

**MINUTES OF MEETING
BOARD OF COUNTY COMMISSIONERS
ST. JOHNS COUNTY, FLORIDA
SEPTEMBER 6, 2016
5:30 P.M.**

Proceedings of a special meeting of the Board of County Commissioners (BCC) of St. Johns County, Florida, held in the auditorium at the County Administration Building, 500 San Sebastian View, St. Augustine, Florida.

Proof of publication for the notice of a public hearing to consider and adopt the tentative millage rates and budget for Fiscal Year 2017, was received, having been published in *The St. Augustine Record* on August 29, 2016.

Present: Jeb Smith, District 2, Chair
 James K. Johns, District 1, Vice Chair
 William A. McClure, District 3
 Jay Morris, District 4
 Rachael L. Bennett, District 5
 Michael Wanchick, County Administrator
 Patrick McCormack, County Attorney
 Bonnie A. Putman, Deputy Clerk

Also present: Darrell Locklear, Assistant County Administrator; Joy Andrews, Assistant County Administrator; Regina Ross, Senior Assistant County Attorney

(09/06/16 - 1 - 5:30 p.m.)
CALL TO ORDER

Smith called the meeting to order.

(09/06/16 - 1 - 5:30 p.m.)
PUBLIC COMMENT

Grace Passo, 35 Sea Park Drive, stated her concern with the amount of funding for The Institute of Food and Agricultural Sciences (IFAS) and requested that the monies were held until a sufficient study could be completed, which would involve salary, benefits, and research in Field Trial Grants at Hastings and Cowpen Branch.

(09/06/16 - 1 - 5:31 p.m.)
ADDITIONS/ DELETIONS TO THE SPECIAL AGENDA

There were none.

(09/06/16 - 1 - 5:31 p.m.)
APPROVAL OF THE SPECIAL AGENDA

Motion by Morris, seconded by Bennett, carried 5/0, to approve the special agenda.

(09/06/16 - 1 - 5:32 p.m.)

1. 5:30 P.M. PUBLIC HEARING, ADOPTION OF TENTATIVE MILLAGE RATES AND BUDGET FOR FISCAL YEAR 2017. IN ACCORDANCE WITH SECTIONS 129.03 AND 200.065 OF THE FLORIDA STATUTES, THE BOARD OF COUNTY COMMISSIONERS (BCC) IS REQUIRED TO HOLD PUBLIC HEARINGS TO ADOPT ITS MILLAGE RATES AND BUDGET FOR THE NEXT FISCAL YEAR (FY). SUCH HEARINGS MUST BE HELD AFTER 5:00 P.M., IF SCHEDULED

ON A DAY OTHER THAN SATURDAY. IN THE RECENTLY MAILED NOTICES OF PROPOSED PROPERTY TAXES (TRIM) BY THE COUNTY'S PROPERTY APPRAISER, THE DATE AND TIME NOTICED FOR THE REQUIRED HEARINGS IS SEPTEMBER 6, 2016, AT 5:30 P.M. THE FLORIDA STATUTES FURTHER PRESCRIBE THE SPECIFIC ORDER FOR CONSIDERATION OF SUBSTANTIVE ISSUES TO BE DISCUSSED DURING THE REQUIRED PUBLIC HEARINGS. THE FIRST SUBSTANTIVE ISSUE OF DISCUSSION MUST BE THE PERCENTAGE INCREASE IN THE COUNTY'S AGGREGATE MILLAGE RATE OVER THE ROLLED-BACK RATE NECESSARY TO FUND THE BUDGET. THE ROLLED-BACK RATE IS DEFINED AS THE AGGREGATE MILLAGE RATE THAT WOULD GENERATE THE SAME LEVEL OF PRIOR YEAR TAX REVENUES LESS CERTAIN DEFINED ALLOWANCES (SUCH AS NEW CONSTRUCTION). DURING SUCH DISCUSSION, THE GENERAL PUBLIC SHALL BE ALLOWED TO SPEAK AND ASK QUESTIONS, PRIOR TO THE ADOPTION OF ANY MEASURES BY THE BCC. THE BCC SHALL ADOPT, BY RESOLUTION, ITS TENTATIVE MILLAGE RATES, PRIOR TO ADOPTING ITS TENTATIVE BUDGET FOR FY 2017. ADDITIONALLY, THE BCC IS REQUIRED TO ESTABLISH A DATE, TIME, AND PLACE TO CONDUCT PUBLIC HEARINGS ON THE FINAL MILLAGE AND BUDGET ADOPTION FOR FY 2017. IT IS RECOMMENDED THAT THE BCC ESTABLISH SEPTEMBER 20, 2016, AT 5:30 P.M., IN THE COUNTY AUDITORIUM, TO CONDUCT SUCH HEARINGS

