



MEETING TRANSCRIPT *Provided by Public Resources*

March 5, 2013

Chairman Pendergrass: Good morning. Thank you for joining us. Our scheduled Board of County Commissioners meeting. First the invocation by Pastor Matt brewer and then please join us in the pledge of allegiance.

Father, we thank you for the day and the privilege to live in this Great County and city. This job is a great strain on children and spouses and I pray you stick with these council members and strengthen their family members. We pray for their decisions and that their motives would be pure, motivated for righteousness and good. We ask you to help the people of our county that are hurting. We ask you to help the people of this county be good people. We ask all these things in Jesus' name. Amen.

I pledge allegiance to the flag of the United States of America and to the Republic for which it stands, one nation, under God, indivisible with liberty and justice for all.

Please be seated. Thank you, pastor.

Chairman Pendergrass: First item a ceremony presentation. Commissioner Manning.

Commissioner Manning: It's my pleasure to ask Nancy and boots and the rest to come up to allow me to read this resolution into the mail and we'll take a photograph if you'll stand by the podium. This is in recognition of the national women in construction week and the resolution reads as follows. Whereas the southwest Florida chapter 297 has distinguished itself as the voice of women in construction in Lee County and the work done has benefited Lee County through community development and additional programs and southwest Florida chapter 297 has increasingly promoted employment and advancement of women in construction and the construction community has been a driving force in fostering community development through the renovation and beautification projects, promotion of skills trades careers and a positive vision of the future, whereas the southwest Florida chapter 297 has sought to achieve successful results for Lee County Florida and surrounding areas in a cooperative ways, we would do hereby recognize chapter 297 and the many volunteers for steadfast work on behalf of women in construction and does hereby proclaim the week of march 3rd through 9th, 2013 as women in construction week in Lee County and encourage our citizens to congratulate the organization on its many accomplishments.

This proclamation was duly signed this 5th day of March, 2013 by our chairman, Cecil Pendergrass.

[Applause]

Chairman Pendergrass: Who's the spokesperson?

Boots.

Chairman Pendergrass: Figures.

Thank you for the recognition. We have been 31 years actually. We started out as the largest chartering of may wick in the whole United States. We are part of 9,500 women in the industry. For the 51st time we are having our forum which brings people from all over the state of Florida to the bell tower area. We hope that more women will join us. You do not have to carry tools but you have to have the same brains as the girls who do carry them. We're very proud of all of the girls and I say that with a lot of empathy.

Thank you.

[Applause]

Next another ceremony, Bill Paquette from the museum of natural history.

Thank you, Mr. Pendergrass. Good morning, commissioners, the Florida museum of natural history has been doing research in southwest Florida since July 1983, almost all in Lee County. Lee County was the heartland of the Calusa Indian people when Ponce de Leon landed. We began our archeological site in 1988, 25 years ago and it turned out to be ideal about learning about the Calusa and their environment. In 1989 we received state funding for an archeology project we called the year of the Indian. Lee County children and teachers received classroom instruction and visited the site. We were happy to have encouragement of the senators and we appreciate that. They were so impressed with the educational promise of their property they donated it so a research program could be established there in 1997. The beginning of the Riddel Research Center. With the help of state, county and private support we have a classroom, teaching facility, restrooms and a walking path. We welcome more than 7,000 visitors a year including local and part-year residents and tourists from many states and foreign countries and employ three full-time Lee County residents and have an active core of volunteers? In 2000 we bought the MaGill house. When hurricane Charley devastated the area, the house was damaged. We managed to rehabilitate it, make it a stronger, safer place to visit as a result of a partnership between county, state, Federal Government, private funding and a lot of in-kind services from Lee County professionals and services. Historic preservation board. It was truly a community effort. Today we manage about 63 acres all on environmentally sensitive lands. On Saturday we will hold our annual Calusa Pine Island Celebration. We'll have tours and lectures and activities for people of all ages from 10:00 to 4:00 at the Pine Island site. Consult our website for details to find out more. Finally, last month we published a book summarizing what we have learned from the archeology, history of the pine site. I would like to you give each of you a copy. Thank you for your support and I hope we can count on you in the future. Thank you.

