

**AT A BUDGET HEARING OF THE BOARD OF COUNTY
COMMISSION HELD IN AND FOR GADSDEN COUNTY
ON SEPTEMBER 12, 2019 AT 6:00 P.M., THE
FOLLOWING PROCEEDING WAS HAD, VIZ:**

Present: **Dr. Anthony “Dr. V” Viegbesie, Chair, District 2**
 Sherrie Taylor, Vice Chair, District 5
 Eric Hinson, District 2
 Gene Morgan, District 3
 Brenda Holt, District 4
 Arthur Lawson, Interim County Administrator
 David Weiss, County Attorney
 Marcella Blocker, Deputy Clerk

INVOCATION, PLEDGE OF ALLEGIANCE

Chair Viegbesie called the meeting to Order at 6:01 p.m. and asked everyone to stand for the Invocation.

Commissioner Morgan arrived at 6:02 p.m.

He then led in the Pledge of Allegiance to the U. S. Flag.

Commissioner Taylor arrived at 6:03 p.m.

AMENDMENTS AND APPROVAL OF AGENDA

Mr. Lawson said there were no amendments to the Agenda.

COMMISSIONER HOLT MADE A MOTION TO APPROVE THE AGENDA AND COMMISSIONER MORGAN MADE THE SECOND, THE BOARD VOTED 5-0 BY VOICE VOTE TO APPROVE.

GENERAL BUSINESS

1. Budget Overview and Discussion

Mr. Lawson said he was presenting the Board with a balanced budget of \$52,602,611 and in order to balance they would have to draw down approximately \$1,550,000 from General Funds. He added if nothing changed, they were putting selves in a very critical state.

Commissioner Taylor said he mentioned a drawdown of \$1.5 Million plus, she said the amount on the front page was \$550,000 and asked the amount needed. Mr. Lawson said Mr. Price would explain.

Mr. Price in the original plan was based on the September 30, 2018 Fund balance audit of approximately \$4 Million; they put \$850,000 into a fund for Hurricane Michael expenditures leaving approximately \$3.1 Million. Both the current budget and next year’s budget were built on having 1/3 of the surtax included in both budgets and based on that they only needed to draw down \$550,000 assuming they had surtax in both years and that would have left an estimated fund balance of approximately \$2.6 Million. He said they still have \$4 Million they began with in hurricane money but the actions the Board took on September 2nd where they took the surtax away from EMS and made retroactive meant the General Fund has to subsidize and transfer to

EMS for FY 19 approximately \$1 Million and also for the next fiscal year and was where the \$1.55 comes from and leaves an estimated fund balance of approximately \$600,000.

Chair Viegbesie asked if that surtax not being approved was the reason why this was being reverted. Mr. Price said that was used last budget year to balance EMS and the budget as a source of income that was not from the General Fund but was surtax. Mr. Lawson said it was little over \$800,000 that was allocated to EMS.

Commissioner Morgan asked the current balance of the Hurricane Michael fund that was set up and Mr. Price said approximately \$150,000.

Commissioner Taylor said at a previous meeting if they had approved the \$800,000, then they would not have a deficit, but now they have \$1 Million deficit. She said since they did not do that, today they have \$1 Million and she thought the \$800,000 was based on his presentation would have not caused a deficit with EMS but then it would be balanced but today he was saying...

Mr. Lawson said they have another month of operation to go. Commissioner Taylor said the numbers were not jiving with her. She understood that EMS was on track of recovering a greater part of their debt and they had put a system in place that now, better than ever before, were able to collect, and did not understand how they got \$1.55 Million for the year 2019/2020. Mr. Lawson said this was an estimate of what they will have to supplement EMS for this current budget year. Mr. Lawson asked Mr. Price how precise was \$1 Million that they would need to supplement. Mr. Price said they did improve their billing and collections, and brought in more money but not enough to cover all the expenses; the \$800,000 from surtax was an estimate that the State provided actually came in higher; they got more money from the surtax and that helped in FY 2020 approximately \$892,000 that would have gone to EMS. He said the surtax itself has gone up for all three, Public Works, Fire and EMS.

