

## JULY 10, 2014 – BUDGET WORKSHOP

The Board of County Commissioners, Walton County, Florida, held a budget workshop on Thursday, July 10, 2014, at 9:00 a.m., at the Walton County Courthouse in DeFuniak Springs.

The following Board members were present: Commissioner W.N. “Bill” Chapman, Chairman; Commissioner Cindy Meadows, Vice-Chairman; Commissioner Kenneth Pridgen; Commissioner Sara Comander; and Commissioner Bill Imfeld. Mr. Mark Davis, County Attorney; Mr. Larry Jones, County Administrator, and Mr. Stan Sunday, Deputy County Administrator, were also present.

Chairman Chapman called the meeting to order to discuss the FY 2014-2015 budget.

Mr. Larry Jones, County Administrator, expressed appreciation to staff for their input during the budgeting process. He stated that each Board member was briefed on the budget information prior to this workshop.

Ms. Melissa Thomason, Assistant Finance Director, presented the proposed FY 2014-2015 budget and requested to set a proposed millage rate. She briefly discussed the information provided and stated that the presented budget was created assuming no changes in the current millage rate of 3.5563 and no changes for the North Walton Mosquito Control District (NWMCD) millage rate of 0.4912.

Ms. Thomason stated that the proposed increase in the overall budget for all funds is \$10.9 million. The notable items were shown in the information provided. She stated that they were careful not to fund recurring expenses with non-recurring revenues. Part of the increase was for capital items, since some items were delayed for many years they were not able to make the investments in equipment and ambulances. This year the County is in a good position to invest in some of those items. She stated that they did recognize that there would be upcoming stormwater

some of those items. She stated that they did recognize that there would be upcoming stormwater expenses and they are currently searching for revenue sources to fund those improvements. The increase also covers merit or COLA increases for the employees. Part of the increase is also due to a prepayment on the 331 Bridge loan.

Ms. Thomason briefly discussed the FTE's per department and the increase or decrease recognized. She stated that the decrease for the Board and the increase for the Constitutional Officers were due to the transfer of the Jail and Animal Control to the Sheriff's Office and the transfer of Emergency Management back to the Board. The transfers did not affect the FTE totals. There were a total of 16 additional FTE's added to several Constitutional Offices and Board Departments as listed in the information provided. She stated that there was an increase of 4.8% for Health Insurance and a slight increase for retirement which were also reflected through all the departments.

Ms. Thomason stated that last year the projected general fund balance was just under \$10 million. This year they have projected the unassigned general fund balance would be approximately \$10.2 million.

Commissioner Comander spoke in favor of COLA raises and questioned if there was an option to give those employees under a certain pay scale a larger COLA raise and those above that pay scale a smaller COLA raise. Mr. Jones stated that they have had that discussion and they are trying to work through a solution and felt that would be an appropriate option.

Commissioner Meadows questions what is the national figure for COLA raises. Commissioner Imfeld stated that Social Security is just under 2%. He suggested combining COLA and a merit raise to reward some of the high performing employees. Commissioner

Meadows suggested reviewing data on COLA raises for the different level pay scales. Mr. Jones stated that recommendations would be provided to the Board for review in the future.

Commissioner Comander also suggested allowing the TDC and Planning Department to share Code Enforcement Officers. Mr. Jim Bagby, Tourist Development Council Executive Director, stated that they did add one Code Enforcement Officer to their draft budget submission. He explained that the Board would need to fund an additional FTE and then the TDC would contract to have the help of that FTE and pay some of the salary. He felt that they are all in favor of additional Code Enforcement Officers.

Commissioner Meadows questioned the garbage pick-up dates and the ability to provide a recycling pick-up. Mr. Jones stated that was not included in the budget at this time. He stated that they would like to look at some recycling options. Commissioner Meadows felt that recycling is very important.

Commissioner Meadows questioned if there were any discretionary funds in the budget for unexpected projects/expenses during the year. Commissioner Imfeld answered that there is \$400,000 in the Contingency Fund. Mr. Jones stated that those funds can be used for anything at the discretion of the Board.

Commissioner Comander questioned if a third pick-up day for garbage was included in the budget. Mr. Jones stated that it was not but it could be included. Commissioner Comander felt that should be included in the summer season for CR 30A and Scenic Gulf Drive. Commissioner Meadows agreed.

Commissioner Meadows questioned the ability to start E-book programs in the libraries. Ms. Thomason answered that Mr. Dan Owens, Library Director, had already begun that program and some of the E-books (238 books) have been purchased. There is access on the library

webpage but it has not been advertised to the public due to the small amount of books available at this time.

Commissioner Meadows questioned if the budget included any of the different phases to address stormwater and flooding issues. Ms. Thomason stated that they are researching funding options at this time, but they do have some funds available in their line of credit with SunTrust if needs are identified in the upcoming year. Commissioner Meadows discussed the option increase the millage rate yearly by small increments (0.08 this year) to raise additional money and reduce the amount of funds out on loan. She felt that small increases would be more acceptable by the public rather than a larger increase when the funds are needed. The funds could be used to improve infrastructure countywide.

Commissioner Imfeld expressed concern due to the determination of who is being affected by the stormwater and the funding needed to correct those problem areas. He felt that engineers should be hired to review and identify what watersheds are involved, what the solutions would be, and the cost of those solutions. He stated that some areas might be a simple maintenance of clear ditches whereas other areas need more work such as piping and pumping. He felt that getting the money for engineers needs to be the first step for the budget and then moving forward.

Commissioner Meadows asked about TIF funding. Mr. Jones stated that they are still working on that process and stated he would have more information about TIF funding next week.

Commissioner Comander stated that some discretionary funding could be used for stormwater improvements from the RESTORE funds. She also felt that beach access funds should also be considered for the future.

Chairman Chapman asked for public comment.

Ms. Leigh Moore spoke in favor of small increment millage rate increases to help fund infrastructure improvement needs. She felt that improvements are needed for both the full-time residents and tourists.

Ms. Dotti Nist questioned when the additional garbage pick-up dates would be. Mr. Jones stated it would be on Sundays from Memorial Day to Labor Day. Commissioner Meadows recommended adding an additional pick-up day during the Spring Break season as well. Mr. Jones stated that would be an additional 4-5 Sundays. Ms. Nist asked if the current master stormwater plan would still be followed. Commissioner Meadows stated that it would, some areas already have permitting and design plans, but the improvements would need to be made in phases.

Commissioner Imfeld felt that a proposed millage rate increase of 0.08 should be considered with a certain amount earmarked for infrastructure improvements. Commissioner Meadows agreed.

Brief discussion ensued regarding the need for funds to make infrastructure improvements, the effect that an increased millage rate would have on the residents, and the need for all infrastructure improvements countywide (not specifically stormwater).

The consensus of the Board was to increase the millage rate to 3.6363 and maintain the North Walton Mosquito Control District (NWMCD) millage rate of 0.4912 moving forward into the budget process.

There being no further business, the meeting adjourned at 9:49 a.m.

ATTEST



Alex Alford, Clerk of Courts  
and County Comptroller

APPROVED



W.N. "Bill" Chapman, Chairman