[Applause]

Let's get a photo.

Chairman Pendergrass: Thank you.

A lot of history in that book.

Light reading during lunch.

Chairman Pendergrass: We move to the recap. No other items on the recap. Next, consent agenda. I have three cards for that. At this time public input for Citizen Perez on consent item 9-b.

Good morning.

Good morning.

On behalf of the nations association charities, on behalf of the founders Dr. Israel Suarez, on behalf of the board of directors of the nations, the staff, our children, our parents in the east Fort Myers community, we want to thank you for the agreement and the partnership that Lee County parks and recreation has given us at this time serving our community since 1978. It has been an honor and a privilege to stand before you today and thank you for the great partnership and looking forward from today. Thank you so much.

Chairman Pendergrass: Thank you. Next speaker, Reginald Messmer. Item 12.

I don't really have anything to address the council with today other than the fact that when you get to that item if you have any questions I'm here to answer them. I'm the engineer that prepared the study that was submitted to Lee County D.O.T. for recommendation.

I'm assuming you're not going to get that for quite a while but I'll be here.

Chairman Pendergrass: Thank you. Any more comment from the public? We move on to the consent agenda. Items pulled? Commissioner Manning?

Commissioner Manning: None.

Chairman Pendergrass: Commissioner Kiker.

Commissioner Kiker: 8-a and 12:a.

Chairman Pendergrass: I have none. Commissioner Mann?

I'll just join Commissioner Kiker.

Chairman Pendergrass: Any objection? No objection? Mr. Kiker, you have the floor.

Commissioner Kiker: I have a couple of questions real quick. First, the budget, whether or not this item was budgeted already. If not, can you explain that a little bit, please.

For the record, Lindsay Sampson, solid waste department. The item was not budgeted last year for this year. However, when we brought the amendment to the board January 29th related to choice environmental and the collection of solid waste and recycling in the franchise area there was an opportunity there to make this conversion and the board at that time decided to go that direction. That opportunity was, in fact, a savings for the collection cost over the previous price. So, that's why we have requested a transfer from the recycling fund reserves to pay for these items now so we can proceed. My second question, there's quite a gap between 2010 when you got your last bid versus what we're paying for them now. That you are asking to forego R.F.P. process. Could you talk about that for a second?

Certainly. The price is higher than three years. We looked at it from several perspectives.

We are very pleased with the service and the toughness of this particular manufacturer.

We talked with Tampa and Tallahassee, who have been using these a number of years.

Tampa is converting their toters from one manufacturer to this manufacturer, Waste Pro, that does the hauling in Cape Coral, elected to purchase this manufacturer of carts because, again, of their durability and history. Finally, a similar competitive bid has just occurred in January for the city of Tulsa and we piggybacked on that competitive process in using the pricing and terms for this purchase.

Commissioner Kiker: One last question. In your reserves, how much do you have in reserve in your department now? How much of that is --

This is from the recycling program, a separate reserve. The total of all programs I don't know specifically. But it's probably, again, I would have to reserve comment. I really don't know.

Commissioner Kiker: I'm hearing \$70 million. Is that about right?

It's certainly in that neighborhood.

Commissioner Kiker: That's all my questions.

Commissioner Mann: Mr. Chairman on 8-a, as well, I wanted to know just a follow-up on reserves when we run out of general revenue reserves I can go to Mr. Sampson, appreciate you bringing those forward and to our attention, he said sarcastically. What I would like to know, we brought this up in January. But

remind me. It seems to me the advantage of going to these large 65-gallon containers is that one driver and one truck drives by and the mechanism picks it up and sets it back down saving a lot of time and making it easier for the service provider to get the job done. I'm wondering why it is that we're asking all of our rate payers to pay for this. Is this somehow tied into a reduction in the amount we pay the contractor hauler? How -- we're making the job easier for the guy doing the work. How do we reap a benefit from that? We're spending \$1.8 of our rate payers' money.

