

## JULY 15, 2010 – WORKSHOP

The Board of County Commissioners, Walton County, Florida, held a Budget Workshop on July 15, 2010, at 9:00 a.m., at the Walton County Courthouse in DeFuniak Springs, Florida.

The following Board members were present: Commissioner Scott Brannon, Chair; Commissioner Larry Jones, Vice-Chair; Commissioner Kenneth Pridgen, Commissioner Cecilia Jones; and Commissioner Sara Comander. Mr. Lyle Seigler, County Administrator; Attorney Lynn Hoshihara, Interim County Attorney; and Ms. Martha Ingle, Clerk of Courts; were also present.

Mr. Lyle Seigler, County Administrator, led the invocation followed by the Pledge of Allegiance to the American Flag. Chairman Brannon called the meeting to order.

Mr. Seigler reported that the County's workforce is divided into nine divisions which is a reduction from 13 in FY 2010. He briefly reviewed the Millage Process Schedule for FY 2011.

Mr. Patrick Pilcher, Walton County Property Appraiser, discussed the Save Our Homes, the Recapture Rule, and their effects on property taxes. He reported that under the Recapture Rule approximately 8,000 homestead properties would have a 2.7 percent increase in their assessed value. He said that there would be a 34.15 percent reduction in other property values.

Chairman Brannon asked what the intent of the Recapture Rule was. Mr. Pilcher stated that during the years of increased market values, the assessed values were under a cap. The Recapture Rule is a step toward equalization of the assessed values and market values.

Mr. Dan Scupin asked if the millage rate stayed the same would the homestead properties have a 2.7 percent increase in taxes. Mr. Pilcher stated yes.

Mr. Seigler briefly reviewed the budgets of the constitutional officers. He stated that there was an overall reduction of approximately \$ 150,000 as well as a reduction in Full Time Employee's (FTE's).

Ms. Martha Ingle, Clerk of Court, stated that the 10.5 FTE's cut from the Clerk's Office have been on the court side which does not affect the Board dollar amount. The staff has been struggling to keep up performance measures and daily work with less people. She is unsure whether more cuts will be made.

Ms. Rhonda Skipper, Tax Collector, reviewed the budget cuts for the Tax Collector's office and stated one position has been eliminated.

Mr. Pilcher had no comments.

Mr. Bobby Beasley, Supervisor of Elections, reviewed the budget cuts for the Supervisor of Elections office and stated there was a decrease in FTE's.

Sheriff Mike Adkinson reviewed the cuts made within the Sheriff's office.

Mr. Seigler reported that the eight additional FTE's in the Sheriff's Office was due to the transfer of Bailiff's and a Code Enforcement Officer to the Sheriff's Office.

Judge Kelvin Wells commended the Clerk's staff on the exceptional job they are doing with fewer employees. He gave a brief history of the Court Security Program and discussed the budget associated with it. Bailiffs are paid based on their salary with the Sheriff's office. Many courts throughout the state do not use bailiffs through the Sheriff's office. He stated that the Judges will continue to be good stewards of the taxpayers' money. Any decision made by the Board whether or not to fund the Bailiffs through the Sheriff's office will be respected.

Commissioner L. Jones questioned how the funds were transferred. Judge Wells stated that it is transferred from the Judge's budget. Ms. Ingle reported that the Sheriff submits a

requisition to the Clerk's office for 1/12<sup>th</sup> of the budget every month out of the general fund under Circuit Court and County Court.

Commissioner C. Jones asked if there were State guidelines for the Court Security Program. Judge Wells stated that some courthouses use private security firms, he personally prefers Sheriff's office employees.

Commissioner Pridgen asked if the issue being addressed is where the funds are kept. Judge Wells stated that the Sheriff would need to address that question.

Commissioner Comander asked if the Judges had the choice to utilize a private security firm. Judge Wells stated that he would like to continue the current arrangement.

Chairman Brannon asked who would control the placement of the bailiffs. Judge Wells stated that the Sheriff assesses the personnel with the Judges having the right of refusal. There have been no problems thus far.

