

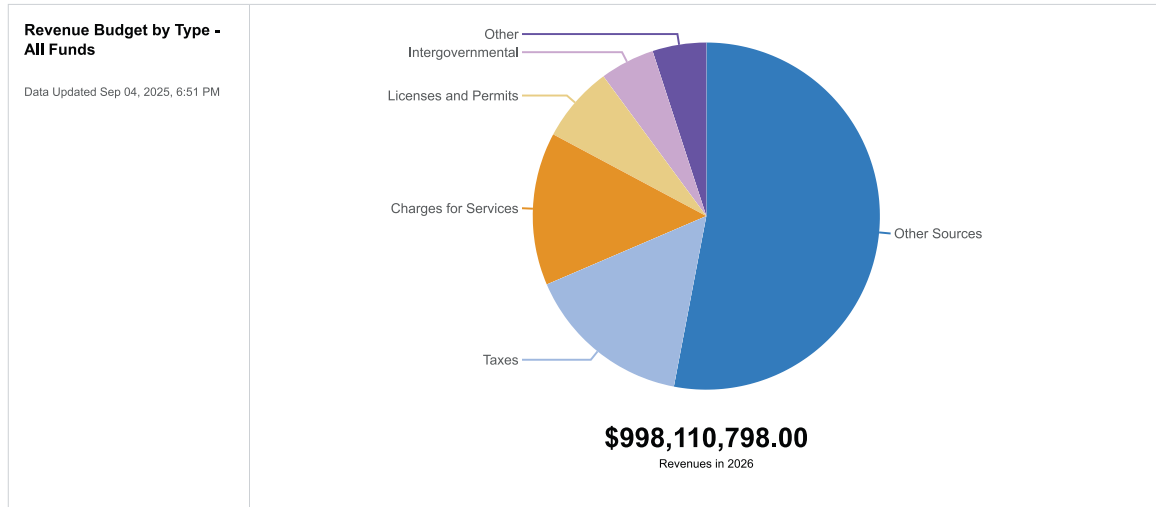
Hernando County, FL

Board of County Commissioners

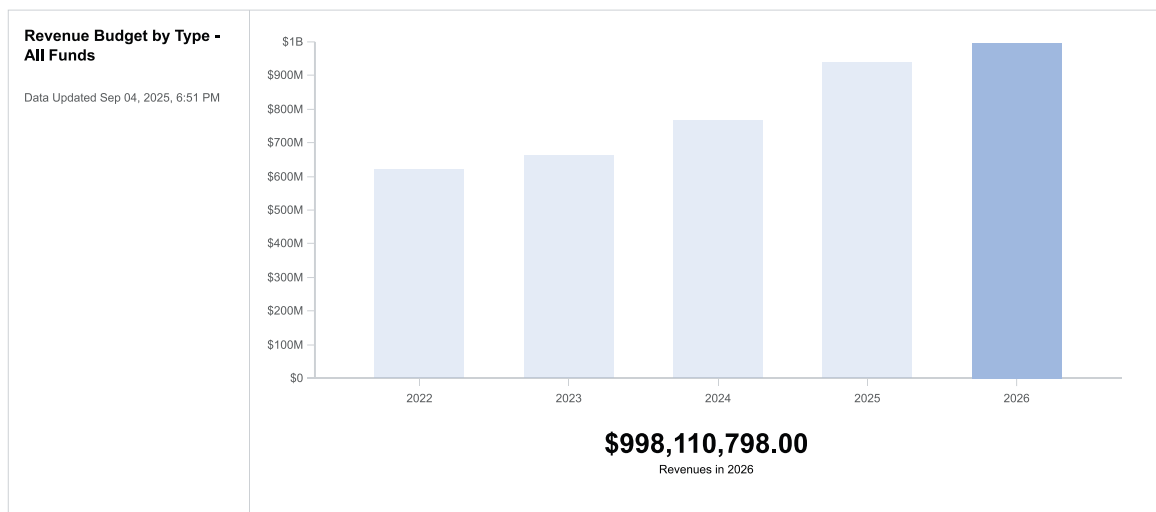
Fiscal Year 2025-2026 Annual Budget

Revenues

Hernando County receives a wide range of revenue to fund its operations and capital projects. The inflow of financial resources include taxes, fees, special assessments, intergovernmental revenues, charges for services, and other miscellaneous revenues. At any given time, for reporting purposes the revenues are often bundled into the following categories:



