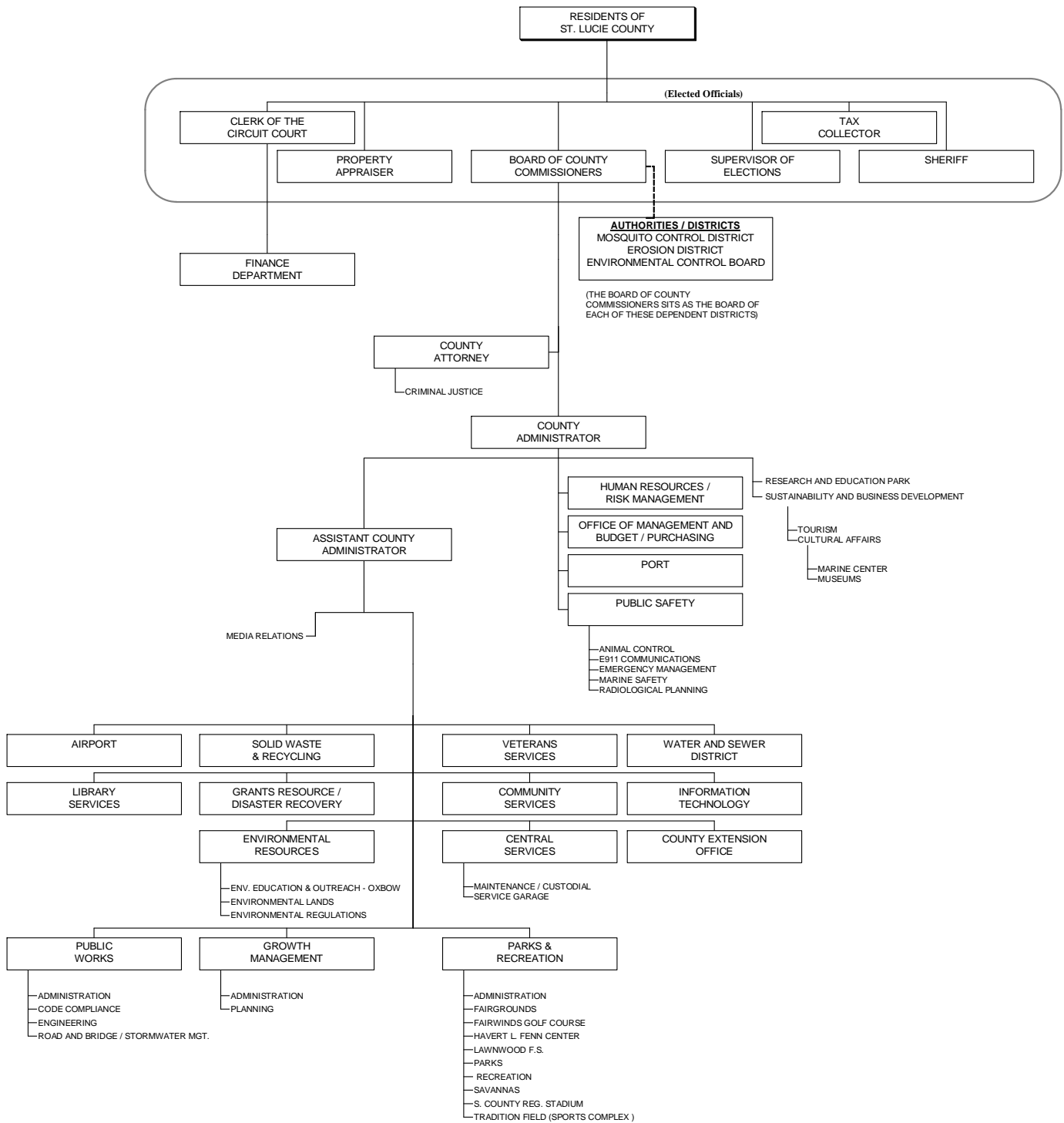
**PERSONNEL**

Since 2007, the County has taken several steps to reduce expenses related to personnel. These steps have included enacting a hiring freeze, early retirement, voluntary layoffs, and involuntary layoffs. For fiscal year 2009-2010, the County has 750.11 funded full time equivalent positions, which is below the fiscal year 2001-2002 staffing levels.

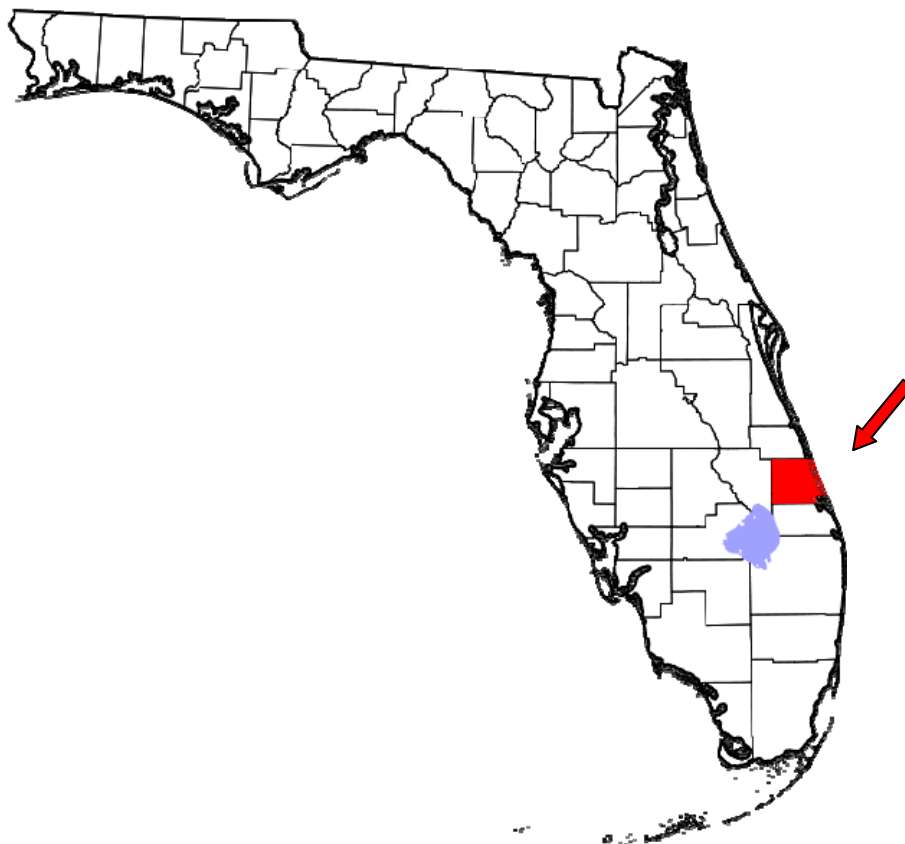
There are no new positions for the 2010 budget. However, two previously frozen unfunded positions have been unfrozen and funded in this budget. These positions are:

- Tourism – Staff Assistant
- Human Resources – Risk Manager

# ST. LUCIE COUNTY ORGANIZATIONAL CHART



## ST. LUCIE COUNTY PROFILE



### HISTORY OF ST. LUCIE COUNTY

Archaeological research indicates that Florida had been inhabited for thousands of years before any European settlements. Of the many indigenous peoples, the largest known were the Ais, the Apalachee, the Calusa, the Timucua, and the Tocobago tribes. Along the east coast of Florida, from Cape Canaveral in the north to as far south as Fort Pierce, was the area of the Ais Indian settlement. Their lands extended westward to the St. Johns River, and encompassed the Indian River. There was little recorded about the Ais by the early explorers and mission priests. From the early 1500's to the late 1800's, the area was settled by Spanish explorers, Seminoles (Creek Indians from Alabama and Georgia), runaway slaves, and shipwrecked sailors.

According to historians, it is believed that the name "St. Lucie" was first given to this area by the Spanish when they began construction of a fort at the Jupiter Inlet in 1565. The garrison (a permanent military installation post) was established on December 13<sup>th</sup>, in honor of the feast day of St. Lucie. The Roman Catholic Saint Lucia, the patron saint of Syracuse was born in Sicily and executed in 304 AD for being a Christian.

## **HISTORY OF ST. LUCIE COUNTY – continued**

The area now known as the Town of St. Lucie Village has been inhabited for centuries, in part, because of its proximity to the Indian River Inlet, a natural inlet now closed north of the current Fort Pierce Inlet. The sixteenth century Spanish explorer Pedro Menendez, who founded St. Augustine, came through the inlet in 1565 while sailing to Cuba, and established a garrison among the Ais, in the Indian River area. Old Spanish maps identify the area between what is now known as Vero Beach to Stuart as “Santa Lucia”, which is where a Spanish colony was established circa 1567. Shortly after their first contact with the Ais, a war broke out with the Spanish, but peace was concluded by 1570.

The Spanish never had a firm hold on Florida, and maintained tenuous control over the region by converting the local tribes, briefly with Jesuits and later with Franciscan friars. The local leaders demonstrated their loyalty to the Spanish by converting to Roman Catholicism and welcoming the Franciscan priests into their villages. The area of Spanish Florida diminished with the establishment of English colonies to the north and French colonies to the west. Spain regained the Floridas after Britain's defeat by the American colonies and the subsequent Treaty of Versailles in 1783, continuing the division into East and West Florida.

In 1810, the current Saint Lucie County was known as East Florida, and in 1819, the Spanish lost their settlements when the United States effectively took control of East Florida. During 1821 the area was combined with other lands and renamed St. Johns County. In 1832, the U.S. territory of Florida was created by Congress, and in 1840, St. Johns County was split into several counties, when the St. Lucie area became part of the newly formed Mosquito County. The Armed Occupation Act of 1842 provided for the settlement of the unsettled part of east Florida. The territory of Florida became the 27<sup>th</sup> state of the United States of America on March 3, 1845.

