

MINUTES OF THE MEETING OF THE BOARD OF COUNTY COMMISSIONERS
BREVARD COUNTY, FLORIDA

3:00 PM

The Board of County Commissioners of Brevard County, Florida, met in special session on April 11, 2017 at 3:00 PM in the Government Center Florida Room, Building C, 2725 Judge Fran Jamieson Way, Viera, Florida.

CALL TO ORDER

Attendee Name	Title	Status	Arrived
Rita Pritchett	Vice Chairwoman/Commissioner District 1	Present	
Jim Barfield	Commissioner District 2	Present	
John Tobia	Commissioner District 3	Present	
Curt Smith	Chairman/Commissioner District 4	Present	
Kristine Isnardi	Commissioner District 5	Present	

ITEM I., BUDGET PRESENTATIONS

Stockton Whitten, County Manager, stated this is actually the second of the Budget Development Workshops for the 2017/2018 Fiscal Year; he has corresponded with the Charter Officers and with the Courts; he has had to move some of the Workshops around; this is a little different than previously presented to the Board; in total there will be six Workshops covering all of the County departments and services, and the Charter officers as well as the courts; and today's Workshop begins with General Government, Parks and Recreation, and Housing and Human Services. He added those in the audience who are here on the Community Based Organizations (CBO) funding, that will be under Housing and Human Services; and as he advised earlier in the year, that process needed to come before the Board in a timely fashion because a number of agencies are waiting on the Board's decision with regards to funding so they can build their budgets. He went on to say it is an extended process in terms of the application and the review process; he is excited today to shuffle the line up; and he is going to let John Denninghoff, Public Works Director, go first because he has a proposal that he believes will get the County the 20 miles per year of resurfacing to 55 miles per year immediately; the 55 miles per year is the benchmark Mr. Denninghoff believes he needs to reach; he suggested the Board take three actions at the end of the presentation to affect that proposal; and Frank Abbate, Assistant County Manager, will work on developing and bringing that back to the Board as they get further into budget development, if he cannot bring it back before the end of this month. He reiterated this is a proposal to take the Board from 20 miles of resurfacing to 55 and in 2022 it will take the County to 61 miles of resurfacing which is a tremendous increase in what is being resurfaced currently; however, there will still be a tremendous backlog of reconstruction and capacity that will be discussed once Mr. Denninghoff gets into the presentation.

John Denninghoff, Public Works Director, stated this is a continuation of the presentation that he made on March 9, 2017, so there will be some slides that look familiar; he will update and remind the Board of a few things as he goes along; one of the core issues or concerns with that was the fact the County was doing less than 55 miles a year in resurfacing and have been for quite some time, particularly with respect to recurring sources of revenue; and the result of the sustained lack of resurfacing has resulted in a pretty large backlog of resurfacing and reconstruction needs. He continued the combined total of those two is 734 miles as of the end of this year, which was in last month's presentation; the reason this is important is because if the resurfacing is not done in a timely manner then the deterioration of a road will evolve to

April 11, 2017

where resurfacing is not an option; if it goes to reconstruction, then it costs four to seven times the cost of resurfacing; to put that into perspective the numbers are \$110,000 per mile for resurfacing; five times that is what the County uses for planning and based most of their numbers on today, would make it \$550,000 per mile for reconstruction; and it does not take very many miles of reconstruction to become pretty overwhelming. He noted that is what he is going to try to do; they have a plan that might be able to address the build up to the backlog; and what he is hoping this will do is not only eliminate the backlog build up but slow, not entirely eliminate, the reconstruction backlog. He pointed out this slide was taken directly from the presentation last month; it reflects a really serious situation; all of the County's roads are included in the area under the curve; the condition of a road starts out very good with a Pavement Condition Index (PCI) of 100 when it is brand new; over time as it ages, it slides down the curve and gets down pretty close to zero or failed condition; once it gets to PCI 31 or lower then it is a pretty serious candidate for reconstruction; every road is a little different, but that is pretty much the target number; and when the road gets close to it then it is at risk, which is what the orange area is. He went on to say the yellow shows resurfacing is required but it is not at risk for reconstruction; the difference in cost is noted; there are 145 miles in the current backlog of reconstruction; the cost for that is estimated at \$86 million, almost \$87 million; the at risk category for resurfacing is 400, not quite four times what is in reconstruction, the cost is \$46 million; and that is the impact of falling into reconstruction. He stated the idea of resurfacing is to catch them before they fall into reconstruction and return them into the blue area; this needs to be done at the rate of 55 miles per year in order to keep them out; the good news with the plan he is about to show is, he thinks the County can get to the 55, but not to misunderstand, that does not mean the number of 145 is going to stop growing because there are so many in the yellow or orange areas, that 55 miles per year, some will still get passed and fall into the red area; however, the rate at which it will go up will decline dramatically from what it is doing today if he can get to the 55 miles per year. He explained his goal is to get to the 55; to do so he needs three actions; he is looking to try to bring funds to bare resurfacing in 2018 and sustainability beyond that; one of the ways is to manipulate the bond debt service for the Constitutional Gas Tax Bonds; they are due to be paid off in 2021; currently the County is paying \$2.2 million per year in debt service; his thought is to have an internal loan that would reduce the interest rate compared to what the bond debt service is, which is about 1.43 percent; the internal loan would be at the rate of the growth with the interest accrued from the County's investment programs, which is about .88 percent; that is a little bit of advantage, and to stretch it from three years to four years will give a little bit of savings, but what it really does is alter the cash flow; that makes \$750,000 a year available for the four years the County would be paying the internal loan back; and at the end of the four years, the County will return to the 2.92 which becomes fully available to go to resurfacing. He added the idea then is to take the \$750,000 and put it to resurfacing for those four years; and so step one is internal loan at a lower interest rate, and stretching the payments for one year. He stated the second idea is to take the \$6 million, which he stated on March 9, 2017, is available for allocation purposes, and to allocate it to resurfacing; basically divide it by four for the four years so that it can be done in an orderly manner; it comes out to about \$1.5 million a year for those four years, which would be applied to resurfacing; the third element is to allocate \$391,000 a year and going in to perpetuity for resurfacing from the General Fund; those three things added together gets the County to its 55 miles per year; and he is going to go through that now.

Mr. Whitten stated on number three the allocation of the \$391,000 does not require a cut or a reduction to other programs or services; it is within the existing revenue stream because there are a number of expenditures happening this year that will not be happening into the future; therefore, it is a very doable \$391,000 from the existing revenue stream.

Mr. Denninghoff stated Municipal Service Taxing Unit (MSTU) funding at \$635,000 which continues through the entire Plan, will continue in the future; last year the County did not have \$1.26 million in General Funds, but it does this year, and it shows as continuing into the future;

April 11, 2017

on March 9, 2017, he showed the County would have a recurring source of revenue from the gas taxes to go to resurfacing of \$1.5 million; that starts next year and continues into the future; and the next column represents the change in cash flow and savings associated with the internal loan, which will go for four years and at the end of the four years the County would have paid off the internal loan and the cash flow goes up to the full amount of debt service it is currently paying on the Constitutional Gas Tax. He added the next item is the \$6 million divided to \$1.5 million a year for four years; that brings the total up to \$6.03 million next year divided by \$110,000 and that is 55; the County gets to the 55 next year, but in 2022 when the County has the full \$2.92 million it loses the \$6 million; however, the total count goes up to 61 miles per year in 2022. He continued currently there is 734 backlog; if the County holds 55 in resurfacing that matches the need for each year, so to add 55 and subtract 55 each year, the backlog remains unchanged; and that is what the spreadsheet shows, the County holds at 734 for four years and then begins to drop by the difference from 55 to 61, which is six. He went on to say it is just a modest thing in a sense, the County is holding it and in four or five years from now there will be a decrease; from his prospective, because he has watched the backlog go up, this is a huge difference; if this was a bank account, it would get more money a month and things are getting a lot better; it is a first step but it is a really important step; what it means is every one of the roads that was resurfaced, and would not have been resurfaced without this plan, the road would have gone into reconstruction mode; it would not be \$110,000 that is being saved it is the difference between \$550,000 and \$110,000, so the savings is \$440,000 for every mile; if the County does not do the plan, this is what the bottom rows show, the backlog goes up and up; then it starts to kick in and the County starts to get some advantages finally, but it all evens out in 2022; and the difference is a 72 mile smaller backlog than with the plan. He stated to take the 72 and multiply it by difference of \$550,000 and \$110,000, which is \$440,000, and that comes up to nearly \$32 million in costs avoided; that is the big advantage of this approach; the process of doing the internal loan will involve the early payment of the bond, there is a penalty associated with it, \$114,000; \$114,000 compared to \$32 million in savings is pretty small; and the actual cash savings for the County is equal to about half of the \$114,000. He thinks that is a pretty important aspect of the plan. He mentioned there are some assumptions associated with this slide; it assumes the funding remains constant, no one starts taking money away for them to go to other things than resurfacing; it does use the \$110,000 as a nominal cost, but every road is a little bit different so not every road is going to cost \$110,000 per mile; there are no allowances for any inflation with this, so clearly inflation is going to be there, it is real, and the County will not be able to perform quite this well, but it is the best thing he has seen so far; and he is kind of excited about the idea. He commented the four main benefits aside from the \$32 million of avoided expense is the combined effect of the three actions is the County gets to the 55 miles, a major accomplishment; starting next year it immediately eliminates the growth of the resurfacing backlog; and it does slow down the rate of growth of the reconstruction backlog. He noted an added benefit is the road conditions will improve compared to where they are today and that will be real benefits to the public as they drive on those roads; two things that are not done, it does not eliminate the reconstruction backlog, which is a very large nut and will take a major effort; it also does not address capacity, the only thing working on capacity right now in terms of funding allocated or dedicated is impact fees have been reimplemented; and there is not much cash flow in that right now. He went on to say the focus of resurfacing, if the Board approves this plan, has to be the orange roads; if there is much done in the way of reconstruction then the County will be spending a lot more money and leaving less for resurfacing; that would also mean there will be a lot more roads needing reconstruction that the County will be leaving alone; and he understands from a political perspective it is a very difficult thing to do, but from the financial perspective, it makes all the sense in the world.

Mr. Whitten stated the three actions required are listed on the screen; the additional caveat or flexibility are the best available financing scenarios to implement this plan because the County may figure out it can save the \$114,000 if it somehow allows those internal sources to simply pay the bond debt payment and not retire it early; and it would give the flexibility to play with this

April 11, 2017

before it is brought back to the Board in its final form. He added he thinks the Board has to do a resolution to pay off the gas tax and it will have to approve the resolution for the internal loan and give Mr. Abbate direction so when he brings back the balanced budget proposal it will include the \$391,000 General Fund transfer to the roads; and he respectfully requested the Board approve those three actions with a caveat that allows him to bring back the best available financing scenario.

Chairman Smith asked if Mr. Whitten would like the Board to vote on this tonight.

Mr. Whitten responded affirmatively; he stated he would like one vote on all three; and for the Clerk to note, the best available financing scenario.

