

LAKE COUNTY
CAPITAL FACILITIES ADVISORY COMMITTEE
MEETING MINUTES – June 30, 2011

County Commission Liaison: Commissioner Sean Parks, District 2

Members Present: Davis Talmage, Banking and Finance
Bill Benham, Agricultural Industry Representative
Linda Nagle, Home Builders Association of Lake County
Carol MacLeod, Lake County Schools
John Buxman, Chamber of Commerce
Jim Richardson, League of Cities
Lucille M. Espey-Francis, Environmental Community
Nancy Hurlbert, Citizen at Large
Jeffrey Banker, Citizen at Large
Alan Winslow, Citizen at Large
Ralph Smith, Citizen at Large

Staff Present: David Heath, Deputy County Manager
Melanie Marsh, Deputy County Attorney
Jim Stivender, Jr., Director of Public Works Department
Amye King, Director of Growth Management
Stephen Koontz, Budget Director
John Jolliff, Director/Fire Chief, Public Safety
Angi Thompson, Development Processing Manager
Phyllis Hegg, Assistant to Jim Stivender
Cheryl Sutherland, Office Associate III
TJ Fish, Executive Director, Lake-Sumter MPO

Citizen Present: Vance Jochim

Media Present: Livi Stanford, Daily Sun

Chairman Talmage called the meeting to order at 9:40 a.m. He noted the meeting had been duly advertised and asked for a motion to approve the June 9, 2011 minutes. Linda Nagle advised of two corrections to be made to the 6/9/11 minutes on page 11, paragraph 3, 2nd line, changing 'Linda Hurlbert' to 'Nancy Hurlbert'. Corrections will be made and revised minutes will be sent to members.

MOTION was made by Nancy Hurlbert to approve minutes as amended, and SECONDED by Linda Nagle to approve the June 9, 2011 minutes of the Lake County Capital Facilities Advisory Committee. Motion carried.

Chairman Talmage welcomed two new members to the committee and asked them to introduce themselves. Lucille Espey-Francis, Representative for the Environmental Community and an Attorney in Tavares. Ralph Smith, a business owner of Lake Tire and Auto, Citizen at Large.

New Business:

Commissioner Parks – Commissioner Parks welcomed the new members and thanked all members again for giving of their time to this committee. He noted to new members that the purpose of the aggressive schedule of less than six-months (approx. 2-months left), was, in his perspective as a Commissioner, addressing the impact fee suspension, which was done to spur new business, but not long term as it was not a solution. Commissioner Parks stated there are major transportation needs that were addressed at previous meetings and will be discussed in great detail today. This committee contains a great group of citizens and business individuals, and he would like to see a recommendation be made to the BCC within six-months on alternative methods to ways of funding transportation needs, and then ask the BCC to act upon decisive ways to resolve issues and follow a plan on how to implement. Staff has done a great job on providing information to the committee to help make a decision.

Commissioner Parks (continued) –

Three-weeks ago the Impact Fee Study was provided to the committee and after reading through the minutes and recalling conversations, Commissioner Parks' perspective was that the study was shown for informational purposes only. He did not intend for the committee to make a recommendation to the BCC at that meeting (which was fine), as he was not asking for them to do this. Commissioner Parks asked committee members today to put a 'bookmark' on issues and concerns discussed three-weeks ago, as a few great presentations will be provided today. His perspective is to get to the point where a recommendation be made to the BCC on all alternatives to fund transportation needs (a portfolio of options) to be used. Any impact fee that is out there, the BCC would have to approve and what the committee did three-weeks ago, that does not mean those impact fees would be in effect within a month or six-weeks, as the BCC will have to approve the impact fee schedule and move forward. He advised the committee they will have more opportunity to provide input to the BCC.

The other recommendation by the committee (2% allocation from General Fund for transportation needs) was brought up at the Budget workshop on June 14, 2011 and well heard by the BCC, but no action was taken. Commissioner Parks advised this will be hard to do this Fiscal Year – 2011/2012, but stated he is personally committed to it, and believes all other Commissioners are committed as well, and will be taking that action possibly next year, if nothing is done this year. He understood that the committee wanted to send a message to the BCC of the dire situation and agrees about the need to fund roads. The BCC takes the budget very seriously and is why they are doing an operational efficiency audit on EMS and the Public Works Department. He stated that what the committee did was great, but wanted to be realistic and honest that the recommendation made by the committee would be placed in the current budget being worked on (FY 2011/2012), and 100% guaranteed.