Good question. In this case we are not making it easier. In fact, probably a little more difficult. The contractor already has trucks on the street for recycling runs in the neighborhood of 12 to 14 routes per week. That would be a separate truck running each route or rather on each day. The contractor is not going to go buy new trucks. Those trucks by the way utilize a rear end load system where the material now with the bins is being hand loaded into the back of the truck. The same thing will happen with you in the carts, although they'll put a mechanism on the back of the cart. The driver, or rather the helper, because it will not be a one-man truck. It will be a two-man truck, will have to move it to the back of the truck, hook it on the tipper mechanism and dump it into the truck. No savings of labor there. So we're not going to see the hauler go out and buy six or eight brand new trucks because the ability is there to dump them automatically. You'll still be using the same number of labor. What it will provide, when we rebid the contracts in 2015, a potentially new contractor would have the ability to purchase the automated type trucks at that time. In fact, relative to the potential, you are absolutely correct. However, this contractor that does the collection service is not going to invest in millions of dollars of new trucks simply to save one person on each truck.

Commissioner Mann: So potentially when we rebid this in 2015?

That's correct. We normally see more recycling material with this type of testimony system, larger quantities. Better participation by the citizens. We're doing this not only for economic purposes but the ease and use of the citizens. In fact, Commissioner Kiker when we talked about it on January 29th made remarks relating to this being used in the town of Fort Myers Beach and essentially how friendly it is.

Commissioner Mann: It's still \$1.8 million not in our budget discussion and still before us.

I'm trying to understand how it became an important expenditure in the middle of year when it's not saving money or making it easier for the contractor. It leaves me scratching my head about \$1.8 million to do what? To make it easier for that widow woman, I was talking about January 29th, 85 years old, to drag that 65-gallon container.

In those cases we are making smaller containers.

Commissioner Mann: Arrangements for that if she contacts us. Let me say this. I heard your response before and this is similar. You're getting better at it and you're slowly beating me down. You're going to be implementing this in what is essentially my county district eastern county mostly.

Franchise area four, which overlaps your district to a large extent but not totally.

Commissioner Mann: What I was going to say is I have had no complaints at all about the service that we are receiving out there to date. I have myself complimented the operators when they are out there on the splendid job that they do. I hope in time to feel better particularly in 15 when we bid this again. I appreciate your responses. I'll support you today, but I'll be watching like a hawk.

You have a question. You brought the rebidding to 2015. Would it be more sensible to buy the containers in 2014 and leave our money in reserves and draw interest?

I don't think so. I don't recommend that. I think it's delaying the inevitable. We do have a great opportunity relative to the amendment that was done in January 29th with this hauler.

We can certainly say the conversion done in area one, Bonita Springs and Fort Myers beach, the conversion in area two which is the area of Iona McGregor and west of 41 going south has been successful. The city of Cape Coral made this conversion in 2010, I believe it was.

It's been very well received in that area. City of Fort Myers did this in 2006 or 2008.

It's been very successful. It does provide additional recycling material which translates into additional revenue. I don't think there's anything to gain by waiting.

Thank you.

Commissioner Kiker: I'm following the lead of the district commissioner and I'll move to approve.

Commissioner Mann: Second.

Chairman Pendergrass: Commissioner Kiker made the motion Commissioner Mann the second. Commissioner Kiker, another item?

Commissioner Kiker: 12-a.

Good morning. Pardon me if I didn't read this exactly right. If I understand correctly we have two projects lumping into one here. The first one you were a million dollars under and the second one you're a million dollars over. It kind of evened out at the end. Did I read that right?

Commissioner Kiker: I think they are a great improvement to the traffic as well. Go ahead.

Forward record Dave Loveland with D.O.T. We tried to summarize everything. That's essentially about what we worked out, about even. We did save money. What we ended up paying compass under the Cape Coral project, they were originally going to get \$7.3 million and we ended up a little over 7 with them. We saved money there. We did have savings on both sides, Midpoint and the Cape Coral Plaza component, purchasing some of the materials ourselves. We did have some savings there. I think we came out ahead overall. Not a lot.

