

Local Option Sales Tax Citizen Committee

December 3, 2019

Milton, Florida

The Local Option Sales Tax Citizen Committee met at 9:00 a.m. on the above date with the following members present: Chairman Ed Carson, Dean Easterwood, Fredrick Barrow, Jonathon Hamby, Amy Cozart, Grey Burge, and Edwin Henry. Also present were the County Administrator (Dan Schebler), Assistant County Administrator, Budget Director (Jayne Nicholas), Budget Manager (Henry Brewton) and Strategic Planning and Performance Manager (Sabrina White).

- 1) **Call to Order-** The meeting was called to order by Chairman Ed Carson in the Santa Rosa County Administrative Center, Board Room at 9:00 a.m.
 - a. Introduction of members of the Board- New members, Grey Burge and Jonathon Hamby. Existing members, Edwin Henry, Amy Cozart, Dean Easterwood, Ed Carson, and Fredrick Barrow.
- 2) **Approval of Minutes from July 9, 2019-** Cozart moved approval of the minutes for the July 9, 2019 Local Option Sales Tax Citizen Committee meeting, the motion was seconded by Henry and approved by the Committee.
- 3) **Project Update-** Schebler discussed the overview of projects and recapped all that has been done since the surtax was implemented.

Schebler stated that revenues received to date were meeting our projections, and we have balanced the allocations out through the full program to the end of the fiscal year 2021.

Schebler continued the project update with the sidewalk projects. Specifically, Hamilton Bridge, Blackwater Heritage Trail, and King Middle School sidewalk projects that are now underway.

Schebler provided an update on Ranchettes/ Whisper Bay project, this is on the agenda for the Board of County Commissioners next week. We were unable to acquire the easements from several residents, so it was redesigned. Unfortunately, Florida Department of Emergency Management notified us that this project no longer meets the requirement for the grant. We have some recommendations to take to the Board of County Commissioners next week, to provide some options. Options include acquiring the right of way, easements, and the parcel for the reduced stormwater pond to have a shovel ready project. Then look for additional grant opportunities in the future for this project.

Schebler continued with project updates, Swenson Park improvements grant was not awarded in the last cycle. It has been resubmitted for the next state fiscal year, holding the matching funds to match that grant if it comes through from the state.

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Schebler moved to discuss fiscal year 2019, there are not any significant updates. We are still completing some of the district road pavings, this will be reflected on the next update.

Schebler went on to discuss fiscal year 2020, the fitness court has been delivered to Pace Athletic Recreation Association and will be installed after the first of the year. We received a grant from The National Fitness Campaign for a portion of the fitness court, we are actively looking for additional sponsors for this \$100,000 project to offset some of the costs.

Schebler stated we received a \$400,000 grant for the Bagdad Mill Site project, which will be matched to install the floating dock system and a multipurpose pavilion.

Schebler moved on to discuss fiscal year 2021, stating the list in each area is an allocation of remaining funds that basically balances us out through the program based upon the projected revenue. Schebler explained there is about \$132,000 to go towards the Sheriff's capital equipment in the next fiscal year. The same for capital equipment, public facilities and district road pavings, as well as what is left in recreation and natural resources.

Schebler discussed the grant leverage projects with roughly \$4.9 million in Local Option Sales Tax funding, we are completing almost \$16 million of projects.

Schebler answered Henry's question about the Sheriff's department, stating in the five years preceding when we had the Local Option Sales Tax we averaged about \$1.10 to \$1.15 million in capital for the Sheriff's Department. Since we have had Local Option Sales Tax, FY 17 going forward, we have been able to provide the Sheriff with an average of about \$2.3 million annually for capital needs over the last 4 years.

Grey asked about the easements needed for the Ranchette/Whisper Bay, Schebler explained we needed 53 total easements and we were able to acquire a little more than half of the needed easements. With the redesigned that subsequently followed, the benefit to the homes that experienced in home and structural flooding, did not meet the threshold required by the state and FEMA.

Henry asked on that project, what was the money spent on? Schebler states \$214,000 of county funds has been spent, out of the \$700,000 allocated to this project. Henry asked for clarification, when it says allocated that is out of LOST fund not the general fund? Schebler confirms. Schebler explains when it shows spent on the document, it is transferred from the LOST fund and placed in the project fund.

