

PORT ST. JOE, FLORIDA

AUGUST 3, 2010

SPECIAL BUDGET MEETING

The Gulf County Board of County Commissioners met this date in special session with the following members present: Chairman Carmen L. McLemore, Vice Chairman Warren J. Yeager, Jr., and Commissioners Billy E. Traylor, Bill Williams, and Nathan Peters, Jr.

Others present were: County Attorney Timothy McFarland, Clerk Becky Norris, Clerk Finance Officer Carla Hand, Deputy Clerk Kari Summers, Chief Administrator Don Butler, Assistant Administrator Michael Hammond, Deputy Administrator Lynn Lanier, Building Official Lee Collinsworth, Emergency Management Director Marshall Nelson, E9-1-1 Coordinator Ben Guthrie, G.I.S. Director Scott Warner, Grant Writer Towan Kopinsky, Gulf County E.M.S. Director Houston Whitfield, Human Resource Director Denise Manuel, Mosquito Control Director Mark Cothran, Planner David Richardson, Sheriff Joe Nugent, Solid Waste Director Joe Danford, Tax Collector Shirley Jenkins, Sheriff's Office Major Bobby Plair, and Veterans Service Officer James Kennedy.

Chairman McLemore called the meeting to order at 5:03 p.m., E.T.

2010-11 PROPOSED BUDGET

Upon request by Chairman McLemore, Clerk Norris made the following report to the Board:

1. The property values County wide have reduced approximately 21%, and the proposed budget shows a related 21% increase. The increase in the proposed millage rates are in proportion to the decline in property values except for the fire districts. The fire districts can only assess a millage rate up to .5000 and accordingly, will receive less in ad valorem taxes. The Management Staff believes that the ad valorem taxes anticipated will be adequate to fund the fire department budgets.
2. The total proposed budget of Gulf County is \$34,785,294.00 which is 38.46% of the total budget is funded with Ad Valorem taxes.
3. There are \$3.6 million dollars in the budget which are state and federal grant funds.
4. The County expends 21.17% (\$7,363,858) of the total budget on public safety, which is the largest expenditure category, stating that this includes Law Enforcement, Fire Control, Detention and Correction, Protective Inspections, Emergency and Disaster Relief, Ambulance and Rescue Services, and Medical

Examiners. Approximately 8.61% of this budget (\$633,850) is funded from fees, the remainder is funded with ad valorem or other state shared revenues.

5. As a general rule most departmental budget requests are 3% less than the current original budget.
6. There are zero salary increases included in the 2010-2011 Budget, stating that this will be the third year of no budgeted salary increases.
7. The Medicaid budget proposal is an increase of \$63,900.00, stating that this is a mandatory cost to the County.
8. The County fuel taxes are pledged for payment of the 2006 Gas Tax Revenue Refunding Bonds through 2032. The County is now mandated to fund a reserve of \$200,000.00 per year until there is \$1 million in reserves.
9. Approximately \$1.8 million of ad valorem taxes are levied for the repayment of bond indebtedness for the dune restoration project completed on Cape San Blas. The debt is scheduled to be repaid in 2013 providing much welcomed tax relief since the Gulf Front M.S.T.U. approaches the 10 mill cap. A further decline in property values in the M.S.T.U. areas could result in the Gulf Interior M.S.T.U. also approaching the 10 mill cap.
10. The budget which was previously presented to the Board is proposed at a 7.0330 millage rate.

CASH CARRY FORWARD

Clerk Norris requested permission to decrease Cash Carry Forward (and related expenses) for the Mosquito Control (\$20,000.00), Howard Creek Fire Department (\$412.00), S.H.I.P. (\$50,000.00), and Beach Renourishment (\$5,000.00), stating that they were over estimated, and this does not affect the Ad Valorem Taxes (detail on file in Clerk's Office). Commissioner Traylor motioned to approve this request. Commissioner Yeager seconded the motion, and it passed unanimously.

2010-2011 PROPOSED BUDGET CUTS

Commissioner Yeager reported that the Board wanted to get back to the original current millage rate (5.7679), and for this to happen they had to cut approximately \$2 million from the current budget, stating that this has been very difficult for the Budget Committee. Commissioner Yeager referenced the list (on file in the Clerk's Office) of proposed cuts as presented to the Commission that outlines how staff and the Budget Committee arrived at that (reducing the millage rate to 5.7679).

COMMODITY PROGRAM

Commissioner Yeager recommended reinstating the Commodity Program, and proposed to decrease the infrastructure fund, so as to not increase the millage rate.

