

BUDGET IN BRIEF



FISCAL YEAR 2016/2017



LEON COUNTY, FLORIDA BOARD OF COUNTY COMMISSIONERS



PEOPLE FOCUSED. PERFORMANCE DRIVEN.

LEON COUNTY BOARD OF COUNTY COMMISSIONERS

Vision

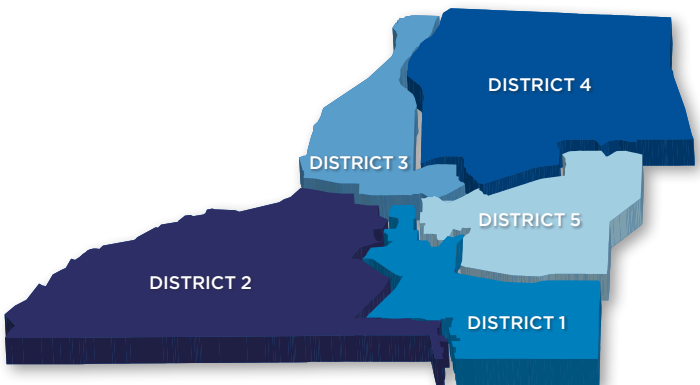
A community that is safe, healthy and vibrant.

Mission

To efficiently provide public services which serve and strengthen our community.



(Left to Right) District 1 Commissioner Bill Proctor, District 5 Kristin Dozier, At-Large Commissioner Nick Maddox (Vice-Chairman), District 3 Commissioner John E. Dailey (Chairman), At-Large Commissioner Mary Ann Lindley, District 4 Commissioner Bryan Desloge, and District 2 Commissioner Jimbo Jackson.



Vincent S. Long
County Administrator



Herbert W. A. Thiele
County Attorney

ADMINISTRATOR'S MESSAGE

Fellow Citizens,

On behalf of Leon County, I am proud to present the Adopted Budget in Brief for the fiscal year beginning October 1, 2016 and ending September 30, 2017. This document has been designed to communicate the basic budget information for the adopted FY 2017 annual operating and five-year capital improvement plan.


The adopted budget of \$246,129,886 represents a 3.18% increase from last fiscal year with no increase in the millage rate. It reflects the strong and consistent fiscal leadership of the Board of County Commissioners in balancing our community's needs with the resources of our citizens; as well as, the fiduciary stewardship and innovation of Leon County employees in maximizing efficiency, driving performance and delivering results for our community.

The FY 2017 budget was developed in an improving economic environment, where growth in property tax revenues and state sales tax revenues are beginning to cover the inflationary cost of governmental expenses without having to reduce program services. However, revenues still are significantly lower than prior to the recession, and County staff remains diligent in evaluating the budget for opportunities to work more efficiently within our existing resources.

The world in which we live and the community we serve are ever changing, and Leon County Government is committed to staying ahead of the curve. While modest, I believe the annual budget and five-year capital plan will provide the resources necessary for Leon County employees to continue to thrive and for Leon County Government to continue to fulfill your ambitious vision for our community.

We sincerely hope that you find this document and the information contained within interesting, informative and useful. To view the entire budget document, please go on-line to leoncountyfl.gov.

