



FY 2019 BUDGET WORKSHOP

TUESDAY, JULY 10, 2018

GADSDEN COUNTY BOARD OF COUNTY
COMMISSIONERS

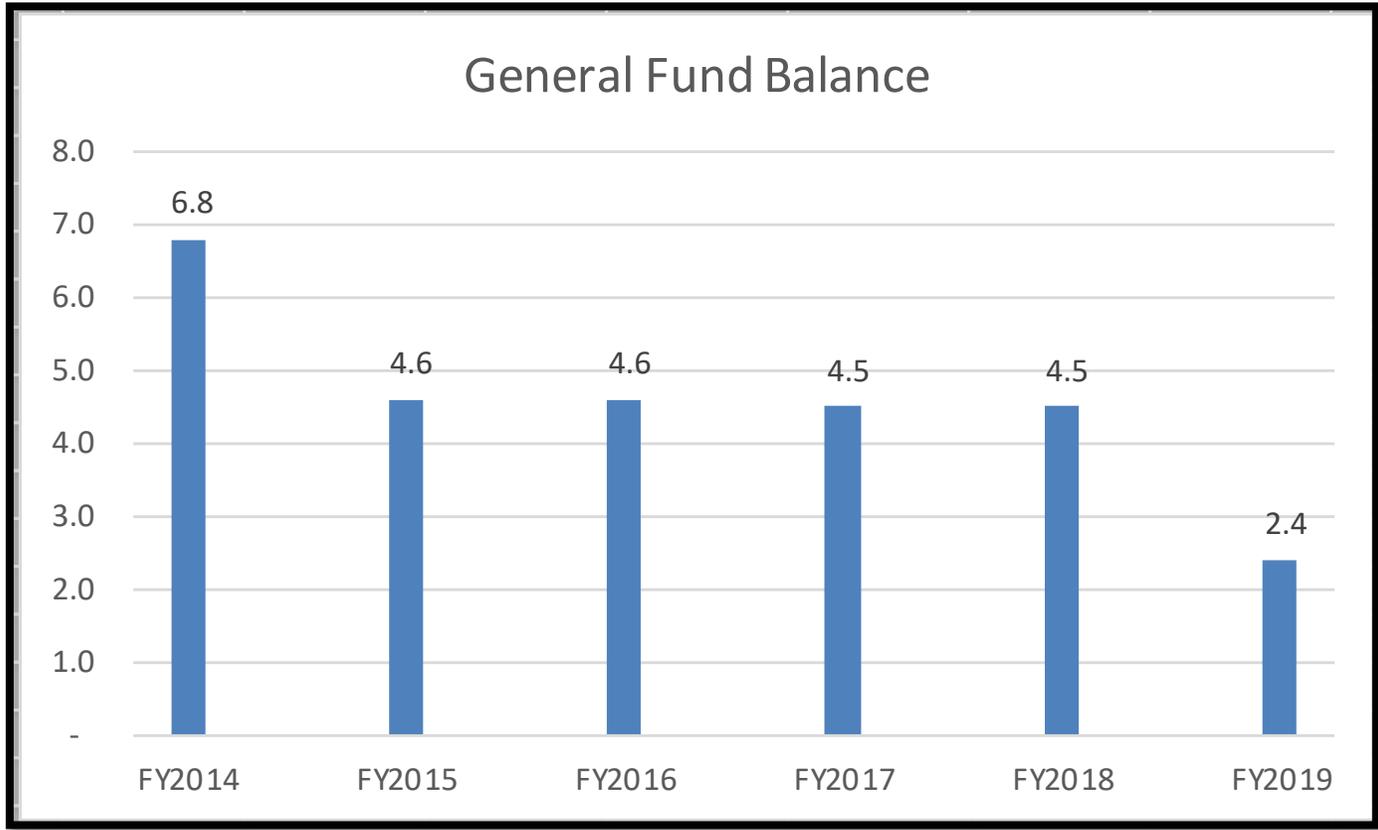


GADSDEN COUNTY FY19 BUDGET

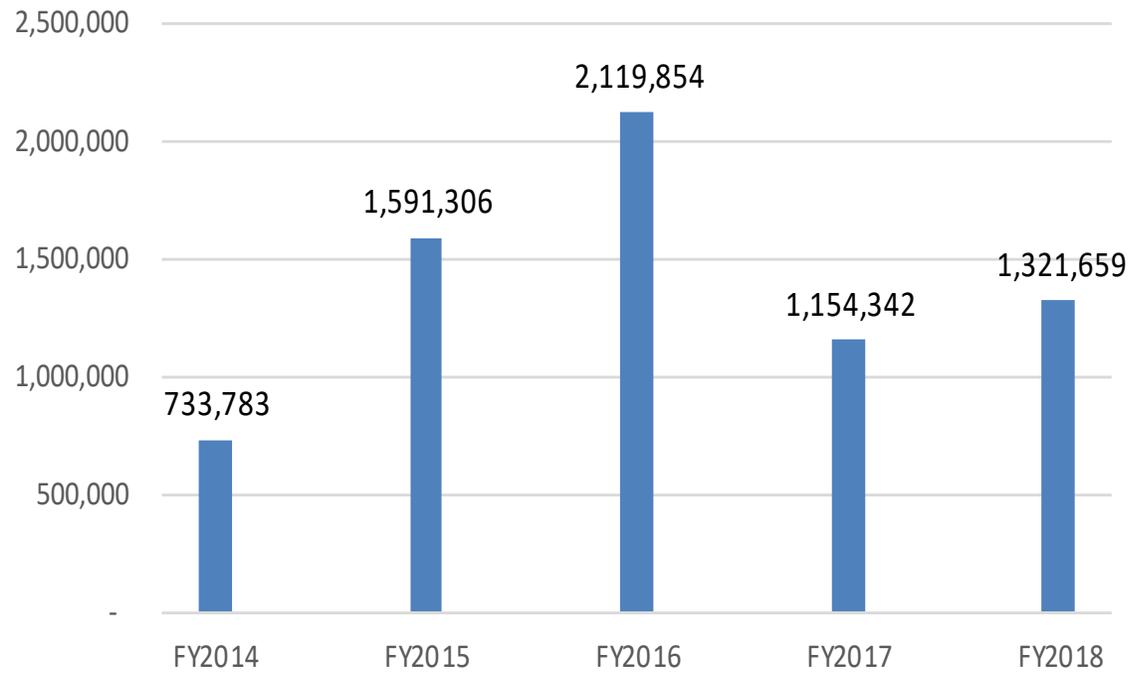
■ OVERVIEW

JULY 1, 2018 TENTATIVE BALANCED BUDGET FOR FY18/19

Revenues		
Ad Valorem		\$ 11,792,193
Taxes		7,654,299
Permits, Fees & Licenses		410,980
Intergovernmental		9,792,998
Charges for Services		2,798,597
Miscellaneous & Interest		429,251
Adjustments to Revenue		356,259
Transfers and other sources		14,065,780
Draw down General Fund Balance		2,396,770
Total Revenues		\$49,697,127
Expenditures		
Board of County Commissioners		\$ 18,135,288
Constitutional Officers		10,679,773
Judicial		248,946
Non-operating		2,412,169
Interfund Transfers		12,740,684
Debt Service		3,730,267
Capital Projects		1,750,000
Total Expenditures		\$ 49,697,127
Projected increase/(decrease)		\$ -



General Fund Budgeted Draws on Reserve





GADSDEN COUNTY

- **Projected FY 19 Budget**

LIBRARY FUND

Revenues



Total - \$1,080,000

Expenditures



Total - \$1,080,000

LIBRARY RECOMMENDED SOLUTIONS

- * Review budget and cut \$100,000 - \$150,000 for FY19.
- * Research a public/private partnership for Library benefit.
- * Ask cities to help pay for a library in their city.
- * Review current user fees and hours of operation.
- * Change the policy to require bids/quotes for goods and services.

Library Audited Financial Services						
		FY13	FY14	FY15	FY16	FY17
Revenues:						
	Intergovernmental	321,236	330,164	421,930	471,411	413,410
	Charges for services	21,075	22,229	22,468	16,433	13,026
	Miscellaneous	15,334	7,297	12,617	17,271	27,009
		357,645	359,690	457,015	505,115	453,445
	Transfer in from General Fund	475,928	358,209	406,684	395,676	478,231
		833,573	717,899	863,699	900,791	931,676
Expenditures:						
	Culture	814,372	876,837	889,572	993,168	1,086,825
	Capital Outlay	1,167	-	7,080	29,763	3,034
		815,539	876,837	896,652	1,022,931	1,089,859
	Over/Under	18,034	(158,938)	(32,953)	(122,140)	(158,183)
	Beginning fund balance	491,170	509,204	350,266	317,313	195,173