Chair Viegbesie asked for clarification was this part of the shortfall fir running EMS for the 2018/2019 fiscal year plus the 2019/20 fiscal year and if so, why did EMS have a shortfall from this fiscal year that was currently under operation that did not end until September 30th. Mr. Price said the shortfall was because the surtax was taken away from them.

Commissioner Hinson said he heard a few months ago that EMS was in the black. Mr. Lawson said they were supplementing their budget with 1/3 of the surtax. Commissioner Hinson asked who gave them permission to do that. Mr. Lawson said it was way the FY 18/19 budget was built; they approved the budget last year with 1/3 of surtax in there with anticipation of when they brought the Ordinance to the Board that it would be approved. The Ordinance was brought before the Board four times and failed each time. Therefore, it is now the end of the fiscal year and Finance had to back that money out and was why all of a sudden there was a deficit. Commissioner Hinson asked for information to show that and Mr. Lawson said it was in the public records. Commissioner Hinson then said he remembered it, he did not remember what the date was.

Commissioner Holt said they approved the budget last year, had workshops with presentations, one with partial privately owned ran EMS, one with privately ran EMS and one that was new up and running and they compared Leon County, Santa Rosa County and another County. They all came here and presented so they could look at it and when they were done, some of the Commissioners were not there and she asked Leon County if they would be willing to come back

and present to show the full Board what they had done in order to start generating funds and to make their EMS profitable. After that, it was brought to board and the Board agreed to fund EMS until this year.

Commissioner Taylor said she believed this was a situation similar to when they voted to give the workers the money for the overtime from last year. She doesn't believe the talk last year was as transparent as it is this year. She did not think they had that conversation regarding the surtax last year. She asked to speak with the EMS Director regarding the budget.

Chair Viegbesie said, while Mr. Maddox was coming forward, why he asked the question, he wanted it to come from the Financial Manager as to how the \$800,000 impacted the 2018/2019 budget that was going over into the 2019/2020 budget because they had that conversation as to how the money would split three ways and that was a part of the budget process last fiscal year and wanted that comment on record before Mr. Maddox answered Commissioner Taylor's potential questions.

Commissioner Taylor said she did not recall him being here this time last year. He said he came on board in December. She asked him if he understood the quagmire situation that the Board was in with trying to balance the budget and using the funds for EMS as well as Road and Bridge and Fire. She asked if he had an actual budget for 2018/2019. He said not with him. He said he came in December and they picked up from there. Commissioner Taylor said he was asking for \$1 Million for that particular period for 2018/2019. Mr. Lawson explained he was not asking for it, the Board had to do this because of decisions that were made. Commissioner Taylor said if there was \$1 Million deficit, they needed to understand where it came from, they were collecting more but the debt was higher. She said they have always covered around \$700,000 - \$800,000 debt with regards to EMS and now at \$1 Million but they were collecting more and the numbers were not jiving for her. Mr. Lawson said over the years the Board has always supplemented EMS to the total of anywhere between \$700,000 to \$1 Million plus, it depended on the year and even though they were doing well with collections but there have had increases with staff and operational costs in terms of salaries and benefits and even though they were collecting more, the operational costs in terms of personnel and those things have also gone up. Commissioner Taylor said they need to see some actual numbers regarding the expenditures from 2018/2019 year to date. She said she did not want his department to be under a strain. Mr. Maddox said he could turn things around.

Mr. Maddox said they have made huge improvements and the staff has helped him get there, they have a plan and it was working and they have to continue forward.

Commissioner Hinson said this issue was not directly to EMS, but since December, someone took EMS from Midway and put citizens at risk. How can it be a deficit with the funding and what happened to the \$350,000? How can staff put people at risk, it becomes a legal issue. He asked Mr. Lawson if he could answer that question.