Commissioner Kiker: That was my questions. Other than I added to the revenue. I got \$5 for running the wrong side of that.

Thank you for your contribution.

Commissioner Kiker: Move to approve.

Chairman Pendergrass: Commissioner Manning second.

Any other discussion? Motion carries. Move on to the administrative agenda? Item 2-a.

Chairman Pendergrass: Any discussion? Any objection? No objection. Motion carries.

Commissioner Manning: 7-a move it.

Commissioner Kiker: Second it.

Chairman Pendergrass: Discussion.

Commissioner Mann: This is my broken record question. Sole source. Somebody just help me understand where we are in this world of technology and software and everybody being so competitive and able to provide just about whatever you want, why are we dealing with a sole source provider and locked in for the foreseeable future.

Amy Hoyt, operations. They are the sole provider for the G.I.S. software that's used at the county, state, federal level. The only people that make it. We really don't have an option to purchase anything else.

Commissioner Mann: For this layman that's almost -- I hear you and trust you, but it still strikes this uninformed layman as unbelievable in the world of G.I.S. There's no competition in this day and time, 2013.

They do the software very well and they are --

Commissioner Mann: Everybody who has a G.I.S. program in the United States uses these people.

90%. Small municipalities there are some options to use a different one. But they are very, very small governments, not for profits, that sort of thing. This is the worldwide G.I.S. standard.

Commissioner Mann: Thank you.

Chairman Pendergrass: Questions?

Commissioner Kiker: I do. It is 100,000?

Currently in place since 2007 covering yearly software maintenance and new licenses we have to buy to increase the function at of systems. Over the years we have actually combined e-9117. We have brought those maintain answers in under our umbrella increasing ours to keep it centralized and new function nationality that's just come out to make the ability for us to deploy G.I.S. to any smart phones, tablets and that sort of thing.

We need to buy another piece of software. It puts us over to \$103,000. We're asking \$150,000 to give us a ceiling the next five years in case the yearly number maintenance are restructured by the software vendor. I don't anticipate going near that.

Commissioner Kiker: 50% seems like a lot. I'm going to budget but give me a 50% guess seems like a lot of fudge factor, if you will. Essentially. I don't know what the general rules are around here. Is that normal we budget 50% over what we need or up to? I'm not trying to be rough on you. I want to understand why. Seems like a lot.

Commissioner Manning: I think it's case by case. I would defense to Amy what the future holds and what she may need to be pro-active on this.

I guess I will, too. Move to approve.

Commissioner Manning: Second.

Chairman Pendergrass: No objection. Item moved. 12-a.

Commissioner Manning: Motion to approve.

Commissioner Kiker second.

No discussion. No objection. Motion carries. Item 14-a.

Commissioner Manning: Move the item.

Commissioner Kiker: Second.

Chairman Pendergrass: Any discussion.

Commissioner Mann: Yes. Let me ask a question or two for Doug who is our I.D.A. expert this morning. Looks like Doug is.

We can try.

I'm not the expert we staff the I.D.A. Normally the attorney would be here.

Commissioner Mann: I think you can answer this for me. State on the record, we rubber stamp I.D.A. bonds over and over since I have been here maybe 10. I'm always told the county is not at risk here. I.D.A. is set up separately. It's the bond holders at risk if the project fails. Would you agree with that? Ms. Fraser, should I be asking you that question?

You are correct. The county is not extending credit toward these bonds. It's because of the I.R.S. rules that requires they come before you and get a head nod yes.

Commissioner Mann: Did we establish I.D.A. or is it statutory?

Statutory.

Commissioner Mann: But it requires the local government to run them through us and us to rubber stamp them?

Yes, sir.