Sincerely,


Vincent S. Long
County Administrator

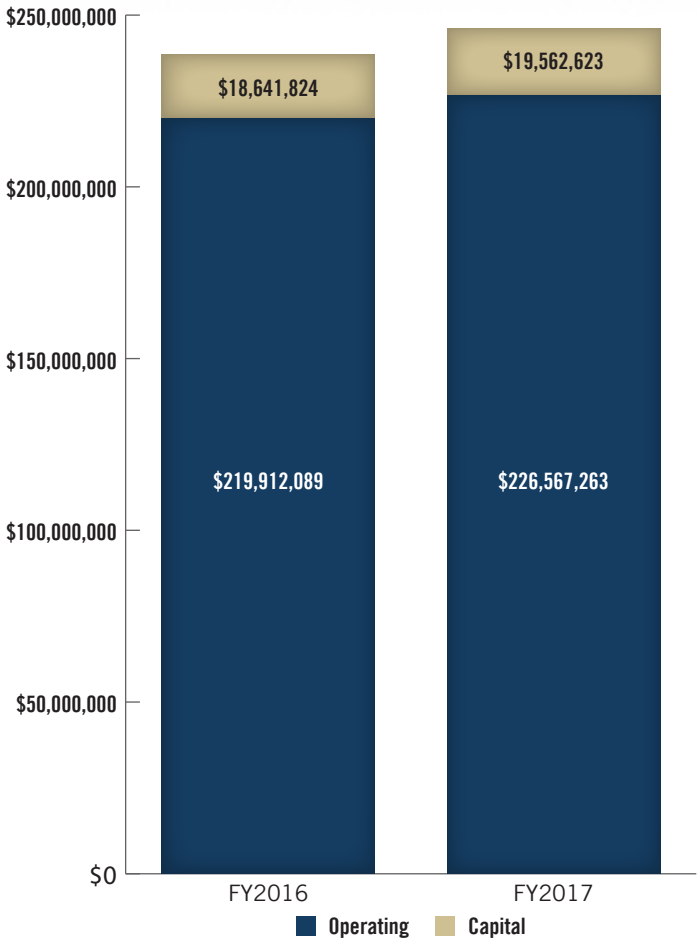
Leon County is approximately 702 square miles. It has a population of approximately 284,000 people, with 96,000 living in the unincorporated area of the County and 188,000 living within the city limits.

The County became a charter government effective November 12, 2002, with the passage of a referendum by Leon County voters. A Home Rule Charter gives citizens the power to shape their government to meet their unique and changing needs through a local constitution.

The Board of County Commissioners, whose function is to manage the affairs of the county, is made up of seven members: five elected to serve specific districts and two elected at-large. The County Administrator is appointed by the Board and is responsible for carrying out its directives and policies, as well as the management and supervision of all functions and personnel. The County Attorney, also appointed by the Board, is responsible for the representation of county government, the Board and all departments, divisions, regulatory boards and advisory boards in all legal matters relating to their official responsibilities.

FY 2017 BUDGET SUMMARY

The total budget for FY 2016/2017 is \$246,129,886 or 3.18% increase over last fiscal year. The **operating budget** of \$226,567,263 represents an increase of 3.03% from last year's adopted budget. The **capital budget** of \$19,562,623 represents a 4.9% increase from last year.



FY 2017 Budget Highlights:

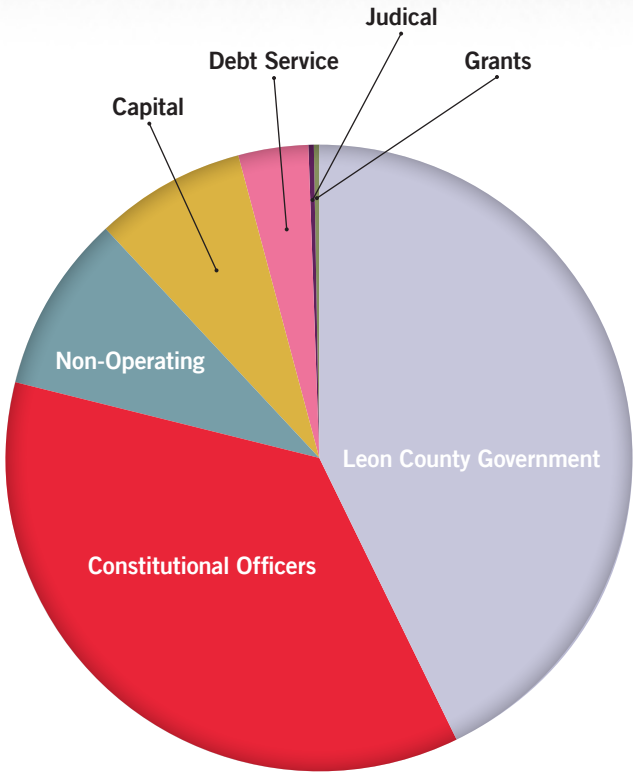
- Reducing the use of general revenue fund balance to balance the operating budget by \$1.5 million (from \$4.0 million to \$2.5 million);
- Providing \$2.2 million to continue the implementation of the Board's sidewalk priorities;
- Restoring a stormwater maintenance crew eliminated during the recession to focus on preventive maintenance rather than reactive maintenance at a cost of \$201,000;
- Increasing the recurring revenue transfer to support capital projects by \$1.0 million from \$2.0 million to \$3.0 million;
- \$879,297 recurring costs savings and \$74,801 in one-time costs savings due to the County's Employee Innovation Program (I²).