During the Second Seminole War (1835-1842), the U.S. Army began setting up military posts throughout the state, and in 1837 Col. Benjamin K. Pierce (brother to the future 14th president) sailed down the Indian River from St. Augustine. A year later, he built a fort out of palmetto trees near an Ais Indian mound on what is now known as Old Fort Park on Indian River Drive, in Fort Pierce.

In 1850, the Mosquito County area was slashed into two new counties and this area became “St. Lucie” for the first time. Thirty years would pass, and in 1880 the borders were changed again, when St. Lucie County merged with Brevard County.

The Florida East Coast Railway's first steam locomotive came to Fort Pierce in 1894. Eventually, Henry Flagler took his trains all the way down to Key West before World War I. The railroad expansion helped create a population boom for the area, but it also brought the importation of pineapples from Cuba. These imports, combined with frequent freezes and persistent disease, caused the collapse of the pineapple trade. Citrus and cattle then became the area's agricultural engine.

On July 1, 1905, St. Lucie County was established with Fort Pierce serving as its county seat, as the town was previously part of Brevard County. At that time, the areas now known as Indian River County Okeechobee, and northern Martin counties were all part of the new St. Lucie County. However, there are some historians that believe the county was established on May 24, 1905, but the event was not celebrated until July 1<sup>st</sup>. Portions of land were stripped away over the years, first in 1917, when the western acres were taken away to become Okeechobee County. Then in 1925, a northern chunk of land

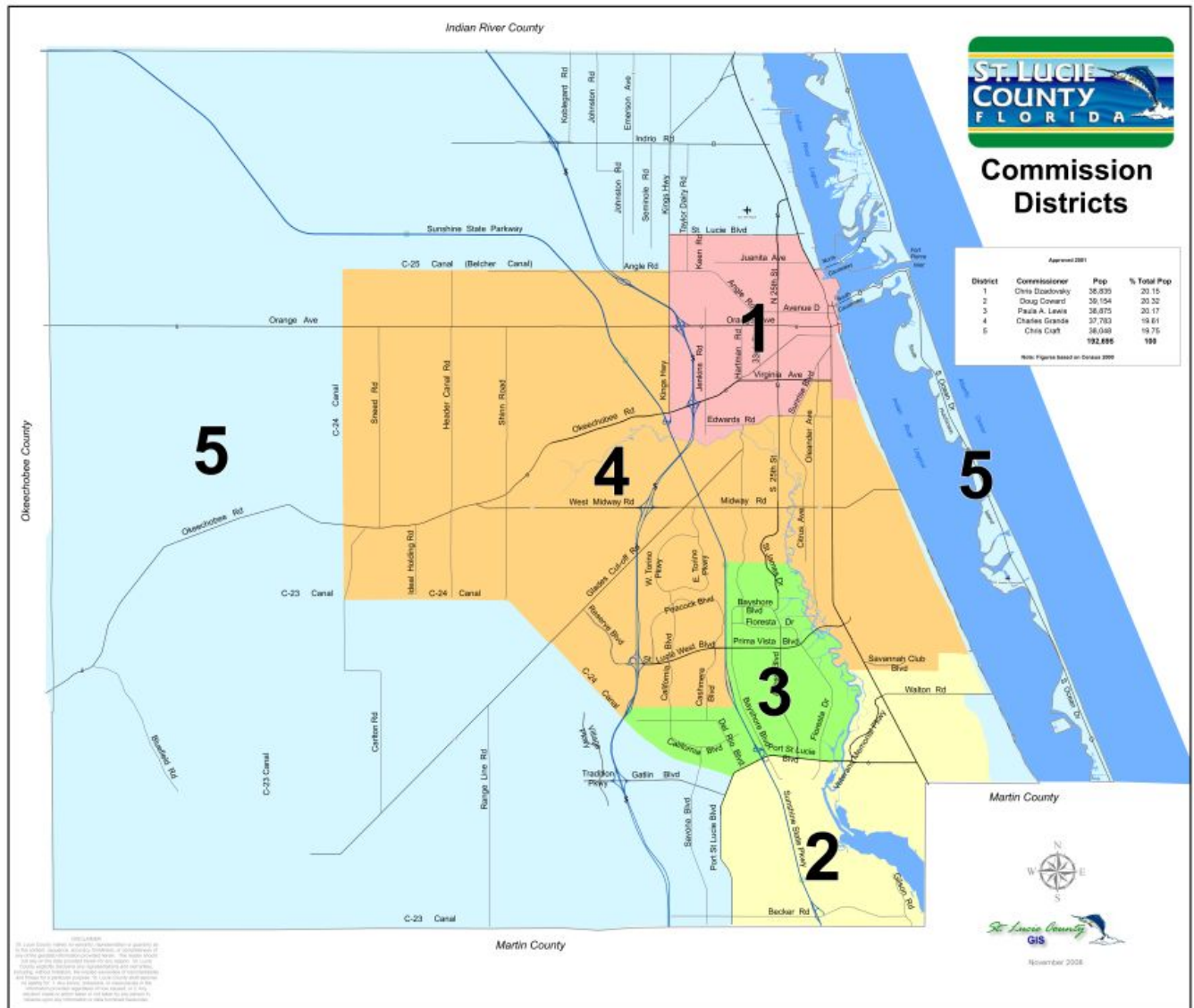
## **HISTORY OF ST. LUCIE COUNTY – continued**

was removed to become Indian River County, and the southern parts of St. Lucie, as well as a portion of Palm Beach County, were combined to form Martin County.

Now, 100 years later, St. Lucie County is approximately 600 square miles with a diverse population that includes two cities and one village: Fort Pierce, Port St. Lucie and St. Lucie Village. With 21 miles of unspoiled beaches, charming neighborhoods, progressive businesses and friendly people; St. Lucie County is truly the crown jewel of the Treasure Coast.

Sources: St. Lucie County website (<http://www.stlucieco.gov/media/history.htm>)  
St. Lucie County Historical Society (<http://www.stluciehistoricalsociety.org/>)  
St. Lucie County Historical Society (<http://www.rootsweb.ancestry.com/~flstluci/slchistory.htm>)  
Florida Counties Map ([http://www.floridacountiesmap.com/st\\_lucie\\_county.shtml](http://www.floridacountiesmap.com/st_lucie_county.shtml))  
Ancient Native Heritage of The Ancient Ones (<http://www.ancientnative.org/ais.php>)  
Spanish Contacts with the Ais (Indian River) Country (<http://www.treasurelore.com/florida/ais.htm>)  
Orlando: A Visual History: Mosquito County 1842 (<http://www.cfhf.net/maps/1839.htm>)  
Wikipedia website ([http://en.wikipedia.org/wiki/State\\_of\\_Florida](http://en.wikipedia.org/wiki/State_of_Florida))

# MAP OF ST. LUCIE COUNTY



## GENERAL INFORMATION

St. Lucie County is located on the eastern edge of the south-central coast of Florida in the heart of the Treasure Coast region. It is bounded on the north by Indian River County, the west by Okeechobee County, the south by Martin County and the east by the beautiful Atlantic Ocean. According to the U.S. Census Bureau, the County has a total area of 688 square miles (1,782 km<sup>2</sup>), of which, 572 square miles (1,483 km<sup>2</sup>) of it is land and 116 square miles (299 km<sup>2</sup>) of water that merges with the Atlantic Ocean. The total area is 16.80% water. Between two cities and their major tourist attractions, the City of Fort Pierce is located approximately 60 miles north of West Palm Beach, and 100 miles southeast of the City of Orlando.

Source: Wikipedia ([http://en.wikipedia.org/wiki/St.\\_Lucie\\_County](http://en.wikipedia.org/wiki/St._Lucie_County))

## **INCORPORATED MUNICIPALITIES**

### **Fort Pierce**

The City of Fort Pierce was named after Lt. Col. Benjamin K. Pierce, who established a U.S. Army fort there during the second Seminole War in 1838. But it would take more than 60 years for the area to officially become the City of Fort Pierce.

On Dec. 29, 1900, a notice was posted calling all registered voters to assemble at Davis Hall, Fort Pierce, Brevard County, Florida, on February 2, A.D. 1901, for the purpose of organizing a municipal government. On that date, 54 of the 66 voters who resided in the proposed village voted to incorporate. They elected A.C. Dittmar as mayor, appointed D.L. Alderman, A.Y.W. Hogg, P.P. Cobb, L.L. Carlton and F.M. Tyler as the City's five aldermen. H.I. Klopp was elected as city clerk and D.S. Carlton as marshal. Those 66 residents have now grown to more than 40,000.

Fort Pierce covers 21 square miles and serves as the county seat. The city's early economies were water transportation and fishing, along with the production of pineapple (a crop that was eventually replaced with citrus). Fort Pierce remains the commercial center of St. Lucie County, although it is smaller in population and land area than Port St. Lucie. A five-member city commission that employs a professional manager governs the City of Fort Pierce.

### **Port St. Lucie**

Its history may not be as old as Fort Pierce's, but the story behind Port St. Lucie is just as interesting.

In 1958, General Development Corporation purchased the River Park property as well as an adjoining 40,000 acres. A subsidiary of Mackle Co., General Development Corporation (GDC) had a budget of \$50 million to develop a new community on the North Fork of the St. Lucie River.

The population boom was on. Full-page ads drew the interest of retirees from the Northeast, offering them 80 x 125-foot lots for \$10 down and \$10 a month. Homes sold for as little as \$9,000. Soon ranchers began selling pasture land that they had purchased for just \$6 an acre for as much as \$225 per acre. At its sales office on U.S. 1 and Prima Vista, GDC sold as many as 300 lots a day.

The City of Port St. Lucie is the largest city both geographically and in terms of population in St. Lucie County. It covers 80 square miles. It was incorporated in 1961 as a residential community and was originally developed in large measure as a retirement community by the GDC. The City of Port St. Lucie is governed by a five-member city council and also employs a professional manager for the management of daily activities.