	Ending fund balance	509,204	350,266	317,313	195,173	36,990

EXPENDITURE BUDGET							
FUND 118 LIBRARY SVC	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17		
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL		
Admin. (1218)							
Personnel	343,863	379,101	311,313	344,488	378,270		
Operating	90,918	123,219	117,180	136,015	133,402		
Capital	56,834	44,353	66,065	92,446	67,273		
Total	491,615	546,673	494,558	572,949	578,945		
Quincy (1221)							
Personnel	59,375	45,309	121,931	144,095	193,431		
Operating	47,303	51,278	54,140	61,155	79,538		
Capital	-	1,200	4,080	6,477	2,781		
Total	106,678	97,787	180,151	211,727	275,750		
Havana (1222)							
Personnel	72,834	78,580	78,467	87,367	84,386		
Operating	49,236	51,299	49,978	50,593	53,875		
Capital		238					
Total	122,070	130,117	128,445	137,960	138,261		
Chatt (1223)							
Personnel	70,840	75,806	68,688	77,337	75,321		
Operating	24,340	26,216	27,809	22,957	21,582		
Capital		238					
Total	95,180	102,260	96,497	100,294	96,903		
1221, 1222, 1223							
Personnel	203,049	199,695	269,086	308,799	353,138		
Operating	120,879	128,793	131,927	134,705	154,995		
Capital	-	1,676	4,080	6,477	2,781		
Total	323,928	330,164	405,093	449,981	510,914		
						Increase	
Combined							
Personnel	546,912	578,796	580,399	653,287	731,408	184,496	34%
Operating	211,797	252,012	249,107	270,720	288,397	76,600	36%
Capital	56,834	46,029	70,145	98,923	70,054	13,220	23%
Total	815,543	876,837	899,651	1,022,930	1,089,859	274,316	34%

EMS FUND

Revenues

Net \$2,075,000

Billings \$6,075,000
Write offs \$4,000,000

**General Fund
\$975,000**

OTHER \$10,000

Total - \$3,060,000

Expenditures

**Annually
\$3,060,000**

Total - \$3,060,000

EMS RECOMMENDED SOLUTIONS

- * Outsource billing
- * Use new software to increase collections
- * Outsource/partial outsource of EMS services (operations, admin., billing, etc.)
- * Research the reallocation of the Indigent Care funds
- * Research the issue of using the hospital trust interest account
- * Relocation of headquarters
- WORKSHOP #2 SCHEDULED FOR ??????