Did You Know

Leon County Residents pay among the lowest in the state, \$733 per person, to operate their local county government.

FY 2017 BUDGET BY PROGRAM



DEPARTMENT	BUDGET	% OF TOTAL	FULL-TIME EMPLOYEES
Leon County Government	\$105,673,583	42.9%	786.55
Constitutional Officers	\$88,616,519	36.0%	941
Non-Operating	\$22,334,563	9.1%	4.5
Capital	\$19,562,623	7.9%	N/A
Debt Service	\$8,570,548	3.5%	N/A
Judicial	\$1,087,215	0.4%	8.5
Grants	\$284,835	0.1%	N/A
Total FY 2017 Budget	\$246,129,886	100.00%	1,740.55



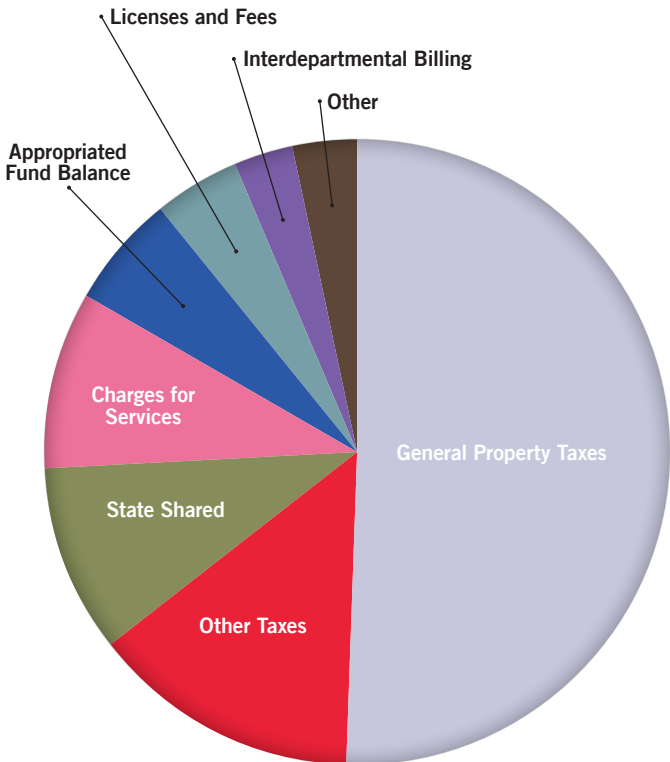
Did You Know

For FY 2017, Leon County will maintain a millage rate of 8.3144.

REVENUES BY SOURCE

Source	FY 2015 Actual	FY 2016 Adopted	FY 2017 Budget
General Property Taxes	\$118,354,193	\$121,216,598	\$124,918,266
Other Taxes	\$31,518,945	\$31,179,001	\$33,877,072
Licenses and Fees	\$9,459,479	\$9,623,987	\$10,734,586
Federal Shared	\$1,712,856	\$338,149	\$298,510
State Shared	\$23,632,232	\$22,935,950	\$24,177,582
Local Government Payments	\$4,037,422	\$2,804,372	\$2,677,842
Charges for Services	\$22,011,557	\$23,785,111	\$22,347,176
Fines and Forfeitures	\$552,208	\$540,170	\$480,401
Interest and Investments	\$2,131,870	\$1,140,900	\$1,111,425
Miscellaneous	\$4,320,612	\$3,011,883	\$3,102,894
Excess Fees	\$1,717,122	\$200,000	\$200,000
Interdepartmental Billing	\$6,670,231	\$7,385,130	\$7,323,686
Appropriated Fund Balance	\$0	\$14,392,662	\$14,880,446
TOTALS	\$226,118,727	\$238,553,913	\$246,129,886

*This figure represents the revenues by source for the FY 2017 Budget.