Revenue estimates for budget purposes are based on historical trends, current economic conditions, future financial forecasts, legislative actions, departmental operations, grants, and other sources. The Florida Department of Revenue provides estimates for gas tax revenue, local half cent sales tax revenue, communications services tax revenue, and state revenue sharing. Ad valorem tax is estimated based on taxable property values provided by the Property Appraiser by July 1 of each year.



Revenue Summary FY 2022-2026

	2021 - 22 Adopted Budget	2022 - 23 Adopted Budget	2023 - 24 Adopted Budget	2024 - 25 Adopted Budget	2025 - 26 Budget
Other Sources	\$311,033,950	\$320,375,481	\$375,215,296	\$474,427,757	\$528,968,459
Taxes	\$106,806,102	\$120,174,683	\$134,400,186	\$144,199,862	\$155,280,853
Charges for Services	\$93,015,543	\$100,163,761	\$113,826,412	\$128,853,393	\$142,213,038

	2021 - 22 Adopted Budget	2022 - 23 Adopted Budget	2023 - 24 Adopted Budget	2024 - 25 Adopted Budget	2025 - 26 Budget
Licenses and Permits	\$50,276,840	\$53,555,993	\$59,952,165	\$66,701,272	\$70,777,816
Intergovernmental	\$32,655,007	\$39,428,673	\$47,849,412	\$58,867,929	\$50,856,940
Transfers	\$22,553,355	\$21,917,271	\$28,790,030	\$58,981,081	\$36,417,065
Miscellaneous	\$6,401,905	\$5,885,381	\$6,927,324	\$7,688,496	\$12,976,758
Fines and Forfeitures	\$363,674	\$402,324	\$412,329	\$625,569	\$619,869
TOTAL	\$623,106,376	\$661,903,567	\$767,373,154	\$940,345,359	\$998,110,798



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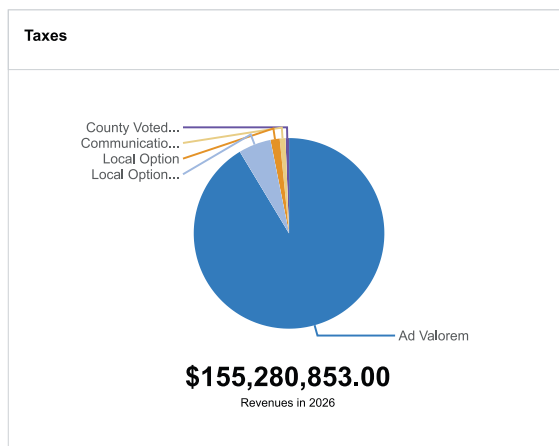


Hernando County, FL

Board of County Commissioners

Fiscal Year 2025-2026 Annual Budget

Tax Revenue Overview



Taxes	
Category	2026
Ad Valorem	\$141,873,873.00
Local Option Fuel Tax	\$8,528,570.00
Local Option	\$2,427,731.00
Communications Services ...	\$1,520,000.00
County Voted Fuel Tax	\$930,679.00

