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BOARD OF COUNTY COMMISSIONERS

INDIAN RIVER COUNTY

SEPTEMBER 5, 2007

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September 5, 2007

**2007/2008 PRELIMINARY BUDGET HEARING OF THE
BOARD OF COUNTY COMMISSIONERS OF INDIAN
RIVER COUNTY**

The Board of County Commissioners of Indian River County, Florida, met in the County Commission Chambers, 1801 27th Street, Vero Beach, Florida, on Wednesday, September 5, 2007, to conduct the Preliminary Budget Hearing for 2007/2008. Present were Chairman Gary C. Wheeler, Vice Chair Sandra L. Bowden, Commissioners Wesley S. Davis, Joseph E. Flescher and Peter D. O’Bryan. Also present were County Administrator Joseph A. Baird, County Attorney William G. Collins II, and Deputy Clerk Maureen Gelfo.

1. CALL TO ORDER

Chairman Wheeler called the meeting to order at 5:01 p.m.

**2. INVOCATION – JAMES DAVIS, PUBLIC WORKS
DIRECTOR**

Public Works Director James Davis delivered the Invocation.

3. PLEDGE OF ALLEGIANCE - GARY C. WHEELER,
COMMISSION CHAIRMAN

Chairman Gary C. Wheeler led the Pledge of Allegiance to the Flag.

4. BUDGET OVERVIEW BY COUNTY ADMINISTRATOR,
JOSEPH A. BAIRD

County Administrator Baird presented an overview of the 2007/2008 proposed Budget totaling \$432,108,207.00, showing a decrease of \$68 million, about 14% from last year, and no rate increases. Mr. Baird announced that due to a recent State tax reform, the County had reduced the millage rates by 5% in the General Fund and MSTU (Municipal Service Taxing Unit), and by 3% in the Emergency Services District (ESD).

Administrator Baird outlined this year's budget cuts with the elimination of 56 positions, amounting to \$3.3 million in savings. A reduction of overtime resulted in a 16% decrease or \$605,000.00, and travel expenses for each department have been reduced by 30%. Mr. Baird explained that some of the major impacts on the overall budget were property insurance increases of about \$1.1 million; health insurance increases of around \$385,000.00; increased fuel costs, and Cost of Living Adjustments (COLA) for employees at an estimated cost of \$1,642,000.00. There have also been reductions in ½ cent sales tax revenue, about 14% less than last year; State revenue sharing, which decreased 2.7%; and fuel tax revenue, which is down 7%. Administrator Baird pointed out that on the positive side, the County's interest earnings are projected to be up about \$235,000.00 or 17%.

5. AD VALOREM FUNDS

A. AD VALOREM MILLAGE AND AD VALOREM BUDGET

GENERAL FUND

Administrator Baird announced the proposed budget for the General Fund is \$83,520,452.00 at 3.4% below last year, and the proposed millage is 3.0526, 5% below rollback, and .1607 below the current rate of 3.2133. He noted that the proposed budget includes the elimination of ten (10) full-time positions, a reduction of \$657,000.00; a decrease in overtime, an estimated \$68,000.00 reduction; and a decrease of \$1.3 million or 6.2% in the Board of County Commissioner (BCC) departments. Mr. Baird said there was an increase of \$175,000.00 for the new addition to the jail, and an operating increase of \$235,000.00, due to the construction of the Emergency Operations Center (EOC), the Supervisor of Elections office, and the two new County Administration buildings.

Chairman Wheeler opened the floor to public comments.

Frank Coffey, 1200 Admirals Walk, through a slide presentation (copy on file), made observations about the Sheriff's budget. Mr. Coffey provided a detailed look at employee salaries and benefits, and stated that, included in the budget, are line items for attrition. An accumulation of \$1,276,150.00 from the salaries of personnel who may leave or who have not yet been hired, has been transferred from Personnel to Capital Equipment. Mr. Coffey's concern was that taking the money from salaries/attrition out of this year's budget lowers the Sheriff's budget, and poses the challenge of continuing to find funding for capital equipment.

Laura Alexander, Director of Treasure Coast Food Bank, described the history, purpose, and funding of her organization, which last year supplied 321,802 pounds of

food to Indian River County residents, a value of \$479,485.00 in meals. Ms. Alexander spoke about the dire necessity of the Food Bank, relating that about 10% or 13,000 citizens in the County are living in poverty. Ms. Alexander beseeched the Board to consider reinstating all or some of the funding for which the Food Bank, through the County's assistance program to non-profit organizations, would have qualified this year.