Commissioner Barfield stated with the \$6 million, the way the Board allocates between the cities and the County, the gas tax, is by cities and by population; and he believes that is what needs to be done with this; \$6 million needs to be by population and split by district; he has 120 miles of roads needing to be paved; and it really relates to the unincorporated population, and that is what he would like to see is an amendment to the motion.

Commissioner Tobia stated he thinks if the Board was to take that approach it would need to look into how it would impact the chart; and he asked if the orange ones are equally spread across the County Commission Districts.

Mr. Denninghoff replied he does not recall the actual proportional relationship for each District; and he stated it is an easy number to come up with but he does not have it on hand or off the top of his head.

Commissioner Tobia stated he does not know how it would affect County Commission District 3 but he asked if the \$6 million would be used to help the roads just in the cusps of the orange to get the largest return on its investment whether they end up in Commissioner Barfield's District, Commissioner Isnardi's District, or his District; and he thinks the Board needs to look at need before geography.

Commissioner Barfield stated District 1 has 375, District 2 has 255, District 3 only has 112, District 4 has 216, and District 5 has 139, for a total of 1,096; the ones with the most roads are Districts 1, 2, and 4; they also have the highest population, which means there is more wear and tear on those roads; the fairest way to go is the same way it is done with the cities; and he believes that is how this should be done.

Commissioner Pritchett stated she would imagine that is also going to correlate with the roads that need it the most; her district has a lot of roads and she would support it; she does think the plan is brilliant, money management at its best; and she commended staff for coming up with this plan to stop the bleed.

Commissioner Isnardi stated she would disagree with that assessment; she would defer to County staff and the experts in the industry to tell the Board which roads are most traveled because there may be roads in the smallest District that have a lot of travel; and she thinks the County needs to go with priority versus territorial lines because her District goes from Indiatlantic to Southwest Palm Bay. She continued as an example she could argue that District 1 gets \$3 million from North Brevard Economic Development Zone (NBEDZ) funding, so she is going to take from that District to make it fair; she thinks to be fair the County should repair and maintain the roads that need it the most, even if they are not primarily in her District; and she feels it is the most responsible option because the roads will fail if they are not addressed or funded.

April 11, 2017

Commissioner Barfield provided history on how that happened; he stated years ago before any of the current Board members were there, Heritage Parkway, right or wrong, put away Local Option Gas Tax (LOGT), over the years, which took away from the opportunity to do the maintenance to the roads; it was \$24 million they put aside; that is what put a lot of the maintenance behind; and it was in those Districts, and it is his believe the County is in this position now because of it. He commented he thinks the Districts need to be equal across the board; he has a number of roads that need to be done; the fairest way to go is by population or the percentage of roads; there are a lot of reasons why the roads got the way they are; and the fact is, what the Board does now has to be done equally across the County and he believes population is the fairest way to do that.

Commissioner Isnardi stated she hardly thinks this current Commission should be punished or should be responsible because previous Commissions decided to allocate money for Heritage Parkway, which by the way, will not just benefit District 5 and District 3, but will benefit the entire County.

Commissioner Barfield replied that is not what he is saying.

Commissioner Isnardi responded Commissioner Barfield was the one who brought it up; it is okay the previous Board allocated those funding; and she does not know how anybody could argue to not take care of the roads that need it the most.

Commissioner Barfield agreed and stated that is what he was saying.

Commissioner Isnardi stated she lives in Palm Bay but spends most of her day in Melbourne; she would get the roads that need it first before they wind up in the reconstruction phase because as Mr. Denninghoff said, it costs over half a million dollars a mile to fix; and then it would be a bigger problem.

Commissioner Tobia stated he would like to see if the Board could direct Mr. Denninghoff to look at the need and provide a proposal; then look at the argument Commissioner Barfield raises, the Board may be arguing about the same thing; and he would like to see those two proposals so the Board could come to an agreement because right now it may end up absolutely equal as Commissioner Pritchett said; and disagreeing on something not knowing it is going to play out is probably not going to benefit anyone. He asked if Mr. Denninghoff could get that information to the Board in a period of time as to the highest need versus the highest need equally in each District.

Mr. Whitten stated Mr. Denninghoff has the indexes, the concrete assessment, and the Board could probably argue this after May 1, and separate it out from the financing plan; Mr. Denninghoff comes back to the Board in Workshop on the 27th, and he does not know if he would have something ready by then, that is perhaps another Workshop and another discussion for the Board; he may need more time than the 27th, to say where the roads are in terms of the index; and it seems to be something that can be taken out of the specific action he is requesting today.

Commissioner Barfield respectfully disagreed. He stated he is going to keep coming back to this; it is based on the population; and he thinks the money available needs to go strictly by the Districts just as it is done with the cities, because it is consistent.

Commissioner Pritchett stated she is probably in agreement with that; she has 65,000 in unincorporated population and 30 percent of the population in District 1 is a tax paying population; she has 34 percent of the paved roads; she thinks as Commissioner Tobia stated, it is probably going to come back that way; and if the Board needs to work towards this she is

April 11, 2017

going to end up supporting that path, whether it be by population or roads. She added she thinks it will be the equitable solution; she reiterated she has a lot of roads in District 1 to maintain; and she also has a lot of taxpayers in her District.

Chairman Smith stated he thinks the Board needs to go in the direction Mr. Whitten suggested and pass the resolution for an internal loan to pay off the existing Constitutional Gas Tax Bonds.

Mr. Denninghoff stated April 27th, the Public Works Department is going to be before the Board to present their budget, which he is struggling to get finished.

Chairman Smith asked if on April 27th, Mr. Denninghoff would be able to give the Board a rundown of the roads per District.

Mr. Whitten asked if Mr. Denninghoff could talk budget on April 27th; and then the Board can decide how to portion the dollars.

Chairman Smith stated the Board can pass this, then discuss dividing up the dollars at a future date.

Commissioner Barfield stated he would rather vote right now to go ahead and do it by population.

Chairman Smith stated then there will be two motions; a motion for the internal loan to be paid off; and a second motion for distribution.

Commissioner Barfield motioned for an internal loan to pay off the bond with flexibility to work on a payment.

Commissioner Tobia asked if an assumption was made that there will be no new roads constructed, because if new roads are constructed they will eventually need maintenance; and how it will be factored in to this.

Mr. Denninghoff stated he did not make an assumption about the growth rate of the inventory; while seeing a large number of houses and the actual miles of roadway the County has, it is pretty small; everybody's road is significant but when looking at the total count of it, it does not add a whole lot; he thinks in the last three or four years only about four miles of roadway have been added; and it just does not factor in with these high levels of planning type efforts. He added clearly when a road needs resurfaced and there is no money it does not happen; to answer the question specifically, he did not account for that; and he does not believe it is a significant issue. He continued when the roads are built they do not need to be resurfaced, that is something to be dealt with down the road.

Commissioner Tobia stated assuming the 55 miles up to the 61 miles in 2022, that looks like it is where the County turns the bend; and he asked when the Board meets the responsibility, what year would these projections hit the status quo where the County is at the level it needs to be to maintain the current infrastructure.

Mr. Denninghoff inquired if he was asking him if he calculated out what happens if the County stayed at that level with the backlog.

Commissioner Tobia replied affirmatively.

Mr. Denninghoff stated he did not actually calculate it because it is a very long time; and it will be beyond his career.

April 11, 2017

Commissioner Tobia asked Mr. Denninghoff if he meant in order to deal with the backlog in either of their lifetime the County would need to exceed the numbers in front of them.

Mr. Denninghoff responded yes.

Chairman Smith clarified these numbers are going to get the County to the maintenance, it does not touch the backlog and the capacity.

Commissioner Tobia stated not until 2022 at least.

Mr. Denninghoff elaborated in the March 9 presentation right at the end he presented the barrel diagram, which is a modification of what was produced for the blue ribbon committee; being passed around the room right now is a print of the slide he presented last month; and it shows what it will take to take down the entire backlog. He continued looking in the lower right corner, it shows in round numbers the County will need about \$15 million a year for 15 years in order to take down the backlog; what he is talking about here is taking care of the growth of the backlog; and there is a big difference. He added to think of it as a loan, the backlog is the principle and the growth is the interest rate on the loan; the interest rate is being taken care of; and the principle is not being taken care. He went on to say it is a very big number and that is why it is going to take a long time to do it at \$15 million.

Mr. Whitten stated the backlog is approximately \$225 million.

Commissioner Tobia stated he understands the County is extending the debt service for one year; he asked if it were not to be extended that year and the County continued down the current path, and was not subject to the \$114,000 pre-payment penalty, in 2021 would the County have the full \$2.92 million; he is concerned about the motion; and he asked if the Board were able to find three quarters of a million dollars in the existing budget, even if he assumed the departments did not grow and allocate the additional cap in the CPI, that should more than cover the three quarters of a million dollars, would it make more sense to find the \$738,000 in General Revenue currently instead of extending the County's debt another year because it amounts to \$2 million less than the County would potentially have in the year 2021, if the resources could be found in the upcoming year's budget.

Mr. Whitten stated the caveat states the best financing scenario covers that, because the Board does not know what its expenses are going to be until all budgets are in; he thinks if the Board leaves the motion that covers all financing scenarios then Mr. Abbate will be able to go back and look for more dollars beyond the \$391,000; that may make more sense and get the County to the 61 miles quicker; this plan obviously gets it to the 55 right away; and then the extent to what the Board can pay off earlier gets the County to the 61. He mentioned if the Board leaves the motion to where it says he will look for a better arrangement then, he can look for additional General Fund dollars.

Commissioner Tobia stated assuming the Consumer Price Index (CPI) sits at 1.24 or 1.26 and the Board decides to go where the cap is, does the County know at a minimum if it will have \$391,000 additional dollars plus enough to cover the \$746,000.

Mr. Whitten stated the County does not know because it does not know where the taxable values are going to be; it does not know if the Sheriff is going to say inmate health care is costing an additional \$2 million next year; and until all of those expenses are known, where the taxable value is going to be, he does not think the County can say 1.26 will get a certain amount until receiving the preliminary taxable values from the Property Appraiser.

April 11, 2017

Commissioner Tobia asked if it was fair to say the County expects the number to increase because he has met with the Property Appraiser and property values are going to increase.

Mr. Whitten stated it is fair to say property values are increasing.

Commissioner Tobia asked if it is fair to say when the Sheriff or anyone asks for more resources, that the Board can decide against it, to prioritize roads instead. His understanding is the Board can prioritize roads.

Mr. Whitten responded absolutely, however, he does not know if the Board would want to exercise that today.

Commissioner Tobia stated his understanding is the Board is taking away the ability by extending a bond or the payments on a bond with an internal loan and an additional year; and it is very serious when the County extends payments on a bond for an additional year.

Mr. Whitten stated the County is not, it is paying off the bond; it is taking an internal loan for four years; therefore, the bond is retired. He continued all bonds are retired, if not at the call date, with a penalty; the County is not taking away the flexibility, it just does not know what the flexibility is at this point; the bond is extinguished the moment the internal loan is paid off, obviously with the penalty; and then the Board will know what the expenses are once it gets further into the summer. He added the Board may very well have an additional \$750,000.