INDIGENT CARE FUND

Revenues



Total - \$1,615,000

Expenditures



Total - \$1,615,000

FIRE FUND

Revenues

**Small County
Surtax
\$1,290,000**

**Fund balance draw
\$335,000**

Total - \$1,625,000

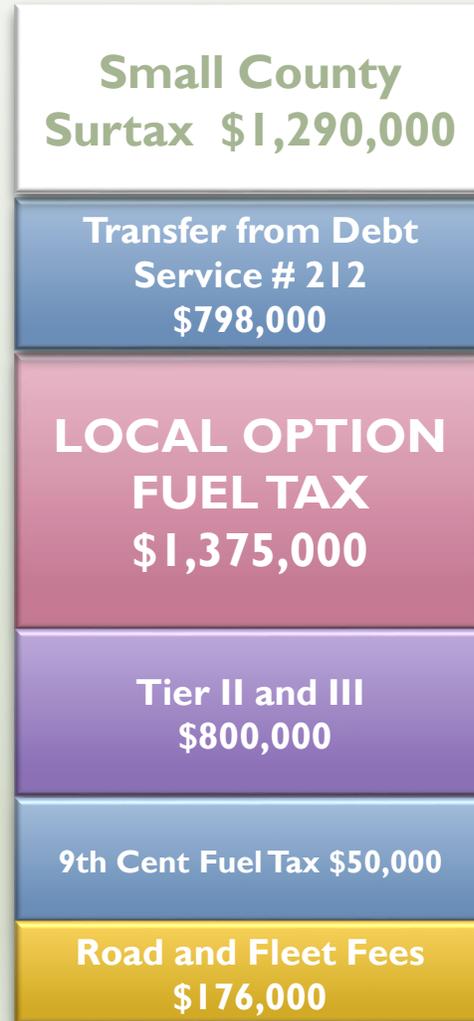
Expenditures

**Annually
\$1,625,000**

Total - \$1,625,000

PUBLIC WORKS (TRANSPORTATION) FUND

Revenues



Total - \$4,489,000

Expenditures



Total - \$4,489,000

CONSTITUTIONAL OFFICERS

Revenues

Sheriff's Office

Corrections: \$2,751,000

Law Enforcement: \$4,880,000

Clerk of Court
\$896,000

Property Appraiser
\$895,000

Supervisor of Elections
\$674,000

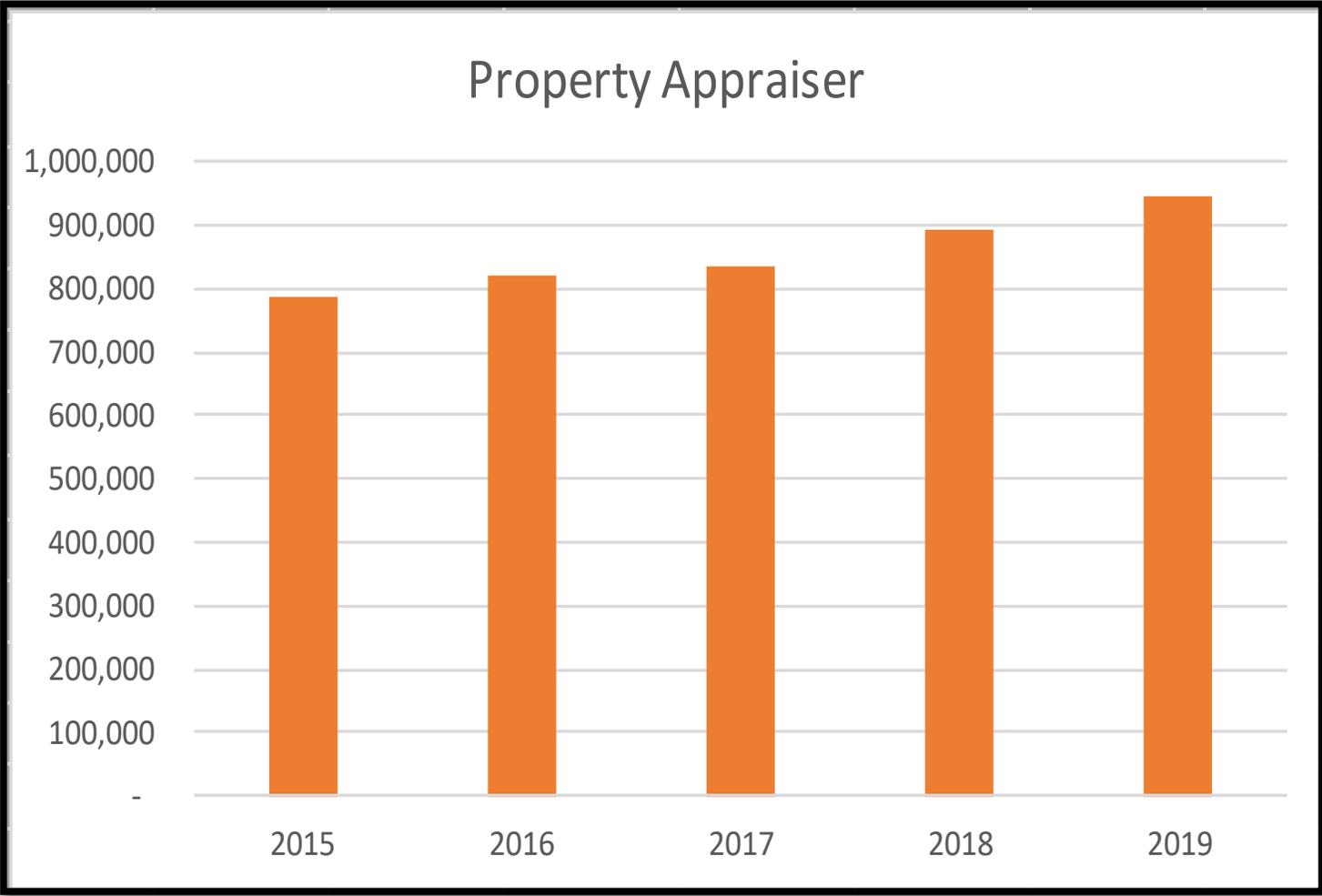
Tax Collector
\$588,000

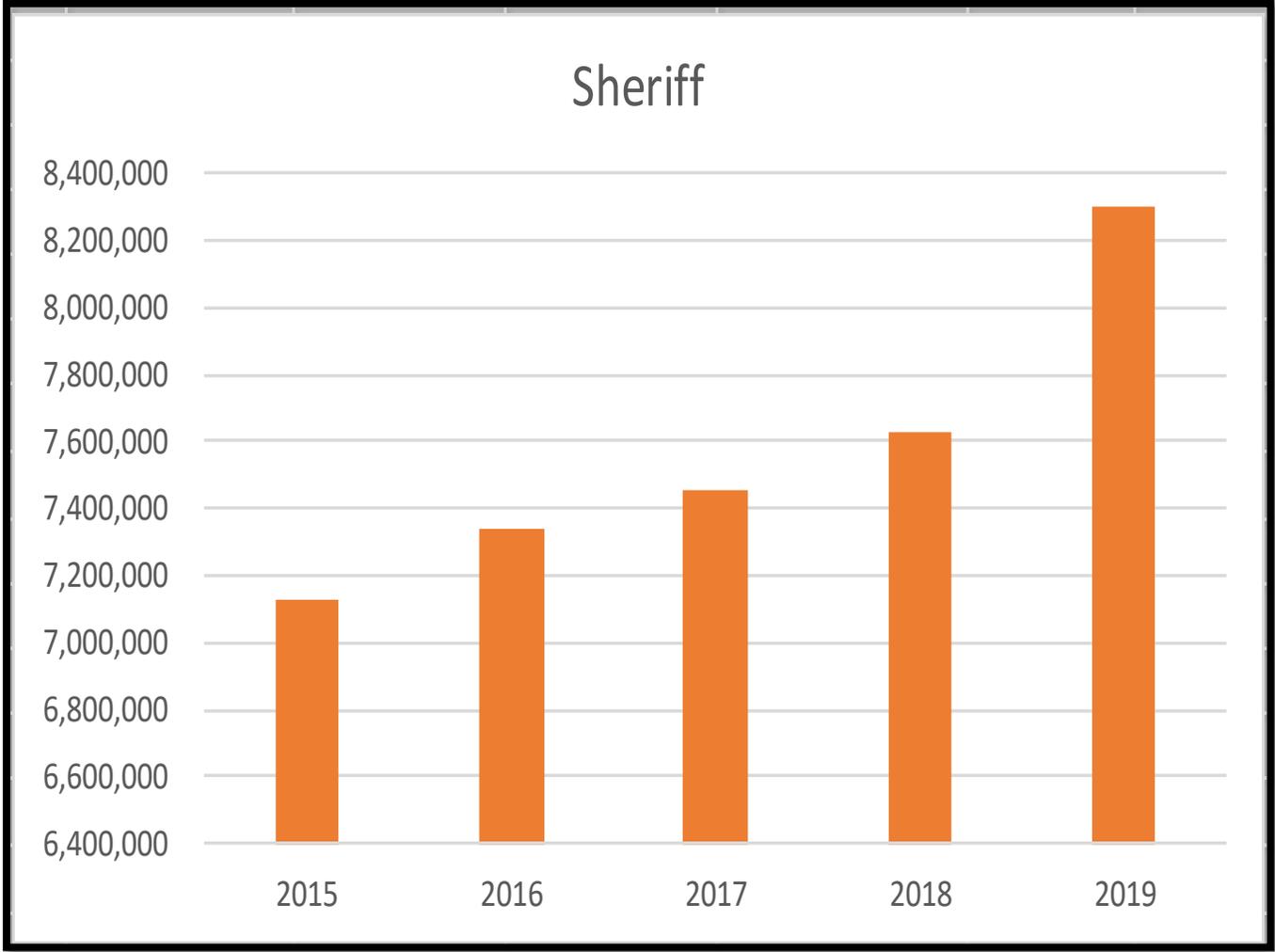
Total - \$10,679,000

Expenditures

