

**FY 2003-04  
ADOPTED BUDGET  
BOARD OF COUNTY COMMISSIONERS  
COLLIER COUNTY, FLORIDA**

**BOARD OF COUNTY COMMISSIONERS**

Thomas Henning, Chairman  
Donna Fiala, Vice-Chair  
James N. Coletta  
Fred W. Coyle  
Frank Halas

**CONSTITUTIONAL OFFICERS**

Guy Carlton, Tax Collector  
Abe Skinner, Property Appraiser  
Dwight E. Brock, Clerk of Courts/Clerk of Board  
Don Hunter, Sheriff  
Jennifer Edwards, Supervisor of Elections

**APPOINTED OFFICIALS**

James V. Mudd, County Manager  
David C. Weigel, County Attorney

**OFFICE OF MANAGEMENT & BUDGET**

Michael Smykowski, OMB Director  
Susan Usher, Senior Budget Analyst  
Randy Greenwald, Budget Analyst  
Robin Johnson, Budget Analyst  
Gary Vincent, Budget Analyst  
Patricia Lehnhard, Administrative Assistant



## COLLIER COUNTY MANAGER'S OFFICE

---

3301 East Tamiami Trail · Naples, Florida 34112 · (239) 774-8973 · FAX: (239) 774-8828

January 9, 2004

Honorable Tom Henning, Chairman,  
Members of the Board of County Commissioners,  
and Residents of Collier County

It is with pleasure that I submit the \$887,896,200 adopted Fiscal Year 2004 budget, which reflects the changes approved during the budget public hearings. The success of this budget process was attributable to the strong initial policy guidance approved by the Board, the revised presentation format that both simplified and promoted greater understanding of the budget, and the Board's multi-year focus to budgetary issues.

The proposed budget is also consistent with the County's efforts to rebuild and maintain the public trust by implementing the following strategic goals:

- **Improving the financial planning, management and reporting processes.**
- **Developing reliable public infrastructure and resource management processes.**
- **Revising the Growth Management Plan and Land Development Code to improve the County's ability to manage and control the rate and quality of future development.**

As noted above, one of the Board's strategic goals is to improve the financial planning, management and reporting processes. A viable, fiscally sound budget is the direct result of these financial planning processes.

### Budget Policy Development and Adherence

The prelude to a successful budget began with the strong policy guidance provided by the Board and reinforced by the County Manager throughout the budget process. Major policy areas addressed in the budget policy included limitations on new positions and operating budgets limited to CPI adjustments in the County Manager's Agency, millage neutral tax rates for the General Fund and the Unincorporated Area General Fund, consolidation of funds where possible, and General Fund dollars allocated for capital projects equivalent to 0.3333 mills.

### Limitations on New Positions

The adopted budget policy limited growth in new positions within the County Manager's Agency to less than 25 positions. This recognizes the fact that in service organizations such as local governments, the primary expense is for salaries and associated fringe benefits. Minimizing new staff additions will also result in: (1) forced economies within the County Manager's Agency through more effective use of existing resources; and (2) a lesser need for additional space requirements (future leased facilities and/or new building additions).

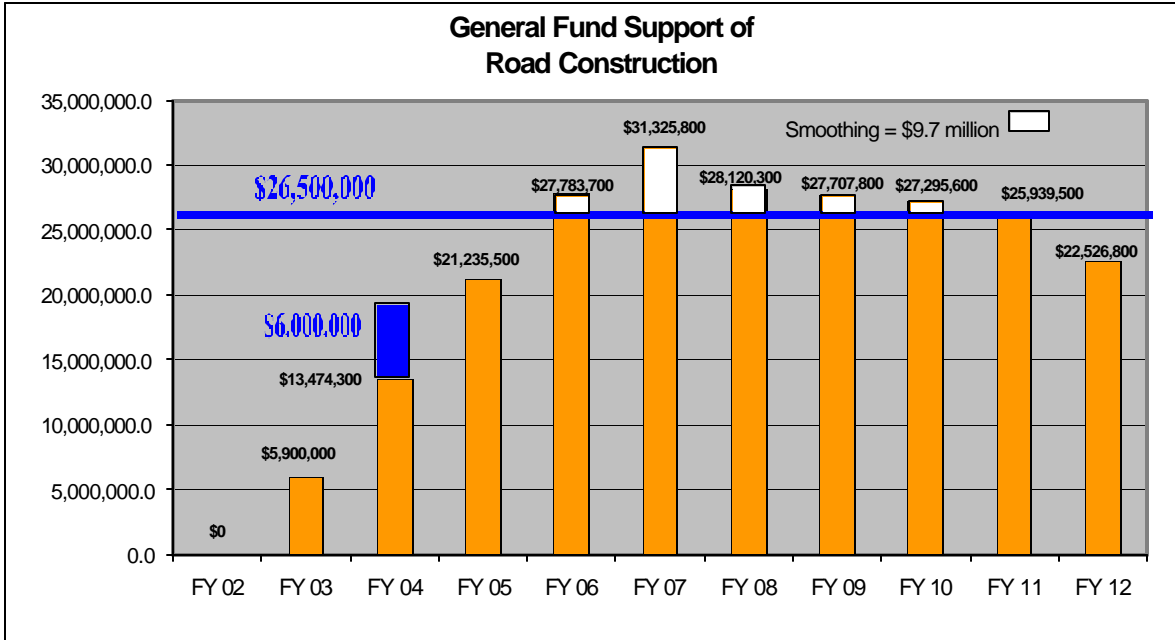
A net total of 18 new positions were added in the County Manager's Agency in FY 04, inclusive of 2 positions recommended for funding by the Board in the Immokalee Housing Initiative program.

### General Fund/Unincorporated Area General Fund – Millage Neutral Tax Rates

The Board adopted millage neutral tax rates (same rates as levied in FY 03) for the General Fund and the Unincorporated Area General Fund.

The General Fund budget is millage neutral, with an adopted tax rate of 3.8772 mills, equivalent to \$387.72 per \$100,000 of taxable value. In addition, due in part to the limitations on new positions and caps on operating budget increases, there was an initial available capital reserve of \$10,282,200.

The Board took a multi-year approach in allocating these funds. The first \$6.0 million, plus the bulk of an additional \$4.2 million General Fund reserve for road construction from FY 03 budget reductions, will be applied to future General Fund required support of the road construction program. In effect, this will smooth future peaks in required General Fund support of road construction in fiscal years 2006 through 2010 to a manageable \$26.5 million annually.



In addition, the Board allocated a portion of the capital reserve funds to address stormwater management projects, median landscaping projects, an economic incentives program to attract new businesses to Collier County, and the balance of street lighting on U.S. 41 East.

The millage rate in the unincorporated area of the County is also millage neutral, with a tax rate equivalent to \$80.69 per \$100,000 of taxable value. There was an initial capital reserve of \$1,337,800 in the proposed Unincorporated Area General Fund budget. The Board allocated funds to: implement the recently approved median landscaping master plan, develop a Golden Gate community character plan, and to reinstate the Immokalee Housing Initiative program.

Fund Consolidations

The FY 03 adopted Collier County budget included 134 funds with budgeted appropriations. The Collier County budget is highly complex due to the number of funds that are required due to statutory requirements, accounting requirements, local ordinances, or financial system limitations.

The use of Municipal Service Taxing Units (MSTU's) allocates costs to recipients of specialized services, instead of allocating these costs to all taxpayers. The use of MSTU's results in "tailor-made" government services, but also adds additional complexity as the funds are restricted (1) for the purpose and (2) to the area in which they were collected.

Fund segregations also typically result in interfund transfers that are, in effect, “double budgeting” of the same dollar. Interfund transfers artificially inflate the gross total County budget. To simplify the budget complexity and to reduce the artificial inflation of the gross County budget, it is recommended that, to the extent possible, funds be consolidated and obsolete funds be eliminated. A target figure of 10% (13 funds) of the total funds budgeted in FY 03 was established. While all major fund groups are still represented in the financial statements, staff was able to identify 14 individual funds that will be consolidated or eliminated.

### General Fund Capital Millage

On an annual basis, there is General Fund dollars allocated for capital projects that are either maintenance oriented or for which there is no impact fee in place. The budget policy direction was to allocate the equivalent of 0.3333 mills (\$15,371,000) for General Fund capital projects. Inclusive of Board directed changes for stormwater projects, median landscaping projects and streetlights, the final allocation for General Fund capital projects amounted to \$16,242,300 or 0.3522 mills.

To meet the pressing short-term and long-term need for space and predicated by the Board approved Master Facilities Plan, staff is recommending the adoption of a government buildings impact fee.

### Revised Budget Format

During the FY 03 budget process, the Board expressed frustration with the budget format, due to its complexity and the emphasis on presenting the budget by fund type. The Collier County budget is indeed complex, due to the number of operating and capital funds employed and the restrictions placed on the uses of these various funds.

Therefore, a major focus during the past year was to overhaul the budget format with the goals of (1) simplifying the presentation format to the extent possible, (2) presenting the budget by functional area rather than by fund type, and, (3) segregating the operating and capital budgets, respectively.

The FY 04 budget was presented in a “drill down” format beginning with a macro summary of the entire budget by functional area. The flow was from this macro summary to a division summary page, to a departmental summary page, and finally to a departmental detail page. This facilitated understanding of each Agency’s budgetary requirements, regardless of funding source.

### **Budget Highlights**

Developing reliable public infrastructure is an essential element to maintaining the quality of life experienced in Collier County by both visitors and residents alike. The proposed FY 04 budget contains \$368,635,400 in total appropriations for capital projects.

Road construction remains the Board's one priority and there is \$128.9 million allocated for construction, design, and right-of-way acquisition. Principal projects slated for construction in FY 04 include:

- Immokalee Road
- Goodlette-Frank Road
- County Barn Road
- Santa Barbara Boulevard, and
- Collier Boulevard

While roads remain the number one Board priority, budgeted water and wastewater capital projects focus on system expansion, system reliability, interconnections to evenly distribute production demands, land acquisition for future production needs, and the investigation of alternative water sources to meet irrigation requirements. Providing water for household use/consumption and fire protection, and processing wastewater are essential services that become even more critical in tourist season, due to the peak demands experienced.

#### Conservation Collier

The FY 04 budget includes funding for the acquisition of environmentally sensitive lands and is supported by a 0.2500 mill tax levy on all property owners in Collier County, in keeping with the wishes of the general public that approved this program via referendum. Staff is currently developing a prioritized list of available parcels targeted for acquisition.

#### Community Development Fund

The Community Development Fund is used to account for the regulation of the development and building industries in Collier County. This operation is self-supporting by fees charged for services provided. However, when the "one stop shop" of Development Services was created, it was recognized that building permit revenues were subsidizing planning (development) functions.

There was a long-term goal to make the building and planning functions self-supporting. In response to issues raised by the Clerk of Courts and the Collier Building Industry Association, the FY 04 budget segregates building and planning operations into separate funds. The net result of this change is that each of these functions will be self-supporting in FY 04 and there will be greater accountability for service delivery.

## **State and Local Economic Conditions**

While the tourism market was relatively soft during the past year, Collier County typically weathers these periodic downturns much better than most regions in Florida. The local housing market and construction industry remained very strong as evidenced by the 16.8% increase in the tax base, including 6.5% for new construction and 10.3% for increased valuation of existing property.

State budget issues are of direct concern to Florida counties. The State recently adopted measures to implement the Article V amendment shifting costs of the state court system to the state budget, and while the direct fiscal impact to Collier County is still being determined, it does not look promising. In addition, rates for the Florida retirement system are on the rise and the State's use of one-time revenue sources to balance its budget will adversely impact County governments in the future. We dodged the proverbial bullet this year, but this will be increasingly difficult to do after FY 04. The budgetary restraints imposed in FY 04, and will apply again in FY 05, will help mitigate the impacts of mandates/cost shifting imposed by the State of Florida.

## **User Fees**

Community Development planning and engineering fees will increase by 73.3% as the subsidy from building permit revenue is being eliminated in the FY 04 budget.

Fees for garbage collection will increase 5.8% to offset increased costs of disposal and to offset revenue lost from discounts provided for early payment, as this fee is included on the ad valorem tax bill.

Finally, the utility regulation fee for customers of privately owned water, bulk water, and wastewater utilities will be increased from 1.5% to 2.0% to reflect the actual cost of regulating these utilities. However, this fee is still significantly less than the 4.5% charged by the Public Services Commission when these private utilities were under their jurisdiction.

## **Summary**

Collier County is a great place to live and work. We are all blessed with our abundant natural resources, tropical climate, and superior quality of life. Maintaining this quality of life will require vigilance in delivering the necessary infrastructure to support our growing population. This budget reflects a commitment to delivering quality services that truly exceed the customers' expectations. My sincere gratitude is extended to everyone in Collier County Government that participated in the development of this budget.

Respectfully submitted,

James V. Mudd,  
County Manager

## **Economic Overview**

### **History**

In 1922, Barron Giff Collier purchased 2,025.5 square miles of land on the southwest coast of Florida that today is known as Collier County. Barron Collier recognized the need for the infrastructure to bring about the economic development to the region. At a cost of more than one million dollars, he funded the construction of the Tamiami Trail connecting Tampa and Naples to Miami. This road was completed in 1928. Shortly afterward, train service came to Naples, and with it, another vital link to economic development.

### **Demographics**

Collier County is a non-chartered county established under the constitution and the laws of the State of Florida. Collier County has experienced tremendous growth in population over the past few decades. The permanent population has increased from approximately 38,000 residents in 1970 to 289,830 in 2003 and is projected to be 303,394 in 2004. Between 1993 and 2003, the population growth rate was 59%. The County is expected to sustain a growth rate of at least 3.7% well into the 21<sup>st</sup> Century. The permanent population is expected to reach 553,300 by the year 2030.

Collier County continues to be a favorite tourist destination during the winter months between November and April when the population rises by an estimated one-third. The estimate of the seasonal population for 2003 is 401,536 and the projection for 2004 is for 419,603.

The 2000 U.S. Census reported Collier County's median age to be 44.1 years compared to a national median of 35.3 years. During 2003, median family income was \$61,400, the highest in the State of Florida. The Naples metropolitan statistical areas (MSA) has the highest median household effective buying income in the state of Florida with an average of \$47,548 per annum in 2002 and ranks 29<sup>th</sup> among the nation's 323 Metropolitan Areas. According to the Florida Agency for Workforce Innovation, the 2002 County unemployment rate was 4.4%. This is much lower than the 2002 statewide and national average unemployment rates of 5.5% and 5.8% respectively. The total number of people reported as employed in Collier County has increased to 117,278 in 2002 from 108,014 in 2001, an increase of 8.6%. According to the Florida Agency for Workforce Innovation, Labor Market Statistics, Collier County's labor force was ranked the fastest growing in the State of Florida from 1995 to 2002.

### **Economic Conditions**

Collier County has made impressive economic strides since the completion of the Tamiami Trail in 1928. The State of Florida certified Collier County as a 'Blue Chip Community' in 1985. This means that the County met state requirements in important areas of economic development including the creation of plans for growth management and comprehensive land use. In December 1996, the communities of Immokalee and Everglades City were designated as Enterprise Zones. The Enterprise Zone Program offers tax incentives to businesses located within the zones to encourage private investment as well as increase employment opportunities for the area's residents. Additionally, the industrial park at the Immokalee Regional Airport was designated as a Foreign Trade Zone, which allows companies to import raw materials, manufacture their products and export them duty free. In September 1997, the Immokalee community was designated as a Foreign Investment Zone, which reduces the minimum amount of investment and number of employees in order for owners of foreign companies to apply for permanent United States residency. Also in 1997, the State of Florida awarded Collier County Airport Authority the award for the best airport improvement project, in the general aviation category, for the improvements made at the Immokalee Regional Airport.

Diversification of the local economy is an important step toward protecting and ensuring the economic viability of this community. Therefore, the FY 04 budget provides funding of \$489,600 to facilitate the coordination of the public/private economic diversity programs of Collier County. The County funding will be combined with up to \$400,000 in private funding generated through the Economic Development Council of Collier County, Inc. and

\$30,000 from the Florida Qualified Target Industries program. Also included in the FY04 budget are expanded funds of \$1,843,600 to help attract new businesses to Collier County. These programs will utilize the incentives offered by the Enterprise Zones and the Foreign Investment Zone as well as the Expedited Permitting program. A manufacturing incubator facility, located at the Immokalee Regional Airport Industrial Park, opened in August of 1999 and Phase II was completed in FY02. The goal of the facility is to provide low cost manufacturing facilities, infrastructure and services so that new and emerging businesses can have a higher success rate at launching new products and ideas. In FY04 the Customs building will be completed and will allow the Immokalee Airport to process incoming foreign freight.

The major industries within Collier County are services, wholesale trade, retail, agriculture, construction, manufacturing, financial activities and real estate. All industrial sectors have achieved substantial growth since the early '70's although it was slowed somewhat due to the national events that unfolded on September 11<sup>th</sup>. There are more than 117,000 skilled people in Collier County who comprise the workforce, which is ranked the fastest growing workforce in the State of Florida from 1995 to 2002.

Historically, employment within the County has varied significantly throughout the year due to the large influx of tourists and seasonal residents during the winter months (projected to be approximately 419,603 in 2004) coupled with seasonality in the agriculture industry. The average number of people employed in fiscal year 2002 was 117,278 and is still the fastest growing workforce in the State of Florida from 1995 to 2002. The following table identifies the top twenty major non-public employers in Collier County in 2002.

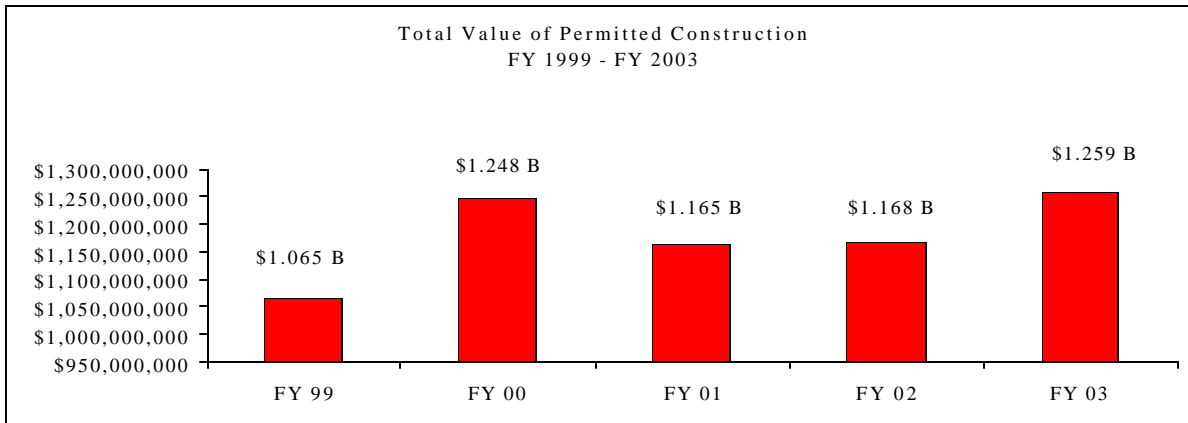
<b>Top Twenty Major Non-public Employers</b>			
<u>Company Name</u>	<u>Employees</u>	<u>Company Name</u>	<u>Employees</u>
NCH Healthcare System	3,500	Hilton Hotels	600
Employee Professionals	3,394	Home Depot	600
Publix Supermarket, Inc.	2,221	Walmart	594
Ritz Carlton Hotel	1,500	Classic Bentley Village	550
Marriott	843	Moorings Park	527
Registry Resort	830	FNB Corporation, Inc.	500
Cleveland Clinic	790	Naples Beach Hotel and Golf Club	400
Winn Dixie Supermarkets	715	Naples Daily News	358
Beasley Broadcasting Group	650	Kraft Construction Company	348
Baron Collier Partnership	600	Seminole Indian Casino	340

During 2003, the average employment rate of the retail trade industry was 21,981. Growth in retail shopping should show an increase due to low interest rates, low inflation, a rise in consumer confidence and increases in equity markets. These factors all aid in the continuing development of Collier County and Southwest Florida. Also, established specialty shops and boutiques continue to target the ever-present tourist market. The consumer trade industry provides 16.9% of wage and salary jobs in the County. Retail workers experienced average annual earnings of \$24,631 during fiscal year 2002.

The service sector employs 38.1% of the wage and salary work force with \$30,969 in average annual wages. Services include hotels, restaurants, entertainment, education, health-care, legal and professional activities. This sector was affected more than any other industry due to the events of September 11<sup>th</sup> and a downturn in the economy but there are now signs that the economy is starting to make a recovery. In estimates from Visit Florida, Florida's tourism marketing organization, visitors to the state through the first half of the year are up about 1% over last year's record setting numbers.

Collier County is one of the highest producing agricultural counties in the United States. Agriculture remained steady in available jobs during fiscal year 2002 with 7,175 total employees. Farming activities are located 40 miles inland and surround the community of Immokalee. Major crops include tomatoes, peppers, cucumbers and melons as well as the recently developed citrus business. Beef cattle are also a significant farming commodity. Included in the agricultural sector are landscaping services, forestry, farm services and commercial fishing. Agriculture employs 6.2% of the wage and salary work force with \$14,437 in average annual wages.

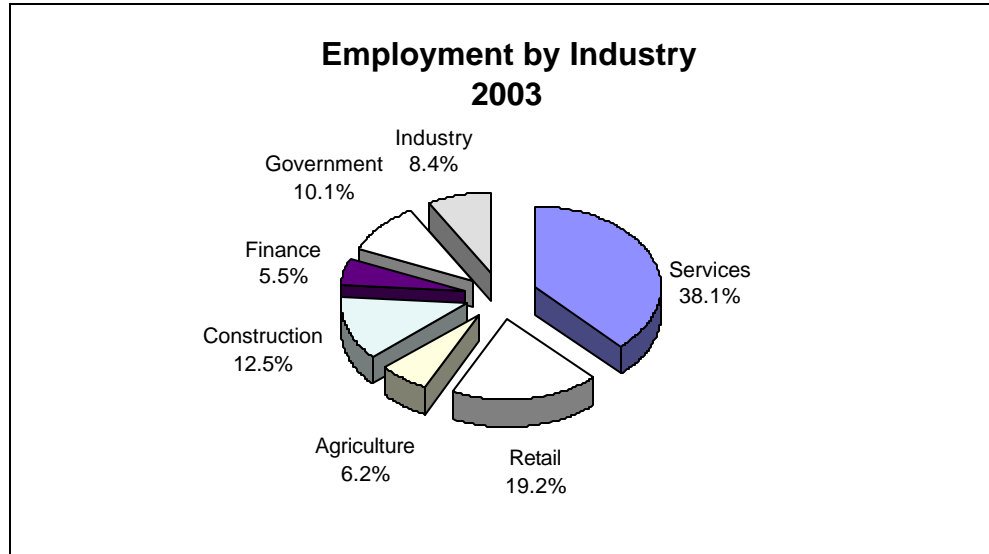
During fiscal year 2003, employment also increased in the construction industry as population growth fueled the demand for new homes. There were 4,173 new homes permitted in 2002 and 3,109 new multifamily units. The average price for single-family homes was \$341,089 and multifamily units averaged \$310,026. According to the Meyers Group, the largest source of residential real estate information, the Naples MSA has the highest housing growth in the entire United States at 25.8 permits per 1,000 people. To put that in perspective, the average U.S. Housing Growth Ratio is 6.1. The total value of all construction permitted during FY 2003 was \$1,259,273,856, which is an increase of \$91,707,214 over FY 2002. Construction firms located in Collier County provided 14,315 jobs, an increase of 227 jobs equating to an annual job growth rate of 1.6%. The construction industry generated 14.6% of all wages earned. Average income in this sector was \$36,366. Construction employees represent 12.5% of the work force. The graph below shows the growth in the value of construction permitted from FY 1999 through FY 2003.



Finance, insurance, and real estate account for 5.5% of the wage and salary work force in Collier County. During 2003, financial services and real estate provided 6,302 jobs and generated 8.7% of all wages earned. Average annual earnings were approximately \$49,460.

Government is the other major employer in the area and represents 10.1% of total jobs. The Collier County School Board and local municipal governments employ approximately 6,600 people and the County and its Constitutional Officers employ over 3,400 people.

Industries including manufacturing, wholesale trade, communications, transportation and public utilities round out the remaining 8.0% of the labor force. The following pie chart provides a summary of employment by industry in Collier County.



#### **Economic Issues - FY 04 Budget**

The fiscal year 2004 budget includes a number of programs that address the sustained growth that the County is experiencing. The major focus of the Capital Improvement Program in FY 04 is still on road construction, utility water and wastewater improvements, parks and recreation, and various countywide projects.

Road construction projects account for \$101.8 million of the FY 04 budget. Major projects include improvements to Immokalee Road from State Rte. 41 to U.S. Rte. 75 for \$5.8 million and from Collier Boulevard (CR 951) to 43<sup>rd</sup> Avenue NE for \$4.6 million, the Golden Gate Parkway overpass for \$36.0 million, enhancements to Goodlette-Frank Road from Pine Ridge Road to County Road 896 for \$14.1 million and from Pine Ridge Road to Vanderbilt Beach Road for \$1.6 million, the expansion to four lanes of County Barn Road for \$10.1 million, upgrades to Santa Barbara Boulevard for \$9.4 million, the improvements to Vanderbilt Beach Road for expansion to four lanes from Airport-Pulling Road to Collier Boulevard for \$6.3 million, enhancements to Collier Boulevard (CR 951) from Green Boulevard to Immokalee Road for \$3.3 million and Logan Boulevard for Immokalee Road to Pine Ridge Road for \$1.3 million. Additionally, Stormwater projects that will be implemented include \$1.0 million for the Haldeman Creek Basin restoration, \$1.0 million for the Corkscrew Canal crossing and \$1.9 million for Gateway Triangle improvements.

The major water projects include \$23.8 million for the South County Regional Water Treatment Plant (SCRWTP) 12 million gallons per day reverse osmosis expansion, \$18.0 for a SCRWTP twelve million gallon per day well-field expansion, \$8.0 million for reverse osmosis reliability at the North County Regional Water Treatment Plant (NCRWTP), \$6.0 million for a new mid-Hawthorne well-field at the NCRWTP, \$4.8 million for Manatee Road potable water Aquifer Storage and Recovery (ASR) wells, a thirty-six inch water main on Collier Boulevard from Davis Boulevard to Rattlesnake Hammock for \$4.4 million, a twenty-four inch water main on Collier Boulevard from Rattlesnake Hammock to the Tamiami Trail for \$2.9 million, a water main upgrade on Rattlesnake Hammock for \$4.3 million, a relocation of the water main on Immokalee Road from the Tamiami Trail to I-75 for \$3.3 million, an upgrade of the emergency power system at the NCRWTP for \$2.0 million, installation of an automatic meter reading system for \$2.2 million, a well-field study at the NCRWTP for \$2.0 million, a well-field study for the Southeast Regional Water Treatment Plant (SERWTP) for \$2.4 million, land acquisition for the SERWTP for \$1.0 million, and upgrades to the water distribution complex for \$1.4 million.