## **INCORPORATED MUNICIPALITIES - continued**

### **Town of St. Lucie Village**

The community's founding dates back to 1849, when a Seminole attack prompted the U.S. Government to build Fort Capron to protect skittish settlers. The homestead of Major James Paine, who settled there after completing his tour of duty at Fort Capron, his forty acres were along the west bank of the Indian River about one mile south of the fort. His family joined him in 1857. Around 1872, Alexander Bell brought his family and homesteaded from Taylor Creek south, the Paine family were his neighbors. Over the next 20 years the area became known in the north as a "Sportsman's Paradise", Paine rented rooms to visitors for \$3.00 per day.

During the 1870's St. Lucie was the capital of Brevard County. In the 1890's Mathew Quay a Republican Senator from Pennsylvania built a large winter retreat near the Paine home, to which he added a private railroad siding to accommodate his friends' personal railroad cars. Ten of his political allies enjoyed the area so much they formed the St. Lucie Club and built a clubhouse in 1902. This became a center for national Republican politics.

The Village has 36 historic structures listed on the National Register of Historic Places and is a place where some families have resided for a century or more. The roads remain narrow from the days when horse-and-buggy was the mode of transportation, and early economies were the production of pineapples and fishing for green turtles, oysters, and various fish from the Indian River Lagoon.

The Town of St. Lucie Village is a small enclave covering 1.5 square miles of territory in North St. Lucie County located on the west side of the Indian River Lagoon. The village is about 4 miles north of Fort Pierce and 11 miles south of Vero Beach, and was incorporated in 1961. The village is governed by a five-member Board of Aldermen, and the mayor serves as the chief executive officer of the Town.

#### Sources:

- St. Lucie County website (<http://www.stlucieco.gov/media/history.htm>)
- Florida Counties Map ([http://www.floridacountiesmap.com/st\\_lucie\\_county.shtml](http://www.floridacountiesmap.com/st_lucie_county.shtml))
- St. Lucie County Historical Society (<http://www.stluciehistoricalsociety.org/>)
- St. Lucie County Historical Society (<http://www.rootsweb.ancestry.com/~flstluci/slchistory.htm>)
- Wikipedia ([http://en.wikipedia.org/wiki/St.\\_Lucie,\\_Florida](http://en.wikipedia.org/wiki/St._Lucie,_Florida))
- Florida Commission on Ethics (<http://www.ethics.state.fl.us/opinions/94/CEO%2094-008.htm>)
- Indian River Magazine ([http://indianrivermag.com/LIVE/index.php?module=pagemaster&PAGE\\_user\\_op=view\\_page&PAGE\\_id=174](http://indianrivermag.com/LIVE/index.php?module=pagemaster&PAGE_user_op=view_page&PAGE_id=174))

## **GOVERNMENT**

St. Lucie County is a non-charter county governed by a Board of County Commissioners consisting of five-members. The commissioners are elected at large to serve a period of four years. Elections are staggered to provide continuity between boards. A professional administrator, who is appointed by the Board of County Commissioners, manages the County on a daily basis.

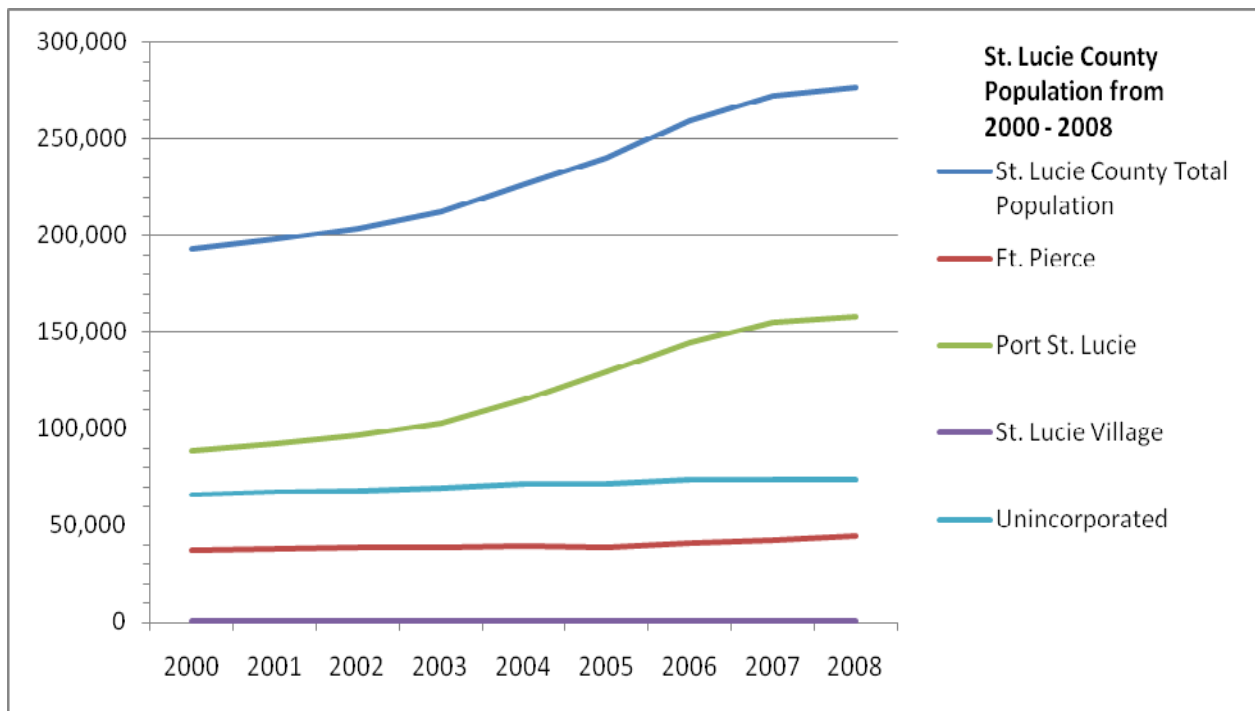
Some key facts about St. Lucie County are:

**POPULATION**

St. Lucie County’s population in 2008 is estimated by the census at 276,585, an increase of 4,624 (1.7%) persons from 2007’s population census estimate of 271,961. The population is largely concentrated in the eastern portion of the County within 5-10 miles of the Atlantic Coast. The current population has increased by 43.5% over the 2000 census population of 192,695 and a considerable 84.2% increase since 1990’s census population of 150,171.

For 2008, the County’s median age was 43.6 and the County was ethnically comprised of 64.1% white, 17.9% black, 15.7% Hispanic, 1.6% Asian, 0.4% American Indian and Alaskan Natives, and 0.1% Native Hawaiian and Other Pacific Islanders.

For 2008, there was a slight change in the concentrations of population: Fort Pierce – 16.0%; Port St. Lucie – 57.1%; St. Lucie Village - less than 0.2%; and Unincorporated – 26.7%.



Source: Economic Development Council of St. Lucie County (<http://www.edr.state.fl.us/population/Population-city-county.pdf>)

## EMPLOYMENT

Services, tourism, agriculture, construction and light manufacturing are the principal industries within the County. While St. Lucie County is poised to take advantage of its location, climate and abundant workforce, between 2000 and 2004, the growth in employment opportunities has not kept pace with the growth in population.

From 2005 to 2008, the overall economic downturn felt by the County and State resulted in the County experiencing an unemployment rate of 5.8%, as compared to the State's rate of 3.8% in 2005. To counter the County's improving, but still higher than the State's average unemployment rate; the County initiated an aggressive campaign to attract targeted businesses. The overall unemployment rate trend began improving in 2006, with the County's rate declining by 1.6% to 4.2% and the State's rate declining by 0.50% to 3.3%.

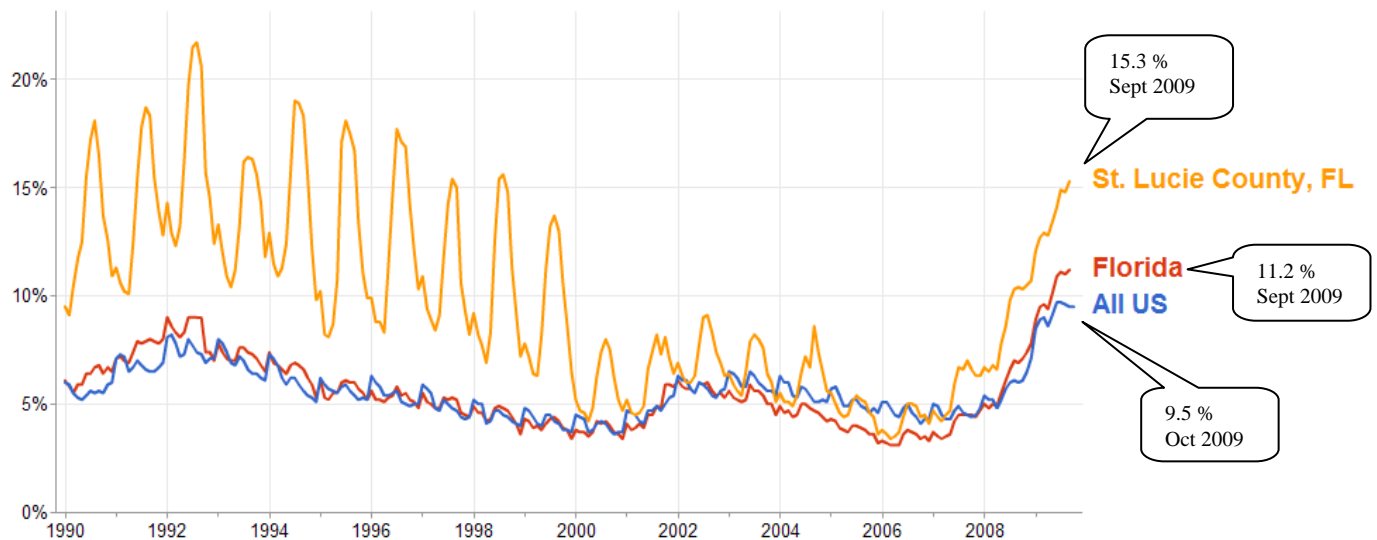
But, in 2007, with the overall economic conditions declining, the County's unemployment rate increased by 1.6% and returned to 5.8%, while the State's rate increased by 0.70% to 4.0%. For 2007, the County's total population was 260,939, of which, the total labor force was 120,570 individuals (46.2% of the county population) and 7,025 individuals were unemployed.