Question: Linda Nagle reported of a few things that have happened since the committee last met and needed clarification.

1) At one of the commission meetings, the BCC voted to spend funds to improve and correct the roads in Park Place. It was mentioned in the presentation, that the City of Eustis annexed that area, but failed to annex the roads, which is an issue discussed within the committee. During the presentation, it was commented when a City agrees to annex a road they expect them to be in a certain condition. She asked Commissioner Parks if he could advise what that condition is suppose to be and how it will impact his hope the Cities will annex the roads they have annexed but not taken on.

Jim Stivender used the City of Mascotte as an example, due to three roads that had three different issues inside the City limits. He advised what they try to do is identify the principle surface of the road. The base material of roads in Lake County (over the last 30-40 years) has gone from clay to limerock 6" to 8", because of wetting problems, older roads tend to rut more than newer roads due to weight of vehicles and traffic. In the particular case of Mascotte, some places the roads had not only rutted but were broken down (an area of 25-ft.). Those sections were cut out; 10" of limerock placed in it before overlaying was done and to get rutting out the road was overlaid with 1" asphalt. It was agreed to do these roads with the understanding that the City of Mascotte would transfer. Another road inside the city limits that was resurfaced approx. 15-years ago with not the same aspects, but did have an older surface with a rating of 5 or 6; it did not need resurfacing but did need sweeping.

Linda Nagle advised that her real question is "Of all roads that is hoped the cities will annex, what are we looking at in terms of expense to the County for those to pass"? Jim Stivender stated they can assume that they need to put 1" asphalt in each of them, but will not assume that. We will go to each city and analyze each situation and what conditions are expected. The County is currently discussing with the Cities, as they have been used to receiving roads (just as the County has) that are in perfect shape, but that is not necessarily how two governments need to be working together, but a matter of making it acceptable to a certain level where there are no maintenance problems but not perfect. County will bring to a level but not building the Cities a new road. Mr. Stivender advised he does not know what the bottom number will be, but working through it. There are several meetings with the Cities to negotiate each one of the points, but know several Cities do not want those roads and need to work through the issues.

Question (continued):

2) Linda Nagle advised the other change taken place since the committee last met is that she read in the paper Seminole County is not renewing their 1-cent Sales Tax, and knows it is too early for an answer, but is guessing this could cause a 'ripple' affect to surrounding counties. She stated Lake County has a 7-cent and Seminole County is 6-cents and a factor the committee will have to keep in mind. Commissioner Parks advised this would be a very big factor, since the County does get a significant amount of revenue from the penny sales tax for infrastructure. Discussion should be what the priorities should be now if we have a penny sales tax – all roads or ½ schools and ½ roads and nothing else, which is up to the citizens (300,000 living in Lake County).

3) Linda Nagle asked if there could be an agreement among the committee members as to when they would have public comment and for how long. Chairman Talmage asked if she was referring to these meetings and Ms. Nagle stated at least for today, as there are a lot of people present. Chairman Talmage advised in an effort to move forward, raise your hand, and keep public comments to the end of the meeting if time allows. Alan Winslow asked for clarification from Commissioner Parks in regards to the Impact Fee Study and the committee's consideration, what was meant by 'bookmark'. Commissioner Parks stated if it is an issue for anyone to discuss today, 'bookmark it – hold discussion on it', as there are a lot to do today. He believes our mission and task is to come up with recommendation and not arguing about numbers (which is important), but is currently a qualitative thing where we want to enact upon a recommendation from the BCC. Chairman Talmage stated he does not feel comfortable and was hoping someone would provide a motion to suspend a recommendation until after the committee gets through transportation and then go further to make a decision, as there is not enough time today to do all that. Alan Winslow so moved and Linda Nagle seconded the motion and carried with one opposition from Nancy Hurlbert.

Alan Winslow and Bill Benham advised that a discussion has to be called. Chairman Talmage asked if there was a discussion and Alan Winslow advised that he believed that at last meeting, it was strictly an informational presentation and that the committee was not considering the Impact Fee Study in total, and referring to the minutes, there was a lot of question on the content and how the study was put together. Mr. Winslow stated it discourages and alarms him that it was interpreted by some that they were approving the study in general. Bill Benham advised that he believed it was an overview of reviewing the numbers and thought since the committee would be concentrating on transportation, they would not have an opportunity to revisit the study for a long time. He thought that since they were looking at impact fees, they were being asked for an answer on the updated study, which was not completed. Chairman Talmage advised that was the problem and confusion, but can be revisited later.

