

JULY 7, 2016 – BUDGET WORKSHOP

The Board of County Commissioners, Walton County, Florida, held a budget hearing on Thursday, July 7, 2016, at 9:00 a.m., at the Walton County Courthouse in DeFuniak Springs.

The following Board members were present: Commissioner Sara Comander, Chairman; Commissioner Cecilia Jones, Vice-Chairman; Commissioner W. N. (Bill) Chapman; Commissioner Bill Imfeld; and Commissioner Cindy Meadows. Mr. Larry Jones, County Administrator; and Mr. Stan Sunday, Deputy County Administrator; were also present.

Chairman Comander called the meeting to order.

Mr. Jones thanked Ms. Melissa Thomason, Finance Director, for the hard work her and her staff provided on the budget.

Ms. Thomason presented an overview of the proposed budget for Fiscal Year 2017 stating the draft was prepared with no increase in the county-wide millage rate leaving it at 3.6363 mil and no change in the North Walton Mosquito Control millage rate of 0.4912 mil. She reminded the board once the proposed millage rate is set it can decrease but no increases can be made.

The proposed budget includes a 3% cost of living raise. The Sheriff's Office has been budgeted to receive 1.9482 mil (same as in FY 15 & 16) with any COLA increase for sheriff department employees being funded from the Sheriff's budgeted amount. Health insurance increased 5.5% and is being absorbed by the board for all county and constitutional employees. Increases to prescription drug coverage will be covered by employees electing the coverage. The following amounts are included in the budget: \$100,000 for coastal dune lake monitoring and management; \$250,000 for document scanning; and \$300,000 for conversion to a new financial software system which is to be completed in FY 2018; and \$3 million for South Walton TIF

funding. Ms. Thomason presented a summary of the proposed FTE changes stating 28.5 positions fell under the Board and seven were for other Constitutional Officers. There were 16.5 positions being requested for TDC seven of which the Board recently approved.

Ms. Thomason stated the Tax Collector's budget is due to the State by August 1, but for budget purposes a 3% increase has been estimated to account for possible COLA and insurance increases. The Property Appraiser has a decrease in their budget.

Ms. Thomason explained the overall increases under the Board are related to the COLA, health insurance increases, and technology and communications. The statutory contributions will remain the same and Medicaid will increase slightly, however they were able to leave the budgeted amount the same. The Human Resource Department included the replacement of a vehicle.

She further explained that Section 8 Housing expects an increase in funding for vouchers. The MSBU's for Imperial Lakes will be paid off at the end of this year.

Ms. Thomason spoke about the additional FTE's and needed equipment for North Walton Fire Rescue increasing the budget to include the first year's lease payment for two new ambulances and one tanker. She explained the funding for 911 stating fees collected by the State are remitted to the county to fund the 911 Program which then transfers to the Sheriff's budget.

Ms. Thomason stated the Planning Department's budget includes \$125,000 for new software; \$25,000 for a water supply work plan update; \$250,000 to continue the LDC update; and \$25,000 for a replacement vehicle in addition to the six positions already approved.

Public Works budget includes a \$600,000 increase for road materials; \$300,000 for Oyster Lake as required by DEP; COLA; and health insurance. She explained they are trying to revert to their normal vehicle/equipment rotation cycle and explained the capital improvements

included for Public Works and the Parks Department. One position is being requested in Public Works.

Ms. Thomason stated the increase in the Landfill's budget is attributed to higher sales tax collection allowing additional funding for road and bridge construction.

The increase in the TDC's budget is attributed to the new positions and beach operations for safety, infrastructure improvements and additional equipment.

The increase in the States Attorney budget relates to communications.

The Local Option Gas Tax Fund increase is from Love's Truck Stop and the funds transfer to the Road and Bridge Construction Fund.

Ms. Thomason briefly explained the Capital Projects and Debt Service Funds which includes the TIF Fund for south Walton. She also presented a summary of Revenues resulting from Ad Valorem, Sales taxes and other major sources of revenue and presented the proposed Ad Valorem allocation percentages by department, which reflect no significant changes. Ms. Thomason stated there was an 11% increase in taxable property values bringing the county back to about the 2009 levels. The budget is continuing to replace equipment and provide needed services.