Commissioner Tobia stated the County has spread out the \$6 million over four years; and he asked if that could be front loaded to hit the 55 miles a little sooner, to not pay that off, and then extend it.

Mr. Whitten responded that was part of what they want to look at under the better financing scenarios; that can be looked at but he does not know how that works, if the numbers work out but they will certainly go back and take a look at it.

Commissioner Tobia asked if the Board were to vote for this motion to retire the bond, if it would then have to have another motion to take the internal loan or if that would be up to the discretion of the County Manager.

Mr. Whitten responded it is all going to come back before the Board in a resolution.

Commissioner Barfield pointed out the Board does not know what the mandates from Tallahassee will be because there has been a lot of things kicked around.

Commissioner Pritchett stated she believes as the Board goes through this, the internal loan could be paid off quicker which would speed up the millages; she is actually pleased the County found a way to cut the bleed; she did not think it would hit into the backlog, she thinks it will take a revenue increase down-the-road; and the fact the County is able to manipulate some internal money and make this work, is really smart. She recommended, if the Board gets to the end of the budget and there is extra money in the reserves that were not anticipated, to go ahead and pay off some of the internal loan the County is making to the waste water; she does not think it will be found, but if it does she would like the County to get out of debt; and she is impressed with it.

Commissioner Barfield made the motion to pay off the Constitutional Gas Tax Bond and give the County flexibility to find the best scenario to do that.

The Board approved an internal loan to pay off existing Constitutional Gas Tax Bond Debt.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Jim Barfield, Commissioner District 2
SECONDER:	Rita Pritchett, Vice Chairwoman/Commissioner District 1
AYES:	Pritchett, Barfield, Tobia, Smith, Isnardi

ITEM I., BUDGET PRESENTATION (CONTINUED)

Stockton Whitten, County Manager, stated the best case scenario financing includes what Commissioner Tobia stated; John Denninghoff, Public Works Director, looked at if the additional General Funds supplement is \$501,000 and asked what that would do to the scenario; and they will continue to run the scenario to continue to get the Board to that because what the County is shooting for is the 61 miles prior to 2022; and he thinks it is going to be the fact of either front loading it or not which means getting to 61 prior to 2022.

Commissioner Pritchett asked if she were to make the motion if it would take away what Commissioner Barfield is trying to do because she just wants to make sure the money is reserved for roads, but has not been distributed.

Mr. Whitten commented the caveat covers all three points and that is all.

The Board approved the current available \$6 million fund can be used for resurfacing over a four-year period (2018-2021).

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Rita Pritchett, Vice Chairwoman/Commissioner District 1
SECONDER:	Jim Barfield, Commissioner District 2
AYES:	Pritchett, Barfield, Tobia, Smith, Isnardi

ITEM I., BUDGET PRESENTATION (CONTINUED)

The Board approved allocating an additional \$391,000 from the General Fund for resurfacing; with a caveat pertaining to all actions that staff obtains the best financing scenario available.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Rita Pritchett, Vice Chairwoman/Commissioner District 1
SECONDER:	Kristine Isnardi, Commissioner District 5
AYES:	Pritchett, Barfield, Tobia, Smith, Isnardi

ITEM I.A., GENERAL GOVERNMENT

Jill Hayes, Budget Director, stated she will be presenting the General Government Department budget; as Stockton Whitten, County Manager, mentioned, this is the first department presentation in a series of five Workshops over the next several months; the presentation outline for each of those department presentations will follow the same general format; they will discuss the mission statement of the department, programs, and services that the department provides, along with funding sources and what those dollars are used for; and for the General Government presentations she is going to spend some time talking about the budget development timeline to give the Board an idea of what will happen over the next several months. She continued she is also going to request direction on a number of items to ensure as

she is developing the budget it is based on the priorities and guidelines set forth by the Board; the mission statement for General Government is comprised of three major functions that do not fit within the County's formal organization and, therefore, are administered by the budget office; and these three functions are combined for presentation purposes only and are represented as General Government operations, General Government long-term debt, and mandated programs. She added the next slide shows the organizational chart for General Government and each department in the budget book, there will be a similar chart which shows the department and the programs that fall under the department; their budgets are also presented by program in the budget document; this slide may look familiar from the March 9th presentation where there was a discussion on the Fiscal Year 16/17 budget; these are the operating revenues associated with General Government; and the largest portion of the General Government operating dollars comes from the Ad Valorem taxes received from the general countywide millage rate. She went on to say those make up about 68 percent of the operating revenue for General Government; there are also four major revenue sources which are the Local half-cent Sales Tax, State shared revenue, FPL franchise fee, and Communication Services Tax; combined those revenue sources make up 27 percent of the operating revenue; the charges for services represents revenue received from other departments through the cost allocation plan for administrative services; and other sources are primarily local business taxes, some interest revenue, and some permits and fees. She stated this chart displays the revenue categories as they are presented in the budget documents; in the first column general government operation, the \$195 million in operating revenue corresponds with the dollars on the previous slide; underneath that is the non-operating revenues which are balance forwards and transfers; General Government is a little bit different from the other departments as there are negative dollar amounts in the transfers; the reason for that is the General Government receives those operating dollars as the General Fund dollars; and then they are transferred out to other agencies and departments. She continued when the dollars are transferred to other agencies and departments in the general fund group, they are called intra fund transfers and show up as a negative revenue instead of an expense, that is why it shows a credit amount in the General Government operating revenue; intra fund transfers are just a transfer of financial resources between funds in the same fund group; therefore, they are credits to revenue and not expenses, and that is the first column in the general operations. She added the next column is the General Government long-term debt and there is no operating revenue associated with this program, it is primarily transfers from General Revenue and some transfers that come into General Government long term debt as loans have been consolidated over time for lower interest rates; there are transfers coming in from Emergency Management, Parks and Recreation, Valkaria Airport, Court Facilities, and Libraries; and as General Government debt is talked about, she is going to focus on the general fund portion of that debt. She explained under General Government mandates, with the exception of about \$150,000 in fees supporting legal aid, there is about \$20.8 million transferred from the General Fund to support mandates; looking at the entire departmental budget for General Government, it is just over \$93 million; she moved to the next slide to show how the intra fund transfers out impact that; there is operating revenues, balance forwards which represent primarily the General Government reserves as well as any unspent dollars from the prior Fiscal Year, and the transfers in represent transfers from other departments and are primarily excess fees received from the Charter Offices, which is primarily the Tax Collector with some payments in lieu of taxes, from Solid Waste and Utilities that account for the transfers in; the General Government revenue is \$220.4 million; and the intra fund transfers which are credits to revenues going out, are the \$127.4 million that gives the \$93.04 million in the General Government adopted budget. She went on to say the next several slides she will go into detail not just on the General Government mandates but the long-term debt and the General Government operations as well; the transfers to Charter Offices, court operations, Board departments, and Public Safety will all be coming before the Board at a later Workshop date so they will be able to present their line item budgets, budget categories, expenditures, and revenues; she is going to focus on the three slices of the pie which are General Government operations, General Government mandates, and General Government

April 11, 2017

long term debt; on March 9 when she discussed mandates, she also discussed the Medical Examiner and the courts; and the Medical Examiner falls under Housing and Human Services and they will be presenting to the Board later today. She stated for Medicaid the County's required contribution of the State's portion of matching funds required for the Medicaid program; the amount is calculated and determined by the Social Services estimating conference and is deducted directly from the local half-cent sales tax revenue, the County does not even actually see these dollars; the next two items the Property Appraiser and Tax Collector fee for services, the County is required to pay commission payments to them not only for services they provide to the County but to the School Board and cities for the Property Appraiser and on behalf of the School Board for the Tax Collector, so they are broken out separately into the mandate to be accounted for there; the Baker Act is a State mandate for Baker Act, mental health services for indigent Brevard County residents and the County contracts with Circles of Care to provide this service; the Pre-trial Detention of Juveniles is a State mandate for shared County and State responsibility for juvenile detention, the State determines the amount the County is responsible for and the payments are made to the Department of Juvenile Justice; and the legal aid mandate are legal services provided to the poor and disadvantaged residents of the County, there are some fees for services that also come in to support this program, this is the General Fund portion of that. She continued The East Central Florida Regional Planning Council's fee is calculated by the Council using a per capita population based dues assessment, the County received the assessment for the upcoming Fiscal Year and knows it is already going to increase by approximately \$25,000, which is one mandate the County knows will be increasing next year; she is not going to read off the rest of them, however, the Florida Statute is provided along with the budget amount for child protection, indigent burials, Value Adjustment Board, health care act, and inmate medical building; those equal \$20.9 million of the General Government budget; moving along, the interest rates for the General Government long term debt range between 1.23 and 3.52 percent; the pooled commercial paper loan is a variety of different commercial paper draws for 800 megahertz, mosquito helicopters, Sheriff's CAD system, and the Valkaria hangers to name a few; and the County does receive some revenue transferred from those departments to help support it. She added the sales tax revenue and improvement bonds are for construction and improvements to the jail; the Non-Ad Valorem Revenue note is the refunding of outstanding commercial paper; there is an internal loan paid out of General Government and it was from Solid Waste to fund the payment of the golf course debt; the subordinated sales tax refunding bonds were for the south mainland service center and additional court facilities in Viera; the Non-Ad Valorem revenue note is for the Energy Performance Contract and there is a credit underneath of transfers from other departments for utility savings that resulted from the contract; and the final debt listed is for the elections warehouse.

Stockton Whitten, County Manager, stated on the draft portion for the County government the golf course debt drops off in 2019; the County has some good things happening in the next four to five years or three to four Fiscal Years; that is over a million dollars per year in golf course debt that is going to drop off; the final one is in 2019; and he reiterated some good things are on the rise with regards to General Government expenditures.