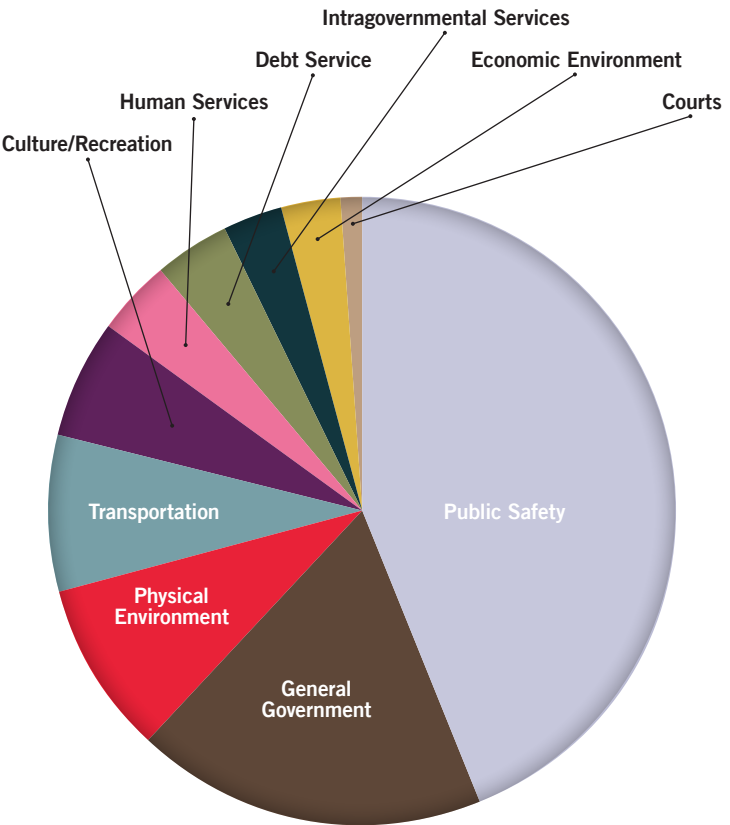
Did You Know

Leon County received the Government Finance Officers Association Distinguished Budget Presentation Award for the 26th year in a row.

EXPENDITURES BY FUNCTION

Function	FY 2015 Actual	FY 2016 Adopted	FY 2017 Budget
Public Safety	\$103,804,606	\$104,336,655	\$109,320,133
General Government	\$39,138,840	\$42,364,503	\$43,152,165
Physical Environment	\$22,692,953	\$21,584,567	\$22,215,738
Transportation	\$22,942,289	\$20,272,052	\$19,660,173
Culture/Recreation	\$15,651,995	\$13,802,490	\$14,945,349
Human Services	\$9,883,155	\$10,111,552	\$10,382,549
Debt Service	\$8,859,744	\$8,568,419	\$8,570,548
Intragovernmental Services	\$6,863,374	\$7,696,705	\$7,682,855
Economic Environment	\$5,628,975	\$6,974,271	\$7,409,434
Court Related	\$2,524,144	\$2,842,699	\$2,790,942
TOTALS	\$237,990,080	\$238,553,913	\$246,129,886

*This figure represents expenditures by function for the FY 2016 Budget.



Did You Know

Leon County sees an estimated 2.7 million visitors annually who infuse \$914 million of direct spending into Leon County.

SERVICE COST DISTRIBUTION OF AD VALOREM TAXES

Median Value Single Family Home in Leon County

The following table shows the monthly costs for County Government services paid for with property tax revenue. The example depicts the FY 2017 median taxable value¹ (\$82,905) of a median assessed² home (\$132,905) with a \$50,000 homestead exemption as specified in the January 2008 voter approved property tax reform referendum.