Nancy Hurlbert stated she was of the opinion that we were reiterating or justifying the previous approval, because this committee had prior approved Libraries, Parks and Fire, and does not believe there were more than two others who voted negatively on that. For the committee to keep rehashing, with 'all due respect', the committee (including the new members) has had the report since the beginning of the year. She stated that all of them are professionals and would have had the opportunity to review and ask questions three-weeks ago when the consultant was here. Every time a consultant is brought in, it costs the County money and for the committee to keep postponing something that was approved once and then again a second time, you are just spinning your wheels. Let's move on to the real issue – transportation. She does not think there is discussion on Libraries and Parks, as their fees went down and the Fire fee went up considerably, but all agreed that was what we wanted to move onto some future date when building starts up again. Ms. Hurlbert advised she opposes to keep rehashing some of these issues over and over again.

Ralph Smith stated that he was given a copy of this report from Angi Thompson the other day and he read through the Impact Fee Study from Duncan and Associates, and asked the current board members when they were given the report and advised it has been online for a year. Mr. Smith advised that based on what he had read he does not need a 'salesman' to come and tell him what he can read himself and understand. He suggested resending it; look it over, get it right and understand it. Jim Richardson stated that he does not think one person at the last meeting had an agenda they were pushing. Also, if there are any presentations in the future, hopefully someone can tell the presenter prior, that he does not need to come and make a biased presentation, and in the end take 10-minutes to justify the existence of the study.

Question (continued):

Commissioner Parks thanked Jim Richardson for his comment and advised he read through the minutes and saw evidence that no one had pushed the agenda. Mr. Richardson stated that is why he wanted it to be put on the record that he felt it did not happen. John Buxman advised that the committee was warned that the 2% recommendation would not happen this year, as the budget was pretty much set, but wanted to the BCC to take into consideration eventually. Commissioner Parks reiterated that the 2% recommendation was taken very seriously by the BCC, which was suggested from the Alternative Task Force recommendation, but believes they can get there next year. He is not saying it is not possible this year (as there is two more months of budget) as it plays out, but we are following what is going on with constitutional officers. Commissioner Parks thanked everyone for what they are doing and advised this is the first time in history of this being done and advised the committee they have themselves to applaud for making this an issue. He stated that as far as issues with the roads and the cities, they will take time --- possibly a few years to be fully implemented, but this committee has made that a big issue and it is at the forefront now and he can applaud them for that.

Linda Nagle stated she agreed with Mr. Richardson and to reaffirm that she believes Angi Thompson is a wonderful support for this committee and they would be lost without her. Anyone who says otherwise does not know what he or she is talking about and should attend these meetings to find out how much work she does behind the scenes. Chairman Talmage agreed and does not believe that is what the problem is. Jim Richardson stated no one should have brought that up, as it was never an issue.

Lucille Espey-Francis requested that the motion be provided again and Bill Benham advised it was to rescind the recommendation for a later date. Linda Nagle advised she would accept the new motion. Ms. Francis asked if someone would agree to an amendment to the motion to take into account Ms. Hurlbert's suggestions that we okayed certain aspects of the study – is that an amendment to the motion someone would consider. Ms. Hurlbert stated three of the four impact recommendations from Duncan were approved (Libraries, Parks and Fire) and left transportation out for future discussion with alternative funding. Linda Nagle advised an answer to Ms. Francis's question that she would not second an amendment to that motion.

Angi Thompson read to the committee the motion of “rescinding the prior recommendation of the studies to the Board”. Chairman Talmage asked for a vote for those in favor and opposed, which yielded a 6 to 4 vote in favor. Bill Benham wanted to clarify that this vote did not include the 2% recommendation.

**For: Alan Winslow, Ralph Smith, Jim Richardson, Bill Benham, Davis Talmage, and Linda Nagle
Against: Nancy Hurlbert, Carol McLeod, Lucille Espey-Francis, and John Buxman**

Alan Winslow advised he had another question about Commissioner Park's comments regarding the 2%, as he can appreciate and the committee knew it was highly unlikely that anything could be done with the 2% recommendation, but to publicly not only the commission but the citizens of a significant problem, and assumed it was acknowledged at the workshop. Commissioner Park's stated it was acknowledged by all, recognized as a very serious situation, and they'll try to do everything they can do to make it a reality this year, but do agree starting next year they will have to make that obligation. Chairman Talmage asked for any old business. He reminded everyone to keep questions to a minimum, raise your hand, and no public comments until the end.