The major projects for the Wastewater Division are \$4.0 million for the land acquisition for the Southeast Water Reuse Facility, \$4.6 million for a force-main on Vanderbilt Beach Road from Logan Boulevard to Goodlette-Frank Road, \$4.0 million for land acquisition for the East County Water Reuse Facility, \$1.4 million for a Wastewater Collections telemetry upgrade, \$1.3 million for a sewer interconnect on Santa Barbara Boulevard between Radio Road and Vanderbilt Beach Road, \$3.5 million for expansion of the North County Reuse Wastewater Facility (NCRWF) to 24.1 million gallons per day of solids, \$2.0 for a master pump station from Immokalee Road to Collier

Boulevard, and \$1.0 for a twenty-four inch reclaimed water main on Goodlette-Frank Road from the NCRWF to Vanderbilt Beach Road.

The principal Parks capital projects include \$47.5 million budgeted for the development of the North Regional Park, \$1.4 million for the expansion of the 951 boat ramp and \$.4 million for improvements to the East Naples Community Park.

Countywide, \$13.5 million will be spent for the new Courthouse Annex, \$7.0 million for the Sheriff's Special Operations Center, \$1.5 million for the Emergency Services Headquarters and Operations Center, \$8.2 million for the new County Barn fleet facility, and \$0.9 million for the design of a new parking deck and traffic improvements.

### **In Summary**

An excellent financial base, a strong infrastructure, proximity to world-class ports, and low taxes make Collier County an attractive place to live and work. Forbes Magazine's 2002 fourth annual survey of "Best Places for Business and Careers" ranked the Naples MSA 32<sup>nd</sup> among the nation's 200 metros and also ranked the Naples MSA 13<sup>th</sup> in growth of salary and jobs for the last five years.

Future job growth is projected to remain very strong as a result of continued development and the incentives provided by the Enterprise and Foreign Trade Zones and through the expedited permitting program. At the 16<sup>th</sup> Annual Regional Economic Outlook Conference, it was stated that there are some very important factors that will be driving economic growth in southwest Florida. These were Florida Gulf Coast University, Southwest Florida International Airport, Collier County's road-building program and the recent approval of a plan for development of 200,000 acres on the eastern fringe of Collier County. It was also noted that the job growth in southwest Florida has risen at about a 5 percent annual rate over the last three months and the unemployment rate has decreased.

Adding to this optimistic view is the recent announcement by Governor Bush that the Scripps Research Institute will be building a campus in south Florida and add 6,500 jobs in the next 15 years. The creation of forty-four thousand spin-off jobs is expected and hopefully with the educated workforce that southwest Florida enjoys ,(Collier County - 27.9% college grad or higher versus United States 24.4% college grad or higher) some of them will be attracted to southwest Florida. The population is growing at almost twice the rate as the rest of the country and is creating enormous demand for residential and commercial construction, and consumer goods. All of these economic indicators point to a very promising future for Collier County and its citizens.

## Budget Process

The Collier County annual budget is a plan for the allocation of County resources in the accomplishment of specific programs. The formulation of the budget takes into consideration citizen desires, economic conditions, and policies established by elected officials.

### Collier County Strategic Planning/Goals

The County Manager's Agency developed the following Mission Statement:

**“To deliver to our residents and visitors local government services that EXCEED expectations”.**

The Board of County Commissioner, in conjunction with the County Manager's senior executive management team, developed strategic goals. County staff then developed action items to be accomplished within each strategic goal. The primary emphasis is to rebuild and maintain public trust by implementing the action items associated with the following strategic goals.

- **Strategic Goal 1 – Revising the Growth Management Plan and Land Development Code to improve the County's ability to manage and control the rate and quality of future development:**
  - Update the Wastewater, Water, and reclaimed elements of the Growth Management Plan.
  - Amend various environmental sections of the Land Development Code to implement the Rural Fringe Growth Management Plan amendments.
  - Implementing a real time concurrency management system relative to the road capacity.
  
- **Strategic Goal 2 – Developing reliable Public Infrastructure and Resource Management Processes:**
  - Permitting and construction of new landfill cells.
  - Integrated Solid Waste Master Plan.
  - Improve reliability of well fields.
  - Annual update of Water and Wastewater Master Plans.
  - Construct the North Naples Government Service Center.
  - Construction of the Naples Jail expansion
  - Final implementation of the SAP Financial Management System.
  - Open new fleet maintenance shop at Davis Boulevard.
  - Implement the updated road capital Five-Year Work Program.
  - Implement a computerized traffic signal system.
  
- **Strategic Goal 3 – Improving the financing planning, management and reporting processes:**
  - New Utility Billing Software System.
  - New Special Assessment Software System.
  - Implement new Financial Management System.
  - Incorporation of enhanced security procedures.

**Citizen Survey**

Collier County contracts with a local marketing firm and the League of Women Voters to conduct a telephone survey of randomly selected voters to solicit concerns and needs to be addressed by the Board of County Commissioners.

The 251 registered voters interviewed in 2002 revealed that they are generally pleased with services provided by County government. The decrease in agreement regarding roads and highways being well maintained in Collier County is probably a function of respondents’ recent experiences and local media focus concerning lack of adequate road planning and construction. Traffic concerns probably impacted satisfaction levels with EMS service. The FY 04 budget addresses this issue as the most aggressive road building campaign in Collier County history is underway.

<b>Program Area</b>	<b>1998 Agree</b>	<b>1999 Agree</b>	<b>2000 Agree</b>	<b>2001 Agree</b>	<b>2002 Agree</b>
Appearance of neighborhoods and shopping areas is generally good.	93.28%	94.48%	<b>94.92%</b>	90.15%	94.01%
Separation and recycling of trash seems to be working well.	87.74%	89.70%	89.06%	87.79%	<b>92.03%</b>
The storm water drainage system works well near your home.	64.82%	75.00%	75.00%	72.04%	<b>78.08%</b>
Roads and highways are well maintained in Collier County.	81.81%	<b>84.19%</b>	69.14%	50.00%	72.90%
Sewage treatment/collection system works well in your area.	n/a	n/a	n/a	78.34%	<b>82.07%</b>
Traffic signals keep cars moving fairly well in Collier County.	<b>67.98%</b>	65.44%	54.68%	53.93%	54.18%
Library services (satisfaction level).	88.83%	81.98%	87.50%	89.76%	<b>92.03%</b>
Parks and recreational facilities (satisfaction level).	78.26%	79.41%	<b>82.42%</b>	79.92%	82.07%
Emergency ambulance service (satisfaction level).	68.77%	61.76%	63.28%	<b>75.98%</b>	63.74%

Bold = Highest percentage achieved during years reflected in chart.

Note: Staff is reviewing alternatives (i.e., ICMA citizen survey) to the existing survey instrument. As of the printing of this book, the new survey had not been conducted.

**Budget Book Format**

The budget document is organized according to functional categories. Department budgets, representing basic operating units, have been grouped and tabbed by operating division or agency. Department budgets are presented programmatically and by appropriation unit.

Program budgets provide a brief description of the program, the relative priority of each program in a department, the number of full time equivalent positions necessary to perform the program, FY 2004 dollars necessary for the program, offsetting revenues generated by each program, and the net cost of each program. The administration/overhead program base level of programs encompasses the minimum level of service that is mandated by Federal or State law or judicial order and is necessary to protect the health and safety of Collier County residents or necessary to maintain capital asset value for a particular department. Programs above the administration/overhead level approved by the Board of County Commissioners are in priority order and reflect the community’s demand for high quality services.

Performance measures including the number of activities (quantitative) and the effectiveness of the actions (qualitative) are included for FY 2002, forecast for FY 2003, and budgeted for FY 2004. To improve the performance measure effort, the County has elected to participate in the ICMA performance measure program.

The appropriation unit presentations, i.e. personal services, operating expenses and capital outlay, break out costs in two categories, current and expanded services. Current services reflect the ongoing cost of existing programs. Expanded services include new programs and enhancements to existing services. Budget highlights are incorporated to identify significant changes from FY 2003. The FY 04 Adopted Budget is compared in the “Percent Change” column to the budget adopted by the Board of County Commissioners for FY 03. In order to illustrate projected activity, a forecast of estimated

revenues and expenditures for FY 03 is presented. The rationale for projecting FY 2003 activity is to improve carry forward estimates and to reflect the policy/program decisions and budget amendments that occurred throughout the year. Also included is FY 02 actual revenues and expenses that represent one year's history of financial activity.

**Budget Calendar**

Budget formulation, adoption and execution in Collier County involve the year-round interaction of many people at various levels within the County. The purpose of the process is to identify service needs, develop strategies to meet those needs, and to develop detailed revenue and expenditure estimates to carry out the financial plan. As such, the budget process incorporates the following activities:

<i><u>Date</u></i>	<i><u>Activity</u></i>
<i>March 25</i>	<i>Budget policy adopted</i>
<i>April/May</i>	<i>County Manager's Agency program and line item requests submitted</i>
<i>June 1</i>	<i>Supervisor of Elections, Clerk to the Board, Property Appraiser and Sheriff line item budgets submitted</i>
<i>June 26 &amp; 27</i>	<i>Board of County Commissioners budget workshops</i>
<i>July 15</i>	<i>Tentative budget released</i>
<i>July 29</i>	<i>Proposed millage rates set by the BCC and certified to the Property Appraiser</i>
<i>August 1</i>	<i>Tax Collector line item budget submitted</i>
<i>September 1</i>	<i>Clerk to the Courts line item budget submitted</i>
<i>September 4 &amp; 18</i>	<i>Public hearings on budget and millage rates conducted</i>
<i>October 1</i>	<i>Adopted budget implemented</i>

This schedule complies with the requirements set forth in Florida Statutes Chapter 200, "Determination of Millage."

## Budget Policy for Fiscal Year 2003/04

### Three-Year Budget Projections

A three-year projection of major ad valorem supported funds (General Fund and the Unincorporated Area General Fund MSTD) was conducted prior to recommending FY 04 budget policies.

The following assumptions were used for each of the three years.

#### **Expense Assumptions:**

- Continuation of funding for all existing programs.
- 4.55% of Personal Services allocated for compensation administration.
- \$3 million in cost shifting to the County from the State of Florida
- 2.8% increase annually in operating expenses and capital outlay.
- 5% reserve for contingency in all funds.
- 4% attrition.
- Equivalent of 0.3333 mills available annually for capital projects.
- Operating divisions will spend 96% of budgeted funds and 100% of budgeted transfers will be made.
- Growth-related mandates will be funded.

#### **Revenue Assumptions:**

- Forecast ad valorem tax revenue is 96.65% of budgeted amount.
- A 4% annual increase in ad valorem tax revenues is generated from new construction.
- 5.0% increase annually in total sales tax revenue.
- 2.5% increase annually in total state revenue sharing revenue.

### Millage Rates

If these assumptions remain constant and the Board of County Commissioners took no action to alter the impact, projected millage rates for the General Fund and the MSTD General Fund, as well as the actual adopted FY 03 millage rates for these respective funds, are identified in the table below:

<b>Fund</b>	<b>FY 03 Adopted Millage Rates</b>	<b>FY 04 Projected Millage Rates*</b>	<b>FY 04 Adopted Millage Rates*</b>	<b>FY 05 Projected Millage Rates*</b>	<b>FY 06 Projected Millage Rates*</b>
General Fund	3.8772	3.9046	<b>3.8772</b>	3.9106	3.9611
MSTD General	0.8069	0.8324	<b>0.8069</b>	0.9066	0.9066

\*Projected millage rates assume a 12.0% increase in taxable value in FY 05 and 10.0% in FY 06.

## **Specific Budget Policies for Fiscal Year 2003/04**

### **Financial Management/Financial Budget Development**

- OMB staff will prepare annually a three-year projection of General Fund and MSTD General Fund revenues and expenditures to improve financial planning and to understand the long-term impact of FY 03 funding decisions.
- Florida Statutes require the annual adoption of a balanced budget (total budgeted revenues = total budgeted expenses).

### **Budget Presentation Format**

During the FY 03 budget process, the Board expressed frustration with the budget format, due to its complexity and the emphasis on presenting the budget by fund type. The Collier County budget is indeed complex, due to the number of operating and capital funds employed and the restrictions placed on the uses of these various funds.

Therefore, a major focus during the past year was to overhaul the budget format with the goals of:

- Simplifying the presentation format to the extent possible,
- Presenting the budget by functional area rather than by fund type, and,
- Segregating the operating and capital budgets, respectively.

The FY 04 budget was presented in a “drill down” format beginning with a macro summary of the entire budget by functional area. The flow was from this macro summary to a division summary page, to a departmental summary page, and finally to a departmental detail page. This facilitated understanding of each Agency’s budgetary requirements, regardless of funding source.

### **Salary Administration**

Budget 4.55% of Personal Services to provide a market-based compensation program that meets the following goals:

- Facilitates recruitment of knowledgeable, skilled and experienced employees.
- Encourages and supports continuous training and professional development.
- Recognizes and rewards individual and team achievement.

In order to achieve these objectives, a series of changes to the compensation system will be necessary. Principal planned changes include the following:

- Recognize that motivation factors and expectation vary for employees at different levels in the pay structure and establish distinct pay plans that target appropriate reward mechanisms for each level.
- Adjust salary ranges as needed, especially for hourly employees, to more closely match the appropriate market for each plan
- Slow the growth of executive level base salaries by changing the way performance awards are paid, (i.e. awarded as one-time lump-sum bonuses rather than incremental increases to base pay).
- Establish a market-driven hard salary cap for each position.

### **Limitations on Expanded Positions to Maximize Organizational Efficiencies**

To maximize organizational efficiencies, a limitation of less than 25 expanded positions in the County Manager’s Agency will be implemented in FY 04. This recognizes the fact that in service organizations such as local governments, the primary expense is for salaries and associated fringe benefits.

Minimizing new staff additions will also result in:

1. Forced economies within the County Manager’s Agency through more effective use of existing resources; and
2. A lesser need for additional space requirements (future leased and/or new building additions).

### **Limitations on Current Service Discretionary Operating Expenses**

The County Manager recommends limiting current service discretionary operating expense increases to CPI, 2.8% or less. This will economize and provide the means to support the General Fund transportation program requirements. FY 03 adopted operating expenses budgets will be adjusted to reflect one-time expenses. Exceptions would include fixed cost increases such as allocated insurance, indirect service charge payments (revenue to the General Fund), fuel, and utility expenses.

### **Fund Consolidations**

The FY 03 adopted Collier County budget included 134 funds with budgeted appropriations. The Collier County budget is highly complex due to the number of funds that are required due to statutory requirements, accounting requirements, local ordinances, or financial system limitations.

The use of Municipal Service Taxing Units (MSTU's) allocates costs to recipients of specialized services, instead of allocating these costs to all taxpayers. The use of MSTU's results in "tailor-made" government services, but also adds additional complexity as the funds are restricted (1) for the purpose and (2) to the area in which they were collected.

Fund segregations also typically result in interfund transfers that are, in effect, "double budgeting" of the same dollar. Interfund transfers artificially inflate the gross total County budget.

**Recommendation:** To simplify the budget complexity and to reduce the artificial inflation of the gross County budget, it is recommended that, to the extent possible, funds be consolidated and obsolete funds be eliminated. A target figure of 10% of the total funds budgeted in FY 03 was established.

### **Health Care Program Cost Sharing**

Collier County provides a self-funded Group Benefits Plan for health care and prescription drug coverage. Coverage under the Plan extends to all County employees, with the exception of the Sheriff's Office, which provides its own self-funded plan.

Nationally, as well as here in Florida, medical plan costs, and the premium dollars required to fund them, continue to increase annually at double-digit levels. The County's medical plan is similarly impacted by these rising costs. However, management and employees continue to work together to hold down the impact of future increases by restructuring benefit levels and initiating further cost shifting measures. In addition, staff continues to negotiate with providers for discounted physician and hospital fees and promote corporate wellness and preventive health care initiatives.

Most importantly, management continues to move toward its goal of requiring employees to absorb a greater share of medical plan premium costs. In FY 04, an additional 2% of premium costs will be shifted from the Board to the employees. As a result of this action, employees will have absorbed an additional 6% of medical premium costs since FY 01; and will continue to absorb proportionally more premium expenses until the goal of an 80%-20% cost sharing arrangement is achieved in FY 06.

### **General Fund Balance**

General fund balance is required to meet operating needs for October and November of a given fiscal year, prior to the receipt of any significant ad valorem tax revenue (ad valorem taxes represent 68.5% of the total FY 03 General Fund adopted revenues). Fund balance is also an important measure used by bond rating agencies in determining the County's credit worthiness.

Staff from Moody's Investors Service was contacted previously to determine an appropriate level of carry forward revenue. Specific concerns for Florida communities were reliance on the tourism industry and sales tax revenue, the

ongoing threat from hurricanes and wildfires, and uncertainty regarding Article V court funding. For Florida coastal communities, a minimum carry forward balance of 10% of total General fund expenditures was recommended. It was noted that bond ratings would improve as this percentage increased.

**Recommendation:** The recommended level of fund balance in the General Fund should be a minimum of 10% of actual general fund expenditures, with a maximum fund balance level of 15%. If fund balance exceeds the 15% level, the surplus above the 15% level should be used to fund non-recurring costs, as fund balance is a non-recurring revenue source.

## **Existing County Budget Policies for FY 04**

### **Budget Policies Affecting Operating Budgets**

#### **Attrition**

- Based on historical evidence, funds with 10 or more budgeted positions that have generated salary savings will only appropriate 96% of requested salaries and benefits. This recognizes that there is staff turnover in large organizations. Exceptions would include EMS, Ochopee Fire, and the Tax Collector.

#### **Maximization of Impact Fees**

- Collier County will assess the maximum impact fees allowed by law, as supported by impact fee studies.

#### **Grant Funded Positions**

- Any positions formerly funded with grant funds being recommended for inclusion in a general (non-grant funded) operating budget shall be treated as expanded service requests.

#### **Self-Insurance**

- To conduct an actuarial study of the self-insured Workers' Compensation, Property and Casualty, Group Health Insurance programs. Program funding will be at a level that provides 75% certainty that the projections for future year claims and reserve levels will be funded.

#### **Reserves**

- Operating funds may budget, at a minimum, a 5% reserve for contingency. A reserve for contingency is typically budgeted in all operating funds, with the exception of the Constitutional Officer funds. Reserves for the Constitutional Officer funds shall be appropriated within the County General Fund.
- The General Fund reserve for cash flow is \$3,000,000. In the MSTD General Fund, the recommended reserve for cash flow is \$250,000.

#### **Contract Agency Funding**

- The Board of County Commissioners will not fund any non-mandated social service agencies.

#### **External Operating and Capital Project Funding Requests**

- External operating and capital budget requests should only be considered within the framework of the budget process. Requests for funding received outside the boundaries of the budget process shall be considered in the subsequent year's budget cycle.

**(Maintenance)**

- Recognizing Unincorporated Area General Fund MSTD (111) appropriate, dedicated funding source for median beautification maintenance costs.

## **Revenue Policies**

**Carryforward**

- All funds that are unexpended and unencumbered at the end of the fiscal year will be appropriated as carryforward revenue in the following year.
- In the event that sufficient cash is not available to meet General Fund operating needs, staff will make arrangements to borrow against pooled cash.

**Indirect Cost Allocation Plan**

- The policy of charging enterprise and special revenue funds for support services provided by General Fund departments will be used again in FY 02. The basis of these charges is a detailed indirect cost allocation plan prepared by a consultant.

**Enterprise Fund Payment in Lieu of Taxes**

- The Solid Waste Fund and the Collier County Water-Sewer District will contribute a payment in lieu of taxes to the General Fund equal to the prior year General Fund millage rate multiplied by the prior year gross value of property, plant, and equipment.

**Proposed Uses of Gas Taxes**

- Based on the Board's policy decisions relative to the Annual Update and Inventory Report (AUIR) regarding Transportation, beginning in FY 03 all available gas tax revenue will be used to support the Roads Construction Capital Improvement Program. Gas tax revenue shall not be used for roadway maintenance activities. In the FY 02 budget, \$3,000,000 of gas tax revenue was used to support Road and Bridge maintenance activities.

## **Debt Administration Policies**

**Debt Service**

- Any capital projects financed by borrowing money shall limit the repayment period to the useful life of the asset.
- Not all capital projects may be funded on a cash basis. The electorate may be asked through referendum to approve the borrowing of funds for the projects and the levy of ad valorem taxes to pay the resulting debt service. The defeat of a referendum on any or all of the projects will result in a lowering of the Level of Service Standard for related facilities.
- The following policy regarding the issuance of debt was adopted in the Growth Management Plan. Collier County will not exceed a maximum ratio of total general government debt service to bondable revenues from current sources of 13%. Whereas Florida Statutes place no limitations on the application of revenues to debt

service by local taxing authorities, prudent fiscal management dictates a self-imposed level of restraint. Current bondable revenues are ad valorem taxes and state-shared revenues, specifically gas taxes and the half-cent sales tax.

### **Interim Financing**

- Collier County may also borrow funds on an interim basis to fund capital projects. In these cases a repayment source shall be identified and the financing source that has the lowest total cost shall be employed.
- The net present value savings generated by a proposed refinancing shall be a minimum of 5%. As a general rule, savings generated by refinancing shall be utilized to reduce future debt service payments.

## **Budget Policies Affecting Capital Projects**

### **Ad Valorem Capital Funding**

- Continuation of a fixed General Fund millage (0.3333 mills) dedicated to capital projects.

### **Capital Improvement Program (CIP) Policies**

- On an annual basis, the County shall prepare and adopt a five-year Capital Improvement Element (CIE) consistent with the requirements of the Growth Management Plan. The annual budget will include sufficient appropriations to fund capital projects identified in the first year of the CIE.
- Capital projects attributable to growth will be funded, to the extent possible, by impact fees.
- Capital projects identified in the 5 Year CIE will be given priority for funding. The five-year plan for water and wastewater CIE projects will be based on projects included in the adopted master plans.
- Non-CIE capital projects funded by General Fund ad valorem taxes will be reviewed annually on a case-by-case basis. The respective departments during the budget process will identify annual operating expenses associated with capital projects.
- Unlike operating budgets that are administered at the appropriation unit level, capital project budgets will continue to be administered on a total project budget basis. The minimum threshold for projects budgeted in capital funds is \$25,000.

### **Budget Review**

Department directors prepare program and line item budgets based on adopted Board policy. Budget instructions provide details regarding the implementation of the policies such as proposed salary adjustment, internal service charges, etc. The OMB staff analyzes each submission for accuracy, content and compliance with the previously determined priorities and policies.

Each department director is provided an opportunity to discuss and defend budget submissions to the County Manager. The County Manager makes the final decision for the recommended budgets presented to the Board of County Commissioners in June.

Budget work sessions with the Board of County Commissioners provide a forum for the discussion and finalization of spending plans, the establishment of proposed millage rates and the finalization of the policy statements. In July, proposed millage rates are adopted based on the tentative spending plan and assessed taxable values provided by the Property Appraiser.

Public hearings are held in September to allow for citizen input. The final budget is adopted at the second hearing following a legal notice summarizing the proposed plan and tax rates.

### **Budget Amendment Process**

The Board of County Commissioners annually adopts the budget by resolution for all funds of the County. Budgetary authority is legally maintained at the fund level. However, the County's computerized financial system imposes budget controls at the appropriation unit levels by department.

Amendments to the adopted budget can occur at any time during the fiscal year through action of the Board or the County Administrator in the following manner:

1. Budget Amendments: Fund revenue and expenditure amounts may be increased or decreased by formal action of the Board following proper public notice as specified in Chapter 129.03 (a) Florida Statute. Amendments to the adopted budgets normally result from either: the desire to recognize anticipated revenue or the unanticipated decrease of anticipated revenue. The purpose of the amendment process is to adjust fund amounts to reflect the level of revenues reasonably anticipated to be received and to balance expenditures to these revenues in accordance with state law and sound financial practices.
2. Budget Transfers: Transfers in the amount of \$50,000 or less within the same fund and division that do not affect revenues or reserves may be made administratively. Transfer requests over \$50,000 or decreases to reserves less than \$25,000 that require individual Board action, but no executive summary (formal staff report) are presented twice monthly in a Budget Amendment report for approval. Transfers requiring an executive summary and Board approval include withdrawals from reserves in excess of \$25,000; increase in a capital project over \$50,000; requests for new positions and/or programs; and appropriating supplemental revenues.

### **Basis of Accounting and Budgeting**

The County's accounting records and budgetary basis for general government operations are maintained on a modified accrual basis, with revenues being recorded when available and measurable and expenditures being recorded when the services or goods are received and the related liabilities are incurred.

Accounting records and the budgetary basis for the County's proprietary funds (enterprise funds such as utilities and solid waste operations, and internal service funds such as fleet management and self-insurance funds) are maintained on a full accrual basis. Not only are expenditures recognized when commitments are made (i.e., through purchase orders) but revenues are also recognized when available and measurable (i.e., water and sewer fees are recognized as revenue when bills are produced). Depreciation expense is not budgeted; however, expenditures for capital outlays are budgeted.

These outlays are capitalized into fixed assets and eliminated from the results of operations in accordance with generally accepted accounting principles (GAAP).

The Comprehensive Annual Financial Report (CAFR) shows the status of the County's finances on a GAAP basis. In most cases this conforms to the way the County prepares its budget. Exceptions are the treatment of depreciation expense (the budget reflects the full purchase price of equipment and capital improvements, but does not reflect depreciation expenses). In addition, expenses for capital improvements in the proprietary funds are depreciated in the CAFR. Compensated absences (accrued but unused sick and vacation leave) are not budgeted, but are reflected in the CAFR as an outstanding liability. The Comprehensive Annual Financial Report shows fund expenditures and revenues on both a GAAP basis and a budget basis for comparison purposes.

Finally, fund balance allocations (residual unappropriated liquid assets resulting from prior years' operations) are budgeted and included as revenue on a budgetary basis but are eliminated on a GAAP basis for financial reporting.

### **Fund Structure and Description of Funds Subject to Appropriation**

Government resources are allocated to, and accounted for, in individual funds based upon the purpose for which they are controlled. The purpose and a description of the Collier County funds and account groups are as follows:

#### **Governmental Funds**

**General Fund (001-080)** - The General Fund (001) is the largest operating fund of the County with budget appropriations of \$265,085,100. It is used to account for all countywide general government activities and is supported principally by ad valorem taxes. The Constitutional Officer Funds, which are sub-funds of the General Fund, include the Sheriff (040), Clerk of Courts (010), Property Appraiser (060), Tax Collector (070), and Supervisor of Elections (080). The total gross General Fund budget, inclusive of the Constitutional Officer Funds, is \$412,856,000.

*Special Revenue Funds* are used to account for the proceeds of specific revenue sources that are for specified purposes or are restricted in use. The Special Revenue Funds (100 series) have total appropriations of \$149,073,200. In addition, there are two lighting districts with appropriations of \$1,405,200.

**Road & Bridge (101)** - This fund was established for the maintenance of roads and bridges in Collier County. The principal funding sources are gas taxes and a subsidy from the General Fund. As gas taxes have been reallocated to road construction, the General Fund subsidy has increased.

