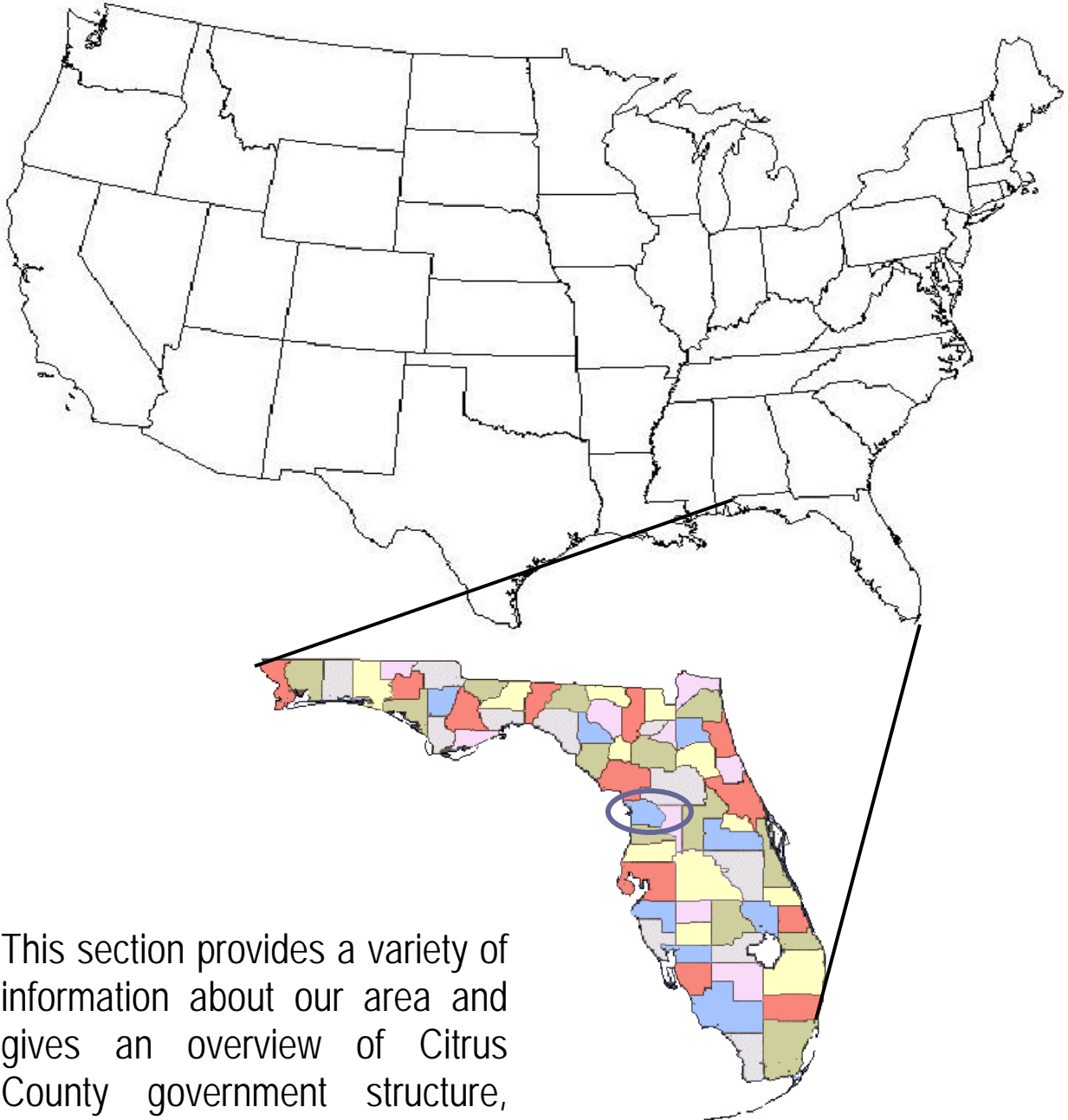




General Information about Citrus County



This section provides a variety of information about our area and gives an overview of Citrus County government structure, services and policies.



The History of Citrus County

Anthropologists believe Native Americans have been living or at least visiting what is now Citrus County for at least 12,000 years. The Indian mounds at Crystal River date back to approximately the time of Christ. The Crystal River site was the central political, religious and economic hub for the ancient coastal dwellers that resided in the region. It was these people that the Spanish came in contact with in the early 1500s.

Hernando DeSoto led his army through what is now Citrus County in 1539 during his search for gold. Panfilo de Narvaez came through our area prior to DeSoto in 1528. Except for Cuban fishermen and smugglers, few if any white men visited here for more than 300 years. During the late 1700s and early 1800s the Seminole Indians hunted in what were then dense forests of pine, oak and cedar. But basically Citrus County was an undeveloped land waiting to be settled.

When the United States took Florida from Spain in 1819 no settlement was attempted south of today's Ocala. Indians had free rein here until the 1820s when the western half of the county was declared off limits to keep the Indians from trading with escaped slaves who roamed the bays and inlets of Florida's gulf coast, including today's Crystal and Homosassa Rivers.

When the American government tried to force the Seminoles to leave Florida and move to Oklahoma, fighting broke out in 1835 in what came to be known as the Second Seminole War. The Withlacoochee Cove was headquarters for Osceola, the most famous of the Seminole War leaders. Several of that war's principal battles took place here.