Jesse Dunn, Office of Management and Budget, presented details of the tentative millage rate and the proposed budget for Fiscal Year 2017, in accordance with the procedures prescribed by Florida Statute 200.65, via PowerPoint.

(09/06/16 - 2 - 5:33 p.m.)

DISCUSSION OF THE PERCENTAGE INCREASE OVER THE ROLLED-BACK RATE

- Rolled-back rate was defined as the millage rate needed currently, in this fiscal year, to generate the same amount of taxes, as adopted in the previous fiscal year, with some consideration to new construction. The County's rolled-back rate was 6.9755. The comparison requirement was to compare that to the aggregate millage rate, the rate obtained by dividing all of the County's ad Valorem taxes, by the taxable value of the County. The County's aggregate millage rate was 7.2520.
- The percentage increase from the rolled back rate was 3.96%
- The specific purpose for the increase over the rolled-back rate was to fund capital outlay; for example, vehicles, computer replacement, capital equipment and Capital Improvement Plan (CIP), and the on-going deferred maintenance in the General Fund, Fire District Fund, and Transportation Trust Fund.

(09/06/16 - 2 - 5:36 p.m.)

PUBLIC COMMENT

There was none.

(5:36 p.m.) Dunn shared the FY 2017 Proposed Appropriation of Property Taxes, which included an additional column titled, Commission Recommended. He reviewed the FY 2017 recommended budget outstanding items; including a General Fund deficit, resulting from an additional \$200,000 millage shift to Transportation Trust, which can be resolved through Commission consensus, to utilize additional resources identified during an OMB final reconciliation and the Commission-directed Off-Beach Parking Program, reducing the General Fund subsidy from \$800,000 to \$200,000, which can be resolved through Commission consensus, to utilize General Fund Reserves until the program is developed.

(5:43 p.m.) McClure requested clarification on the utilization of funds in excess to \$4 million out of reserves. Dunn responded that the County's multi-year plan was to utilize reserves, but not drawing down as much as in previous years, due to additional income from property taxes.

(5:46 p.m.) Morris stated that without an additional revenue source, the County would need to continue to draw down on reserves. Discussion ensued on County spending, the budget deficit, the previous year's millage shift and the increase in funds, generated by property taxes. Dunn spoke on County expenditures, including Transportation Trust and Fire District and stated that even with the growth at 8.9%; the County was unable to resolve the outstanding issues. McClure questioned the combining of the fire stations and the increase in construction costs. Dunn stated that there would still be savings in combining the two stations.

(5:51 p.m.) Smith questioned the budget line item, regarding the Sheriff's Training Facility/Jail Controls. Dunn responded that the priority had shifted from the Training Facility to Jail Controls. Discussion ensued on setting the tentative millage rate and budget.

(5:54 p.m.) Wanchick clarified the unresolved items and the recommended solutions, which were presented by Dunn.

(5:55 p.m.) Smith spoke on the approximation of a 5% annual increase and growth, specifically the recurring cost of \$1.7 million in recommended additional sheriff operations personnel requests.

(5:56 p.m.) Morris agreed with the recommendation from OMB. Discussion ensued on reimbursement to the County from the Off-Beach Parking Program.

(5:58 p.m.) Motion by Morris, seconded by Bennett, carried 4/1, with Smith dissenting, to use the recommendation from OMB for the General Fund deficit; resolved to utilize additional resources, identified during an OMB final reconciliation; and for the Commission-directed, Off-Beach Parking Program, reducing the General Fund subsidy from \$800,000 to \$200,000, resolved to utilize General Fund Reserves until the program is developed.