**Pelican Bay MSTBU (109)** - Provides water management and community beautification services to Pelican Bay residents, with principal revenue from assessments.

**Pelican Bay Security (110)** - Through a contractual agreement with the Sheriff's Office, one Deputy is assigned to Pelican Bay around the clock. Funding is provided through a transfer from the Pelican Bay Street Lighting Fund (ad valorem taxes).

**MSTD General Fund (111)** - Accounts for municipal type services provided in the unincorporated area of Collier County and is supported primarily by ad valorem taxes. Services provided include planning and zoning, code enforcement, and parks and recreation.

**MSTD Landscaping Projects (112)** - Accounts for municipal type services provided in the unincorporated area of Collier County and is supported primarily by ad valorem taxes. Services provided include maintenance of landscaped, non-landscaped, and roadsides on selected County roadways.

**Community Development (113)** - Accounts for costs of processing building permits, performing engineering inspections and planning functions, and licensing contractors. This fund is self-supporting through building permit and development fee revenues.

Water Pollution Control (114) - This fund was established by voter referendum, with a maximum millage rate of .5 mills levied countywide. Services provided include ground water and surface water monitoring, pollution complaint investigation, laboratory analysis, and wastewater and sludge management.

Grant Funds (115 - 129) - The County administers a number of grant funds. These include Sheriff's grants such as Emergency Medical Dispatch, a Retired Senior Volunteers grant, a Natural Resources artificial reef grant, Emergency Management grants, a Parks summer food program grant, Services for Seniors grants, Community Development Block Grant (CDBG), Metropolitan Planning Organization (MPO) grants to perform long-range transportation planning and Library grants.

Golden Gate Community Center (130) - MSTU created to fund initial construction and on-going operations of a community center building within Golden Gate. The primary funding source is ad valorem taxes generated from property owners within the MSTU.

Planning Services (131) - Accounts for costs of performing environmental functions, engineering inspections and planning functions. Services provided are Planning, Financial Services, Environmental Review, and Engineering Services. Revenue is generated from planning, zoning and development fees, and engineering inspections.

Median Beautification Districts (136), (150), (152), (156), (160), (161) - Provides for maintenance of medians in Lely Golf Estates, Immokalee, on Golden Gate Parkway, Radio Road and Bayshore/Avalon. The principal revenue source is ad valorem taxes, which vary by district according to service standards established by separate citizen advisory committees.

Pelican Bay Uninsured Assets (133) - Provides reserve funding for the restoration of Pelican Bay landscaping improvements, in the event of a natural disaster. Funded previously by a transfer from Pelican Bay Fund (109).

Improvement Districts: (132), (134), (138-141), (143), (151), (154-155) - Property owners in specifically defined areas have petitioned the BCC to create a special taxing district. Services provided in these MSTU's include roadway and drainage improvements, storm water drainage, and maintenance of drainage improvements within industrial parks.

Fire Districts (144 - 149) - The four fire district funds are MSTU's supported by ad valorem taxes. Service is provided to the residents of the Isles of Capri, Ochopee, Godland and Horr's Island. The Collier County Fire Control District provides fire protection to unincorporated area residents located outside the boundaries of existing fire control districts through contractual agreements with local fire departments.

Adoption Awareness Vehicle Tags (170) - Accounts for the County's portion of Choose Life License Plate sales revenue which is distributed to nongovernmental, not-for-profit agencies that provide free counseling and services to pregnant women who are committed to placing their children for adoption.

Teen Court (171) - To provide a diversionary program for first-time juvenile misdemeanor offenders and court education programs for student volunteers.

Conservation Collier (172) - To acquire and manage environmentally sensitive lands through the development and implementation of plans and programs that are designed to protect, acquire, conserve, and restore the County's natural resources. Funded by a dedicated tax approved through voter referendum.

Immokalee Redevelopment (186) - Established in FY 01 to implement the Immokalee Component Section of the Collier County Community Redevelopment Plan adopted by the Community Redevelopment Agency (CRA).

Bayshore/Gateway Triangle Redevelopment (187) - Established in FY 01 to implement the Bayshore/Gateway Triangle Component Section of the Collier County Community Redevelopment Plan adopted by the Community Redevelopment Agency (CRA).

800 MHz Fund (188) - Provides funding for operating and maintenance costs of the 800 MHz radio system. Revenue is generated from a \$12.50 surcharge on moving traffic violations.

E-911 Wireless Emergency Phone Service (189) - Established to provide for costs associated with the Emergency 911 telephone system. Revenues are from a surcharge to cellular telephone users that are billed and collected by the telephone company and remitted to the County.

Miscellaneous Florida Statutes (190) - Accounts for handicapped parking violation revenues used to improve handicapped access to government facilities.

State Housing - SHIP (191) - Grant funds used to provide affordable housing strategies such as impact fee waivers and deferrals, housing rehabilitation and down payment/closing cost assistance.

Public Guardianship (192) - Provides guardianship services to indigent, incapacitated adults. Funded by filing fees and a matching transfer from the General Fund.

Tourist Development (193 - 196) - There are four tourist development tax funds established for the following purposes: beach renourishment, tourism promotion, special events, and economic disaster recovery. The tourist tax is 3% and is levied against short-term (6 months or less) rentals that include hotel and motel rooms, condominiums and houses, campgrounds, and other lodgings.

Records Modernization (197) - Established to upgrade and maintain the Official Records System of the Clerk's Office. Document recording fees offset costs.

Museum (198) - Established for operations of the Collier County Museum. This was previously included in the General Fund, but a policy decision changed the funding source to tourist tax revenues.

E-911 System (199) - Established to provide for costs associated with the Emergency 911 telephone system. Revenues are from a surcharge to telephone users that are billed and collected by the telephone company and remitted to the County.

Lighting Districts (760 - 778) - There are three lighting districts and the principal revenue source within these funds is ad valorem taxes.

*Debt Service Funds* are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs. There are seven active debt service funds with total appropriations of \$40,715,100. A brief discussion of each bond issue, repayments pledge, and date of final maturity follows.

Capital Improvements Revenue Bonds (210) - This bond issue was for major capital projects. The half-cent sales tax revenues are the pledged repayment source with final maturity in October 2021.

2003 Gas Tax Revenue Bonds (212) - This issue refunded the 2003 gas tax revenue bonds. Revenues pledged include the 5 Cents, 6 Cents, 7<sup>th</sup> Cent and 9<sup>th</sup> Cent Gas taxes with final maturity in June 2023.

1992 & 1994 Capital Improvement Revenue Refunding Bonds (215) - These bonds refunded the 1986 sales tax bonds which financed the construction of the Development Services Building and Courthouse Complex improvements, and the purchase of Lely Barefoot Beach. The revenue pledged is the half-cent sales tax, with final maturity in October 2012 and October 2013.

Naples Park Assessment Bonds (226) - This special assessment bond issue, with final maturity in September 2012 was used to finance Naples Park drainage improvements.

Pine Ridge/Naples Production Park Debt (232) - This special assessment bond, with final maturity in October 2013 was used to finance capital improvements within the respective industrial parks.

1997 Special Obligation Revenue Bond (290) - The purpose of this issue was to convert variable rate commercial paper debt to a fixed interest rate. Maturity date is March 2004.

Commercial Paper (299) - This variable rate debt financed various capital projects including the Golden Gate Estates Library construction and the County beach renourishment project. The repayment source is available non ad valorem revenues with the final maturity date being December 2007.

*Capital Project Funds* are used to account for financial resources to be used for the acquisition or construction of major capital facilities or improvements. Total appropriations within the capital funds (300 series) amount to \$209,960,300.

Facilities Management CIP (301), Parks CIP (306), Library CIP (307), Water Management CIP (325) - This series of capital funds accounts for all non-growth related capital projects. The principal funding source in each of these funds is an operating transfer from the General Fund.

Road Construction (312, 313) - This is the principal fund utilized in the road capital construction program. The principal revenue source is gas tax revenue.

Clam Bay Restoration (320) - Provides funding via special assessments for restoration of mangroves in the Clam Bay estuary.

Pelican Bay Irrigation (322) - Established to upgrade the existing irrigation system funding through assessments.

Impact Fee Funds: Roads (331), (333 – 334), (336), (338 - 340), Regional Parks (345), Regional and Community Parks (346), EMS (350) Library (355), Community Parks (368), Ochopee (372), Isles of Capri (373) and Correctional Facilities (381) - Impact fees are collected on new building construction to pay for growth-related road improvements, regional and community parks, EMS facilities and capital equipment, library construction, fire facilities and capital equipment and correctional facilities and capital equipment. A different fee is paid for each of these purposes. There is a separate fund for each type of impact fee. The districts in which they are collected further segregate funds. Impact fees are expended on projects in the impact fee districts in which they were collected.

Road Assessment Receivable (341) - This fund serves as a revolving loan pool to fund small-scale assessment projects.

### **Proprietary Funds**

*Enterprise Funds* are used to account for operations that are financed and operated in a manner similar to private business enterprise. The intent of the governing body is that all costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. There are 15 enterprise funds with total appropriations of \$433,658,000.

County Water Sewer Operating (408) - Accounts for the day-to-day expenditures of the operating functions of the County's water collection, distribution, and sewer systems. Principal revenues are water and sewer user fees.

Water/Sewer Debt Service (410) - Represents debt service of the Collier County Water and Sewer District. The primary revenues are carryforward, operating transfers, and assessments.

Water/Sewer Impact Fees (411), (413) - These two funds account for growth-related water and sewer capital projects. The principal revenue source in each fund is system development charges.

Water and Sewer Capital Projects (409), (412), (414) - These funds account for major water and sewer capital projects that are not supported by system development charges. These may include rehabilitation projects or large system expansions. The principal funding sources are water and sewer charges.

Goodland Water/Sewer District (441) - Provides water service to the residents of Goodland.

Solid Waste Disposal (470) - Provides for the collection and disposal of the entire waste stream generated in Collier County. Landfill operations were privatized through a contractual agreement with Waste Management, Inc. The principal revenue source is tipping fees.

Landfill Closure (471) - Provides for the eventual closure of currently active landfill cells and for the perpetual care of closed cells. This fund is currently inactive, as Waste Management has assumed responsibility for cell closure.

Mandatory Collection (473) - Provides for the administration of the Mandatory Garbage Collection Ordinance. There is curbside collection of household waste, yard waste, and recyclables throughout the County. The largest revenue source is mandatory collections fees generated from households receiving the collection service. This fee is now included on the annual tax bills.

EMS and EMS Trust (490 - 491) - Accounts for the provision of around the clock advanced life support paramedic service in Collier County. Principal revenue sources include General Fund subsidy and ambulance fees. EMS grants are accounted for in Fund (491).

Airport Authority Operations (495) - Accounts for operations at the Marco Island, Everglades, and Immokalee airports. Principal revenue sources include airport user fees and a subsidy from the General Fund. The long-range goal is to make the airports self-sufficient.

Airport Authority Capital (496) - Accounts for capital projects/improvements at the three airport sites. The capital projects are funded initially through loan proceeds, with matching funds transferred from the General Fund. The loan proceeds are repaid as reimbursement grant revenues are received.

***Internal Service Funds*** are used to account for the provision of goods and services by the County departments providing services to other County operations. Transfers from the county departments that utilize these services support these four funds, with total appropriations of \$45,736,000.

Property & Casualty (516) - Protects the County through the insurance of its property assets. Revenues are derived from premium allocations for automobile, general liability, and property insurance.

Group Health and Life (517) - Accounts for all medical and life insurance claims for county employees.

Workers Compensation (518) - Protects the County's human resource assets through the use of prudent risk financing, claims management, and loss control programs.

Fleet Management (521) - Provides preventative maintenance and repair of all county vehicles and motorized equipment, in addition to fuel service. County staff performs the majority of this work in-house.

### **Fiduciary Funds**

***Trust and Agency Funds*** are used to account for assets held in trust or for individuals, private organizations, other governmental units and/or funds to be used for special purposes. There are ten active trust funds, with total appropriations of \$8,018,100.

Confiscated Property (602) - Florida Statutes authorize proceeds from confiscated property to be used for school resource officers, crime prevention, safe neighborhoods, drug abuse education and prevention programs, or other law enforcement purposes.

GAC Land Trust (605) - Funds generated from surplus lot sales in the Golden Gate Estates, deeded to Collier County in a 1983 settlement agreement with Avatar Properties, are used to fund capital improvements within the Estates area.

Law Enforcement (608) - Florida Statutes authorize that two of every three dollars generated from court costs assessed from any fines or other penalties may be used for specialized law enforcement training.

Animal Control Trust (610) - Provides for a neuter/spay program for animals adopted from Domestic Animal Services. A deposit is required for all animals adopted and is applied to the cost of the neuter/spay procedure performed by a local veterinarian.

Library Trust Fund (612) - Accounts for donations and bequests received from the public for the Collier County Public Library system. Available funds will be used to replace furniture and to purchase office and computer equipment.

Drug Abuse Trust Fund (616) – This fund authorizes the Court to impose an additional assessment (fine) against drug offenders to be disbursed to a qualified drug abuse treatment or addiction program in the County.

Law Library Fund (641) – This fund was established to provide legal materials to the legal community and public. Funded through fees for services provided.

Legal Aid Society Trust Fund (652) – Provides the financial support of the Legal Aid Society operations. Funded by filing fees.

Office of Utility Regulation Fund (669) - Provides for the regulation of privately owned water, bulk water, and wastewater utilities providing service within the unincorporated areas of Collier County. This regulatory body was approved by the BCC in May 1996. Franchise fees from the regulated utilities are the principal revenue source.

Court Administration Fund (681) - Established to account for county costs associated with the activities of the 20<sup>th</sup> Judicial Circuit. The revenue for this fund is a transfer from the General Fund.

## **Changes in Fund Balance**

The following spreadsheet provides the actual FY 03 beginning fund balance, the FY 04 budgeted beginning fund balance and, based on budgeted revenues and expenditures, calculates the ending fund balances. These are categorized as designated, contingency, or undesignated and available for appropriation.

Designated fund balance is money that is designated for a specific purpose, such as merit bonuses, capital projects, and debt service. Contingency fund balance is money that is reserved for special contingencies, such as cash flow, natural disasters, and economic disasters. Undesignated fund balance remains in general reserves and is available for appropriation throughout the year. The final column then reflects the net increase or decrease in the available fund balance.

An additional spreadsheet provides a summary of budgeted revenues, expenditures and changes in fund balance by fund type and activity. The following narrative highlights the significant changes within each major fund group.

### **General Fund/Constitutional Officers**

The General Fund reflects a net decrease in budgeted fund balance of approximately \$11.1 and reflects the use of designated reserve funds allocated specifically for the road construction program.

### **Special Revenue Funds**

There is an increase of approximately \$8.7 million in fund balance overall within the Special Revenue funds. Individual funds with a significant change in projected fund balance are noted below.

The Community Development Fund (Fund 113) reflects a decrease in fund balance of \$1,369,000 and this is largely attributable to the creation of the Planning Services Fund (Fund 131). The new fund segregates planning and zoning functions from regulation of the building industry. A portion of the fund balance in the Community Development Fund (113) was reallocated to the Planning Services Fund (131).

The Pine Ridge Industrial Park Fund (132) reflects a depletion of fund balance for a one-time road construction project.

The Conservation Collier Fund was established to acquire and manage environmentally sensitive lands within Collier County. The large fund balance of \$9,279,600 is for debt service on an estimated \$75 million dollar bond issue that was approved by voter referendum.

The Tourist Development Fund (195) reflects an increase of \$2,133,200. This will be used to fund future beach renourishment projects on Collier County beaches.

The Economic Disaster Recovery Fund (196) reflects a depletion of fund balance because all available funds are encumbered for advertising to assist in economic recovery in the event of a natural disaster. All unspent funds will revert to fund balance at the end of the year.

The Public Records Modernization Trust Fund (197) reflects a projected decrease in fund balance of \$1,331,200 due to budgeting one-time capital projects including the development of an imaging system for the Lands Record Division and to expand remote access availability.

### **Debt Service Funds**

The total fund balance for debt service funds is projected to decrease \$6,364,100. This is due to a large scheduled principal reduction payment associated with pre-paid special assessments in the Pine Ridge/Naples Production Park debt fund and a payment to retire the 1997 Special Obligation Revenue Bond.

### **Capital Funds**

Within the Capital funds, there is a projected increase in fund balance of approximately \$94.0 million. This is the result of a large negative fund balance at the beginning of FY 04 caused by obligating several high dollar value capital projects in FY 03 that will be funded with bond or loan proceeds. Unfinished project expenditures remained budgeted at the end of FY 03 but the budgeted bond/loan proceeds was not needed and therefore not received. This resulted in the large negative beginning fund balance for FY 04. The bond and loan proceeds are budgeted to be received in FY 04 but will not be drawn until they are needed. This results in the large increase in fund balance for FY 04.

### **Enterprise Funds**

Collectively, the Enterprise funds reflect a net increase in fund balance of \$111.6 million. This is largely a function of water and sewer capital bonds anticipated in FY 04 to fund projects (plant expansions and system redundancies) encumbered initially in FY 03. Actual loan/bond proceeds will be drawn based on construction schedules.

The \$9.6 million decrease in the Solid Waste fund balance is the result of incomplete projects that were funded and budgeted in FY 03 being carried forward and completed in FY 04. Additionally, four (4) new recycling centers will be constructed in the County totaling \$2.1 million and restoration of cells 1 and 2 and the County landfill will cost \$2.2 million.

### **Internal Service Funds**

Overall, the Internal Service funds reflect a net increase in fund balance of \$3,223,200. This is primarily attributable to an increase in the reserves required (based on annual actuarial studies) in the Property and Casualty, and Group Health Insurance Funds.

### **Trust and Agency Funds**

Overall, the fund balance within the Trust and Agency Funds reflects a net decrease of \$343,100. This is primarily in the Confiscated Property Trust Fund, which is decreasing \$167,300 to provide matching funds for a Federal grant and the Library Trust Fund, which is decreasing \$134,000 to supplement the Immokalee Library expansion project.

**Changes in Fund Balance  
Fiscal Year 2004**

Fund Title	Fund Number	FY 03 Beginning Fund Balance	FY 04 Beginning Fund Balance	FY 04 Ending Fund Balance			Total FY 04 Ending Fund Balance	Changes In Fund Balance
				Undesignated	Designated	Contingency		
General Fund/Const. Officers	(001)	27,710,300	32,645,300	9,817,500	10,236,200	1,500,000	21,553,700	(11,091,600)
<b>Total General Fund/Const. Officers</b>		<b>27,710,300</b>	<b>32,645,300</b>	<b>9,817,500</b>	<b>10,236,200</b>	<b>1,500,000</b>	<b>21,553,700</b>	<b>(11,091,600)</b>
<b>Special Revenue Funds</b>								
Road And Bridge	(101)	1,578,100	632,100	722,700	0	0	722,700	90,600
Pelican Bay MSTBU	(109)	990,600	667,200	216,200	373,500	0	589,700	(77,500)
Pelican Bay Security	(110)	145,700	121,700	67,700	6,000	0	73,700	(48,000)
MSTD General Fund	(111)	7,524,800	2,164,400	1,188,200	7,200	250,000	1,445,400	(719,000)
MSTD Landscaping Projects	(112)	690,700	0	101,900	0	0	101,900	101,900
Community Development	(113)	14,927,300	8,517,800	526,700	5,568,700	1,053,400	7,148,800	(1,369,000)
Water Pollution Control	(114)	828,100	186,600	108,100	15,900	0	124,000	(62,600)
Miscellaneous Grants	(116)	2,500	3,200	0	0	0	0	(3,200)
Natural Resources Grants	(117)	600	0	0	0	0	0	0
Emergency Management	(118)	33,900	0	0	0	0	0	0
Services for Seniors	(123)	194,000	194,000	0	0	0	0	(194,000)
Library Grants	(129)	3,697	0	0	0	0	0	0
Golden Gate Community Center	(130)	249,900	135,700	56,500	126,800	0	183,300	47,600
Developer Services	(131)	0	0	287,500	0	1,666,100	1,953,600	1,953,600
Pine Ridge Industrial Park	(132)	741,100	1,483,200	0	0	0	0	(1,483,200)
Pelican Bay Uninsured	(133)	1,140,300	1,193,100	0	1,210,100	0	1,210,100	17,000
Victoria Park Drainage	(134)	9,800	12,000	0	14,300	0	14,300	2,300
Golden Gate Parkway Beautification	(136)	178,100	99,800	57,800	135,700	0	193,500	93,700
Naples Production Park	(138)	5,300	0	0	0	0	0	0
Naples Park Drainage	(139)	18,600	9,300	1,000	2,600	0	3,600	(5,700)
Pine Ridge Industrial Park Maint.	(140)	6,400	400	1,000	0	0	1,000	600
Naples Production Park Maintenance	(141)	2,600	6,500	1,800	0	0	1,800	(4,700)
Vanderbilt Beach MSTU	(143)	0	273,300	0	635,900	0	635,900	362,600
Isle of Capri Fire Control District	(144)	13,700	0	84,300	0	0	84,300	84,300
Ochopee Fire Control District	(146)	281,600	197,200	168,000	0	0	168,000	(29,200)
Collier County Fire Control District	(148)	22,300	4,400	0	0	0	0	(4,400)
Goodland/Hoor's Island Fire District	(149)	6,200	2,500	0	0	0	0	(2,500)
Radio Road Beautification	(150)	271,300	363,300	12,900	503,300	0	516,200	152,900
Sabal Palm Roadway	(151)	56,100	54,700	0	0	0	0	(54,700)
Lely Beautification	(152)	36,500	19,500	27,900	0	0	27,900	8,400
Hawksridge Stormwater Pump System	(154)	11,100	9,400	200	7,500	0	7,700	(1,700)
Forest Lakes Roadway & Drainage	(155)	120,300	263,200	1,600	587,700	0	589,300	326,100
Immokalee Beautification	(156)	532,600	514,800	19,400	397,600	0	417,000	(97,800)
Bayshore/Avalon Beautification MSTU	(160)	458,600	135,500	51,700	94,000	0	145,700	10,200
Livingston Road Beautification MSTU	(161)	20,000	0	0	0	0	0	0
Adoption Awareness Vehicle Tags	(170)	23,400	33,800	9,900	0	0	9,900	(23,900)
Teen Court	(171)	31,000	119,500	203,400	0	0	203,400	83,900
Conservation Collier	(172)	0	15,900	48,600	9,246,900	0	9,295,500	9,279,600
Immokalee Redevelopment	(186)	162,800	107,200	0	314,600	0	314,600	207,400
Bayshore/Gateway Triangle Redevelopment	(187)	389,100	770,500	3,000	1,276,100	0	1,279,100	508,600
800 MHz Fund	(188)	339,400	74,600	34,500	0	0	34,500	(40,100)
E-911 Wireless Emergency Phone System	(189)	321,900	307,800	255,000	0	0	255,000	(52,800)
Miscellaneous Florida Statutes	(190)	117,300	137,300	0	144,500	0	144,500	7,200
Public Guardianship	(192)	58,500	40,200	7,600	0	0	7,600	(32,600)
Tourist Development	(193)	419,300	0	0	0	0	0	0
Tourist Development	(194)	1,958,000	1,019,200	954,400	0	0	954,400	(64,800)
Tourist Development	(195)	17,222,700	13,809,800	4,000,000	11,943,000	0	15,943,000	2,133,200
Economic Disaster Recovery	(196)	736,100	929,500	0	0	0	0	(929,500)
Records Modernization	(197)	1,519,900	1,375,400	0	44,200	0	44,200	(1,331,200)
Museum	(198)	186,700	54,800	36,000	0	0	36,000	(18,800)
E-911 System	(199)	1,220,100	1,375,200	0	1,438,500	0	1,438,500	63,300
Collier County Lighting	(760)	240,500	162,900	34,100	0	0	34,100	(128,800)
Naples Production Park	(770)	6,600	0	0	0	0	0	0
Pelican Bay Street Lighting	(778)	142,000	135,100	49,200	0	0	49,200	(85,900)
<b>Total Special Revenue</b>		<b>56,197,697</b>	<b>37,733,500</b>	<b>9,338,800</b>	<b>34,094,600</b>	<b>2,969,500</b>	<b>46,402,900</b>	<b>8,669,400</b>

## Major Areas of Spending

The following graph represents the major functional areas of spending (operating and capital) within the Collier County budget:



<u>Description</u>	<u>Amount</u>	<u>Percent</u>
General Government	\$ 114,394,200	8.8%
Public Safety	\$ 159,566,100	12.3%
Transportation	\$ 139,201,400	10.7%
Transfers/Internal Operations	\$ 409,563,200	31.5%
Culture & Rec.	\$ 36,940,100	2.8%
Physical Environment	\$ 233,784,800	18.0%
Debt Service	\$ 46,613,500	3.6%
Reserves	\$ 148,460,900	11.4%
Human Services/Econ. Environment	\$ 12,987,700	1.0%
<b>Total</b>	<b>\$ 1,301,511,900</b>	<b>100.0%</b>
Less:		
Internal Reimbursements	\$ (46,908,100)	
Interfund Transfers	\$ (366,707,600)	
<b>Net Total</b>	<b>\$ 887,896,200</b>	

**NOTE:** The County began using a new financial system three months into fiscal year 2003. Under the new financial system, unspent project fund balances in FY 03 were automatically rolled into FY 04. This is a major change from the old financial system in which un-obligated project fund balances required re-budgeting in the following fiscal year. The new process eliminates the skew in the adopted budget resulting from re-budgeting previously funded projects in the new fiscal year. Beginning with this fiscal year (FY 04), the adopted budget will only include newly proposed projects.

## **Major Areas of Spending (Cont.)**

### **General Government**

Services in this functional area are provided by the Legislative, Administrative, and Judicial branches of Collier County for the benefit of the public and the governmental body as a whole. The major areas are the Board of County Commissioners, Tax Collector, Property Appraiser, Clerk of Courts, County Administrator, County Attorney, Judicial Branch, and Community Planning. General Government amounts to \$114.4 million, which represents 8.8% of the gross County budget.

### **Public Safety**

Collier County provides services in this functional area for the security of persons and property. The major areas included are the Sheriff's Office, Fire/Rescue Departments, the Medical Examiner, and Emergency Medical Services (EMS). Public Safety amounts to approximately \$159.6 million, which represents 12.3% of the County's gross budget. When compared to FY 03 spending levels, there is a decrease of \$23.1 million. This decrease is attributed to the change in the way projects are budgeted as described in the note above. .

### **Transportation**

This functional area includes maintenance, administration, planning and construction for Collier County's transportation network. Transportation amounts to \$139.2 million or 10.7% of the total County budget. This functional area decreased approximately \$56.7 million from FY 03 levels and is due to the change in the way projects are budgeted as described in the note above. There are also fewer new road projects proposed in FY 04 than there were in FY 03.

### **Physical Environment**

Services in this functional area provide for safe, healthy and aesthetically clean living conditions through management of various elements of the environment. The Utilities Department, Solid Waste Department and Stormwater Management Department provide most of these services. The FY 04 budget for the Physical Environment totals \$233.8 million, which represents 18.0% of the total County budget. This is a decrease of \$33.0 million and is primarily attributable to the change in the way projects are budgeted as described in the note above.

