

CITIZEN'S GUIDE

to

St. Lucie County's
Fiscal Year 2015-2016

Final Budget

WHAT'S IMPORTANT TO ST. LUCIE COUNTY



COMMUNITY



SERVICE



PEOPLE

St. Lucie County - Florida Board of County Commissioners

Paula A. Lewis, Chair
Kim Johnson, Vice Chair
Chris Dzadovsky
Frannie Hutchinson
Tod Mowery

County Administrator
Howard N. Tipton

Deputy County Administrators

Robert Adolphe
Mark Satterlee

Office of Management & Budget Director

Asheley Hepburn

Information about the budget is available by calling the
Office of Management and Budget:
2300 Virginia Avenue; Ft. Pierce, Florida (772-462-1670)
from 8:00 A.M. to 5:00 P.M. Monday through Friday.
Information can also be obtained through the County Website at:
www.stlucieco.org

St. Lucie County FY 2016 Citizen's Guide

This pamphlet is a brief look at the 2016 St. Lucie County Budget. We hope it will enhance your understanding of how the County's funding is organized, the services it provides and the funding sources used to provide those services. Our purpose is to deliver to the citizens of St. Lucie County the very highest quality services possible, making every dollar count. Thank you for the opportunity to serve you and to be able to make St. Lucie County government the best it can be.

Rationale for the Budget Structure

National Accounting Standards - Just as businesses follow what are known as generally accepted accounting principles (abbreviated "GAAP"), governments follow national standards for financial reporting. A government using consistent standards can look at itself over time to measure its financial strengths. Comparative measures of performance can then be made with other units of government.

State of Florida Budgeting Standards - The State of Florida establishes budgeting and financial rules for local Florida governments. An example is its rule for the timing of the annual budget cycle. The fiscal year for counties begins October 1st and ends September 30th of the following year. Other rules include how a county adopts a budget and sets property tax rates.

Federal and State Grant Requirements - St. Lucie County receives grants from several federal and state agencies. To insure the County uses these funds for specific programs, these agencies require the County to keep grant funds separate from all other County Revenues. This segregation requires a more complex financial structure to manage these "restricted" dollars.

Local Budgeting Standards - Finally, the Board of County Commissioners establishes uses for some fees collected by the County to insure they are spent on specific programs. Impact fees and permit fees are examples of revenues with such self-imposed restrictions.

Balancing the St. Lucie County Budget

Florida law states that a county must have a balanced budget. This means that the amount of proposed revenue must equal the anticipated expenditures in every fund. When it is said that the “budget is balanced”, this means that all revenue equals all expenditures and there is no budget deficit.

Sources

AD VALOREM TAXES	141,477,090
OTHER TAXES	7,568,100
LICENSES & PERMITS	14,901,905
INTERGOVERNMENTAL	51,123,974
CHARGES FOR SERVICES	41,375,948
FINES AND FORFEITS	1,091,997
MISCELLANEOUS REVENUES	9,447,844
INTERFUND TRANSFERS-IN	14,667,960
PROCEEDS FROM LOANS/BONDS	1,300,000
INTERNAL SERVICES & OTHERS	732,372
EST. BEGINNING BALANCES	199,462,373
LESS 5%	-10,528,113