Commissioner Imfeld thanked Ms. Thomason for her work on the budget. He questioned the possibility of additional funding for merit increases. Ms. Thomason stated only 3% for COLA raises was included, but those funds could be split using some for merit increases rather than giving the entire 3% for COLA raises. Three percent is approximately \$700,000. Discussion continued regarding the COLA and merit raises based on evaluations for those who go above and beyond. The commissioners requested staff provide the estimated cost for merit increases.

Commissioner Meadows asked that \$12,938 be given to the Coastal Seniors under discretionary.

Discussion ensued relating to the new TDC positions, maintenance of bike paths, and using volunteers for monitoring and picking up trash off the beaches. Mr. Jay Tusa, TDC Director, spoke about creating a Jr. Ambassador Program to help with that. Mr. Tusa also spoke about cross training within the TDC and the need to fill the position for help with social media. Commissioner Meadows stated she would like the TDC to fund \$130,000 for turtle placemats for restaurants to get kids on board which would get parents involved. Further discussion took place relating to the number of Code Enforcement Officers needed and the commissioners agreed to add a total of ten positions. Mr. Jones stated he would take the commissioners suggestions and work with Mr. Tusa. The commissioners asked how the ambassadors get around and felt that ATV's would be better than pick-up trucks.

Commissioner Jones questioned the cost of the Turtle Watch Program and requested a detailed budget on how the funds are spent. Commissioner Meadows commented on the \$85,000 required by DEP because of the seawall situation. The funds are for the group who tag the nests, however, the turtle nests are not being tagged.

Commissioner Imfeld asked about Federal regulation changes beginning January 2017 for exempt and non-exempt personnel and questioned if the budget will cover those changes. Attorney Davis stated the change raised the minimum salary a person earns before they can be exempt and also changed some qualifications.

Mr. Jones explained last year's budget included \$500,000 for redesign and construction of the transfer station at the landfill. No funds were included in next year's budget. However,

when a determination is made as to the necessary costs a budget amendment will be requested from the landfill reserve funds. He stated Jones Edmunds is working on the project.

Mr. Jones clarified the additional IT position to assist Mr. Rick Wilson will be brought back to the Board for ratification and included in the 2017 FY budget.

Ms. Thomason provided clarification of the TIF funding for south Walton stating \$1 million, which was the incremental .08 mills set up the prior year, has now been changed to \$3 million for the 2017 FY budget which is consistent with the 2016 budget.

Commissioner Chapman questioned funding for the McKinnon Bridge project. Ms. Thomason stated money has been put back in the 2017 budget for McKinnon Bridge.

The floor was opened for public comment.

Mr. Randy Powers addressed the commissioners regarding the amount of TIF funding being budgeted. Ms. Thomason explained budgeting \$3million would allow public works to keep projects rolling forward by performing the preliminary work in one year then constructing the projects the next year. Increasing the TIF amount would impact the entire budget. Discussion followed regarding the amount of work that can be performed in one year. Commissioner Meadows said more projects could be done if bid out. She felt \$3 million seems low for the amount of work needed. Lengthy discussion followed regarding needed repairs on C.R. 30A and the enormous amount of money being brought in from that area. Commissioner Meadows requested the TIF budget be raised to \$5 million. Ms. Thomason stated a \$2 million increase would cause a \$2 million reduction in other areas of the budget.

Commissioner Imfeld suggested an alternative would be to increase the TIF 10% which is a proportionate increase to the budget. Ms. Thomason advised with an increase additional staff


would be needed to handle the workload, thereby increasing the budget further. Commissioner Meadows voiced the need to repair C.R. 30A now before the road fails.


Mr. Jones suggested communicating further with staff to discuss additional scenarios and bring back additional information at the next budget workshop.

Commissioner Imfeld spoke about the legislative priorities that were submitted and other funding that will be coming in that can be funneled into the projects in south Walton. He recommended giving Ms. Thomason direction regarding the budget to do what it takes to keep the millage rate the same for both North Walton Mosquito Control and County Wide Ad Valorem. Mr. Jones stated staff would work within the parameters to see what the options are as they would not want to raise the millage rate either.

Commissioner Meadows requested Ms. Thomason provide numbers for the difference in a 3% and 5% COLA.

There being no further business, the meeting was adjourned at 9:56 a.m..

Approved: 
Sara Comander, Chairman

Attest: 
Alex Alford, Clerk of Court and County Comptroller