In 2008, the overall economic conditions continued to decline, with the County's unemployment rate increasing by 3.0% to 8.8%, while the State's rate increased by 2.2% to 6.2%. In 2008, the County total population was 265,108, of which, the total labor force was 123,438 individuals (46.6% of the county population) and 10,823 individuals were unemployed (an increase of 54.1% from 2007).

Sources: FedStats (<http://www.fedstats.gov/qf/states/12/12111.html>)

### Unemployment rate

The percent of the labor force that is unemployed, not seasonally adjusted. [More info »](#)



Data source: [U.S. Bureau of Labor Statistics](#) - Last updated November 11, 2009

Source: Google Public Data

([http://www.google.com/publicdata?ds=usunemployment&met=unemployment\\_rate&tid=true&q=unemployment+rate#met=unemployment\\_rate&idim=state:ST120000&idim=county:PA121350&tid=true](http://www.google.com/publicdata?ds=usunemployment&met=unemployment_rate&tid=true&q=unemployment+rate#met=unemployment_rate&idim=state:ST120000&idim=county:PA121350&tid=true))

**The Major Industry Areas of Employment in St. Lucie County Are:**

<b>Industry</b>	<b>2007</b>		<b>2008</b>		<b>2009</b>	
	<b>% of Labor Force</b>	<b>Labor Force</b>	<b>% of Labor Force</b>	<b>Labor Force</b>	<b>% of Labor Force</b>	<b>Labor Force</b>
Agriculture, forestry, fishing and hunting, and mining	4.3%	3,063	1.3%	1,421	4.6%	3,294
Construction	8.9%	6,339	16.3%	18,021	9.0%	6,428
Manufacturing	4.1%	2,920	3.9%	4,355	4.1%	2,919
Wholesale Trade *		-	2.7%	3,028	5.8%	4,160
Retail Trade *		-	16.1%	17,900	13.7%	9,765
Transportation and warehousing, and utilities	20.1%	14,316	5.2%	5,755	4.7%	3,381
Information	0.9%	641	2.0%	2,244	0.9%	667
Finance and insurance, and real estate leasing	5.4%	3,846	6.0%	6,678	5.4%	3,863
Professional, scientific, management and administrative, and waste management services	10.0%	7,123	10.7%	11,885	10.0%	7,119
Educational services, and health care and social assistance	12.5%	8,903	17.9%	19,830	21.6%	15,460
Art, entertainment, recreation, and accommodation and food services	9.7%	6,909	8.0%	8,893	9.7%	6,965
Other services	2.6%	1,852	4.4%	4,846	2.6%	1,848
Public administration	7.9%	5,627	5.4%	5,983	7.8%	5,598

Note: \* In 2007, both the Wholesale Trade and Retail Trade totals were combined with Transportation and warehousing, and utilities totals.

Source: Economic Development Council of St. Lucie County ([http://www.youredc.com/html/labor\\_market.asp](http://www.youredc.com/html/labor_market.asp))

**Major Employers Within the County Are:**

<b><u>Public Sector Employers:</u></b>	<b><u>Number of Employees</u></b>
St. Lucie County School District .....	4,612
City of Port St. Lucie .....	1,127
St. Lucie County BOCC .....	750
St. Lucie County Sheriff Department .....	647
St. Lucie County Fire District.....	468
City of Fort Pierce.....	414
United States Postal Service .....	350
Fort Pierce Utilities Authority .....	295
St. Lucie County Clerk of Courts .....	189
Department of Children and Families.....	170
St. Lucie County Tax Collector .....	85
St. Lucie County Property Appraisers .....	67
St. Lucie County Supervisor of Elections.....	18

<b><u>Private Sector Employers:</u></b>	<b><u>Number of Employees</u></b>
Liberty Healthcare Group, Inc. ....	2,000
Indian River State College.....	1,563
Lawnwood Regional Medical Center & Heart Institute .....	1,400
Publix Super Markets, Inc. (10 stores) .....	1,117
Wal-Mart Stores (3 stores).....	1,050
Florida Power and Light Co.....	1,038
QVC St. Lucie, Inc.....	1,000
St. Lucie Medical Center .....	800
Wal-Mart Distribution Center.....	600
Aegis Communications Group, Inc.....	526

**Private Sector Employers: - continued****Number of Employees**

Winn-Dixie Stores, Inc. (4 stores) .....	428
Riverside National Bank of Florida .....	402
Home Depot USA, Inc. (3 stores).....	372
Tropicana Products, Inc .....	360
Florida Atlantic University / Harbor Branch Oceanographic Institute.....	358
New Horizons of the Treasure Coast (5 locations).....	272
Holiday Village of Sandpiper .....	250
National City / PNC.....	250

Source: Economic Development Council of St. Lucie County ([http://www.youredc.com/html/major\\_employers.asp](http://www.youredc.com/html/major_employers.asp))

**2008 Average Annual Wage**

	<b>St. Lucie County</b>	<b>State of Florida</b>
All Industries	\$ 34,833	\$ 40,569
National Resource and Mining	\$ 23,388	\$ 23,967
Construction	\$ 35,060	\$ 42,017
Manufacturing	\$ 38,068	\$ 48,603
Trade, Transportation and Utilities	\$ 35,214	\$ 36,219
Information	\$ 50,119	\$ 58,202
Financial Activities	\$ 38,409	\$ 55,754
Professional and Business Services	\$ 32,503	\$ 46,952
Education and Health Services	\$ 38,501	\$ 42,243
Leisure and Hospitality	\$ 18,413	\$ 21,204
Other services	\$ 25,358	\$ 28,563
Government	\$ 43,288	\$ 46,416

Source: Office of Economic & Demographic Research (<http://edr.state.fl.us/county%20profiles/stlucie.pdf>)

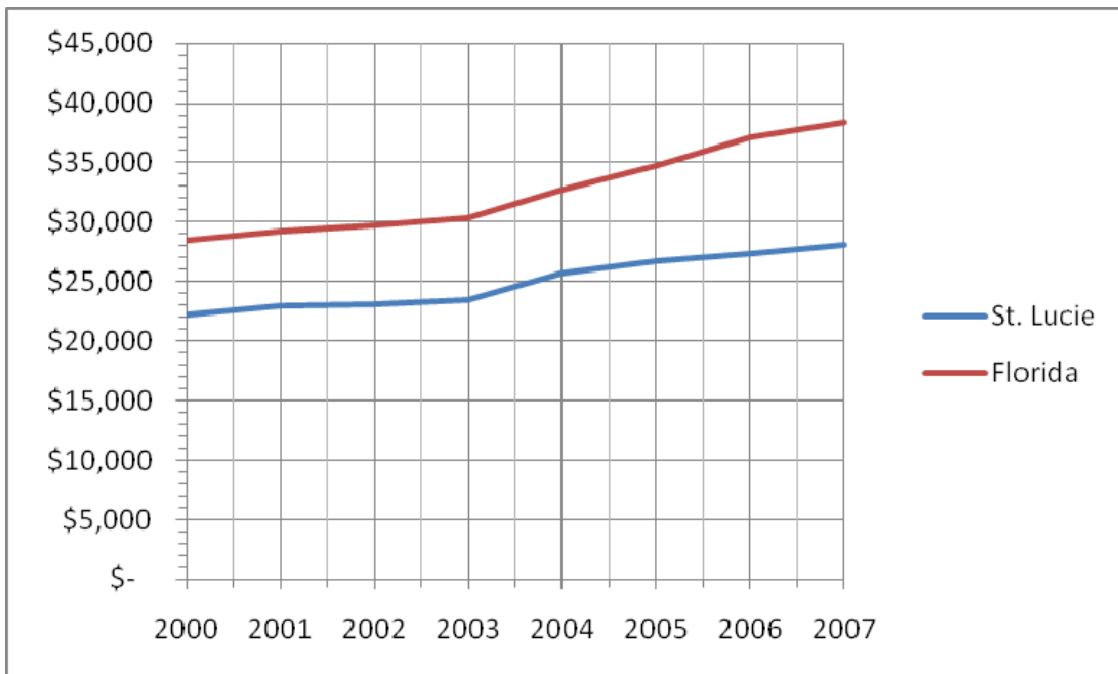
**COST OF LIVING**

2008 Cost of Living	St. Lucie County		Palm Beach County	Broward County	Miami-Dade County	U.S. Average
	Port St. Lucie	Fort Pierce	West Palm Beach	Fort Lauderdale	Miami	
	Overall	92	93	112	124	137
Housing	71	73	121	152	199	100.0
Transportation	112	111	110	111	110	100.0
Utilities	97	97	96	101	105	100.0
Food	101	100.4	108.2	108.6	107	100.0

Source: Economic Development Council of St. Lucie County ([http://www.youredc.com/html/cost\\_of\\_living.asp](http://www.youredc.com/html/cost_of_living.asp))

**FINANCIAL HEALTH**

St. Lucie County and State of Florida Per Capita Personal Income from 2000 to 2007:



Source: Office of Economic & Demographic Research (<http://edr.state.fl.us/county%20profiles/stlucie.pdf>)