When Florida became a state in 1845, what is now Citrus County was just beginning to see settlement by a few hardy pioneers. It was part of Hernando County in those days. The principal landowner was David Yulee, a U.S. Senator who developed a large sugar plantation on the Homosassa River. He lived there all during the 1850s, but lost everything when Yankee soldiers raided and burned his home, called Margarita on Tiger

Tail Island, during the Civil War. His sugar mill is still standing and has been made a state park.



Yulee Sugar Mill
Photograph courtesy of
Citrus County Historical Resources

After the war this already quiet place went into virtual hibernation. It stayed that way until the early 1880s when Florida's first citrus boom brought farmers and developers here. Among them was Austin Mann who in addition to citrus was active in the raising of cattle and sheep and formed a company to dig and operate canals on the east side of the county. He was also active in politics and as the area's State Senator Mann guided through Legislature the bill that created Citrus as a county in 1887. He selected Mannfield as the first county seat, and also platted the town of Inverness.

The great freeze of 1894-95 virtually ended the citrus business in Citrus County. Fortunately the county was already in the midst of a new boom, centered on phosphate mining. When the phosphate business died at the beginning of World War I, Citrus County settled into 50 years of rural solitude. People farmed, raised cattle, cut timber and fished. The population in 1950 (5,677) was actually smaller than in 1910.

There was great hope during the 1960s that the construction of the Cross Florida Barge Canal would lead to industrial development, but construction was stopped in 1970 for environmental reasons.



During the 1970s Florida Power Corporation began construction on its massive electrical power-generating complex which is still the largest industry in the county.

Real estate became the next “big thing” in Citrus County during the 1970s. Communities such as Beverly Hills, Sugar Mill Woods and Citrus Springs brought thousands of Northern retirees to this area and created a population boom that is still going on. The county has grown from 17,000 in 1960 to 118,000 in 2000.

During the early 1980s Citrus was designated Florida’s Manatee Capital. The county’s most significant tourist draw is that it is the only place in the United States where one can legally interact and swim with the West Indian manatee. This threatened species makes the county’s spring-fed rivers its wintering home. According to the US Fish & Wildlife Services, as many as 400 of these playful creatures can be found in the County at one time. Long a tourist destination, Citrus County is now known as the “gem of Florida’s Nature Coast.”



About The Area

TOPOGRAPHY

Citrus County, located on “Florida’s Nature Coast”, is located 70 miles north of Tampa and 60 miles northwest of Orlando, along Florida’s west-central coast and the Gulf of Mexico.

The surrounding counties include Levy to the north and northwest, Marion to the

northeast, Sumter to the east and southeast, and Hernando to the south.

There are two incorporated cities within the county: Inverness and Crystal River. The City of Crystal River located on the West Side of the County occupies approximately 3,636 acres. Inverness, the County Seat, located on the East Side of the County occupies approximately 4,578 acres.

Citrus County consists of three general physiographic regions: Coastal, Central Ridge, and the Lakes and River. The Coastal Area covers approximately 112,671 acres and parallels the Gulf of Mexico. It may be described as: 1000 feet west of Highway US 19, north from the Hernando County line to the Withlacoochee River. Located between Highways US 19 and US 41, the Central Ridge occupies approximately 217,797 acres and is considered the largest of the three regions. The Lakes and Rivers Area occupies approximately 82,370 acres in the north and eastern portions of the County.

There are no natural sand beaches along the coastline of the County. However, there is one man-made saltwater beach located on Fort Island Trail west of Crystal River. The communities of Hernando and Inverness host several freshwater beaches on the Tsala Apopka Chain of Lakes.

The Tsala Apopka chain of lakes is 22 miles long covering 23,000 acres. The Withlacoochee River totals 45 miles of riverfront.





Demographics



POPULATION DATA

General Characteristics	2008 Estimate	Percent
Total Population	141,416	100
Male	67,111	47.5
Female	74,305	52.5
Median Age (years)	50.7	
Under 5 years	5,878	4.1
Under 18 years	17,151	12.1
18 years to 64 years old	73,611	52.1
65 years and over	44,776	31.7
By Race		
White	132,882	94.0
Black or African American	4,735	3.3
American Indian and Alaska Native	476	.3
Asian	1,703	1.2
Other	38	.1
Persons reporting 2 or more races	1,582	1.1
Education Characteristics		
Elementary Schools	11	
Middle Schools	4	
High Schools	3	
Other	4	
Technical	1	
Community College	1	
School Population	16,718	100
Elementary	7,135	42.7
Middle School	3,765	22.5
High School	5,126	30.7
Adult Education	692	4.1
School District Personnel	2,420	
Instructional	1,235	
Non-Instructional	1,095	
Administrative	90	