Spencer Simmons, 118 43rd Avenue, expressed his thoughts and presented historical quotes regarding taxes and democracy. He admonished the Board to use taxes only for the County's needs, not for the "wants of everybody out there." Mr. Spencer opined that this practice would result in surplus funds being returned to the citizens, who could provide assistance to those in need.

John Romano, CEO of New Horizons, informed the Board that last fiscal year, his organization had delivered almost \$3.4 million worth of services. He said that investing in the mental health system was a very smart policy, since it could save lives and prevent individuals from requiring costly services. Mr. Romano thanked the Board for the \$20,000.00 that had been returned to New Horizon's budget at the last meeting, and appealed to them to minimize or bring the budget cut back to zero.

Bob Johnson, Coral Winds Subdivision, asked for clarification on the Children's Services fund. He also noted that the budget reports displayed an end date of March 2007, rather than displaying the end of the fiscal year.

Administrator Baird explained the annotation of the Children's Services fund, and pointed out that the budget is always locked down in mid-year (March), for purposes of accuracy.

Mr. Johnson asked how the Board distinguishes between the Emergency Services division that is part of the County Commission, and the Emergency Services Taxing District. He wanted to know if the funds between the two divisions were interchangeable.

Administrator Baird clarified that the EMS Taxing District is a special district created for the entire County (except for Indian River Shores) for all fire, paramedic and ambulance services. The EMS department in the General Fund, headed by John King, deals with hurricane preparedness and other emergency items. Mr. Baird informed Mr. Johnson that monies could not be transferred back and forth between the two Divisions.

Mr. Johnson declared that, as a taxpayer who has had a considerable increase in taxes, there was room for another 1% reduction in the budget. Administrator Baird conveyed that a State mandated increase in School District taxes was responsible for higher tax bills.

Steve Myers, Teamsters Local Union 769, spoke against the County's proposal to subcontract the mowing of the Utilities Operations Center at 4350 41st Street. He believed that the County's other attempts at privatization had not been successful or financially prudent. Mr. Myers also questioned whether the County was revising County employees' annual salary increases.

Refuting Mr. Myers' opinion on privatization, Mr. Baird cited the successful privatizations of the landfill and golf course. Regarding the anniversary increases, Mr. Baird stated that there were no concrete plans, and the County was exploring different options. He stated that the County would always bargain in good faith with the Union. Mr. Baird suggested that Mr. Myers lobby the State, so budget cutbacks at the local level would not be required.

There were no other speakers and the Chairman closed the public comments.

To Commissioner O'Bryan's inquiry whether a County employee was currently filling the mowing position, Administrator Baird said that he was not sure. He noted that whenever possible, the County tries to relocate staff to other positions.

Vice Chair Bowden asked Mr. Baird to further discuss the Food Bank.

Administrator Baird spoke about the huge number of requests for assistance that the County had received. He noted that funding a non-profit organization for one or more years does not guarantee that they will be funded for the third year. Mr. Baird mentioned that none of the other counties fund the Food Bank, and he disclosed that the organization receives some assistance at the Federal to State level. He commented that the Food Bank is a great organization and it is unfortunate that such a difficult decision had to be made.

Commissioner Flescher expressed concerns about displacing staff and wanted to know if, for \$2,000.00, the County was going to lose control of how the mowing was done.

Administrator Baird and Budget Director Jason Brown reviewed the County's calculations and announced a final cost differential of \$54,000.00 for privatization versus \$61,000.00 for County staff and equipment.

ON MOTION by Commissioner Davis,
SECONDED by Vice Chair Bowden, the Board
unanimously adopted the proposed millage of
3.0526 for the General Fund.

ON MOTION by Commissioner Davis,
SECONDED by Vice Chair Bowden, the Board
unanimously adopted the proposed budget in the
amount of \$83,520,452.00 for the General Fund.

M.S.T.U.

Chairman Wheeler read into the record the proposed millage of 1.0835 and the proposed budget of \$30,014,316.00.

The Chairman opened the floor to public comments. Seeing no one, the Chairman closed the public comments.

ON MOTION by Commissioner Davis,
SECONDED by Commissioner Flescher, the
Board unanimously adopted the proposed millage
of 1.0835 for the M.S.T.U.

ON MOTION by Commissioner Davis,
SECONDED by Gary Wheeler, the Board
unanimously adopted the proposed budget in the
amount of \$30,014,316.00 for the M.S.T.U.

TRANSPORTATION FUND

Chairman Wheeler read into the record the proposed budget of \$17,381,183.00.