### **Economic Environment**

Services that develop, diversify, expand and improve the economic condition of the county and its citizenry through job and associated revenue creation are classified as Economic Environment. These services are provided by the Housing and Urban Improvement Department, in conjunction with the Economic Development Council and the Veterans Services Department. In FY 04, Economic Environment expenditures amount to \$3.1 million, or .2% of the total County budget. This is a decrease of \$1.0 million from the FY 03 budget, which included an additional Community Development Block Grant to support neighborhood revitalization projects.

### **Human Services**

Human Services include health and welfare services provided primarily by the Collier County Public Health Unit and the Social Services Department. Human Services amount to \$9.9 million, which represents .8% of the total county budget. This area has increased \$1.2 million.

## **Major Areas of Spending (Cont.)**

### **Culture/Recreation**

This functional area includes the provision and maintenance of cultural and recreational facilities and activities for the citizens and visitors of Collier County. Included are the Parks and Recreation Department, the Collier County Library system, and the Collier County Museum. A total of 2.8% or \$36.9 million of the FY 04 budget is appropriated for cultural/recreational activities and related capital projects. This is a \$40.1million decrease from the FY 03 budget and is due mainly to the change in the way projects are budgeted as described in the note above. The FY 03 budget included \$42.1 million for the North Naples Regional Park capital project.

### **Internal Operations**

Internal Operations provide goods or services primarily to other government departments on a reimbursement basis. Examples include the self-insurance programs and Fleet Management operations. Internal Operations amount to \$46.9 million or 3.6% of the total county budget. This is an \$8.9 million increase from FY 03 levels reflecting a rise in property, casualty, and health insurance costs, and the increased cost of fuel.

### **Transfers**

Transfers are the mechanism used to move money from one County fund to another. Transfers amount to \$366.7 million or 28.2% of the FY 04 budget. This is an increase of 5.5% or \$19.0 million over FY 03 levels.

### **Debt Service**

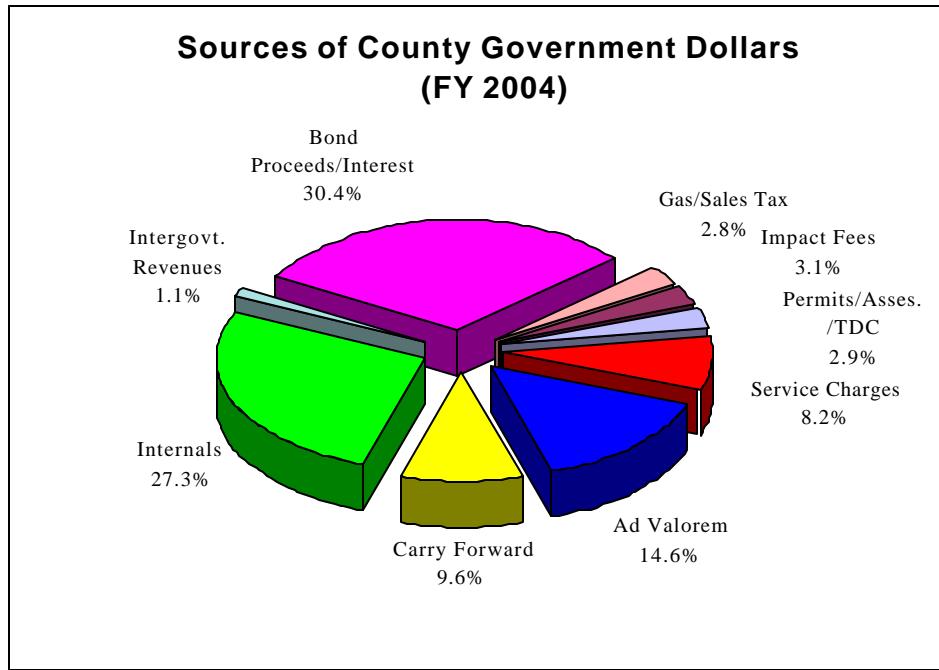
Debt Service is the payment of principal and interest to County creditors. Debt service budgets in FY 04 total \$46.6 million or 3.6% of the total County budget. This area increased \$13.1 million.

### **Reserves**

The levels of reserves budgeted are set by Board policy, state law, and bond or debt covenants. Current Board policy dictates that a 5% reserve for contingency be set aside in each fund, as well as cash flow reserves in the General Fund and MSTD General Fund. Budgeted reserves of \$148.5 million account for 11.4% of the total FY 04 County budget. Appropriations in this area increased \$25.1 million from FY 03 levels.

## Revenues

The information contained on the following pages is included in this document to provide the reader with an overview and multi-year perspective of the major revenue sources used to support the Collier County budget. The following graph illustrates the major revenue sources and their relationship to the Collier County budget as a whole:



<u>Description</u>	<u>Budgeted Amount</u>	<u>Percentage</u>
Ad Valorem	\$221,337,800	14.6%
Carry Forward	\$145,732,000	9.6%
Internals	\$413,615,700	27.3%
Intergovt. Revenues	\$16,925,000	1.1%
Bond Proceeds/Interest	\$461,603,200	30.4%
Gas/Sales Tax	\$42,103,800	2.8%
Impact Fees	\$47,791,900	3.1%
Permits/Assessments/TDC	\$43,826,700	2.9%
Service Charges	\$124,304,600	8.2%
Carry Forward - Capital Funds	(\$190,880,800)	
Revenue Reserve	(\$24,848,000)	
<b>Total</b>	<b>\$1,301,511,900</b>	<b>100.0%</b>
Less:		
Internal Reimbursements	\$ (46,908,100)	
Interfund Transfers	\$ (366,707,600)	
<b>Net Total</b>	<b>\$ 887,896,200</b>	

## **Property Taxes**

The County's largest source of operating revenue is the property or "ad valorem" tax. This tax is based on the value of all land and buildings (real property) as well as business equipment and machinery (tangible personal property) within the County as determined by the Property Appraiser. By state law, the appraised value must equal the full market value of the property. Property taxes are based on the appraised value less any exemptions (taxable value). The most common exemption is the "Homestead Exemption" which entitles permanent Florida residents owning the property in which they reside an exemption of up to \$25,000 on the value of their property.

The County levies property tax on a countywide basis to support general government services in the General Fund and pollution control programs in the County Pollution Control Fund. An additional countywide tax levy for FY 04 is the Conservation Collier Fund, which was approved by the general public via referendum for the acquisition of environmentally sensitive lands within Collier County. The county also levies property taxes in special taxing districts known as MSTU's (Municipal Services Taxing Units), which are created to provide municipal type services to areas not within a city. The Unincorporated Area General Fund is the County's largest MSTU. It covers all unincorporated areas of the County and provides such services as planning and zoning, code enforcement, and parks and recreation programs. Smaller MSTU's provide such services as street lighting, drainage improvements, median beautification, and community centers. Other taxes levied through the County's principal taxing authority include dependent fire district taxes for Isle of Capri, Ochopee, and Collier County Fire Control.

The general indicator of total property tax burden levied by Collier County and all special and dependent districts is the aggregate millage. The aggregate millage is the total of all non-voted ad valorem taxes to be levied by the principal taxing authority (the County) and all special and dependent districts divided by the countywide Gross Taxable Value for Operating Purposes. This millage equivalent combines the various millage rates for the numerous special and dependent districts into a County millage figure.

Section 200.065 (1) Florida Statutes (adopted in 1980) dictates to local governments the calendar and process for adopting millage rates. This section is commonly referred to as "Truth in Millage" or "TRIM", and establishes the statutory requirements that all taxing authorities levying a millage must follow, including all notices and budget hearing requirements.

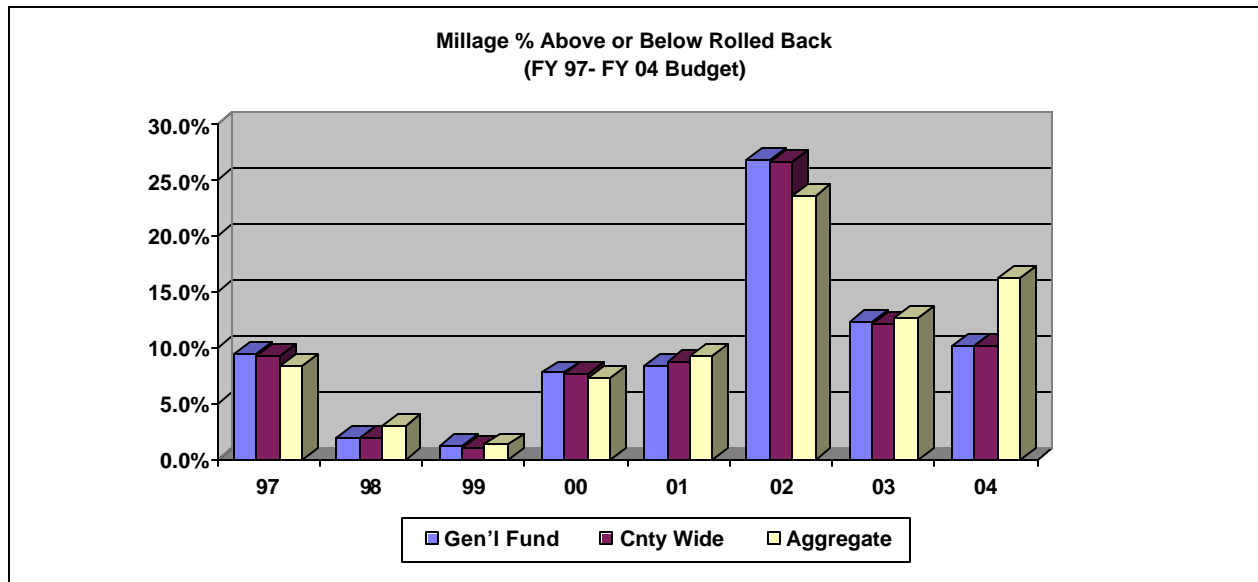
This law is designed to inform taxpayers which governmental entity is responsible for the taxes levied and the amount of tax liability owed to each taxing authority through the issuance of the Notice of Proposed Taxes (TRIM notice). The TRIM notice enables the taxpayer to compare the prior assessed value and taxes with the current year assessed value and proposed taxes. It also lets the taxpayer compare the amount of taxes if there is no budget change for the upcoming year. The notice also lists the date, time, and location of all budget hearings at which the taxing authorities will hear from the public. At these hearings, the taxing authorities establish the millage to be levied against the parcel of land shown on the TRIM notice. The notice also shows the deadline for filing a petition to protest the assessment and any denial of exemptions.

The law further requires local governments to compare proposed millage rates with "rolled back rates," rates that would generate prior year tax revenues, less allowances for new construction. The Florida Department of Revenue monitors compliance with the TRIM law.

The schedule and graph on the following page shows the percentage increases above or below the rolled back millage rates for both countywide and aggregate taxes from FY 94 through FY 04. A "mill" is equivalent to one dollar per thousand dollars of taxable value of a property.

### Millage % Above or Below Rolled Back Rate

Fiscal Year	General Fund	County Wide	Aggregate
FY 97	9.5%	9.3%	8.5%
FY 98	2.0%	2.0%	3.1%
FY 99	1.3%	1.2%	1.4%
FY 00	7.8%	7.7%	7.3%
FY 01	8.5%	8.8%	9.3%
FY 02	26.9%	26.7%	23.7%
FY 03	12.4%	12.2%	12.7%
FY 04	10.3%	10.3%	16.25%



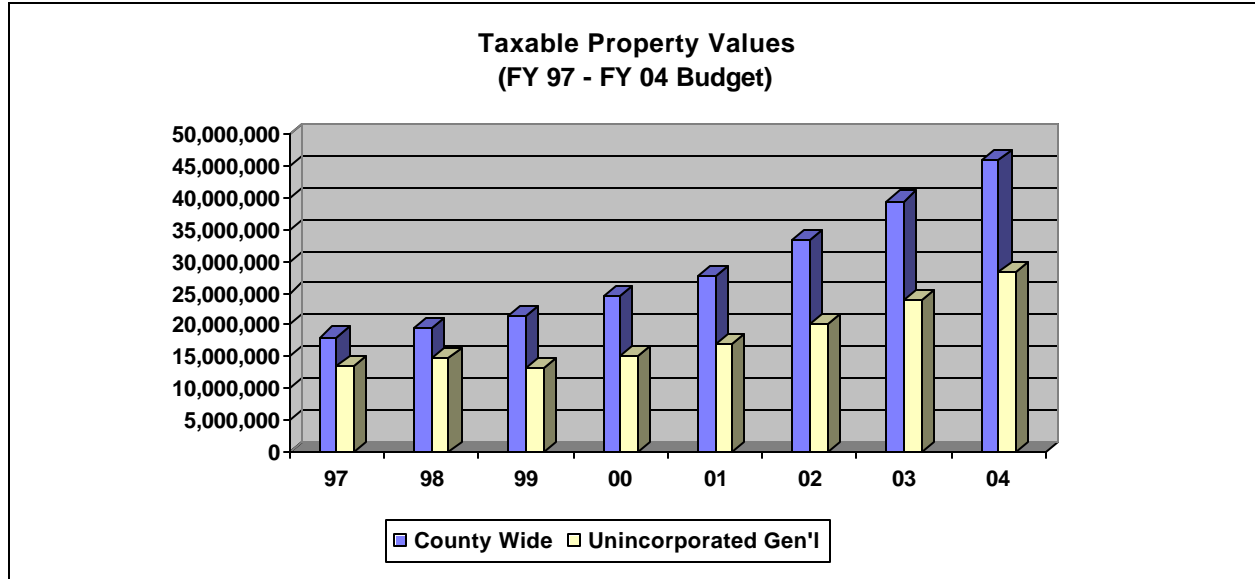
Florida law prohibits millage rates for county services from exceeding 10 mills. Municipal services have a similar 10-mill limit. Millages specifically approved by the voters for debt service are excluded from these limits. As the tables on the following pages show, the County has kept the General Fund millage rate (3.8772 mills for FY 04) well below the 10 mill cap and therefore has the flexibility to raise property taxes in future years, should the need arise.

The County has historically collected approximately 96.5% of ad valorem taxes levied. For FY 04, taxes become due and payable in November 2003 with the tax considered delinquent if not paid by April 1, 2004. State law allows for a discount of up to 4% for early payment of taxes (November 4%, December 3%, etc.), thus, this 96.5% collection rate indicates an excellent collection record.

The enactment of Constitutional Amendment #10, Article VII, Section 4, which provides for limited increases in homestead property valuations for ad valorem tax purposes to a maximum of 3% annually, has resulted in a major shift in tax burdens to non-homestead residential property and commercial property. Since its inception, the cumulative impact is in excess of \$5.516 billion being exempted from taxation in 2003.

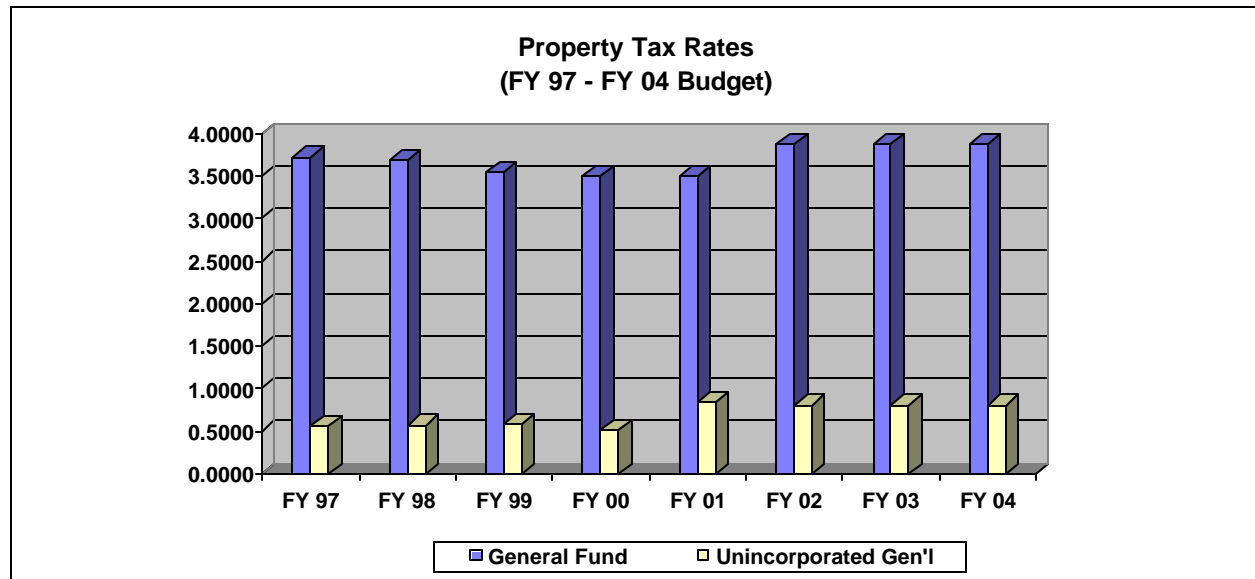
### Taxable Property Values

Taxing District	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
General Fund	18,083,132	19,529,076	21,342,594	24,422,201	27,740,054	33,435,052	39,490,423	45,985,727
Unincorporated Area	13,576,779	14,676,208	13,112,364	14,959,452	17,028,521	20,198,840	23,885,019	28,362,635



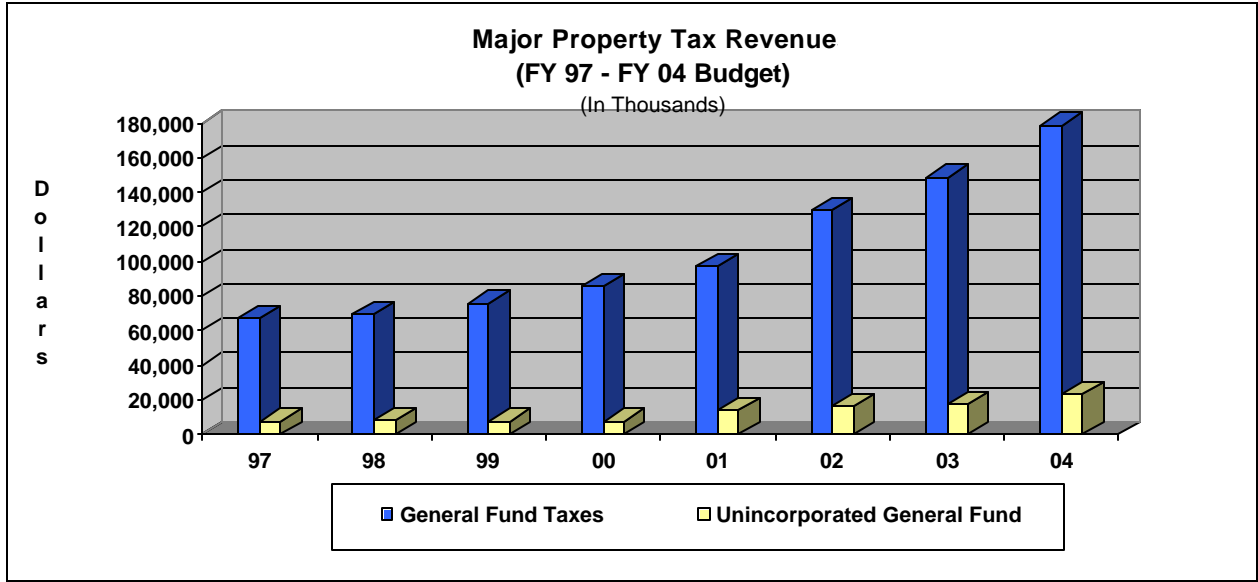
### Property Tax Rates

Millage Area	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
General Fund	3.7241	3.6813	3.5510	3.5058	3.5028	3.8772	3.8772	3.8772
Unincorporated Area	0.5642	0.5721	0.5887	0.5203	0.8425	0.8069	0.8069	0.8069



## Major Property Tax Revenues

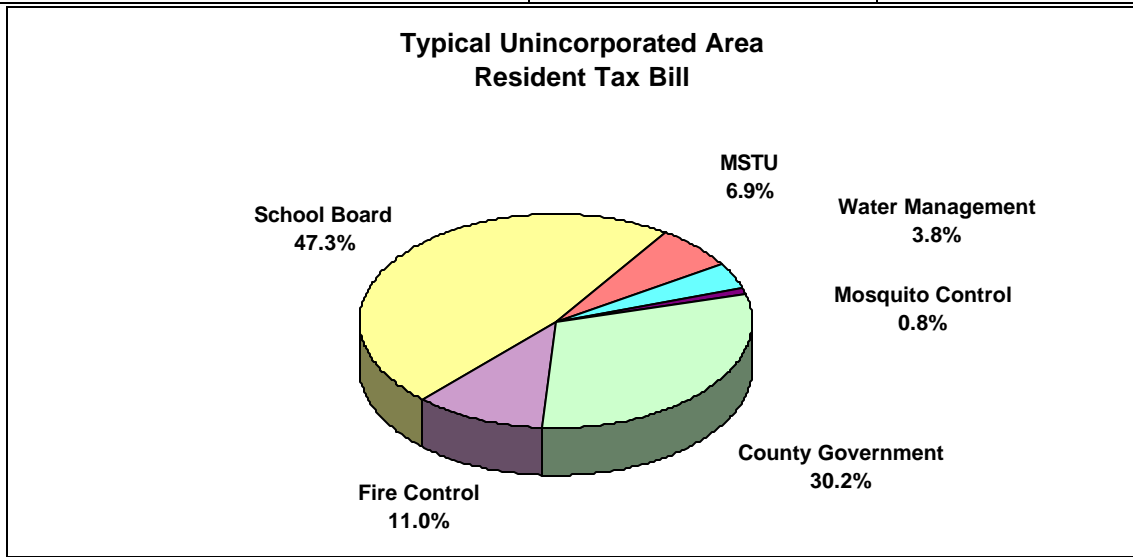
Tax Revenue (000's omitted)	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
<b>General Fund</b>	67,343.4	69,503.2	75,866.0	85,644.5	97,167.9	129,632.8	148,875.5	178,807.3
<b>Unincorporated Area General Fund</b>	7,660.0	8,102.4	7,724.3	7,785.3	14,345.9	16,299.0	17,555.9	22,948.3



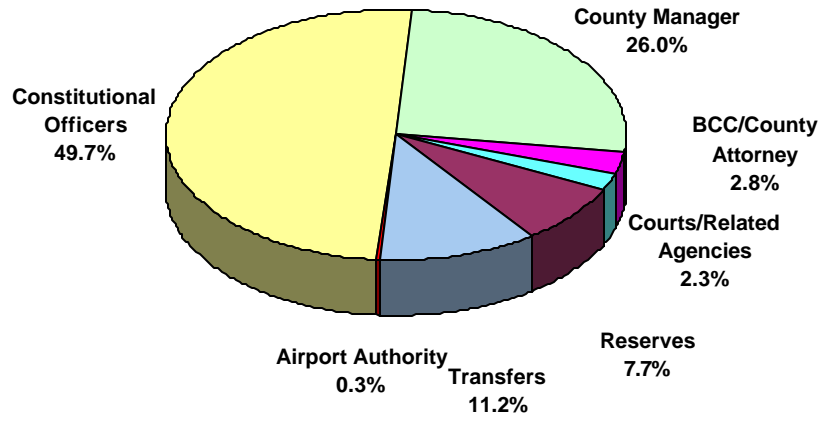
### A Typical Tax Bill

Based on a \$100,000 Assessed Valuation  
(Ad Valorem Tax Levies)

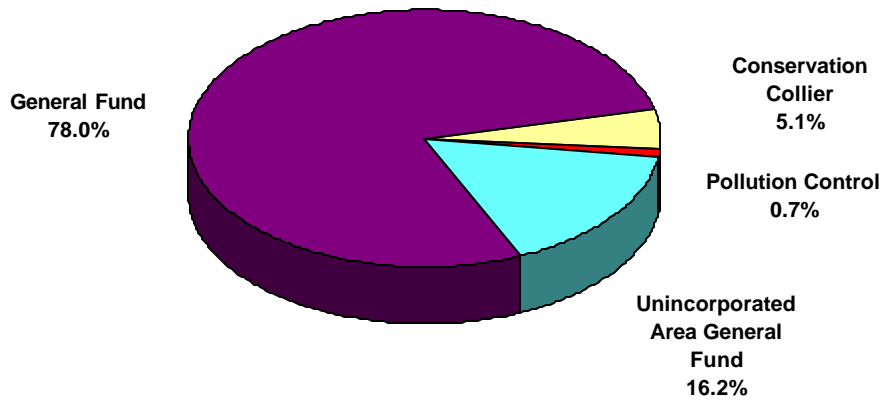
Taxing Authority	Millage Rate	Assessed Tax
County Government	4.1619	\$ 416.19
School Board	6.5240	\$ 652.40
Water Management (SFWMD/BCB)	0.5265	\$ 52.65
Mosquito Control	0.1051	\$ 10.51
Fire Control	1.5112	\$ 151.12
MSTU's	0.9533	\$ 95.33
<b>Total Ad Valorem Taxes</b>	<b>13.7820</b>	<b>\$1,378.20</b>



### Uses of General Fund Property Taxes



### Property Taxes by Major Funds



## Other Major Funding Sources

Major funding sources other than property taxes include carry forward, internal services/transfers, loan proceeds, sales tax, state revenue sharing, gas taxes, impact fees, tourist development tax and service charge/enterprise revenues.

Projections of FY 04 intergovernmental revenues (primarily gas and sales taxes) were based on an analysis of historical monthly receipts of these revenue sources and were compared to forecasts provided by the Florida Department of Revenue. In addition, the forecast was analyzed in the context of current economic trends. A quarterly revenue report, consisting of major intergovernmental revenues, enterprise fund revenues, and impact fees, is prepared by OMB staff and presented to the BCC to identify both current revenue conditions and the potential need for budgetary adjustments.

### Carry Forward

Carry Forward (fund balance) is an estimate of the excess of revenue above expenses from the previous fiscal year and available for use as a funding source in the succeeding fiscal year. Carry forward is a significant source of funds in the County budget, amounting to 9.6% of total revenues.

Carry Forward revenue represents not only operating funds but also previously budgeted operating, debt service, and capital reserves that are "carried forward" to fund these same reserves in the new year or to fund capital projects in the current or future years. The largest sources of carry forward are the capital, debt service, and enterprise funds. In the General and MSTD General Funds, adequate carry forward/fund balance is maintained to provide cash flow for operations prior to the receipt of ad valorem taxes.

### Internal Revenues

Internal revenues consist of both interfund transfers and internal service operating revenues. Interfund transfers are simply funds transferred from one County fund to another. One example is the transfer from the County General Fund to the Sheriff to provide dollars for road patrols, jail operations, and bailiffs. Constitutional Officers are all funded in varying degrees from interfund transfers. In addition, many debt service funds and capital project funds receive interfund transfers from operating funds.

Internal service operations generate revenues from services provided to County departments. Examples of internal service revenues include billings for the County's various self-insurance programs (worker's compensation, health and life insurance and property/casualty insurance) and fleet management operations.