Services	FY 2017 Ad Valorem Tax Bill \$731	FY 2017 Monthly Cost	FY 2017 % of Ad Valorem Taxes
Sheriff - Law Enforcement	184.13	15.34	25.19%
Sheriff - Corrections	175.66	14.64	24.03%
Emergency Medical Services	41.47	3.46	5.67%
Health & Human Services	40.80	3.40	5.58%
Facilities Management	39.38	3.28	5.39%
Library Services	34.91	2.91	4.78%
Property Appraiser	26.23	2.19	3.59%
Management Information Services	25.26	2.11	3.46%
Tax Collector	23.99	2.00	3.28%
Supervisor of Elections	21.44	1.79	2.93%
Administrative Services ³	17.56	1.46	2.40%
Other Criminal Justice (Probation, DJJ, Diversion)	17.47	1.46	2.39%
Community Redevelopment - Payment	12.18	1.02	1.67%
Veterans, Volunteer, Planning, Economic Development	10.46	0.87	1.43%
Board of County Commissioners	8.27	0.69	1.13%
Capital Improvement	8.26	0.69	1.13%
Geographic Information Systems	8.05	0.67	1.10%
Other Non-Operating/Communications	7.04	0.59	0.96%
Court Administration and Other Court Programs ⁴	5.89	0.49	0.81%
Clerk of Circuit Court	5.78	0.48	0.79%
800 MHz Radio Communication System	5.55	0.46	0.76%
Risk Allocations	3.91	0.33	0.53%
Mosquito Control	3.47	0.29	0.47%
Sustainability/Cooperative Extension	1.54	0.13	0.21%
Budgeted Reserves	1.27	0.11	0.17%
Financial Stewardship ⁵	0.51	0.04	0.07%
Line Item Agency Funding	0.51	0.04	0.07%
Total	\$731.00	\$60.92	100.00%

1. The Taxable Value is the value the millage rate is multiplied against to calculate taxes (Assessed Value less \$50,000 homestead exemption).

2. The Assessed Value is the value of property as calculated under the Save Our Homes (SOH) cap, which for FY 2017 is 0.80%.

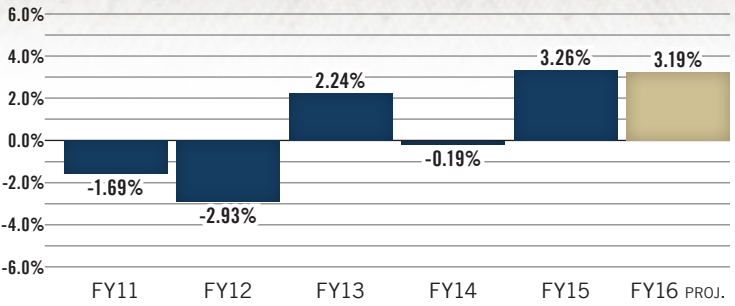
3. Administrative Services include: County Administration, the County Attorney's Office, Strategic Initiatives, Community and Media Relations Office, and Human Resources.

4. Other Court Programs included the State Attorney, the Public Defender, and funding for the Jail Detention/Mental Health Coordinator positions and diversionary programs.

5. Financial Stewardship includes: Office of Management and Budget (OMB), Real Estate, and Purchasing.

FINANCIAL INDICATORS

Property Tax Revenues Rate of Change



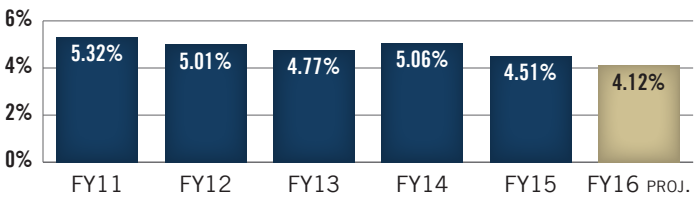
Analysis: In the past ten years, Leon County has become more reliant on property tax revenue, primarily due to the reduction of intergovernmental revenue.

The Board maintained the 8.3144 millage rate through FY16. Property tax revenue is projected to increase by roughly \$3 million over the FY15 actual property tax collections due to a projected increase in property values.

Formula: Current Year minus Prior Year divided by Prior Year.

Source: 2015 Certification of Final Taxable Value and Statistical Digest.

