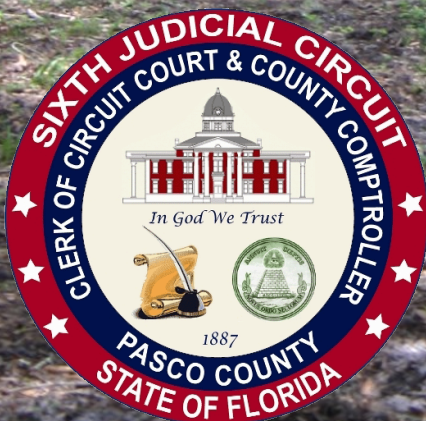


Pasco County, Florida

**Popular Annual Financial Report
For the Fiscal Year Ended
September 30, 2015**





To my fellow Citizens of Pasco County,

It is my pleasure to provide you with this Popular Annual Financial Report for Pasco County's 2015 fiscal year. You can learn more about the Clerk's Office and county finances in this easy-to-read guide. I also invite you to download complete financial reports at www.pascoclerk.com. The information presented in this practical guide to county finances is derived from our Comprehensive Annual Financial Report (CAFR) for the fiscal year ended September 30, 2015.

Your county government is composed of many different departments overseen by the Board of County Commissioners as well as the operations of the five constitutional officers of

Pasco County: the Clerk & Comptroller, the Property Appraiser, the Sheriff, the Supervisor of Elections, and the Tax Collector. Each of these entities has its own dedicated budget and engages in its own financial activities, but all of those components are brought together in the county's annual reports in order to accurately represent the financial position of Pasco County as a whole.

You work hard for your money, a portion of which you are required to give to Pasco County government in the form of various local taxes. Given that it is your money financing your county government, you have every right to demand that your government spend your money wisely and account for every dollar properly. We take our responsibility as guardians of the public trust very seriously. One of my duties under Florida Statue is to act as a watchdog for you, the citizens of Pasco County, with regard to your county government's finances.

Thank you for allowing me the opportunity to serve you as your Clerk of Circuit Court & County Comptroller

Sincerely,

Paula S. O'Neil

*Paula S. O'Neil, Ph.D.
Clerk & Comptroller
Pasco County, Florida*

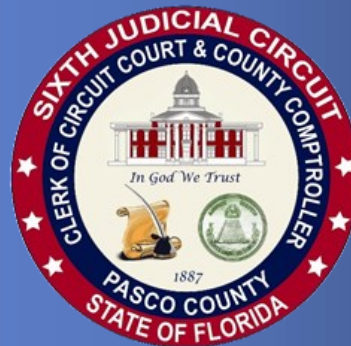


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REPORT OVERVIEW

At the end of each fiscal year (which runs from October 1st to September 30th), the Division of Financial Services in the Office of the Clerk & Comptroller spends several months preparing the Comprehensive Annual Financial Report (CAFR) in accordance with the statutes of the State of Florida and the guidelines established by the Governmental Accounting Standards Board (GASB). In 2014, for the 32nd consecutive year, Pasco County was recognized for its excellence in financial reporting by the Government Finance Officers Association of the United States and Canada (GFOA). This award showcases our commitment to you, the citizens of Pasco County.

In order to be truly comprehensive the CAFR typically totals about 200 pages. While it is unquestionably an essential part of fulfilling our responsibility to report how Pasco County's funds are being managed, it is not casual reading material. This Popular Annual Financial Report (PAFR) presents key information from the CAFR in an easily understandable format. Our hope is that this PAFR will assist you, the citizens of Pasco County in better understanding how your county government operates and manages its finances.

The PAFR provides an overview of the areas of responsibility and finances of Pasco County primary government. The primary government consists of the Board of County Commissioners, and five elected constitutional officers, Clerk & Comptroller, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector.

Readers desiring more detailed information, can access the CAFR and other financial reports on the Clerk & Comptroller's website at www.pascoclerk.com, under the finance tab.

Because this PAFR is a summary, it does not conform with generally accepted accounting principles and reporting requirements for governmental entities. The activities of the Pasco County Housing Finance Authority, a discretely-presented component unit of Pasco County, are not included in this report.



YOUR ELECTED LEADERSHIP

Pasco County Board of County Commissioners

As of September 30, 2015

Honorable Ted Schrader, Chairman, District 1

Honorable Kathryn Starkey, Vice Chairman, District 3

Honorable Mike Moore, District 2

Honorable Mike Wells, District 4

Honorable Jack Mariano, District 5

www.pascocountyfl.net

Constitutional Officers

Honorable Paula S. O'Neil , Ph.D.

Clerk of Circuit Court & County Comptroller

www.pascoclerk.com

Honorable Mike Wells, Property Appraiser

www.appraiser.pascogov.com

Honorable Chris Nocco, Sheriff

www.pascosheriff.com

Honorable Brian E. Corley, Supervisor of Elections

www.pascovotes.com

Honorable Mike Fasano, Tax Collector

www.pascotaxes.com

Each office is separate and independent of the Board of County Commissioners (the Board), which ensures that the entity that decides how to spend your tax dollars (Board) is not the same entity that pays the County's bills (Clerk & Comptroller), assesses your property's value (Property Appraiser), collects your taxes (Tax Collector), protects its citizens (Sheriff), or oversees the election process (Supervisor of Elections).

ABOUT THE CLERK

The Florida Constitution, which has governed Florida citizens for over 150 years, established a Clerk & Comptroller as an elected public trustee in 1838 and established at the county level a system of checks and balances that has served the public well. The Clerk & Comptroller is directly elected by you, Pasco County's citizens, and is responsible for safeguarding all public records and public funds. The Clerk manages four primary functions and nearly 1,000 statutory responsibilities, and the number of tasks continue to grow with changes in legislation, regulations, and reporting requirements.