New Business:

Budget Presentation – Steve Koontz, Budget Director of Lake County -

Commissioner Parks stated his was proud to introduce Steve Koontz, the new Budget Director for Lake County. Mr. Parks advised on June 14, 2011, the County held their budget workshop at Trout Lake Reserve, where the 2% recommendation was made and heard by the BCC. He advised, in short, they are continuing to cut budget within the organization, but still \$8-10 million short to balance the budget. They are currently working with constitutional officers, but a large amount will be taken out of reserves to balance the budget. The 2% recommendation was presented and heard, but action was not taken, and they are still working on the budget. The BCC has given staff direction and will try and include 2% recommendation again in next year's budget, if it is not made this time around. As requested before, we are trying to provide a budget overview, which will be taken on the road by Steve Koontz, Darren Gray, County Manager, and David Heath, Deputy County Manager. It will not be held at the Tavares round building, but will go out to the community to go through the budget. Steve Koontz, Budget Director, advised he is new to Lake County (previously at Orange County) and been with here for about 4-months. He will be given a brief overview of the Lake County budget, with information on current year budget for perspective, and then go over information provided to the BCC on June 14th, which will give a 'snapshot' of current situation and what is being looked at for 2012.

Budget Presentation – Steve Koontz, Budget Director of Lake County (continued) -

Budget Parameters

- ✓ Present a balanced budget - (*no deficit spending*)
- ✓ Account for special revenue funds
- ✓ Meet debt service requirements
- ✓ Only allocate 95% of new revenues – (*statutory deduction must take; set aside %5 of projected revenues*)
- ✓ Maintain 15% reserve in General Fund – (*Board policy*)

Carol McLeod advised 'Trim regulations' was raised to 96% for the School Board and asked if it affects the County. Steve Koontz stated he has 95% and has not seen that, but would look into it.

Special Revenues

- ✓ Special revenues can only be used for the purpose that they were collected
 - *Fire Assessment*
 - *Lake County Ambulance MSTU - (emergency services)*
 - *Various Grants – (dedicated funding)*
 - *Solid Waste Assessment*
 - *Gas Taxes – (transportation funding)*

Steve Koontz advised the current year 2011 Operating Budget for Lake County is approx. \$332 million. 34.1% for Taxes; 9 % for Licenses and Permits; 14.3% for Intergovernmental Revenues; 4.2% for Charges for Services; 1.1% for Transfers and 34.8% for Fund Balance (a savings from the previous year that is moved forward to next year to fund operations. He provided a broad overview of the County's expenditures which are the largest being Public Works at 25.1% (inclusive of the Solid Waste operation recently taken on); Sheriff's Office at 19%; Public Safety at 11.2%; Non-Departmental at 17.7% (which includes debt service and others that do not fit in other departments). Mr. Koontz also advised of smaller areas that includes the County Attorney's Office, Economic Development, and various others.

Transportation Funding

Mr. Koontz provided a quick overview on Transportation Funding and reported that Jim Stivender had made a comprehensive presentation to the Board a few months ago on this as well.

Revenue Sources

- ✓ Transportation Trust Fund – (Gas Tax)
- ✓ MSTU Roads
- ✓ Renewal Infrastructure Sales Tax Fund
- ✓ Road Impact Fees
- ✓ Grants
- ✓ User Fees
- ✓ Fund Balance

Mr. Koontz stated the 2011 amended Transportation Budget Revenues are approx. \$63 million, which is made up of the following: Fund Balance at 66%; Gas Taxes at 18%; Grants at 15% and User Services Fees at 1%. Expenditures for 2011 are made up mostly from the following: Capital Road Projects at 73.8%; Operating Expenses at 8.7%; Personal Services at 9.3% and a small Reserve at 6.2%. Alan Winslow asked to review the previous chart showing budget revenues. Steve Koontz reported that the reason there is a large amount for fund balance is the timing of projects; they are spread out over a number of years and if the money is not spent this year it rolls into the following year and allocated to the road program. T.J. Fish stated within this particular year, the fund balance is substantially unspent impact fees and will soon be gone and Mr. Koontz agreed. Jim Stivender mentioned the 66% was much higher 5-years ago.