Debt Service Percentage of Total Operating Expenditures

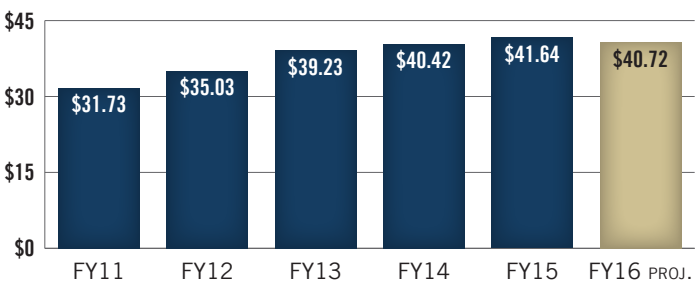


Analysis: Debt service is defined as the amount of principal and interest that a local government pays each year on net direct bonded long-term debt, plus the interest on direct short-term debt. Increasing debt service reduces expenditure flexibility by adding to the County's financial obligations. Leon County's debt service has trended downward over the past five years. By capitalizing on the availability of low interest rates and renegotiating long-term debt, Leon County's debt service is projected to continue to decrease.

Formula: Debt Service divided by Total Operating Expenditures.

Source: FY 2015 Expenditure Summary and the FY 2015 Budget Summary.

General/Fine and Forfeiture Fund Balance



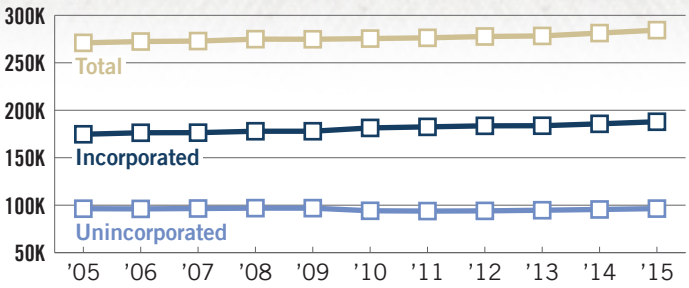
Analysis: Positive fund balances can be thought of as reserves, although the "fund balance" entries on the annual report will not always be synonymous with the funds "available for appropriation." The County's reserve policy requires fund balances to be between a minimum of 15% and a maximum of 30% of operating expenditures. The FY13 increase is attributable to higher than anticipated excess fee returns and sales tax collections. FY15 increase is attributable to higher than anticipated property values and return on excess fees.

Formula: Prior year fund balance plus actual revenues minus actual expenditures.

Source: Summary of Fund Balance and Retained Earnings, FY15 Annual Performance & Financial Report.

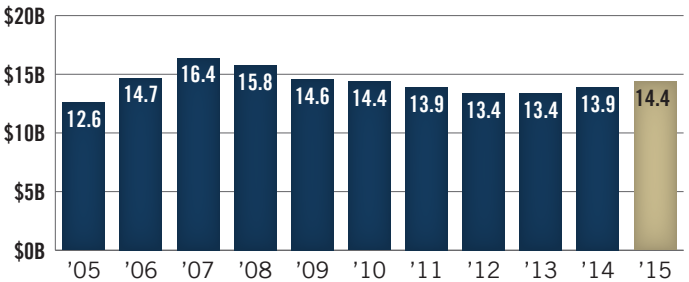
COMMUNITY ECONOMIC PROFILE

Population



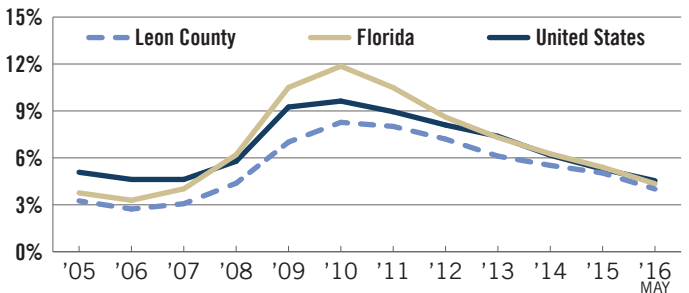
Leon County had the second highest growth rate of neighboring counties since the 2010 Census behind only Gadsden County: Gadsden (4.15%), Leon (3.25%), Wakulla (1.65%), and Jefferson (-1.64%).

