

**JULY 26, 2016, VERBATIM TRANSCRIPT PORTION OF ITEM IV.C., APPROVAL FOR  
ADOPTION OF RECOMMENDED FY 2016-2017 AD VALOREM MILLAGES**

Barfield: Mr. Whitten, could you explain the difference of the final budget, why it increases?

Whitten: Sometimes there are grants that come in. Sometimes there are projects that are anticipated to be completed in the prior Fiscal Year, that don't get completed in the prior Fiscal Year. So those sorts of adjustments are made all the time. This budget proposal is a reduction of \$39 million from the current budget that you have in place.

Barfield: Okay. I have a few notes here that some of you all have already hit. One of the things that Commissioner Smith was talking about the Walmart, I had to bring this up. The amount. The amount of property tax on that property right now that the County receives absolutely zero and that's because it is owned by the Port, but once the Walmart buys that its full taxes over \$250,000 a year. There are a lot of things that have gone into this, there's a lot of... The issue with the Impact Fees. Absolutely, that sunsets on 12/3. There is the items that were increased on this were direction of the County Commission. We listened to what people came to talk to us about and things that were needed. And I think at this point, we are just doing this for to get the TRIM notice out and make absolutely sure that this is the, you know, the public gets to see this. So I'm all for this, too, and I'll entertain a motion.

Fisher: So moved.

Anderson: Second.

Barfield: I have a Motion by Commissioner Fisher, seconded by Commissioner Anderson, to go ahead and pass this. All in favor say Aye.

Barfield: Aye.

Smith: Aye.

Fisher: Aye.

Anderson: Aye.

Barfield: Opposed?

Infantini: Nay.

Barfield: It passes 4:1.

## VERBATIM TRANSCRIPT – ITEM IV.C. – JULY 26, 2016 BOARD MEETING

Barfield: Okay, that's my last card. For discussion, Mr. Fisher.

Fisher: You know, I look with, very hard at Mr. Whitten's budget proposal and I keep seeing all this red decrease in operating tax rate, decrease in the roll back rate, four percent Countywide tax rate decrease. I, you know, usually in County Government, and I've been involved in it off and on for the last, you know, 25 years at three different elected positions and usually always start back at least at the roll back rate or at least with the revenue you've got the year before, and Mr. Whitten has actually proposing that you don't do that; and that's probably the first time in my career I've ever seen this where we didn't have to actually advertise for some type of tax increase, whatever, just to stay at the same revenue source. And then I start comparing us with other counties, and people don't want to say well, we're not other counties, but if you don't compare yourself to your peers, then you're kind of misleading and you're not getting the true picture of whether you're efficient or not efficient; and when I compare ourselves with other counties, there isn't any category that we don't blow other counties away. And we even do that when we don't have the same revenue sources as those other counties have. For example, the counties that were mentioned in this proposal, Pasco and Indian River and Lake, they actually have a public service tax, they actually have a higher sales tax than most of these counties do, and they don't have the charter caps. Their revenue streams are extremely higher than ours and we continue to have a population that continues to grow, and we have made several hard cuts over the years. As an exercise, I started tracking the people that came up and spoke because I wanted to get an idea of exactly how I was affecting them. So, let me give you an example of what I've found in different tax bills, and it's all public record. So, for example, one person's tax bill in 2015 was \$2,159. In '08 when our cap was put in, it was \$2,600. So actually a cap that's supposed to be giving them no more than a three percent increase per year, their taxes have gone down \$500 bucks since that cap was passed. Another person was \$2,226, but in '08 it was \$1,590, so that had an increase. There's one that had \$11,000 tax bill in '08 that's got a \$7,000 today. One that had a \$2,100 bill today and back then they had a \$2,900, so theirs has gone down. One had \$12,000; they're down to \$11,000. One had \$10,000, down to \$7,500. One had a \$1,400, went to \$1,100. You know, one had a \$3,800, went down to \$2,300. Then I went and checked this Board's to see how you guys did. One had a \$2,900 down to \$1,900. One had a \$1,900 down to \$1,400. One had, sorry Mr. Barfield, one had \$3,100; he's up, \$3,700. Sorry Curt, Curt's had an increase, I had an increase. So, we've got a complicated tax system. People forget as taxpayers that we are taxpayers, too, and that we pay taxes, every one of us do. There are several people that came up that actually don't pay taxes, or at least don't have property taxes that they pay. There isn't anything that shows anywhere that we are inefficient, we're not responsible, and it's not an either or, you've got to provide quality of life, you've got to fix roads, you've got to provide public safety, you've got to open libraries, you've got to provide transit, and it's not this mindset that you cannot create jobs for people that needs jobs in this community at the sake of paving a road. I've said that from day one. There's no . . . You can go Mr., to our millage rates, who are the average have been point, less than two percent. You can go to the roll back . . . I mean it's, unfortunately, you know, one of the Commissioners decided to throw a 13,000-page email out to different people trying to stir them up. I think we've probably got 20, 25 cards today that came out; but at the end of the day, this is a \$39 million reduction in the General Fund and overall tax, collectable tax. There's every indication there's a decrease. I've governed for seven years and it's always been making hard choices, and laying people off, and cutting back services, and doing things, or trying to maintain service; and so, I'm not, as one who's had a higher tax bill, I still think it's responsible for us to provide service, and when the time's appropriate, I'll be making a motion to approve this proposal.