### Bond Proceeds/Interest

Bond/Loan proceeds amount to 30.4% of gross county revenues or \$461.6 million. In FY 04 debt proceeds in the amount of \$445.8 million are budgeted. Principal program areas are roads - \$94.8 million, water and wastewater facility expansions - \$243.7 million, \$40.0 million for a regional park, \$38.5 million for a jail expansion, \$13.5 million for a new courthouse annex, \$8.243 million for a new Fleet maintenance facility, and \$7.0135 million for a Sheriff's Office special operations facility. In addition, there is \$15.8 million is budgeted for miscellaneous revenue and interest.

<b>(ooo)Omitted</b>	<b>FY 97</b>	<b>FY 98</b>	<b>FY 99</b>	<b>FY 00</b>	<b>FY 01</b>	<b>FY 02</b>	<b>FY 03</b>	<b>FY 04</b>
<b>Bond Proceeds</b>	19,670.0	-0-	4,425.0	12,080.0	14,520.0	55,680.0	113,988.8	445,808.8

## State Shared Revenues

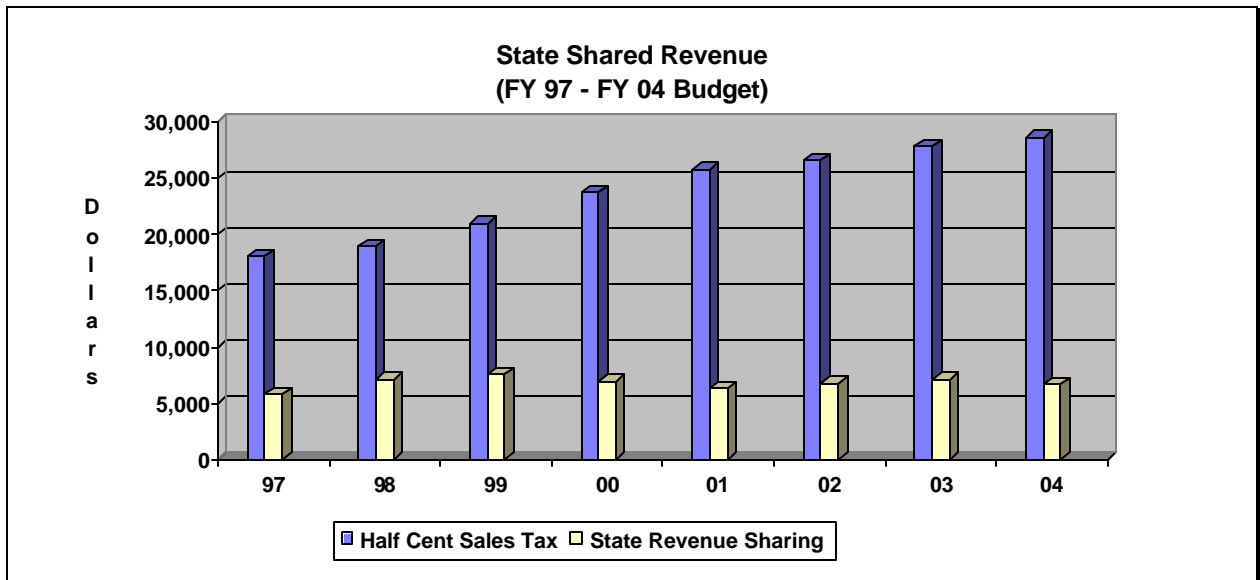
State shared revenues are comprised of the Local Half-Cent Sales Tax and State Revenue Sharing. OMB staff maintains a database of monthly receipts from these two sources and applies trend analysis in making revenue forecasts. A comparison is then made to projections provided by the Florida Department of Revenue as a final “reality check”.

The Local Half-Cent Sales Tax is collected and distributed by the Florida Department of Revenue to counties and municipalities. The County’s allocation is based on three equally weighted formulas: 1) each eligible county’s percentage of the total population of all eligible counties in the state; 2) each eligible county’s percentage of the total population of the state residing in unincorporated areas of all eligible counties; 3) each eligible county’s percentage of total sales tax collections in all eligible counties in the preceding year. Collier County deposits the proceeds of this tax into the General Fund, except for a small portion that is used for debt service on bonds. The FY 04 budget of \$28,637,500 reflects a 2.8% increase above FY 03 actual receipts.

State Revenue Sharing funds were previously derived from the Florida Intangible Tax assessed on real estate debt obligations, other debt instruments and financial assets, with the balance from one cent of the State Cigarette Tax. Due to statutory changes at the state level, this program is now funded with 2.9% of net cigarette tax collections and 2.25% of sales and use tax collections. Funds are distributed among counties based on a weighted average of proportionate county populations, unincorporated area populations, and sales tax collections. The County uses these funds for general government functions in the General Fund and for debt service. The actual distribution to Collier County in FY 03 from this program was \$7,124,950. The FY 04 budget reflects a decrease of 6.8% to \$6,640,000 as staff recommended a more conservative projection because this program is now so heavily dependent on sales tax collections.

### State Shared Revenues

(ooo) Omitted	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
<b>Half Cent Sales Tax</b>	18,086.7	18,918.0	20,973.4	23,715.4	25,794.6	26,611.4	27,845.6	28,637.5
<b>State Revenue Sharing</b>	5,740.8	7,118.7	7,571.8	6,938.4	6,284.0	6,739.5	7,125.0	6,640.0
<b>Total</b>	<b>23,827.5</b>	<b>26,036.7</b>	<b>28,545.2</b>	<b>30,653.8</b>	<b>32,078.6</b>	<b>33,350.9</b>	<b>34,443.4</b>	<b>35,277.5</b>



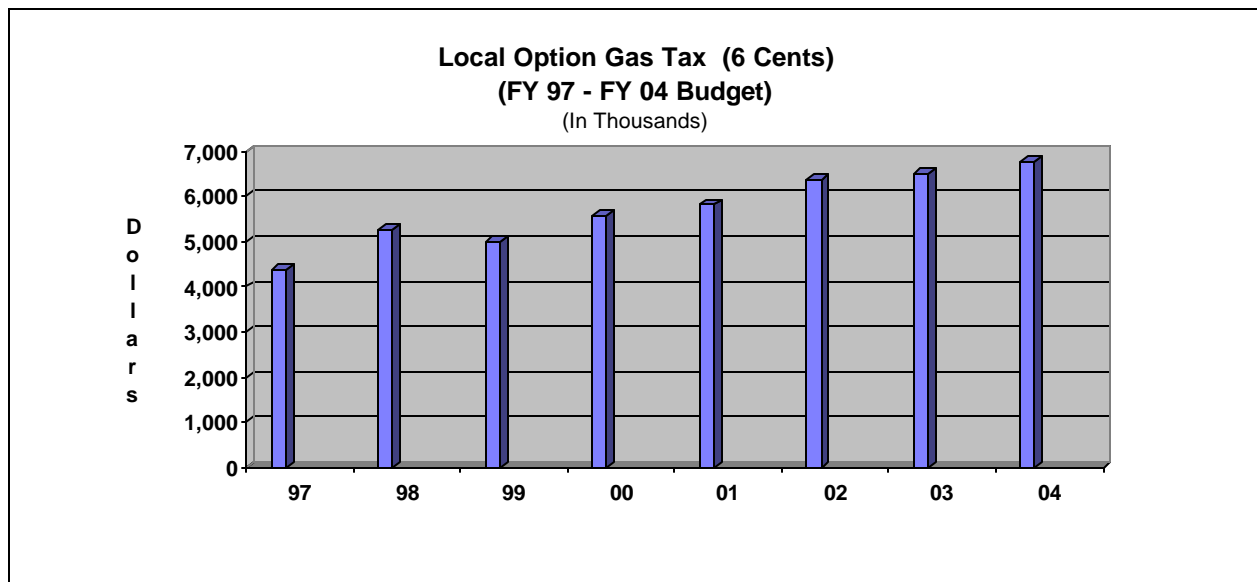
## Collier County Gas Tax Revenue

Gas taxes are the major source of revenue that funds the County's road building program. The County is using the proceeds of the Local Option Gas Tax (five cents per gallon) and the Constitutional Gas Tax (20% and 80% portions) for road capital improvements. A portion of the County 9th cent gas tax funds debt service requirements of the 1986 gas tax refunding bonds. Revenue generated by the Old Local Option Gas Tax (six cents per gallon), the County 7<sup>th</sup> Cent Gas Tax, and the balance of the County 9<sup>th</sup> Cent Voted Gas Tax is also used to fund road capital improvements. OMB staff maintains a database of monthly receipts from each individual gas tax and applies trend analysis in making revenue forecasts.

(ooo) Omitted	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
<b>Local Option Gas Tax (6 Cents)</b>	4,365.2	5,244.6	4,996.1	5,563.4	5,813.1	6,353.4	6,484.1	6,751.9
<b>Constitutional Gas Tax (20%)</b>	586.7	617.6	637.6	662.1	692.1	746.6	784.6	818.2
<b>Constitutional Gas Tax (80%)</b>	1,678.8	1,788.8	1,873.1	1,968.5	2,118.8	2,298.3	2,385.4	2,527.2
<b>County Gas Tax (7th Cent)</b>	1,099.1	1,164.7	1,363.8	1,442.8	1,511.0	1,642.8	1,709.3	1,796.0
<b>Voted Gas Tax (9th Cent)</b>	1,043.7	1,149.1	1,192.8	1,273.6	1,309.8	1,420.3	1,447.1	1,563.7
<b>Local Option Gas Tax (5 Cents)</b>	3,768.9	3,931.4	4,023.8	4,192.3	4,436.7	4,830.3	4,919.6	5,150.7
<b>Total</b>	<b>12,542.4</b>	<b>13,896.2</b>	<b>14,087.2</b>	<b>15,102.7</b>	<b>15,881.5</b>	<b>17,291.7</b>	<b>17,723.1</b>	<b>18,607.7</b>

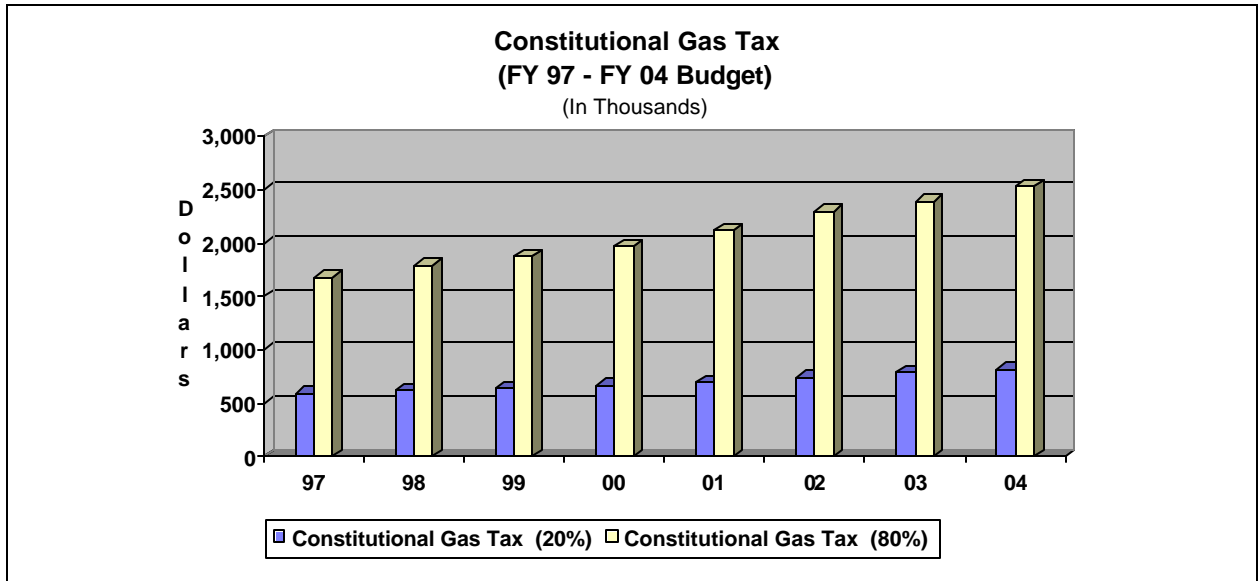
### Local Option 6 Cents Gas Tax

The 6 Cent Local Option Gas Tax is collected by the State on behalf of Collier County, the City of Naples, the City of Marco Island, and Everglades City on each gallon of motor fuel and special fuel sold in the County, with municipal shares based on their transportation expenditures over a five-year period relative to such expenditures of the County. In FY 04, the County anticipates receiving \$6,751,900 from this revenue source.



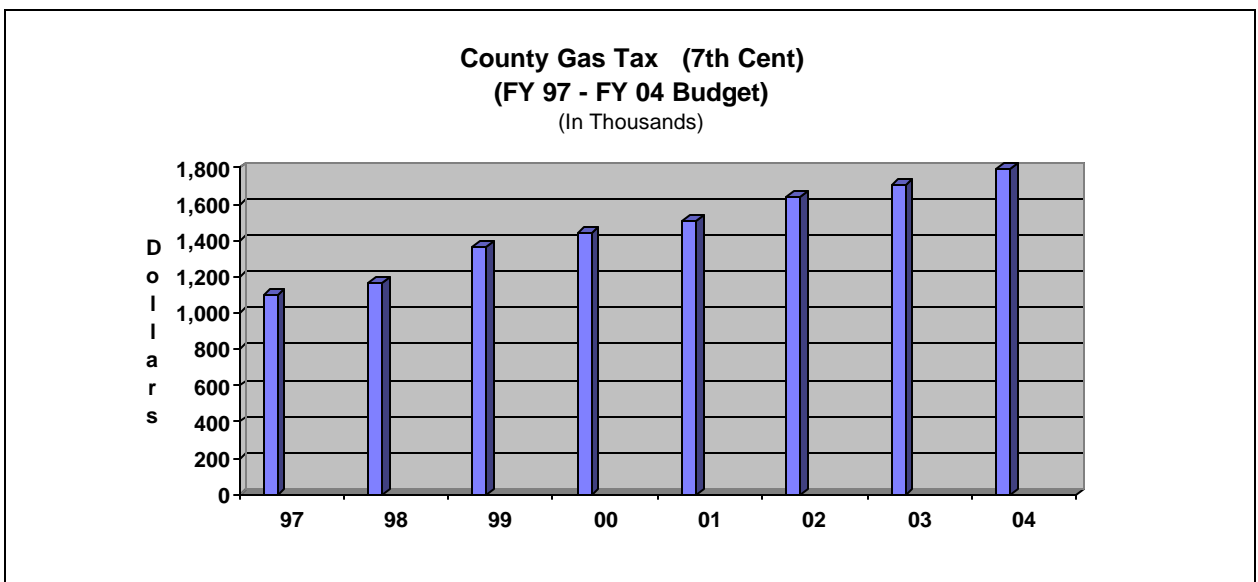
**Constitutional Gas Tax 20% & 80%**

Revenues from the Constitutional Gas Tax are collected by the state as a two-cent tax on each gallon of motor fuel and special fuel sold, in accordance with Article XII, Section 9(c) of the Florida Constitution. The state allocates 80% of this tax to counties after first withholding amounts pledged for debt service on bonds issued pursuant to provisions of the State Constitution for road and bridge purposes. Collier County anticipates receiving \$2,527,200 from the 80% portion and \$818,200 from the 20% portion in FY 04 and will utilize the proceeds to support the road construction program.



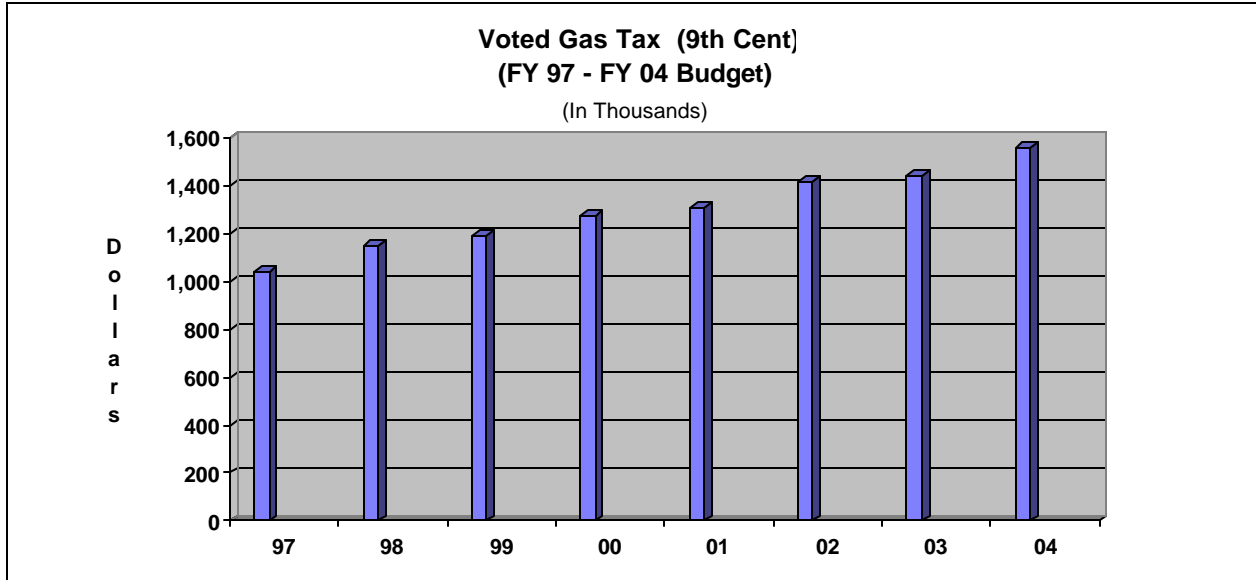
**County 7<sup>th</sup> Cent Gas Tax**

Funds for the County Gas Tax are collected by the state as a one-cent tax on each gallon of motor fuel and special fuel sold in accordance with Section 206.60 of the Florida Statutes. Collier County anticipates receiving \$1,796,000 from this revenue source in FY 04.



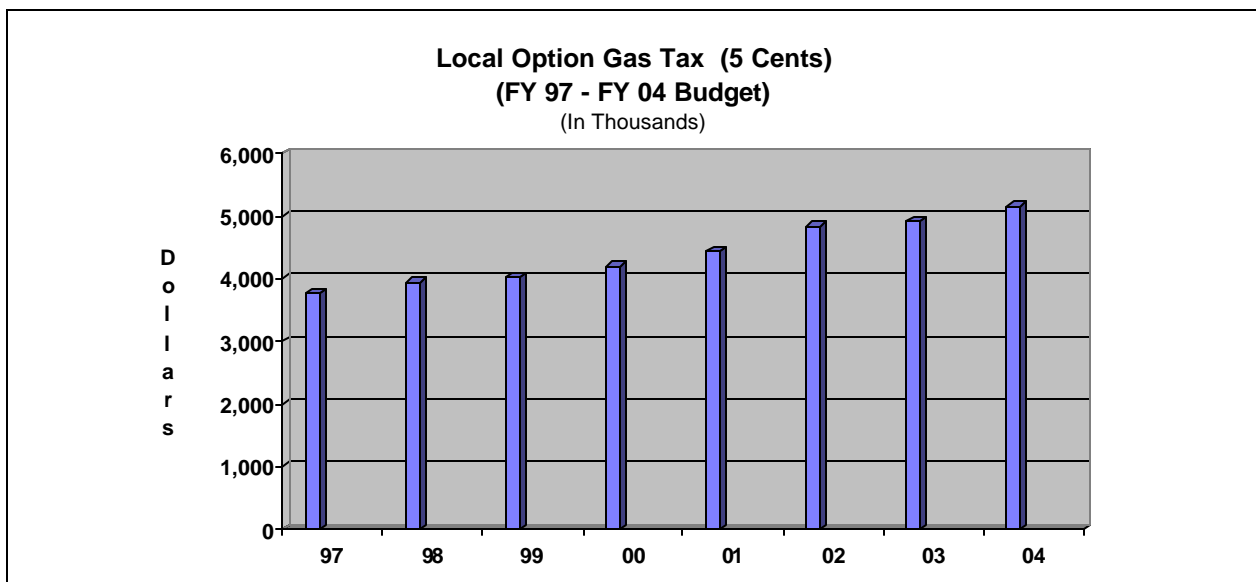
### The County 9<sup>th</sup> Cent Gas Tax

The County 9th Cent Gas Tax is collected by the State on behalf of Collier County as a one-cent tax on each gallon of motor fuel and special fuel sold in the County and taxed under the provisions of Section 336.02, Florida Statutes. The electorate of Collier County voted at a referendum held on March 11, 1980 to impose this additional fuel tax for the purpose of paying the cost of acquisition, construction and maintenance of roads and streets. In FY 04, there is \$1,563,700 budgeted from this revenue source.



### Local Option 5 Cents Gas Tax

The Florida Legislature, in special session in 1993 amended section 336.025, Florida Statutes to provide for the levy of an additional local option gas tax on motor fuel. On August 3, 1993, the Board of County Commissioners adopted Ordinance No. 93-48 that set forth the levy of an additional five-cent local option gas tax effective January 1, 1994, for a ten-year period. This tax is expected to generate \$5,150,700 in FY 04 and will be used for County road projects.



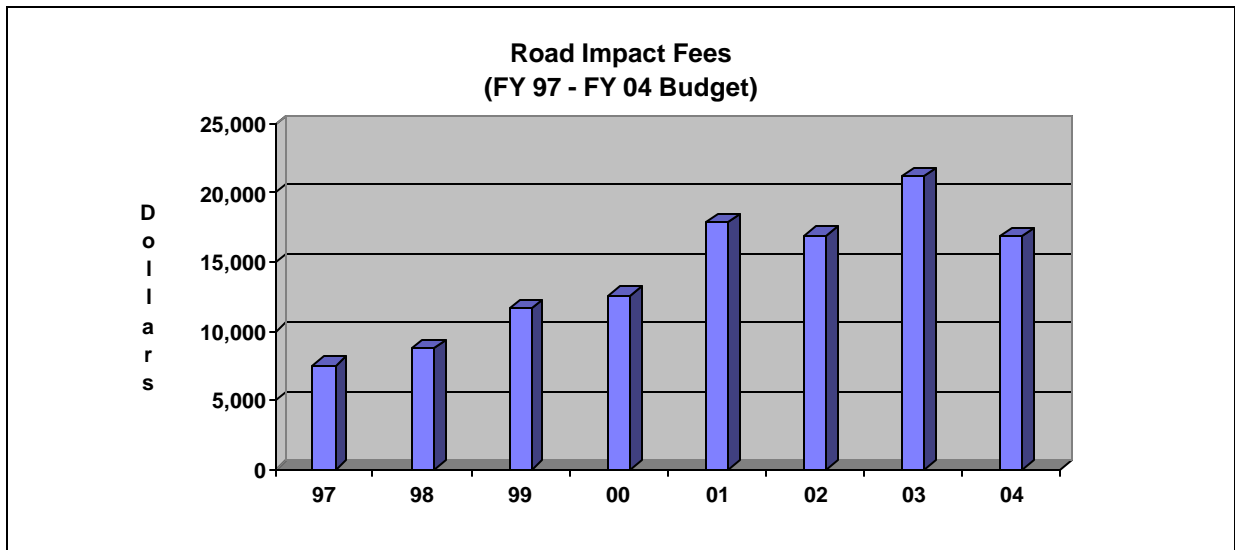
## Collier County Impact Fees

Collier County has adopted the use of impact fees as the appropriate funding source for capital improvements associated with new development. Impact fees are currently collected for road improvements, parks, libraries, emergency medical services, water and sewer service, correctional facilities, and fire. Each impact fee is set by ordinance after a thorough rate study. Revenue estimates for each impact fee are based on analyses of historical trends and overall economic conditions. In general, impact fee collections show a history of significant fluctuations corresponding to building industry trends and general economic conditions. Total impact fee collections (all sources) are estimated to be \$47.8 million in FY 04. The large decrease in impact fees for FY 03 is due to a significant slow-down in the construction industry, particularly commercial and multi-family housing projects.

