



MINUTES

Board of County Commissioners

Monday, July 8, 2019 @ 10:00 AM

DeFuniak Springs Board Room

COMMISSIONER ATTENDANCE

PRESENT: Vice-Chair Bill Chapman, Commissioner Danny Glidewell, Commissioner Trey Nick, and Chairman Tony Anderson

ABSENT: Commissioner Melanie Nipper

STAFF PRESENT: Larry Jones, County Administrator and Sidney Noyes, County Attorney

PLEDGE OF ALLEGIANCE TO THE AMERICAN FLAG AND INVOCATION

RECOGNITION OF GUESTS

CALL TO ORDER

Chairman Anderson called the meeting to order.

OMB/FINANCE

1. FY 2020 Proposed Budget

Ms. Melissa Thomason, Chief Financial Officer, requested the board set the proposed millage rate for FY 2020 and stated that after today's meeting, the proposed millage can be decreased, but not increased. She stated the proposed budget was created assuming there would be no increase to the Millage Rate of 3.6363 and no change in the North Walton Mosquito Control (NWMC) Millage Rate of 0.4912. The total proposed budget is \$173,395,970.00 which is a 6.8% increase over FY 202019. She stated property values increased 9.6% over last year. She gave an overview of the additional FTE's stating 24 additional FTE's were requested; some departments decreased in number.

Commissioner Chapman recommended two (2) additional FTE's be added to the Parks Department for sufficient staffing to cover maintenance of the new parks being constructed. He also questioned Mr. Jay Tusa, Executive Director of the TDC, regarding the increased FTE's he requested. Mr. Tusa explained the additional positions and the cost savings.

Commissioner Glidewell stated the Building Department is in need of an additional Permit Clerk. Ms. Thomason said they will review the budget for the additional positions in Parks and the Building Department. Commissioner Chapman stated the Building Department has revenues that would cover additional employees and felt they need 2-3 additional FTE's.

Ms. Thomason reviewed the changes, both increases and decreases, within the constitutional officers' budgets. The increase in the Clerk's budget is due to new software, however that will decrease after the transition and Naviline is no longer in use. She spoke about the increase in the Sheriff's budget and stated they are in line according to the increases in property values. There were no changes to the number of FTE's.

Commissioner Chapman voiced concern with 68% of the Ad valorem taxes going to the Sheriff's budget. He asked if the Sheriff and his staff would be willing to work with the county by reducing his budget to closer to 60%. He stated the millage for the Sheriff's Office is 2.49% whereas the General Fund is less than 1%. Commissioner Glidewell supported Commissioner's Chapman's request.

Commissioner Nick arrived.

Ms. Thomason presented the changes to the departments under the Board of County Commissioners stating there was an increase in retirement in the amount of \$140,000.00. A COLA was included in the budget. There will be a 14.36% increase to health insurance. The Insurance Committee has been looking at alternatives. Discussion continued on the insurance and possible changes that could be made for future years. The board will cover the increase again this year, but alternatives such as a change to the structure of the health insurance plans or the structure of the Board's contribution will be brought back to the Board for the FY 21 budget. Commissioner Chapman stated there needs to be discussions on the amount of coverage the employees will pay so they are informed well in advance. He also spoke about the COLA consisting of 3% for employees earning under \$60,000.00 and 2% for employees making over that. He suggested remaining the same this FY then begin discussion on how to handle it for the 2021 FY budget. He stated that wages for the employees need to increase.

Commissioner Glidewell spoke about the county's starting salaries are no longer competitive and recommended going back to the step plan this year with step raises. The salary structure needs to be adjusted. He also voiced concern with the low wages and employees having to pay for their insurance.

Discussion regarding insurance and salaries continued and how to retain employees. Chairman Anderson stated he was proud of the county employees and the county cannot afford to lose them. He stated the insurance should be left as it is for this FY, however the county cannot continue absorbing the increases.

Ms. Thomason recommended that each constitutional officer share in absorbing the increase in health insurance out of their current budgets. The board agreed.

Ms. Thomason reviewed the increases in Statutory required contributions in the amount of \$88,592.00 and an \$8,000.00 increase in Indigent Burial. She reviewed the changes in Administrative Services and Discretionary Contributions. She stated the EDA requested a 5% increase, but also requested the same from the cities. Ms. Thomason presented the increase for the Senior Centers. She advised of the requested budget for the Walton County ARC and stated they have not received a signed contract or any financial statements as required. Commissioner Chapman stated they have to provide documentation in a timely manner. They have failed to respond to Ms. Thomason's request for the information and he felt their funding may need to be cut if they do not respond. He further directed Ms. Thomason to advise them to provide the information or they may lose their budget.

Lengthy discussion was held regarding setting aside \$1 million for the purchase of land by the EDA. Mr. Bill Imfeld, Economic Development Alliance Director, spoke about various parcels and stated they are working to obtain grants for infrastructure. They are currently working with one company to help get them into the opportunity zone. He spoke about the lengthy process working with Triumph on the water and sewer issue along U.S. Highway 331 South. The Restore Committee asked them to do Triumph applications for U.S. Highway 90 east/west infrastructure. He is also working on DEO grants for infrastructure. Setting the money aside is to show transparency that they are trying to accomplish things in the opportunity zone.

Ms. Thomason stated that the board did not need to make a decision today and that she will look into the necessary steps to de-obligate current Landfill funding. The board agreed and directed her bring this back to the board at a later date.

Ms. Thomason reviewed the budgets for Public Safety and 911. There were nine (9) additional positions requested in departments listed under Community Development with six (6) of those being for the new golf course.