Ms. Hayes stated moving along to General Government operations there are Tax Increment Financing (TIF) payments for the North Brevard Economic Development Zone (NBEDZ) and the Community Redevelopment Agencies (CRAs); there is a Workshop scheduled for Thursday to discuss the CRAs in greater detail; as Mr. Whitten mentioned earlier, until the County receives the Property Appraiser values, she will not know what the impact is on the CRAs because as the property values grow in those areas, the required payment based on all the factors would potentially increase as well; there are several grants funded out of General Government; the Economic Development Commission (EDC) is a grant agreement between the Board and the EDC for promoting economic development; and there are two economic incentives budgeted in the current year. She continued the first one is Project Blue, which is a \$500,000 incentive due in four stages, the County paid the first stage of the \$500,000 last Fiscal Year so this is stage

April 11, 2017

two, and it requires a certain amount of capital investments and job creation; Project Magellan is a two phase project and this is phase two of the project so it will be the last year, assuming they meet the terms of the agreement, that the County pays; and the General Government funds \$100,000 for the Brevard Cultural Alliance where \$50,000 of it goes to fund the Cultural Arts Agreement which is the management of the program, and the additional \$50,000 is passed through grants awarded to qualified County Community Cultural Grants program grant recipients. She added the County has several publications and memberships which are important to keep the County informed and up to date on issues facing counties throughout the State as well as regional priorities and strategies for building sustainable communities; she is not going to read the contracted services but she is letting the Board know there are several items on there that are non-recurring which includes oyster gardening and email migration, those funds will be freed up next year and will help support the additional \$391,000 going to Public Works for road resurfacing; the compensation and benefits funded out of General Government include annual and sick leave payouts which are discussed in Merit System, Policy IX; General Government also funds unemployment compensation and a portion of the salary and benefits associated with the Clerk to the Special Magistrate; and under professional services, legal services for outside counsel, Clerk of Court fees are filing fees for County Ordinances and citations, the County has a consultant who prepares the cost allocation plan, and there is some training. She went on to say finally all the other General Government expenses, the first two items listed are indirect costs formulated through the cost allocation plan; the TRDA reimbursement is a non-recurring expense this year; then there are some other miscellaneous items like the TRIM Bill expenses, solid waste assessments at County buildings, advertising, Historic Commission, and others. She noted as she moves through the budget development process, this is the first of five Workshops scheduled in April and May where the Board will hear from all the departments, Charter Offices, and the Courts, she will be asking the Board for direction on a number of topics and she will be working on revenue and expenditure forecasting, paying attention to the Florida Legislative session to determine if there is any impact to the County; on May 1, 2017, she will receive the Supervisor of Elections and the Clerk's budgets and she will have an idea of their requests; on June 1, 2017, she will receive an estimate of the total assessed value of property for the current year and use it to start planning and calculating the preliminary Ad Valorem Tax; the Sheriff and Property Appraiser also submit their budgets in June and the County Manager meets with the departments and agencies to talk about their budget requests; and on July 1, 2017, the County receives the certified values from the Property Appraiser which really starts the clock ticking on the truth and millage requirements where she has 35 days to receive those certified property values to certify the applicable forms and return them to the Property Appraiser. She informed the Board, in July she will present a proposed budget and on July 25, 2017, the Board will set those tentative Ad Valorem millages and then the County is required to get the information back to the Property Appraiser so they can send out the TRIM notices within 55 days of the certification of value; she reiterated the TRIM notices notify constituents with the tentative millage rates and it also serves as an announcement for the first public hearing in September; she continued on August 1, 2017, is when the County receives the Tax Collector's budget and if there are any changes to the operating or CIP budgets after the tentative budget then she will work on those during the month of August; in September the County has its two public hearings, the first one is required within 65-80 days of the certification which is July 1, 2017, and at this hearing the Board will adopt the tentative millage and budget; within 15 days after the tentative budget hearing the County advertises the intent to adopt a final millage which is done at the second public hearing; and at that hearing there is reading of the roll back rates, and the percentage increase for all 25 taxing districts.

Mr. Whitten explained the way they built those presentations is, since there really is not a wrap up Workshop, as the agencies come before the Board, they are giving broad funding categories, and broad programs and services of funding categories, so unless the Board states to Frank Abbate, Assistant County Manager, that it is reducing a level of service or program, then he is

April 11, 2017

going to go under the assumption that it is a status quo program and service level budget; the Board has accepted the road proposal and there may be some ability to do another cost of living adjustment; he asked the Board to provide Mr. Abbate some direction while he is balancing out his budget proposal to at least look towards possibly including a cost of living adjustment, with no promises that he can get there, but at least provided him with direction to actually make that one of his priorities; and then, unless the Board states to Mr. Abbate that it is decreasing funding currently associated with current service levels or current program levels, he is going to go under the assumption that it is status quo in terms of service levels and those two items remain for Board direction or Board discussion.

Commissioner Pritchett commented she believes the Board is not going to need to vote any critical needs adjustment over the cap; she thinks these three items moving forward is an appropriate direction to move towards; she believes staff is going to need some pay increases; and she fully supports that. She continued she is very happy with the ability to stop the bleed in the roads, that is a milestone from where the County has been in the past; she hopes next year the Board can tackle the backlog, by being creative with the new revenues because the budget is tight; she is hoping with all the new growth coming into the area there will be more revenues coming in; and hopefully the Board can do something with the charter cap down the road. She added she does not know if current service levels need to be changed, she would like to maintain them; there might be some that need to be increased, but she does not think the funding is there for them just yet; if there is additional funding she thinks the Board should come back and discuss increasing service levels; and the County is at a time of growth and she feels these are very responsible appropriate items to move in a forward direction with the budget. She informed the Board that she fully supports this.

Commissioner Barfield stated he noticed there were a few things that are one-time, that the Board will not have this year; he asked Ms. Hayes if she could get the Board a list of all the one-time items on this budget that will not appear on the budget next year for General Government; and if she could give the Board an idea of funding.

Ms. Hayes replied those are listed as the TRDA reimbursement, the oyster gardening, and the email migration are the three listed in this presentation; and she can send a summary.

Commissioner Tobia asked if on the second one, attempting to find a cost of living, Ms. Hayes had any idea what that would be across the board; if she were to go in that direction, he would ask her to stratify it so the Board could prioritize the folks that are on the lower end of the spectrum; and he thinks a disproportionate amount of that would go to folks who are higher up.

Frank Abbate, Assistant County Manager, noted they had done that before and it could be looked at that way, if that is what the Board would like to do.

Commissioner Tobia responded they need to at least look at it to come up with a potential idea. He asked if Chairman Smith was looking for individual questions on the maintenance, the increase, or the decrease.

Chairman Smith stated he is looking for whatever thoughts the Board has.

Commissioner Tobia stated many of these are non-recurring and it is very important to identify them because he imagines certain things will pop up next year that the Board does not have the ability to forecast; until today he did not know being part of that one organization would cost the County an extra \$25,000; and he thanked staff and all the departments who have spent a great deal of time with him and his office to go through the budget so he could make recommendations for potential decreases in the level of service, so the County does not have to increase the taxes on the citizens. He went on to ask about the indigent burials, while the

April 11, 2017

County currently provides services of cremation as well as burial, however, burial is an extra \$150, so he would like to know how much the County could potentially save if it went to all cremation instead of offering burial, and if the County is under any mandate to provide the higher service for those who are indigent.

Ian Golden, Housing and Human Services Director, stated for indigent burials it is \$600 and for cremation it is \$450; he brought a policy to the Board last year to basically move to as many cremations as possible so right now they are under a policy that states unless there is a statutory requirement to bury, they do everything as a cremation; they traditional budget \$80,000 per year and it is dependent upon the number of indigents who seek the service; they have had many years where they have gone above the \$80,000, sometimes \$120,000; and one of the issues they can run into is if they do not budget enough dollars the process to go through BCR, nobody should be left sitting at a funeral home for the time period that it potentially takes to move through that process.

Commissioner Tobia noted he did not understand the statutory obligation to bury certain individuals as opposed to cremation, so that is enlightening; on to the other General Fund obligations, he did not find anything the Board could do with the debt and clearly someone found ways to work around on that; his main concerns were dealing with the large government expenditures which according to him accounted for more than \$6.7 million; he does not believe there is any waste involved in this; it ultimately comes down to prioritization of funds, so there is no judgment to anyone who has voted for this in the past; Chairman Smith placed a mandate on the Board members to find the County some resources to potentially be put into roads and can be better spent with infrastructure; therefore, his staff, with the help of other offices made some suggestions where there could be some reprioritization of some of those funds into infrastructure, potentially doing away with debt service or increasing the \$391,000. He asked what return investment the County gets that is higher than infrastructure; the Foundation for Building My Region membership costs taxpayers \$25,000 and their generic statement is they support the work of the Central Florida Delegation; he was a member of Central Florida Delegation for eight years and never once did he hear from this organization; while he understands Florida Association of Counties is very important dealing with mandates that are passed down, it means a great deal to the County, the National Association of County membership costs taxpayers almost \$11,000; and the International City is wonderful, but this is a County and he does not know about the \$3,500 the taxpayers have paid for that. He continued moving down the list the County employs a State lobbyist, who does quite a bit of work with his office dealing with mandates, but he has not heard from and does not know the Federal lobbyist which looks like a contract of \$48,000; he would like to know what Policy return the County gets for the \$48,000; LEAD Brevard is a wonderful program that cultivates young professionals, but he does not know if it is the best use of funds that could go to infrastructure; the Historical Commission is a cost distribution with libraries; he hopes the library fees could be split more equitable and come out of General Fund; and the Employee Innovation Program is a \$7,500 expense and is a policy directive that is now eight to 10 years old and was due to be changed in 2015, but has not been touched. He added either the Policy needs to be re-evaluated or the \$7,500 needs to go back into the General Fund; while these programs are a big fan of the current County Manager, the Lean Six Sigma Workshops, he thinks the Board is going to see during the County Commission meeting today, he would certainly like to see the benefit as opposed to the deteriorating roads as well as the other training; and the ELI, the Seven Habits, and the Leadercast costs the taxpayers \$15,000. He went on to say moving on to the EDC, understanding that this is merely a grant and he was not a part of the Commission who voted for the grant; there is very little transparency provided because he had asked for a bunch of information from the EDC such as salaries and travel, and they did not need to provide him with that information because the grant that the Brevard County taxpayers of \$1.4 million does not require it so his suggestion is to decrease EDC funding by a third; he would like to do away with it all together or potentially move it in house; as the Board moves forward it is adding

April 11, 2017

transparency to the taxpayers, so people know where their hard earned funds are going; and finally, the Brevard Cultural Alliance for \$100,000 is a worthy and admirable program, but when looking at deteriorating roads, he does not know if that amounts to a need as opposed to a want. He noted these basic things account for a little over \$700,000 and he would be glad to provide a list but he would like to look at these a little more critically and at least justify more services and more benefits to the taxpayers than what repaving or reconstructing roads would be.

Vinny Toronto stated his personal perspective on the return of investment the County and taxpayers get for the money with LEAD Brevard, although he does understand the position of the Commissioners and all of Brevard are in regarding roads and resources, is 24 years ago as a high school junior he went to a summer leadership program and even as a 16 year-old it was relate-able, with an overview of the County, and not only did it inspire him but it showed him how, where, and pathways to get there; nine years ago he turned back to Brevard after college and early career experiences and he had the energy and desire to be a positive impact for this community, but was unsure where to start until he reconnected with LEAD; he participated in their flagship leadership Brevard program and since then he has worked on community issues in the County such as homelessness, the foster care system, youth, grief counseling, non-profit grant giving, community education scholarships, governmental sustainability, and recently the Indian River Lagoon (IRL); and he is currently serving on the half-cent sales tax oversight committee which puts him at the other end of the podium which he is much more comfortable. He continued the County's tax dollars through LEAD has led him and countless others to be equipped to better work together in a nonpartisan manner to strengthen this community; simplified, if the County gave him a dollar to go through the leadership Brevard program, and every organization within the County that he worked with, he would give them \$1.25; what he did was take the dollar the County gave him and because he was equipped and learned to be a better leader he was able to increase that amount of money so he could then give back to other organizations within the community; and it is like a winning slot machine, pull the handle and it gives money; that dollar multiplied; the monetary increase comes from him being a better leader and from others; and this is not just his story, or a young professionals story, it is everybody's story. He informed he is also involved with other leadership programs around the State like Leadership Florida and Connect Florida; one of the things Lead Brevard does differently is it does not have an applicant selection process, so it allows anyone in the County to partake, because they believe anyone can be a leader or can inspire someone to lead; he suggested anyone who has not been to a LEAD Brevard event to come and inspire others or be inspired themselves.