Alan Winslow asked if it was fair to assume a year from now, if you are looking \$63 million in expenses, you will only have one-third of the revenue, because the fund balance will not be there. Jim Stivender advised to cut \$15 million off the \$63 million, which would be approx. \$49 million. Mr. Winslow advised at the last meeting there was a comment that impact fees would run out and asked if those monies are in the fund balance and Mr. Stivender agreed. Commissioner Parks asked about ARRA monies and Mr. Stivender stated it was gone and not sure how it is reflected in the number (which is 'in and out' money). Mr. Winslow asked that possibly one-year from now, there could be approx. \$40 million left in fund balance. Jim Stivender advised the percentage would drop because they will zero out

impact fees, and goal is to adjust them because of right-of-way acquisition fees, with a goal date of 7/13/11. Mr. Winslow asked how much the fund balance would be left (dollar wise) and Steve Koontz advised it would be based on how fast the money is spent.

Budget Presentation – Steve Koontz, Budget Director of Lake County (continued) -

Transportation Funding (continued)

Mr. Koontz reported that Mr. Stivender would be presenting a new road program to the BCC in August, and as he builds the roads and obtains right-of-way acquisition the fund balance will come down based on the program. T.J. Fish reported that the fund balance is 66% of total, which will yield approx. \$42 million and has spent \$15 million of that. Mr. Koontz advised it would be approx. \$27 million next year. Ralph Smith asked if this presentation was available online as it is not easy to read, and Mr. Koontz stated he would forward to Angi Thompson and she can send to the committee.

Question: Lucille Espey-Francis stated the impact fee fund is what is in the fund balance (along with sales tax money), but there is a different category for impact fees and does not understand that. Steve Koontz advised this presentation is a broad view of the transportation budget. Jim Stivender reported that on the revenue side where it shows impact fees, it says interest on what is in the bank now – there are no fees, just interest only – less than 1%.

General Fund

Mr. Koontz advised there have been challenges with the General Fund, which has been the main focus at the past two budget workshops. The adopted budget for this year (prior to any amendments or changes for this year adjustment) is \$157 million. 49.68% of revenues come from Property Taxes; 26.70% comes from Fund Balance, which is key and they are working on it this year to try and keep expenses down, so the fund balance for next year will help fund operations. 10.73% is from Intergovernmental Revenues / Grants and Transfers into the General Fund with the biggest pieces from property taxes and fund balance. Most of the County operations are funded by the General Fund which is broken out below:

Expenditures

- ✓ Constitutional Officers / Judicial Support – 49.78% (approx. 44% going to the Sheriff's Office)
- ✓ Reserves / Debt Service / Tax Increment Payment – 24.09%
- ✓ Transfers – 5.57%
- ✓ Economic Development and Community Services – 4.20%
- ✓ Facilities Development and Management – 3.38%
- ✓ Smaller Divisions/Departments within the County
 - General Government – 2.37%
 - Conservation and Compliance – 2.04%
 - Public Safety – 1.95% (Emergency Management and Fire)
 - Information Technology – 1.92% (important part – keeps County effective and efficient)
 - Public Works Dept. (Solid Waste Operations) – 1.48%
 - Growth Management – 0.98%
 - Fiscal and Administrative Services – 0.60%
 - Employee Services – 0.50%

Commissioner Parks asked if 2% would be approximately a little over \$3 million and Mr. Koontz agreed if looking at the General Fund total. Linda Nagle asked if someone has a perspective of how the pie chart compares to prior Impact Fees when 8% is coming from the General Fund – can you identify areas of General Fund that have grown to absorb that 8%? Jim Stivender advised since last meeting, he has been working with Finance (as the Budget Office does not have anything on it) and their archives since 1983. He advised they are going back to 1983 and looking at those numbers to verify the amount that was transferred to Transportation (to Gas Tax) from the General Fund at that time, and what those percentages exactly were to answer the question. Mr. Stivender reported there were two funds in 1983 and in the 1990's were combined. He does not know what revenue was in each one and which one the percent came from; there are questions about that number and he will get to the bottom of it, get it more accurately portrayed so we understand exactly the 8% and what was being done in 1983.

Steve Koontz advised he wanted to discuss where the County is today and what they are challenged with as far as their 2012 budget. Below is a table showing millage rate comparison for the last five to six years and changes in the

millage rates since 2007. He advised that when the millage rates were rolled down in 2008, they stayed down and the Board made the decision not to change them. Mr. Koontz reported that the County is expecting to keep the millage rates the same through 2012.