# **HOUSING**

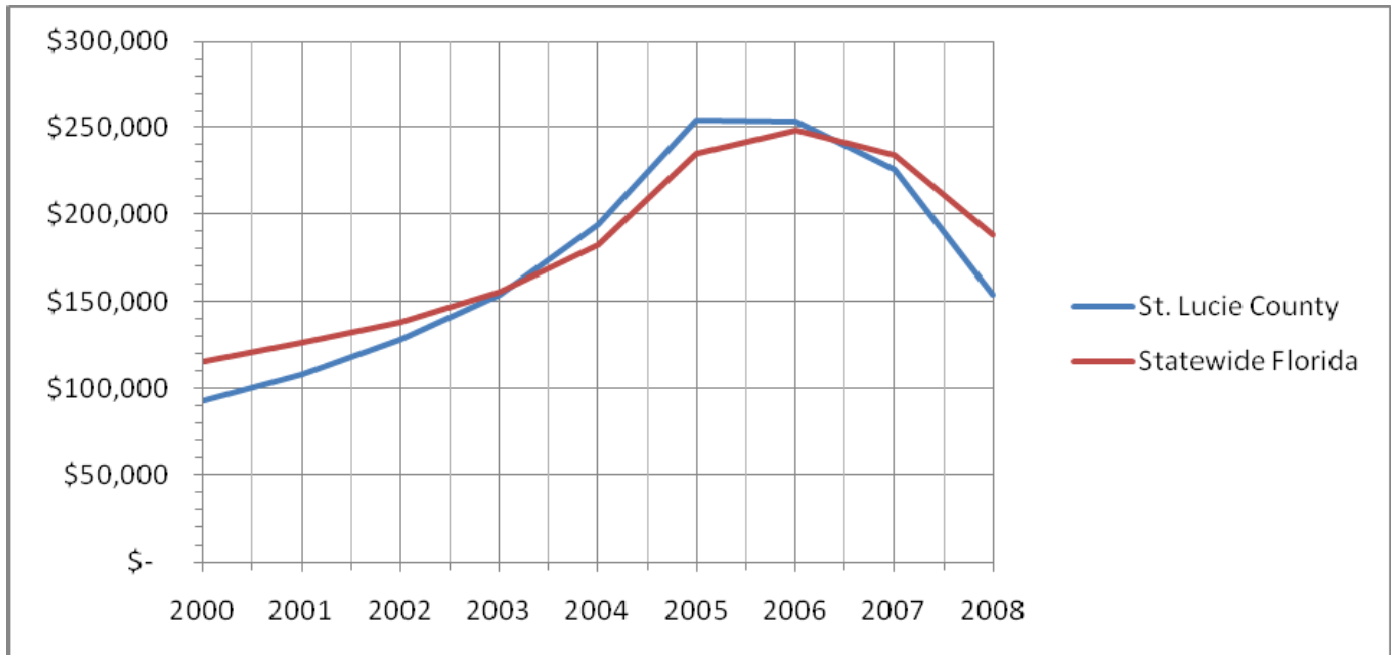
## **Residential Housing Trends in St. Lucie County**

	<b>2003 Q1</b>	<b>2004 Q1</b>	<b>2005 Q1</b>	<b>2006 Q1</b>	<b>2007 Q1</b>	<b>2008 Q1</b>
Average Price	\$ 142,500	\$ 176,600	\$ 221,600	\$ 265,100	\$ 224,000	\$ 172,800
# Homes on the Market	1,060	1,663	3,466	6,382	9,014	8,072
# Homes Sold	834	1,206	767	1,071	728	651
# New Homes Built	557	1,113	2,040	1,778	282	103
Average # Days on Market	75	70	59	88	139	135

Note: Q1 is for the first quarter of each year.

Source: Economic Development Council of St. Lucie County (<http://www.youredc.com/html/housing.asp>)

## **St. Lucie County & Statewide Florida Median Home Sales Prices from 2000 to 2008**



Source: Economic Development Council of St. Lucie County (<http://www.youredc.com/html/housing.asp>)



## EDUCATION

The public school system is countywide and is governed by the School Board consisting of five members each elected for a four-year term. The school system is comprised of twenty elementary schools (grades K-5), eleven schools that combine grades K-8, five middle schools (grades 6-8) and six high schools (grades 9-12). Of the total 42 schools in St. Lucie County, there are five Magnet Schools: three elementary, one combined K-8, and one high school.

Higher educational resources within the County include: Indian River State College (IRSC) (formally Indian River Community College), Keiser University, and extension campuses of Florida Atlantic University, University of Florida, Nova Southeastern University, and Barry University. These prestigious schools enable an individual to obtain a four-year degree without having to leave the area.

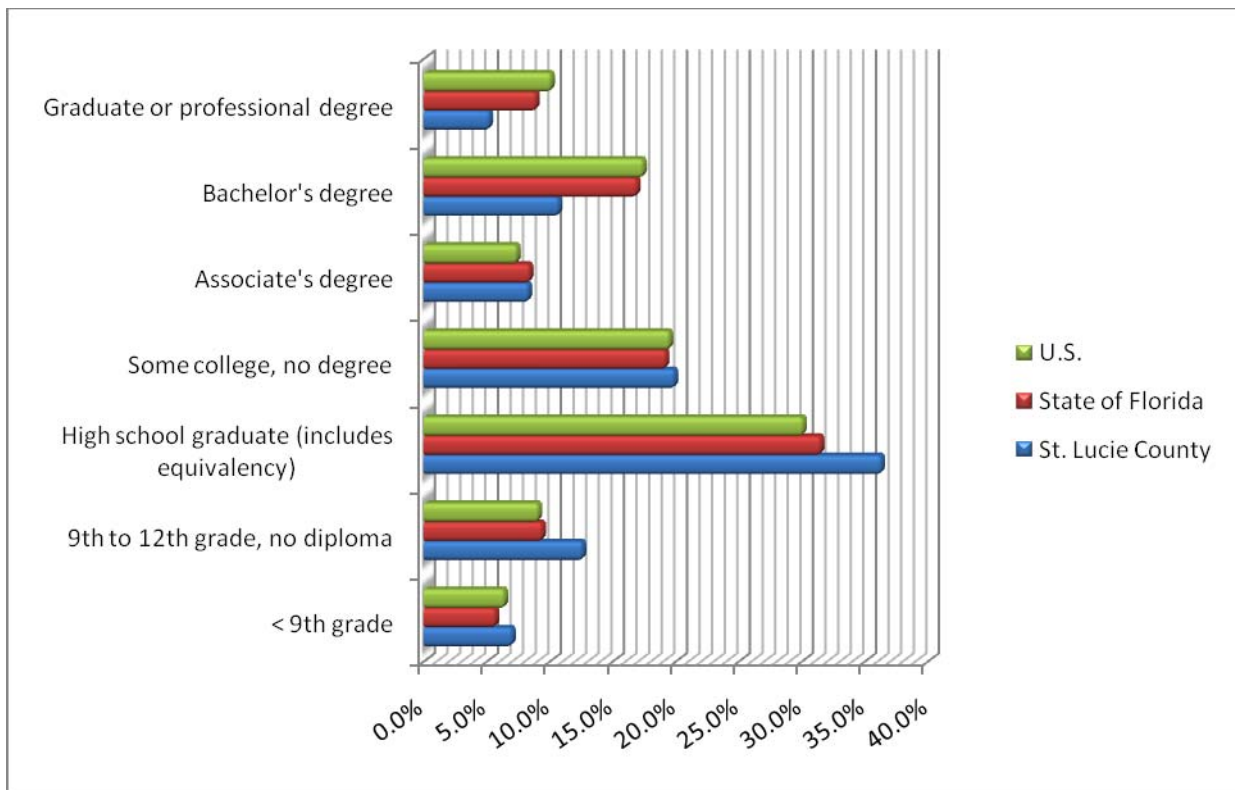


Source: Economic Development Council of St. Lucie County (<http://www.youredc.com/html/education.asp>)

## Educational Attainment Rates in St. Lucie County, the State of Florida, and the United States

### 2007 Levels of Education:

	St. Lucie County	State of Florida	U.S.
<b>Population 25 years and over</b>	<b>180,775</b>	<b>12,588,083</b>	<b>197,892,369</b>
< 9th grade	7.0%	5.7%	6.4%
9th to 12th grade, no diploma	12.6%	9.4%	9.1%
High school graduate (includes equivalency)	36.3%	31.5%	30.1%
Some college, no degree	19.9%	19.2%	19.5%
Associate's degree	8.3%	8.4%	7.4%
Bachelor's degree	10.7%	16.9%	17.4%
Graduate or professional degree	5.2%	8.9%	10.1%



#### Sources:

U.S. Census Bureau for St. Lucie County ([http://factfinder.census.gov/servlet/STTable?\\_bm=y&-qr\\_name=ACS\\_2007\\_1YR\\_G00\\_S1501&-geo\\_id=05000US12111&-context=st&-ds\\_name=ACS\\_2007\\_1YR\\_G00\\_&-tree\\_id=307&-lang=en&-format=&-CONTEXT=st](http://factfinder.census.gov/servlet/STTable?_bm=y&-qr_name=ACS_2007_1YR_G00_S1501&-geo_id=05000US12111&-context=st&-ds_name=ACS_2007_1YR_G00_&-tree_id=307&-lang=en&-format=&-CONTEXT=st))

U.S. Census Bureau for the State of Florida ([http://factfinder.census.gov/servlet/STTable?\\_bm=y&-context=st&-qr\\_name=ACS\\_2007\\_1YR\\_G00\\_S1501&-ds\\_name=ACS\\_2007\\_1YR\\_G00\\_&-CONTEXT=st&-tree\\_id=307&-redoLog=false&-caller=geoselect&-geo\\_id=04000US12&-format=&-lang=en](http://factfinder.census.gov/servlet/STTable?_bm=y&-context=st&-qr_name=ACS_2007_1YR_G00_S1501&-ds_name=ACS_2007_1YR_G00_&-CONTEXT=st&-tree_id=307&-redoLog=false&-caller=geoselect&-geo_id=04000US12&-format=&-lang=en))

U.S. Census Bureau for the United States ([http://factfinder.census.gov/servlet/STTable?\\_bm=y&-context=st&-qr\\_name=ACS\\_2007\\_1YR\\_G00\\_S1501&-ds\\_name=ACS\\_2007\\_1YR\\_G00\\_&-CONTEXT=st&-](http://factfinder.census.gov/servlet/STTable?_bm=y&-context=st&-qr_name=ACS_2007_1YR_G00_S1501&-ds_name=ACS_2007_1YR_G00_&-CONTEXT=st&-))