Taxes by Department

	2021 - 22 Adopted Budget	2022 - 23 Adopted Budget	2023 - 24 Adopted Budget	2024 - 25 Adopted Budget	2025 - 26 Budget
Board of County Commissioners					
Executive					
General Fund	\$77,474,669	\$86,350,667	\$96,064,136	\$102,131,347	\$108,569,070
EXECUTIVE TOTAL	\$77,474,669	\$86,350,667	\$96,064,136	\$102,131,347	\$108,569,070
BOARD OF COUNTY COMMISSIONERS TOTAL	\$77,474,669	\$86,350,667	\$96,064,136	\$102,131,347	\$108,569,070
Department of Public Works					
Transportation Trust					
Transportation Trust Fund	\$8,266,298	\$9,822,243	\$11,419,093	\$12,621,462	\$14,049,214
TRANSPORTATION TRUST TOTAL	\$8,266,298	\$9,822,243	\$11,419,093	\$12,621,462	\$14,049,214
Gas Taxes					
LOGT 1-6 Fuel-Genl Transp	\$4,420,863	\$4,636,457	\$4,845,589	\$5,100,620	\$5,211,375
Addl LOGT 1-5 Gas-Res Rds	\$3,043,088	\$3,140,050	\$3,151,330	\$3,317,200	\$3,317,195
Ninth-Ct Fuel Tax-Res Rds	\$831,116	\$870,708	\$910,613	\$910,620	\$930,679
GAS TAXES TOTAL	\$8,295,067	\$8,647,215	\$8,907,532	\$9,328,440	\$9,459,249
Stormwater Management					
Stormwater Mgmt MSTU	\$1,163,678	\$1,382,714	\$1,607,508	\$1,776,770	\$1,977,759
STORMWATER MANAGEMENT TOTAL	\$1,163,678	\$1,382,714	\$1,607,508	\$1,776,770	\$1,977,759
DEPARTMENT OF PUBLIC WORKS TOTAL	\$17,725,043	\$19,852,172	\$21,934,133	\$23,726,672	\$25,486,222
Public Safety					

	2021 - 22 Adopted Budget	2022 - 23 Adopted Budget	2023 - 24 Adopted Budget	2024 - 25 Adopted Budget	2025 - 26 Budget
Fire and Emergency Services					
HC Fire Rescue - Rescue	\$9,298,159	\$11,052,142	\$12,846,628	\$14,200,440	\$15,806,242
FIRE AND EMERGENCY SERVICES TOTAL	\$9,298,159	\$11,052,142	\$12,846,628	\$14,200,440	\$15,806,242
PUBLIC SAFETY TOTAL	\$9,298,159	\$11,052,142	\$12,846,628	\$14,200,440	\$15,806,242
Economic Development					
Tourism Development					
Tourist Development Tax	\$945,884	\$1,265,524	\$1,600,000	\$1,800,000	\$1,942,731
Destination Develop	\$236,471	\$316,381	\$400,000	\$440,000	\$485,000
TOURISM DEVELOPMENT TOTAL	\$1,182,355	\$1,581,905	\$2,000,000	\$2,240,000	\$2,427,731
ECONOMIC DEVELOPMENT TOTAL	\$1,182,355	\$1,581,905	\$2,000,000	\$2,240,000	\$2,427,731
Housing & Support Services					
Health					
Health Unit Trust Fund	\$1,125,876	\$1,337,797	\$1,555,289	\$1,719,053	\$1,913,513
HEALTH TOTAL	\$1,125,876	\$1,337,797	\$1,555,289	\$1,719,053	\$1,913,513
HOUSING & SUPPORT SERVICES TOTAL	\$1,125,876	\$1,337,797	\$1,555,289	\$1,719,053	\$1,913,513
Grants	\$0	\$0	\$0	\$182,350	\$1,078,075
TOTAL	\$106,806,102	\$120,174,683	\$134,400,186	\$144,199,862	\$155,280,853