Clerk of the Circuit and County Court

The Clerk processes, records, files, and guarantees the integrity of all court-related documents in Pasco County. Handles jury management, conducts mortgage foreclosure sales, audits guardianship reports and child support payments, files indictments, information and verdicts, as well as attending court hearings and trials.

County Recorder

Maintains the integrity of official records and makes records available for public access. The Clerk records and stores official records such as mortgages, marriage licenses, deeds, wills, meeting minutes, and other public records.

Clerk of the Board of County Commissioners

As Clerk, attends meetings and produces, records, indexes, and distributes the official minutes of these meetings, maintains custody of all county resolutions, ordinances, and contracts.

Comptroller (accountant, custodian, and auditor of County Funds)

As accountant, the Clerk serves as Chief Financial Officer and monitors the budget, revenues, debt, and spending. The Clerk pays the bills, maintains the financial records, and produces the financial statements and reports of the County. As Custodian or Treasurer, the Clerk manages County investments to earn interest, yet ensures maximum safeguarding of the county funds. As Auditor, pre-audits all county expenditures before payment, reviews proposed contracts before adoption, conducts internal audits to determine if financial controls are sufficient, and prepares reports suggesting improvements to management.

Additional Duties

Compiles and provides statistical data for state and judiciary agencies, maintains record storage facilities, processes passport applications, and issues home solicitation permits.

HIGHLIGHTS 2015

Serving our community to create a better future.

Improving Roads and Transportation

Established a bus service connection between Hernando and Pasco counties. Ridge Road Widening from Broad street to Moon Lake road is complete. Ridge Road has been reconstructed as a new 4-lane urban section with an 8' Multi-Use Path and a 6' Sidewalk.

Renovation of Community Center Park

The renovation of the Land O' Lakes Community Center Park was completed. This project included the construction of a new concession building, new football, softball, and practice fields, additional parking, and other site amenities.

New Community Park

SunWest Park Phase 1 was recently completed. The work included the construction of a fresh water beach, restrooms pavilion, walking/jog trails, lagoon, pavilions, picnic areas, parking, and other site amenities.

New Building

The Pasco County Utility Administration Building project was completed and opened in June, 2015. The 50,000 square foot building houses the Utility offices and the Customer Service Center for the Utility branch.

Safety Improvement

A safety improvement was completed at Lemon Road and Orchid Lake intersection resulting in the construction/reconstruction of sidewalk, milling/resurfacing of the intersection, addition of signage, and new pavement markings. The improvement benefited students walking to/from three schools located in the area: Calusa Elementary School, Marchman Technical School, and Ridgewood High School.



2015 COUNTY DEMOGRAPHICS AT-A-GLANCE

Population

487,588

Median Home Price

\$142,000

Debt Per Capita

\$771

Median Age

44.1

Personal Income Per Capita

\$33,795

Average Annual Wage

\$45,678



70,169

School Enrollment

307,437

Registered Voters

6%

Unemployment Rate

2,278

New Construction
Permits

\$1.2
Billion

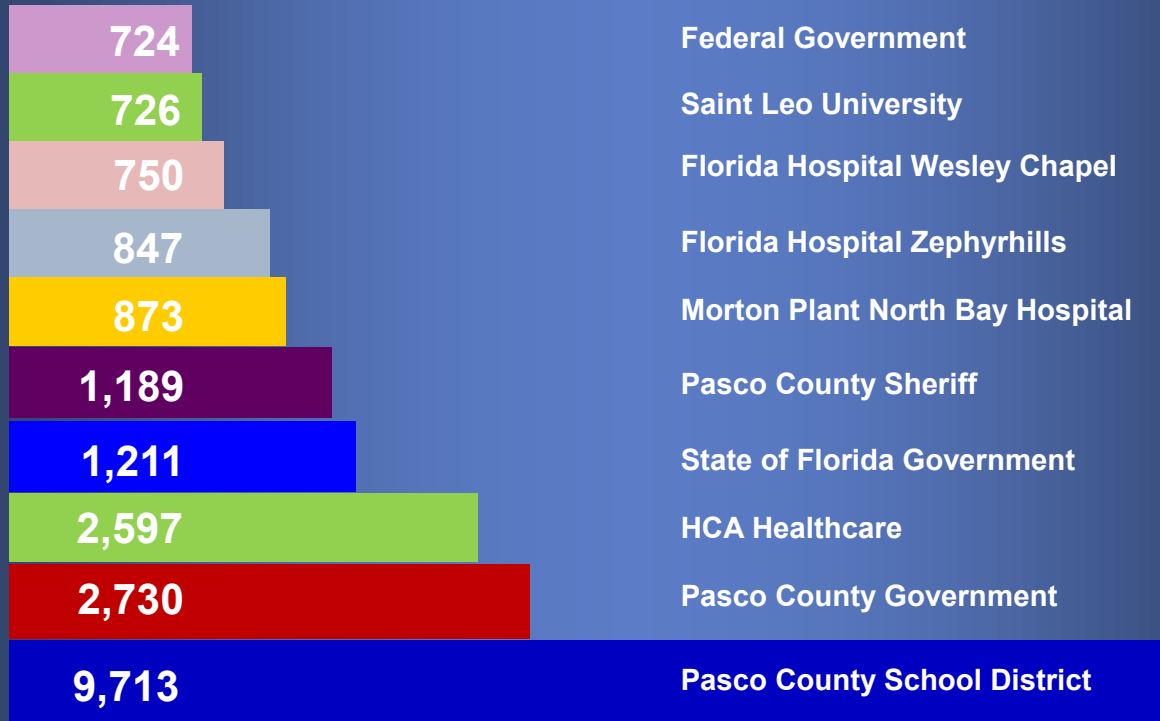
County Annual Budget

\$23.15
Billion

Total Taxable Assessed Values



TOP 10 EMPLOYERS



Noteworthy Future Employer Growth:

Florida Medical Clinic announced plans to build a new three-story medical office building in Wesley Chapel. The facility expects to employ 40-50 physicians and more than 150 medical staff. Leggett and Platt, a global manufacturer of diversified products, will be locating a new manufacturing facility in northwest Pasco and it is expected to employ over 100 new employees. Tru-Simulation, a military and commercial simulation and training company, will be adding 75 new employees to enhance its training and engineering capabilities.