Budget Presentation – Steve Koontz, Budget Director of Lake County (continued) -

General Fund (continued)

<u>Millage Rate Comparison</u>						
	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>
General	5.7470	4.7410	4.6511	4.6511	4.7309	4.7309
Lake County Ambulance	0.5289	0.4561	0.4561	0.4561	0.3853	0.3853
Public Lands Program	0.2000	0.2000	0.1101	0.1101	0.1101	0.1101
Total Countywide	6.4759	5.4061	5.2263	5.2263	5.2263	5.2263
Stormwater, Roads, Parks	0.6000	0.4984	0.4984	0.4984	0.4984	0.4984
Fire , EMS	0.0000	0.0000	0.3222	0.3222	0.3222	0.3222

<u>Changes in Millage</u>	<u>FY 2007</u>	<u>FY 2012</u>	<u>Change</u>	<u>Rate Comparison</u>
General	5.7470	4.7309	(18%)	
Lake County Ambulance	0.5289	0.3853	(27%)	
Program Lands Program	0.2000	0.1101	(45%)	
Total Countywide	6.4759	5.2263	(19%)	
Stormwater, Roads, Parks,	0.6000	0.4984	(17%)	
Fire, EMS	0.0000	0.3222		

Over the last five years, the Gross Taxable Values (General Fund) have declined. In 2008, the millage went against the \$22.4 billion in property values, and currently is down to \$15.6 billion which is a (30%) decrease. Looking back at the last ten-years (2002), property values were at approx. \$10 billion. In 2008, The Ad Valorem Tax (which funds the General Fund) was \$104.4 million and in 2012 the County is budgeting \$75.3 million. Other major revenues sources within the General Fund are:

- **State Revenue Sharing** – Lake County projected to receive \$4.7 million from the state in 2012.
- **State Sales Tax** – Lake County is projected to receive \$11.2 million from the state in 2012.

All revenue sources within the General Fund over the last five-years shows that our fund balance has been declining for the past five-years (from \$231.6 million in 2008 decreasing to \$150.7 million projected for 2012; **Note: the 2012 projection does not include the 5% statutory deduction on new revenues.**)

Reviewing the expense side (showing major categories) they are 1) Other Uses (such as constitutionals); 2) Grants and Aids; 3) Capital Outlays; 4) Operating and 5) Personal Services. Capital Outlay is almost non-existent in 2012; Operating has increased a little and Personal Services has decreased a lot since 2008. Alan Winslow asked what was reflected in Capital Outlay for 2008 and advised that the parking garage, judicial center and tax appraiser's office was

done through a bond issue. Jim Stivender advised that the County radio system was purchased in 2008 out of the Capital Outlay.

Budget Presentation – Steve Koontz, Budget Director of Lake County (continued) -

General Fund (continued)

There have been significant changes in personal services (staffing), which is a big part of the County budget, since 2008. Total Personal Services for 2008 was at \$58.1 million (\$22.9 million of it coming from General Fund), and projected at \$44.7 million in 2012 (with \$15.7 million coming from General Fund). Linda Nagle asked why the County calls the category 'Personal Services' and not 'Personnel Services'. Steve Koontz stated that is the way it is categorized, some of it dictated by the state. Jim Stivender advised that the State wants to make sure that every budget in every County has the exact same language. T. J. Fish asked if it was salary and benefits only and Mr. Stivender advised it included salary, benefits, retirement plan, overtime, but not consultants as that is a labor cost, which is temporary labor and not in personal services as it is a contract service.

Personnel positions have decreased within the County over the last five-years which include vacancies, retirements, and layoffs. In 2008, there were 882 positions Countywide (with 330 of those funded from the General Fund). Currently, the estimation for 2012 is 738 positions Countywide (235 of those positions being funded from the General Fund), which is a reduction of 95 positions. Linda Nagle asked what positions were funded from the General Fund and Mr. Koontz advised they would be the Budget Office, Growth Management (except Building Services), Animal Services, County Attorney's Office, Information Technology, Facilities/Maintenance, and few other positions Countywide that are split-funded through General Fund and various grants. Jim Richardson asked who determines what employees are paid out of the General Fund, and Steve Koontz advised County looks at the situation of the job, allocation of time, etc. He advised the County is always looking at job duties and how employees spend their time as to whether the position could be better suited to be funded from different funds. Ralph Smith asked what the total of employees (inclusive of the Sheriff's Office, Judicial Center, etc.), and Mr. Koontz stated that the Sheriff's Office has approx. 700 employees, but is not sure on the number of employees for the other constitutional officers. Alan Winslow asked about the trend in debt services and reserve and Mr. Koontz advised he does not have a trend on debt service and reserves, but stated that Lake County does not have a lot of debt, but the biggest one is for the Judicial Center, which comes out of the 'other uses' category which is approx. \$5.7 million yearly.

