

AT A BUDGET WORKSHOP OF THE BOARD OF
COUNTY COMMISSIONERS HELD IN AND FOR
GADSDEN COUNTY, FLORIDA ON MAY 13, 2021
AT 4:00 P.M., THE FOLLOWING PROCEEDING
WAS HAD, VIZ:

Present: Brenda Holt, Chair, District 4
Dr. Anthony "Dr. V" Viegbesie, Vice Chair, District 2
Eric Hinson, District 1
Kimblin NeSmith, District 3
Ronterious "Ron" Green, District 5
Edward J. Dixon, County Administrator
Clayton Knowles, County Attorney
Hannah Pope, Deputy Clerk

Welcome (Brenda Holt)

Chair Holt called the workshop to order at 4:05 p.m.

INVOCATION, PLEDGE OF ALLEGIANCE

Chair Holt asked for a moment of silence then she led in the Pledge of Allegiance to the U. S. Flag.

CITIZENS REQUESTING TO BE HEARD (3-Minute Limit)

Due to COVID-19 and the efforts of the Gadsden County Board of County Commissioners to continue the practice of social distancing, Commissioners want to continue to hear from citizens under the Citizens Requesting to be Heard section of the agenda.

If citizens have any questions, comments, or concerns, please email

CitizensToBeHeard@gadsdencountyfl.gov and anticipate receiving a response within 48 hours.

The Board of County Commissioners would like to thank everyone for their patience and flexibility during this time.

Commissioner NeSmith read the above statement and there were no citizens to be heard at this time.

Commissioner Viegbesie exited the workshop at 4:06 p.m.

Commissioner Viegbesie returned to the workshop at 4:06 p.m.

GENERAL BUSINESS

3. Introduction/Overview (Edward J. Dixon, County Administrator)

Commissioner Viegbesie informed the Board that Mr. Dixon was not feeling well and therefore had gone home. Chair Holt stated that Ms. Daniels had informed the Board before the meeting. She then asked Ms. Daniels if she had any commits or if there anything that she needed to go over. Ms. Daniels stated that she could stand in for Mr. Dixon at this time.

Chair Holt exited the workshop at 4:07 p.m.

Ms. Daniels stated that this was preliminary information since the Board showed interest in starting the budget process earlier than normal. This was going to be an informal workshop since all of the information is again preliminary. She stated as the Board knew, the preliminary property evaluations

would not come out until June 1st. Right now, staff was anticipating the revenues may be a “little flat” and the Property Appraiser has initially indicated to staff that there may be some increase in property evaluations. She stated there have also been some significant home sales in the eastern part of the county that may increase evaluations as well.

Chair Holt re-entered the workshop at 4:09 p.m.

Ms. Daniels stated that with this upcoming budget the assumptions that staff was making were that the Board would need to be a little conservative. Due to the COVID-19 pandemic the County’s revenue may remain “a little flat”.

Commissioner Green entered the workshop at 4:10 p.m.

Ms. Daniels stated there will be some cost-of-living increases to some budgets for contracts and other such expenses. There have been some increases due to the pandemic for Information Technology (IT) advancements. She stated when transitioning to working from home there was software that needed to be purchased. There will be no raises for the employees in this upcoming fiscal year which includes cost of living and merit increases.

a) Financial Outlook for FY 21/22 - Goals
i. Reserve

Ms. Daniels stated that there was interest from the Board regarding the reserves. This was not the internal contingency fund but the overall reserves. These funds are what the County puts aside for situations such as Hurricane Michael, other natural disasters, or a pandemic. She stated that the numbers the Board was seeing was not the finalized total but an estimate that the auditors could give staff at this time. The biggest reserve is the \$4.3 Million dollars in the General Fund. Ms. Daniels stated that most governments have a threshold amount that they try to keep in reserves and currently the County did not have a threshold for the reserves. Customarily there has been at least two to two and a half months of operating funds in the reserves. Staff will be getting with the Board at a later time to create a goal to start working towards the reserves. She stated that the next largest fund would be the Transportation fund which totaled \$2.7 Million dollars. That is where the gas taxes are located and is designated for road maintenance. She stated that the third largest fund is the Fire Assessment Fund which totals \$644 Thousand dollars. Ms. Daniels stated the amount that was previously stated for the General Fund is not the total of that fund. The amount stated is the unrestricted or unassigned balance. The total of the General Fund including the restricted or assigned amount is \$5.3 Million dollars.

Chair Holt asked for a break in the presentation so the commissioners could number the pages of the hand out they were given to be able to ask questions.