The Chairman opened the floor to public comments. Seeing no one, the Chairman closed the public comments.

ON MOTION by Vice Chair Bowden,
SECONDED by Commissioner Davis, the Board
unanimously adopted the proposed millage in the
amount of \$17,381.183.00 for the Transportation
Fund.

EMERGENCY SERVICES DISTRICT

Chairman Wheeler read into the record the proposed millage of 1.7201 and the proposed budget of \$32,168,398.00.

The Chairman opened the floor to public comments.

Frank Coffey remarked that dual certification was supposed to save the County money, but had resulted in increased salary packages and operating costs.

Wayne Chesney, Indian River County, appealed to the Board to equip Fire Station 6, at the Moorings, and Fire Station 11, at CR 510 and A1A, with the same amount of employees as the mainland stations. He stated there are presently a total of seven (7) employees for both beach stations.

Bob Johnson asked why the County was purchasing State land, rather than obtaining a grant to build the South County Fire Station at 43rd Avenue. He also wondered when the facility would be completed.

Administrator Baird explained that the State Forestry Service had decided to surplus their office at that site. They offered the 3.9 acres to the County at \$380,000.00, fair market value. He revealed that it would take one (1) year to 18 months to build the station.

Chairman Wheeler asked Administrator Baird to explain why there were unequal levels of staffing at the fire stations.

Administrator Baird divulged that the County had commissioned a study regarding fire consolidation, in which there was a recommendation to pull the ambulances and reduce the staffing at Stations 11 and 6. The County retained the ambulances, but reduced the staffing.

Chairman Wheeler asked Emergency Services Director John King what were the manning levels at the two beach stations. Mr. King responded that Station 11 and Station 6 have two personnel assigned to the engine and two personnel assigned to the

ambulance. At the other stations, which have a higher workload, there are three personnel assigned to the engine and two personnel assigned to the ambulance.

A detailed discussion ensued among Board members, Director King, and Administrator Baird, as they considered different options and configurations for the staffing of present and future fire stations throughout the County. The Board expressed concerns about the response capabilities of the beach stations. They also wanted to ensure that there would be sufficient emergency services to accommodate peak times and future growth.

Administrator Baird said that if the Board wanted to increase the positions at the beach stations, additional budget cuts would have to be made in the Emergency Services category.

Assistant County Administrator Michael Zito detailed the evolution of the staffing decisions made regarding the beach stations.

Mr. Zito, Commissioners Davis & Flescher, and Director King discussed the present and future utilization of both single and dual role firefighters and paramedics.

Commissioner Flescher inquired as to the costs of making every engine an ALS (Advanced Life Support) engine, and of fully staffing Stations 6 and 11.

Director King announced that he planned to have two ALS engines in the fleet within the next six months. Budget Director Brown divulged that seven Fire Medic base-level positions would cost an estimated \$433,000.00.

Commissioner Davis inquired why the County would need Fire Medics to staff the positions. Director King replied that all new employees are required to be Fire Medics within one year of employment.

Commissioner Davis wanted to see some options regarding meeting the budgetary requirements and moving ahead towards future needs.

Mr. Johnson suggested forming a volunteer corps to assist at the fire stations.

Vice Chair Bowden and Commissioner Flescher wanted to explore the possibility of having the beach stations manned with the same amount of personnel as the other stations.

Administrator Baird explained the difficulty of finding the necessary money in the current budget to add additional personnel. He observed that the TRIM notices had already been mailed, so the millage rates could not be raised. He discussed the tough predicament the County is in, with the state legislature mandating a budget cut of 3% below rollback.

Responding to Vice Chair Bowden's query of whether additional personnel could be added to one beach station, Administrator Baird stated he could look at cutting some of the fire inspectors.

Commissioner Flescher asked how many inspectors there were, and discussion ensued between Administrator Baird and Director King regarding the number of inspectors and their role in the County.

Commissioner Davis expressed concerns about how the County would be able to afford more stations on the mainland, if they could not even add two positions to the existing beach stations.

Administrator Baird talked about taking a long-term approach, and stated that next year, the law would be a bit more lenient. He said that there was a possibility of removing from the budget some salary (raise) money.

Chairman Wheeler proposed that within a two-week time frame, Administrator Baird should bring some options back to the Board.

Administrator Baird reiterated that there was no money in the budget this year and suggested re-examining this item next year. He informed the Board that most of the budget was in salaries and manpower.

Commissioner Flescher countered that this would be too long a time period.