## **QUALITY OF LIFE:**

### ***Points of Interest:***

- Dolphin Watch & Wildlife Eco Tours – Ft. Pierce
- FPL’s Energy Encounter – Hutchinson Island
- Fort Pierce City Marina – Ft. Pierce
- Ocean Discovery Center, Harbor Branch Oceanographic Institution – Ft. Pierce
- Heathcote Botanical Gardens – Ft. Pierce
- Hallstrom Planetarium – Ft. Pierce
- Navy UDT-SEAL Museum – Ft. Pierce
- PGA Historical Center – Port St. Lucie
- Manatee Observation & Education Center – Ft. Pierce
- Experimental Oculina Research Reserve – Ft. Pierce
- Smithsonian Marine Ecosystems Exhibit – Ft. Pierce
- St. Lucie County Regional History Center – Ft. Pierce
- Seven Gables House Visitor Information Center – Ft. Pierce



### ***Recreational Opportunities:***

- Beaches and Water Sports
- Diving at Artificial Reefs
- Fishing
- Horseback Riding at Frederick Douglass Beach
- 4 County Pools
- 38 Parks
- 23 Ballfields
- 19 Beach Access Sites
- 1 Skate Park



### ***Golf Courses:***

- Fairwinds – Ft. Pierce
- Ballantrae – Port St. Lucie
- Gator Trace – Ft. Pierce
- Club Med Resort – Port St. Lucie
- Edward G. Enns Indian Hills – Ft. Pierce
- The Saints – Port St. Lucie



***Cultural Events / Festivals:***

- Events at St. Lucie County Fairgrounds.....Year Round
- New York Mets Major League Baseball Game.....Majors in Feb-Apr / Minors Apr – Sep
- Art Walk in Historic Downtown Fort Pierce.....2nd Wednesday / month
- Zora Neale Hurston Dust Tracks Heritage Trail.....Year Round
- Zora Fest – various locations in Ft. Pierce.....April
- Friday Fest in Historic Downtown Fort Pierce.....1st Friday / month
- West Fest – Tradition Community..... 3rd Friday / month
- Seafood & Fishing Frenzy.....June

***Galleries:***

- A.E. “Bean” Backus Museum & Gallery – Ft. Pierce
- Brush Strokes Gallery – Ft. Pierce
- IRSC’s Arts Gallery – Ft. Pierce
- Lafferandre Gallery – Ft. Pierce
- The Littleton Collection – Ft. Pierce

***Theater Companies:***

- Club Med, Port St. Lucie
- McAlpin Fine Arts Center, IRSC – Ft. Pierce
- Pineapple Playhouse – Ft. Pierce
- Sunrise Theater – Ft. Pierce

***Symphony Orchestras:***

- Fort Pierce Jazz Society
- Treasure Coast Symphony at IRSC’s McAlpin Fine Arts Center – Ft. Pierce

***Medical Services:***

- Lawnwood Regional Medical Center & Heart Institute
- Martin Memorial Health Systems
- Savannas Hospital
- St. Lucie Medical Center

Sources:

- St. Lucie County Tourism ([http://www.stlucieco.gov/tourism/galleries\\_museums.html](http://www.stlucieco.gov/tourism/galleries_museums.html))
- Economic Development Council of St. Lucie County (<http://www.efflorida.com/profiles/CountyReport.asp?CountyID=36&Display=all>)
- Economic Development Council of St. Lucie County (<http://www.youredc.com/html/attractions.asp>)
- Economic Development Council of St. Lucie County ([http://www.youredc.com/html/arts\\_and\\_culture.asp](http://www.youredc.com/html/arts_and_culture.asp))
- St. Lucie County website (<http://www.st-lucie.lib.fl.us/zora/index.htm>)
- St. Lucie County website (<http://www.co.st-lucie.fl.us/zorafest/index.htm>)
- St. Lucie County website (<http://www.stlucieco.gov/parks/index.htm>)
- Wikipedia ([http://en.wikipedia.org/wiki/St.\\_Lucie\\_County](http://en.wikipedia.org/wiki/St._Lucie_County))

## **OTHER RESOURCES**

St. Lucie County is situated in an area where the Florida Turnpike, Interstate 95, US Highway 1, the St. Lucie County International Airport, the Port of Fort Pierce, and the Florida East Coast Railway system are in close proximity to each other. This provides for easy access to County amenities as well as commercial opportunities.

The County is also the home of two prestigious research facilities -- Harbor Branch Oceanographic Institute and the Smithsonian Marine Station, Fort Pierce. Additionally, The University of Florida has established an agricultural research center in the County, and the United States Department of Agriculture has selected St. Lucie County as a location for a research facility.

The St. Lucie County Sports Complex is the site of many public events and includes a modern baseball stadium and practice fields that serve as the spring training home of the New York Mets baseball team. It is also home of the St. Lucie Mets, a local farm club that provides near major league quality baseball action for fans at a very affordable rate.

Three local law enforcement departments serve the County. The St. Lucie County Sheriff's Department services primarily the unincorporated area. The Fort Pierce Police Department and the Port St. Lucie Police Departments service their respective cities. The three departments work closely to ensure that St. Lucie County is a safe place to work and live.

# FINANCIAL POLICY

## FINANCIAL POLICY STATEMENT

St. Lucie County has an important responsibility to its citizens to correctly account for public funds, to manage county finances wisely and to plan for adequate funding of services desired by the public. With the rapid growth in the county, St. Lucie County needs to ensure that it is capable of adequately funding and providing local government services needed by the community.

Sound fiscal policies that are realistic and consistent provide useful guidance for the long-term programming of services and facilities. They also provide a set of assumptions under which budget and tax decisions should be made. While established for the best management of government resources, generally accepted fiscal policy also helps set the parameters for government's role in the broader economy of the community. The following fiscal policies set as a framework to guide the operations of the County.

## FINANCIAL STRUCTURE

All operations of St. Lucie County are accounted for by the use of fund accounting, in order to provide proper accountability for the different kinds of resources. Various funds have been established to track transactions. Funds with similar objectives, activities and legal restrictions are placed in one the following three groups:

**Governmental Funds** - These funds account for general governmental functions, such as the court system and law enforcement. They use a spending measurement focus; which means that only current assets and liabilities are generally included on the fund types' balance sheets, and the difference between these assets and liabilities is classified as fund balance. Governmental Funds types are classified into five generic fund types as follow:

- **General Fund** is used to account for all financial resources except those required to be accounted for in a specific fund. Most countywide activities are accounted for in this fund.
- **Special Revenue Funds** account for proceeds of specific revenue sources that legally restricted to expenditures for specified purposes.
- **Debt Service Funds** are used to account for the accumulation of resources for and the payment of general long-term debt principal, interest and other costs associated with long-term debt.
- **Capital Project Funds** are used to account for the purchase or construction of major capital facilities, such as buildings, infrastructure and lands.

**Proprietary Funds** - These funds are used to account for governments' ongoing activities that are similar to those of private enterprise. They are accounted for on a cost of service. There are two types of Proprietary Funds:

- **Enterprise Funds** are used to account for the provision of public services that are similar to services provided by business enterprises. Operating costs of such funds are paid from user charges or other non-governmental revenue.
- **Internal Service Funds** is the financing of goods or services provided by one department to other departments within the same government on a cost reimbursement basis.

**Fiduciary Funds** - These funds account for assets belonging to others, held by a government in a trustee capacity or as an agent. Agency and expendable trust funds are accounted for like governmental funds. Non-expendable trusts are accounted for in the same manner as proprietary funds. Fiduciary Funds consists of two groups:

- **Expendable Trust Funds** account for assets held by the County in trust for administration and disbursement for specific purposes.
- **Agency Funds** account for assets belonging to others, which are held pending disposition.

## **BUDGETARY BASIS**

**Modified Accrual Basis for Governmental Funds** - All Governmental Funds (General Fund, Special Revenue Funds, Debt Service Funds, Capital Project Funds), Expendable Trust Funds and Agency Funds are maintained on the modified accrual basis of accounting. Modified accrual is essentially accrual accounting, modified to recognize the governmental environment and unique accounting measurement objectives. Revenues are generally recognized during the fiscal year when they are quantifiable, measurable and there is a reasonable expectation that they will be collected during that period. In most cases, expenditures are recorded when the good or service is actually delivered, regardless of when the funds are disbursed. As a budgetary control measure, the funds will be encumbered or "reserved" when the good or service is ordered.

**Accrual Basis for Proprietary Funds**- Proprietary Funds include the Internal Service Funds and the Enterprise Funds. Under the Accrual basis revenues are budgeted based on the measurable amount expected to be "earned" during the fiscal year. Expenditure estimates are developed for all expenses anticipated to be "incurred" during the fiscal year. Revenue is recognized when earned and expenditures are recognized when incurred. Transactions are recorded when they occur - regardless of when cash is received or disbursed. This is essentially the same method used in the private sector, however there are a few differences:

1. Capital expenditures and debt principal are budgeted as appropriations
2. Compensated absence accruals are not budgeted

**Fund Balance** - Fund balance is the result of the previous fiscal year's beginning cash balance plus revenues received minus actual expenditures. It includes unallocated resources that may be used to fund new projects/programs as well as unspent allocated funds, which will be carried forward to fund those existing projects/programs. Fund balance is adjusted for inventory and other non-cash assets and liabilities.

**Depreciation** - For budget purposes, depreciation is recognized in a designated reserve only to the extent that it is funded.

### **GRANTS BUDGETING**

Grants are funds awarded to St. Lucie County by the federal government, state agencies, or other organizations to finance projects such as capital improvement, cultural and educational activities, environmental projects, economic development, planning and research, etc. Grant revenues are received into governmental or proprietary funds related to the project. Each grant is individually budgeted as a sub-fund subordinate to its hierarchy governmental or proprietary fund. Transfers of grant local matches, interest monies and residual cash between a grant and its hierarchy fund are permitted without Board approval.