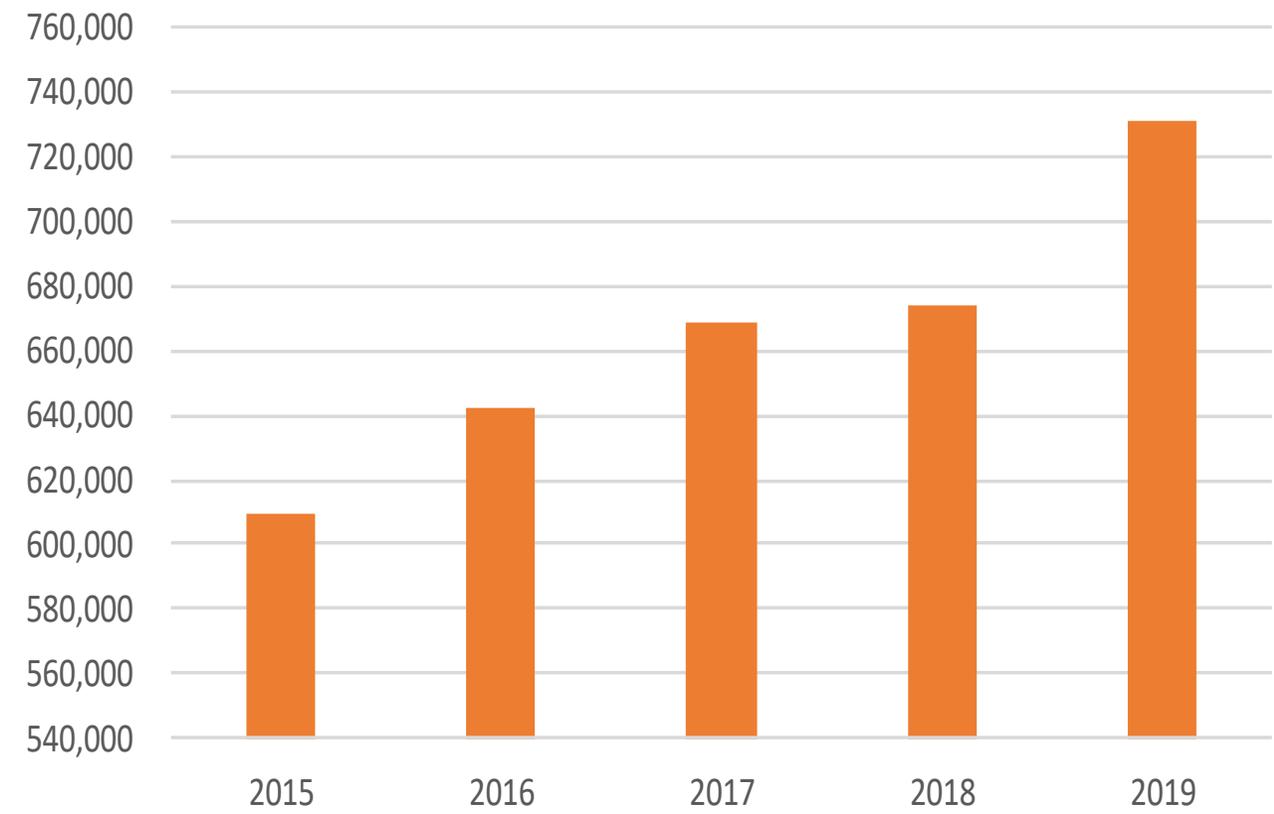
Annually
\$10,679,000

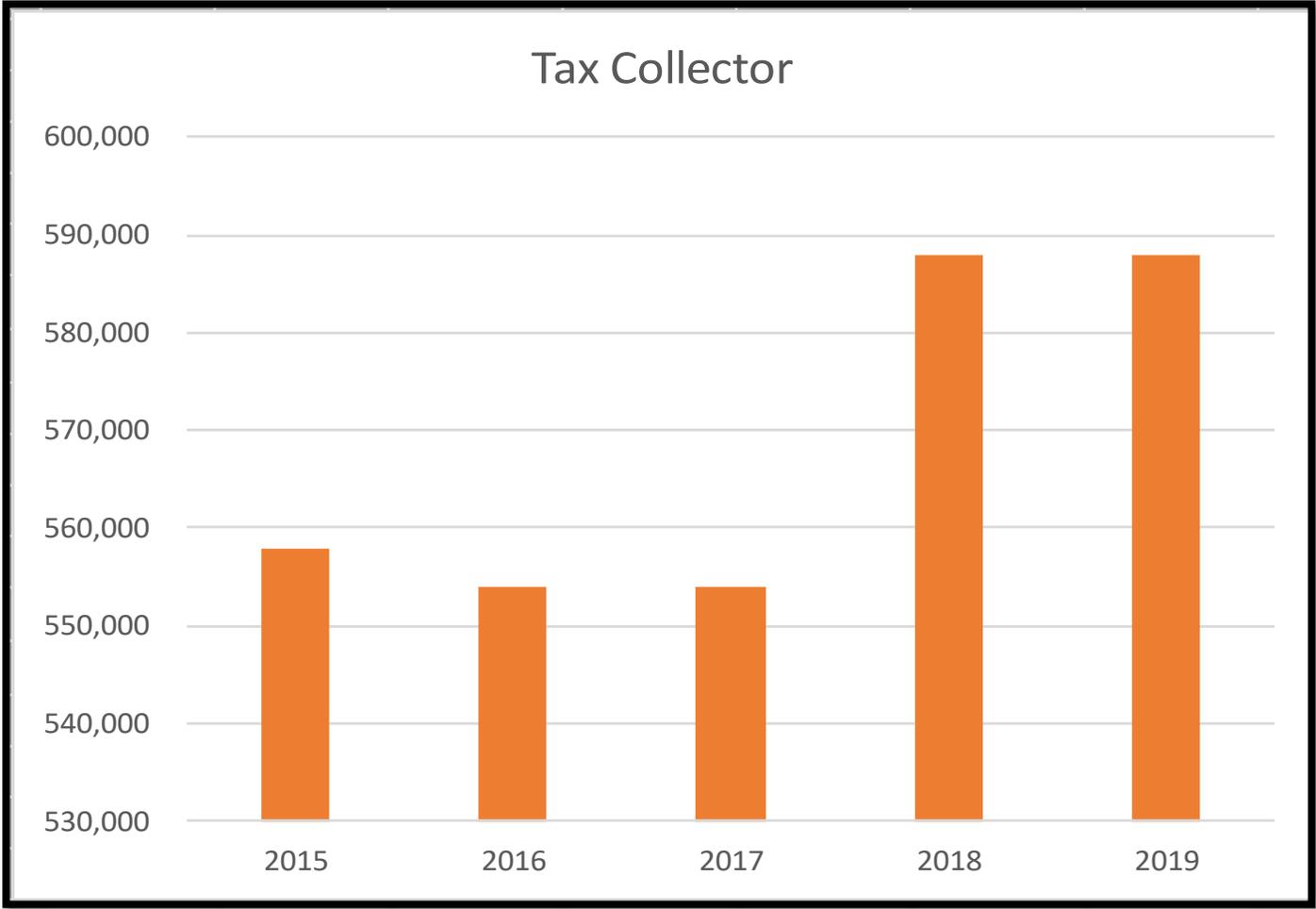
Total - \$10,679,000

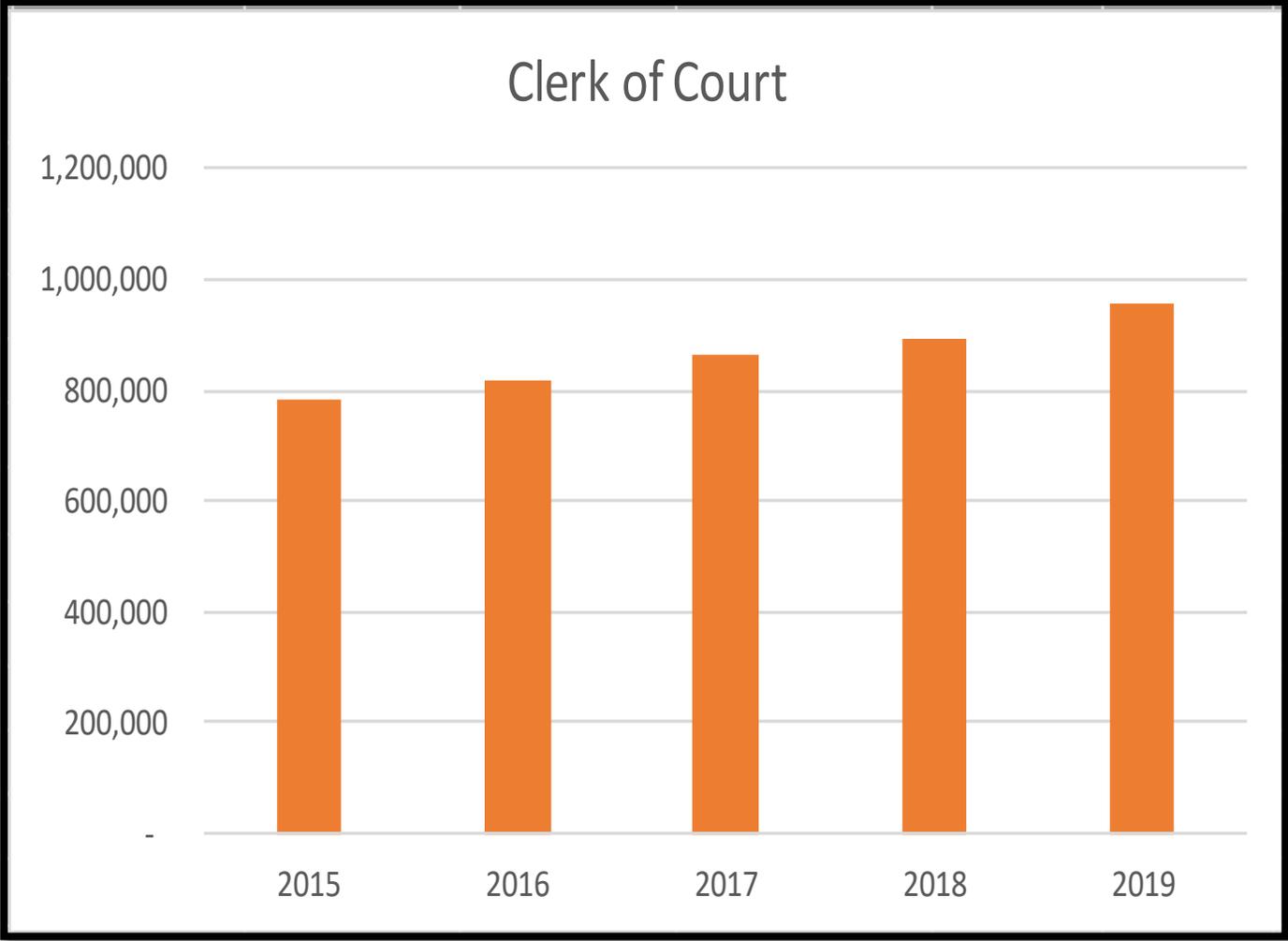




Supervisor of Elections







		Constitutional Officers Budgets					
FY18		ATB %					
		1%	2%	3%	4%	5%	
Clerk	2018						
Budget	891,000	8,910	17,820	26,730	35,640	44,550	Cut
	3%	882,090	873,180	864,270	855,360	846,450	Balance
Prop. App	2018						
Budget	895,000	8,950	17,900	26,850	35,800	44,750	Cut
	7%	886,050	877,100	868,150	859,200	850,250	Balance
Sheriff	2018						
Law Enforcement	4,880,000						
Corrections	2,751,000						
Total Budget	7,631,000	76,310	152,620	228,930	305,240	381,550	Cut
	2%	7,554,690	7,478,380	7,402,070	7,325,760	7,249,450	Balance
Supr Elec	2018						
Budget	674,000	6,740	13,480	20,220	26,960	33,700	Cut