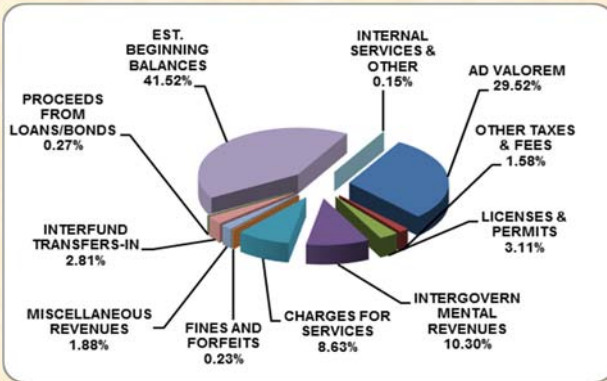
TOTAL \$472,621,450

Uses

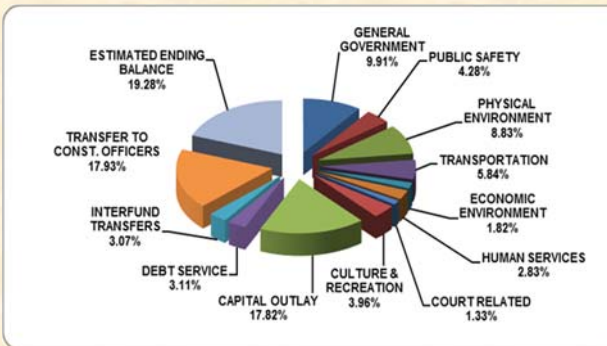
GENERAL GOVERNMENT	46,831,623
PUBLIC SAFETY	20,219,363
PHYSICAL ENVIRONMENT	41,721,543
TRANSPORTATION	27,611,244
ECONOMIC ENVIRONMENT	8,592,134
HUMAN SERVICES	13,395,247
COURT-RELATED	6,289,617
CULTURE & RECREATION	18,702,751
CAPITAL	84,198,717
DEBT SERVICE	14,695,238
INTERFUND TRANSFERS	14,531,726
TRANS TO CONST'L OFFICERS	84,720,444
ESTIMATED ENDING BALANCE	91,111,803

TOTAL \$472,621,450

Where the Money Comes From (Sources)



Where the Money Goes (Uses)

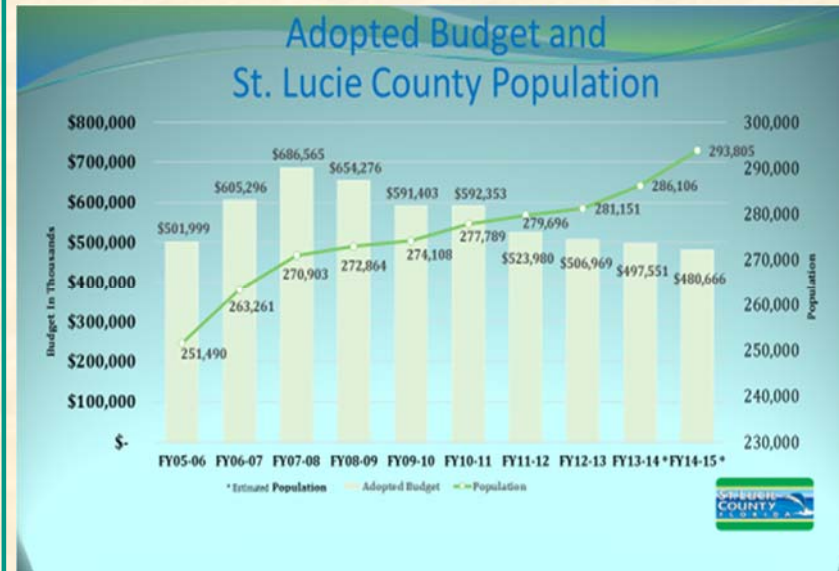


An Important Revenue - Property Taxes

A “property tax” more specifically called an “ad valorem” tax, is a tax based on the value of the property. In Florida there are three factors for calculating the amount of property tax assessed on a piece of real estate: the value of the property, the amount of the value exempted from tax and the tax rate.

Yearly, taxing authorities decide how much tax money their budgets require to operate and provide public services. The rate at which the tax is charged is called the “millage rate”. One mill is equal to \$.001. This means that if the millage rate is 8 mills then the amount of tax paid per dollar value is \$.008. It is much easier to think of the rate as how many dollars of tax will be paid per thousand dollars of property value. For example, if the property is valued at \$10,000 and the millage rate is 8 mills, you would pay \$8 per \$1000 value or \$80.

FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	Change from FY 15
6.4612	6.4612	6.4612	7.1367	7.1881	7.1881	7.3910	7.3910	7.7310	4.6%



FY 2016 Budget Challenges:

- The economy remains fragile, although property values have increased modestly, they have not recovered from the economic downturn
- Use of reserves to balance the budget
- Health insurance expenses
- Identifying funding for both new CIP and the replacement of aging infrastructure

The Budget Structure

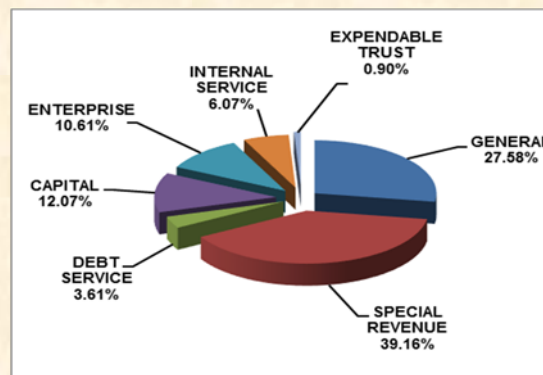
An important concept in government accounting and budgeting is subdividing the budget in to what are called “funds”. This is called fund accounting. Fund accounting allows a government to budget and account for funds restricted by law or policy. These funds allow the County to separate certain revenues and then account for the expenditures from those revenues.