TOP 10 PRINCIPAL PROPERTY TAXPAYERS

ASSESSED PROPERTY VALUE IN MILLIONS



Duke Energy	\$439.9
Withlacoochee River Electric Coop	\$230.9
HCA Health Services of Florida	\$176.7
Verizon Communications	\$118.6
Walmart Stores	\$85.9
Shady Hills Power Company	\$82.7
Florida Gas Transmission Company	\$78.1
Goodforest LLC	\$77.6
Bright House Networks	\$75.7
Tampa Electric Company	\$69.3

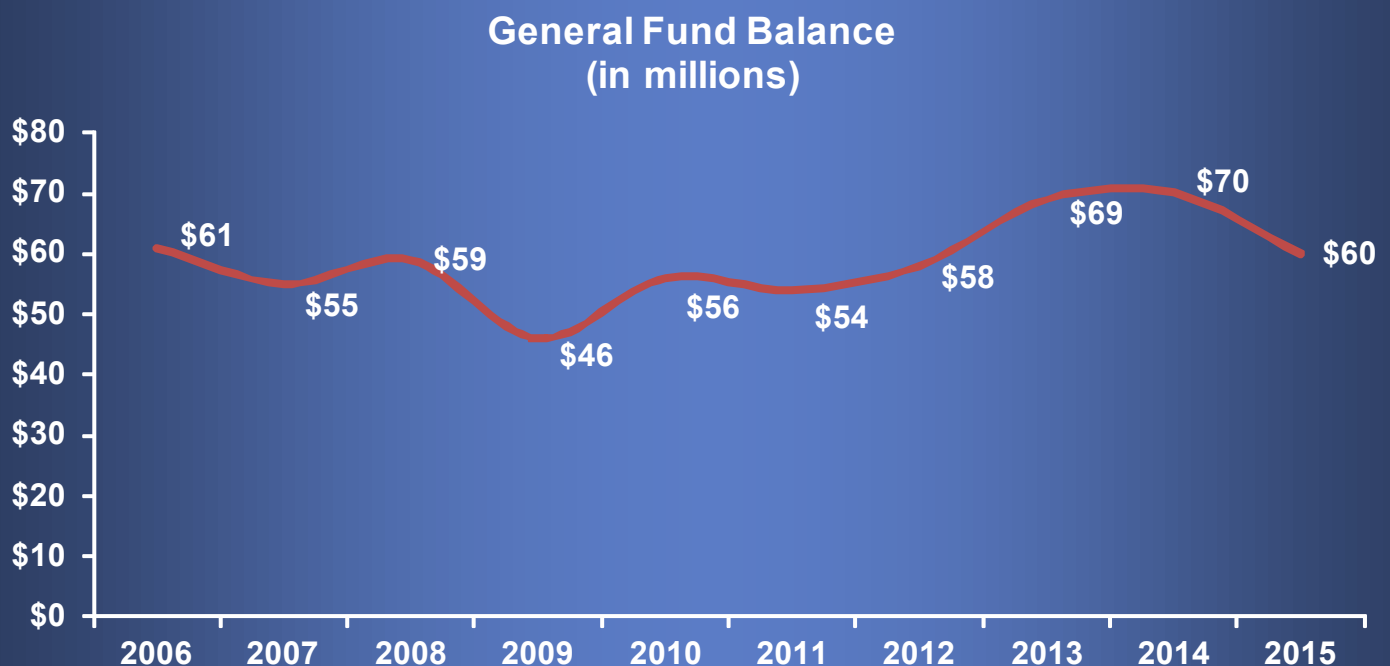
GENERAL FUND

The General Fund is the chief operating fund of the county. The General Fund ending balance at September 30, 2015 was \$60.4 million, nearly equivalent to the balance a decade ago in 2006. The Governmental Accounting Standards Board requires the fund balance for governmental funds to be reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

The fund balance classifications include:

1. Non-spendable - category for such items as inventory and pre-paids.
2. Restricted - category of funds restricted for use for specific purposes that are either externally restricted by creditors, grantors, contributors, laws or regulations, or restricted by constitutional provisions of enabling legislation.
3. Committed - category of funds that have been committed or set aside for specific purposes in accordance with the formal actions taken by the Board of County Commissioners.
4. Assigned - category of funds that are intended to be used for specific purposes that are neither restricted or committed, such as disaster recovery.
5. Unassigned - category of funds that is available for spending at the county's discretion.

The unassigned fund balance of \$48.5 million represents 80.2% of the total General Fund Balance, while non-spendable and restricted combined total 4% of the total General Fund Balance.