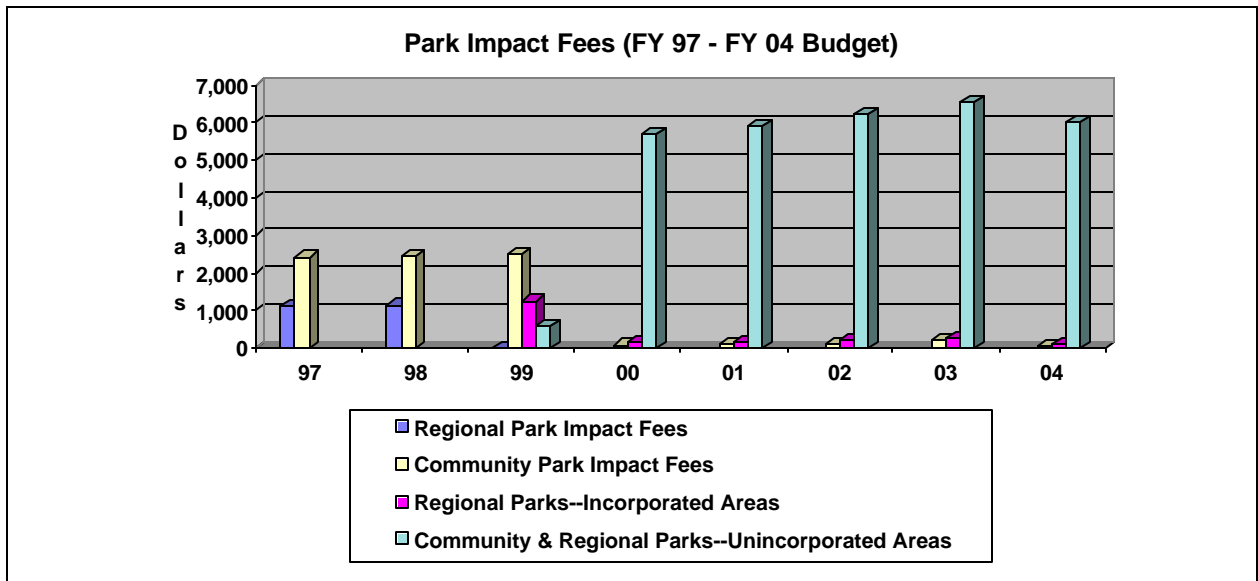
### **Collier County Impact Fee Revenues**

<b>(ooo) Omitted</b>	<b>FY 97</b>	<b>FY 98</b>	<b>FY 99</b>	<b>FY 00</b>	<b>FY 01</b>	<b>FY 02</b>	<b>FY 03</b>	<b>FY 04</b>
<b>Road Impact Fees</b>	7,527.2	8,746.6	11,661.6	12,603.0	17,825.3	16,944.0	21,183.5	16,906.0
<b>Regional Park Impact Fees</b>	1,128.5	1,134.7	0	0	0	0	0	0
<b>Regional Parks - Incorporated</b>	0	0	1,240.6	148.1	165.9	210.0	281.6	100.0
<b>Community Park Impact Fees</b>	2,422.1	2,428.7	2,502.9	72.1	101.3	106.0	216.5	49.5
<b>Reg./Comm. Parks - Unincorp.</b>	0	0	583.0	5,710.6	5,911.7	6,223.1	6,530.6	6,000.0
<b>Library Impact Fees</b>	1,142.7	1,146.8	1,333.2	1,409.8	1,825.3	1,933.8	1,407.4	1,300.0
<b>Water Impact Fees</b>	4,576.2	4,613.0	6,679.4	7,964.0	7,867.3	10,353.0	10,059.2	10,200.0
<b>Sewer Impact Fees</b>	6,941.1	7,023.2	9,253.9	10,221.0	9,329.4	11,398.1	11,294.0	10,600.0
<b>Correctional Facilities Impact Fees</b>	0	0	316.8	2,719.3	2,308.2	1,850.5	1,965.5	1,900.0
<b>Isle of Capri Fire Impact Fees</b>	0	5.5	17.0	16.2	11.3	2.3	79.4	30.0
<b>Ochopee Fire Impact Fees</b>	0	3.2	11.0	16.8	12.3	30.8	8.9	6.4
<b>EMS Impact Fees</b>	414.6	636.3	845.4	827.0	864.0	1,005.0	728.1	700.0
<b>Total</b>	<b>24,152.4</b>	<b>25,738.0</b>	<b>34,444.8</b>	<b>41,707.9</b>	<b>46,222.0</b>	<b>50,056.6</b>	<b>53,754.7</b>	<b>47,791.9</b>

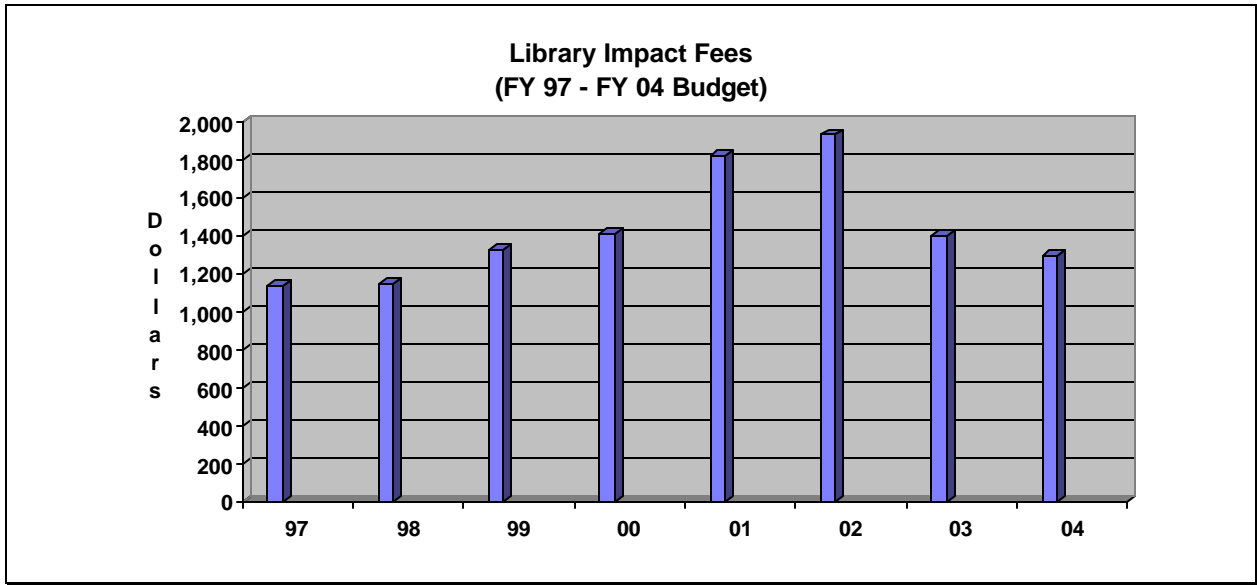
**Road Impact Fees** are collected from six separate road-planning districts within the County. The funds are used on road projects that benefit the individual districts or provide overall transportation network improvements that benefit the districts. Annual collections of this revenue source have in the past shown large fluctuations due to year-to-year variations in construction activity, thus, they are difficult to project with a great deal of certainty. FY 03 Road Impact Fees reflects a rate increase and a policy change where planned unit developments are now required to pay 50% of estimated impact fees upon final plat approval, rather than as individual housing units are constructed. In FY 04 Road Impact Fee collections are estimated to be \$16.9 million.



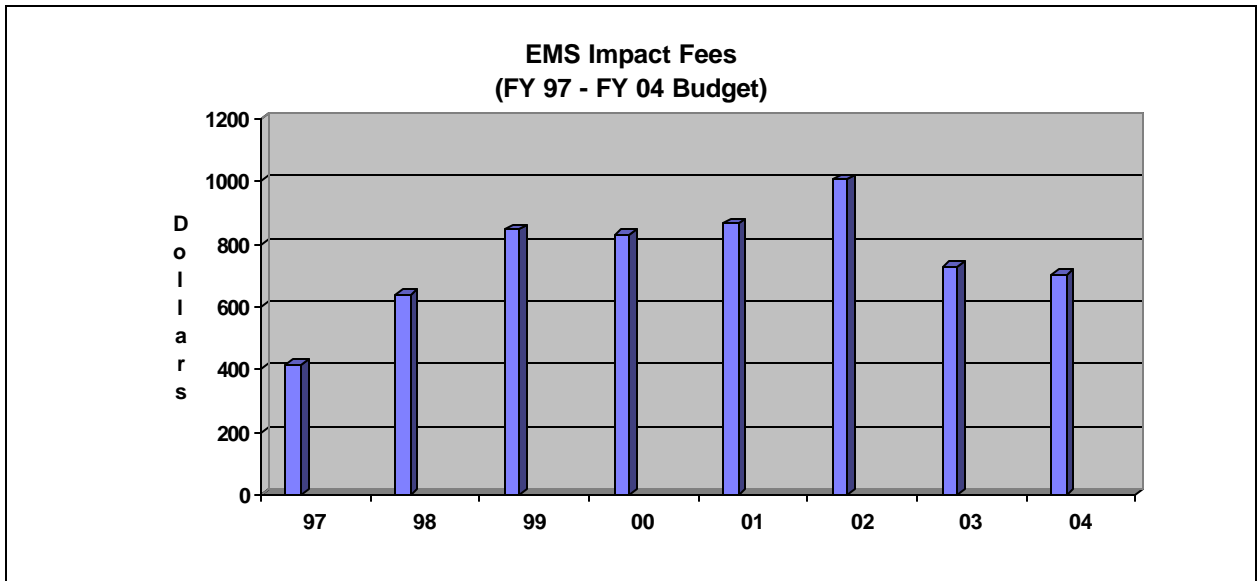
**Park Impact Fees** included separate regional and community park impact fees through June 1999. Parks capital improvements were likewise categorized into regional and community park projects. Beginning in the third fiscal quarter of FY 99, impact fees are categorized as Regional Parks—Incorporated Areas and Community and Regional Parks—Unincorporated Area. For FY 04, Community Park fees are estimated to be \$49,500, Regional Parks—Incorporated Areas impact fee revenue is estimated to be \$100,000, while Community and Regional Parks—Unincorporated Area impact fee collections are expected to be \$6.0 million.



**Library Impact Fees** are used to fund growth related facility additions and expansions as well as the acquisition of library materials necessary to maintain a 1.10 books per capita ratio. For FY 04, library impact fee revenue is planned to be \$1.3 million. Library impact fees are charged only to residential properties and the budget reflects a downturn in housing construction.

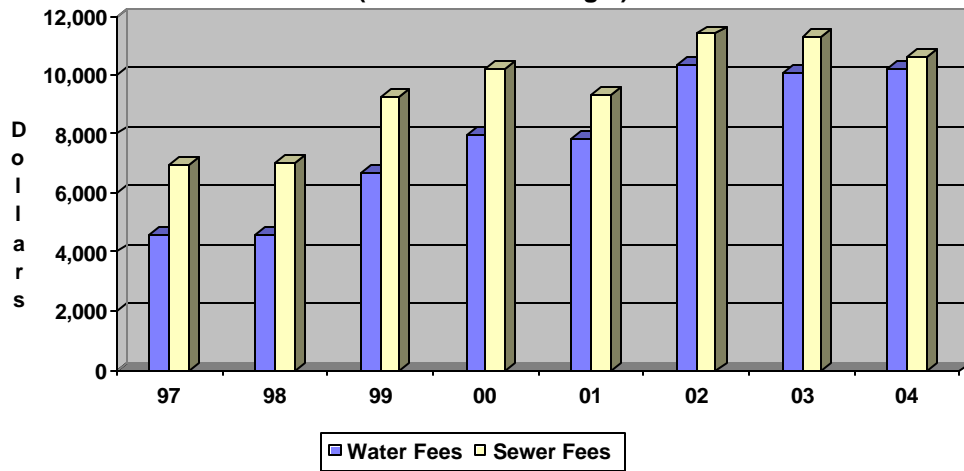


EMS Impact Fees were originally implemented in FY 92 and are used to fund growth driven EMS facility and equipment needs. For FY 04, EMS impact fee revenue is estimated at \$700,000. The types of buildings permitted especially affect this particular impact fee.

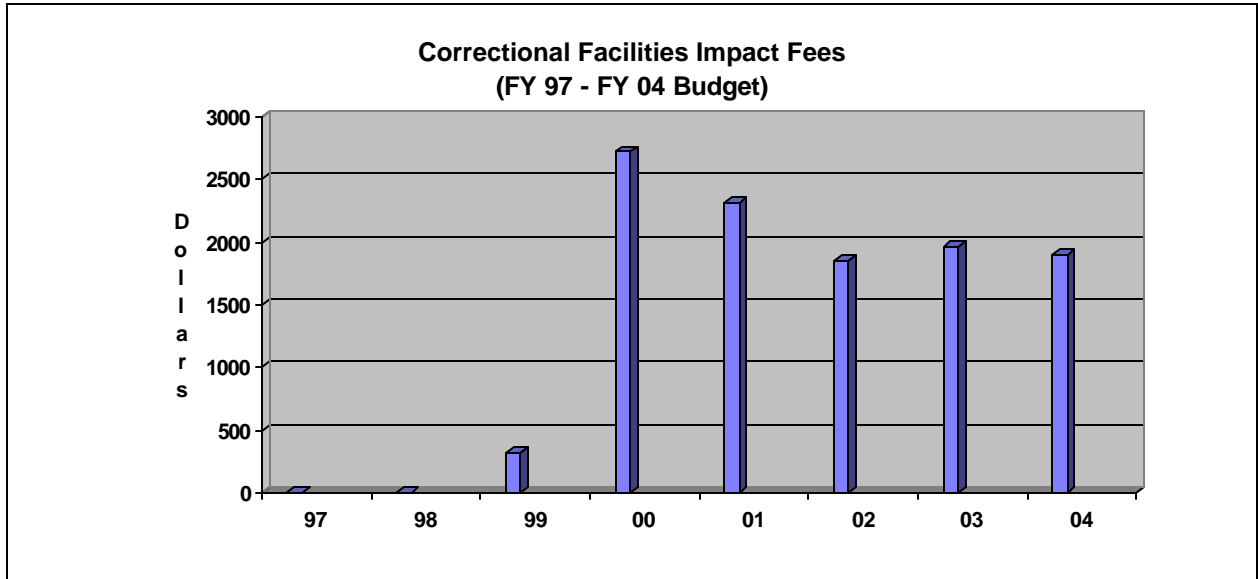


Water & Sewer Utility Impact Fees are used to fund growth driven water and sewer facility expansions and additions. For FY 04, water impact fees are estimated at \$10.2 million and sewer impact fees are estimated at \$10.6 million.

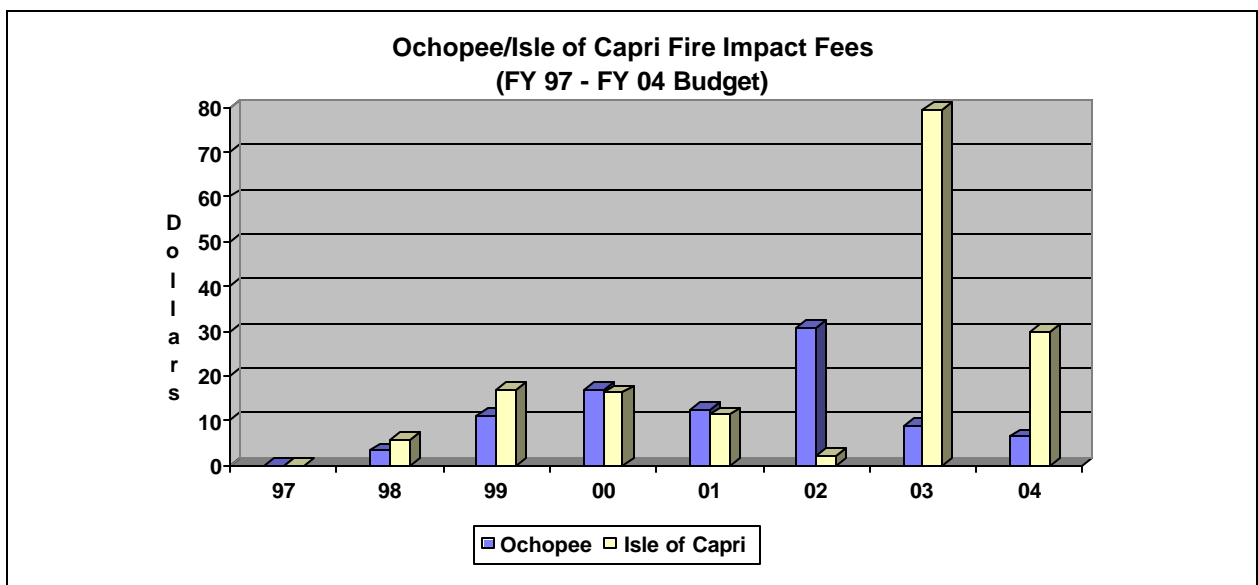
**Utility Impact Fees  
(FY 97 - FY 04 Budget)**



**Correctional Facilities Impact Fee** was implemented in FY 99 and is used to fund growth driven jail facility expansions and additions. For FY 04, Correctional Facilities impact fee is revenue estimated at \$1.9 million. Actual revenues received are highly variable based on the types of commercial buildings permitted in a given year.



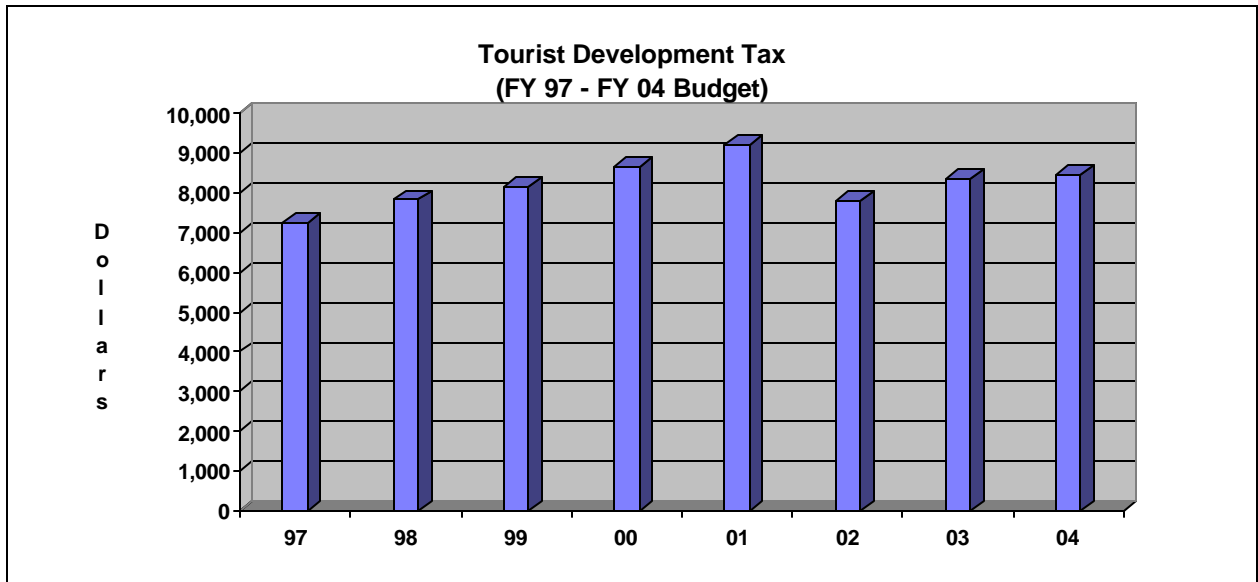
**Ochopee/Isle of Capri Fire Impact Fees** were implemented in FY 98 and are used to fund growth driven fire facility and equipment needs. For FY 04, Ochopee Fire impact fee revenue is estimated at \$6,400 and Isle of Capri Fire impact fee revenue is estimated at \$30,000. The large spikes in Ochopee Impact Fee revenue in FY 02 and Isle of Capri Impact Fee revenue FY 03 are due to large development projects within those districts.



### Tourist Development Tax Revenue

In November 1990, Collier County voters approved the implementation of a 3% tourist tax; 2% was allocated for beach renourishment and tourism promotion and 1% was allocated for debt service on a baseball stadium. This tax was challenged in the courts, and the County ceased collecting the 3% tourist tax. In November 1992, voters approved a new tourist tax plan of 2%. This 2% tax was implemented in January 1993. In January 1996, this tax was increased by 1%. The purpose of the additional 1% was to dedicate additional funding to the county beach renourishment program. FY 02 actual receipts reflect the impact on tourism of the September 11, 2001 terrorist attacks.

(ooo) Omitted	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
<b>Tourist Development Tax</b>	7,247.7	7,829.5	8,141.8	8,672.3	9,190.7	7,798.9	8,370.4	8,446.0



### Service Charges/Enterprise Fund Revenues

Where appropriate, Collier County charges fees for services provided. The Parks and Recreation Department and the Community Development Division are the two areas where charges for services are most prevalent. The Parks and Recreation Department charges for admission to the Golden Gate Aquatic Facility and the numerous athletic and recreational programs it conducts. The Community Development Division charges fees for building and related permits.

Generally speaking, enterprise funds are set up to account for activities that are operated similarly to private enterprises. Collier County accounts for the operations of the Collier County Water-Sewer District, Solid Waste Disposal, Emergency Medical Services, and the Collier County Airport Authority in this manner.

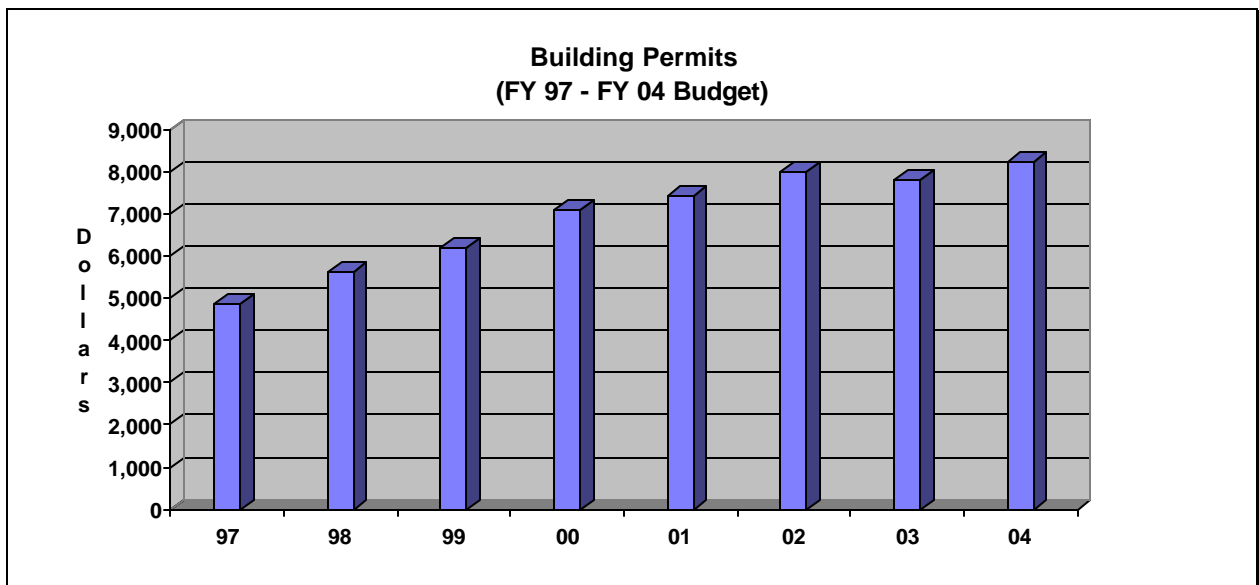
### Service Charges/Enterprise Fund Revenues

(000's) Omitted	FY 97	FY 98	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
<b>Building Permits</b>	4,843.6	5,608.2	6,166.5	7,081.5	7,404.1	7,984.7	7,797.6	8,219.0
<b>Water Revenue</b>	19,858.4	17,506.8	18,849.2	20,076.3	19,558.8	22,917.9	24,391.0	26,169.9
<b>Sewer Revenue</b>	16,497.1	20,166.9	22,328.3	23,498.5	22,321.5	25,568.1	26,163.7	29,513.0
<b>Landfill Tipping</b>	6,409.6	6,887.0	8,164.6	8,649.3	10,678.7	10,580.9	9,670.9	11,018.7
<b>Mandatory Fees</b>	4,150.5	5,835.1	5,998.3	6,828.5	7,554.3	8,504.7	10,162.2	11,315.5

<b>Ambulance Fees</b>	3,314.5	3,140.8	3,100.8	4,005.7	3,934.4	5,007.2	5,557.3	7,288.8
<b>Airport Revenue</b>	870.0	963.1	1,131.7	1,421.4	1,572.9	1,474.3	1,582.7	1,589.0
<b>Total</b>	<b>55,943.7</b>	<b>60,107.9</b>	<b>65,739.4</b>	<b>71,561.2</b>	<b>73,024.7</b>	<b>82,037.8</b>	<b>85,325.4</b>	<b>95,113.9</b>

**Building Permit Fees**

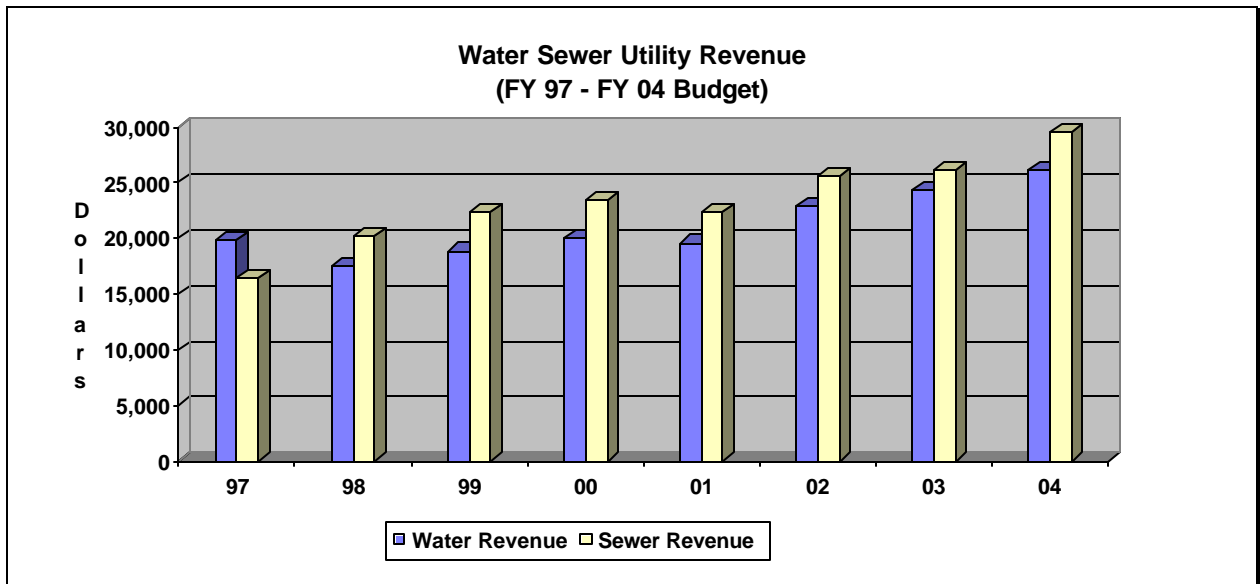
The Community Development Division charges for building and various other permits required of the construction and development industry.



**Water -Sewer District Revenue**

The Water-Sewer District rates are set by ordinance, with new rates set to increase as of October 1, 2003. Water rates include a base rate plus a volume usage charge that is designed to encourage water conservation. The sewer rates also include a base charge and a volume charge based on water usage. However, for residential customers there is a cap on the volume charge to take into account that not all water used is returned via the sewer system (e.g. swimming pools, lawn watering).

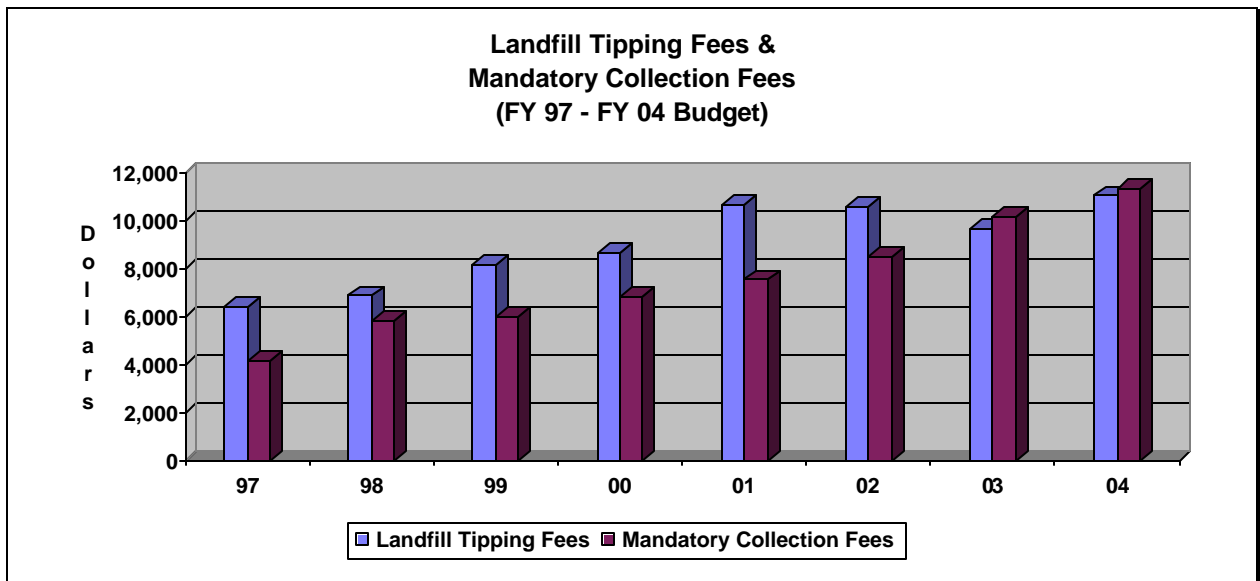
Projected FY 04 Water and Sewer revenues are \$26.2 million and \$29.5 million respectively. These revenues continue to reflect the revised rate structure and an increase due to growth in the customer base.