### **CAPITAL BUDGETING**

St. Lucie County maintains a Capital Improvements Plan (CIP), which covers a five-year period and is updated annually. The Office of Management and Budget determines the amount of funds available for capital projects. Proposed projects are prioritized and the available funds are allocated accordingly. A separate section of this document is designated for the CIP projects detail. Projects in the CIP this fiscal year are funded; however out years are estimated needs and may exceed future available revenues.

The capitalization threshold is \$25,000 for buildings or infrastructure with a life span of more than one year. Budgets for buildings and infrastructure under \$25,000 are reflected in the County's operating budget instead of the Capital Improvement Program.

### **GENERAL BUDGET POLICY**

1. The operating budget authorizing expenditure of county money will be adopted annually by the Board at the fund level.
2. The budget shall reflect the estimated beginning balances of all funds and all planned revenues or receipts for each fund for which the county must maintain accounts. Once the annual audit is completed, staff may prepare a Budget Resolution to adjust the beginning balances from the estimated to the actual.



3. No monies shall be expended or disbursed from accounts of the Board of County Commissioners except pursuant to authorization reflected in the adopted budget. The Clerk of Courts shall advise the Board of any exceptions to this policy required by law or generally accepted accounting practice.
4. Florida law states that a county must have a balanced budget. Therefore, the budgeted expenditures and reserves of each fund (including reserves for contingencies, cash flow and all other purposes) will equal the sum of projected fund balance at the beginning of the fiscal year and all revenues and receipts which reasonably can be expected to be received during the fiscal year.
5. Reserves:
  - a. A reserve for contingency may be budgeted in each of the funds. At the Board's discretion, these funds may be allocated as needed during the year to fund unexpected operations or events.
  - b. The Board will also maintain a designated Emergency Reserve of 5% of the total operating budget. By majority vote, the Board may use all or a portion of this designated Emergency Reserve, however, the use is normally reserved for natural or manmade disasters.
  - c. The Board will also maintain a fund balance reserve in the general fund equal to 5% of the general fund operating budget. By a majority vote, the Board may use all or a portion of this fund balance reserve to address unanticipated revenue shortfalls or any unforeseen expenditures not necessarily resulting from a natural disaster.
6. Transfers:
  - a. Transfers to reserve accounts may be made during the fiscal year by the County Administrator or the Management & Budget Director as required for proper management of the budget.
  - b. Transfers among expenditure or revenue accounts may be made during the fiscal year by County Administration and/or the Office of Management & Budget, if re-allocations within a fund are determined to be needed. Additional procedures will be established by the County Administrator. No transfers having an impact on capital facility improvement will be made without Board authority.
  - c. No transfer affecting the total allocations to a Constitutional Officer may be made without Board approval.
  - d. No transfer may be made between funds if the result of such transfer will be to change the adopted total budget of a fund, except pursuant to a public hearing and Board action to amend the adopted budget.

- e. Transfers from reserves for contingency will require approval of the Board.
7. Changes in the adopted total budget of a fund will be made only with Board approval of a budget amendment resolution.
8. To provide information to the Board on budget and financial operations the Office of Management & Budget will prepare quarterly analyses of financial condition, and not less than semi-annual analyses of debt service and grants administration.
9. The operating budget will reflect programmatic expectations of the Board and County Administrator for each department. The budget will emphasize the relationship between financial and managerial (operations) planning.
10. For purposes of budget preparation, in the event policies or stated desires of the Board regarding appropriations or service levels prove to be incompatible with forecasted revenues or revenue policies, these conflicts will be resolved in favor of the revenue policy.
11. The Capital Improvement Budget showing estimated annualized costs of capital projects will be updated on an annual basis.

## **REVENUE POLICY**

1. The use of general ad valorem tax revenues will be limited to the General, Law Enforcement & Courts (Fine & Forfeiture), MSTU Funds, and dependent special districts, unless required in other funds by bond indenture agreements or by the terms of municipal service taxing units ordinance.
2. The use of ad valorem tax revenues based on millage levied for the Mosquito Control, and Erosion Control Special Districts will be limited to those districts.
3. The use of gas tax revenues will be limited to the Transportation Trust and Transportation Projects Funds, unless required in other funds by bond indenture agreements.
4. The use of sales tax revenues will be limited to the General and Law Enforcement & Courts (Fine & Forfeiture) funds except when allocated to debt service funds to meet non-ad valorem debt service requirements.
5. Pursuant to Ordinance, Tourist Development Tax proceeds will be appropriated as follows:
  - a. 20% for tourist advertising and promotion within St. Lucie County.
  - b. 40% for stadium expenses.
  - c. 33.40% debt service for stadium renovations.
  - d. 6.60% for capital facilities that promote tourism in the Fairgrounds and the area north of Midway Road.

6. The use of revenues pledged to bondholders will conform in every respect to the bond covenants committing those revenues.
7. Periodic cost studies of all County services for which user fees are imposed will be prepared, and proposed fee adjustments will be presented for Board consideration. Fee revenues will be anticipated for purposes of budget preparation using fee schedules, which have been adopted by the Board.
8. County staff will continue to aggressively pursue grant funds. For purposes of preparing the annual budget, revenues will be budgeted at actual award levels when known, and at anticipated grant award levels for continuing grants. Other grants will be budgeted upon notice of award.
9. Ad valorem taxes will be anticipated for purposes of operating budget preparation at 95% of the final assessed taxable value as determined by the Property Appraiser.
10. Millages for Debt Service will be established at the amounts, which will generate sufficient revenue, to make all required payments plus any reserve amount deemed prudent by the Office of Management and Budget or prescribed by covenant or ordinance.
11. All revenues, which are reasonably expected to be unexpended and unencumbered at the end of the fiscal year, will be anticipated as "fund balance" in the budget of the following fiscal year. Funds budgeted but unexpended in salary and benefit line items shall lapse to fund balance.

## **DEBT POLICY**

1. Neither the Florida Constitution, Florida Statutes, nor the Board of County Commissioners place a limit on the amount of debt the voters may approve by referendum. However, as a practical matter, debt is limited by the availability of revenue streams to pay debt service, by market factors, and by Board/voter discretion.
2. In concert with the County Administrator and the County Finance Team, and to facilitate better short-term decisions, the Office of Management and Budget creates an annual report to the Board, which lists current debt and projects debt requirements ten years into the future.
3. The County will not fund operations or normal maintenance from the proceeds of long-term financing and will confine long-term borrowing and capital leases to capital improvements, projects, or equipment that cannot be financed from current or projected financial resources. To conserve debt capacity as well as maintain a high bond rating the County will utilize pay-as-you-go financing to the maximum extent possible.
4. Notwithstanding extenuating circumstances, the County's debt capacity will be maintained within the following generally accepted benchmarks:

- Direct debt per capita shall remain below four hundred dollars (\$400.00). Direct debt includes general obligations and governmental fund bond debt.
  - Direct debt per capita as a percentage of income per capita should not exceed 2%.
  - Direct debt as a percentage of the final assessment value of taxable property as provided by the Office of the Property Appraiser shall not exceed 1%.
  - The ratio of direct debt service expenditures as a percentage of general governmental expenditures will not exceed 10%. General governmental expenditures are considered General Fund expenditures, Fine and Forfeitures Fund expenditures plus transfers to the Constitutional Officers, the Airport, the Port and all transfers to Internal Service Funds.
5. The County strives to maintain a minimum underlying bond rating equivalent to 'Upper Medium Grade' (Moody Rating Service A or Standard & Poor's A). The County shall request an evaluation of their underlying rating every five years or as deemed necessary by the Board.

Comment: Moody's and S&P evaluated St. Lucie County's underlying creditworthiness in June of 2005. Moody's rated the county at A2. S&P gave the county a rating of A. Both ratings indicate the County is in the 'Upper Medium Grade' of investment quality.

On March 29, 2007, Standard and Poor's assigned a rating of A+ for the \$30,000,000 SLC, FL, Transportation Revenue Bonds, Series 2007. Moody assigned an A2 underlying rating to SLC \$30 million Transportation Revenue Bonds, Series 2007.

Comment: Calculation of current debt ratios, as well as current debt balances are included in the Debt Service section of this book.

6. The County shall strive to keep the average maturity of general obligation bonds at or below fifteen (15) years.
7. When financing capital projects or equipment by issuing bonds, the County will amortize the debt over a term not to exceed the useful life of the project or piece of equipment.
8. Each year the County will review its outstanding debt for the purpose of determining the feasibility of refunding an issue. Candidates for refunding are those issues that may realize a present value savings of 3% over the life of the issue.
9. To the maximum extent possible, the County will use special assessment (i.e. Municipal Services Benefit Unit) or self-supporting bonds (i.e. Revenue Bonds) in lieu of general

obligation bonds so that those benefiting from the improvements will absorb all or part of the project costs.

### **APPROPRIATION POLICY**

1. Fund appropriations of the Board will be allocated to departments, divisions, programs, cost centers, projects, and line item object codes as deemed appropriate by the Management & Budget Director, with the approval of the County Administrator, to facilitate managerial control and reporting of financial operations.
2. Each year, before Department Directors and Division Managers begin to prepare operating budget requests, the Office of Management & Budget will issue budget preparation instructions. These instructions will take into consideration: 1) County financial policies; 2) The expressed desires of the Board and County Administrator for changes in service or service levels; 3) Projected costs of authorized services; 4) Forecasted revenues. County managers will prepare annual budget consistent with these instructions.
3. The County, in conjunction with an independent consultant, will prepare and maintain an indirect cost allocation plan, which conforms to federal guidelines for grant reimbursement of administrative costs. Managers will bill and collect indirect cost charges to eligible grant projects, enterprise funds, and other funds as appropriate.
4. The budget requests of County agencies will include itemized lists of all desired operating equipment, and of any equipment in inventory for which replacement is being requested. Purchase of equipment valued in excess of \$1,000 not on the approved budget list will require approval by the Board on a case-by-case basis.
5. Each year the County will prepare a comprehensive five-year capital improvement program identifying needed public facilities by service type and geographic area for approval by the Board.
6. The annual budget will contain appropriations to fund capital projects identified by Departments for the purpose of completing the first year of the five-year capital improvement program. Operating budget implications of these capital projects will be identified; such expenses for the first (budgeted) year of the capital plan shall be funded.