Mr. Lawson said they had a unit housed at the new fire station. The City of Midway was renting out the fire station for functions almost every weekend and each time EMS had to leave and afterwards it was not properly cleaned and was in disarray and not a stable location for EMS staff. The \$300,000 was still in the budget because the staff is still working because staff still has to be paid. Commissioner Hinson asked why. Mr. Lawson asked why staff was still working. Commissioner Hinson said staff was there first, they were in that spot before making that decision

and then once they made that decision, the Board made that decision and things like that needs to come to the Board and the Board make that decision, not staff. It never came to the Board. He said he did not think Staff should make those decisions without the Board being made aware or voting to change it.

Commissioner Taylor said she felt tension with the Director and said she knew the importance with the EMS staff. She said she was trying to figure out the best way to get things done.

Chair Viegbesie said given the Midway operation was removed temporarily, was any staff at Midway, did they lose their job? Mr. Lawson said no. Chair Viegbesie said the only adverse action was the response time and Mr. Lawson agreed. Chair Viegbesie asked if the difficulties with the City of Midway had been resolved and Mr. Lawson said not yet. Chair Viegbesie asked who owned the building; the County or the City and Mr. Lawson said the City. Chair Viegbesie said they would have to find way to work with the municipalities as to how to use their facilities.

Commissioner Hinson said maybe the County could meet with the City because citizens think they have EMS there.

Chair Viegbesie said maybe the Interim could make arrangements for the Board and the City of Midway to have a joint meeting regarding this matter of EMS services.

Commissioner Taylor said he gave segue into what she was going to ask, there needs to be a contractual agreement that covers the County.

Commissioner Holt said with Midway that was something they need to do, but if they were going to move to Midway, as they should with other towns anyway, if they were going to do that, they need to have town hall meetings and need to have contracts and have deliverables. She then asked to move on with the Agenda.

Possible Solutions

Commissioner Hinson asked what the Elders position was. Mr. Lawson explained it was the Director of Elder Affairs that was requested to be put in the budget. Commissioner Hinson said this was his first time hearing of this. Mr. Lawson explained in some of the previous workshops, some of the Commissioners asked for this.

Commissioner Hinson said this was a tough situation for everyone. If they could not pay their own bills, how could they pay someone else's bills? He thought with the Summer Youth jobs, they did not need to touch, but get rid of anything else. They could revisit the last one in November, but with everything else, if he got two votes, he would vote yes.

Chair Viegbesie said it was necessary that bleeding has to stop, only thing they were going to have serious problem with was the additional 5% of the Constitutional Officers current budget. He said that was coming out of the current operational budget, the 2018/2019 budget and Mr. Lawson said that was correct. He said the last was to re-establish the surtax. Mr. Lawson said it would be the same item that was brought before them the earlier part of the month to split it three ways and would be the less painful way to try and supplement the budget with as less pain as possible to re-establish that to help them support EMS without having to go into the Fund balance. He said

it was a Board decision.

Commissioner Morgan said what they have done was base two of the last fiscal years' on an ordinance change to fund EMS services and selected to keep the existing EMS model with some enhancements based on that and then recently not passed the ordinance that put them in this predicament. He said the options they have was to address the Ordinance and pass it with a super majority vote or do an across the board 5% cut of the \$52 Million budget and that would generate what they need to do to get this done. He said he did not understand the difficulty in passing the Ordinance as it has been presented in support of the Clerk's Office but they were where they were. She said they certainly could not reach out to the Constitutionals and ask them to cut 5% from their budget because they did not legislate properly based on the two fiscal budgets they made. He said it was not difficult, there were decisions to make.

Commissioner Taylor said looking at the County buildings (in the Budget book) and there is \$1.5 Million budgeted for County buildings. Where is the increase going towards? Mr. Price said with Hurricane Michael, they had a number of buildings damaged and the insurance company paid them a dollar amount; they moved revenue, the amount of money that the insurance gave them (approximately \$600,000) over to Buildings so they could fix the buildings. She asked if anything there could be held off if the buildings were structurally strong enough. She said CRMC was giving \$400,000 back from the ½ cent tax, the indigent funds, with regards to EMS, those funds are to be used for indigent care, and would not EMS qualify for those funds to be used? Mr. Weiss said could not answer that question right now, he would find out. She asked if the rent received from CRMC used toward the debt services. She said she was also looking at the Library, she knew they had mandatory projects have to do per the State. Was that based on what the State mandated or could that wait and make sure EMS was taken care of. Mr. Lawson said if it was behind debt services that was the loan being paid on. She said there were places to take from without cutting the summer jobs. She said building repairs could possibly go for a while and use that for EMS.