Ms. Thomason presented the Public Works budget showing four (4) additional FTE's. Commissioner Glidewell asked Ms. Thomason to review the number of employees in Facilities Maintenance. She also stated the Public Works budget includes two additional amounts for the CDA for water quality testing for the coastal dune lakes and Choctaw Bay.

Ms. Thomason reviewed the Landfill budget including the possible construction of a 10 acre Class III disposal cell with an estimated cost of \$4.9 million which will be spread over two years. The FY 2020 budget includes \$2.5 million to begin the project. Commissioner Chapman asked about the current air space at the landfill. Mr. Stan

Sunday, Deputy County Administrator, stated 1.5 years and advised they are currently working on it.

Ms. Thomason reviewed the Tourist Development Council and Courts budgets.

In Other Special Revenue Funds, the Local Option Gas Tax Fund, Recreation Plat Fee Fund and Sidewalk Fund showed slight increases which will be rolled forward in the budget as those funds are collected.

Ms. Thomason explained the Capital Projects funds stating the SW TIF Fund will remain at \$4,016,452 or 14.25%. The 331 TIF Fund was reassessed based on market value that increased property values. The largest amount funded was \$11,870.00 and the increase for 2020 will increase the budget to \$277,838.00 which provides 100% funding as in the past. The resolutions will be presented at a later meeting for approval and then sent to the State. Public Works will present the TIF project list at the beginning of the budget cycle.

Ms. Thomason presented an overview of the Revenue Summary and also showed the Ad Valorem allocations by percentage. She commented on the property value trend which is consistently going up in value.

Ms. Thomason addressed a request by the Liberty, Argyle, DeFuniak Springs Fire Department, and South Walton Fire Departments for additional funding in the FY 2020 budget and requested direction. Commissioner Chapman commented on each of the fire departments having their own funding sources and was opposed to providing additional funding.

Commissioner Glidewell stated the fire departments protect county buildings and yet the county does not pay taxes so they do not receive that additional funding. He felt paying the additional requested amount would be reasonable.

Mr. Larry Jones, County Administrator, commented on the delays in issuing permits and stated that is the Planning Department, not the Building Department. He stated the Building Department has ample funds to hire additional staff and encouraged Mr. Bearden to bring those needs before the board. Being in the Enterprise Zone, Mr. Bearden is able to utilize his department's funding as long as it advances the promotion of the Florida Building Code. He stated they are working with Planning staff to find the most efficient manner to utilize the two positions to facilitate moving the building permits forward. Mr. Jones also spoke about discussions with the Sheriff and had encouraged him to reduce his budget. He spoke about the baseline budget and the mechanism of his budget increasing by the same amount as the Ad Valorem increase. Mr. Jones stated discussions have been occurring for months regarding health insurance and they are looking for the most efficient use of resources. They do not want to pass on costs to county employees at the last minute. He spoke about discussion on wages and the HR Plan. In reference to the EDA funding, he stated he had spoken with Mr. Imfeld and

the money can either be earmarked or a meeting can be held at a later date at which time the funding can be earmarked then. Mr. Jones stated there may be close to enough funding for the Code positions, but may need slightly more. Facilities Maintenance wants the ability to contract out jobs when it is not feasible for county staff. Mr. Jones questioned Mr. Wright if they have already begun applying projects to the budget numbers and when the board could expect a list of projects. Mr. Wright stated they have a list and some projects are already developed or in the design phase. He will present the list to the commissioners. Mr. Wright stated they have been anticipating the \$4 million. Commissioner Glidewell questioned if the light at C.R. 393 and Highway 98 and the storm water and sidewalk is included on the list. Mr. Wright stated it can be included and many projects are currently under design.

Chairman Anderson spoke about the amount of time it takes to get permits, but projects are underway.

Mr. Jones thanked the board and staff for their hard work on the budget process.

OTHER PUBLIC COMMENTS

Mr. Bob Brooke, President of the Walton County Tax Payer Association, encouraged the board to continue following the general theme of transparency in the budget. He voiced concern that the Sheriff is only required to submit a one-page budget by statute and recommended a more detailed budget be submitted. Mr. Brooke also requested better transparency in the Customary Use case. Thirdly, he spoke about the new Code Enforcement positions and felt it should first be determined where the greatest need is for new officers versus Beach Ambassadors. Mr. Brooke also asked for more transparency on Contingency/Reserve funds. Ms. Thomason stated the Customary Use expenditures are included in Professional Services under the board and Contingency for unanticipated expenses is budgeted at \$400,000.00 each year and requires board action to spend the money. That is not technically the Reserve Fund, which is carried on the balance sheet.

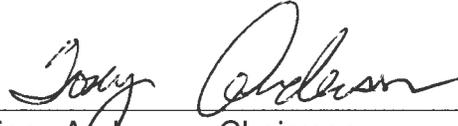
Ms. Leigh Moore representing The Howard Group, commented on the need for additional code enforcement due to growth. She also spoke about increased trash pick-up along U.S. Highway 98. Ms. Moore commented on transportation and parking due to growth in south Walton and recommended setting funding aside to hire a world renown transportation firm to create a plan. She stated she would not be opposed to a small millage increase and asked the board to consider increasing the South Walton TIF.

Commissioner Chapman questioned if the present millage rate would be sufficient to cover the proposed budget including the employees and pay raises. Ms. Thomason said staying at the current millage rate would cover the proposed budget.

The commissioners requested Mr. Nathan Kervin, Human Resources Director, to email them a copy of HR Plan as discussed.

ADJOURN

There being no further discussion, the meeting adjourned at 11:34 a.m.



Tony Anderson, Chairman



Attest: Alex Alford, Clerk of Court and County Comptroller