	1%	667,260	660,520	653,780	647,040	640,300	Balance
Tax Coll	2018						
Budget	588,000	5,880	11,760	17,640	23,520	29,400	Cut
	6%	582,120	576,240	570,360	564,480	558,600	Balance
		106,790	213,580	320,370	427,160	533,950	Total cuts
	10,679,000	10,572,210	10,465,420	10,358,630	10,251,840	10,145,050	new balance

MINOR FUND

Building Inspection Fund

Revenues



Total - \$335,000

Expenditures



Total - \$335,000

Judicial Fund

Revenues



Total - \$249,000

Expenditures



Total - \$249,000

Landfill and Arthropod Fund

Revenues



Total - \$91,000

Expenditures



Total - \$91,000

GENERAL FUND

Revenues

Ad Valorem - property tax	\$ 11,795,000
Communication Services Tax	\$ 205,000
Intergovernmental taxes (State Revenue Sharing, Fiscally Constrained, etc.)	\$ 5,442,000
Fees/Other - Court, animal control, probation, interest	\$ 389,000
Transfer from Debt Service	\$ 1,160,000
Tax Collector and Property Appraiser return funds	\$ 40,000
TOTAL	\$ 19,000,000

MISSING REVENUE SOURCE

Used to be supplemented
from RESERVES
\$2,400,000

Total - \$21,400,000

Expenditures

Transfers Constitution Officers	\$ 10,680,000
EMS	\$ 976,000
Library	\$ 635,000
Minor Funds	\$ 276,000
DS – Radio	\$ 140,000
BOCC Departments	\$ 8,693,000
TOTAL	\$ 21,400,000

Total - \$21,400,000

DEBT SERVICE FUND

Debt Service - Hospital

Revenues Expenditures



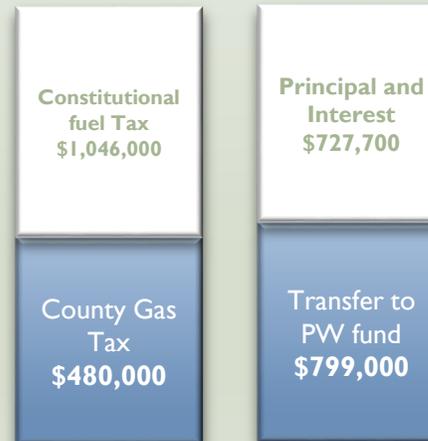
Debt Service - Library

Revenues Expenditures



Debt Service – Public Works

Revenues Expenditures



Debt Service – Radio Comm.

