

SEPTEMBER 29, 2008 – BUDGET MEETING

The Board of County Commissioners, Walton County, Florida, held a Budget Meeting on Monday, September 29, 2008, at 5:25 p.m., in Courtroom A of the Walton County Courthouse.

The following Board members were present: Commissioner Larry Jones, Chairman; Commissioner Sara Comander, Vice-Chair; Commissioner Scott Brannon; Commissioner Kenneth Pridgen; and Commissioner Cindy Meadows. Mr. Ronnie Bell, County Administrator; Mr. W.C. Henry, County Attorney; and Ms. Martha Ingle, Clerk of Courts, were also present.

Commissioner Pridgen led the invocation followed by the Pledge of Allegiance to the American Flag. Chairman Jones called the meeting to order to adopt the millage rate and budget for fiscal year 2008-2009.

Mr. Bill Imfeld, County Finance Director, presented Resolution **(2008-95)** for adoption for a county-wide millage rate of 3.3913 mills, which includes Voted Debt Service of 0.0081 mills, and North Walton Mosquito Control District of 0.4912 mills for the 2008-2009 tax year.

Chairman Jones called to order the second public hearing regarding the millage rate and stated the rate can only be lowered per Florida Statute.

Chairman Jones asked for public comment.

There were no public comments.

Motion by Commissioner Pridgen, second by Commissioner Comander, to adopt Resolution **(2008-95)** as presented for a county-wide millage rate of 3.3913 mills, which includes Voted Debt Service of 0.0081 mills, and North Walton Mosquito Control

District of 0.4912 mills for the 2008-2009 tax year. Ayes 5, Nays 0. Jones Aye, Comander Aye, Brannon Aye, Meadows Aye, Pridgen Aye.

Mr. Imfeld presented Resolution **(2008-96)** for adoption of the 2008-2009 fiscal year budget in the amount of \$111,409,645, that includes Voted Debt Service for \$248,700, and \$619,751 for the North Walton Mosquito Control District.

Mr. Imfeld stated that the Department of Revenue had notified the county to expect approximately \$833,000 less in sales tax for the 2008-2009 year. Mr. Imfeld was asked at the September 15, 2008 meeting to find those funds in the budget. Two areas in which the funds were found were the unspent health insurance monies and the unspent workers comp monies, totaling \$625,000. Mr. Imfeld stated that Mr. Gary Mattison, Human Resource Director, had been able to renegotiate the contract on healthcare to keep the months of October, November, and December under the current billing rate, which totaled \$31,300. Mr. Mattison was also able to renegotiate workers comp rates, totaling \$52,000 lower, and a new property and liability rate of \$32,000 lower than originally anticipated. Mr. Imfeld stated that two more FTE employees were reduced from the Board side, for a total of 18 FTE's, totaling \$80,170. He stated that all these monies combined would equal approximately \$820,000, leaving a shortage of \$13,000. He stated the shortage could possibly be found before the end of the current budget year.

Mr. Ronnie Bell reminded the Board that the Value Adjustment Board (VAB) has about 130 applications and has not met yet. He stated that the Special Magistrate could possibly assess those applications lower which could impact the 2008-2009 budget year. However, the last day the VAB meets is October 30<sup>th</sup> and they would not know until early November 2008.

Chairman Jones clarified with Mr. Imfeld that the 18 FTE positions eliminated were only on the Board side. Mr. Imfeld agreed.

Chairman Jones asked for public comment.

Mr. Robert Patrick, Sheriff Johnson's CPA, stated at the September 15, 2008 meeting the sheriff proposed a budget of \$13,343,556 and briefly explained the additional monies requested. Of the total request increase for \$317,264, the personnel service costs total \$239,532 and a total of \$191,176 in fuel and oil costs. He stated that the sheriff's proposal is not sufficient to retain all 207 current employees, due to the zero increase in the budget. He stated that ten employees have been notified of their termination on October 1, 2008 if the additional request is not approved. He briefly explained the amount of employees approved in the previous years budgets and an analysis of the average hourly wage rate of corrections officers versus deputies in Walton County.