Commissioner Mann: Seems strange and unusual. I don't know what questions to ask that's why I'm asking procedural questions why it comes before us. One thing that caught my attention relating to the housing crisis. We are approving here the financing all or a portion of the cost related to acquisition, construction, development, improvement, and equipping the 340-unit senior citizen yak, yak, yak. That sounds like we are approving through these bonds 100% of all the money it would take to buy and remodel and equip this. The housing industry and the banking industry got in trouble by loaning 100% of the cost and required no down payment. This looks like it authorizes the whole thing with no down payment.

No capital commitment by the developer.

That's not accurate. R.W. Baird is underwriting the bonds. They have done their own financial analysis selling it to their clients in appropriate portfolios. There is an appropriate equity layer. I'm not conversant with the balance sheet or income statement.

Commissioner Mann: But my concerns have been?

I believe so. The market test is they would not be able to sell the bonds to sophisticated investors did they not have the appropriate equity layer, financial underpinnings to service the bond.

Commissioner Mann: Do these bonds get insured as well in this process?

I don't know if it's insured for rating purposes that would drive the rate down.

Commissioner Mann: It's a you know what in church. Did you get -- are these bonds insured? Let me catch my breath.

First for the record Jim Humphrey, apologize for being late. I represent the industrial development who's already approved the resolution and moving it forward to this board for their approval pursuant to the internal revenue code provision. No. In this case they will not be interred, but a private placement. They'll be at the size that sophisticated investors will do the purchase of the bonds. Then I'll catch my breath.

[Laughter]

Commissioner Mann: You must have been in your office.

No. I was in another meeting. I apologize for being late.

Commissioner Mann: I'm not trying to jerk anybody around. This is an informational exercise for myself. I want to feel like I've earned my pay today by approving this item on the agenda, but it never seems that there is anything really required of us. Other than the rubber stamp I referred to.

Your approval is a limited approval under the resolution.

Commissioner Mann: You would agree. You weren't here when Ms. Fraser pointed out that the county of lee is not at risk.

I wholeheartedly agree.

Commissioner Mann: I'm sorry we made you run so hard.

They are not at risk.

Commissioner Mann: OK. We have a motion.

Chairman Pendergrass: Any other discussion? Objection? No objection. Motion carries.

Thank you very much.

Chairman Pendergrass: Next item 14-b.

Good morning, Commissioners Andrea Fraser. Usually Mr. Turner would be handling this, but he's in trial in federal court, so I'm standing in for him. This is a case involving seven current most against Lee County. It came out in about 2009 regarding some issues that were handled by the internal EEOC. Thereafter based on decisions made these employees were termed, but later the court mandated they return to work so some are still with us.

Alternatively there was another lawsuit by the employees who stated that they had been discriminated against. We also have the counter lawsuit, the department of justice versus Lee County coming up for an executive session later on this month. This case would settle out all of those cases from the whistleblower action. This would pay back all compensation they lost while they were out of work. But there would be no emotional damages paid out or any other type of damages. Most of the cost is for attorneys fees, which is some \$300,000. The proposed prior attorneys' fees were closer to a million dollars. This would reduce the liability portion going forward for the county. That's why we are recommending the case be settled without the interest that was requested. The reason for that was my understanding when they originally negotiated on this agreed on amount no interest were brought up at that time. It was subsequent to that and after we agreed on the amount that they said we want interest. Our recommendation at this time is to move forward without the interest that they have recommended.

Motion on the floor?

With reluctance. I'll second for discussion. Any discussion from the board.

Commissioner Kiker: One question what happens if we don't?

We would go to trial.

Commissioner Kiker: What happens there? What's our risk?

If any one of the plaintiffs, if any one of the plaintiffs are awarded any type of damages thereafter the county would be liable for attorney's fees up to what they could approve, which could be \$600,000 to million dollars. It only takes one to win and there are seven plaintiffs currently. This is not budgeted. This is extra money to us that we didn't plan for.

Yes, sir.

I did speak with budget and they said it would come out of reserves. If not reserves it comes out of a non-departmental fund, which are expenses that don't reside in any one department. Estimates were running better this year, so we would use that instead of hitting reserves if possible.