MOTION WAS MADE by Commissioner Flescher, SECONDED by Commissioner Davis, for discussion, to direct County Administrator Joseph Baird and staff to review the options of staffing Fire Stations 6 and 11 to the same staffing levels as the other stations.

Commissioner Davis questioned what type of budget cuts Administrator Baird and staff would consider.

Administrator Baird replied that the cuts would have to be in personnel. Assistant Administrator Zito discussed salaries and incentive packages, and advised the Board that they would just be “reshaping and re-molding the same clay.”

Administrator Baird told the Board he would need more than two weeks to work on retooling the EMS budget.

Vice Chair Bowden wanted the Board to make a commitment to ultimately have equal representation on fire trucks and ambulances.

Administrator Baird reiterated that finding sufficient funds this fiscal year to implement this change would not be an easy accomplishment. He wanted to phase in the change for fiscal year 2008 - 2009.

The Board noted that they wanted to stick with the existing millage. Chairman Wheeler asked Administrator Baird to come back to the Board at the first meeting in October 2007, with a couple of options.

The Chairman CALLED THE QUESTION and the Board unanimously directed County Administrator Joseph Baird and staff to review and bring back to the Board, any and all options to equalize staffing levels at Stations 6 and 11 in accordance with the staffing levels at the other fire stations, within current budgetary constraints.

The Chairman called for Motions on the ESD millage and budget.

ON MOTION by Vice Chair Bowden
SECONDED by Commissioner Flescher, the Board unanimously adopted the proposed millage of 1.7201 for the Emergency Services District.

ON MOTION by Commissioner O'Bryan
SECONDED by Vice Chair Bowden, the Board unanimously adopted the proposed budget of \$32,168,398.00 for the Emergency Services District.

ENVIRONMENTALLY SENSITIVE LAND ACQUISITION

Chairman Wheeler read into the record the proposed millage rate of 0.1357 (rollback rate does not apply) and the proposed budget of \$2,417,206.00 for the Land Acquisition Bonds.

The Chairman opened the floor to public comment. There were no speakers and the Chairman closed the public comment.

ON MOTION by Vice Chair Bowden,
SECONDED by Commissioner O'Bryan, the Board unanimously adopted the proposed millage of 0.1357 for the Environmentally Sensitive Land Acquisition Bonds fund.

ON MOTION by Commissioner Davis,
SECONDED by Commissioner O'Bryan, the Board unanimously adopted the proposed budget of \$2,417,206.00 for the Environmentally Sensitive Land Acquisition Bonds fund.

LAND ACQUISITION BONDS – 2004 REFERENDUM

Chairman Wheeler announced the proposed millage rate of 0.2725 (rollback rate does not apply) and the proposed budget amount of \$4,769,192.00.

The Chairman opened the floor to public comments. There were no speakers and he closed the floor to public comments.

ON MOTION by Commissioner O'Bryan
SECONDED by Chairman Wheeler, the Board unanimously adopted the proposed millage rate of 0.2725 for the Land Acquisition Bonds – 2004 Referendum.

ON MOTION by Commissioner Davis,
SECONDED by Commissioner O'Bryan, the Board unanimously adopted the proposed budget of \$4,769,192.00 for the Land Acquisition Bonds – 2004 Referendum.

AGGREGATE

Chairman Wheeler announced the proposed aggregate millage is 5.1726 and is 4.37% below rollback.

6. SOLID WASTE DISPOSAL DISTRICT BUDGET (NON-AD VALOREM SPECIAL DISTRICT)

A. ANNOUNCE 2007/2008 PROPOSED CHARGE AND BUDGET

Chairman Wheeler announced the charges for: (1) Residential Waste Generation at \$44.04 per Unit (\$70.46 House), a 5.29% decrease from the current year; (2) Commercial Waste Generation at \$29.86 per Unit, a 4.93% decrease from the current year; and (3) Readiness-to-Use Fee of \$18.87, a 5.74% decrease from the current year. He read into the record the proposed budget of \$11,795,955.00.

B. PUBLIC COMMENTS

The Chairman opened the floor to public comments. Seeing no one, he closed the public comments.

C. CONSIDERATION OF ANY PROPOSED AMENDMENTS

There was no discussion on the proposed amendments.

D. ADOPTION OF TENTATIVE NON-AD VALOREM ASSESSMENT

RATES

ON MOTION by Commissioner O'Bryan,
SECONDED by Commissioner Flescher, the
Board unanimously adopted the tentative Non-Ad
Valorem assessment rates for the Solid Waste
Disposal District (SWDD).