PUBLIC WORKS – ROADSIDE PICK-UP / CONSTITUTIONAL OFFICERS

Commissioner Yeager commended the County Staff and Constitutional Officers, stating that the Constitutional Officers reduced their budgets an additional 3% and that Public Works Director Danford cut their budget without cutting a lot of services. He reported that the roadside pick-up with the equipment has to be cut, (sell one truck and use one at the landfill) stating that this will be the main impact to the Public Works Department. Chairman McLemore discussed that he disagrees with selling one of the limb trucks. Commissioner Traylor discussed that it would be more valuable to keep the truck rather than selling it. Commissioner Yeager reported that it would not affect the budget to keep the truck and use it at the landfill.

GULF COUNTY E.M.S.

Commissioner Yeager reported that there has to be a savings from the ambulance service, stating that the Board approved to advertise for R.F.P.'s for the ambulance service. He reported that there is a problem with billing and collecting, stating that if the County keeps the service they need the authority to collect the bills. Commissioner Yeager reported that they are waiting on figures from Roger Hall at Sacred Heart Hospital and E.M.S. Director Whitfield concerning the ambulance service. Commissioner Williams discussed the importance of understanding that keeping the same millage rate brings in a lot less in tax dollars due to the significant drop in property values. Commissioner Williams stated for the record that the Board's clear objective was to bring this back to a 2003 rate and a flat line millage. Gulf County E.M.S. Director Whitfield appeared before the Board and reported that they have worked very hard to cut their budget, stating that they have cut the figures, but have not cut the services. He reported that they can operate two trucks in Wewahitchka and two trucks in Port St. Joe at the same time, and possibility three if needed. He reported that they could cut the budget to \$1,071,975.00 (combining Wewahitchka and Port St. Joe) and if the billing agency collects 80% there would only be a \$74,000.00 deficit which would have to be funded through ad valorem taxes. Mr. Whitfield discussed that the billing company reported that they can do the billing and collecting with their software and collect 80%, withholding 6% as their fee. Mr. Whitfield recommended going ahead and turning the billing over to this company. Following discussion by members of the Board, Commissioner Yeager recommended the Board follow through with the R.F.P. for billing services. Upon inquiry by Commissioner Williams, Gulf County E.M.S. Director Whitfield reported that they are collecting 82% in Calhoun and Washington County.

Chairman McLemore called for public comment. There was no public comment.

2010-2011 MILLAGE RATE

Upon motion by Commissioner Yeager, second by Commissioner Peters, and unanimous vote the Board approved to set the millage rate at the current rate of 5.7679.

1ST PUBLIC HEARING

Upon recommendation by Clerk Norris, Commissioner Yeager motioned to set the first Budget Public Hearing for September 8, 2010, at 5:01 p.m., E.T. Commissioner Peters seconded the motion, and it passed unanimously.

Upon inquiry, Clerk Norris stated that a recess was not necessary, as adjustments have already been made based on the Budget Committees proposed cuts and Boards recommendations.

SPECIAL DEPENDENT FIRE DISTRICTS MILLAGE RATES

Commissioner Traylor motioned to keep the Dependent Special Fire Districts at the current .5000 mill each for St. Joseph Fire Control District, Tupelo Fire Control District, Overstreet Fire Control District, and Howard Creek Fire Control District. Commissioner Yeager seconded the motion, and it passed unanimously.

M.S.T.U. VOTED DEBT SERVICE MILLAGE RATES

Clerk Norris informed the Board that the voted debt service millage rate for the Gulf Front M.S.T.U. is proposed at 9.5747 mills. Commissioner Yeager motioned to approve the proposed millage rate. Commissioner Traylor seconded the motion, and it passed 4 to 1, with Commissioner Peters voting no. Clerk Norris informed the Board that the voted debt service millage rate for the Gulf Interior M.S.T.U. is 4.2978 mills. Commissioner Yeager motioned to approve the proposed millage rate. Commissioner Williams seconded the motion, and it passed 4 to 1, with Commissioner Peters voting no.

Commissioner Peters thanked the Constitutional Officers for participating and helping with the Budget cuts, stating that the first 3% was hard for them, and they have cut an additional 3% to help reduce the Budget.

Chairman McLemore reported that this has been a team effort with everyone, and also requested a team effort from the public.

Commissioner Traylor discussed that this Board is facing things that they have never had to face before, and thanked the Budget Committee for all their hard work.

Commissioner Yeager discussed that they have made a lot of cuts, but there have also been increases that could not be avoided.

There being no further business, the meeting did then adjourn at 5:34 p.m., E.T.

**CARMEN L. MCLEMORE
CHAIRMAN**

ATTEST:

**REBECCA L. NORRIS
CLERK**