Each of the funds must balance, meaning that the revenues must equal the expenditures in each fund. The County budget adopted each year by the Board of County Commissioners is actually the total of the separate funds as summarized to the right by fund type.

FUND TYPES

GENERAL	130,335,187
SPECIAL REVENUE	185,097,123
DEBT SERVICE	17,077,607
CAPITAL	57,059,191
ENTERPRISE	50,126,235
INTERNAL SERVICE	28,678,690
EXPENDABLE TRUST	4,247,417
TOTAL	\$472,621,450

Total FY 2016 Budget by Fund Type



Fund Descriptions

General—To account for all financial resources except for those required to be accounted for in a separate fund.

Special Revenue—To account for specific resources which are restricted for a specific purpose.

Debt Service—To account for the payment of general long-term debt.

Capital—To account for resources for the acquisition or construction of major capital projects.

Enterprise—To account for operations that are financed and operated in a manner similar to private business.

Internal Service—To account for the financing of goods provided by one county department to another on a reimbursement basis.

Expendable Trust—To account for assets held by a government unit in a trustee capacity or as an agent for individuals, private organizations, or other governmental units.

Budget Highlights

The 2015/2016 budget funds these additional items from anticipated Property value increases, millage shift, decrease in debt service payments and increases in State Shared and Half-Cent Sales Tax Revenues.

Recommended Funding:

Sheriff's Office Increases	\$ 5.30M
Deficit Reduction	\$ 2.00M
Board Employee Health Ins.	\$ 0.95M
Constitutional Officers Increases	\$ 0.70M
Medicaid	\$ 0.28M
Board Dept. Increases	\$ 3.10M
Increased Library Hours	\$ 0.36M
Economic Dev. Airport-Debt Service	\$ 0.30M
Transit-Evening Weekday Hours	\$ 0.28M
TOTAL	\$13.27M

Performance Improvement Initiatives: The FY 2015/2016 budget incorporates the implementation of a Performance Improvement Process to establish a framework towards accomplishing the County's mission, goals and objectives with a focus on what's important to St. Lucie County: Community, Service and People.

INDEX #	FOCUS AREAS/STRATEGIC OBJECTIVES
1.00	SERVICES
1.10	Deliver Excellent Customer Service
1.20	Innovation
2.00	COMMUNITY
2.10	Provide For a Safe Community
2.20	Design, Construct and Maintain Infrastructure
2.30	Promote Economic Development
2.40	Protect The Natural Resources
2.50	Maintain a High Quality Of Life
	PEOPLE
3.10	Develop and Train Workforce
4.00	FINANCIAL MANAGEMENT
4.10	Provide Transparent and Accountable Financial Management
4.20	Maintain Sustainable Efficient And Effective Operations

The County's overall business strategy is presented by focus areas, which allows the County to meet the goals in its operational areas that ultimately lead to achieving the Vision. The focus areas are read from bottom to top and start appropriately with **Financial Management** as the key to building a successful foundation for the organization. Next is investing in our most important asset - our **People**. We are going to have the right people in the right positions with the right training, support, and work environment to be successful. Then we can invest in our **Community**. As a team we will be an integral part of building a stronger community not only for today but for future generations. And all of these areas together allow the County to deliver exceptional **Services** to our customers and communicate performance and illustrate the value of services that are provided by the St. Lucie County Board of County Commissioners.

Reserve Policy

The Government Finance Officers Association (GFOA) has indicated as a best practice, governments should set aside funding for occurrences that affect Revenue Volatility, Infrastructure Risks and Extreme Events. Based on these categories, the County set aside in reserves an amount equal to \$36.5 million for the following purposes:

- In line with GFOA guidelines, an allocation of 12.5% of annual operating revenues which is an amount equal to \$16.5 million and would be used for storm events and emergencies/issues that aren't anticipated in normal budget development.
- One of budget stabilization which if we take our most critical year in 2010 equals \$14 million.
- An allocation of \$6 million in a transportation infrastructure reserve as our current 75 year repaving cycle is not sustainable.

The following table shows the amount budgeted in FY 2015/2016 for these reserves:

RESERVES	AMOUNT
Storm Events & Emergencies/Issues	\$16.5M
Budget Stabilization	\$14.0M
Transportation Infrastructure	\$ 6.0M
Total	\$36.5M

Countywide Millage

	FY14/15 Millage	FY 15/16 Millage	Change in Millage
SLC General	3.7764	4.1273	0.3509
Jail, Law Enf F&F	3.2699	3.2699	0.0000
Erosion Dist E	0.0925	0.0925	0.0000
Mosquito Cont.	0.2522	0.2413	(0.0109)
Total Countywide	7.3910	7.7310	0.3400