#### Landfill/Mandatory Collection Fees

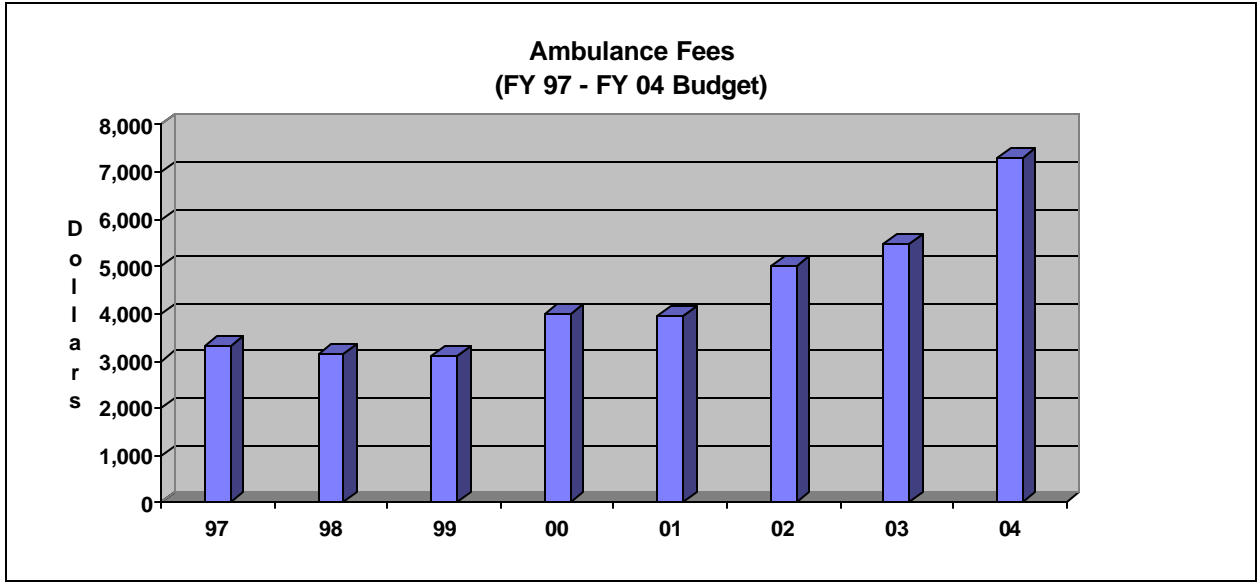
Landfill tipping fees are the primary source of revenue for the Solid Waste Disposal Department, estimated at \$11.0 million in FY 04. While the County's population grows at 5%-6% annually, only a slight increase in revenue is expected due to a decline in the receipt of construction/demolition debris at the landfill, as there is a private contractor performing this function.

Mandatory Collection fees: Single family residences have been required to have garbage disposed of through the County's contractor since January 1991. Residents are billed for the cost of this collection and disposal service that is estimated to be approximately \$11.3 million in FY 04. Mandatory collection fees increased 5.88 percent in FY 04 from \$127.27 to \$134.75, an increase of \$7.48.



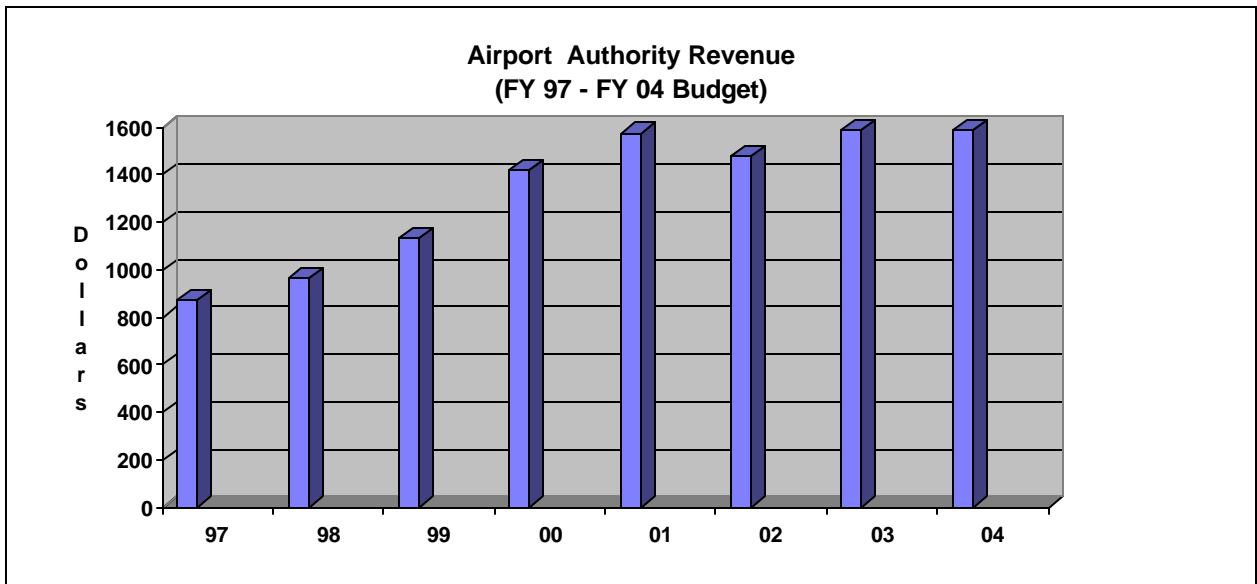
#### Ambulance (EMS) Fees

The Emergency Medical Service department (EMS) is funded through a mix of General Fund support and ambulance user fees. The user fees are evaluated annually to maximize revenue (5% increase in FY 04 rates) and thereby reduce the subsidy from the General Fund. Ambulance fees are expected to generate net revenue of approximately \$7.3 million in FY 04.



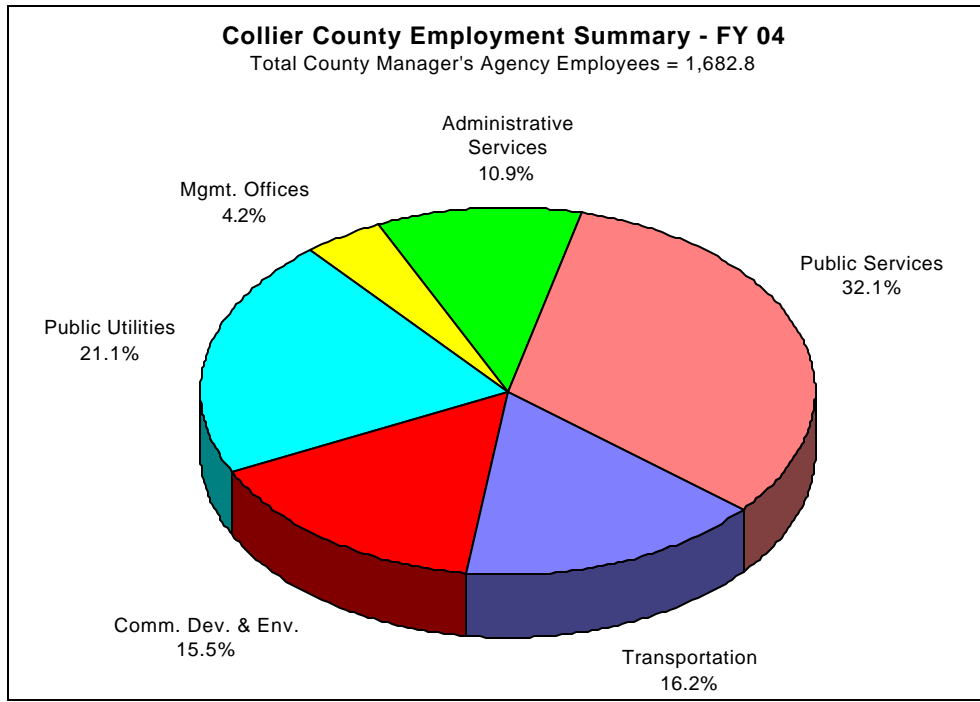
**Airport Authority Revenue**

Airport Authority operations are funded through a mixture of General Fund support and fees for services. The primary revenues are from fuel sales, T-hangar leases, and other facility leases. Revenue generated at the Marco Island Executive Airport is estimated to be \$1,178,600 in FY 04. Revenues at the Immokalee Regional Airport are planned to be \$337,300 while revenue generated at Everglades City Airpark is expected to be \$73,100.



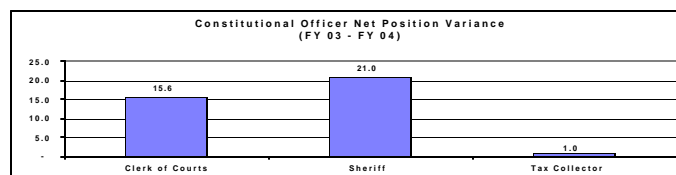
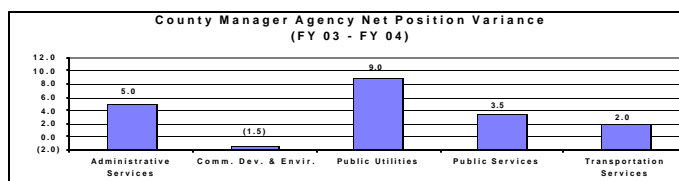
# Employment Summary

The chart below provides a breakdown of the 3,415.0 County employees authorized in the FY 04 budget. This includes employees working within the County Manager's Agency and within the agencies of the Elected Public Officials. The bulk of employees are concentrated within the County Manager's Agency and the Sheriff's Office.

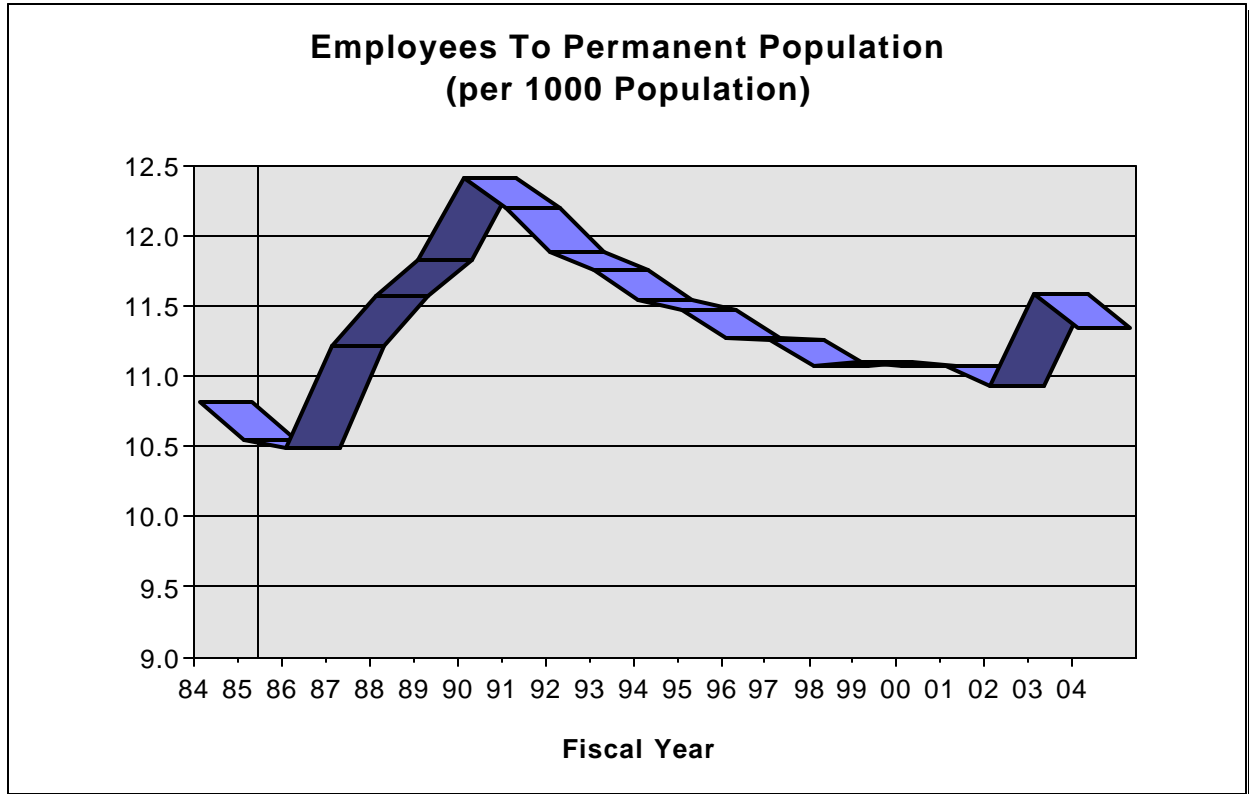


The chart below provides a breakdown of the 1,680.8 employees authorized within the County Manager's Agency. The County Manager's Agency includes five operating divisions and management offices. In addition, oversight is provided to the Airport Authority.

Organization	FY 01 Adopted Budget	FY 02 Adopted Budget	FY 03 Adopted Budget	FY 03 Forecast Positions	FY 04 Current Service	FY 04 Expanded Service	FY 04 Adopted Budget	Net Position Change	% Position Change
County Commissioners	36.0	39.0	44.0	44.0	44.0	0.0	44.0	0.0	0.0%
Airport Authority	13.0	13.5	17.0	17.0	17.0	0.0	17.0	0.0	25.9%
<b>County Manager's Agency:</b>									
Management Offices	13.0	14.0	72.0	71.0	71.0	1.0	72.0	0.0	0.0%
Administrative Services	146.0	171.0	178.0	179.0	179.0	4.0	183.0	5.0	2.8%
Emergency Services	185.0	189.0	0.0	0.0	0.0	0.0	0.0	0.0	n/a
Comm. Dev. & Envir.	224.0	226.0	262.0	266.0	260.5	0.0	260.5	(1.5)	-0.6%
Public Utilities	292.0	338.0	346.0	347.0	347.0	8.0	355.0	9.0	2.6%
Public Services	399.8	328.8	336.8	337.8	335.8	4.5	340.3	3.5	0.7%
Transportation Services	224.0	252.0	270.0	272.0	272.0	0.0	272.0	2.0	0.7%
<b>Total County Manager</b>	<b>1,383.8</b>	<b>1,518.8</b>	<b>1,664.8</b>	<b>1,672.8</b>	<b>1,665.3</b>	<b>17.5</b>	<b>1,682.8</b>	<b>18.0</b>	<b>1.1%</b>
Courts/Rel. Agencies	48.0	53.0	54.0	54.0	54.0	0.0	54.0	11.0	0.0%
<b>Constitutional Officers:</b>									
Clerk of Courts	210.8	221.3	233.1	231.1	232.3	16.4	248.7	15.6	6.7%
Sheriff	961.0	1,000.0	1,157.5	1,169.5	1,164.5	14.0	1,178.5	21.0	1.8%
Property Appraiser	55.0	57.0	57.0	57.0	57.0	0.0	57.0	0.0	0.0%
Tax Collector	92.0	95.0	113.0	113.0	113.0	1.0	114.0	1.0	0.9%
Supervisor of Elections	16.0	18.0	19.0	19.0	19.0	0.0	19.0	0.0	0.0%
<b>Constitutional Officers</b>	<b>1,334.8</b>	<b>1,391.3</b>	<b>1,579.6</b>	<b>1,589.6</b>	<b>1,585.8</b>	<b>31.4</b>	<b>1,617.2</b>	<b>37.6</b>	<b>2.4%</b>
<b>Total County Employees</b>	<b>2,818.6</b>	<b>3,018.6</b>	<b>3,359.4</b>	<b>3,377.4</b>	<b>3,366.1</b>	<b>48.9</b>	<b>3,415.0</b>	<b>55.6</b>	<b>1.7%</b>



**AGENCY EMPLOYMENT SUMMARY  
ADOPTED FY 04 BUDGET**



<b>Fiscal Year</b>	<b>County Employees</b>	<b>Permanent Population*</b>	<b>Employees Per 1,000 Population</b>
84	1,183	109,400	10.81
85	1,254	118,900	10.55
86	1,321	126,000	10.48
87	1,464	130,600	11.21
88	1,608	138,950	11.57
89	1,751	148,050	11.83
90	1,888	152,099	12.41
91	1,972	161,600	12.20
92	2,003	168,514	11.89
93	2,053	174,664	11.75
94	2,083	180,540	11.54
95	2,139	186,504	11.47
96	2,176	193,036	11.27
97	2,251	200,024	11.25
98	2,328	210,095	11.08
99	2,456	221,336	11.10
00	2,583	233,177	11.08
01	2,784	251,377	11.07
02	3,016	276,053	10.93
03	3,359	289,830	11.59
04	3,415	301,168	11.34

## **Changes in Service (FY 03 Adopted Budget to FY 03 Forecast)**

The FY 03 forecast reflects eighteen (18.0) additional positions above the number authorized in the FY 03 adopted budget. Within the County Manager's Agency, the total position change count reflects the following:

### **Management Offices**

One (1.0) Public Information Specialist position was transferred to Human Resources.

### **Administrative Services**

One (1.0) position was transferred from Communications and Customer Relations to the Human Resources Department.

### **Community Development and Environmental Services**

The BCC approved four (4.0) new positions for the Tourism Department in CDES. Two (2.0) positions were brought in-house for advertising and promotions, one (1.0) will serve as a Film Coordinator, and the final position (1.0) will be a Public Relations Coordinator.

### **Public Utilities**

The Public Utilities Department forecast reflects an increase of one (1.0) position. A Code Enforcement Investigator was approved by the BCC midway through the year for Financial Operations Department - Utility Billing to enforce mandatory water restrictions.

### **Public Services**

Public Services reflect a net change of one (1.0) position from the adopted FY03 budget. Three (3.0) paramedic positions were created in accordance with an agreement with Naples Community Hospital and two (2.0) positions were transferred to Alternative Transportation Modes in the Transportation Department.

### **Transportation**

Transportation reflects a net increase of two (2.0) positions in FY 03 from the adopted budget. Both new positions were transferred into the Alternative Transportation Modes from Emergency Medical Services.

### **Constitutional Officers**

The Sheriff's Office increased staffing when it activated twelve (12.0) unfunded positions for law enforcement and the Clerk of Courts decreased staffing by two (2.0) positions by decreasing positions in the Clerk of Circuit Court (2.2) and increasing the Clerk of County Court by (0.2).

# **Changes in Service**

## **(FY 03 Adopted Budget to FY 04 Current Service Budget)**

### **Management Offices**

Current Service reflects the transfer of one (1.0) Public Information Specialist position in Communication and Customer Relations to Human Resources.

### **Administrative Services**

Current Service reflects one (1.0) position being transferred from Communication and Customer Relations to Human Resources.

### **Public Utilities**

The Public Utilities Department Current Services reflects the addition of one (1.0) Code Enforcement Investigator position in Financial Operations – Utilities Billing.

### **Public Services**

There was a net decrease of one (1.0) position in the Public Services Division. Current Service reflects the addition of three Paramedic positions and the transfer of two (2.0) positions to Transportation for a net increase of one (1.0) position in EMS. Parks and Recreation combined an additional half-time position (0.5) with an already existing half-time position (0.5) to create one (1.0) Sailing Instructor position. Offsetting these increases are the elimination of one (1.0) Program Supervisor and one and one-half (1.5) part-time Lifeguard positions giving Parks and Recreation a net decrease of two (2.0) positions.

### **Community Development/Environmental Services**

Prior to the development of the FY 04 budget, the Community Development Fund (113) included both regulation of the building (construction) industry, as well as planning and zoning (development) functions. The principal revenue source in this fund was building permit revenue, which subsidized the planning/zoning functions. The FY 04 budget segregates the regulation of the building industry from the planning/zoning functions. By establishing separate funds, both the building functions and the planning/zoning functions will now be self-supporting.

Overall, the FY 04 Community Development and Environmental Services Division budget reflects 3.5 fewer positions from the 262.0 authorized positions in FY 03.

### **Division Administration**

Division Administration includes 5 positions in FY 04, reflecting the consolidation of the 2 positions budgeted in Division Administration and 3 positions budgeted in Administrator Support in FY 03.

### **Financial Administration and Housing +2**

The Financial Administration and Housing Department includes 20 authorized positions in FY 04 as compared to 18 positions authorized in FY 03. The Financial Administration and Housing Department Fund (131) increased from 5.0 positions to 6.0 positions because of a transfer of a position from Engineering. In addition, there is a net increase of two positions in the CDBG program administration. One was transferred from the Housing Department (001) and there was one position transferred from Building Review to administer additional grant funds allocated to Collier County.

### **Planning Services**

Overall, Planning Services reflects a net decrease of 1 position in comparison to the adopted FY 03 budget.

Comprehensive Planning shows an increase from 8.0 positions to 9.0 positions due to a transfer of a position from Utilities Regulation Fund (669).

The Immokalee Housing Initiative program reflects a reduction of 2 positions from the FY 03 forecast level of 4 positions.

### Environmental Services

Conservation Collier is a taxpayer-approved program to acquire and manage environmentally sensitive lands. A position was created during FY 03 to manage this program.

### Building Review and Permitting

The Building Review and Permitting Department will have three (3.0) less positions in FY 04. One (1.0) position was eliminated, one (1.0) position was transferred to CDBG fund (121) and one (1.0) position was transferred to Tourism Promotions.

### Operations

Utility Regulation decreased by one (1.0) position due to the transfer of a vacant position to the Community Development and Environmental Services Planning Department.

### Engineering

The Engineering Services Department reflects a transfer of one position to Financial Housing and Administration.

### Tourism

The Tourism Promotion budget reflects the addition of 4 positions in FY 04, when compared to FY 03 adopted levels. A Film Coordinator and a Public Relations Coordinator will be created as additional positions and two (2.0) advertising and promotion positions will be performed in-house, instead of being provided through a contract.

### Hearing Examiner

On December 3, 2002, the Board of County Commissioners voted not to implement the Hearing Examiner Program, thereby eliminating 2 positions.

## **Transportation Services**

Transportation Services reflects a total of 272.0 Current Service positions, a net increase of two (2.0) positions from the adopted FY 03 budget. In addition, Transportation also reorganized internally and created a new Department of Alternative Transportation Modes and a Development Review section. A summary of these comprehensive changes is detailed below.

### Development Review

The Development Review section was created to provide a centralized review of impacts to both the transportation network and the stormwater system resulting from new developments in Collier County. This section consists of four positions and includes a position from Stormwater Management (001), a position from Landscape Maintenance (111), a position transferred from Traffic Engineering (101), and a position transferred from Road Maintenance (101).

### Alternative Transportation Modes

The Department of Alternative Transportation Modes (53 total positions) was established to administer transit service, provide for traffic operations and pathways, and to administer the median landscaping program and special service taxing districts under the purview of the Transportation Division. Alternative Transportation Modes Administration includes five positions, two of which were transferred from Emergency Medical Services, and three positions from Transportation Engineering (101).

Traffic Operations reflects one position transferred from Right-of-Way Permitting.

Landscape Operations had 14.0 positions in the FY 03 adopted budget and there are 15 authorized positions in FY 04 due to the addition of a Technician transferred from Transportation Planning.

### Transportation Maintenance

Transportation Maintenance includes 153 positions in FY 04 as compared to the 157 positions budgeted in FY 03.

FDOT Road Maintenance decreased by one position that was transferred to Road Maintenance (101). The Road and Bridge Maintenance section reflects one (1.0) position transferred from FDOT Maintenance, offset by a position transferred to Development Review. Aquatic Plant Control will decrease from 17.0 to 16.0 positions due to a transfer of one (1.0) position to Transportation Operations Administration. A Senior Engineer in the Stormwater Management section performing water management reviews was transferred to the newly created Development Review section. The lone position in Transportation Maintenance (111) was transferred to Development Review.

### Transportation Operations

Transportation Operations includes 13 positions distributed across the following sections: Operations Administration – 5, Right-of Way Permitting and Inspections – 6, and Concurrency Management – 2.

Transportation Operations Administration has five (5.0) Current Service positions. This net increase of one (1.0) position is a result of a Budget/Management Analyst position being transferred from Aquatic Plant Control

Right-of-Way (ROW) Permitting reflects six (6.0) Current Service positions in FY 04 due to one (1.0) position being transferred to Traffic Operations.

#### Transportation Planning

Transportation Planning had 11 positions in the FY 03 adopted budget. The FY 04 budget includes only 9 positions distributed as follows: Transportation Planning (MPO) – 3 and Transportation Planning (101) – 6.

#### Transportation Engineering

Transportation Operations Design (101) had three (3.0) positions transferred to Alternative Transportation Modes and one position transferred to the Development Review section. This results in four Current Service positions as compared to the eight positions in the FY 03 adopted budget.

Transportation Engineering (312) reflects a net reduction of 1 position transferred to Transportation Planning.

## **Changes in Service (FY 04 Expanded Services)**

Overall there were 48.9 full-time and part-time positions approved as expanded services in the FY 04 budget. In the County Manager's Agency there were 17.5 new permanent positions approved by the Board of County Commissioners, 31.4 positions were approved among the Constitutional Officers. Details of the approved expanded positions are presented below.

### **County Manager's Agency**

**Management Offices** – The Office of Management and Budget added one (1.0) position for a Senior Management and Budget Analyst to perform efficiency reviews as recommended by the Citizen's Productivity Committee.

**Administrative Services** – Fleet Management will be adding one (1.0) position for a new Trades Worker, Journeyman/Automotive Technician to help maintain county vehicles.

Facilities Management will add one (1.0) Security Officer to provide 24-hour coverage of the Operations Center by monitoring and maintaining security cameras, code blue emergency assistance boxes, card access, fire alarms and building automation. Facilities Management will also add a new Senior Property Management Specialist to acquire property for the Conservation Collier program.

Purchasing will add one (1.0) Purchasing Agent position to provide more dedicated acquisition (solicitation, award and contracting) to the Transportation Division.

**Public Utilities** - In Public Utilities Financial Operations – Utilities Billing, four (4.0) Fiscal Technicians will be added to increase customer service in the areas of water and sewer, mandatory trash collections and special assessments.

Public Utilities Engineering will increase its staff by one (1.0) Senior Project Manager position. The Senior Project Manager will be working directly with the Water and Wastewater Departments to ensure compliance with the Florida Department of Environmental Protection requirements and also to enhance operational efficiency.

Water Operations has added two (2.0) new Maintenance Specialist positions for testing and maintenance of all large meters 3 inches and above. Also being added is one (1.0) Utility Technician that will perform testing and maintenance on ¾ inch to 2 inch cross connection control devices.

**Public Services** – The Library will be adding one (1.0) position for the Headquarters Library to provide customer service and order audiovisual materials for the entire library system and an Customer Service Specialist at the Immokalee branch library to support the Information Collier program. Three (3) part-time (1.5) Library Assistants will be added to the Headquarters Library staff in response to continuous requests by the public to provide year-round Sunday service at the Headquarters Library.

Parks & Recreation will be adding one (1.0) new Maintenance position that will allow the department to have two-man crews to maintain the seven (7) community parks in addition to Bayview and Conners parks and the Golden Gate Community Center.