Hernando County, Florida

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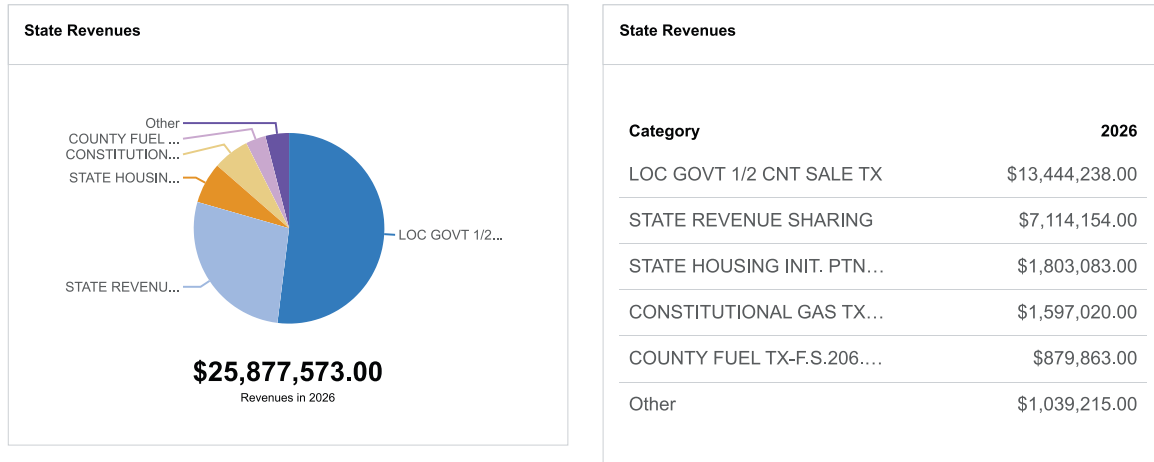
Hernando County, FL

Board of County Commissioners

Fiscal Year 2025-2026 Annual Budget

State Revenues

Major revenue types in this category are: local government half-cent sales tax, state revenue sharing, as well as the constitutional and county fuel tax. In addition, Hernando County receives smaller amounts of money for insurance agent county licenses, mobile home license tax, alcoholic beverage license tax, and other minor revenue inflows.



State Revenues by Department

	2021 - 22 Adopted Budget	2022 - 23 Adopted Budget	2023 - 24 Adopted Budget	2024 - 25 Adopted Budget	2025 - 26 Budget
Board of County Commissioners					
Executive					
General Fund	\$16,847,063	\$17,744,537	\$20,103,267	\$20,269,046	\$20,947,352
EXECUTIVE TOTAL	\$16,847,063	\$17,744,537	\$20,103,267	\$20,269,046	\$20,947,352
BOARD OF COUNTY COMMISSIONERS TOTAL	\$16,847,063	\$17,744,537	\$20,103,267	\$20,269,046	\$20,947,352
Department of Public Works					
Gas Taxes					
Constitutional Gas Tax	\$1,846,385	\$1,846,051	\$1,832,627	\$1,832,620	\$1,996,275
County Fuel Tax	\$814,191	\$813,606	\$810,397	\$810,400	\$879,863
GAS TAXES TOTAL	\$2,660,576	\$2,659,657	\$2,643,024	\$2,643,020	\$2,876,138
Transportation Trust					
Transportation Trust Fund	\$130,000	\$130,000	\$139,000	\$141,000	\$146,000
TRANSPORTATION TRUST TOTAL	\$130,000	\$130,000	\$139,000	\$141,000	\$146,000
DEPARTMENT OF PUBLIC WORKS TOTAL	\$2,790,576	\$2,789,657	\$2,782,024	\$2,784,020	\$3,022,138
Grants					
Housing Grants					
SHIP Grant-Housing Auth	\$1,280,503	\$1,896,694	\$1,896,694	\$1,553,083	\$1,803,083
HOUSING GRANTS TOTAL	\$1,280,503	\$1,896,694	\$1,896,694	\$1,553,083	\$1,803,083
GRANTS TOTAL	\$1,280,503	\$1,896,694	\$1,896,694	\$1,553,083	\$1,803,083
Public Safety					
Fire and Emergency Services					
HC Fire Rescue - Fire	\$35,000	\$35,000	\$30,000	\$35,000	\$35,000
HC Fire Rescue - Rescue	\$19,800	\$21,000	\$21,000	\$30,000	\$30,000
FIRE AND EMERGENCY SERVICES TOTAL	\$54,800	\$56,000	\$51,000	\$65,000	\$65,000
PUBLIC SAFETY TOTAL	\$54,800	\$56,000	\$51,000	\$65,000	\$65,000