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Henry asked for clarification on allocated and unallocated funds, Schebler explained how the funds transfer from allocated to unallocated and why.

Carson asked about FY2019 capital equipment, if the funds are not needed where does it go? Schebler explained it is included in the FY2021 draft.

Carson asked about the \$850,000 allocated to the Metron Estates Drainage Construction project on the FY2021 draft list, since the grant application was denied are the funds divided among the 5 districts for road pavings? Schebler confirmed the \$850,000, and any other remaining funds, were allocated to district road pavings.

Easterwood asked how many vehicles did we purchase for the Sheriff's department? Schebler stated in FY2018 we purchased 45 vehicles, in FY19 another 45 vehicles and 42 planned in FY2020. Total 132 vehicles purchased from Local Option Sales Tax funds for the Sheriff. Schebler stated the vast majority of the Sheriff's vehicles are purchased with Local Option Sales Tax funds.

- 4) Performance Audit-** Schebler discussed the Performance Audit, an Executive Summary of the Performance Audit is provided in the back up documents.

Grey asked how much would the legislative liaison cost? Schebler estimates the cost of the position at \$100,000 annually.

Henry asked about the funds used for the infrastructure of the jail, Schebler states this was funded by a local infrastructure surtax we had in 1996.

- 5) Other Business-** Schebler asked if there are any specific interest items the committee would like to discuss at the next meeting, stating he will have the contact person on the item at the meeting to give more detailed updates. If the committee would like to add items to the agenda, send an email to Dan, Mark, Sabrina, Henry, or Jayne.

Schebler states the Local Option Sales tax referendums are required to be on a General Election ballot, the current LOST expires on December 31, 2021. The only General Election between now and then is November of 2020, just something to think about to be discussed at a later meeting.

Henry stated there was low voter turnout for the LOST and believes there would have been a larger voting turn out had more items been on the ballot. Henry went on to explain how the media is involved in Escambia county, who has had a LOST since the 80's, stating that PNJ and other media outlets support and participate in trying to get it passed. Easterwood states the business community that stepped forward for the last LOST election, suffered. Easterwood went on to explain some of the negative opinions he witnessed during the last LOST election. Barrow concurred with Henry and

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Easterwood. Carson stated his opinion on how this was handled, when issues arise, we need to not point fingers for blame instead find a solution for the benefit of our citizens. Henry added in closing Dan and his staff have done an outstanding job with the revenue sharing. Barrow suggested that marketing the management style of the county, because things are handled differently here than in other Florida county. Burge stated perception is reality, the support of developers and real estate was against everybody else. He adds, we need to make sure we do everything we can to help change the perception as well as be good stewards.

Schebler explained there is a new federal funding source from block grants for disaster recovery, using a new federal formula to allocate those grant funds. These funds will be available to assist with flood mitigation projects, we need a matching source. We do not have a matching source without the sort of capital funding produced by the LOST. He continued to explain we have citizen engagement workshops to get people involved and provide the facts on our budget. These workshops will continue throughout the county to inform the citizens about our award-winning budget but will break it down in manageable pieces to digest the information. We have to decide as a community do we want to be the same and make due, or do we want to be better? Where do we want to allocate the spending, this is a choice the community has to make. We have come a long way as a county, we are building a new courthouse, will build the first new road, and have seven different parks that have been improved all with local option sales tax funds. We will work harder to show the citizens that the county is appropriately expending and properly accounting the funds, it is a matter of priorities and not having enough funds to do everything that everybody wants. Schebler asked for advice from the Board on how to bring the community together for meaningful discussion. Carson agrees we need to decide as a county what our priorities are and where we want to go. Henry asked if general revenue funds could be bonded or grants applied to it? Schebler answers that bonding against ad valorem requires a referendum, because you are committing a certain percentage of property tax that you are going to borrow against. We can't go to the bond market and borrow against it without asking the voters for their approval on that. Other funds that go in the General Fund are bondable and you can borrow against them. Barrow concurs with Henry in the idea to market the message.

- 6) Adjournment** – With no further business to come before the committee, Carson adjourned the meeting at 10:16 PM.