(09/06/16 - 3 - 5:59 p.m.)

ADOPT TENTATIVE MILLAGE RATE RESOLUTION

- The Tentative Millage Rate resolution must be adopted first.

Prior to adoption, it is necessary to publicly announce:

- | | |
|--|------------------|
| • The Taxing Authority | St. Johns County |
| • The Rolled-back Rate | 6.9755 mils |
| • % Increase in Property Taxes From the Rolled-back Rate | 3.96% |
| • The Tentative Aggregate Millage Rate | 7.2520 mils |

(5:59 p.m.) McClure questioned the \$200,000 and the millage change. Dunn provided the numbers.

(6:00 p.m.) Motion by Bennett, seconded by Morris, carried 5/0, to adopt Resolution 2016-277, approving the proposed Fiscal Year 2017 millage rates of the Board of County Commissioners of St. Johns County as follows:

- **General Fund millage rate of 5.1200**
- **County Transportation Trust Fund millage rate of 0.7300**

- County Health Unit Trust Fund millage rate of 0.0171
- Fire District Fund millage rate of 1.4700
- Vilano Street Lighting District millage rate of 0.0500
- St. Augustine South Street Lighting District millage rate of 0.2100
- Summer Haven M.S.T.U. millage rate of 8.5000
- The St. Johns County aggregate millage rate of 7.2520

RESOLUTION NO. 2016-277

RESOLVED, THAT THE FOLLOWING TENTATIVE MILLAGE RATE IS HEREBY SET BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA, FOR ALL PROPERTY IN ST. JOHNS COUNTY, AS OF JANUARY 1, 2016

General Fund	5.1200
County Transportation Trust Fund	.7300
County Health Unit Trust Fund	.0171
Fire District, Countywide	1.4700
Except City of St. Augustine	
Vilano Street Lighting District	.0500
St. Augustine South Street Lighting District	.2100
Summerhaven M.S.T.U.	8.5000
AGGREGATE MILLAGE RATE	7.2520
Rolled-back Rate	6.9755
Percentage increase in Property Taxes from rolled-back rate:	3.96%

(09/06/16 - 4 - 6:01 p.m.)

ADOPT TENTATIVE BUDGET RESOLUTION

Dunn reviewed the proposed budget, including carry-forwards, largely for capital projects; grants, related to the Transportation Trust; FEMA Assistance Grant; and additional health care claims, in FY16. Additionally, he provided the following costs that would be reflected in the final budget resolution: \$80,000 to complete the Treasure Beach Canal project, \$13,100 for an indirect cost allocation, and \$32,500 for the impact fee study. Discussion ensued on the FY16 carry-over reserves, which were \$54 million and the \$73 million in FY17 carry-overs, which was an increase of 45% from the previous year.

(6:05 p.m.) McClure questioned the affordable housing revenues being placed in restricted reserves. Dunn stated that those monies could not be spent on another item. McClure questioned the total amount of reserves. Dunn responded that they were listed under Special Contingency.

(6:08 p.m.) Motion by Morris, seconded by McClure, carried 5/0, to adopt Resolution 2016-278, approving the proposed Fiscal Year 2017 budget of the Board of County Commissioners of St. Johns County, Florida, using the certified taxable value of \$22,060,168,450, generating an estimated \$159,979,958 in taxes, and resulting in a total budget of \$673,699,959.

RESOLUTION 2016- 278

RESOLVED, THAT THE FOLLOWING FISCAL YEAR 2017 PROPOSED BUDGET OF THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY,

FLORIDA, DEVELOPED USING THE CERTIFIED TAXABLE VALUE OF \$22,060,168,450, GENERATING AN ESTIMATED \$159,979,958 IN TAXES, IS HEREBY ADOPTED, RESULTING IN A TOTAL BUDGET OF \$673,699,959 AS FOLLOWS:

General Fund	\$195,832,767
Special Revenue Funds	
-Transportation Trust	\$69,794,478
-Fire District	\$41,724,329
-Health Department	\$371,403
-Building Services	\$20,531,335
-State Housing Initiative Partnership	\$2,536,175
-Alcohol and Drug Abuse Trust	\$17,915
-Community-Based Care	\$6,063,506
-Beach Services	\$2,018,502
-County Pier	\$432,748
-Tourist Development	\$14,103,128
-Cultural Events	\$10,958,692
-Tree Bank	\$2,783,995
-Impact Fees - Public Buildings	\$4,241,074
-Impact Fees - Police Services	\$996,794
-Impact Fees - Fire Rescue	\$5,684,058
-Impact Fees - Roads	\$18,271,310
-Impact Fees - Parks	\$1,965,300
-E-911 Communications	\$1,706,243
-Law Enforcement Trust	\$44,017
-Crimes Prevention Trust	\$88,652
-Court Innovation	\$115,779
-Legal Aid	\$322,132
-Law Library	\$40,872
-Juvenile Alternative Programs	\$44,030
-Court Technology	\$5,237,490
-Communications Surcharge	\$291,426
-Florida Boating Improvement	\$516, 211
-Northwest Tower	\$373,693
-Court Facilities Trust	\$495,235
-Driver's Safety Education	\$116,915
-West Augustine CRA	\$307,227
-Flagler Estates CRA	\$93,519
-Vilano CRA	\$325,355
-Sidewalk Mitigation	\$44,959
-Transit System	\$3,459,082
-Golf Course	\$2,173,157
-Vilano Street Lighting District	\$18,451
-Elkton Drainage District	\$33,889
-St. Augustine South St. Lighting District	\$52,729
-Treasure Beach M.S.B.U.	\$260,148
-CH Arnold Road Grading M.S.B.U.	\$8,951
-Deerwood Lane M.S.B.U.	\$10,198
-Durbin CTITF	\$67
-Summer Haven M.S.T.U.	\$205,572
Debt Service Funds	
-12 Transportation Refunding Bonds	\$2,012,975
-15 Transportation Refunding Bonds	\$1,665,794
-09 Sales Tax Bonds	\$3,826,569

-09A Sales Tax Refunding Bonds	\$1,572,763
-12 Sales Tax Refunding Bonds	\$1,912,619
-15 Sales Tax Refunding Bonds	\$3,928,775
-Ponte Vedra MSD Sewer Contract	\$1,617,392
-Commercial Paper	\$2,152,920
-Flagler Estates Loan	\$509,614
-14 Revenue Sharing Refunding Bonds	\$1,169,157
-Trane Capital Lease	\$241,561
-HHS Facility Note	\$409,413
-Series 2012 Chase Note	\$1,279,632

Capital Improvement Funds

-Beach Re-Nourishment Projects	\$4,739,369
-SR 207 CIG Developers Projects	\$155,470
-15 Sales Tax Construction Projects	\$15,462,608
-16 Public Facilities Projects	\$4,640,000

Enterprise Funds

-Solid Waste Management	\$41,582,296
-Utility Services	\$106,498,797
-Ponte Vedra Utility Services	\$22,488,551
-Convention Center	\$3,389,936

Internal Service/ Trust and Agency Funds

-FSA - Dependent	\$107,086
-FSA - Medical	\$883,392
-HRA - Dependent	\$53,995
-Health Insurance	\$31,122,758
-Worker Compensation Insurance	\$1,802,188
-OPEB Trust	\$3,760,821

(09/06/16 - 6 - 6:09 p.m.)

ESTABLISHMENT OF THE DATE, TIME AND PLACE OF THE FINAL HEARING

Dunn stated that the final hearing date was recommended for September 20, 2016 at 5:30 p.m. in the County Auditorium.

(6:09 p.m.) Motion by Smith, seconded by Bennett, carried 5/0, to set a public hearing on September 20, 2016, at 5:30 p.m. in the County Auditorium, to consider the adoption of the final millage rates and budget for FY 2017.

(09/06/16 - 6 - 6:10 p.m.)

ADJOURN

With there being no further business to come before the Board, Smith adjourned the meeting at 6:10 p.m.


Approved _____ October 4_____, 2016

**BOARD OF COUNTY COMMISSIONERS
OF ST. JOHNS COUNTY, FLORIDA**

By: 
Jeb S. Smith, Chair



ATTEST: HUNTER S. CONRAD, CLERK

By: 
Deputy Clerk