	2021 - 22 Adopted Budget	2022 - 23 Adopted Budget	2023 - 24 Adopted Budget	2024 - 25 Adopted Budget	2025 - 26 Budget
Community Services					
Aquatic Services & Waterways					
FL Boating Improvemnt Pgm	\$75,000	\$40,000	\$40,000	\$40,000	\$40,000
AQUATIC SERVICES & WATERWAYS TOTAL	\$75,000	\$40,000	\$40,000	\$40,000	\$40,000
COMMUNITY SERVICES TOTAL	\$75,000	\$40,000	\$40,000	\$40,000	\$40,000
TOTAL	\$21,047,942	\$22,526,888	\$24,872,985	\$24,711,149	\$25,877,573



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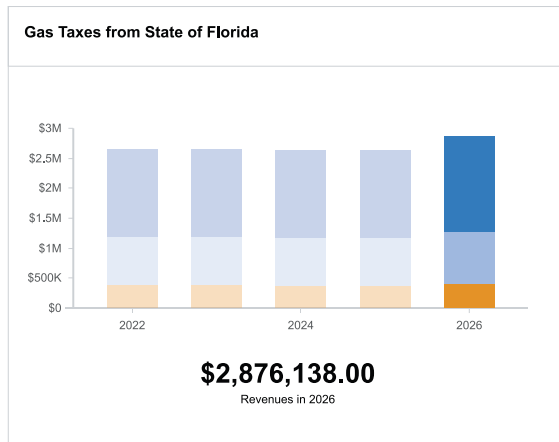
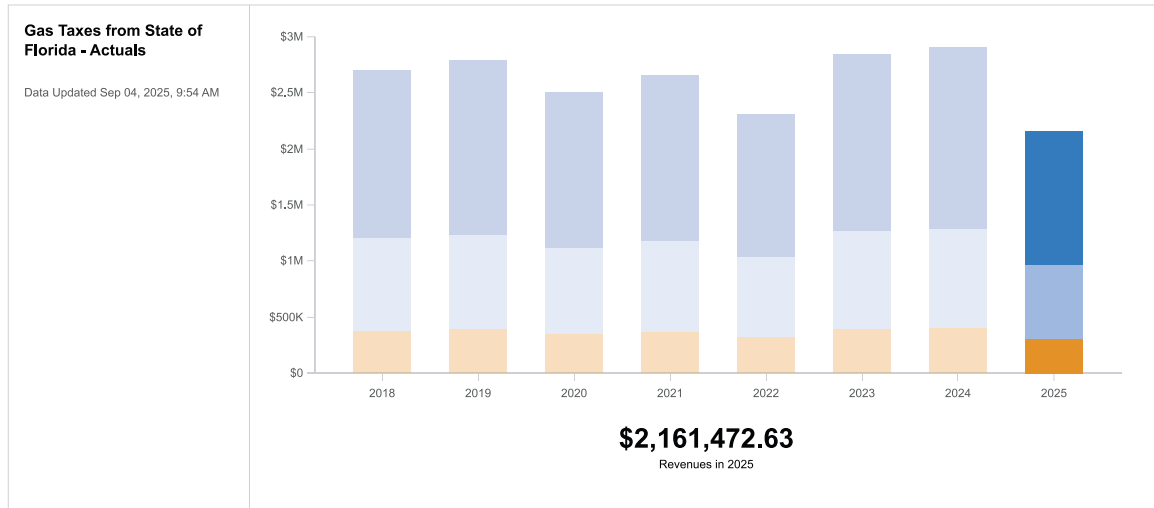
Hernando County, FL

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Fiscal Year 2025-2026 Annual Budget

Gas Taxes

Additionally, the County receives two types of fuel taxes based on State law and distributed to the counties by a State-calculated formula. The constitutional fuel tax is a 2 cent/gallon levy shared with counties only. The county fuel tax, contrary to its name, is considered a state shared revenue since its distribution is based on state set of formulas, not necessarily on collections within the county. The chart below shows comparisons of revenues received from these sources in the recent years:



Gas Taxes from State of Florida

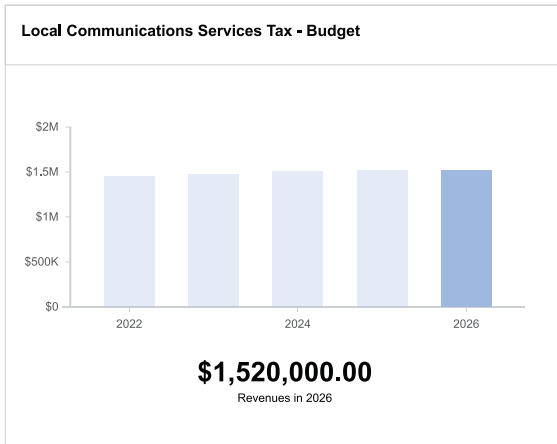
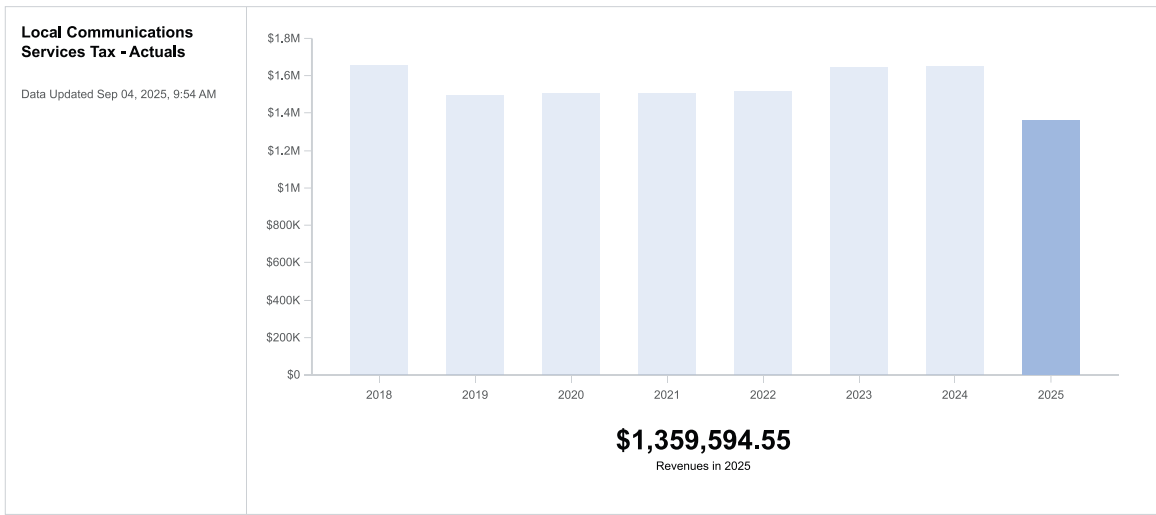
Category	2026
CONSTITUTIONAL GAS TX ...	\$1,597,020.00
COUNTY FUEL TX-F.S.206.60	\$879,863.00
CONSTITUTIONAL GAS TX ...	\$399,255.00

Local Sales and Use Taxes

Florida law allows local governments to impose a wide range of local taxes, which in most cases are collected locally, remitted to the State, and redistributed back to counties. The major revenues in this category are Fuel Tax Local Option 1, Fuel Tax Local Option 2, Ninth Cent Fuel Tax, Communications Tax, and Tourist Development Tax.

Fuel Tax Local Option 1:

1 to 6 cents/gal of motor and diesel fuel tax intended for a variety of transportation expenditures (defined in section 336.025(7) Fla. Stat. (2014)) including sidewalks. This tax cannot be used for operating expenses other than the ones defined in the above-mentioned Statute and it cannot be pledged for debt exceeding 10 years. Expenditures for these purposes include construction of new roads or the paving of existing graded roads when undertaken in part to relieve or mitigate existing or potential adverse environmental impacts. The proceeds may also be expended to meet immediate local transportation problems and for