'Other Uses' categories within the General Fund are listed below. The Landfill Enterprise Fund is transferred to Solid Waste to help fund the 'Covanta' payments. A small transfer from the Fire Assessment Fund helps to cover cost for governmental buildings, and 50% toward institutional buildings. This has not been done for the past few years and still assessing what it might be for next year. The Sheriff's Office is the largest at approx. \$57 million. Jim Stivender advised in regards to the Solid Waste transfer, in the 2014-2015 budget year approximately \$3 million will be going away, as the County will be out of the contract for the incinerator. He advised the bond payments will go away in 2013. Ben Benham asked about the timeline for items within the debt service and Mr. Koontz advised it is the large bond issue (\$5.7 million) that includes the parking garage, judicial center, Property Appraiser and Tax Collector offices which is a long term situation. He advised this is part of the sales taxes that is taken into the General Fund and has its own fund, but comes out of General Fund and is tracked within that fund with interest payments, etc.

Budget Presentation – Steve Koontz, Budget Director of Lake County (continued) -

General Fund (continued)

Other Uses Category

	FY 2011 Revised Budget	FY 2012 Proposed Budget
Clerk of Court	3,737,991	3,685,371
Property Appraiser	2,050,000	1,913,505
Tax Collector	4,455,452	4,455,452
Sheriff	59,545,587	57,303,297
Countywide Library System	4,147,155	3,939,798
Transportation	729,726	693,240
Landfill Enterprise Fund	3,880,000	3,686,000
Debt Service	3,738,345	5,738,405
Fire Assessment	-	556,023
Total Other Uses	82,284,256	81,971,091

T. J. Fish asked besides the one-cent, is there other sales tax that goes into the fund and Steve Koontz advised of revenue sharing with the State, who transfers sales tax to the County, which is estimated to be \$11.2 million for 2012, but projected to be \$11.5. The overall look at how the above categories are compared is listed below. The County is looking into the 'other uses' and in discussion with the Sheriff's Office to find some reductions, but there is only so much that can be done.

Category	FY 2012 Proposed Budget	Percentage of Total Budget
Personal Services	\$15,733,883	13%
Operating Expenditures	\$19,027,523	15.5%
Capital Outlay	\$517,275	.5%
Grants and Aids	\$4,673,947	4%
Other Uses	<u>\$81,971,091</u>	<u>67%</u>
Total General Fund	\$121,923,719	100%
Reserves	\$23,628,126	19.4%

Budget Presentation – Steve Koontz, Budget Director of Lake County (continued) -

General Fund (continued)

The budget and fund balance for over the last five-years is shown below. Projected revenues and expenses for this year is a fund balance of approx. \$37.8 million to move into next year (which is less than what the County had coming into this year). County reserves for this year is at \$34 million, but when they first looked at the budget it looked like it would drop to approx. \$18 million (a possible \$16 million drop in reserves). County is now looking into reductions to get reserves up, which must be at least 15% and currently at 23.6%. The BCC has advised they would like to see the reduction in reserves for 2012 to be \$5 million or less, as well as what reductions can be taken next year in order to have reserve number be closer to \$29 million rather than \$24 million.

	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Fund Balance	74.5	52.8	44.2	44.4	37.8
Revenues	157.1	135.0	126.0	115.6	112.9
Statutory Deduction					(5.2)
FB & Rev	231.6	187.8	170.2	159.9	145.5
Expenses	178.8	143.6	125.8	122.1	121.9
Rev. less Exp.	52.8	44.2	44.4	37.8	23.6
Reserves	20.7	19.4	35.6	34.1	23.6
	11.5%	13.5%	28.3%	28.0%	19.4%

Alan Winslow asked what if the percentage at the bottom of graph is percentage of General Fund and Steve Koontz advised it is the reserves based on the percentages of expenses in the General Fund. The BCC policy requires that 15% be in reserves. Carol McLeod asked if the 15% is the unreserved balance or the total fund balance and Mr. Koontz stated it is the unreserved part. Ralph Smith asked about the \$16 million in reserves and Steve Koontz advised that in May the County was looking at \$16 million in reserve, but currently at \$24 million but need to have reserves closer to \$29 million (which would mean to take \$5 million out of reserves to fund operations for 2012). County wants to maintain 'solid reserves'. He advised he does not see a lot of optimism for 2013.