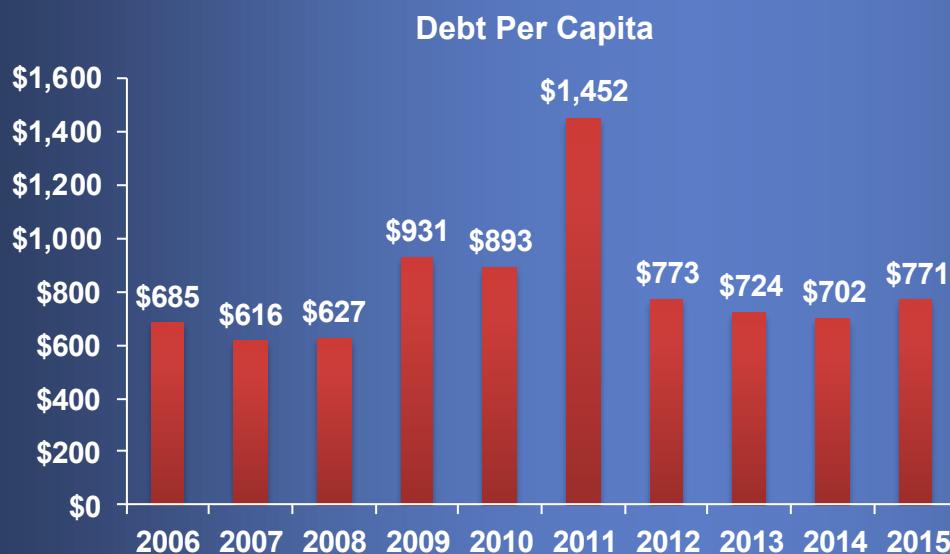


LONG-TERM DEBT

Pasco County borrows money to fund projects and purchases, much like citizens take out a home mortgage or finance a new car purchase. The majority of the County's debt is in the form of bonds. As of September 30, 2015, the county had total bonded debt outstanding of \$367 million, and notes payable outstanding of \$8.9 million for a total debt of \$375.9 million.

The total debt outstanding increased by \$39.4 million from 2014, however total debt is down approximately \$299 million from a decade high debt in 2011 of \$675 million.

The County continues to take advantage of the low interest environment for long-term debt refunding to refinance at a lower interest rate and reduce overall debt service. During the year, the County issued Water and Sewer Refunding Revenue Bonds, Series 2014A, and the Solid Waste Disposal and Resources Recovery System Refunding Bonds, Series 2015. These revenue bonds were issued to retire original bond series 2006 and 2008D, this is expected to produce a cash flow savings of just over \$12 million and \$6 million respectively, over the life of the bonds.



The county's debt per capita increased by 9.8% from previous year.

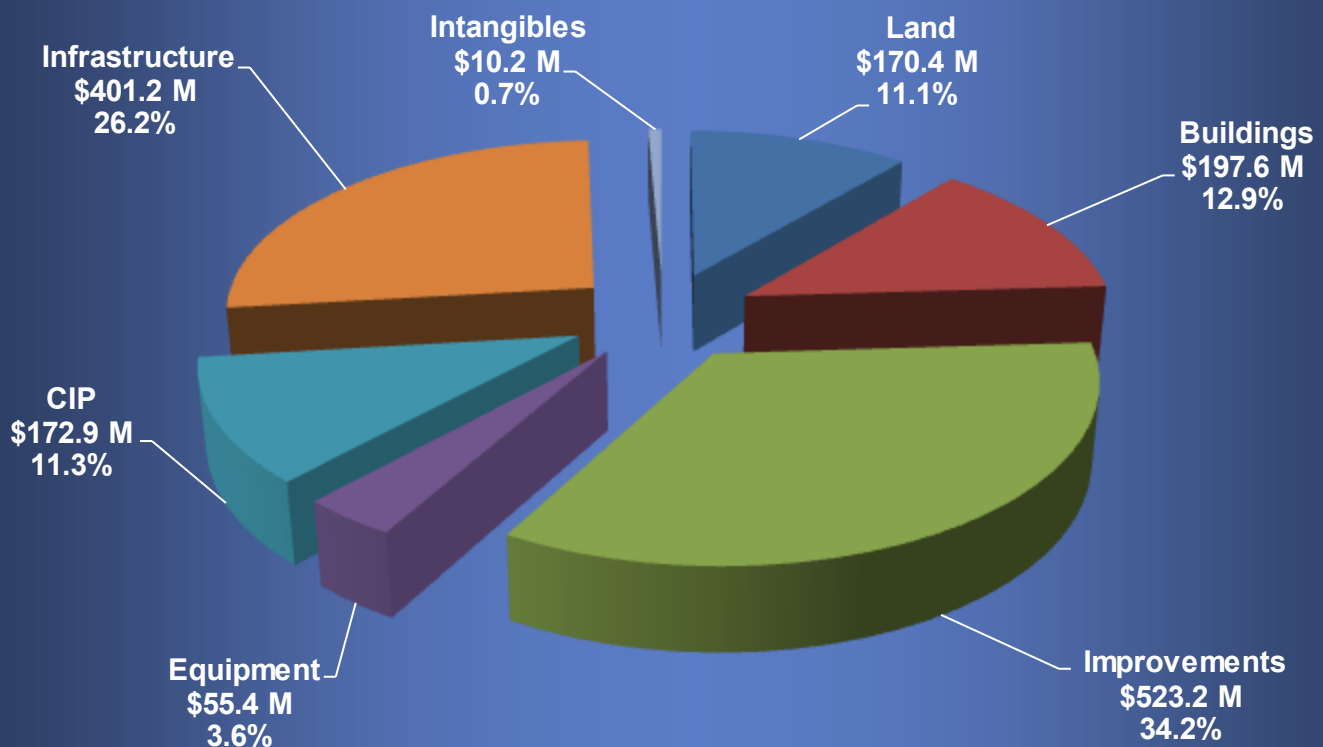
The debt per capita includes all types of debt held, including bonds backed by property taxes, and sales and gas taxes.

Outstanding Debt by type (in thousands)

	2015	2014	Increase (Decrease)
Governmental Activities:			
Revenue and refunding revenue bonds	\$57,070	\$59,080	(\$2,010)
Notes payable	<u>8,879</u>	<u>9,435</u>	<u>(556)</u>
Total governmental activities debt	\$65,949	\$68,515	(\$2,566)
Business-type activities:			
Water and Sewer Unit bonds	\$259,764	\$211,474	48,290
Solid Waste Disposal and Resource Recovery System bonds	<u>\$50,152</u>	<u>\$56,438</u>	<u>(6,286)</u>
Total business-type activities debt	\$309,916	\$267,912	42,004
Total primary government debt	\$375,865	\$336,427	\$39,438

CAPITAL ASSETS

As of September 30, 2015, the county's capital assets for both governmental and business-type activities amount to \$1.5 billion (net of depreciation). The capital assets include land, equipment, intangibles, improvements, buildings, infrastructure, and construction-in-progress (CIP). This is an increase of \$46 million from the previous year, primarily related to construction in progress projects currently ongoing throughout the county.