Mr. Matt Burns, Sheriff Johnson's attorney, stated as of October 1, 2008 the sheriff will face provisions in Florida Statutes 129.06 subsection 5, in which an incumbent that has not been reelected and therefore will not serve the next year has no constitutional right to internally amend the budget, but has to expend exactly 1/12 of the annual appropriation of each category each month. He stated that the 1/12 of the monthly personnel expense in the budget will be insufficient to retain all of the current employees. He stated that the statute provides flexibility that the Board can authorize deviation from that limit and suggested, should the Board not be inclined to give the additional funds to the personnel and fuel as requested, they include language in the resolution to allow the sheriff to deviate from the restrictions to the extent necessary to continue to pay the compensation at present levels of the existing personnel with no new employees. He

stated that the new sheriff would be short in the January budget, but he would have the ability to go before the Board and request a budget amendment.

Commissioner Meadows questioned if it would be new money or the ability to go into other accounts. Attorney Burns clarified that the sheriff would spend above the 1/12 in the personnel line item and would require part of the January funds.

Mr. Imfeld presented to the Board, a chart that refers back to fiscal years 2004-08. He stated that the number of FTE's requested by the sheriff for years 2004-08 shown is the number that was funded by the Board. In September 2007 when the sheriff was supposed to have 199 employees there was a total of 202 and the sheriff stated if the Board approved an 8% raise for the employees he would not hire additional employees. On June 12, 2008 the Sheriff's financial director was sent an e-mail indicating he was overstaffed based upon the submission for the budget request. On June 18, 2008 the sheriff's finance officer was asked how these employees would be paid, and since that time more FTE's were hired by the sheriff. Two components that contributed to the overage was continued overstaffing and the additional \$72,000 addition for professional services, which Mr. Imfeld assumed would be used to pay Mr. Patrick. Mr. Imfeld stated that the website total of 209 employees includes the 7 bailiffs which are funded from circuit and county court funds, leaving only 202 authorized employee positions.

Discussion continued regarding the personnel costs, insurance premium costs, and fuel costs.

Ms. Renee Javier, Sheriff Department employee, stated that the entire county will be impacted from the cut, not only the people losing their jobs.

Chairman Jones closed public comment.

Commissioner Brannon clarified that the suggestion to allow the budget resolution to change would be so the Sheriff could move line items around.

Attorney Henry clarified the suggestion by Attorney Burns was to include that language in the budget resolution. He stated that statute 129.06, sub paragraph 5, prohibits a constitutional officer who has not been reelected from spending more than 1/12 of the funds or moving any money. He stated an option would be to approve the budget as proposed and then have a budget amendment after the budget is approved, opposed to including that language in the budget resolution. Attorney Henry stated that by including that language in the resolution the Board would delegate their authority and responsibility to safe guard the budget. Another issue would be after the new sheriff comes in office, he/she will be short in the budget and have to come before the Board for a budget amendment.

Commissioner Comander expressed her sympathy for the employees, and stated the other constitutional officers of the county have cut their unnecessary positions and money. She stated that there is still a shortage and the only other option would be to lay off employees.

Commissioner Brannon questioned if the Sheriff could come back before the board to request a budget amendment if the resolution was adopted as presented. Attorney Henry stated that was correct, but reminded the Board that he had not researched that information and Florida Statute prevents a non reelected constitutional officer from expending the budget in the last few months so the new officer will not be short on funds.

Commissioner Comander clarified that another budget meeting would have to be held in order to do a budget amendment. Attorney Henry agreed and stated that it would have to be an advertised meeting.

Brief discussion continued regarding the amount of excess funds and when those funds would be returned to the Clerk's Office.

Motion by Commissioner Brannon, second by Commissioner Pridgen, to adopt Resolution **(2008-96)** for the 2008-2009 Fiscal Year Budget in the amount of \$111,409,645, that includes Voted Debt Service for \$248,700, and \$619,751 for the North Walton Mosquito Control District. Ayes 4, Nays 1. Jones Aye, Comander Aye, Brannon Aye, Meadows Nay, Pridgen Aye.

There being no further business, the meeting was adjourned at 6:17 p.m.

APPROVED

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Larry Jones, Chair

ATTEST

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Martha Ingle, Clerk of Court