Sheriff Adkinson reported that in 1979 the BCC voted for the Sheriff's office to fund the bailiffs' office. These funds cannot be diverted from the Sheriff's office to another constitutional officer. Commissioner L. Jones asked if the Board funded the courts how is the money being diverted from the Sheriff's office. Sheriff Adkinson stated that the reason is that the bailiffs work for the Sheriff. He reported that Walton County is the only county in Florida that uses Sheriff's employees as bailiffs. Commissioner L. Jones suggested that the bailiff line item be a stand alone item until the fund administration issue could be resolved. Judge Wells stated that the money was not taken from the Sheriff's budget but rather the Judges' budget. Commissioner L. Jones also suggested that Attorney George Ralph Miller and County Attorney Lynn Hoshihara meet with the Sheriff and Judges to work on resolving the issue.

Mr. Seigler reviewed the Tourist Development Council budget and stated that there was an overall reduction with one increase in FTE's.

Mr. Seigler reviewed the BCC and County Administration budget and stated that there is a reduction in the overall budget with an increase in County Administration FTE's. The FTE increase is due to structure reorganization with transfers in from other departments. He also reported that the BCC Budget increase was due to EDA operational funding. Chairman Brannon questioned whether the funding was moved from Administration to BCC. Mr. William Imfeld, County Finance Director, stated that last year (FY 2010) EDA was funded by a roll forward of unspent capital project monies that had been earmarked for the Senior Center.

Mr. Seigler reviewed the Building Department budget and stated that there was a reduction in both budget and FTE's. The FTE reduction was due to transfers out of the department and eliminations of positions.

Mr. Seigler reviewed the Department of Corrections and stated that there was a reduction from 2010 and an increase in FTE's. The FTE increase was due to transfers in from other departments. Commissioner Comander questioned the need for increased building for storage. Lt. Stan Sunday, Department of Corrections, said that storage is needed for the dry good items (i.e. mattresses, etc.). Commissioner Comander asked if the extra pod could be utilized for storage. Lt. Sunday stated that is currently being done. Chairman Brannon asked how much funding the fee rate has raised. Lt. Sunday stated that there are two areas where fees are applied. One area has brought in approximately \$30,000 and the other approximately \$40,000.

Mr. Seigler reviewed the GIS Budget. He reported that there was a reduction in the budget with a decrease in FTE's by one. The decrease was due to a transfer from Public Works.

Mr. Seigler reviewed the Planning and Development Services budget. He reported an overall reduction in budget and FTE's. The FTE reduction was due to transfers out of the department and elimination of positions.

Mr. Seigler reviewed the Public Works budget. He stated that there was an overall reduction with a decrease in FTE's. The FTE reduction was due to transfers to other departments and elimination of positions.

Mr. Seigler reviewed the Emergency Services budget. He stated that there was an overall reduction with a decrease in FTE's. The FTE reduction was due to transfers to other departments.

Mr. Seigler reviewed the Public Safety budget which includes Animal Control, North Walton Mosquito Control, State Mosquito Control Grant, and the Health Department. There is an increase in Animal Control FTE's. Chairman Brannon asked if the change in the FTE's was due to the opening of the new animal shelter. Mr. Seigler stated that it was. Mr. Imfeld stated that the increase in the Animal Control budget and FTE's was to accommodate the increase needed to run the new shelter. Commissioner Comander asked for information regarding a partnership with Auburn University for veterinarian services. Mr. Gary Mattison, Special Assistant to the County Administrator, stated that a visit is scheduled to pursue that partnership. The partnership would create a reduction in personnel and operational costs. Commissioner Comander asked if the partnership information would be available before the final budget approval. Mr. Mattison stated that he would work on getting that information. Chairman Brannon asked if there was a veterinarian on staff. Mr. Mattison reported that a part-time veterinarian is under contract.

Mr. Seigler reviewed the Office of the County Attorney budget. The FTE increase was due to a transfer from another department.

Mr. Seigler reviewed the Citizen Services budget. Chairman Brannon questioned if there was a change in the State assistance for library funding. Mr. Imfeld stated that it is the same funding level as last year.

Commissioner Comander asked whether the Freeport pool would be shut down. Mr. Seigler stated that there have been concerns with the maintenance and those issues are being addressed.

Commissioner C. Jones asked if the bookmobile services would be terminated. Mr. Imfeld stated that the travel time will be reduced. This will decrease the number of FTE's by one-half (.5). Chairman Brannon asked how many communities are serviced by the bookmobile. Mr. Ken Little, Citizens Services Director, stated approximately ten. The services cannot be terminated due to grant directives. Commissioner Comander asked if decreasing the number of service areas had been considered. Mr. Little said that it had and that the program is designed to serve the outlying areas.