	2015	2014	Increase (Decrease)	Percentage Change
Land	\$170,433,489	\$162,648,378	\$7,785,111	4.8%
Buildings	197,564,490	212,029,715	(14,465,225)	(6.8%)
Improvements	523,232,397	496,145,837	27,086,560	5.5%
Equipment	55,404,913	49,741,962	5,662,951	11.4%
CIP	172,944,207	142,633,895	30,310,312	21.3%
Infrastructure	401,206,467	412,452,940	(11,246,473)	(2.7%)
Intangibles	<u>10,161,051</u>	<u>9,325,895</u>	<u>835,156</u>	9.0%
TOTAL	\$1,530,947,014	\$1,484,978,622	\$45,968,392	3.1%

FINANCIAL STATEMENTS

STATEMENT OF NET POSITION PRIMARY GOVERNMENT

The Statement of Net Position presents information on all of the County's assets, deferred outflows of resources, liabilities, and deferred inflows of resources.

The difference between the assets plus the deferred outflows of resources and the liabilities plus the deferred inflows of resources is the net position. Over time, increases or decreases in net position may serve as a useful indicator of whether or not the financial position of the county is improving.

At the end of 2015, the County's net position had decreased \$70.6 million from the previous year. This decrease in net position can be primarily attributed to the implementation of a new governmental accounting statement, GASB Statement No. 68, which required the County to record a liability for its share of the Florida Retirement System's net pension liability for the first time beginning on October 1, 2014. The County participates in the State administered pension plan and contributes 100 percent of the statutorily

required contributions each year.

Net position is the difference between assets and liabilities and is comprised of three categories:

Net investment in capital assets:

The difference between the amount paid for capital assets, such as buildings, and any debt used to acquire those assets, such as loans or mortgages.

Restricted:

Funds that are not available for use by the County because they must be used for a specific purpose or project as required by law or regulation.

Unrestricted:

The remaining balance available for use that is not in capital assets or restricted.

	2015	2014	INCREASE (DECREASE)	PERCENT CHANGE
Assets (in thousands)				
Current and Other Assets	\$797,760	\$715,609	\$82,151	11.5%
Capital & Other Non Current Assets	<u>1,747,620</u>	<u>1,698,709</u>	<u>48,911</u>	2.9%
TOTAL ASSETS (What we Own)	\$2,545,380	\$2,414,318	\$131,062	5.4%
Deferred Outflows of Resources	\$38,954	\$926	\$38,027	
Liabilities (in thousands)				
Current Liabilities	\$93,826	\$90,163	\$3,664	4.1%
Non-Current Liabilities	<u>657,287</u>	<u>462,733</u>	<u>194,553</u>	42.0%
TOTAL LIABILITIES (What we Owe)	\$751,113	552,896	\$198,217	35.9%
Deferred Inflows of Resources	\$41,518	\$0.00	\$41,518	
Net Position: (in thousands)				
Net investment in capital assets	\$1,247,131	\$1,193,656	\$53,475	4.5%
Restricted	477,137	459,129	18,007	3.9%
Unrestricted	<u>67,434</u>	<u>209,563</u>	<u>(142,129)</u>	(67.8%)
TOTAL NET POSITION	\$1,791,702	\$1,862,348	(\$70,647)	(3.8%)

FINANCIAL STATEMENTS

STATEMENT OF ACTIVITIES PRIMARY GOVERNMENT

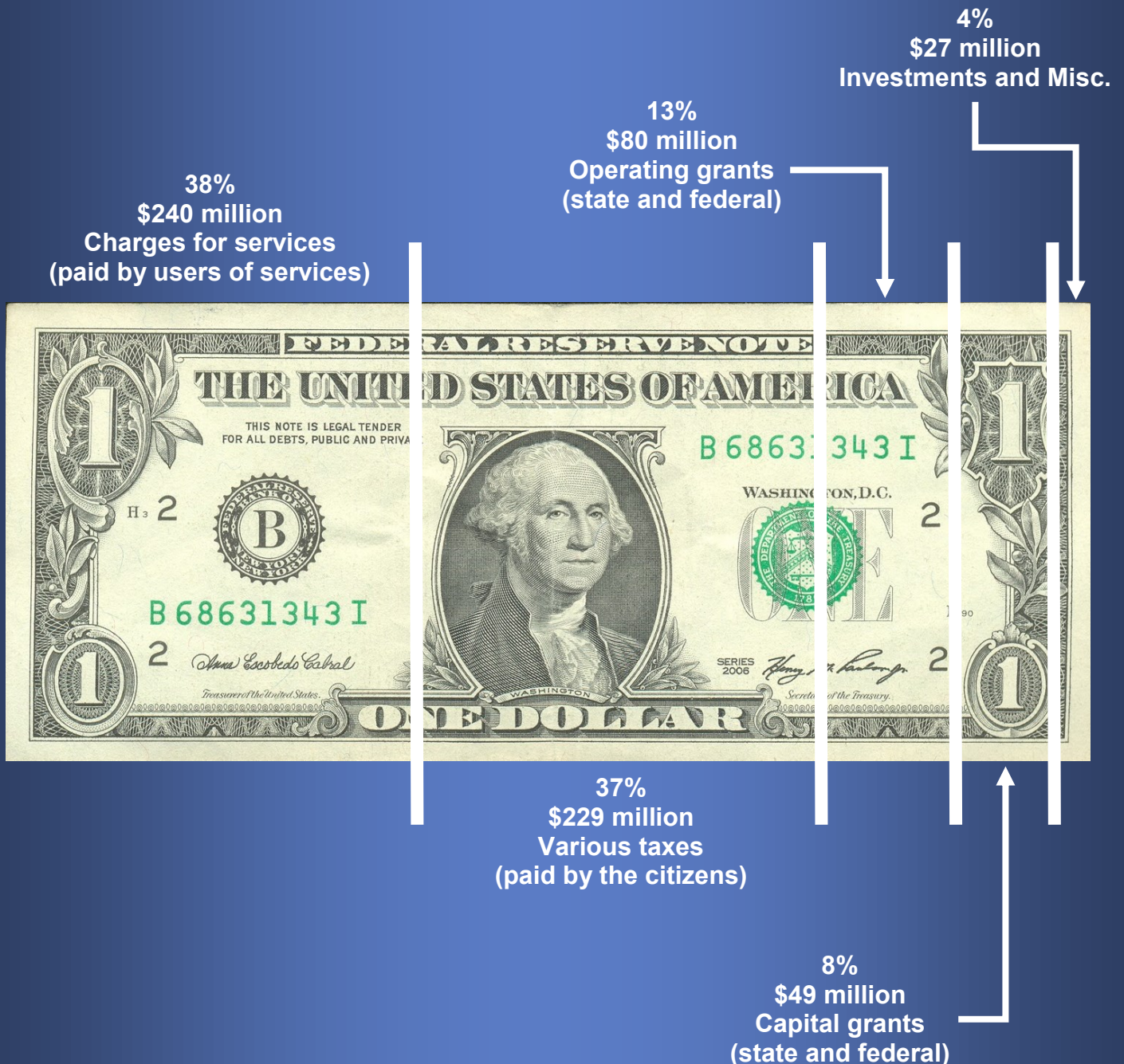
The Statement of Activities presents information showing how the County's net position changed during the fiscal year. This statement shows both the level of resources available to the County for providing services in addition to the costs for providing those services during the current fiscal year ending September 30, 2015.