Josh Field noted he is a 14-year resident of District 4; his day job is heading up corporate branding and marketing strategy for Parrish Medical Center; he is here today representing LEAD Brevard as its Chairman of the Board of Directors; for anyone unfamiliar with LEAD Brevard they are a 501C3 non-profit community leadership organization that has been educating, developing, and connecting local leaders to address community and Countywide issues, and opportunities since the early 1980s; there are over 1,200 community leaders representing technology, education, health care, non-profits, military, hospitality, government, and every other sector that contributes to making Brevard a great place to live and work; and the graduates of the Flagship Leadership Brevard Program and throughout the year hundreds more attend their events such as the annual stake holder summit, the Board Government's Training Workshops, and their mission is working together to strengthen the community by inspiring people to leave. He stated as a private sector citizen he respects and empathizes with the responsibility of the Board of County Commissioners to best manage the needs of the County with the resources available and the spending parameters of the budget; he is grateful he does not have to make the decisions and look into the eyes of the constituents while the Board contemplates funding for community based organizations that support seniors, people with disabilities, victims of domestic abuse, and others who just need a helping hand; a wise

April 11, 2017

man once said give a man a fish and it feeds him for a day, teach a man to fish and it feeds him for a lifetime; and he explained it takes leaders to teach men to fish and for 32 years LEAD Brevard has been preparing and inspiring ordinary people to step up and take action whether someone is an elected official, a Board member, a non-profit, a youth sports coach, or a volunteer at a local school, church, or charity. He continued the funds the County has allocated to LEAD Brevard have helped to facilitate strategic initiatives that address key issues facing the community going back to 2002 when they were first tasked by the County with stewarding the Brevard Tomorrow Preferred Future Initiative; since then it has provided a platform for the County Manager to share the Annual State of the County with top business and civic leaders; and the leadership Brevard class, through their leadership action projects have volunteered over 2,500 hours and raised close to \$1.8 million for local organizations including some of those who are here this afternoon who directly benefited from the efforts of those leadership Brevard teams and are now in jeopardy of losing a portion of their funding; and he asked, as the Board reviews the contract and services allocation of the Brevard County government operations budget for next year, to please continue to support LEAD Brevard so it can continue to inspire people to lead and address the challenges that face the County today and in the future.

Pam LaSalle noted Ms. Hayes answered her primary question, however, she asked if the Lean Six Sigma was going to be reoccurring since it was not listed as a non-recurring; and she asked if all employees would be training with this, or just selected employees.

Mr. Abbate stated the training provided is a weeklong training for leaders of teams; and they form teams and share the results from the training and all the tools available as they process the project.

Ms. LaSalle stated she thinks there may be two levels of training.

Mr. Abbate replied there are actually three or four levels; there is a yellow belt training which is the initial training and it is for one day; there is a green belt training which is for the team leaders and is a weeklong training session; and then those who become more advanced there is a three week training.

Ms. LaSalle asked if all employees will receive the yellow belt training.

Mr. Abbate stated no, they have not done yellow belt training for all employees; it was only done for members of the leadership teams, including all the Directors, Managers, and interested Supervisors.

Ms. LaSalle asked for clarification on whether all employees would receive training or if Mr. Abbate would be counting on those who have been trained to train all the other employees.

Mr. Abbate confirmed those involved in teams, not all employees are in a team; there are approximately 20-plus teams functioning right now; and those teams have anywhere between six and nine members on them.

Ms. LaSalle asked if he would like to get back with her on whether it is going to be recurring or not recurring.

Mr. Abbate responded the plan is for it to be recurring, to have additional teams and additional individuals trained in the green belt training.

Ms. LaSalle stated listening to some other folks, when she thinks of taxpayers she thinks of people who are working two or three jobs, senior citizens who did not expect to have to go back to work, and she does not see tax dollars going through any kind of alchemy to increase the

value of it; and tax dollars or reallocation of an asset to an individual is not an investment in government.

Dave Pasley noted this is his second year working on the Budget Review Committee; the first year they basically tried to figure out what in the world the County was doing with the budget; the second year they are still trying to figure that out, but it is good; he does not mean this of a negative sense in any way, but most of those on the budget committee come from different back grounds; there are things that they do in business that are different than government does; he asked how anyone can put together a budget without having some assumption of what is going to happen to the revenue picture in the coming year, it is beyond him; he does not understand how they do not have a picture of how many building permits, how many houses built, and how many warehouses; and how much revenue is coming in is the first thing that is disturbing. He continued the second thing is, there is not a consistent set of priorities, in the business world the Director or Vice President provides a priority list and how much will be spent on each; roads should be a priority, but looking at the County's past spending it has not been; the money has been taken from roads to pay for other things; now he thinks it is time to take from those other things and pay for the roads, a very simple process; the Commissioners have been asked to nitpick the budget to try finding a few dollars; but one of the things that need to be looked at is what the actuals have been and it cannot be done for 2017 because the County is still spending; but the County should be able to go back to 2015 and 2016 to see if going forward they can find a few dollars. He added there is a enough there to get the County over the hurdle of getting through the backlog of the road construction needed; he is sure this question has been asked, however, he asked the Board if the same challenge had been asked of the department heads; he continued to say ask the department heads if their budget is cut by 10 percent what would happen to their services; or if there was a 10 percent increase what would happen to their services; this is common practice in the business world; and he would also like to see variance reports, anytime someone discusses budget, actual vs budgeted by year, and be able to understand those. He understands it is another step in the process and a little more work, but it is something he believes needs to be looked at.

Commissioner Isnardi stated it is never easy to cut and everybody has a compelling case why to keep something as opposed to removing it, but if the Board is going to do a cost of living adjustment then the Board would have to remove from elsewhere; she feels that is the responsible thing to do; and that the Board should make it a priority as well, because the County is losing good employees to other municipalities, private business, or otherwise; and she is very close to the City of Palm Bay and she knows they steal employees because the County does not pay them enough. She continued many employees have not seen raises for a very long time.

The Board directed staff to make it a priority to attempt to fund a Cost of Living Adjustment (COLA).

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Kristine Isnardi, Commissioner District 5
SECONDER:	Rita Pritchett, Vice Chairwoman/Commissioner District 1
AYES:	Pritchett, Barfield, Tobia, Smith, Isnardi

ITEM I.A., GENERAL GOVERNMENT (CONTINUED)

Commissioner Pritchett noted she stated from the beginning she would like to maintain current service levels; she does not know what the revenues are going to be at; and she is waiting to see what they are going to come back as.

April 11, 2017

Stockton Whitten, County Manager, stated they look at revenues all the time; they look at revenues when the State looks at revenues; when the State gives them revenue projections they do TRIM analysis on revenues; they get the largest revenue projection on June 1, from the Property Appraiser and he has had conversations with her; they will look at them prior to June 1, and after June 1; they will get the certified on July 1; the State will present its final revenue projections; therefore, revenue projections will be looked at all the way up until the final budget hearing. He continued on the General Government expenditure side there is one item on the Commissioner's list that he can offer up; it is not the International City Management Association it is the International City/County Management Association, and it was a fee in the County Managers contract that he assumed when he took over the contract for Howard, that is \$3,500; and he does not know what the next candidates are going to want in terms of paid membership associations, but that is an easy one for him to take out of the budget.

Commissioner Pritchett stated she would imagine he has a little bit of a handle on moving forward and she feels like there is an ability to meet the three directives since he brought them to the meeting.

Mr. Whitten stated he thinks there is, but if there is consensus by the Board to try and maintain service levels then the Board will look at those as each department comes up; and he is assuming, just as he has gotten a list today, that the Board would do that with each of the departments. He continued if it is just the general consensus of the Board that where it can it will maintain current service levels unless there is other Board direction, then that is the direction he will take.

Commissioner Pritchett stated she believes if there is funding it is appropriate, unless there is something the Board agrees is not bringing anything to the table as far as County services; her request would be for him to move forward in keeping the current service level, because she believes the Board can meet all the objectives without any budget cuts at this time; and that is her request.

Commissioner Tobia stated his request would be similar, for the County to maintain, just reprioritize; he gave a list of almost a million dollars that could be reprioritized into infrastructure because if the County continues with the current plan, it does not turn the curve until five or six years, and he would like to do that much sooner; he would like to be all about the tax cuts, however, that is not a reality when it comes to the need for infrastructure; what the need is with the maintenance of service is to provide the core services; while the slot machine of LEAD Brevard may be great, he believes the County is much better apt with everyone going into this budget spending countless hours going through by line items to provide the same services, but have a greater impact by instead of 30 or 40 people that may be in LEAD Brevard or the folks who receive the grants by Brevard Culture Alliance, maybe they could be better spent paving the roads which the bulk of Brevard County uses on a daily basis; and he will continue with County Staff's help to go through each and every line item, while not cutting, but shifting those resources from one department into the charge that quite frankly the Chairman of the Board gave him, to find money to be put toward roads. He added he thinks the Board can do that without going to the taxpayers to pay more money; he reiterated he would like to maintain as well, just reprioritize, because it is very difficult to generalize on each and every department; and he thinks the Board has to do its due diligence as each presenter comes up to go through this, and make specific suggestions so it can be discussed as a group and it can come up with a consensus as any one of the line items to be just as important or not as important, as the need to resurface the roads that are in dire need and will cost the County more and more the longer the Board does not reprioritize its spending.

April 11, 2017

Commissioner Pritchett agreed with Mr. Tobia's statement; the list he provided other than the subscriptions, she is not sure where they go, but all the other ones she kind of likes; and Lean Six Sigma she knows.

Commissioner Tobia responded he likes them too; and he is sorry, he did not mean that negatively.

Commissioner Pritchett stated he is allowed to have opinions; with Lean Six Sigma she has seen such good work with where she came from; she thinks he is right, these things will have to be brought up and the Board will have to make a consensus vote of what it thinks is a priority and go forward on them; that may help staff out; and she thinks the Board is agreeing that the current level of funding is appropriate, and then the Board will make decisions moving forward. She commented she is actually happy the County got the roads to the point where they are not going in the hole any longer; and the Board needs to figure out new resources to fix the backlog; she got very excited when they were talking about some of the bonds being paid off next year, because that opens up a whole lot of money; her favorite thing to do is get rid of all the debt; that would be a perfect world to her, but she is not sure how to get there, but she would love to get rid of debt moving forward.

Mr. Whitten stated Parks is two fiscal years from now.

Commissioner Isnardi asked if the Board was going to go through those items individually.

Chairman Smith replied the Board will in the future, but not tonight; it is just giving direction; he noted that he has charged the other Commissioners with looking into the budget very diligently, he likes the programs too and he knows how difficult it is; Brevard County has a lot of good programs, but it also has a critical need with roads; the County can dance the fine line and not cut anything, but it is going to hit the fan, therefore, the sooner this Board accepts the responsibility the better off everyone out there is going to be.