How much is that account?

It includes Medicaid, unemployment compensation. I can get a budget if you'd like it. It has our auditors in there, certain legal fees in there. We don't just hit any one department with.
I'll get you an analysis of that.

Commissioner Kiker: I'd like to see that. That's all my questions.

Chairman Pendergrass: Discussion? Objection? One objection? Motion carries 3-1. That's the administrative agenda. Moving on. No walk on carry-ons.
Commissioner items.

Commissioner Mann?

Commissioner Manning?

None, none.

Chairman Pendergrass: Commissioner Kiker.

Commissioner Kiker: Yes. Briefly, this is something we may want to talk about later.

One came up during a briefing I had with the airport. They have insurance for all of their legal activities. I'm wondering if we have looked into that at all.

Commissioner, we have looked into insurance for zoning decisions. It's extremely expensive if you get it at all. It's the type of premium to try to fund internally than get insurance.

However, we can continue to look at that.

Since we do at other places in Lee County I'm surprised we're not -- I'd like to see that.

Obviously it would be a choice of the board, but I'd like to see that analysis.

We'll get you that.

Commissioner Kiker: Second thing, yesterday in our M.M.P., we talked about impact fees and we were in essence directing the staff to work on preparing a blue sheet for I think the 12th. Did we ever set or agree on a percentage? Did we leave that open?

I believe Donna talked a percentage of 80% or we left it open?

There was not a consensus on the percentage. I prepared a blank for the percentage and we are putting a small ad in the paper saying you are considering a reduction to the rate of collection.

Commissioner Kiker: I thought we came up with a percentage, but I guess not. Is that something we want to do? Is this the right time or move on with that?

I would recommend that the discussion occurred during the public hearing.

Commissioner Kiker: OK. Lastly. One of the things that you know I'm certainly not on a crusade here, but one of the things that concerns me is our budget in terms of what's in front of us. I don't think that it's such a huge ordeal we're not going to be able to get through it this year, but I think waiting to the last minute would probably be a bad idea.

I say that in terms of what I have just learned or experienced with impact fees. There was a lot of information passed out with the public and we spent an awful lot of time reacting to it rather than what I would call moving the ball forward. When we get into this budget process as late as this morning, I read an article how they were talking about how we were going to target 2020 money and move it over. I never had that discussion. I have never had that mentioned to me. It's never been anything that you know I've heard anybody consider. I wonder as we go into the budget cycle, if we didn't exclusively take each one of the revenue streams that we have in front of us that we're going to have to look at without bias get some details and facts about it. I'll give you some examples. I'll start off with 2020 money. Is that something we can use? Not use? How much is there? I understand having read in the paper we're going to move that item into general trim, see what I'm saying? I'm hearing all kinds of things. I've heard one cent sales tax. Today, waste management has money in it, raising the mill rate. I'm wondering if we should take each item one at a time and getting through them. Then you know, to conclude all that I've heard fee structures with E.M.S. where we're \$9 million upside down. Change authority, \$2 million to the wind with the helicopter service. There's all kinds of issues there what I'm feeling and seeing after being here five months we're waiting for staff to come to us. Here's your choice. Here's your two choices. One of them being you're going to have to cut services. You're going to have to do all these eccentric things. I'm not seeing that's going to happen. I haven't seen you know other than personally talking to the sheriff and Ms. Dogett and those groups where are we headed with this? At the end of the day I would like if the board could talk about this in an M.M.P. if that's appropriate. I haven't figured out if we have work sessions or not. If we can target each one of these one at a time. I'd like to know if that's something you all would consider.

Commissioner Mann: Mr. Chairman, who are we scheduled for our next workshop budget?

Chairman Pendergrass: March 18th. Two weeks from yesterday.

Anything else on that item? Just the budget?

Chairman Pendergrass: That's it.

Commissioner Kiker: Are you planning on taking each of the items one at a time?

Chairman Pendergrass: No, we were going to focus on the general fund and departments in the general fund.