Ms. Daniels resumed the presentation by stating there are items in the \$5.3 Million dollars that is assigned to special projects or accounts payables of some sort. She stated that the \$4.3 Million is not what is typically used to budget projects but it is there to use when it is “raining cats and dogs”.

Commissioner Green asked if the \$4.3 Million dollars was not part of the budget.

Ms. Daniels answered that it has typically not been part of the budget. Those funds are the emergency funds. She stated that during a natural disaster those are the funds that allow the county to remain operational.

Commissioner Viegbesie stated those funds are to sustain the County for two to three months in case of an emergency. This is the reason that the General Fund is not technically the County's reserves. He stated in his personal opinion the Board should not be considering those funds right now because it is not the budget/accounts payables that the County will be using.

Chair Holt stated what was needed was a good explanation of the budget for the two new commissioners. She also reminded the Board of Ms. Daniels prior work with budgets via what was listed on her resume. Then she stated that she would like to see a comparison of the total amounts that were in the general fund. This could give clarity to the new commissioners and to the public regarding these amounts.

Commissioner Hinson stated that having a conservative amount for County reserves was 5 percent of the county's budget which would be \$2 to \$3 Million dollars, and the County has above that amount at this time. Yet, those funds are meant to aid the County when there is a disaster of a certain magnitude.

Chair Holt stated that the State recommends that the County have three months of operating funds in case of an emergency.

Commissioner Hinson stated that the most important thing to understand as a commissioner was the budget. He stated before Hurricane Michael the general fund was around \$7 to \$8 Million dollars. He stated that they needed to look at the auditor's report for the percentages and the board needed to be on the safe side by being conservative.

Commissioner NeSmith was then recognized and he asked Ms. Daniels if the County was following the "best practices" regarding the general fund.

Ms. Daniels answered that in her experience the reserves have been "healthier" than what the County has. She stated that where "she came from they had two reserve accounts one at six percent and one at 11 percent". She stated if the County has "healthier" reserves it could be a positive reflection on the County's financials for bonding purposes. It aids in the bond rating and the interest rates for the County. The reserves are there so the County is prepared in the face of a catastrophe such as Hurricane Michael. The County can work to building the reverses and that is something that staff would like direction on via the Board's discretion.

Commissioner NeSmith asked how has the commission improved the reserves in the past and "where do those dollars typically come from". Chair Holt stated that the County has not increased that amount. It has always been based off of the 5 percent of the budget "which is not a good practice". This is because the State says in case of emergency there is staff, contractors, and bills that still have to be paid. She stated this is why officials say to strengthen the reserves. COVID should be a warning since soon the federal government will not be giving out money and it does not matter what the virus does.

Commissioner NeSmith asked that while looking at the budget did the Board budget for the reserves or did the funds that were not spent go into reserves.

Chair Holt stated that once all of the expenditures are taken out and all that is left can be discussed. They have to remember that the pandemic has cause a large number of citizens to lose their jobs so they have to look at what people can pay as far as taxes goes. The Board has to look at all of the taxes coming in. Once the Property Appraiser gets the information in regarding property tax that can be discussed in further detail.

Commissioner Green asked how did the County build up the reserve account and even though nobody would want it, how about an increase in taxes. Was there a way for the Board to improve since the five percent has been just enough to get by?

Chair Holt stated that there would be more workshops to discuss this issue. The Board needed to allow Ms. Daniels to finish the presentation then they could have some discussion regarding the issues that were brought before them.

Commissioner Viegbesie stated this process was something that was new to Commissioner Green and Commissioner NeSmith. The reason they were asking these questions was for clarification as Ms. Daniels was going through the presentation.

Chair Holt stated "Jot it down"

Commissioner Viegbesie continued with a review of what Ms. Daniels stated regarding the process building the reserve account.

Commissioner Hinson stated the Board could regulate the County Administrator's discretionary spending. This was so the Board could have almost total control of the spending in the County.

Chair Holt stated that the Board has to know what the numbers are and for the commissioners to jot down their questions so Ms. Daniels can finish the presentation.

Ms. Daniels stated that the Board could budget amounts to go into reserves as well as placing unused funds into the reserves. She continued with the presentation by going over the breakdown of where the funds are placed once they are in the general fund. Staff wanted to show the Board a breakdown of the expenditures from the General fund that have been used and what remained. She stated that this was just for the Board's information only.

Commissioner Hinson asked for a breakdown on how the funds were spent.