E. ADOPTION OF TENTATIVE BUDGET

ON MOTION by Commissioner O'Bryan,
SECONDED by Vice Chair Bowden, the Board
unanimously adopted the proposed budget of
\$11,795,955.00 for the SWDD.

7. ADOPTION OF NON-AD VALOREM ASSESSMENT

CHARGES

**A. ANNOUNCE 2007/2008 PROPOSED CHARGE FOR EACH NON-
AD VALOREM ASSESSMENT DISTRICT**

Chairman Wheeler read into the record the 2007/2008 proposed charges for
each of the following Non-Ad Valorem Assessment Districts:

- | | | |
|----|-------------------------------------|---------|
| 1. | Vero Lake Estates M.S.B.U. | \$19.00 |
| 2. | East Gifford Stormwater M.S.B.U. | \$15.00 |
| 3. | Gifford Street Lighting District | \$21.00 |
| 4. | Laurelwood Street Lighting District | \$18.00 |

5.	Rockridge Street Lighting District	\$10.00
6.	Vero Highlands Street Lighting District	\$23.00
7.	Porpoise Point Street Lighting District	\$13.00
8.	Laurel Court Street Lighting District	\$25.00
9.	Tierra Linda Street Lighting District	\$23.00
10.	Vero Shores Street Lighting District	\$21.00
11.	Ixora Park Street Lighting District	\$19.00
12.	Royal Poinciana Street Lighting District	\$28.00
13.	Roseland Road Street Lighting District	\$ 1.50
14.	Whispering Pines Street Lighting District	\$18.00
15.	Moorings Street Lighting District	\$12.00
16.	Walker's Glen Street Lighting District	\$24.00
17.	Glendale Lakes Street Lighting District	\$38.00
18.	Floralton Beach Street Lighting District	\$29.00
19.	West Wabasso	\$21.00

B. PUBLIC COMMENTS

The Chairman opened the floor to public comment. Seeing no one, he closed the public comments.

C. CONSIDERATION OF ANY PROPOSED AMENDMENTS

There was no discussion on the proposed amendments.

D. ADOPTION OF TENTATIVE NON-AD VALOREM ASSESSMENT

RATES

ON MOTION by Commissioner Davis,
SECONDED by Commissioner O'Bryan, the
Board unanimously adopted the tentative charge
for the Non-Ad Valorem Assessment Rates.

8. APPROVE NON-AD VALOREM DOLLAR BUDGETS

A. ANNOUNCE 2007/2008 PROPOSED BUDGET

Chairman Wheeler announced the 2007/2008 proposed budget for each of
the following:

1.	Housing Authority	\$ 162,801
2.	Special Revenue Funds	\$143,450,919
3.	Other Debt Service Fund	\$ 1,244,063
4.	Capital Projects	\$ 26,814,693
5.	Enterprise Funds	\$ 51,475,145
6.	Internal Service Funds	\$ 26,893,884

B. PUBLIC COMMENTS

The Chairman opened the floor to public comments.

Mr. Coffey discussed the Non-Ad Valorem taxes that have gone to support
the Shooting Range since 2001 and noted that this year, there was a \$75,000.00 decrease

from last year. He hoped that the County could get away from continuing to support the shooting range.

Commissioner Davis assured him that the County was moving in that direction.

There being no further speakers, the Chairman closed the public comments.

C. CONSIDERATION OF ANY PROPOSED AMENDMENTS

There were no proposed amendments.

D. TENTATIVE BUDGET ADOPTED

ON MOTION BY Commissioner O'Bryan,
SECONDED by Commissioner Flescher, the
Board unanimously adopted the proposed Non-Ad
Valorem Budgets as listed above.

**9.A. ANNOUNCE TIME AND PLACE OF FINAL BUDGET
HEARING**

Chairman Wheeler announced that the Final Budget hearing would be held at 5:01 P.M. on Wednesday, September 12, 2007, at the County Administration Building, Commission Chambers, 1801 27th Street, Vero Beach, Florida.

10. ADJOURNMENT

ALL BACKUP DOCUMENTATION, RESOLUTIONS, AND ORDINANCES ARE ON FILE IN THE OFFICE OF THE CLERK TO THE BOARD AND ARE HEREBY MADE A PART OF THESE MINUTES.

There being no further business, on Motion duly made, seconded and carried, the Board adjourned at 6:55 PM.

ATTEST:

Jeffrey K. Barton, Clerk

Gary C. Wheeler, Chairman

Minutes Approved: _____

BCC/MG/2007Minutes