### **Constitutional Officers:**

**Clerk of Courts** - The Clerk of Courts will be adding (16.4) new positions. A Systems Analyst position has been added in the Finance and Accounting Department. The Clerk of the Circuit Court is adding (4.9) Court Clerk positions (with 1.27 FTE's being allocated to the Circuit Court, 1.63 FTE's being allocated to the Circuit Felony Court, 1.0 being allocated to Probate Court and the remaining 1.0 to Juvenile Court).

The Clerk of County Courts will be adding 3.7 FTE's. County Misdemeanor Court will increase by 1.97 FTE's, County Civil Court will increase by 0.73 FTE's and County Traffic Court will increase by 1.0 FTE.

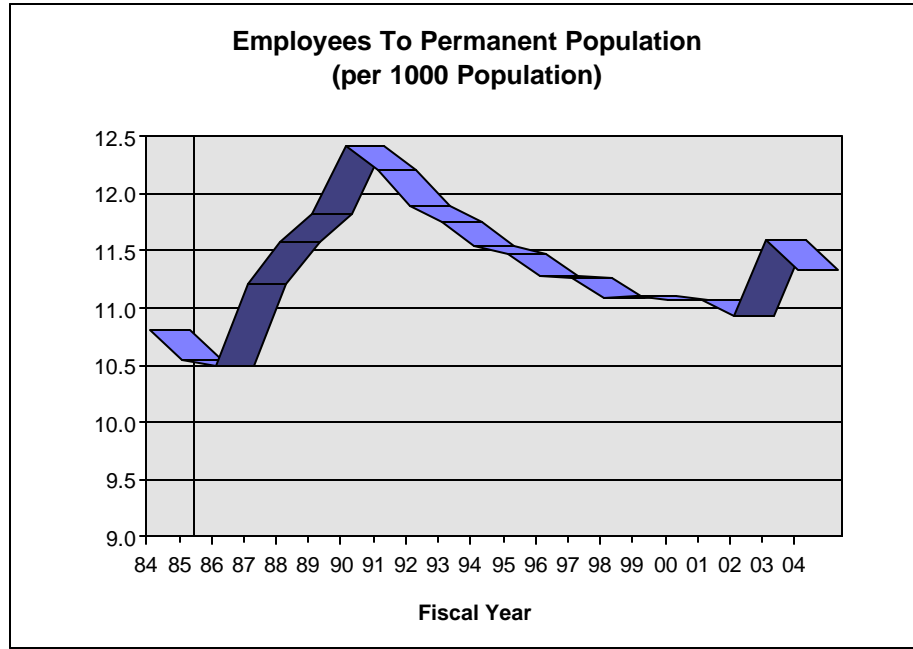
Recording/Records Management will expand the level of their positions with 5.25 FTE's being allocated to Recording and 1.5 FTE's being allocated to Records Management.

**Sheriff's Office** - Law Enforcement reflects 14.0 certified positions formerly grant funded. Cops in Schools Programs will add an additional twelve (12.0) positions while Traffic Crash Reporting will be adding an additional two (2.0) positions.

**Tax Collector** - The Tax Collector's Office reflects the addition of a Human Resources Director position.

## Employees to Permanent Population

The ratio of employees to permanent population is one barometer used to measure the size and efficiency of government. The graph and chart below reflects the ratio for the last twenty-one fiscal years (FY 84 - FY 04). The late 1980's reflect the expansion of government services to keep pace with a burgeoning population. The downward trend in FY 04 is a function of the limitation on new positions to improve efficiency within the County Manager's Agency. Emphasis was placed on reallocated existing resources, rather than adding new positions. The new positions added in FY 04 emphasized the enhancement of law enforcement and public utilities preventative maintenance and customer service operations.

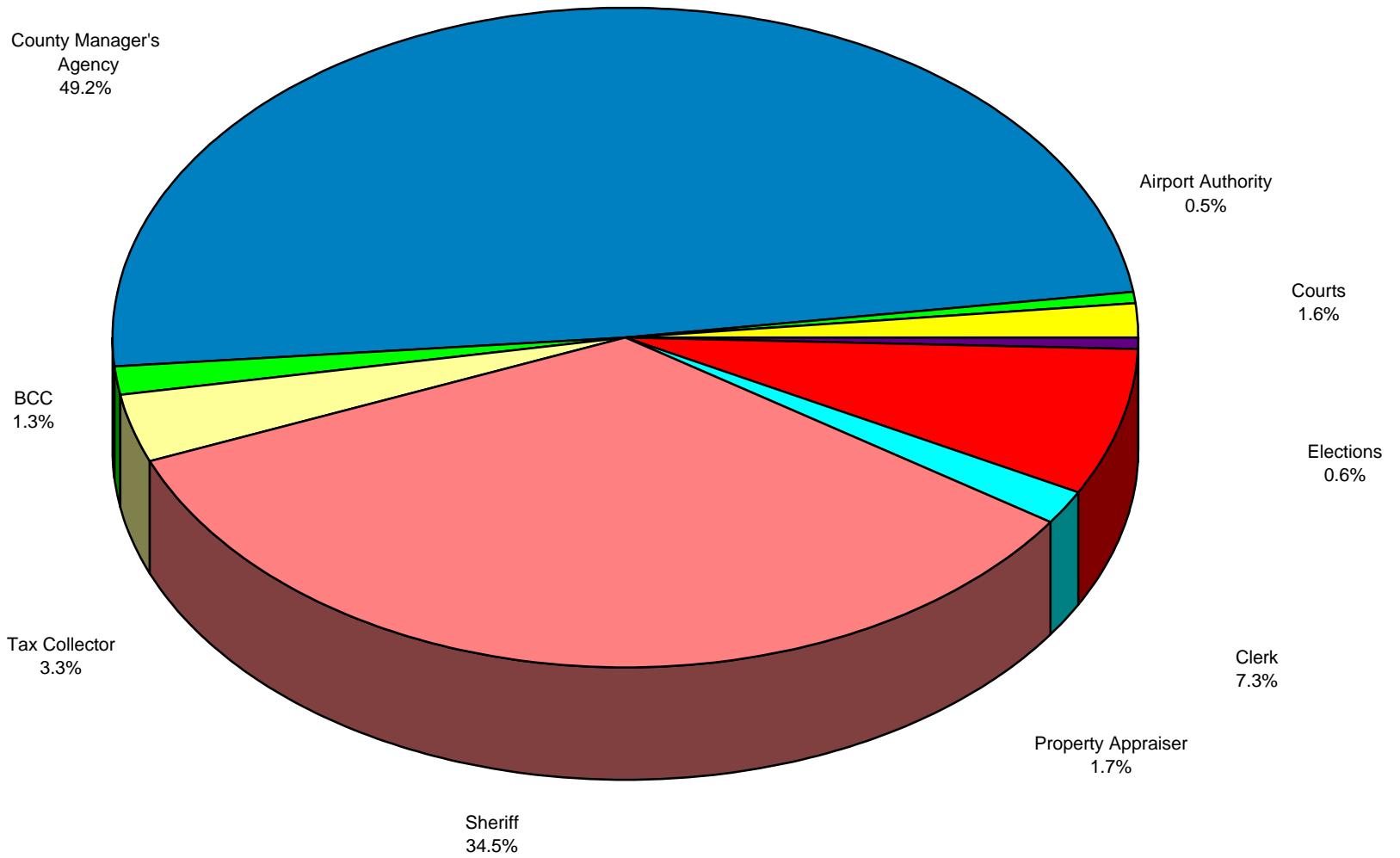


<b>Fiscal Year</b>	<b>County Employees</b>	<b>Permanent Population*</b>	<b>Employees Per 1,000 Population</b>
84	1,183	109,400	10.81
85	1,254	118,900	10.55
86	1,321	126,000	10.48
87	1,464	130,600	11.21
88	1,608	138,950	11.57
89	1,751	148,050	11.83
90	1,888	152,099	12.41
91	1,972	161,600	12.20
92	2,003	168,514	11.89
93	2,053	174,664	11.75
94	2,083	180,540	11.54
95	2,139	186,504	11.47
96	2,176	193,036	11.27
97	2,251	200,024	11.25
98	2,328	210,095	11.08
99	2,456	221,336	11.10
00	2,583	233,177	11.08
01	2,784	251,377	11.07
02	3,016	276,053	10.93
03	3,359	289,830	11.59
04	3,415	301,168	11.34

\*Source: Bureau of Economic and Business Research, University of Florida & Collier County Comprehensive Planning.

**Collier County Employment Summary - FY 04**

Total County Employees = 3,415.0



**Budgeted Expenditures by Functional Area  
Collier County, Florida  
FY 00 Through FY 04**

<b>Description</b>	<b>FY 00 Adopted Budget</b>	<b>FY 01 Adopted Budget</b>	<b>FY 02 Adopted Budget</b>	<b>FY 03 Adopted Budget</b>	<b>FY 04 Adopted Budget</b>	<b>% Inc. FY 03 - FY 04</b>
General Government Serv.	42,239,000	54,103,700	77,348,800	85,399,300	114,394,200	34.0%
Public Safety	92,850,500	110,981,000	135,257,700	182,678,800	159,566,100	-12.7%
Physical Environment	100,509,400	128,095,400	220,063,200	266,830,100	233,784,800	-12.4%
Transportation	88,830,500	106,809,400	163,123,100	195,908,500	139,201,400	-28.9%
Misc./Economic Environ.	3,606,700	4,790,800	2,238,500	4,075,500	3,109,700	-23.7%
Human Services	8,746,800	6,652,000	8,955,700	8,707,500	9,878,000	13.4%
Culture & Recreation	25,492,800	38,642,000	39,589,500	76,998,900	36,940,100	-52.0%
Internal Operations	20,989,200	18,744,200	26,051,800	34,969,400	36,937,600	5.6%
Transfers	130,998,300	172,135,200	270,444,100	347,725,100	372,625,600	7.2%
Debt Service	27,560,900	25,584,900	34,251,700	33,525,000	46,613,500	39.0%
Reserves	161,616,700	158,935,400	129,677,100	123,348,400	148,460,900	20.4%
<b>Total Gross Budget</b>	<b>703,440,800</b>	<b>825,474,000</b>	<b>1,107,001,200</b>	<b>1,360,166,500</b>	<b>1,301,511,900</b>	<b>-4.3%</b>
Less:						
Internal Reimbursements	(24,341,300)	(22,137,200)	(30,853,100)	(38,042,900)	(46,908,100)	23.3%
Interfund Transfers	(128,682,000)	(170,175,900)	(267,819,500)	(344,488,000)	(366,707,600)	6.5%
<b>Total Net Budget</b>	<b>550,417,500</b>	<b>633,160,900</b>	<b>808,328,600</b>	<b>977,635,600</b>	<b>887,896,200</b>	<b>-9.2%</b>

**Summary of Revenue Sources  
Collier County, Florida  
FY 00 Through FY 04**

<b>Description</b>	<b>FY 00 Adopted Budget</b>	<b>FY 01 Adopted Budget</b>	<b>FY 02 Adopted Budget</b>	<b>FY 03 Adopted Budget</b>	<b>FY 04 Adopted Budget</b>	<b>% Inc. FY 03 - FY 04</b>
Ad Valorem Taxes	103,119,500	117,722,600	152,801,800	181,244,900	221,337,800	22.1%
Gas & Sales Taxes	30,649,000	37,006,300	39,177,100	40,458,500	42,103,800	4.1%
Permits/Fines/TDC/Assess.	29,570,500	34,133,100	37,019,100	42,474,000	43,826,700	3.2%
Intergovernmental	20,460,700	20,185,200	22,094,300	32,351,800	16,925,000	-47.7%
Service Charges	83,704,200	89,627,700	95,045,600	105,869,100	124,304,600	17.4%
Interest/Miscellaneous	13,703,600	13,454,400	14,874,400	14,698,300	15,794,400	7.5%
Impact Fees	27,671,000	42,155,000	39,717,200	61,699,500	47,791,900	-22.5%
Loan/Bond Proceeds	32,707,800	74,361,000	218,729,200	389,747,200	445,808,800	14.4%
Carry Forward	223,564,700	221,441,600	208,036,800	131,904,300	(45,148,800)	-134.2%
Internal Reimbursements	24,341,300	22,137,200	30,853,100	38,042,900	46,908,100	23.3%
Interfund Transfers	128,682,000	170,175,900	267,819,500	344,488,000	366,707,600	6.5%
5% Revenue Reserve	(14,733,500)	(16,926,000)	(19,166,900)	(22,812,000)	(24,848,000)	8.9%
<b>Total Gross Budget</b>	<b>703,440,800</b>	<b>825,474,000</b>	<b>1,107,001,200</b>	<b>1,360,166,500</b>	<b>1,301,511,900</b>	<b>-4.3%</b>
Less:						
Internal Reimbursements	(24,341,300)	(22,137,200)	(30,853,100)	(38,042,900)	(46,908,100)	23.3%
Interfund Transfers	(128,682,000)	(170,175,900)	(267,819,500)	(344,488,000)	(366,707,600)	6.5%
<b>Total Net Budget</b>	<b>550,417,500</b>	<b>633,160,900</b>	<b>808,328,600</b>	<b>977,635,600</b>	<b>887,896,200</b>	<b>-9.2%</b>

**Collier County, Florida**  
**Fiscal Year 2003-04**  
**Summary of Budget by Fund**

<b>Fund Title</b>	<b>Fund No.</b>	<b>FY 02/03 Adopted Budget</b>	<b>FY 03/04 Adopted Budget</b>	<b>% Budget Change</b>
<b>General Fund</b>				
<b>General Fund</b>	<b>(001)</b>	<b>224,352,300</b>	<b>265,085,100</b>	<b>18.2%</b>
<b>Constitutional Officer Funds:</b>				
Clerk of Circuit Court	(010)	19,491,300	23,284,000	19.5%
Sheriff	(040)	92,426,600	102,590,400	11.0%
Property Appraiser	(060)	6,249,900	5,939,600	-5.0%
Tax Collector	(070)	12,225,400	13,761,900	12.6%
Supervisor of Elections	(080)	1,991,200	2,195,000	10.2%
<b>Subtotal Constitutional Officers</b>		<b>132,384,400</b>	<b>147,770,900</b>	<b>11.6%</b>
<b>Special Revenue Funds</b>				
Road & Bridge	(101)	16,696,000	17,722,100	6.1%
Pelican Bay MSTBU	(109)	2,805,700	2,867,600	2.2%
Pelican Bay Security	(110)	492,300	531,000	7.9%
MSTD General Fund	(111)	32,414,700	32,604,800	0.6%
MSTD Landscaping Projects	(112)	1,690,100	5,369,200	217.7%
Comm. Development	(113)	32,068,500	19,052,200	-40.6%
Water Pollution Control	(114)	2,258,400	2,140,200	-5.2%
Sheriff Grants	(115)	1,230,200	866,100	-29.6%
Miscellaneous Grants	(116)	77,000	87,600	13.8%
Natural Resources Grants	(117)	25,300	79,500	214.2%
Emergency Management Grants	(118)	110,300	121,500	10.2%
Parks & Recreation Grants	(119)	461,600	462,000	0.1%
Urban Improvement Grant	(121)	0	0	N/A
Services for Seniors	(123)	155,600	484,000	211.1%
Metro Planning-MPO	(126)	1,300,600	1,469,400	13.0%
Library Grants	(129)	412,100	350,000	-15.1%
G. G. Comm. Center	(130)	1,124,300	1,315,600	17.0%
Planning Services	(131)	0	8,958,200	N/A
Pine Ridge Ind. Park	(132)	1,479,500	1,511,700	2.2%
Pelican Bay Uninsured Assets	(133)	1,197,000	1,210,100	1.1%
Victoria Pk. Drainage	(134)	13,500	17,000	25.9%
G.G. Pkw. Beautification	(136)	440,400	424,100	-3.7%
Naples Production Park	(138)	5,700	0	-100.0%
Naples Park Drainage	(139)	16,600	14,400	-13.3%
Pine Ridge Ind. Park Maint.	(140)	25,100	23,700	-5.6%
Naples Prod. Park Maint.	(141)	9,500	11,200	17.9%
Vanderbilt Beach MSTU	(143)	876,200	851,300	-2.8%
Isle of Capri Fire & Rescue	(144)	512,200	641,200	25.2%
Ochopee Fire Control Dist.	(146)	1,247,100	1,384,100	11.0%
Collier County Fire Control	(148)	329,400	334,800	1.6%
Goodland/Hoor's Isle Fire Dist.	(149)	60,000	59,800	-0.3%
Radio Road Beautification	(150)	592,300	796,000	34.4%
Sabal Palm Roadway	(151)	13,600	54,700	302.2%

**Collier County, Florida**  
**Fiscal Year 2003-04**  
**Summary of Budget by Fund**

<b>Fund Title</b>	<b>Fund No.</b>	<b>FY 02/03 Adopted Budget</b>	<b>FY 03/04 Adopted Budget</b>	<b>% Budget Change</b>
Lely Beautification	(152)	189,900	229,900	21.1%

**Collier County, Florida**  
**Fiscal Year 2003-04**  
**Summary of Budget by Fund**

Fund Title	Fund No.	FY 02/03 Adopted Budget	FY 03/04 Adopted Budget	% Budget Change
<b>Special Revenue Funds (Cont'd)</b>				
Hawksridge Pump System	(154)	12,200	11,400	-6.6%
Forest Lakes Road & Drain	(155)	388,900	640,300	64.6%
Immokalee Beautification	(156)	590,100	804,700	36.4%
Bayshore/Avalon Beautification	(160)	815,300	774,100	-5.1%
Livingston Road	(161)	20,000	121,600	508.0%
Adoption Awareness	(170)	10,000	43,700	337.0%
Teen Court	(171)	58,200	258,700	344.5%
Conserve Collier	(172)	0	11,063,800	N/A
Immokalee Redevelopment	(186)	378,300	401,300	6.1%
Bayshore/Gateway Triangle Redev.	(187)	823,800	1,427,100	73.2%
800 MHz Fund	(188)	822,800	724,300	-12.0%
Wireless - 911	(189)	650,800	633,000	-2.7%
Miscellaneous Fla. Statutes	(190)	192,000	189,500	-1.3%
State Housing (SHIP)	(191)	2,838,900	0	-100.0%
Public Guardianship	(192)	157,500	159,600	1.3%
Tourist Development	(193)	2,061,100	1,431,600	-30.5%
Tourist Development	(194)	2,376,200	2,262,100	-4.8%
Tourist Development	(195)	19,226,000	19,159,000	-0.3%
Economic Disaster Recovery	(196)	1,000,000	929,500	-7.1%
Records Modernization	(197)	1,520,800	1,854,200	21.9%
Museum	(198)	1,557,800	1,349,800	-13.4%
E-911 System	(199)	2,601,500	2,788,900	7.2%
<b>Subtotal Special Revenue Funds</b>		<b>138,432,900</b>	<b>149,073,200</b>	<b>7.7%</b>
<b>Debt Service Funds</b>				
Race Track Bonds	(202)	394,000	0	-100.0%
1977 Entitlement Bonds	(204)	399,200	0	-100.0%
1986 Parks G.O. Bonds	(206)	862,300	0	-100.0%
Capital Improvements Rev Bonds	(210)	3,693,900	4,504,700	21.9%
Gas Tax Bonds	(212)	1,104,900	14,018,800	1168.8%
Sales Tax Bonds	(215)	6,421,500	6,473,400	0.8%
Naples Park Assessment Bonds	(226)	810,300	909,000	12.2%
Pine Ridge/ Naples Ind. Park	(232)	10,419,600	10,435,100	0.1%
Special Obligation Revenue Bond	(290)	2,371,900	1,920,300	-19.0%
Line of Credit	(298)	0	0	N/A
Commercial Paper	(299)	2,532,300	2,453,800	-3.1%
<b>Subtotal Debt Service Funds</b>		<b>29,009,900</b>	<b>40,715,100</b>	<b>40.3%</b>

**Collier County, Florida**  
**Fiscal Year 2003-04**  
**Summary of Budget by Fund**

<b>Fund Title</b>	<b>Fund No.</b>	<b>FY 02/03 Adopted Budget</b>	<b>FY 03/04 Adopted Budget</b>	<b>% Budget Change</b>
<b>Capital Projects/Expenditures Funds</b>				
Fac. Mgmt. Co-Wide	(301)	14,139,100	44,500,400	214.7%
Wiggins Pass	(304)	111,800	0	-100.0%
Parks Capital Improve	(306)	2,772,500	1,042,800	-62.4%
Library Cap. Improve	(307)	159,500	10,000	-93.7%
Road Construction (non project)	(312)	2,318,500	2,507,900	8.2%
Road Construction	(313)	141,091,200	103,711,600	-26.5%
Museum CIP	(314)	9,100	0	-100.0%
Fair Board	(315)	43,100	0	-100.0%
Clam Bay Restoration	(320)	743,300	628,300	-15.5%
Pelican Bay Irrigation/Landscaping	(322)	638,700	372,600	-41.7%
Water Management CIP	(325)	3,757,800	829,400	-77.9%
Naples Park Drainage	(326)	116,600	0	-100.0%
Road Impact District 1	(331)	14,785,500	5,582,200	-62.2%
Road Impact District 2	(333)	10,921,400	4,068,600	-62.7%
Road Impact District 3	(334)	3,102,600	575,900	-81.4%
Road Impact District 4	(336)	11,603,300	7,044,500	-39.3%
Road Impact District 6	(338)	4,641,200	4,304,900	-7.2%
Road Impact District 5	(339)	902,300	929,000	3.0%
Road Impact District 8	(340)	53,000	53,000	0.0%
Road Assessment Receivable	(341)	712,900	84,300	-88.2%
Regional Parks	(345)	369,800	614,600	66.2%
Unincorp. Area Reg. & Comm Park	(346)	52,071,000	16,876,600	-67.6%
EMS Impact Fee	(350)	3,485,000	860,400	-75.3%
EMS Capital	(351)	2,351,900	0	-100.0%
Library Co-Wide	(355)	3,938,100	2,581,700	-34.4%
Dist 5, Immokalee Pks	(365)	0	0	N/A
Naples/ Urban Comm. Pk	(368)	1,671,600	839,200	-49.8%
Ochopee Fire Impact Fees	(372)	25,200	95,700	279.8%
Isle of Capri Fire Impact Fees	(373)	20,900	64,300	207.7%
Correctional Facilities Impact Fees	(381)	42,195,000	11,782,400	-72.1%
<b>Subtotal Capital Funds</b>		<b>318,751,900</b>	<b>209,960,300</b>	<b>-34.1%</b>

**Collier County, Florida**  
**Fiscal Year 2003-04**  
**Summary of Budget by Fund**

<b>Fund Title</b>	<b>Fund No.</b>	<b>FY 02/03 Adopted Budget</b>	<b>FY 03/04 Adopted Budget</b>	<b>% Budget Change</b>
<b>Enterprise Funds</b>				
County W/S Operating	(408)	66,693,900	72,076,500	8.1%
County W/S Capital	(409)	247,700	17,100	-93.1%
W/S Debt Service	(410)	157,233,400	146,035,000	-7.1%
Water Impact Fees	(411)	32,032,800	74,612,500	132.9%
Water Capital Projects	(412)	21,617,000	28,951,600	33.9%
Sewer Impact Fees	(413)	96,560,200	32,170,500	-66.7%
Sewer Capital Projects	(414)	30,209,500	16,983,900	-43.8%
Goodland W/S District	(441)	771,500	893,000	15.7%
Solid Waste Disposal	(470)	26,316,000	25,388,300	-3.5%
Landfill Closure	(471)	5,680,300	5,860,800	3.2%
Solid Waste Grants	(472)	20,000	0	-100.0%
Mandatory Collection	(473)	11,391,300	12,320,100	8.2%
EMS	(490)	14,439,900	15,836,700	9.7%
EMS Trust	(491)	52,500	147,800	181.5%
First Responder Training	(492)	0	0	N/A
Airport Authority Operations	(495)	2,237,800	2,285,500	2.1%
Airport Authority Capital	(496)	1,665,200	78,700	-95.3%
<b>Subtotal Enterprise Funds</b>		<b>467,169,000</b>	<b>433,658,000</b>	<b>-7.2%</b>
<b>Internal Service Funds</b>				
Property & Casualty	(516)	7,934,400	9,634,500	21.4%
Group Health	(517)	19,418,100	26,297,200	35.4%
Workers Compensation	(518)	5,172,900	5,235,100	1.2%
Fleet Management	(521)	3,639,800	4,569,200	25.5%
Motor Pool Capital Recovery	(522)	4,262,300	0	-100.0%
<b>Subtotal Enterprise Funds</b>		<b>40,427,500</b>	<b>45,736,000</b>	<b>13.1%</b>

**Collier County, Florida**  
**Fiscal Year 2003-04**  
**Summary of Budget by Fund**

Fund Title	Fund No.	FY 02/03 Adopted Budget	FY 03/04 Adopted Budget	% Budget Change
<b>Trust and Agency Funds</b>				
Confiscated Prop.	(602)	98,100	173,600	77.0%
GAC Trust-Land	(605)	672,500	947,800	40.9%
Law Enforcement Trust	(608)	16,300	13,900	-14.7%
Animal Control Trust	(610)	93,200	105,400	13.1%
Library Trust Fund	(612)	123,700	181,500	46.7%
Drug Abuse Trust	(616)	1,000	1,600	60.0%
Law Library	(641)	108,500	90,100	-17.0%
Legal Aid Society Trust	(652)	140,100	143,900	2.7%
Office of Utility Regulation	(669)	1,406,900	1,152,400	-18.1%
Court Administration	(681)	5,153,600	5,297,900	2.8%
Criminal Justice Trust	(699)	468,400	0	-100.0%
<b>Subtotal Trust Funds</b>		<b>8,282,300</b>	<b>8,108,100</b>	<b>-2.1%</b>
<b>Lighting District Funds</b>				
Collier Cnty. Lighting	(760)	641,700	727,100	13.3%
Naples Production Park	(770)	15,500	0	-100.0%
Pelican Bay Lighting	(778)	699,100	678,100	-3.0%
Retreat Unit 1	(781)	0	0	N/A
<b>Subtotal Lighting Districts</b>		<b>1,356,300</b>	<b>1,405,200</b>	<b>3.6%</b>
<b>Total Budget by Fund</b>		<b>1,360,166,500</b>	<b>1,301,511,900</b>	<b>-4.3%</b>
<b>Less:</b>				
<b>Internal Services</b>		<b>38,042,900</b>	<b>46,908,100</b>	<b>23.3%</b>
<b>Interfund Transfers</b>		<b>344,488,000</b>	<b>366,707,600</b>	<b>6.5%</b>
<b>Net County Budget</b>		<b>977,635,600</b>	<b>887,896,200</b>	<b>-9.2%</b>

General Fund	20.1%
Subtotal Special Revenue Funds	10.6%
Subtotal Debt Service Funds	15.0%
Subtotal Capital Funds	42.4%
Subtotal Enterprise Funds	59.1%
Subtotal Internal Service Funds	17.9%
Subtotal Trust Funds	10.6%
Subtotal Lighting Districts	25.7%