Ms. Daniels stated that this was from the operating budget and all of these things were outlined in the budget. She stated that staff could provide them additional details and this was just the funds that the different departments receive. There were also other services that are used to operate the departments.

Commissioner Hinson stated that there is cell phone line item on this sheet.

Ms. Daniels state that was a typo because that was the cell towers.

Commissioner Hinson stated that made more since because he could not understand having a \$400 Thousand cell phone bill.

Chair Holt asked them to jot down the questions they had so they could be addressed at a later time. She reminded the Commissioners they could meet with the County Administrator on these issues outside of workshops as well.

Commissioner Green stated if they had an itemized list it would be helpful and may alleviate some of the questions that the commissioners had.

Commissioner Hinson stated there are some funds that are being used under the grant writer and that position has just become available. He asked how were those funds being used.

Ms. Daniels stated the name was a typo and the amount stated was a contract for the SHIP program. The names for some of these accounts have changed.

Chair Holt stated that there are administrative fees that need to be discussed as well. The Commissioners needed to jot down their questions and meet with the County Administrator as well.

Commissioner Viegbesie stated that once Ms. Daniels finished the presentation, the Commissioners could take it home and look over it so they could have questions prepared for the next workshop.

Ms. Daniels stated that the next portion of the presentation was the general fund revenue and this states what the County has received up until this month. She stated that it also showed what the County receives annually over the last few years and was for information only. The information looks as if the County has a shortage of funds yet it was just a comparison of the funds that have been collected and the budget. She stated there are still five months in this fiscal year and there is still revenue to be collected in those months.

Commissioner Green exited the workshop at 4:47 p.m.

Ms. Daniels stated that the next two sections of the presentation show the amounts collected over the last two years and these were the major revenues for all funds. There being no questions Ms. Daniels proceeded to a breakdown of what the Constitutional Officers have spent since 2017 and the request for the current fiscal year. The last section of the presentation showed the taxable value of the ad valorem taxes. The County had a 5.24% increase in property evaluations from the previous fiscal year.

Commissioner Green returned to the workshop at 4:50 p.m.

Ms. Daniels stated the presentation showed the current millage, previous millage rate, and how much property revenue was generated. The final columns showed the budgeted amounts and the amounts that were generated. The highlighted sections of the presentation would be the

upcoming fiscal year projections off of the current figures. She stated that this was all a “what if” explanation and staff should know more once the property evaluations were received. She asked the Board for their consideration regarding the non-profits and how they would like to handle the budget process for the upcoming fiscal year.

Chair Holt stated the reason the Board set those funds aside was because of the virus.

Commissioner Green asked was the Boys and Girls Club one of the organizations that money was set aside for and when would the Board be able to distribute those funds to the organizations. He stated that those funds help those organizations provide services to the County.

Ms. Daniels stated that staff will be bringing that item to the Board in a regular meeting because those funds were set aside in the previous budget that the County was operating on now. The funds have to be brought back before the Board to be released to those organizations. She stated since it was allocated it has been placed in reserves.

Commissioner Viegbesie stated when those funds were put into the reserves it was because the schools were closing due to the virus. These organizations have to prove they were having activities during the shutdown. He stated he believed if the organizations should get the funds based on the amount of time they provided service during the pandemic time frame. This was so that information could be part of the budget proposal. He stated it could be used to see what the County is expecting to spend versus what the County is expecting to receive. The nonprofits need to bring in their requests which can allow staff to add those requests to the budget so that they can be added to the expenditures. He stated he is hearing that Gadsden County has one of the lowest millage rates which may hurt the County when it comes to revenue sharing. The reason why is because the State sharing process is done off of the local government millage rates.

Chair Holt stated that Gadsden County is a receiver County. The reason being is a receiver county is landlocked and does not have the large revenue sources as the counties with beaches. The problem with raising the millage rate was “we would be asking poor people to pay more taxes”. She stated that has been a dilemma for the County for years.

Commissioner Green asked when was the last time there was a tax increase.

Chair Holt stated that property tax and gas taxes are two different entities. She stated it was easier to get funds off of gas tax than property tax.

Commissioner Viegbesie stated that gasoline tax is a restricted tax and is only for transportation purposes.

Chair Holt stated that if there are those tax dollars coming in for a specific purpose the other funds do not have to carry those projects.