Taxable Values



Taxable values increased rapidly from 1998 to 2007 (average annual increase of 9.3%); however, due to property tax reform in 2007, the value of taxable properties fell to \$15.8 billion in 2008. From 2009 to 2012, valuations decreased by \$1.2 billion, or 8.3%. This was largely due to the continuing recession and a repressed housing market. An improved housing market shows values increasing steadily in 2014 and 2015.

Unemployment Statistics

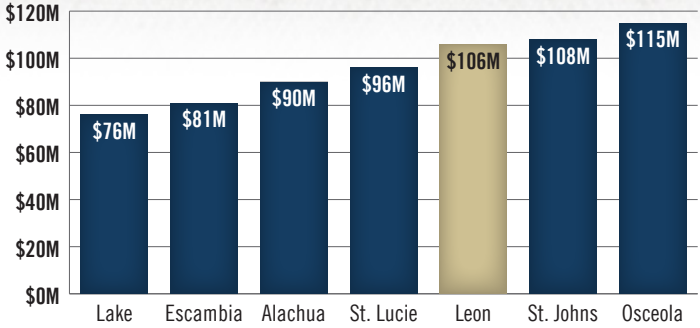


Unemployment rates are a traditional indicator of economic health. Leon County's unemployment rate has remained below the state and national averages for the past ten years. The unemployment rate decreased in 2005 and 2006. In 2008, a troubled economy caused unemployment to rise nationwide. In 2010, the state of Florida's unemployment rate peaked at 11.86%.

Florida's unemployment rate has been declining since 2011, when the rate was 10.49%. Leon County's unemployment rate continues to be lower than both statewide and national levels. The current unemployment rate for the County stands at 4.01%.

HOW WE COMPARE

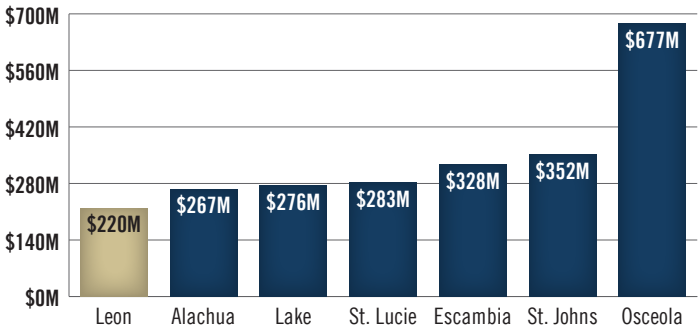
Anticipated Ad Valorem Tax Collections (FY 2016)



Among like-sized counties, Leon County collects a moderate amount of Ad-Valorem taxes.

Source: Florida Department of Revenue 2015 Taxable Value by County

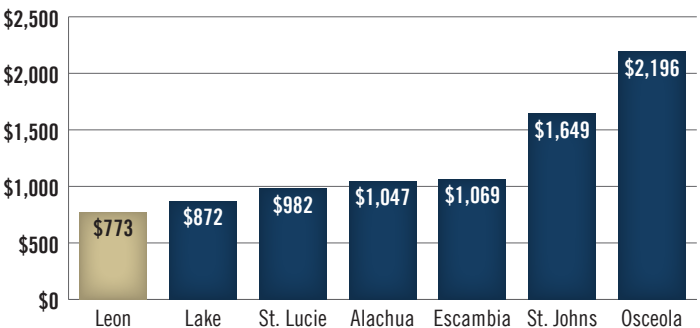
Total Net Budget (FY 2016)



Leon County ranks lowest in operating budget among like-sized counties, with a net budget of \$220 million. Alachua County's net budget is 11.7% higher than Leon County's.

Source: FY16 Leon County Office of Management and Budget Survey

Net Budget Per Countywide Resident (FY 2016)



Leon County is the lowest for dollars spent per county resident—second to Lake County. Osceola County spends more than two times the amount per resident than Leon County. The next closest County's net budget per capita is 13% higher than Leon County's (Lake County).

Source: University of Florida, Bureau of Economic and Business Research, 4/1/2015 & FY16 Leon County Office of Management and Budget Survey



**Office of Financial Stewardship
Office of Management & Budget**

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Detailed information on the FY 2017 Budget
is available on the Leon County website at:

www.LeonCountyFL.gov/OMB