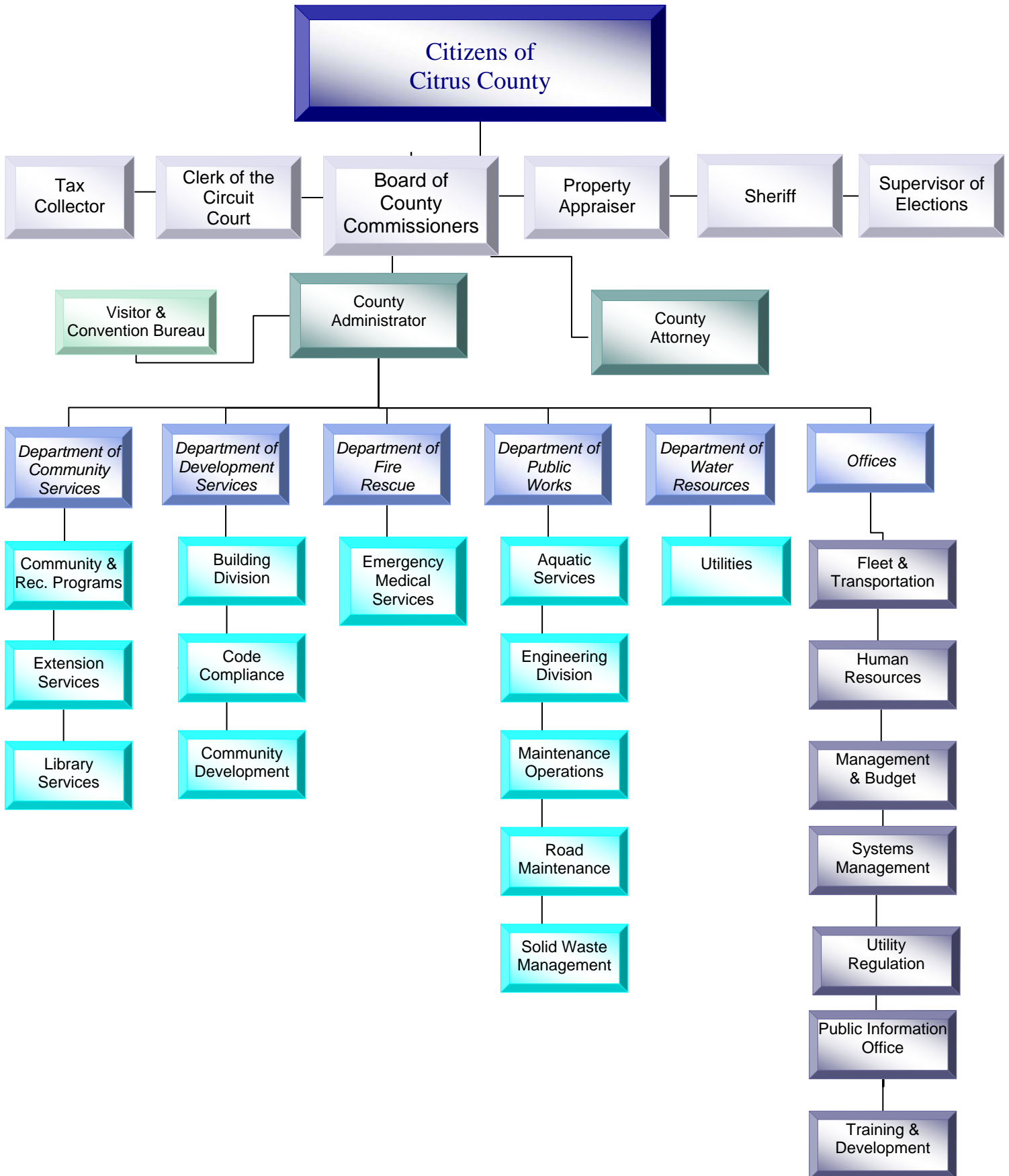
ECONOMIC DATA

<i>Housing Characteristics</i>	<i>Estimate</i>	<i>Percent</i>
Total number of housing units	76,129	100
Median housing cost	155,200	
Median rental cost	694./mo.	
Owner occupied	46,970	61.7
Renter occupied	9,277	12.2
Vacant	19,882	26.1
Household types		
Total households	56,247	
Family households	38,005	67.6
Married-couple families	30,914	55.0
Male householder	1,917	3.4
Female householder	5,174	9.2
Non-family households	18,242	32.4
Living alone	15,402	27.4
Other	2,840	5.0
Median household income (2008)	38,137	
<i>Employment Characteristics</i>	<i>2008 Estimate</i>	
Population 16 years and over	122,152	
In labor force	53,557	43.8
Employed	47,847	39.2
Unemployed	5,710	4.5
Not in labor force	68,595	56.2
Mean travel time to work (minutes)	25.1	
Major Industries		
Progress Energy	1,100	
Citrus Memorial Hospital	1,000	
Seven Rivers Hospital	500	
Pro-Line Boats	250	
Unemployment Rate		8.0

Source: U.S. Census Bureau, 2008 American Community Survey
Citrus County School Board
2008 E-florida.com



Organizational Chart





Citrus County Budget Calendar

January

S	M	T	W	TH	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

20-Jan Phase 1 & CIP - OMB will distribute the procedures and forms for the CIP and Budget to include Building Maintenance, Review of Staff and Computer Requests.

February

S	M	T	W	TH	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28

13-Feb Phase 1 - Return completed Phase 1 request forms to OMB.

16-Feb Phase 1 - OMB will distribute the completed requests to the appropriate Divisions for review and recommendations.

27-Feb Capital Improvement Program – Return completed CIP forms to OMB.

March

S	M	T	W	TH	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

9-Mar Phase 1 – Division recommendations will be returned to OMB.

9-Mar Phase 1 – The completed forms and recommendations will be sent to the County Administrator.

11-Mar Phase 2 – Distribution of procedures & forms for the budget to Department/Division heads.

18-Mar Zero Based Budgeting – Training & distribution of ZBB to Department/Division heads.