- ii. Contingency
- b) Assumptions/Trends

Summary Highlight (*Georgette Daniels, Assistant County Administrator*)

- a) Revenue/Expenditures

- b) Fund Balance/Reserve
- c) Non-Profits

Constitutional Officers

The Supervisor of Elections, Shirley Green Knight, appeared before the board to discuss her budget request. She stated that at every one of the polling places there has to be a machine called auto mark. These machines are for disabled voters in which the voters get a ballot to take to the machine that digitizes the ballot for them. This machine helps those who are visually and hearing-impaired voters. The Supervisor of Elections Office purchased these machines in 2011 and they can no longer be upgraded with the election software. Therefore, there was a need for voting machines that will be placed into the budget request. Also, she stated there was a lawsuit that involved software that has to be in place by March of 2022. This software was where the disabled voter could pull up the ballot to be able to vote independently at home. This software could also be used for the military personnel. This software will also be included in the budget request.

Chair Holt stated as soon as those numbers could be submitted it would be greatly appreciated. She asked how many COVID cases were there.

Ms. Knight answered they still have 25. She stated that the ball park number of the additional costs would be \$110,000.

Chair Holt asked if that included both software and the machines.

Ms. Green Knight answered that was correct.

Chair Holt asked that she please get that information to administrative staff.

Commissioner Viegbesie stated that he appreciated that Ms. Knight came to explain the increase in her budget request from the previous years. He asked if it could be impressed upon the other Constitutional Officers to give an explanation as to why there was increases to their budget requests.

Commissioner NeSmith asked if the software for military and disabled citizens would allow them to vote electronically as opposed to returning an actual ballot.

Ms. Knight answered they will have to return the ballot. This software has to be requested from the Supervisor of Elections Office first and then they will be given a link to pull up a ballot. The citizens then have to print it out and mail it back. It has to be delivered to the office by mail or hand.

Commissioner Green exited the workshop at 5:13 p.m.

Commissioner NeSmith asked if the software only allowed them to access their ballot as opposed to receiving it in the mail.

Ms. Knight answered that was correct yet, the ones at the polling place use a different software.

Chair Holt asked if there were any other questions.

Commissioner Hinson asked the Board to take under consideration updating the Planning and Zoning practices, bringing in WastePro to look at waste collection, and looking at employee wages.

Gadsden County Board of County Commissioners
May 13, 2021 Budget Workshop

Commissioner Green re-entered the workshop at 5:16 p.m.

Chair Holt stated if he had any idea to jot those down so they can be discussed when there is more information on the budget.

Commissioner NeSmith asked was there a reason the Bboard has not increased the gas taxes since it was a more palatable way to generate revenue.

Chair Holt answered that people just did not want to raise any of the taxes.

Commissioner NeSmith asked was there a way to create a marketing program to explain that those taxes would be used to provide additional services.

Mr. Knowles informed the Board t he had emailed them the millage rates by County for comparison. He stated that property in counties are not going to have sufficient value to have a major increase if the millage rate increased. Some of the business and larger parcels may suffer but a lot of the citizens are not really going to see a tremendous increase.

Ms. Daniels stated that in the last section of the presentation the millage rates are listed out for the County since 2005.

Mr. Knowles stated that once discounts and other aspects apply, the increase may be only \$100.

Ms. Daniels stated that it will be based on the evaluations of the properties.

Chair Holt stated due to the conditions of the time a large group of people were exempt at that time. That when you say percent as cent it also makes a big difference. They have to clarify what is being said for the public.

Commissioner Hinson stated there was a bridge that collapsed last year. There are still bridges that need to be corrected as well.

Chair Holt stated Hurricane Michael and Hurricane Sally weakened the roads/bridges in this area. The storms washed out those roads/bridges.

Mr. Knowles stated there is going to possibly have a new resolution or ordnance regarding the masks in the next upcoming meeting. It does not affect the County regarding resources.

Ms. Daniels reiterated that this was again strictly preliminary for their information. Staff will be bringing back this information as well as more information as they receive it during the budgeting process. She asked for the Board to consider the idea of taking off some time specifically the month of July. Also, there would have to be a meeting to adopt the millage rate before August 4th.

Chair Holt stated that they could have workshops at any time to discuss the information as needed. She stated to look at the calendars to see when they needed to meet.

Commissioner Viegbesie stated the Florida Association of Counties and the National Association of Counties are having conferences and there will not be a quorum present during the times of those conferences.

Board of County Commissioners Priorities and Direction

MOTION TO ADJOURN

THERE BEING NO FURTHER DISCUSSION, CHAIR HOLT ADJOURNED THE WORKSHOP AT 5:37 P.M.

GADSDEN COUNTY, FLORIDA

**BRENDA A. HOLT, Chair
Board of County Commissioners**

ATTEST:

NICHOLAS THOMAS, Clerk