Revenues Expenditures



Total Revenue- \$3,758,000

Total Expenditures - \$3,758,000

GADSDEN COUNTY FY19 BUDGET

■ Recommended Revenue Solutions

RECOMMENDED SOLUTIONS: REVENUES NEED NEW FUNDING SOURCE

- 1) Increase property tax rate (Ad Valorem) from 8.9064 to 9.2500..... \$ 740,000
- 2) Institute a business license and increase other user fees..... \$ 200,000
- 3) Increase gas tax 6 cents..... \$1,200,000
- 4) Using the hospital interest account for expenses
- 5) Create a Public/Private partnership for Library and
Parks and Recreation for future funding (501c3 for endowments)
- 6) Encourage Havana/Chattahoochee to help fund Library
- 7) Research the various buildings the County rents and
determine the need to raise rental rates (several buildings are being leased for very
minimal prices \$1 - \$100)
- 8) CRA funds paid to Cities.....\$ 300,000



■ Ad Valorem

- Back in 2007, the County had a millage rate of 10.0000, the most allowed according to FL Statutes. In 2009 it was reduced to 8.9064 and that is still the rate currently.
- Between 2007 and today the taxable values of property in Gadsden County has fluctuated between a high in 2008 of 1,440,090,808 to a low of 1,315,693,371 in 2015 to 1,414,700,000 now.
- By increasing the rates as follows will increase revenue as stated:
 - 9.0000 it would increase revenue by \$410,000;
 - 9.2500 it would increase revenue by \$740,000;
 - 9.5000 it would increase revenue by \$1,080,000.

This would need to be coordinated with the Property Appraiser by July 1 to take effect October 1.

■ Gas Tax

- According to the State of Florida, Gadsden County is one of 14 counties that have unrealized tax revenues. Meaning, the State allows the counties various types of fuel taxes (Ninth cent, 1-5 cent local option) that the County is not taking advantage of.
- There is a ninth cent tax which, based on 2018 numbers, would generate over \$260,000 for the County. In addition, there is a 1-5 cent local option fuel tax which, based on 2018 numbers, would generate nearly \$1,200,000 of which the County would share with the cities within the County, netting the County over \$900,000. When combining these two taxes, Public Works would receive nearly \$1.2m.
- Currently, the County has allocated the funds from the Small County Surtax as ½ of the Surtax goes to Fire Rescue and ½ goes to Transportation or Public Works. Recently the estimates of revenue from the Small County Surtax is approx. \$2.4 m. of which \$1.2m goes to Fire and Public Works.
- If the County imposes the 6 cents gas tax, at the same time as modify the ordinance to add EMS as one of the services that can share in the surtax revenue source. This will keep Fire and Public Works whole and add \$1.2 m. to EMS.
- Therefore, the Small County Surtax ordinance is now modified to say ½ (\$1.2m) to Fire and ½ (\$1.2m) to EMS. The \$1.2m Public Works did receive from the Surtax is being replaced with the new fuel taxes in nearly the same amount.
- Note: Staff has been told that 65 to 70% of the gas tax will be at the major I-10 interchanges (Pilot, Flying J).

IMPOSE UNUTILIZED FUEL TAXES AND REVISE SMALL COUNTY SURTAX ALLOCATION

Currently

Fire Control



Public Works



If Taxes Are Raised

Fire Control



EMS



Public Works





- **Ordinance 74-1**

- This option to re-allocate the Small County Surtax is a good temporary fix. Currently the \$2.4 million per year is split 50/50 between Fire and Public Works. The idea is to change the allocation from Fire \$1.2 million and Public Works \$1.2 million to Fire \$800K, Public Works \$800K, EMS \$800K. This would short Fire and Public Works but they can absorb it and it would close the gap with EMS without raising the gas tax.

- To change the ordinance, a public hearing must be held to allow the public a chance to voice their concerns.



- **Bank Loan**

- The county could also borrow money.

- In reviewing the 9/30/17 audit, the County has the hospital loan with a balance of \$7m; the roads loan with a balance of \$8m; and the library loan with a balance of \$1m.

- Recommend, if interested, to contact our Financial Advisor, and have him check into the pros and cons of expanding the library loan and at what percentage.

- As of the end of May 2018, most governmental loans are around 2.75%.



- **Fund Balance Reserves**

- The unassigned (not restricted) General Fund Balance as of September 30, 2018 was \$4,485,680. Several months ago, the County moved the insurance proceeds received for the Stevens School out of the General Fund into a separate account. Thereby, leaving the County a new fund balance of approx. \$4m.
- The auditor and government financial accountants all say that the County should have a fund balance at least 2 months of expenditures. For the year ending September 30, 2017 the total General Fund expenditures was \$18,580,000 and two months of that is \$3,097,000.

GADSDEN COUNTY FY19 BUDGET

■ EXPENDITURE REDUCTIONS

POSSIBLE SOLUTIONS: EXPENDITURES REDUCTIONS

■ Required

■ County Auditing	\$ 140,000
■ County Attorney	\$ 150,000
■ Medical Examiner	\$ 130,000
■ Forestry Assessment	\$ 3,000
■ Developmental Disabilities	\$ 7,500
■ Apalachee Mental health	\$ 136,000

■ Not – required

■ Economic Development	
GCDC	\$ 160,000
Chamber	\$ 80,000
■ Funding of Non-profits:	\$ 253,350
(Boys and Girls Club -	\$202,500
10 others \$50,850)	
■ Major Cuts in Library Budget	\$100,000
■ Gadsden County Health Dept.	\$ 60,000
■ Gadsden County Senior Citizens	\$102,000
■ Emergency Housing Repair	\$100,000
■ Summer Youth Jobs	\$132,000
■ Commissioner Aide	\$ 10,000