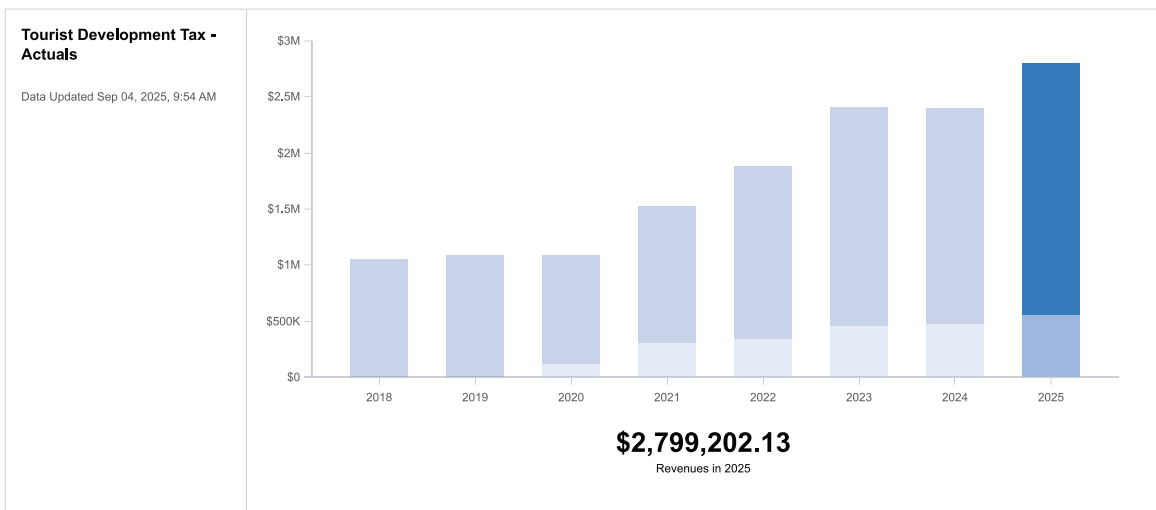


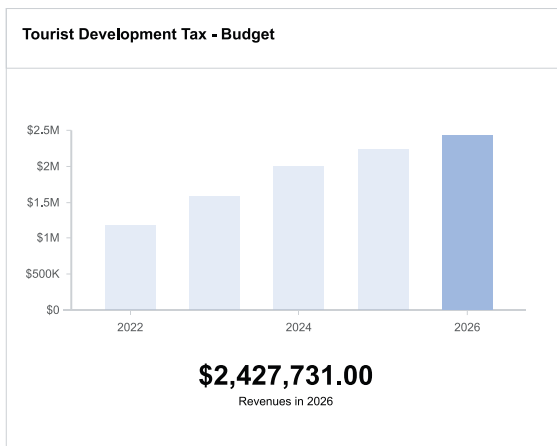
Local Communications Services Tax - Budget

Category	2026
LOCAL COMM SRVC TAX	\$1,520,000.00

Tourist Development Tax:

§ 125.0104 Fla. Stat. allows the local governments to levy a "bed tax", also known as "resort tax," on transient rentals less than six months. The Tourist Development Tax in Hernando County increased is currently 5%. This tax can be used for capital construction of tourist-related facilities, tourism and sports promotions, and beach and inlet maintenance.





Tourist Development Tax - Budget	
Category	2026
TOURIST DEVELOPMENT T...	\$1,942,731.00
TDT-DESTINATION DEVELOP	\$485,000.00

Grants:

Hernando County participates in a wide range of grant programs offered by the federal, state, and local governments and organizations. If planned wisely, grants can contribute invaluable financial resources to County programs, especially the ones related to environment, quality of life, and improved economic conditions. Department directors and project managers are responsible for identifying grant opportunities and administering grant programs if awarded. This budget includes salary and fringe benefits for recurring grants. Additional grant revenues that are awarded, and the corresponding appropriations, are included in the budget through resolutions approved by the Board during the fiscal year. The type and dollar value of grants vary significantly from year to year due to availability of grant funding and the competitive nature of grant awards.

Fund Balance:

Fund balance is a term used in governmental accounting referring to the difference between assets and liabilities. In practical terms, fund balance is the unused portion of financial resources from the prior fiscal year due to accumulation of emergency, capital, and project reserves; encumbrances carried forward from prior fiscal year; as well as revenues collected in excess of budgeted amounts.

Assessments and Fees:

Included in this category are the following: building permits, inspection fees, franchise fees, impact fees, and special assessments. Special assessments are charged for specific benefits derived from County services or projects in specific areas. Impact fees are charged at the time the Certificate of Occupancy is issued for new facilities.