			INCREASE	PERCENT
REVENUES (in thousands)	2015	2014	(DECREASE)	CHANGE
Program revenues:				
Charges for services	\$240,062	\$239,790	\$272	0.1%
Operating grants and contributions	42,350	48,020	(5,670)	(11.8%)
Capital grants and contributions	49,064	61,584	(12,520)	(20.2%)
General revenues:				
Property taxes	174,916	167,809	7,107	4.2%
State-shared revenue	36,632	36,651	(19)	(0.1%)
Grants/contributions	983	1,765	(782)	(44.3%)
Other taxes	54,518	36,784	17,734	48.2%
Investment earnings	6,050	3,217	2,833	88.1%
Miscellaneous	<u>21,056</u>	<u>22,237</u>	<u>(1,181)</u>	(5.3%)
Total revenues	\$625,631	\$617,857	\$7,774	1.3%
EXPENSES (in thousands)				
General government	\$87,185	\$86,693	\$492	0.6%
Public safety	159,264	168,136	(\$8,872)	(5.3%)
Physical environment	563	859	(296)	(34.5%)
Transportation	63,987	83,651	(19,664)	(23.5%)
Economic environment	10,314	13,843	(3,529)	(25.5%)
Human services	14,865	15,792	(927)	(5.9%)
Culture and recreation	15,115	19,910	(4,795)	(24.1%)
Court related	19,777	21,123	(1,346)	(6.4%)
Interest/LT Debt	2,930	4,974	(2,044)	(41.1%)
Water/Sewer	110,296	106,507	3,789	3.6%
Solid Waste Disposal/Resource Recovery	<u>32,683</u>	<u>33,387</u>	<u>(704)</u>	(2.1%)
Total expenses	\$519,979	\$554,875	(\$37,896)	(6.8%)
Increase in net position	108,652	62,982	45,670	72.5%
Net Position-Beginning (restated)	<u>1,683,050</u>	<u>1,799,367</u>	<u>(116,317)</u>	(6.5%)
Net Position-Ending	\$1,791,702	\$1,862,349	(\$70,647)	(3.8%)