From the Audience: Are you going to start announcing our tax bill before . . .

Barfield: Excuse me, that's enough.

From the Audience: (Unclear) free speech.

Barfield: Excuse me, no that's enough.

Fisher: I didn't identify anybody.

Barfield: Commissioner Infantini.

Infantini: This is the second time Commissioner Fisher has gone about trying to humiliate people in the audience. Last time he singled out one individual person, said his name, said how much his property tax bill was, he worked so hard to humiliate somebody. That's not right. Our job up here is to listen to you, not to be playing on our cell phones trying to find your property tax bill to see if we can find out some dirt on you. Well, my property tax bill used to be \$12,000. I moved. I said you know what, that's unsustainable, this place has got to go. My property tax bill now is like \$1,800. I feel like I'm on easy street, but not everybody has it that way. The voters, we've gone out to the voters twice. The first time I think was in 1996, and then 72 percent of you said that you wanted a tax cap. That was thrown out as being unconstitutional in 2005. So, with that, we put a law in the book in 2007, thanks to our Florida Legislature and I think it was Jim Ford was the Property Appraiser pushing it, then put it into law. 2008 you voted in a Referendum. 73 percent of you went out and voted and said please put a tax cap on our charter; and again in 2008, you put it on the charter. Two times you showed up. Actually, three times you showed up and said 72 and 73 percent of you. That crosses party lines. This is not a party issue. This is Republicans, Democrats, and Independents have said overwhelmingly they do not want to be taxed more and they want us to live within our budget to the extent necessary, with the exception if there's ever an emergency, if we have a hurricane, if we have a devastating fire, if we have one of those awful tragedies that's happened in some of those other communities we're going to be available to respond; and then I would honestly tell you, I would be understanding if we had to raise your taxes. But when I see money, part of the urgent need, this is our CIP list, this is our Capital Improvement Plan. Part of our critical need is paving dirt roads in District 1. \$1.6 million is going to pave dirt roads. I'm sorry, that's not a critical need. It's nice, but in my District when people want their dirt road paved, they come to their County Commissioner, we put it on their property tax bill, we pave the road for them, and we take it out of, we add it to their property taxes for, I don't know, five, 10 years or so, that's how they get their dirt roads paved. So, we don't go needing stadiums. Here's another expenditure. It took me I think three years to get this off the books, a speculation building we were going to build in North Brevard County for \$6.5 million. If you build it, they will come. We were going to spend \$6.5 million. It took me three years to get this off of our books. So, it's that kind of spending, when you all come forward and tell me we have a critical need, no, we don't. We have choices to make, and we continually as a Board make the wrong choices. So, I encourage you not to say that this is a critical need. This is not a critical need. Its bad choices in the past . . . do not mean we have to make bad choices in the future. I will not be supporting this. These are not critical needs, they're bad decisions.

Barfield: Commissioner Smith.