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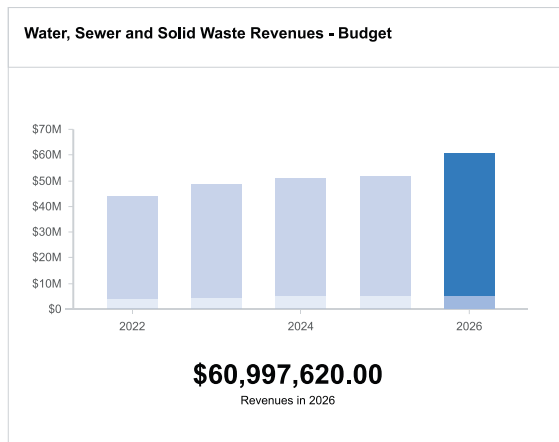
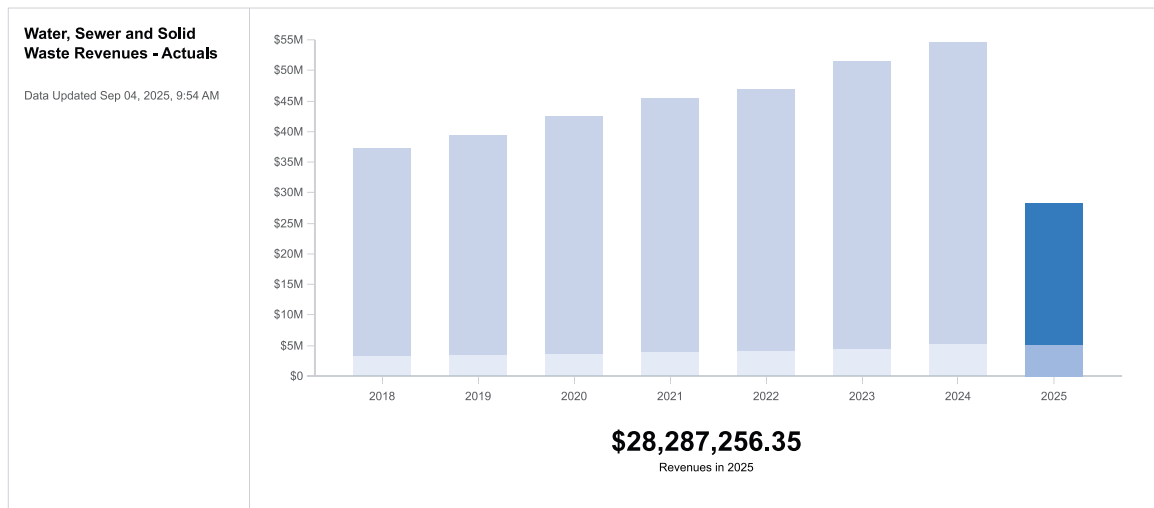
Board of County Commissioners

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Charges for Services

Charges for services include all revenues for County services delivered to either residents, businesses, or other governmental units. Hernando County has the home rule authority to impose user fees and charges to recover the cost of providing a service or facility or regulating an activity. In contrast to taxes, user fees and charges have a direct relationship between the services received and the compensation paid for the service. Charges for Services include revenues from such categories as: ambulance transports, water and sewer charges, solid waste disposal charges, internal service charges, parks and recreational fees, library fees, and court related fees. In preparing the County's annual budget, the departments whose operations are supported by these fees provide the estimates of anticipated revenue. Over the past several years, the County has focused more on this type of revenue in efforts to ensure the benefits received match the cost of the services.

The most significant revenues derived from charges for services are collected in the Utilities Departments for water, sewer, and solid waste services provided to residents.



Water, Sewer and Solid Waste Revenues - Budget	
Category	2026
Water & Wastewater	\$55,952,769.00
Solid Waste & Recycling	\$5,044,851.00

Miscellaneous Revenues:

Leases and rentals account for the majority of revenues in this category. Other revenues in this category include interest earnings, sale of surplus equipment, contributions and donations.



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