Commissioner Holt said it was too late for this. She said she did not disagree with Commissioner Taylor. If they get an insurance claim, it must be used on that claim. If they go back now and not able to get the votes, they were going to have to cut positions to balance the budget. They need to make decisions today. If they passed the ½ cent, it would save the Road and Bridge, save the budge and allow the Board, they should have made cuts in June or July. She said they do not want to cut but they do not have a lot of options. She said she will put in a motion before they leave for the ½ cent sales tax and they can vote it up or down, this budget has to be turned in and they still have time to work around it.

Commissioner Hinson said citizens also have noticed they are investing a lot in advertising in all three newspapers.

Commissioner Holt stepped out at 7:11 p.m.

He said they invested \$300,000 over the past five years in advertising and that might be a way to cut some costs, they could use one paper. Chair Viegbesie said he had that conversation also.

Commissioner Holt returned at 7:13 p.m.

Chair Viegbesie said in that conversation was people do not subscribe to all newspapers and they

were not being transparent if they advertise only in one newspaper. Commissioner Hinson said what was more important, the summer jobs or advertising, summer jobs was. In five years they spent almost \$300,000. Commissioner Hinson said they have two papers that covered the entire County, they could advertise in one or just advertise in the Democrat.

Commissioner Morgan stepped out at 7:16 p.m.

Commissioner Taylor said this is the time to make change. The Interim has presented some possible solutions.

Commissioner Morgan returned at 7:18 p.m.

She said she was kind of where Commissioner Morgan was with across the board cuts so they could save the positions. Mr. Lawson said it would take \$1 Million for last year and \$1.5 Million for the next budget year and would leave a fund balance of only \$600,000. She asked if they look at 3% or 5% across the board cut for Constitutionals. Mr. Lawson said if they do that, the Departments would not be able to function and would lose employees. She said they still have the \$400,000 indigent care, she asked where the money was on Hurricane Michael. Mr. Lawson said money has been approved at the Federal level, but not at the County level. Commissioner Taylor said it was coming, as to the amount, they did not know. Mr. Lawson said was money will be coming to Gadsden County, but he could not say specifically how much it would be. He said the County was applying daily to FEMA but they could not base the budget on that.

Commissioner Morgan said regarding dollars on the hurricane, they were still waiting on Hurricane Irma. He further stated they were going to get some dollars, just did not know when and how much. He said if they go back to the Ordinance that they did not pass, if that did pass, most of their headaches were gone, but they based two budgets on the passing of that ordinance that did not pass and it caused this problem. They have a timeline to get this budget balanced and a limited number of meetings to get it done.

Chair Viegbesie said time was of the essence.

Commissioner Hinson said he had a solution, same as last year, how could they increase the increase. They increased the library administration but decreased the services, this year they did a great job of increasing everything. This year the jail maintenance, code enforcement, they increased departments throughout; why cut the Sheriff or the Clerk when they were increasing the Library. They need to go through line by line so they would not be in the blind. They have bridges falling down; kids can't get jobs, said to forget emergency housing for senior citizens but were increasing in other areas.

Commissioner Holt asked Mr. Lawson about the ½ cent surtax. She moved they approve the tax to be divided between the three departments. Chair Viegbesie said they could not do that. Mr. Weiss said it had to be advertised at least ten days. She asked if they could vote to advertise, Mr. Weiss said he did not think they needed a vote to do that. She said her suggested to the Board was to advertise the surtax and that would be their safety net and everything would work out fine. She said they could not cut the Constitutionals 5%; they could not cut the Board or the employees 5%; they could only possibly cut the programs and go back through the budget and that was why they started in June. She said she wanted to make sure they did not run up on October 1st with a

problem. She said another suggestion was, if they pass a balanced budget, there was nothing saying they could not move money around, but they have to pass a balanced budget.