Smith: Well, I've listened to all the folks today and heard a lot of good stuff, and an awful

lot of emotion was expounded on. I voted for this back in probably '96, and I also voted for the tax cap in 2008. Seemed like a good idea, keep government within bounds. Now I'm on the other side and I see the difficulty in maintaining services and the priorities that people come to expect in living here; and just one example, we have several folks down here that really, really depend on public transit. So, but that's a very small portion of our population. So, should we just ignore them and eliminate public transit? Is it your priority or is it their priority, or should it be our priority? I introduced, I don't remember what it was, \$1.32 million, something like that in proposed cuts a couple of months ago, because I figured it was time to put up or shut up; and what I came to realize is that priorities are what three of the Commissioners decide the priorities are. So, if they decide that they want to do 'X', you and I may decide that we should have done 'Y'. So, that means they're not doing what I prioritized and what your prioritized; but the fact is those three decided the priority was 'X'. Now, in some of those questions that I had and cuts that I proposed were charities. Now, I didn't get any takers. Lifeguards, animals services, you could argue on every one of them that roads are more important, Parks and Rec, roads are more important, but if we propose to cut taxes for roads or we propose to eliminate fixing roads, nobody's going to show up. Let us say that we're going to cut Parks and Recreation, this place will be full of purple shirts. So, it's all about priorities, you're absolutely correct, but who's priorities. It's the priorities of the people who are sitting up here, and we listen to all of you, and we make the determination what those priorities are. I've looked at what was presented today and I think Brevard County is heads and shoulders above the surrounding counties in how we spend our money and what we spend a tremendous amount of money for the buck. Folks, the budget is almost \$40 million less than last year, and we're in here up in arms because the proposed increase is about \$2.3 or \$2.6 million above the Charter Cap. Now, you've got five charter offices that each one has exceeded, I believe, and correct me if I'm wrong anybody, but they've all exceeded the .12 percent cap. Now, if they were held to that standard, we probably would be down to that zero mark and there wouldn't be an increase. So, you know, it's all about priorities, and we keep coming back to that, your priorities, my priorities, everybody's got priorities but we all don't have the same priorities. So, we have to make tough decisions up here. Impact fees were mentioned several times. Impact fees will be back as of January 1<sup>st</sup>. We have to discuss that as a Board how we're going to reintroduce those, but I can tell you the feeling is that impact fees will come back. Indian River Lagoon funds, I had discussions with State Representatives at and feds just yesterday. They've indicated to me that matching funds will be available to anything that we raise. So, if we propose an increase in a mill for you folks to decide, and if you decide to do that, if it yields \$14 million a year.

Barfield: It's a half mill.

Smith: Half mill would . . . okay . . . we can get matching funds from the State and the feds. That will go a long way in cleaning up our Lagoon right here in Brevard County. It won't go to any other projects. We will continue to still be eligible for the Amendment 1 money for the Lagoon from the State. Wasting money, I hear people say we're wasting money. Well, again, what's the priority. Your idea of waste may be this person's idea of not waste; but let me give you some examples. Walmart, I've heard several times tonight about a Walmart. Walmart's got all this money. We shouldn't give them anything. Well, you know what? They can go anywhere they want, because they have all that money. But you know what? They will also take their jobs anywhere they want. We want those jobs. So, if we give them a tax break, we get a huge return on investment, and I don't remember what the exact return was but I can tell you every one that I looked at this year and the year before when I was in office, every tax break that we gave whether it be \$2 million over 10 years or \$8 million over 10 years, that company was paying an excess of that money. So, if we gave them an \$8 million tax break, they were giving us as much as \$16 and \$20 million in return. So, it didn't cost us \$8 million, it got us \$16,

\$20 million. The one I do remember is Blue Origin. We gave them \$8 million, but they don't get it until they are in business. They have to be in business, they have to have a CO on that building, that building that they're going to build is \$220 million. That's an awful lot of building here in this County. That puts an awful lot of people to work. That's an awful lot of product purchased. Now, here's the real kicker. For that \$8 million, we're getting back \$23 million a year in salaries. That buys an awful lot of houses, that pays an awful lot of property taxes, that buys a lot of cars, that buys an awful lot of dinners, it keeps an awful lot of you people in jobs. So, we're not wasting you tax money in giving these people incentives; and while I'm at it, the same 72 or 73 percent of your and me that voted for the tax cap also voted for the tax incentives. So, you've got yourselves to blame. Lastly, businesses do pay their fair share. I was in business, and businesses do pay their fair share. They pay a lot of taxes, they pay a lot of income to their employees, and in return they get an awful lot of work from their employees. So, I'm not real . . . I'm not a real . . . I'm not real in favor of raising taxes on anybody, but I don't see that this is a bad trade off. We've actually reduced the amount of taxes we're spending by \$40 million bucks and we're going to raise, if we bust this cap . . . and this isn't the final vote either folks, this is just a suggestion. If we vote to raise them tonight, we can lower them later. If we vote to keep them steady or lower now, we can't raise them later. So, this is the first step in either raising them or lowering them, one or the other. This isn't the final decision tonight. So, as of this point right now, I'm going to vote in favor of this measure.