Commissioner Pritchett noted she thinks by resurfacing the roads and stopping the bleed, the Board just saved \$38 million which is incredible; to get the other backlog the County is not going to be able to penny and nickel that, it is going to have to come up with another resource and she knows that is not the popular vote, but there is going to have to be some kind of tax increase whether it is removing from the cap down the road; she is amazed with this, she cannot believe the County has this cap in place, because this is not a normal government entity working within means of trying to do government services; the Board is going to have to figure something out here because there is just not enough revenue sources to fix that backlog, it is enormous; and she thinks that may have to be a conversation in the future. She added she knows from listening to everyone's comments that is not a popular one for now, but fixing the bleed right now is huge; it stops the backlog of the problem; it stops the bad debt problem; and now the Board is going to have to get creative, however, she does not think it will be able to do it this year because it has really combatted some big problems in her opinion, but it will have to come up with some new revenue resources and ideas moving forward to fix that backlog.

Chairman Smith asked if Mr. Whitten wanted a motion to maintain the current service.

Mr. Whitten responded affirmatively; he asked about listings that are presented by any particular Commissioner because there is a listing of Workshops; unless the process is the Board is going to have a final Workshop where it decides on all things that were brought before it by any Commissioner then staff would not know if going forward it is looking at current levels of service at this region, because Commissioner Tobia mentioned his region of National Association of Counties, International City/County Managers Association, Federal Lobbyist, LEAD, Historical Commission, he thinks the Historical Commission can be addressed and it is 100 percent

April 11, 2017

funding from libraries so that could be moved over, employee innovation, Lean Six Sigma, Executive Leadership, Seven Habits, Leadercast, Economic Development Commission (EDC), and then BSA.

Commissioner Tobia stated he just received it; he would be more than willing to share that with Mr. Whitten; Parks and Recreation have a new director and he appreciates her; he has this list now and he plans, as they move forward, to bring that and discuss it in this arena; however, he reiterated he just received it.

Mr. Whitten commented it is huge ship that does not turn very easily; he does not know if the individual Commissioners are going to bring their items; and at the beginning of the next Workshop the Board could talk about it and vote up or down the funding for the items, that way the process is a little off time, but it's a little better than putting those off until the back end of Budget.

Chairman Smith asked if that was alright with Jill to put it off until the next Workshop.

Jill Hayes, Budget Director, stated the sooner she receives direction, the better.

Chairman Smith advised anyone else who has a thought on lists, things that could be cut, things that are less priority than fixing the roads, and consider maybe even revenue sources need to be talked about; he informed it is not going to be easy, everyone is going to have to face tough choices; and there will be a lot of unhappy people, but five to 10 years from now they will be happy when they have money in their pockets.

Commissioner Isnardi stated both her and Commissioner Pritchett have been in this situation before, being on City Council; and many of the decisions made did not please people, or pleased some and not others.

Commissioner Tobia stated he imagines other folks will be doing this; his concern is he would like some direction from Counsel, because he wants to make sure the Board is following sunshine 100 percent; and his concern is if he were to send this out on day one, if another Commissioner were to take a look at it, and then sent his or her suggestions out.

Scott Knox, County Attorney, stated the Board is not allowed to interact with one another on matters that come before the Board; so if one Commissioner were to send out their list of cuts, then the other Commissioners cannot respond to it directly or indirectly. He thinks it is typical to give a position on a matter as long as the Commissioners are not talking back and forth to one another; and as long as one Commissioner's cuts are not derived from someone else's cuts.

Chairman Smith asked if the Commissioners tagged particular items like XYZ funds and there were six of eight of those; the Commissioners would not indicate cuts or boosts to those items; and the Commissioners are just giving a list of items to be looked at.

Mr. Whitten stated unfortunately the rest of the Board was not prepared to address the list Commissioner Tobia presented; those are all General Government expenditures and so as the programs and services are coming up he thinks it is easier to talk about and make decisions in real time; Housing and Human Services is coming up, and the CBO funding is under that organization so as those expenditures associated with those departments are coming up, he thinks that would be the time to talk about it and make the public aware of whether or not the Board is cutting, reducing, or modifying those services, because if it is just one long list at the back end of the budget process that really does not help them because it is a very fluent process; his suggestion, which could not be done this time, would be to hold the suggestions of Commissioner Tobia until the beginning of the next workshop; and the next Workshop is Court

April 11, 2017

Operations, so the Board can talk about cuts associated to Court Operations, Central Services, and Information Technology. He continued Ian Golden, Housing and Human Services Director, may be doing the Medical Examiner and Veteran Services today, so there may be time for the Board to address the 10 or so items mentioned today at the next Workshop.

Chairman Smith noted the other Commissioners could add theirs at that time; and he thinks the Commissioners can all make a decision on the fly at the next Workshop.

Commissioner Tobia stated he did not want the Chairman to think he was holding anything back when it comes to sunshine; the Board has to comply by all the rules and regulations; he also did not want to be the first person to send out a cut, thus limiting everyone else's ability to send out some type of response; and he just wanted the Board members on a fair playing field and that it is done as openly and as transparently as possible.

Mr. Whitten stated he thinks the Board is going to address the associated program expenditures as those programs come up, with the exception of the next Workshop, which will be this listing and whatever else the Board decides to present.

Commissioner Pritchett stated the Commissioners could send them all to the County Manager, and he could send them out to everyone else.

Attorney Knox stated as long as the Board is not interacting with one another.

Commissioner Pritchett reiterated the emails could be sent to Mr. Whitten to be sent out.

Attorney Knox stated they could send everything to Mr. Whitten and he could send it out to everybody.

Commissioner Barfield stated he thinks they need to keep the current level of quality service; he thinks the Board should look at things it can do better and things it can get rid of; and now that the Board is aware of what to be prepared for at every meeting, it will be fine.

Commissioner Pritchett stated the Lean Six Sigma saved her thousands of dollars at the City of Titusville; it brought productivity way up; and that was something where they got a big bang for the buck.

Commissioner Barfield stated he has seen it used in business and do tremendous things; and he has been involved with it a lot so he knows what it is about.

Mr. Whitten stated the County saw it there too, because in the development process going from the 76 days to 50 something days; Commissioner Isnardi sat in on the developer's round table so anyone could ask those developers how it works; it is saving them time in the review process; and that will be shown as they go along. He mentioned there is a 6:00 p.m. Board meeting, they have two departments, and some folks are interested in the CBO; and the timing of that is a process that takes several months to go through and he believes the community is interested in where the Board is planning on going in terms of the funding; therefore, it is probably better if Ian Golden, Housing and Human Services Director; goes ahead of Parks and Recreation; and if the Board does not make it to Parks and Recreation, then it can be moved to the next Workshop.

ITEM I.C., HOUSING AND HUMAN SERVICES

Ian Golden, Housing and Human Services Director, stated one of the items at the end is asking for Board action on the Community Based Organizations (CBO) agenda item; he informed they

April 11, 2017

are pretty close to the budget outline; they may have moved things around a little but they are going to cover all the same topics; their mission statement is not quite as long as General Governments; and it is only six words but it fairly encompasses what he sees as the mission of the department, which is to serve the residents of Brevard County. He continued the next slide gives an idea of what the specific program areas are under Housing and Human Services; he is going to go into each one with a little more depth as he moves through; next slide gives an idea of the total funding for the department; he has a budget of about \$17.8 million; of that, about 70 percent is restricted special revenue funds that have restrictions based on what can be done with the dollars; and 30 percent is available to do other things that are General Fund. He added this is similar to the slide seen in General Government; it is the budget roll up for the department by program and by different categories and for each of the areas; community resources has an asterisk because it includes some additional County Mandates that did not get moved to General Government and still reside with it; the medical examiner also has an asterisk because there is a mandate that still remains with him; the next slide is another breakout of the \$17.8 million; and this gives an idea of what his general fund transfer is, which is about \$5.4 million and approximately 30 percent of the department budget. He went on to say of the \$5.4 million, \$1.9 million is additional unfunded mandates; that includes the Medical Examiner's office, Americans with Disabilities Act Compliance, and Guardian Ad Litem, it is the red area; green is basically everything else they do such as administrative support, which is \$1.2 million and he considers that as leveraging for the \$10 million in grant funds because if he did not have that administrative support, which is paying staff salaries, then they could not function or meet the needs of those grant's rules and requirements; and the other items are different items that they fund through previous Board direction, some of them being Veteran's Services, Emergency Support, Health Department Services, etc. He commented now he will go through each individual program itself starting with community impact; listed under here are the different services that are provided under community impact, the first one being the Community Action Agency which provides direct services to low to moderate income individuals and families in the County and is based on specific eligibility criteria the funding sources have, such as a mixture of State, Federal, and local dollars; Criminal Justice is basically services the Board has determined to maintain, some services were able to be privatized, basically misdemeanor probation and pre-trial release, but the enabling statute for privatization did not include Circuit probation, so that is something they continue to do through the department; they also do oversight of the jail to look for ways to control the population of the jail, different aspects of services that could be put in place, for example they are looking at a reinvestment grant at the federal level which would help reduce down the numbers at the jail; under this is also school crossing guards in which they provide for 23 elementary schools in unincorporated Brevard, which is 55 crossing locations and 3,000 crossings per day at those different locations during the school year; and discretionary grants and programs are partnerships they have with different agencies to address community needs and they are specific grant opportunities that are either at the State or Federal level, but right now the majority of the grants are from Federal, those are things like Drug Court, juvenile Drug Court, and Safe Haven Supervised Visitation that is used when there is domestic violence and there is a custodial and non-custodial parent where the non-custodial parent has a right to see his or her children, this grants provides a safe place for the visitation so there is no danger to the custodial parent who is typically the victim of the violence. He continued the next slide is a breakdown where they tried to break out the actual funding that goes to support community impact; the items in red are the grant funds, some miscellaneous dollars, and some balance forward which have restrictions on how they can be spent; and balance forward in this, there are several trust funds they oversee, driver's education trust fund, teen court, and a substance abuse trust fund. He added the General Fund transfer, charges for service, and fund forfeitures which are not able to be used for other purposes; housing is the next area and they do a couple different things to try and facilitate the creation of affordable housing; they have Request for Proposal (RFP) they put out occasionally that developers can apply to and they can either build new, which is they create absolutely new units of affordable housing or they can use the funding to acquire existing units and convert them to affordable housing; they have a first