REVENUES

Where The Money Comes From

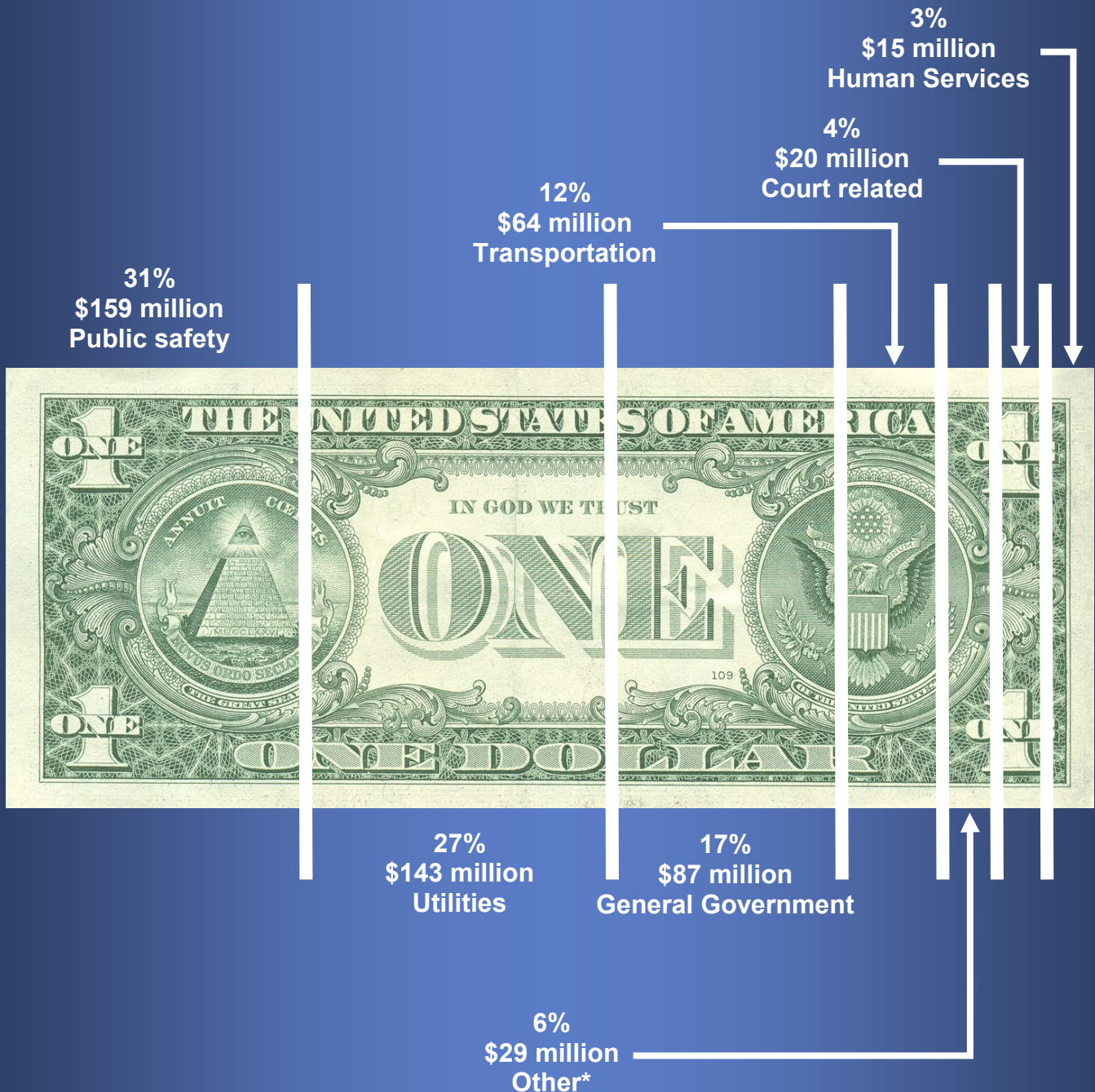
The county's total primary government revenues have increased by \$7.7 million or 1.3% over last year. The total revenue increase is primarily related to an increase in property taxes. Program revenues are specific to the functions of the primary government, such as fees and charges for services, grants, and contributions.



DISBURSEMENTS

Where the Money is Spent

The expenses of the primary government were \$517 million, a decrease of \$37.9 million or 6.8% from last year. The public safety operations comprises the largest expense category at \$159 million or 31%. Public safety activities include law enforcement, correction/detention, and emergency management.



* Includes culture and recreation, economic environment, interest and long-term debt, and physical environment.

PROPERTY TAX COLLECTIONS & LEVIES

Property taxes are levied, or placed, on both real and personal property. For fiscal year 2015, property taxes constitute 33.4% of the total county’s governmental funds revenue sources. Taxable values for all property are established as of January 1, which is the date of lien, for the fiscal year starting October 1. Property tax revenues recognized for the 2014-2015 fiscal year were levied in October 2014.

All taxes are due and payable on November 1 or as soon as the assessments roll is certified and delivered to the Tax Collector. Discounts are given for early payment at the rate of 4 percent in November, 3 percent in December, 2 percent in January, and 1 percent in February. Taxes paid in March do not receive a discount. Taxes become delinquent on April 1st of each year and tax certificates for the full amount of any unpaid taxes and assessments must be sold not later than June 1st of each year.



PUBLIC SAFETY AND EMERGENCY SERVICES

Public safety is the first responsibility of local government. To meet that responsibility, the Board of County Commissioners funds the Emergency Management Department, the Fire Rescue Department, and the Sheriff's Office. While Emergency Management and Fire Rescue are "board departments", and the Sheriff is an independent constitutional officer of the county, all three work together to provide our citizens and visitors with seamless prevention, protection, and disaster response.



Fire Rescue:

Number of fire stations	23
Number of certified firefighters	442
Calls for service FY 2014 – 2015	61,704

Sheriff's Office:

Number of sheriff stations	3
Number of sworn deputies	1,189
Calls for service FY 2014 – 2015	254,393