FY19 Non Profit and Community Organizations Requests

	FY18 Budget	FY19 Requested	Increase/ Decrease
Boys and Girls Club of the Big Bend	202,500	202,500	-
Capital Medical Society Foundation We Care Network	4,500	5,000	500
Chattahoochee Main Street	4,500	4,500	-
Gadsden Art Center	4,500	7,500	3,000
Havana Community Development Corporation Inc.	9,000	25,000	16,000
Havana Main Street	4,500	4,500	-
Legal Svcs of N. FL	5,850	20,000	14,150
Diamonds in the Rough Sports	4,500	70,000	65,500
N. FL Ed. Devel. Corp	4,500	9,700	5,200
Quincy Music Theatre	4,500	4,500	-
Havana History & Heritage Museum	-	9,950	9,950
Apalachicola Arsenal Museum	-	11,975	11,975
	\$ 248,850	\$ 375,125	\$ 126,275

SUMMARY

- GADSDEN COUNTY NEEDS NEW REVENUE SOURCES
- EXPENDITURES HAVE INCREASED CAUSING A NEED TO DRAW DOWN FROM FUND BALANCE
- NEED TO REDUCE EXPENDITURES TO BALANCE THE BUDGET WITHOUT USING FUND BALANCE

FY19 BUDGET TIMELINE & MEETINGS

June 1 – Preliminary Property Values

June 12 – First Budget Workshop 5:00pm to 7:00pm

July 1 – Final Property Values

July 10 – Second budget Workshop 5:00pm to 7:00pm

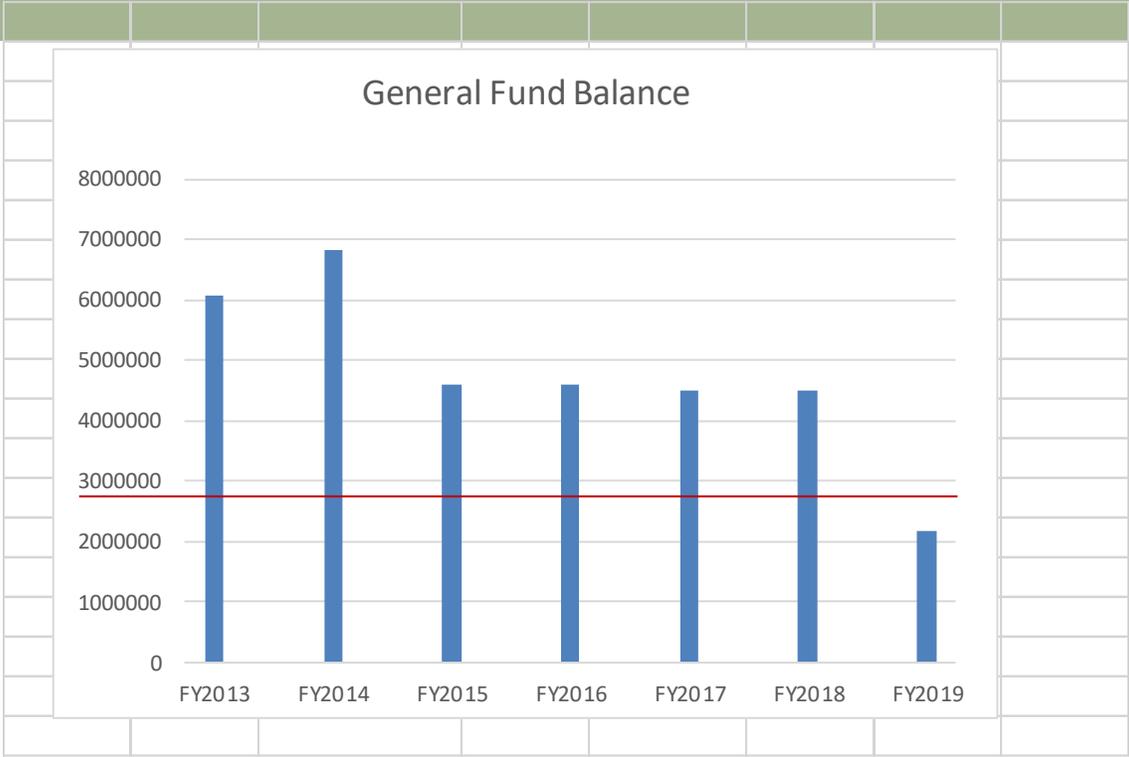
July 17 – Board to Set Tentative Millage Rate and dates

August 14 – 3rd Budget Special Meeting, Tuesday, 5:00 p.m.

September 6 (Thursday) – Tentative 1st FY19 Budget Public Hearing

September 17 (Monday) – Tentative 2nd FY19 Budget Public Hearing

	Capital Improvement Projects out years				
	FY 2020	FY 2021	FY 2022	FY 2023	FY20-FY23
	Proposed	Proposed	Proposed	Proposed	Totals
Building	114,000	359,000	394,000	695,000	1,562,000
Fire/EMS	777,000	852,000	934,000	1,019,000	3,582,000
Admin	13,000	13,000	13,000	-	39,000
Library	72,000	74,080	79,000	67,000	292,080
Public Wks	323,289	392,143	670,782	320,000	1,706,214
	1,299,289	1,690,223	2,090,782	2,101,000	7,181,294



Constitutional Officers Budgets

	2015	2016	2017	2018	Request 2019	Increase Request
Clerk						
Budget	786,000	818,000	867,000	891,000	955,000	64,000
		4%	6%	3%	7%	
Prop. App					Request 2019	
Budget	786,000	821,000	837,000	895,000	947,000	52,000
		4%	2%	7%	6%	
Sheriff					Request 2019	
Law Enforcement	4,511,000	4,647,000	4,723,000	4,880,000	5,388,000	
Corrections	2,618,000	2,697,000	2,731,000	2,751,000	2,912,000	
Total Budget	7,129,000	7,344,000	7,454,000	7,631,000	8,300,000	669,000
		3%	1%	2%	9%	
Supr Elec					Request 2019	
Budget	610,000	642,000	669,000	674,000	731,000	57,000
		5%	4%	1%	8%	
Tax Coll					Request 2019	
Budget	558,000	554,000	554,000	588,000	588,000	-
		-1%	0%	6%	0%	
						842,000