Commissioner Hinson said he thought they need to take look at the expenditures, hold off from increasing the budget and they may have \$6-7 Million in reserves.

Commissioner Holt suggested they take the budget and sit down with the Manager and Mr. Price and look over what could be cut.

Chair Viegbesie said line by line items have been in the book and the second book they have had.

Commissioner Morgan reiterated the past two fiscal budgets were funded based on a change in the ordinance. His suggestion was, if possible for them to reconsider making that change, pass the ordinance to fund these two budgets and then readdress the ordinance at a later time to give them time to look more thoroughly at it and make changes if necessary. Everything was based on that ordinance and has some pretty major projects with the communications systems and others going on in the County based on that. He said he was all about looking at the budget and making cuts. He said they need to have drastic cuts to the BOCC budget and expenditures.

Mr. Weiss said his understanding from the Clerk's Office was in order for the distribution of the proceeds of the Ordinance to apply, it had to be adopted no later than end of this fiscal year. He said he did look at the calendar and they could have a special meeting on the 30th if the Board chose to do so. They still have to adopt a tentative millage rate and a tentative budget tonight and take public comments, if any. They have to adopt a final millage rate and a final budget on the 23rd and would be before they would consider the Ordinance.

PUBLIC HEARING

2. First Budget Public Hearing for Adoption of Tentative Millage Rate

Chair Viegbesie asked if there were any public comments and there were none.

Mr. Lawson stated this was the first of two required public hearings for fiscal year 2019/2020 budget. The fiscal year of 2019/2020 tentative budget has been formulated based on maintaining the current County-wide property tax rate of 8.9064 mills; the calculated rolled-back millage rate which was the property tax rate that generates the same amount of property tax revenue as last year is 8.9261 mills, which is 0.0191 mills higher than the current rate of 8.9064 mills; the FY 2019/2020 tentative budget is \$52,602,611. Staff recommends first a motion for adoption of the proposed millage rate of 8.9064 mills for FY 2019/2020.

COMMISSIONER MORGAN MADE A MOTION TO APPROVE AND COMMISSIONER HOLT MADE THE SECOND.

Mr. Weiss said the percentage change was not mentioned of -0.22%. Mr. Lawson read into the record the current year proposed rate of 8.9064 mills as a percent change of the rolled-back rate is -0.022%.

Commissioner Hinson asked with the roll-back, would taxpayers pay more or less, Commissioner Morgan said it depended on the property value. Commissioner Hinson said he was asking the

Administrator because he was the one giving them the right information. Mr. Lawson said he reiterated what Commissioner Morgan said, it depended if the property value had gone up or down as to whether or not they would pay higher tax or not.

CHAIR VIEGBESIE ASKED FOR A ROLL CALL VOTE.

COMMISSIONER HOLT	YES
COMMISSIONER HINSON	YES
COMMISSIONER TAYLOR	YES
COMMISSIONER MORGAN	YES
CHAIR VIEGBESIE	YES

3. Tentative Budget for Fiscal Year 2019/2020

Mr. Lawson said the second motion for adoption of the tentative budget for FY 2019/2020 at \$52,602,611.

Commissioner Taylor said the difference between fiscal year 18/19 and fiscal year 19/20 is \$4,627,608 and was an increase and when she looked at them, there was only one she understood and was the \$600,000 insurance with regard to county buildings. She said she did not see and did ask if there were any other mandates they had to fund; they managed extremely well last year without increases, and said she would not support individual departments and then take away from the least of them. She said she identified off the cuff almost \$800,000, what was funny was the Building Inspection Department was asking for additional dollars and every other municipality was getting their own inspector so why was there a large budget for inspections. She said she would not support divvying up the surtax that was the wrong avenue. There is \$4 Million dollars there that they could look at with indigent care.

Commissioner Holt asked to balance the budget tonight required the cutting of programs tonight because they could not get the ½ cent. Mr. Lawson said it would help, they would not find the \$2.5 Million even if they cut the recommended items. She said if they approved this, it would be with those cuts and if they came back and decided they did not want those cuts, they could still change it then, do they need to vote yes or no and move on? Mr. Lawson said the \$52 Million, nothing had been cut yet, that was their recommended cuts, but they had not decided to cut anything, they were approving the \$52,602,611. Commissioner Holt said she moved approval of that and had another comment also.