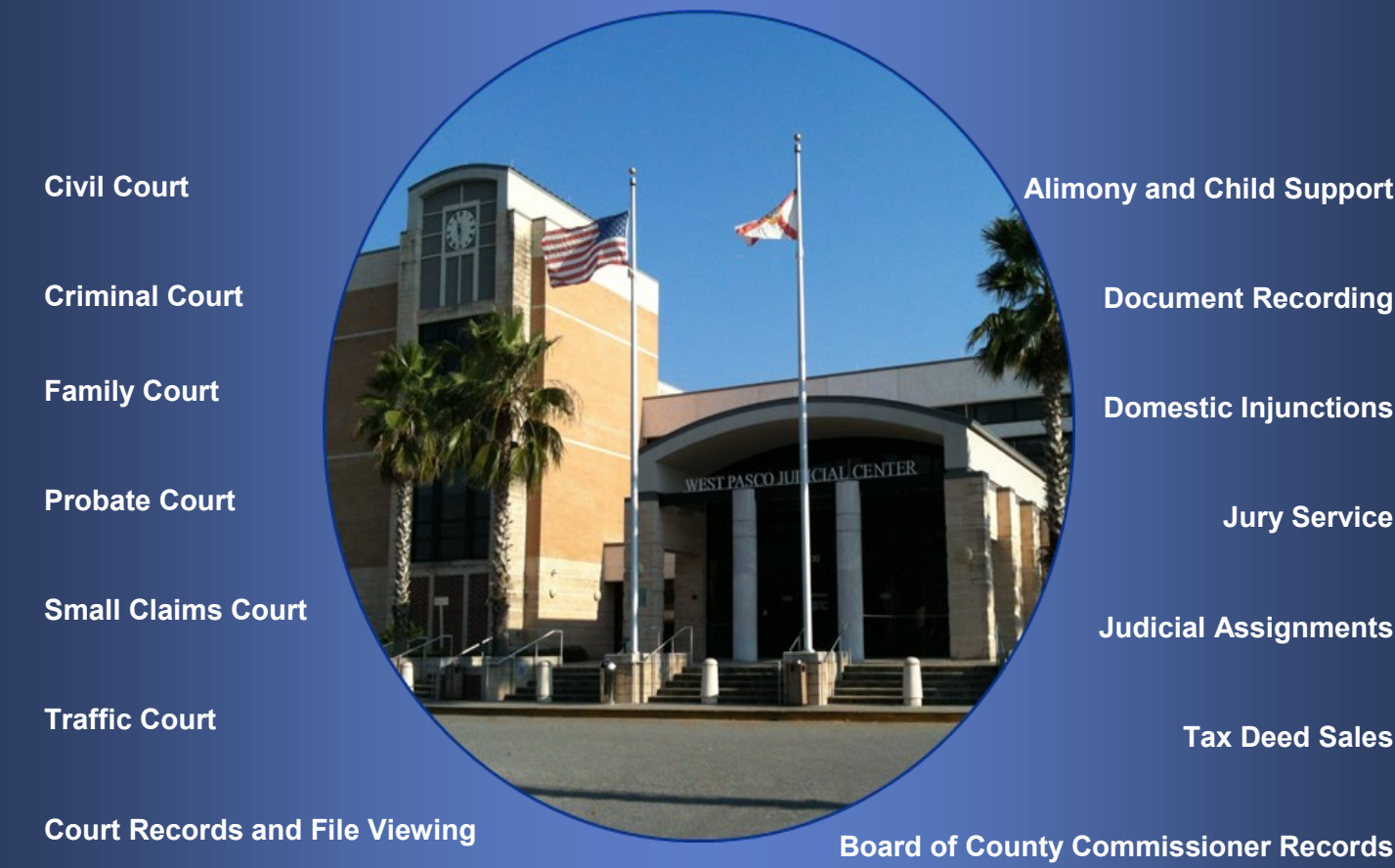
JUSTICE SYSTEM AND JURY SERVICE

When we think about what makes living in the United States different from so many other places in the world, our voting rights and legal system are two of the first things that come to mind. More than anything else, our forefathers fought to create a country in which everyone had a voice in government and access to impartial justice.

The Supervisor of Elections is responsible for qualifying candidates for public office, registering voters, and, most importantly, supervising each election to ensure that every eligible vote is counted and no fraud is permitted.

The Judiciary, State Attorney, and Public Defender are elected by the citizens of the County. Each represent the Sixth Judicial Circuit which is comprised of Pasco an Pinellas County.

The Clerk of Circuit Court (and County Comptroller) oversees the men and women who handle many of the detailed tasks that help to keep our courts functioning smoothly. The Clerk & Comptroller also maintains a wide variety of public records for the citizens of Pasco County and manages the county's finances.



OTHER COUNTY SERVICES FOR OUR CITIZENS

There's much more to Pasco County Government than the departments and offices mentioned so far, of course. For example, our Health Department (co-funded by the state), Libraries, Parks & Recreation, Public Transportation, and so many others all contribute to the quality of life for the citizens of Pasco County, and the citizens themselves contribute as well. The community spirit is strong in Pasco and over 900 volunteers assist the various county departments and offices. We're proud to work alongside them and proud to serve Pasco County. After all, we don't just work here, we live here, too!



Government Contacts

Clerk & Comptroller

www.pascoclerk.com

(727) 847-8190 New Port Richey

(352) 518-4008 Dade City

(727) 847-8900 New Port Richey - Jury Duty

(352) 521-4200 Dade City - Jury Duty

(727) 815-7027 New Port Richey - Court Dates

(352) 521-4236 Dade City - Court Dates

Pasco County

www.pascocountyfl.net

(727) 847-2411 New Port Richey

(352) 523-2411 Dade City

(813) 996-2411 Land O'Lakes

(800) 368-2411 Long Distance

(727) 847-8949 TTY

Property Appraiser

www.appraiser.pascogov.com

(727) 847-8151 New Port Richey

(352) 521-4433 Dade City

(813) 929-2780 Land O'Lakes

Sheriff

www.pascosheriff.com

For Any Emergency, please call 911

Non-emergency (727) 847-8102

Administration Office (727) 847-5878

Crime Tips Line (800) 706-2488

East Pasco Road Patrol (800) 854-2862 x5060

N.W. Pasco Road Patrol (800) 854-2862 x7725

S.W. Pasco Road Patrol (727) 376-3809

Detention Services (800) 854-2862

Supervisor of Elections

www.pascovotes.com

(727) 847-8162 New Port Richey

(352) 521-4302 Dade City

(813) 929-2788 Land O'Lakes

Tax Collector

www.pascotaxes.com

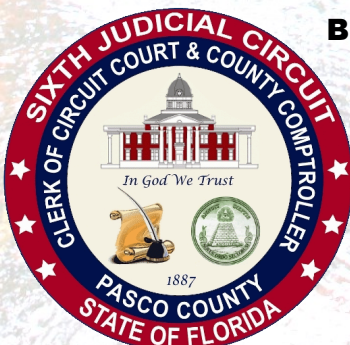
(727) 847-8165 New Port Richey

(352) 521-4360 Dade City

(727) 847-8165 Gulf Harbors

(813) 235-6020 Land O'Lakes

(813) 235-6020 Wesley Chapel



Brought to you by the Office of Paula S. O'Neil

Pasco County Clerk & Comptroller

Financial Services Department

14236 Sixth Street, Suite 201

Dade City, Florida 33523

General Information: (352) 521-4566

www.pascoclerk.com