April

S	M	T	W	TH	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

24-Mar BOCC Budget Workshop to provide direction for budget development.

1-Apr Disclosure Notification to Bond Insurer (FSA) concerning 2007 Water & Wastewater Revenue Bonds

10-Apr Phase 2 – Return of all budget request forms to OMB

17-Apr Zero Based Budgeting – Return all ZBB forms to OMB

Apr The County Administrator and OMB will meet with Department/Division heads to review budget requests.

May

S	M	T	W	TH	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

May The County Administrator and OMB will meet with Department/Division heads to review budget requests.

1-May Distribution of budget request forms to Constitutional Officers and other organizations receiving County funding.

12-May Presentation of the Capital Improvement Program to the BOCC.

13-May Phase 3 – Distribution of procedures and forms for the Carry Forward Projects and Fund Balance Projections.



June

S	M	T	W	TH	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

- 1-Jun Property Appraiser will provide an estimate of the assessed property values. {F.S. 200.065(7)}
- 1-Jun Submission of the Property Appraiser's budget to the Department of Revenue. {F.S. 195.087 (1)(a)}
- 2-Jun The budget requests for Constitutional Officers and other organizations receiving County funding due to OMB.
- 5-Jun Phase 3 – Return Carry Forward Projects and Projected Fund Balance.

July

S	M	T	W	TH	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

- 1-Jul Property Appraiser will provide Certification of Taxable Property Values. {F.S. 193.023(1); 200.065 (11)}
- 10-Jul Tentative Budget amendments to Property Appraiser Budget made by the Department of Revenue. {F.S. 195.087 (1)(a)}
- 15-Jul Submission of County Administrator's recommendations to the BOCC.
- 29&30-Jul Preliminary Budget Hearings to set tentative millage rates and finalization of revenue estimates.

August

S	M	T	W	TH	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

- 3-Aug Notification to Property Appraiser of proposed millage rates, rolled back rates, date, time and place of the first public hearing. {F.S. 200.065 (2)(b)}
- Aug Property Appraiser mails TRIM notices to all property owners. {F.S. 200.065}
- 1-Aug Submission of Tax Collector's budget to the Department of Revenue. {F.S. 195.087 (2)}
- 12-Aug BOCC comment period ends on the Property Appraiser's budget; Final budget amendments from Department of Revenue {F.S. 195.087 (1)(a)}

September

S	M	T	W	TH	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

- 10-Sep First Public Hearing to adopt the Tentative Budget {F.S. 200.065 (2)(c)}
- 19-Sep Advertise the Second Public Hearings and Budget Summary Statement {F.S. 129.03 (3)(b); 200.065 (2)(d) and (3)(1)}
- 22-Sep Second Public Hearing to adopt the Final Budget {F.S. 200.065(4)}
- 25-Sep Submission of the approved millage levy resolution and budget to Property Appraiser, Tax Collector and Department of Revenue {F.S. 200.065(4)}

October

S	M	T	W	TH	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

- 22-Oct Certification of compliance submitted to the Department of Revenue {F.S. 200.068}



Budget Fiscal Policies

Florida Statutes Chapters 129 and 200 govern the budget process and the levying of ad valorem taxes. The Statutes address the budget timetable from the point of initial presentation of the proposed budget and taxable value to the Citrus County Board of County Commissioners. The timetable, public advertising requirements, and the two required public hearings to adopt the budget and levy ad valorem taxes are statutory requirements. Additionally, State Comptroller Regulations dictate a uniform accounting structure, which must be embodied in the budget and financial reporting.

Budget formulation, adoption and execution in Citrus County involve the interaction of many people. The purpose of the process is to identify service needs, develop strategies for meeting these needs and develop detailed revenue and expenditure plans to carry out the strategic plans.

The budget document provides a summary of the financial plan for county operations for the fiscal year beginning October 1 and ending September 30. This document shows revenue sources and how they will be spent. It also contains the objectives of departments and programs. The County has additional funds that are audited, but not included in the budget document. These funds include grant funded revenues which are adopted by resolution upon award from funding agencies.

The total of the estimated receipts, including balances brought forward, must equal the total of the appropriations and reserves, therefore enabling a balanced budget.

Legal Requirements

An annual budget shall be prepared, approved and adopted for each fiscal year.

The budget controls the levy of taxes and expenditure of money for all County purposes. The budget shall be conducted in accordance with Chapters 125, 129, 200

and 218 of the Florida Statutes, as amended.

Pursuant to Chapter 129.07, Florida Statutes, it is unlawful for the Board of County Commissioners to expend or contract for expenditures in any fiscal year in excess of the amount budgeted in each fund. Every appropriation shall lapse at the close of the fiscal year.

The Board of County Commissioners on May 26, 1998 adopted resolution 98-076 establishing the fund level as the legal level at which expenditures may not legally exceed appropriations.

Fund Balance Policy

The fund balance policy is to establish unreserved funds to guard its citizens against service disruption in the event of unexpected temporary revenue shortfalls or unpredicted one-time expenditures. Adequate reserve levels are a necessary component of the County's overall financial management strategy and key factor in external agencies' measurement of the County's financial strength. The procedure is as follows:

- The County will establish a minimum unreserved fund balance in the General Fund of eight percent (8%) and a maximum of seventeen percent (17%). The County will establish minimum fund balance requirements for other governmental funds for each fund based on the cash flow requirements of the fund as well as other factors unique to the fund. Annual contributions will be budgeted from General Fund resources as available to maintain the target reserve level. Any shortfall in an individual year shall be recaptured in the subsequent fiscal year.
- It will be the policy for the County to apply the above criteria for annual analysis during its budgeting process. A range of fund balance will be presented to the Board for approval as part of the annual budgeting process; any deviation



from the policy shall be documented and presented at this time. If a fund balance is outside of the established range, the proposed budget must include a multi-year plan of action to achieve compliance with the established range.