COMMISSIONER HOLT MADE A MOTION TO APPROVE THE BUDGET AT \$52,602,611 AND CHAIR VIEGBESIE MADE THE SECOND.

Commissioner Hinson said he concurred with Commissioner Taylor in voting against the budget like he did last year. They cut summer youth, emergency housing repairs for senior citizens, took out the funding for student aides, yet increased the budget by \$1.5 Million last year and now were trying to increase it this year by \$4 Million. He said last year they got rid of library services, they cut the services but increased the administration, and did not understand that. He said it was difficult for him to support this budget when the senior citizens needed some relief, just went through Hurricane Michael, peoples' houses have rain coming in, kids need jobs in the community, they cut 125 jobs from them and they need to look at why they were here, they were here to serve, not to help friends, here to serve kids, the senior citizens, serve the veterans, serve the

community as a whole, not just individuals and was why he could not support this.

Commissioner Morgan asked Mr. Weiss if they failed to adopt a tentative budget this evening, how that would impact them in moving forward. Mr. Weiss said they have to adopt a tentative budget before they adopt a final budget and timewise, did not know if there was enough time at this point to have another public hearing for a tentative budget and then a public hearing for a final budget. Commissioner Morgan said in order to do their primary function, they needed to adopt a tentative budget, but supporting a tentative budget that did not in any way mean that they were supporting a final budget so if there were no changes and they did not support it, it simply failed until the next meeting and Mr. Weiss said that was correct. They could make changes to the tentative budget and then adopt the final. Commissioner Morgan said where they were now is they have a tentative County-wide budget that was balanced with unrestricted funds being brought down to \$600,000 if they adopt the tentative budget with no change. Without adopting the tentative budget, they cannot move forward in the process. He said he will not approve a final budget that draws down their fund balance to \$600,000. He said it was their duty to adopt a tentative budget tonight so they could move forward in the process. If not they were not doing their job. He said there was a motion on the floor but it did not sound like there was any give in moving forward and the only way to move forward was to adopt the tentative fiscal year budget based on the information in front of them. He said they did not have much of a decision to make at this point; otherwise they were not doing their primary function. He said for them to make sure they heard what he was saying; he would support the motion on the floor tonight so they could move forward in the process and he would not support a budget that draws down funds as currently proposed to \$600,000.

Commissioner Taylor said she had a question about the motion on the floor, he could not read her mind, the motion on the floor did not eliminate what his suggestions were, and they were still there. Mr. Lawson said yes it did. Commissioner Taylor said she was ready to move forward.

**CHAIR VIEGBESIE CALLED FOR THE VOTE. THE BOARD VOTED 4-1 BY VOICE VOTE.
COMMISSIONER HINSON OPPOSED.**

Commissioner Taylor left the meeting at 8:11 p.m.

Commissioner Holt said everyone needs to sit down with the Manager and Staff; this budget should have been balanced back in August.

Mr. Lawson said Staff recommended the second budget hearing to be held on September 23rd at 6:00 p.m.

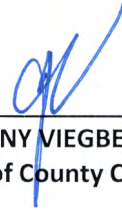
**COMMISSIONER MORGAN MADE THE MOTION FOR SAME AND COMMISSIONER HOLT MADE
THE SECOND, BOARD VOTED 4-0 TO APPROVE.**

Gadsden County Board of County Commissioners
September 12, 2019-First Budget Hearing

MOTION TO ADJOURN

THERE BEING NO FURTHER BUSINESS TO COME BEFORE THE BOARD, THE CHAIR DECLARED THE MEETING ADJOURNED AT 8:13 P.M.

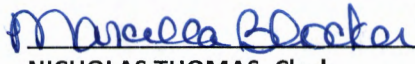
GADSDEN COUNTY, FLORIDA



ANTHONY VIEGBESIE, Chair
Board of County Commissioners

ATTEST:





NICHOLAS THOMAS, Clerk.