Commissioner Kiker: You are looking at where can you save money in certain areas and that's pretty much it, right?

Chairman Pendergrass: It's been the request of the board in the past to focus on the general fund which is the fund that has the deficit. We can certainly at the board's request expand this and approach it however you would like.

Commissioner Kiker: I can't imagine looking at the budget without looking at the revenue side of it. I don't know if you agree or not that's something that has to be talked about and considered.

Chairman Pendergrass: We're looking at the general side. We can expand to department to department. The stand alone departments such as solid waste, utilities, show their funding and the breakdown of that. We can do that.

Commissioner Kiker: We have 2020. We have heard people talk about a one cent sales tax for example. Is that something you have explored?

Chairman Pendergrass: We'll address additional revenue streams, if possible. But certainly the starting point was really to simplify the discussion and focus on areas where we do have a problem and then discuss revenue and expenditure reductions specific to those areas.

Commissioner Kiker: OK. I guess my next question is, is from a way that you can get -- I know Mr. Wenton, surprise, surprise, yesterday was questioned about the money of money that's in the revenues. I mean as far as what we have in reserves. I think it was \$95 million. I did calculations, which were rough and may not be right. If you take \$95 million and take \$50 million out for 15% reserves, which I think is what the board has set as a policy. \$30 million out for deficit. \$13 million to write off, sounds like we are out of money. I want to know if that's true. I want to know if those are you a figures that you know are fun to talk about or is that a reality. I'm looking for a reality check where we are with our money exactly, so we can start -- I don't think this is the year we can wait to the end and then wait to September and see with a we come up with. I think we have to work on it a little bit early. Is that true? The cash position?

Commissioner, we are, we have a \$30 million shortfall that we are you know buttressing with undesignated reserves at this point. The \$52 million of internal loans, for one thing a majority of those have been written off by the clerk of courts. They are not a hit ton on undesignated reserves. You wouldn't take it out twice. You have the reserves and mirror cash that is a pretty good barometer if your reserves are undesignated you should have the cash available, which you do. The comprehensive annual financial report we got a draft of that yesterday, that will

give you a good idea of your reserves position. As of the end of last year. The \$95 million -- when you budget, you budget ahead project what your reserves will be at the end of the year you are in. For us, we're budgeting about \$95 million. We can show you the spend down on that. I don't think you have any -- I don't think you have any issues with cash. You have a bigger issue with your funds. You have a lot of cash.

Commissioner Kiker: OK, well, let me start over. I would like to get a end of the day tell me how much money we're going to have in reserves going into the next budget. I'd like to find out what that is. The components of it. If you don't take internal loans out, fine. Coming up to only \$15 million left going into next year. If we continue on a \$30 million rate we have an issue, obviously. I think the reality check or the reality of where this county is right now going into next year, the next budget cycle is unlike what we have had for the last three years where we have had a lot of money in reserves, but we don't have it anymore. I think we need a litmus test on that. Having said that, I would like to -- I don't know if anybody wants to get a little more aggressive in terms of taking a look at the revenue side as well or just the expense side.

Commissioner Mann: Could Idov tail here. I share those concerns and I appreciate you bringing them up. What caught my attention this morning we're dealing with a \$30 million.

A couple weeks ago I thought we were at 28.

Commissioners, we project what your shortfall will be. Since I'm projecting a year ahead, you have so many inputs into your revenues and expenses, I can't give you an exact figure.

I would say 25 to 30.

Commissioner Mann: I know, but a two million difference from barely a week ago. What have we plugged into our preliminary estimates now to go from 28 million shortfall to \$30 million?

A couple weeks ago what we projected without the department's inputting their line item budgets yet was for fiscal year 13-14, a \$28 million shortfall. I think we'll have a better idea once everybody inputs their line item budgets. But you're going to have a swing there, because we projected -- for example we projected a 2% increase in sales tax for this year.

It's coming in right now at 5% instead of 2%.

Commissioner Mann: I know there are corrections. All I want to know what happened in the last 10 days. 28 to 30.

