

{Hernando County DOGE Committee: A Roadmap for Efficiency}

{Estimated Presentation Goal: 12:00 Minutes}

{FOUNDATIONAL PRINCIPLE: Defining the Mandate}

{DELIBERATE PACE}

{Salutation:}

- **Good morning. Chairman Hawkins, members of the BOCC, and citizens of Hernando County. I'm Paul Passarelli, and I'm here to represent your "Delegation on Government Efficiency" (the DOGE).**
- **I want to thank Commissioner Amsler and Administrator Rogers for their direct support and participation, and all of the County officials that have shared their time & expertise to bring the DOGE up to speed in such a short, perhaps record time.**
- **I also need to acknowledge my fellow members for their commitment and**

dedication. I don't know if any of them expected to be working double-time when they signed up; I think that speaks volumes about their enthusiasm for the cause.

{Core Mandate:}

- . In light of your decision to grant us unlimited scope, we have elected to organize ourselves into teams to avoid duplication of effort, and to facilitate collaboration while maintaining compliance with the Sunshine Laws.**
- . Everything presented today represents a snapshot in time. Our conclusions are partial, but we believe them to be reliable.**

{short pause}

- . So far, our focus is on 'fiscal modernization' and 'value enforcement'.**

- . Our method is to implement data-driven analysis and propose reforms which challenge ‘decentralized and/or procedural’ spending, suggest re-evaluation of capital planning, and to restore (or impose) institutional accountability. This should ensure the County buys genuine value, instead of paying unearned vendor premiums that costs taxpayers millions.**

The reality of Government Services:

- . Our work is not about dismantling core services. It is important we acknowledge the 24/7 on-call mandate of certain aspects of Public Works and Utilities Department, and other agency operations; we are targeting**

subtle inefficiencies, not core operational capabilities.

- . It is self evident that most of what these departments do is 'expensive'. We must be careful to distinguish 'high-cost' from 'excessive-cost'. The difficulty in making that determination becomes manifest once we go beyond the minimum requirements of government procurement.**

The Cost of Blind Growth:

- . We must challenge the assumption that "growth for growth's sake is a good thing."**
- . It is anathema that uncritical growth strains public assets, leading to more traffic, strained water resources, and rising costs for current citizens.**
- . Our focus is ensuring every taxpayer**

dollar 'spent' or 'encumbered' makes Hernando County a better place for the residents who live here right now.

{IMPACT & EMPHASIS}

A CORE PROBLEM: Procurement Waste & The Price of Durability

Data Validation aka "The Procurement Crisis":

Team 1 validated this financial chaos with data on decentralized spending.

- . A \$3.4 Million "Problem": In just six months, we found \$3.4 million in P-Card spending across 9,817 fragmented transactions by 230 users.**
- . "Amazon" and "Hardware waste":**
 - Amazon is the top vendor (nearly 2,000 transactions).**

- **We also spent over \$339,000 at hardware stores like Lowe's and Home Depot.**
- **This fragmented buying means we are missing critical volume discounts that organizations like OMNIA Partners could provide immediately.**

{pause}

Successful Adaptations — Getting it right before DOGE:

- **We must acknowledge areas where efficiency is already being prioritized.**
- **Team 2 reports that our airport is self-sustaining, supporting 2,200 jobs and 120 businesses, and is actively applying for an \$18 million grant. This proves that when we focus on value and accountability, we**

succeed.

- . Through phone calls, meetings and followups, there is evidence that the Building Department is actively engaged in beneficial efforts to improve the permit and inspection processes. This sets a critical precedent that internal reform is achievable within the County.**

A Procedural and/or Cost Crisis We Must Fix:

- . This progress stands in sharp contrast to the lack of cost incentive found in other departments that rely on ‘usual and customary’ pricing tables. This mindset, combined with procurement flaws, creates our largest fiscal vulnerability.**

Paying Unearned Premiums (Warranty

Gap):

- . This type of waste is rooted in how we purchase. Everyone who has ever made a major purchase has wrestled with the decision to buy and extended warranty or forgo the ‘added protection. When the County commits to purchase a capital asset, like an underground pipe or highway barrier with an expected lifetime of 20 or more years, we might only receive a one-year warranty from the contractor. Yet we (and every government) are paying a hefty, unearned premium for durability that should be inherent to the materials and design.**
- . While a one-year warranty does protect the County against ‘infant**

failure’ or shoddy workmanship, it does nothing to compensate for ‘slightly substandard’ materials that fail substantially short of their extended lifetimes. Since the liability inevitably falls back to the taxpayers; we need to question why we are being charged a premium for ‘Government Reliability’, or more bluntly, are we just being fleeced into paying for these false claims of durability.

SYSTEMIC FLAWS: Lost Accountability and Lost Revenue

{RHETORICAL PAUSE}

- . The Genesis Gap: We found a systemic failure of governance. Everyone knows the wheels of government turn slowly. There are CIP projects, approved by prior Boards, that take so long to**

execute that no one can remember the 'Genesis of the desire.' If the County can manage to go 5 years, 10 years or longer without a project or program, it can clearly do without! No more kicking the can down the road.

- . When A CIP projects is lobbied for and passed, it must never be perceived as having been handed a “Golden Ticket” redeemable at some unknown date in the future. This a disservice to present taxpayers as well as future taxpayers. Some projects from prior boards have aged about as well as fresh milk.**
- . This lack of process discipline bloats costs. And just tracking these projects for a decade or more imposes overhead, causing them to silently**

drain budgets year after year.

Lost Revenue:

- . We've identified another immediate, fixable revenue problem:**
- . The City of Brooksville has not been collecting Impact Fees due to the County for Library and Law Enforcement services. We are leaving money on the table that should be funding our services.**

THE PATH TO MODERNIZATION: Our Strategy

{{OPTIMISTIC TONE}}

Strategy: Efficiency, not annihilation:

- . I didn't come here today pretending to wield a 'blunt instrument'; It's too easy to suggest that arbitrarily cutting ~20% across the board would save**

taxpayers money. Our goal is to achieve savings through ‘strategic modernization’.

- . Workforce Reform: We advocate for achieving budget reductions through ‘responsible attrition, retirements, and reduced hiring’.**

The AI Productivity Revolution:

- . Our long-term savings will come from having more departments aggressively pursuing the ‘Artificial Intelligence Productivity Gains’. By integrating AI tools, we can accomplish the same necessary workload with a smaller, more effective government workforce, driving inevitable efficiency gains for the taxpayer.**

THE MANDATES FOR CHANGE

{{(CLEAR COMMANDS)}}

We ask the Board to adopt three immediate, unanimously recommended, policy mandates:

While we cannot say at this time exactly how much money these recommendations will save the County, the actual costs to execute them is should be exceedingly small or nonexistent.

- 1. MANDATE: Revenue Recovery and Centralization:
Immediately recover the uncollected Impact Fees and enforce the immediate centralization of procurement, requiring departments to consolidate vendors and leverage group purchasing discounts.**

2. **MANDATE: Project Sunset Policy:**
All Capital Improvement Projects (CIP) should have an expiration date or a sunset clause. Any CIP approved but not in procurement within three years must automatically return to this Board for a mandatory vote of re-justification. End the Genesis Gap.
3. **MANDATE: Warranty/Value Reform:**
Impose a policy demanding a minimum five-year warranty on all capital assets with an expected service life over five years, simultaneously requiring vendors to price their products based on inherent, guaranteed quality, not on an unearned government premium.

4.

{Closing:}

On behalf of my fellow committee

members, we look forward to working with the Board and County staff to implement these reforms and build a government that provides accountable value to the citizens of Hernando County. Thank you.