- In the event of the declaration of an emergency by the Board of County Commissioners, a minimum Fund Balance equal to eight percent (8%) of operating expenditures will be maintained. A supermajority vote of the Board is required to approve the use of the Fund Balance such that it falls below the eight percent (8%) target. The County will identify a plan to restore the General Fund balance to its target amount as part of the emergency budget proposal.
- The County will include all projected fund balances in the annual budget. All reserves will be presented in the annual budget.

Reserves and Contingencies Policy

This policy establishes criteria and procedures for utilizing reserves and contingencies.

Contingency accounts will be established to provide the following:

- Funding for the unexpected increases in the cost of providing existing levels of service.
- Temporary and non-recurring funding for unexpected projects.
- Funding of a local match for public or private grants.
- Funding to accommodate unexpected program changes and mandates from other governmental bodies.
- Funding to initiate programs or projects.

Requests for use of contingency accounts must be approved by the Board of County Commissioners. It shall be the goal of the

Board that the general government contingency account be budgeted at no less than one percent (1%) of projected general fund operating revenues for the ensuing fiscal year. The County's budget will be amended at such time the County Commission authorizes the withdrawal of funds from reserves or contingency accounts. All requests to the County Commission for withdrawal of funds from contingency or reserve accounts shall be accompanied by a "contingency addendum" prepared by the Office of Management and Budget showing year-to-date activity of the contingency account, as well as the current account balance.

One-time Revenue Policy

The County will give highest priority in the use of one-time revenues to the funding of capital assets or other one-time expenditures.

Utilizing one-time revenues to fund ongoing expenditures results in incurring annual expenditure obligations which may be unfunded in future years. Using one-time revenues to fund capital assets or other nonrecurring expenditures better enables future administrations and Boards to cope with the financial problems when these revenue sources are discontinued, since these types of expenditures can more easily be eliminated.

Debt Service Policy

Citrus County's debt policies are detailed in the Debt Management Policy as adopted by the Board of County Commissioners. The policy includes the following items:

- Long-term debt obligations will not be used to fund regular operations.
- The amount of long-term debt issued annually will be monitored to maintain bank-qualified status and take advantage of small issuer exemptions in the federal arbitrage laws.
- Tax-exempt debt will continue to be issued as long as it provides savings over issuing taxable debt.



- Debt will not be issued for a term exceeding the useful life of the underlying assets purchased or constructed with the proceeds.
- Advanced refunding of debt will be considered if a present value savings of at least three (3) percent can be realized.

Citrus County has no legal debt limits. The only restriction on general obligation bonds is that voters of the county must, through a referendum, approve the use of ad valorem tax proceeds to repay the debt. The 10 mill cap on ad valorem taxes may be exceeded for the purpose of debt service on general obligation bonds upon approval of the voters of the county. Citrus County currently has no general obligation bonds outstanding.

Investment Policy

The Citrus County Board of County Commissioners and Citrus County Clerk of the Courts will invest public funds in a manner which provides the highest investment return with the maximum security while meeting the daily cash flow demands of the entities and conforming to all state statutes governing the investment of public funds.

Procurement Policy

The Citrus County Board of County Commissioners has established a purchasing program that insures goods and services are obtained in a consistent and timely manner, and at the lowest possible price consistent with required standards.

Risk Management Policy

Citrus County will apply to the risk of accidental and fortuitous loss the risk management process, which includes a systematic and regular identification of loss exposures, the analysis of those loss exposures, the application of sound risk control procedures, and the financing of risk consistent with the Citrus County BOCC financial resources.

The County, in accordance with its statutes, laws, and guided by its' Administrative

Regulation's, is to be protected against accidental loss or losses that in the aggregate during any financial period would significantly affect the budget or the ability of the County to continue to fulfill its responsibilities to taxpayers and the public.

Citizen Involvement

The County has numerous advisory boards and committees that encourage citizen participation. Following is a brief description of several of them:

Affordable Housing Advisory Committee – works to improve the housing situation in the County by studying and developing projects.

Aviation Advisory Board – advises the Board of County Commissioners on all land acquisitions, leases, construction, reconstruction, improvements, repairs, maintenance and general operation of the Crystal River and Inverness Airports.

Beverly Hills Advisory Council – advises the Board of County Commissioners on budget, policies, services and other pertinent matters of the Beverly Hills Municipal Service Benefit Unit.

Citizen Advisory Task Force – provides input relative to all phases of the project process for the Community Development Block Grant Program.

Citrus Springs Advisory Council – oversees the budget used to improve roads and beautify the Citrus Springs Community.

Code Enforcement Board – hears and judges alleged violations against county codes as provided in Chapter 162, Florida Statutes.

Code Review and Appeals Board – reviews any locally proposed technical amendments to building standards or regulations and makes recommendations to the Board of County Commissioners, hears appeals of code interpretations, and makes decisions on variations and modifications concerning technical codes and standards.