April 11, 2017

time home buyers program which is to help families get into their first home; and they also have programs for rehab, repair, and replacement for existing homeowners. He went on to say those programs have their own rules and regulations; they also have ongoing monitoring associated with them; and lien requirements are put in place to protect the investments in those different activities. He mentioned they have community housing development organizations (CHDO) which is a designation they utilize and it is based on Housing and Urban Development (HUD) criteria where they certify an agency developer as a CHDO; there is a specific checklist and they look at their financials, their board, experience in housing, and the benefit for them is if they are identified as a CHDO there are HUD dollars set aside specifically and they are the only ones who can apply for them, it is not open to all developers; and then they have a weatherization program which is a grant program where they look at and prioritize for high energy bills for those who are elderly, disabled or have children under 12, and they go in and address specific issues in their homes to try and reduce their electric bills. He stated the next slide shows the breakout of the housing revenue and it is all grant dollars; they are all specific from the Federal and State about how those dollars are spent, so they cannot be moved to anything outside that criteria; they are going to touch on Veterans and Medical Examiner but it is not as in depth as he was planning because he knew they were going to come back; one of the things that every county in the State has in common is veterans service officers; there is a governing statute that oversees the experience and training of those veterans service officers; Brevard has the seventh largest veteran population in the state even though he believes it is the tenth largest in overall general population; and what they do in that office is basically assist veterans in making sure they are getting all of the claims, pensions, and other services they are entitled to as a veteran of the armed forces. He continued the next slide shows Veterans services is totally general fund supported; about \$294,000 supports the County staff and there is about \$40,000 that goes as a transfer to support a veterans service officer in the City of Palm Bay; the next is community resources which CBO's sit under; CBO is \$510,000 in general fund that is put out as an RFP; those RFPs are then reviewed by a community based volunteer group, a board, and they make the recommendations to the Board of County Commissioners; the agencies recommended for funding, and if the Board approves them, they get a contract with so they have outcomes to meet; they has a service reimbursement process so they do not give a lump sum to an agency; it is a cost reimbursement and they have to show they have done the service to get paid; they are actually buying services from the agencies through the CBO process; and based on that leveraging of the \$510,000 there is about \$170,000 the agency report back to leverage their dollars, and what that means is his dollars are able to be used by that agency to draw down additional State and Federal funds. He noted his understanding is if the County dollars go away so do those leveraged funds from the State and the Federal Government; every agency, even the ones who do the leveraging are required to do what is called a match, they are separated out; the match is when there is a program in the budget and say it is going to cost \$100,000, they have to come up with 25 percent of it from other sources other than the County, which could be other department agencies putting in dollars or donations forward; the funding for the mandates sit in General Government but the oversight that goes along with those processes still sit with his department; and those are the State unfunded mandates. He added there is also the Federal mandate with the Americans with Disabilities Act (ADA), which is actually another County mandate they oversee which addresses and impacts all County departments and facilities. He went on to say the final area under Community Resources is Community Development Block Grant (CDBG) which is a Federally funded program; they can do a lot of infrastructure projects; they primarily focus on seven areas in the County that the Board has identified as strategy areas; it is a community driven process where those communities have representatives from and they do community meetings; they drive what they want to see as those infrastructure improvements and sometimes it has been roads, sometimes high traffic areas with speed bumps, and a lot of it is dependent upon the community itself prioritizing; there are, just like everything they do in the department, specific eligibility requirements that must be followed; and there are two Board approved projects being funded through a Section 108 loans, which is HUD. He noted they currently utilize CDBG funds to make those loan payments; he

wanted the Board to be aware there is a small chance based on some of the budget priorities that have been put out at the Federal level, that if CDBG does go away, General Fund is the payer of last resort, therefore general fund dollars would have to make those loan payments moving forward; the next slide is the breakout of revenue streams for community resources; there is about \$3.5 million in grants; there is statutory reduction that everyone does; and then General Fund transfers, which is encompassing CBOs, Health Department, and those other types of projects as well as labor distribution for staff salaries. He stated the next area is the Medical Examiner; it is another mandate from the State; they preview all cremations, burials at sea, do their own investigations separate from law enforcement, and autopsies; one of the things he is having an issue with as they get to critical needs, is the fact that the two doctors have been exceeding the Florida standards or practice guidelines on the number of autopsies per year; the guidelines state they should look at 225 plus or minus 50 and the number of autopsies year over year has been increasing, as of today there is 295 and that exceeds the number at this point last year; the breakout of their budget is primarily General Fund transfers at \$1.4 million; they get charges for service, then some miscellaneous dollars; and charges for service and cremation reviews can be charged to different funeral homes and miscellaneous has to do with when they have tissue banks utilize their facility they receive rent. He commented they continue to see the year over year increase in the number of residents who seek assistance; they are seeing on the housing and infrastructure side, infrastructure costs are increasing, which will be addressed under critical; and the recognition of those grants that they oversee and administer really drive the department and staff. He continued critical needs will have policy changes to be brought to the Board in the next couple months specifically dealing with housing and those programs which have changes mandated by the funding sources and/or recommendations that have come from monitoring; the construction costs are increasing and he is finding the maximum amount of assistance he can provide is not enough any longer, the bids are coming in too high and they are not able to serve; he will be coming back before the Board and asking for an increase in those maximums; they still will not be anywhere near what the Federal Government HUD allows, but he thinks it will get them through the increase in costs; and then with the Medical Examiner a critical need is another associate Medical Examiner, and for each associate there is usually two techs needed for when they work. He noted the final item is a request for Board action on the CBO Agenda Item; the three things being requested are for the Board to approve the Process, the RFP, and the commitment of funding; and like the County Manager had stated earlier, that is more for the agencies themselves to know where they are going to stand moving forward, and if they will even have the opportunity to go after those dollars.

Joseph McDowell stated he is the executive Director of Link of Hope; it is one of the agencies that is privileged to have received a grant from CBO, \$12,000 a year; it provides 21 weekly classes at the Brevard County jail, including nine anger management, seven parent education, and five GED preparation classes; the primary objective of the program is to reduce the rate of recidivism; before programs were generally made available at the Brevard County Jail, the recidivism was 80 percent, being eight out of every 10 people who were released went back to jail in the near future; that rate has been reduced to 43 percent according to Sheriff Wayne Ivey's latest report; the most recent year he has decent statistics is from 2015 and in that particular year 500 inmates were released from jail and did not return; and using an assumption that each inmate costs \$65 a day and is there for six weeks, he figures those 500 who successfully were released from jail saved the County \$1.3 million. He continued he does not have any idea how much the Link of Hope contributed to that, but he does know of his graduates the recidivism rate was 26 percent; those 500 who were released have approximately 1,000 children, which shows the impact their successful release made on those families and in the community; one of those who was released testified at one of their recent benefits and talked about how his life was changed, giving credit to the program; however, what really stuck out for him was when his daughter turned to him and said she was so proud of her dad, and he thought that is what this is all about. He went on to say all of their agencies contribute to

April 11, 2017

improving the lives of thousands of citizens of Brevard County; he is convinced the money spent on these programs is far exceeded by the money the County saves because these programs are provided; and he encouraged the Board to continue supporting CBO.

Becky Lemstrom stated she is from the Women's Center; they have gotten awards from the CBO for several years now; she knows the Board has a tough decision when decided whether to maintain services, decrease, or increase; unfortunately they have to increase their services and it appears to have been this way for the past several years since she has been with the Women's Center; the latest crime statistics she has are from 2015; and in 2015 Brevard County had a little over 3,900 incidences of domestic violence, which is an increase of 5.6 percent over the previous year. She added there were 282 rapes not associated with domestic violence which is an increase of 36 percent; the Women's Center helps women or men and their children with an immediate safe house; then they provide advocacy to help them get their lives back together in an immediate situation and then plan for their future; and that is what the CBO money is for. She went on to say in the past year they have assisted over 2,100 clients; she believes they are good at what they do and are well respected in the community for what they do; they have a strong relationship with Sheriff Ivey and the all the police chiefs from Satellite Beach, City of Melbourne, and Titusville as well as with the local hospitals; they were also just chosen to take on a sexual assault victims services program from the State Attorney's office; and she is unsure why they felt they could not run the program any longer, but they were asked to take it on and they have been working hard to become certified to do that. She noted they also have to work with the cities; they fill a nice niche between the public and private sector in providing services that are not cost effective for either the public or private sector to do on their own; and she hopes the Board can continue to fund their programs and as a whole with what the CBO provides. She went on to say she looked at the large budget of the entire County and if their \$510,000 is there, it is a small percentage; the CBO is .04 percent; not every adult in the County pays taxes equally, but if everyone over 18 did it would equal out to \$1.08 for the entire CBO to be funded and about \$.12 per person for just the Women's Center; and if anyone of Board members were to come to the safe house and see those little kids that had to leave their home in the middle of the night, it would not be a question whether to give them a toy, a new outfit, \$.12 or \$12.

Chairman Smith stated making these decisions is not easy; he asked if the Board were to not fund the \$510,000 how much she would get.

Ms. Lemstrom replied \$60,000.

Chairman Smith asked what other funding sources they have.

Ms. Lemstrom noted last year the Board brought up the fact that they get funded by the United Way and a lot of other sources, which they think is a strong thing to do if they were a regular business; and she feels having those other sources is a good thing and a sign of their strength; and she will have to work harder to keep her program going. She added it may mean less service is provided, but she will continue to work harder by meshing services together.

Chairman Smith asked Mr. Golden if he is requesting the Board to approve or disapprove the process of either the Board will commit the \$510,000 again or not.

Mr. Golden responded affirmatively.

Chairman Smith asked what the RFP is.

Mr. Golden informed him that it is a Request for Proposal and it is the guideline that the agencies reply to, which tells him about their organizational capacity, what the budget is, what

April 11, 2017

they are seeking from the County, what service they will provide, and they are asked for a statement of need.

Chairman Smith asked if he really needed the Board to approve an RFP.

Mr. Golden stated typically it is part of the process.

Chairman Smith stated the Board can do that; and he asked if the Board approves the process would that take of the Commitment of Funding.

Mr. Golden responded no because the process is still dependent upon the funds being there at the end of the year.

Commissioner Tobia asked if the Board is starting with CBO's or starting with the budget total.

Chairman Smith informed just the CBO, the Board action is required tonight because they are under the gun.

Commissioner Isnardi stated this is not easy; obviously the entire Board has been petitioned to keep these funds in place; however, she has been approached by other non-profits that have either applied for funding and did not qualify; trying to rectify who deserves the funding based on who is able to meet the qualifications and put a nice application packet together is tough; it is a half of a million dollars and it can be argued with return on services and matching funds but regardless whether someone gets the County's \$12,000, they may be able to match those funds with fund raising, which is what most agencies do; and she will not be supporting the continued funding of CBO funding because she believes it puts the Board in an awful position to have to pick and choose who is worthy of these funds. She added there are hundreds of non-profits that could benefit from funding from the County's General Fund.