Mr. Seigler asked Mr. Imfeld to address the statutory required contributions and the discretionary contributions. Mr. Imfeld stated that the statutory required contributions are determined by the State. The recommended amount will meet the State requirements. The discretionary contributions were carefully reviewed to see how to maximize the benefits to Walton County citizens with the limited amount of tax dollars available for FY 2011.

Mr. Seigler reviewed the Human Resources budget. He stated that there was an overall reduction with no decrease in FTE's.

Mr. Seigler reviewed the Courts budget. He stated that there was an overall reduction with a decrease in FTE's. The FTE decrease was due to the transfer of the bailiffs to the Sheriff's Department.

Mr. Seigler reviewed the Finance Department budget. There was an overall increase with no changes in FTE's. The increase was in the Grants and Contracts Divisions and will enable more aggressive ways to secure grant funding. One FTE was transferred from Legal to accommodate the Contracts Division. Mr. Imfeld stated that the total increase is designated for the salaries and fringe benefits associated with the transfer.

Mr. Imfeld reviewed the Recreational Plat Fees, Sidewalk Fees, and Local Options Gas Tax. He stated that Recreational Plat Fees are rolled forward each year and approximately \$30,000 of income has been recognized this year. Chairman Brannon asked if the State reimbursement for Padgett Park had been received. Mr. Imfeld stated that it had. Discussion ensued regarding the fluctuations of the Local Options Gas Tax over the past years.

Mr. Imfeld reviewed the Special Revenue Funds, MSBU's (Daughette, Four-Mile Village, and Imperial Lakes Subdivisions), and Capital Projects.

Mr. Seigler reported that the current millage rate is 3.4076 with a 4.1458 roll back rate. The current millage rate generates \$7.5 million less than what is needed. He discussed the FY 2011 total authorized FTE's and reported a reduction of 10.5 County FTE's from FY 2010. This generates approximately \$900,000 in personnel cost savings.

Mr. Seigler discussed the comparison of property taxes current millage and roll back rates. He reviewed possible options for reducing costs.

Commissioner Comander questioned why the sidewalk fee is being held for another year. Mr. Imfeld stated that it is restricted for sidewalk construction or multi-use paths.

Chairman Brannon asked if there was any indication of stabilization in the property values. Mr. Bob Hudson stated that when he spoke with Mr. Pilcher, he was told that there was a 5 to 6 percent reduction in sales from January 1, 2010 to April 15, 2010.

Chairman Brannon called for public comment.

Mr. Hudson addressed the increased FTE count for County Administration. He questioned the ability of County Administration to increase their FTE count while other county departments were asked to decrease theirs. He also felt that there were inconsistencies with the count presented. Mr. Seigler stated that the Assistant County Administrator (additional), Special Projects Manager, and Assistant positions would be filled by employees from other departments. He reported that the Public Information Officer which is currently under Citizen Services will become a part of the Special Projects Manager position. Mr. Hudson voiced concern that the FTE's had not been transferred. Chairman Brannon stated that the budget is still in draft form and that changes could be made. Commissioner Comander asked what the duties were of the Special Projects Manager. Mr. Seigler stated that those details would be presented at a later date.

Mr. Hudson questioned the need for more motor graders. Commissioner Pridgen stated that Walton County has many dirt roads, and it takes several weeks to grade them all. An increase in motor grades will help to shorten that process for all of the districts.

Mr. Hudson questioned if the FTE count matched the current number of employees. Mr. Imfeld stated that the FTE count is presented from budget year to budget year. Discussion continued on the precise FTE count. Commissioner L. Jones questioned if the number of FTE's decreased could the funding be transferred elsewhere through a budget amendment. Mr. Imfeld stated that the use of those funds anywhere other than salaries must be approved by the Board. Mr. Hudson asked if the funding for unfilled positions could be used to give salary adjustments. Mr. Hudson encouraged the Board not to raise the millage rate.

Mr. Scupin asked if a proposed millage rate increase would be in the TRIM notice. Mr. Imfeld stated that the tentative rate would be approved today and applied to the TRIM notices.



Commissioner L. Jones stated that the tentative rate adopted could not be raised but could be lowered.