Construction Licensing and Appeals Board – evaluates applicants for examination and issuance of certificates of competency for trade contractors to determine that adequate experience and financial responsibility are met and hears administrative complaints against locally licensed contractors.

Planning and Development Review Board – reviews development applications and makes recommendations to the Board of County Commissioners on changes to the Citrus County Comprehensive Plan and Land Development Code, has final action on variance and conditional use applications, and provides direction to staff regarding land use amendments and text amendments.

Public Safety Coordinating Council – assesses population of correctional facilities, plans for construction, and reviews release programs.

Special Library District Advisory Board – advises the Board of County Commissioners on matters concerning library budgets, policies, and services.

Tourist Development Council – develops the plan for tourism development and marketing, and makes recommendations for the use of Tourist Development Tax revenue.

Transportation Disadvantaged Coordinating Board – assists in establishing standards as required by the Florida Commission for the Transportation Disadvantaged, advises transportation management with regard to operating practices, and recommends changes to policies and practices.

Water and Wastewater Authority – provides for the regulation of water, bulk water, and wastewater utilities within the unincorporated areas of the County.

Budget Development Process

The development of the budget involves three distinct phases: formulation of budget requests, administrative review and proposal, and County Commission review and adoption. The development of the Capital Budget involves a slightly different

process and timing. The procedures used in preparing both the operating and capital budgets are summarized below.

The Budget is prepared over a ten-month period beginning in January and ending in October.

The sequence of events is as follows:

I. Formulating Budget Requests: January – March

- In January, the Director of the Office of Management and Budget prepares guidelines and instructions for the upcoming budget process and presents them to the County Administrator. Goals that the Board has set are included in this process.
- In February, the Office of Management and Budget will update preliminary revenue projections for the budget year.
- Based on this and other information, the Office of Management and Budget presents the County Administrator with a recommendation for a preliminary budget target. The County Administrator then determines the parameters for the entire County budget. The Office of Management and Budget uses this target to develop the budget instructions that are issued, usually in early March.
- In February and March, department heads assess their departmental needs, prepare their operating budget requests, and submit them to the Office of Management and Budget. The requests are usually due by the end of March.

II. Administrative Review and Proposal: April – May

- Budget requests are reviewed by the Office of Management and Budget staff during April.
- Meetings are held between Departments, Office of Management and Budget and County Administration to review budget submissions to



determine specific funding levels to be approved.

III. Board of County Commissioners Review and Adoption: May - September

- The third stage of the budget cycle is the legislative review of the Proposed Budget. During this time, the focus of the budget review turns to the Board of County Commissioners.
- On June 1st the Property Appraiser provides an estimate of assessed property values in accordance with F.S. 200.065 (7).
- On June 1st the Property Appraiser's budget is to be submitted to the State of Florida, Department of Revenue in accordance with F.S. 195.087 (1) (a).
- On July 1st the Property Appraiser certifies the taxable property values in accordance with F.S. 193.023 (1); 200.065 (11).
- Preliminary budget hearings will be scheduled in late July to adopt the tentative millage rates. Revenues forecasted by the State of Florida Department of Revenue will be presented to the Board at this hearing.
- On August 1st the Tax Collector's budget is to be submitted to the State of Florida, Department of Revenue and the Board of County Commissioners in accordance with F.S. 195.087 (2).
- In August the Property Appraiser mail Truth-in-Millage (TRIM) notices to all property owners. This notifies all taxpayers of the proposed tax rate, its relationship to the prior year's rate, the total taxes based on the proposed rate, and the valuation of each parcel of property. Once the millage rate is certified, it may not be increased without re-mailing the notices. The TRIM notices must be mailed within fifty-five (55) days after July 1st.

- Florida Statutes requires that the Board hold at least two public hearings on the Proposed Budget between September 3rd and September 30th, inclusive.
- The County adopts a budget through passage of a Resolution. The Resolution is filed with the Florida Department of Revenue, Property Appraiser and Tax Collector.
- The approved Budget takes effect on October 1, the beginning of the fiscal year and the spending plan, as authorized by the Board, will be implemented throughout the fiscal year.

Capital Planning

- Citrus County maintains a Capital Improvement Program (CIP) that covers a five-year period and updated annually in conjunction with the budget. Proposed projects are prioritized and available funds are allocated accordingly. An integral part of this process is a review of the County's current debt and the County's financial ability to issue new debt. The Capital Improvement Program is published as a separate document. Funding for current fiscal year projects is included in the adopted budget.
- In January, department heads assess their capital projects to determine if they meet the definition of a capital improvement project. A capital improvement project is defined as any new building, equipment, additions to existing structures, purchase of structures, the purchase of land in conjunction with new or existing structures, and road and bridge projects that would normally have a life of at least **ten (10) years** and a initial cost of greater than **\$50,000**. Both of these criteria must be met in order to be considered a capital project.
- CIP requests are reviewed by Office of Management and Budget staff during the months of February and March.



- Meetings are held between Departments, Office of Management and Budget and County Administration to review CIP submissions to determine specific funding levels to be approved.
- The County Administrator will schedule a CIP Workshop to present the recommended projects to the Board of County Commissioners in April or May.

Budget Amendment Process

Florida Statutes direct that, upon final adoption, budgets shall regulate the expenditures of the County. Itemized estimates of expenditures shall have the effect of fixed appropriations and shall not be amended, altered or exceeded except as provided by statute. The County will establish and maintain practices for the administration and amendment of the annual budget.