Barfield: Commissioner Anderson.

Anderson: No, I just wanted to reiterate something that Commissioner Smith just said that this is just for, this procedural vote is all it is, we're not raising anyone's taxes today. All it does is set the level of where we can, up to what we can debate in public hearing, in the next two public hearings in September, and they can be lowered from there. So, if somebody has the impression that we're actually making a decision on any millage rate, this is just giving the authority for the County Manager to proceed forward and have the necessary documents prepared to do the Truth in Millage, that's all we're doing today. So, I'm okay with advertising it and that way more, everybody in that gets their Truth in Millage, they'll see what their tax impact is. I don't know why we'd want to deny that.

Barfield: Commissioner Infantini.

Infantini: Okay, let's correct a few facts. It was stated that the people voted for tax abatements. We did vote for tax abatements. We did not vote for cash give aways which is what we're giving Blue Origin. It's cash upfront money. It's not, that was not voted for by you. I asked to have it put to a vote, but the Commissioners wouldn't put it out to you to vote for. Okay, and along with the logic, if we give a business money, well, then we're going to get back so much more money in salaries and taxes and all this. Well then, why don't we just do away with all the taxes we charge all businesses, because if giving one business money is good, think of how much money we would get back if we gave away all of the property taxes for all of the businesses. If it's good for one business, it's certainly got to apply for all of them; but apparently that's flawed logic. I don't understand, but . . .

Smith: You're a CPA and I'm a businessman.

Infantini: Oh, I guess. As far as the budget being reduced, the budget has increased. Last year's budget that we adopted was \$1,035,000. This year's budget is \$1,051,000. That's an increase over last year's adopted budget, not the budget that we have now, because as the year goes along we always increase it. We always start out low, get high. So, it's actually an

increase of \$15 million. As far as taxes go, you can get ready, hold on to your shirts, because now they're going to come back and ask you do you want a Lagoon tax. Now, there's already been a vote and a survey that doesn't bear a whole bunch of weight but does have some weight taken by *Florida TODAY* and 72 percent of you responded to a poll and said you do not support having a Lagoon tax. You do support having a clean Lagoon based on the taxes you're already paying, but just not an extra tax for it, but that's going to be on another referendum, so wait for that one; and as far as cleaning up our Lagoon, I'm surprised that isn't one of our priorities, and had we declared a State of Emergency, this room was virtually packed, people asked us to please declare a State of Emergency to get assistance from the Governor so that would save us money on permitting costs, save us time on permitting process, these Commissioners voted against it 4:1. And then we go crying poor mouth, we don't have enough money. That's probably because we're going to have to pay for all of our permitting fees. Said it before and I'll say it again, we've got a spending problem folks. Go ahead.

Barfield: Mr. Whitten, could you explain the difference, the final budget, why it increases?

Whitten: Sometimes there are grants that come in, sometimes there are projects that are anticipated to be completed in the prior fiscal year that don't get completed in the prior fiscal year. So, those sort of adjustments are made all of the time. This budget proposal is a reduction of \$39 million from the budget you currently have in place.

Barfield: Okay, I have a few notes here that some of you all have already hit. One of the things, when Commissioner Smith was talking about the Walmart, I had to bring this up, the amount of property tax on that property right now that the County receives is absolutely zero, and that's because it is owned by the Port. Well, once the Walmart buys that, it's full taxes over \$250,000 a year. A lot of things have gone into this. The issue of the impact fees. Absolutely, that sunsets on 12/31. There is, the items that were increased on this were direction of County Commission. We listened to what people came to talk to us about and things that were needed, and I think at this point we are just doing this to get the TRIM notice out and make absolutely sure that this is the, you know, the public gets to see this. So, I'm all for this, too; and I'll entertain a motion.

Fisher: So moved.

Anderson: Second.

Barfield: I have a motion by Commissioner Fisher, second by Commissioner Anderson to go ahead and pass this. All in favor say Aye.

Fisher, Barfield, Smith, Anderson: Aye.

Barfield: Opposed?

Infantini: Nay.

Barfield: Passes 4:1.