Ms. Suzanne Harris asked if there would be increases in salaries. Mr. Imfeld stated that there are no proposed COLA raises for FY 2011. Ms. Harris asked why there was an increase in the County Attorney budget. Mr. Imfeld stated that an additional position was added.

Ms. Mary Nielson questioned if the Emergency Services Division applied to the entire county. Mr. Imfeld stated that the budget amount covers the cost for services north of the bay and a stipend for the South Walton Fire District. Ms. Nielson questioned if there was a total amount of legal fees in addition to the County Attorney line item. Mr. Imfeld stated that approximately \$ .5 million was spent in outside legal fees last year. Chairman Brannon asked where that amount was in the budget. Mr. Imfeld reported that it was located in the Board of County Commissioners' budget as Litigation Self-insurance.

Chairman Brannon asked for the specific costs of Emergency Services versus Fire Services. Chief Brian Coley responded that there are six ambulances. He reported that the one ambulance at Station Four logged 861 runs in 2010. He also reported that Station Two ambulance logged over 640 runs. He stated that there are 10 stations equipped with Fire and EMS equipment with approximately 2,000 total runs logged in 2010. Chairman Brannon asked if Emergency Response could be separated from Fire. Chief Coley stated that would be a difficult task due to cross-trained employees working at the same stations. He reported that total wages for Fire Fighters/Paramedics were \$2,878,068; the Safer Grant (EMS) pays \$136,582. Ms. Nielson asked if the South Walton citizens were paying taxes for both north and south Walton County EMS services. Mr. Imfeld stated that there will be approximately \$650,000 going to the SWFD in recognition that the citizens of South Walton have elected to have a separate fire

service. Commissioner Comander asked when the citizens of South Walton elected to fund a separate Fire District. Mr. Imfeld stated more than 10 years ago.

Mr. Scupin asked if the public would be given another chance to address the Board after the adoption of the tentative millage rate. Chairman Brannon stated that a tentative millage would be set at this meeting and would be included in the Trim notices. He reported that two public hearings would be held in which the rate could possibly be reduced. Commissioner Pridgen stated that the final millage rate would not be adopted until the last public hearing which would be held in September.

Chairman Brannon closed public comment.

Commissioner Pridgen asked what exact millage rate would be needed to meet budget goals. Mr. Imfeld stated that a 3.8912 millage rate would be needed to meet minimum budget requirements. Commissioner Pridgen asked how much the shortfall would be. Mr. Imfeld replied approximately \$5 million short of a balanced budget.

Motion by Commissioner Pridgen, second by Commissioner C. Jones, to set a tentative millage rate at 4.1458, and continue to re-evaluate business process and specific areas to find ways to save time, money, and staff.

Commissioner Comander spoke against raising the millage rate. She felt that with the high unemployment rate, that the citizens would not be able to afford an increase in taxes. She suggested ways to reduce spending.

Commissioner C. Jones spoke in support of the roll back rate. She voiced concern that more county employees and county services would suffer if a higher rate was not adopted.

Commissioner L. Jones stated that a lot of issues are affecting the county one of which is

the oil spill crisis. He felt that a high millage rate is needed. Discussion continued on soliciting BP for reimbursement funding.

Commissioner Pridgen felt that if the millage rate was not raised then the bigger budget items such as EMS and Fire Services would have to be cut. He felt that citizen safety is a top priority.

Commissioner Comander stated that there are other costs that could be cut. She suggested looking at charging minimum fees for use of the county parks to cover maintenance costs.


Ayes 4, Nays 1. Brannon Aye, L. Jones Aye, Pridgen Aye, C. Jones Aye, Comander Nay.

Mr. Hudson voiced concern with the higher millage rate. Commissioner L. Jones stated that problems occurred last year because the millage rate was set too low. Chairman Brannon stated that there will be another public hearing where the rate could be reduced.

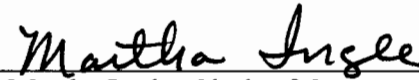
Mr. Scupin asked what the percentage rate was from the current millage rate to the rollback rate. Mr. Hudson replied 22 percent. Mr. Scupin voiced concern with the higher rate.

There being no further items to present, the meeting adjourned at 11:04 a.m.

APPROVED

  
Scott Brannon, Chair

ATTEST

  
Martha Ingle, Clerk of Courts