I misspoke.

Commissioner Mann: We're back to 28. I was wondering were, Mr. Muir, how did we character eyes this budget discussion two weeks ago. Not really numbers it was

a process.

Process. Part of that process is a staff recommendation of raises. Staff was pointing out we'll be \$28 million short of making budget but the first official recommendation was to suggest raises. The way the budget process works has been my experience since we didn't stand up and say no, don't do that we are now moving forward as though that was plugged in. My suspicious heart and mind thought maybe that's where the 28 to 30 difference.

Mr. Muir is saying no, not really. But we need to talk about that specific issue. I'm terribly troubled about beginning a deficit budget discussion that's almost certainly going to end with a deficit of some significance where the first significant suggestion by the staff is that we give raises. I can't yet justify that. Also, I think, Mr. Wenton, we need in front of all five of us a discussion, so you can get our reaction. I don't know which way it will go to the 2020 thing. I'm personally troubled about a raid by whatever type of name we want to call it on money that was clearly identified for setting aside dollars to purchase environmentally sensitive lands. So that needs to be a part of our discussion in two weeks. I want to wait until Commissioner Hall is back. The clerk, I have touched on this the other day and you touched on the clerk's write-off. I'm trying to today who is driving this train. If the clerk writes something off because we haven't dealt with it in a number of years does that relieve us the obligation of what was previously a loan? Because we haven't committed the payback? I don't understand that. Maybe that can be part of what we're talking about on the 18th. These things come to find. There's a lot we need to do now. This budget train did leave the station some time ago and things get plugged in automatically, and we're hung up on \$20,000 issues and this sort of thing. I want to focus on multimillion-dollar issues. And seeing truly with whatever we hope to do with E.M.S. and helicopters and whatever else we can find I would like to compress that \$30 million before we discuss additional expenditures. Thank you for bringing this up, Commissioner Kiker.

Thank you for bringing this up.

I was going to bring this up under my commissioner items, but I'll say I commend you on your efforts to dealing with the budget. Thank you for your efforts yesterday in the meeting. I want to encourage you and ask you to continue your efforts. This is very frustrating working with the budget is a very complex item. I'm here to tell you I support you and thank you for your efforts. My main goal is to obviously stop spending money. We have a county to run and need to provide services, but besides raising fees and looking at ways to get funding, I'm looking at ways to cut. I would ask you to continue your efforts with this.

Commissioner Kiker: Thank you. I'm all for the cuts. I think we have to continue that.

I appreciate your efforts on that. But as any good budget there's two sides, what you take out and what you put in. The part we put in has got to be part of the discussion. And without anybody saying I am for one cent sales tax or for 2020 or I am for raiding another fund, we need to have conversations about where we are, what does it mean and what are the legal ramifications of that. We need to

understand those going into this budget. I know we have talked about one penny taxes and 2020 money and waste management money. I would like to schedule as part of this budget you know with your at your pace any and all the subjects for revenue. I would like to make that part of this year's discussion. Thank you.

Thank you.

No commissioner items now. Move to committee appointments. Commissioner Manning.

Commissioner Manning: Thank you, my good friend John Delve to the O. And M. Community.

Second.

Commissioner Mann: He'll be good at it.

Chairman Pendergrass: Any objection? No objection.

Commissioner Kiker.

Commissioner Kiker: I have four. Kenneth McLenny and James Gleason to the Old Pelican Channel Special Improvement and Elizabeth Bernstein and Carolyn Keys to the Palmetto Special Improvement directs.

Any discussion? Motion carries.

Commissioner Mannn?

None.

Chairman Pendergrass: I have a few. John Goodrich to Airport Management. Al Doe mayor.

Claire Ann Gram: Community Sustainability. Nora Deemers and Carlos Park.

Commissioner Mann: So moved.

Commissioner Kiker: Second.

Chairman Pendergrass: No discussion? No objection? Motion carries. County manager items.
County attorney.

No items.

We are adjourned. Thank you.