Commissioner Barfield stated the way he looks at it is, they all keep calling these charities but what is really be paid for is services; it is a contract for services; in his business he looks at RFPs a lot; this thing is so locked in and very fair for those applying; citizens have to prove they can do whatever and that they are not there for handouts; there needs to be matching funds; and he heard it is at least 25 percent, but some go a lot more on matching funds, and when receiving matching funds from the United Way that would help. He continued he does not want to be the one to say he is going to do a few miles of asphalt instead of feeding people who need it; it is a tough call, but he is not going to be there; he has seen what some of these organizations do and he has been involved in a lot of them; he fully believes the Board should look at this from a standpoint of Services being contracted; he looks at things in business, and return on investment; there are organizations that help kids stay out of jail; there has been data that shows when a person hits the jail at 17 or 18 years old, in their lifetime it is going to cost \$1 million to the system, that is return on investment; and when looking at putting Meals on Wheels and putting \$60,000 up and leverage it to \$1 million and feeding 2,000 or more people a week that are shut ins and have no other way that is a return on investment because they will be seen later on in some other way, it may not be in County taxes, but it will be State taxes or Federal taxes. He went on to say he believes Community Based Organizations do what they need to do; he really likes the process because it does delineate, very carefully, the ones on how they are going to do something; instead of asking for money they have to prove it; and it is something he believes the community has to have because if the County does not support those ones who really are in need who else will.

Commissioner Tobia stated he already issued his suggestion; he agrees that the tax payers provide these people with resources and they provide a service for that resources; he believes these types of organizations are better handled at the home than they are in the County; and he

April 11, 2017

does not want to be the individual who picks and chooses which one is more worthy than another one; there are some that he knows very well and others that this is the first time he is seeing them; and he appreciates everything these organizations and the organizations that the County does not fund do for the community, he does not think it would be as great a community as it is without the services they provide, he just does not want to be the arbiter of peoples resources as to how they are funded; therefore, he is suggesting to find other ways to spend the \$510,000. He added he knows the County has a billion dollar budget, but as Jill Hayes, Budget Director, has stated getting down to the green money, the General Fund money, then the mandates taken out of it, the General Fund dollars become very precious; and he will not be in support of the CBO funding.

Commissioner Pritchett stated if the County was in a critical need period where the Board would have to vote to remove the Charter Cap then she would have to find a way not to do this; her struggle is if the County has elderly people who cannot take care of themselves or kids who cannot take care of themselves she thinks the County should take care of them; people who just do not feel like taking care of themselves is what needs to be weeded out; at the local level it is a little different; at the Federal level it is nuts what they give out with earned income credit and all the money they are handing out has got to change; however, if they would have wiped that out right now, there would be a bunch of homeless people and a bigger problem than just trying to do it over a gradual period of time. She continued this is hard; the ones that are getting matching funds like Meals on Wheels gets 1 to 11 match and her guess is the upper level they are saying the community has a dog in the fight; so if the Board comes along with something they say they are going to help feed these people too; she has done a few Meals on Wheels and it surprises her how many children who do not take care of their parents or grandparents anymore; and there is a need, so to stop some of these programs, she cannot handle the thought of these elderly people witting around without food or someone stopping in to see them once a day. She added the same goes for children; there is a massive problem with single households at this time; the County is going to have to find a way to correct this and she does not know how to fix it at that level; right now if there are kids who need to be taken care of, the County is going to have to; and if the Board did this on a different level and start weaning some things off, she would listen to that, especially the ones that have a match right now she thinks it would be responsible for the Board to look at those things because if it does not happen as a community it will cost a lot more. She went on to say the ones that are not getting matches may need to be looked at to figure out what services they are getting; and she inquired about the application process and if Mr. Golden really goes through the applications and makes sure the money is used appropriately.

Mr. Golden replied the group that reviews the applications is called the Community Action Board; it is made up of 15 members when fully seated; there are five representatives, one from each Commission office, five representatives of the low income community, and five representatives from the business community; they go through each application and score them; once they make the recommendations that is what comes to the Board; they are the ones who have contact with the communities who are looking at what the needs are; and depending on the needs from year to year it does change. He continued there have been some ongoing areas that have remained constant with funding and one of them is service for the elderly.

Commissioner Pritchett stated those types of aspects are hard not to do; it is almost something she thinks the Board should have to look at and make a decision on; she thinks the County needs to feed the elderly and hungry kids; there are society people who do not take care of their parents, and there is a group of people who cannot take care of their kids. She added this County has a problem and she does not know how to fix it at the big level but she knows the Board can do something to touch at this level; she is going to have a real hard time cutting this all the way off; she thinks it would be healthy for these entities to start weaning; and she asked Stockton Whitten, County Manager, about the budget for these in 2015 and 2016.

April 11, 2017

Mr. Whitten explained the budget for these was well over a million.

Mr. Golden stated it was prior to 2009 that it was above a million dollars that went to this.

Commissioner Pritchett stated she would not mind working towards the aspect of weaning people off; people just need to start giving to people; however, until the County is able to get there she is not willing to cut this off altogether.

Chairman Smith asked how many organizations qualified last year.

Mr. Golden asked for clarification.

Chairman Smith asked how many received benefits.

Mr. Golden stated that is what is in front of the Board. They have the 2016-2017 proposed service support.

Chairman Smith asked how many applied.

Mr. Golden answered there were not 15 agencies; there were some who received for two programs, such as Aging Matters; and he thinks there are 13 agencies.

Chairman Smith asked how many applied because the number he remembers hearing last year was like 78.

Mr. Golden replied he does not think it was that high; he believes it was in the 20s; and one of the things the CAB has been doing traditionally year after year is they do not award 100 percent funding; and in their recommendation meetings the past few years they have been awarding about 80 percent to try and stretch those dollars a little further.

Chairman Smith asked what happened to the 10 who did not get any funding.

Mr. Golden stated his guess would be the services they proposed to do were not provided.

Chairman Smith stated but they did not go away, they did not disappear; he agrees these are not handouts; he worked with several of these organizations and visited many others; they all do really good work and there is a return on investment here; however, as a steward of the public's monies and looking at this in a practical sense he has a hard time telling other people who do not want the County to support these, that their government tax dollars need to support something they do not want to voluntarily give to; if everybody in this community gave \$10.00 to the organization, they would have more than \$500,000, but the fact is not everybody wants to be generous and give that \$10.00; and he questioned whether that should fall on the government to make those hard decisions. He reiterated it is a tough call and at this point in time he would have to vote against funding these, but if the Board gets to a point in the budget where there is more funding he would definitely entertain the idea of refunding these organizations.

Commissioner Barfield asked instead of voting totally against the funding, if the Board could do a phase out in five years it would give all the organizations enough planning time to do more fund raising or whatever they can; that would drop a percentage amount of money that will not be available; and that would give everybody notice that it is not going away immediately, but it will be going away.

April 11, 2017

Commissioner Isnardi stated that only sum of them are recurring funding because they still have to apply every year; the one everyone cares about the most is feeding the seniors; that should be a theme of this Commission and it is a theme of her office to take care of the seniors; maybe the Board could find another way to help whether it be personally or as a commission, it should be a concerted effort; there are agencies on the list she has not heard of, and she received a phone call this afternoon about one they believe is misappropriating funds; and she does not know if a five year phase out is right or if the Board should make the difficult decision.

Commissioner Barfield recommended the Board cut the funding equally every year; he stated they have to apply; and that it may be that only five agencies receive funding, but they have to go by the evaluation process and the RFPs.

Commissioner Pritchett asked what if this was done with no new agencies being allowed to apply, and if they do not reapply then the County absorbs that money.

Commissioner Isnardi pointed out they will probably all apply because they know the funding is there and it is automatically funded.

Commissioner Pritchett responded unless they go out of business and then there is a 20 percent reduction every year for the next five years.

Commissioner Isnardi commented she would rather go the hard way and makes the decision now.

Chairman Smith stated there is one more speaker then the Board is going to make a decision because they have another meeting to attend.

Cindy Flachmeier stated she is with Aging Matters; she has the numbers for Meals on Wheels; Aging Matters was awarded \$60,000 of CBO funding that leveraged \$540,000 for Meals on Wheels and Seniors at Lunch last year; a combination of CBO and United Way funds that were used for the match; the total Federal Grant for this program is \$1,653,000 requiring a total match of \$115,173; and this is accomplished by using the County's \$60,000 of CBO and \$55,173 of United Way funds. She added this is the kind of money needed just for the seniors and it has leveraged \$540,000 for this County.

Commissioner Pritchett asked if this funding went away would the organization lose \$1 million in funding for the seniors and how many seniors that would impact.

Ms. Flachmeier responded that will impact about 2,500 seniors who receive one meal five days a week; if they lose the Federal funding this year, which is on the chopping block, the CBDG, and the CBO there will no longer be Meals on Wheels; and she just had \$125,000 fund raiser which she spends in less than half a year.

Commissioner Tobia made the motion to direct staff to defund the CBOs from the 2017-2018 budget.

Commissioner Isnardi seconded that motion.

Commissioner Barfield stated he would like to consider a phase out; he thinks it is unfair to do this when there is no notice or warning coming into a new budget and they would have to scramble to figure it out.

Commissioner Isnardi mentioned they would have to apply every year anyway and there is no guaranteed funding every year.

April 11, 2017

Commissioner Pritchett stated she would rather do a phase out; they are looking at losing \$1 million; and she thinks this is a quick decision on the fly and if nothing else she thinks this should be brought back to another meeting for discussion before the Board's decision affects this many people.

The motion to end CBO funding failed 2:3.

RESULT:	DEFEATED [2 TO 3]
MOVER:	John Tobia, Commissioner District 3
SECONDER:	Kristine Isnardi, Commissioner District 5
AYES:	John Tobia, Kristine Isnardi
NAYS:	Rita Pritchett, Jim Barfield, Curt Smith

ITEM I.C., HOUSING AND HUMAN SERVICES (CONTINUED)

Commissioner Barfield made a motion to do a five year phase out of equally funded dollars beginning with the 2017-2018 budget; keep the Request for Proposal (RFP); and keep the process the same.

Commissioner Pritchett asked if an entity were to quit receiving funds that the County could absorb that back into the General Fund; and to not pick up any new projects. She explained if any of these organizations do not need funding any longer they cannot apply.

Commissioner Barfield stated anybody applies.

Ian Golden, Housing and Human Services Director asked for clarification if Commissioner Pritchett meant closing the process and that only the 13 community agencies will be able to apply.

The Board approved the Community Based Organizations (CBO) process; approved Request for Proposal (RFP); and directed the Housing and Human Services Director to phase out the Program at 20 percent a year until the fifth year, at which point the Program is eliminated, with the commitment of funding for Fiscal Year 2017-2018 being \$408,160.

RESULT:	ADOPTED [3 TO 2]
MOVER:	Jim Barfield, Commissioner District 2
SECONDER:	Rita Pritchett, Vice Chairwoman/Commissioner District 1
AYES:	Rita Pritchett, Jim Barfield, Curt Smith
NAYS:	John Tobia, Kristine Isnardi

ITEM II., BOARD DISCUSSION

Commissioner Tobia asked since the Board did not have time to discuss the Housing and Human Services budget and he has given some suggestions, can the time be reserved for further discussion.

Chairman Smith responded affirmatively.

April 11, 2017

Upon consensus of the Board, the meeting adjourned at 5:58 p.m.

ATTEST:

A handwritten signature in cursive script that reads "Scott Ellis".

SCOTT ELLIS, CLERK

A handwritten signature in cursive script that reads "Curt Smith".

CURT SMITH, CHAIRMAN
BOARD OF COUNTY COMMISSIONERS
BREVARD COUNTY, FLORIDA

As approved by Board May 23, 2017