- Budget authority is legally maintained at the fund level; however, County Administration imposes management of budget controls at the department level.
- Actual expenditures and operating transfers out may not exceed budget appropriations at the individual fund level. Appropriations which are neither expended, encumbered, nor specifically designated to be carried over lapse at the end of the fiscal year.

The Board of County Commissioners at any time within a fiscal year may amend a budget for that year as follows:

Budget Transfers

- Appropriations for expenditures in any fund may be increased or decreased with the approval of the Board of County Commissioners, provided that total appropriations of the fund are not changed.
- The budget transfer will be reviewed by the director of the requesting division, followed by a review of the Office of

Management and Budget and prior to the subsequent approval by the County Administrator and Board of County Commissioners.

- Appropriations from the reserve for contingencies may be made to increase the appropriation for any particular expense in the same fund for any lawful purpose, but no expenditures shall be charged directly to the reserve for contingencies.
- The Board of County Commissioners may appropriate the reserve for future construction and improvements for the purpose or purposes for which the reserve was established.

Budget Resolutions

- Revenues from a source not anticipated in the budget and received for a particular purpose (including, but not limited to, grants, donations, gifts or reimbursement for damages) may, upon approval of a resolution by the Board of County Commissioners, be appropriated and expended for that purpose. Such receipts and appropriations shall be added to the budget of the proper fund. The resolution may amend the budget to transfer revenue between funds to properly account for unanticipated revenue.
- Increased receipts for proprietary funds received for a particular purpose may, upon approval of a resolution by the Board of County Commissioners, be appropriated and expended for that purpose, in addition to the appropriations and expenditures provided in the budget.
- If an amendment to the budget is required for a purpose not specifically authorized in Florida Statutes 129.06 (2)(a-e), an amendment may be authorized by resolution of the Board of County Commissioners following a public hearing advertised at least 2 days, but not more than 5 days before the hearing date.



Basis of Accounting and Budgeting

The County follows Generally Accepted Accounting Principles (GAAP) for accounting and financial reporting. Governmental GAAP requires use of the modified accrual basis of accounting for governmental funds and the accrual basis of accounting for proprietary funds. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available to finance current expenditures. Expenditures are generally recognized when a liability is incurred. Under the accrual basis of accounting, revenues are recognized when earned and liabilities are recognized when incurred.

Governmental funds are budgeted using the modified accrual basis of accounting. Proprietary funds are budgeted using the accrual basis of accounting, however, there are some exceptions. Loan proceeds are budgeted as revenue and principal payments on debt obligations are budgeted as expenditures. The accrual method does not recognize loan proceeds as revenue or principal payments on debt obligations as expenditures. Also, capital expenditures are budgeted as expenses, but must be capitalized under the accrual method of accounting. In addition, depreciation and amortization are not budgeted items. The change in compensated absences is not budgeted under either method.

Fund balance allocations (residual unappropriated liquid assets resulting from prior year's operations) are budgeted and included as revenue on a budgetary basis as cash carry forward but are eliminated on a GAAP basis for final reporting.

Relationship between the Capital and Operating Budgets

The capital and operating budgets affect each other in a number of ways. The amount of debt that can be supported by the operating budget helps determine the value of the bonds that can be sold in any given

fiscal year. Operating budget resources, as governed by the County's revenue and by its budget stability and debt management policies, determine the level and composition of the County's capital budget. The County's debt policy contains guidelines to help the County stay within a sound fiscal framework despite year-to-year variations in the amount of resources available for debt service.

Capital budget decisions affect the operating budget in several ways. First and foremost is the amount of operating budget revenue that must be used to provide for debt service payments on any revenue bonds sold to fund capital projects.

A second impact the capital budget has on the operating budget consists of the operating and maintenance costs associated with the completed facilities. The greatest operating impacts occur with a new facility, such as the opening of a new park. In such instances, costs relating to new maintenance and support staff and additional operating and utility expenses must all be included in the operating budget.

Other types of capital projects may have a relatively small impact on the operating budget. Renovations rarely increase operating costs much, if at all. Road, storm drainage, and other infrastructure projects do not normally result in the need for additional costs. However, when such projects reach a critical mass, additional maintenance staff will be needed, and at some point in the future, resurfacing and other expensive maintenance activities will be required.

Capital expenditures can also have positive impacts on the operating budget. For instance, infrastructure maintenance funded through the capital budget can result in substantial operating budget savings. An example is the resurfacing of roads using capital budget funds, which usually reduces the need for temporary repairs of potholes and other maintenance funded from the operating budget. Likewise, the renovation of an old facility will usually result in lower maintenance costs for that facility. New construction can also serve to reduce



operating expenses if the new facility results in less need for rented or leased space.

Citrus County Fund Structure

As a means of tracking and accounting for money, the operations of the county are divided into *funds*. The easiest way for most people to think about funds is to compare them to bank accounts. Money comes into a fund from a variety of sources and is then used to provide services to the public. Within funds are departments (i.e., Public Works Department) and within departments are *cost centers*.

Each of these accounting units facilitates the tracking of costs and effectiveness of services provided to the public. Within cost centers are *accounts* or *line items*. These are the basic units of measurement in the budget and make it possible to determine costs of specific programs.

Each fund is accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. A major fund is any budgeted fund that represents more than 10 percent of the total appropriated revenues or expenditures. The following are the county's fund types and definitions.