# THE BUDGET PROCESS

Budget preparation is a year round process. It begins in November of each year when key staff, acting on guidance received from the Strategic Planning Committee, begins formulating policy and addressing other important issues affecting the next fiscal year budget. The results of these planning efforts are then presented to the Board of County Commissioners at a strategic planning retreat held each year in January. Once the Board reaches a decision on whether to accept, reject or modify staff recommendations, the formal budget preparation process begins.

In January, the Office of Management and Budget distributes the Budget Preparation Manual and tentative schedule to the departments. OMB then begins finalizing the schedule for the County Administrator's review, which takes place in April, and the Board's workshops in July.

Departments prepare their 'requested' budget during the months of January and February. The County Administrator reviews the budgets in April and the 'recommended' budget is reviewed by the Board during the month of July. Once the Board approves the budgets and adopts the proposed millage rates in July, OMB notifies the Property Appraiser and prepares the Tentative Budget. The Tentative Budget is presented to the citizens of St. Lucie County and the Board of County Commissioners at the first public hearing in September. The Board will then adopt the Tentative Budget and Tentative Millage as presented or as amended. At the second and final public hearing the Board adopts the final millage rate and final budget.

The budget is adopted at the fund level. During the course of the year, the administration may approve the transfer of funds among line items within the same department as may be necessary for proper budgetary and fiscal management. The budget may be amended (increased or decreased) and funds transferred from contingency reserves only by action of the Board of County Commissioners as set forth in Florida Statutes.

The Truth In Millage (TRIM) timetable and budget process schedule for fiscal year 2009 – 2010 follow.

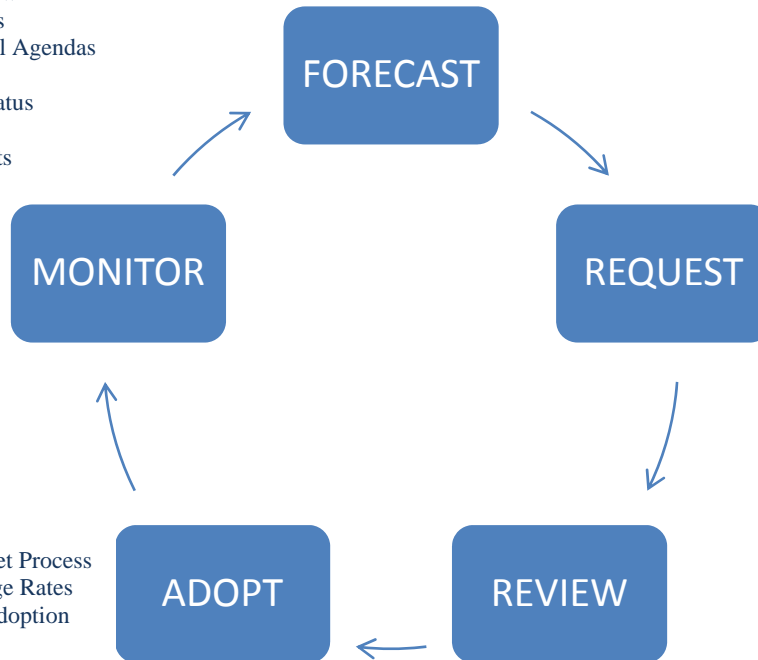
# ST. LUCIE COUNTY BUDGET PROCESS OVERVIEW

**October – September:**

- ✓ Occurs Year Round
- ✓ Budget is loaded into Banner Accounting System
- ✓ Transmit Adopted Millage
- ✓ Review Departmental Accounts
- ✓ Process Line To Lines, Budget Amendments, Budget Resolutions, and New Equipment Requests
- ✓ Verify Departmental Agendas
- ✓ Grant Monitoring
- ✓ Grants Quarterly Status Report
- ✓ Monitor CIP Projects

**November – March:**

- ✓ Beginning of the Budget Process
- ✓ Outline the Budget Process to the Departments
- ✓ Board Strategic Planning Session
- ✓ Begin the CIP Process
- ✓ Calculation of Fund Balance Forward
- ✓ Meet with Departments for Revenue and Expense Projections



**February – June:**

- ✓ Staff Training of Microsoft Office and Banner
- ✓ Department Requests
- ✓ Equipment Requests
- ✓ Position Changes and Requests
- ✓ CIP Requests
- ✓ Department Mission, Goals, Objectives, and Key Indicators
- ✓ Revenue Projections

**July – September:**

- ✓ Ending of the Budget Process
- ✓ Set Proposed Millage Rates
- ✓ Tentative Budget Adoption
- ✓ TRIM Notice
- ✓ Public Hearings
- ✓ TRIM Advertisement
- ✓ Final Adoption of the Budget

**March – September:**

- ✓ Review of Budget Packages Submitted
- ✓ County Administrator’s Budget Review
- ✓ Balancing of the Budget
- ✓ BOCC Budget Review Workshops

The budget formulation, adoption, and execution in St. Lucie County, involve the year-round interaction of the Board of County Commissioners, the County Administrator, and staff at various levels within the County. The purpose of the budget process is to identify departmental needs, develop strategies to meet those needs, and to develop detailed revenue and expenditure estimates to carry out the financial plan. The budget process for fiscal year 2009 - 2010 for St. Lucie County incorporates the scheduled activities listed on the Budget Preparation And Implementation Calendar, beginning in November 2008.

**BUDGET PREPARATION AND IMPLEMENTATION CALENDAR**

**FY 2009 / 2010 OPERATING BUDGET**

**Date: 2008**

**ACTIVITY**

***October***

- Prepare Truth In Millage (TRIM) compliance packet for Florida Department of Revenue.
- Comply with GFOA requirements for submission for the budget awards program.
- Monitor FY 2008/2009 beginning year activity.
- Prepare any needed budget amendments.

***November***

- Close out FY 2007/2008.
- Begin policy planning for FY 2009/2010.

***December***

- Adjust prior year estimates to unaudited actual
- Publish final budget.

**Date: 2009**

**ACTIVITY**

***January***

- Distribute budget preparation guidelines to departments.
- Citizens Budget Committee agenda and schedule adopted.
- OMB meets with Departmental Budget Coordinators to distribute the budget preparation manual and packages.
- OMB opens Banner — enabling departments to input requested budget data.
- Banner & Microsoft Office training for Budget Coordinators.
- Work on payroll projections and Department's approved positions.

***February***

- Departments prepare budget requests.
- Provide budget assistance to Departments.

**Date: 2009**

**ACTIVITY**

***February***

- Department Directors review budgets.
- Departmental budget packages and Capital Improvement Plans due to OMB.
- Departmental Banner input completed.
- Analyze budget requests.

***March***

- Update audited carryover amounts.
- Balance Funds.
- Make preliminary revenue, expense, and Fund Balance Forward estimates.
- OMB conducts technical budget reviews with departments.

***April***

- Judges, Court Administrator, Public Defender, State Attorney, Guardian Ad Litem and Medical Examiner budgets due to OMB.
- County Administrator's budget review with Departments and OMB.
- Work with Departments and enter the County Administrator's budget changes into Banner's recommended phase of the FY 2009/2010 budget.

***May***

- Clerk of Court, Sheriff, and Supervisor of Elections budgets due to OMB.
- Complete recommended phase budget changes.
- If necessary, rebalance Funds from applied recommended budget changes.
- Update the preliminary revenue, expense, and Fund Balance Forward estimates.
- Start compiling the tentative budget packets for the Board's review in July.



**Date: 2009**

**ACTIVITY**

***June***

- Property Appraiser's budget due to OMB.
- Complete compiling the tentative budget packets and convert the packets to PDF format.
- Distribute budget summaries to Departments.
- Distribute budget to the Commissioners.

***July***

- Property Appraiser certifies property values to the BOCC (DR420's).
- Conduct the BOCC Budget Review Workshops.
- The County Administrator presents the proposed budget to the BOCC.
- The BOCC sets the proposed millage rates to be advertised in the Truth In Millage (TRIM) notice.
- Enter the BOCC's budget changes into Banner's tentative phase of the FY 2009/2010 budget.
- Complete tentative phase budget changes.

***August***

- Tax Collector's budget due to OMB on August 1<sup>st</sup>.
- OMB returns completed DR420's to Property Appraiser.
- Prepare tentative budget book.
- Departments turn in their purchase order roll-over requests for FY 2009/2010 to OMB and Finance.
- Property Appraiser distributes TRIM notices to all property owners.
- Prepare for public hearings.

**Date: 2009**

**ACTIVITY**

***September***

- Prepare any budget amendments as needed.
- The County advertises in newspapers the 1<sup>st</sup> public hearing for the adoption of the tentative budget and millage.
- The BOCC holds the 1<sup>st</sup> public hearing of the FY 2009/2010 budget on September 10<sup>th</sup> and tentatively adopts the budget and millage rate.
- The County advertises in newspapers the 2<sup>nd</sup> public hearing for the adoption of the final budget and millage.
- The BOCC holds the 2<sup>nd</sup> public hearing of the FY2009/2010 budget on September 22<sup>nd</sup> and adopts the final budget and millage rate.
- Certify final millage with the Property Appraiser and State of Florida Department of Revenue within 3 days of final adoption.
- The 2008/2009 fiscal year ends on September 30<sup>th</sup>.

***October***

- The new 2009/2010 fiscal year begins on October 1<sup>st</sup>.
- Implementation of the FY 2009/2010 adopted budget.