Governmental Funds

Governmental Funds account for general governmental activities which are largely supported by taxes and fees. They are accounted for on a "spending" or current financial resources basis. Governmental funds include the general fund, special revenue funds, debt service funds, capital project funds, and permanent funds.

General Fund

The general fund is used to account for resources that are not required to be accounted for in other funds. Both revenues and expenditures are budgeted in compliance with procedures established in Florida Statutes.

The general fund is considered a major fund.

Special Revenue Funds

Special revenue funds are established pursuant to state statutes or local ordinances in order to segregate resources that are designated to be used for specified purposes. Both revenues and expenditures are budgeted in compliance with procedures established in Florida Statutes.

The following funds are considered major special revenue funds:

Road and Bridge

The Road and Bridge fund accounts for road maintenance and repairs that are funded largely by ad valorem taxes and gas taxes.

Impact Fees

Impact fee funds account for the receipt and expenditure of transportation, parks, school, law enforcement, fire, emergency medical services, library, and public buildings impact fees.

The following funds are considered non-major special revenue funds:

Street Lighting Districts

These funds account for the receipt and disbursement of funds levied for street lighting in 26 districts.

Special Assessment Districts

These funds account for road paving, private road construction and maintenance, water and sewer, and other activities financed by a levy of property owners.

Library Services

Library Services accounts for operation of the library system that is funded by a special taxing district.

Fire Rescue

Fire Rescue accounts for operation of the fire districts that are funded by a special taxing district.

Other Special Revenue Funds

These funds account for the receipt and disbursement of funds for community centers, county court mediation, court alternative programs, water quality, boating and fishing improvement, crime prevention programs, Article V, parks programs,



Chassahowitzka Campground, occupational licenses, and tourist tax.

Debt Service Funds

Debt service funds are used to account for the accumulation of resources for, and payment of, principal, interest and other costs of long-term debt. The county appropriates current year expenditures and anticipated revenue.

None of the County's debt service funds are considered major funds.

Capital Project Funds

Capital Projects Funds are established to account for the accumulation and use of resources for the acquisition or construction of major capital facilities.

The following fund is considered a major capital project fund:

5 Year Capital Project

This fund accounts for construction and maintenance of county roads funded by gas taxes.

There are no non-major capital funds.

Permanent Funds

Permanent funds are used to account for resources that are legally restricted such that earnings, not principal, may be used to fund county programs. The county's budget does not include any of these types of funds.

Proprietary Funds

Proprietary Funds account for those external and internal business-type activities that are provided on a basis consistent with private enterprise. They are accounted for on a cost of service or "capital maintenance" basis. Proprietary funds include enterprise funds and internal service funds.

Enterprise Funds

Enterprise funds are used to account for operations that provide goods or services to the general public and are supported primarily through user charges or where the governing body has decided that periodic determination of net income is needed.

The following funds are considered major enterprise funds:

Landfill

This fund accounts for operation of the class I sanitary landfill and is funded by user fees and assessments.

Public Utilities

These funds account for operation and expansion of the water and wastewater systems and are funded by retail sales and user fees.

The following funds are considered non-major enterprise funds:

Building Inspection

This fund accounts for the building division's activities that are funded by building permits.

Internal Service Funds

Internal service funds are used to account for the financing of goods or services provided by one department to other departments of the county, or to other governments on a cost reimbursement basis.

The county has the following internal service funds: Health Insurance, Insurance Trust, Dental Insurance, Fleet Management, and Fleet Vehicle Trust Fund. None of these funds are considered major funds.

Fiduciary Funds

Fiduciary funds account for assets that belong to others which are under county control but cannot be used to fund county programs. Fiduciary funds include the following fund types: pension and other employee benefit trust funds, investment trust funds, private-purpose trust funds, and agency funds. The county's budget does not include any of these types of funds.



*Revenue and Expenditure Category
Descriptions*

REVENUES

Taxes

Revenue derived from legislatively authorized charges.

Licenses & Permits

Charges for the issuance of licenses and permits.

Intergovernmental Revenue

Grants, entitlements, shared revenues and payments for goods and services provided by one government to another.

Charges for Goods & Services

Fees and charges for goods and professional or other services rendered.

Fines and Forfeitures

Revenue derived from monetary judgements imposed or a penalty by which one loses rights in property.

Miscellaneous Revenues

Revenue derived from sources not otherwise provided for in other revenue accounts.

Other Financing Sources

Revenue derived from the proceeds of long term debt, operating transfers and the disposition of fixed assets.

EXPENDITURES

General Government

A major class of services provided by the legislative, judicial and administrative branches of the government entity for the benefit of the public or governmental body as a whole.

This class does not include administrative services provided by a specific department in support of services properly includable in another major class.

Public Safety

A major class of services provided to achieve a satisfactory living environment for the community and the individual.

Transportation

A major class of services provided by the governmental entity for the safe and adequate flow of vehicles and pedestrians.

Economic Environment

A major class of services provided for the development and improvement in the welfare of the community and individual.

Human Services

A major class of services provided for the care, treatment and control of mental and physical illness.

Culture & Recreation

A major class of services to provide culture and recreation to the community.

Debt Service

A major class of expenditures used to account for principal and interest payment of debt.

Other Financing Uses

Includes all routine or regular interfund transfers.



Financial Organizational Chart