Options: County reserve shortfall started at \$16 million, but currently reviewing the following options for possible reductions such as 1) Department reductions for FY 2011 and 2012 at \$2.5 million each; 2) Obtain money back from Hospital Tax District at approx. \$300,000-\$400,000; 3) Working with Constitutionals to make further cuts and reductions to their budgets; 4) Property Values thought to be dropping by 10% but will be around 8.3% which will help in revenues; 5) Looking at how much to reduce reserves to fund operations for 2012.

Budget Presentation – Steve Koontz, Budget Director of Lake County (continued) -

General Fund (continued)

Recommendations: 1) Going through each Department and Divisions within the General Fund for possible further reductions; 2) Continuing to work with the Sheriff's Office; 3) Exploring efficiencies – looking at cell phone contract services with Sprint and possible opportunities with Verizon to save money; 4) Looking at mid-year adjustments with possible extra money for reserves; 5) BCC's direction was to get lower amount needed from reserves below \$5 million.

Before going into the next presentation, Chairman Talmage advised there are some calendar changes that may need to be made. The next scheduled meeting is July 7th and Angi Thompson advised that staff is requesting to reschedule due to upcoming Holiday and to have sufficient time to prepare minutes. She advised meetings for July are scheduled for July 7th and July 21st. Committee decided to cancel July 7th meeting date and meet again on July 21st for discussions, and determine at that time if another meeting is needed. The August 8th meeting will be held at the Lake County School Board (2pm or 3pm) to go over school issues, and August 18th if needed. Carol McLeod advised she will reserve the school board conference room for August 8th.

Needs Presentation – Jim Stivender, Jr. Public Works Director of Lake County -

Funded Program - Jim Stivender reported he would be discussing the funded program and unfunded program. He provided a draft copy of the '2012-2016 Transportation Funded Program', which will be going before the BCC in August. Money has been allocated for these programs that come from Impact Fees, Sales Tax and Grants. Below is a breakdown:

Federal/State Grants: County must front money first for project and then reimbursed by state.

- 1) CR 450 Paved Shoulders (Marion County line to Lake Yale) – Part 1 is 100% paid by State; Part 2- resurfacing road which is under sales tax.
- 2) CR 450 (Collins Street & SR 19) – Intersection warranted; City of Umatilla working with CSX Railroad to clear up right of way issues; City/County/State issue – will show later in sales tax and other funding source.
- 3) CR 561 @ CR 448 – Sidewalk from Tavares Middle School to subdivisions nearby. State money able to acquire and utilize.
- 4) CR 565 @ Silver Eagle Rd. – South Lake High School has not had a traffic signal and able to get it warranted; able to get state funding and road improvements in area.
- 5) South Lake Trail (from Clermont Trail to Groveland Park) – Closing on right of way with CSX Railroad; thanks to Senator Hayes, he was able to get them to speak with us. \$2 million dollars from State to construct, but County has to purchase right of way.

Road Impact Fees – District 1

- 1) CR 445 (from SR 19 to Kismet Rd.) – Widening and resurfacing project. Does not include Mt. Plymouth, but includes Wekiva.

Road Impact Fees – District 2

- 1) Old 441 (Alfred Street from SR 19 to Dora Avenue) – Has been number one project in this benefit district for a few years. The City is designing with a total redevelopment enhancement of downtown.
- 2) Britt Road – Safety project; do not have enough funds to do entire length of pavement. It has become a bypass around Mt. Dora and Eustis. It is a narrow 18' foot road and a section of road with fences on the edge of it. County in the middle of purchasing right of way to fix curbs and come back later to do the remainder of road.
- 3) SR 44 (formerly C-44B from US 441 to C-44/Orange Avenue) – Project was based on agreement with the State approx. 10-years ago. County picked up Orange Avenue (which was SR 44 going into Eustis) and the State picked up 44B (which is the State road and has a higher level of traffic). There is an understanding that when the State constructs it to a 4-lane, the County has \$2 million obligated. The State has completed design drawings and conducted public hearings, so County has requested a retention pond that can be built now before road project is done, and then spend the \$2 million and be settled on debt. A letter has been sent and Engineers are working on it.

Needs Presentation – Jim Stivender, Jr. Public Works Director of Lake County (continued) -

Road Impact Fees – District 3

- 1) 466 (from Sumter Co. to US 27/441 & Lemon St.) – Did not settle this week on right of way acquisition, but will be going to court the week of July 18th.
- 2) 466A (Miller St.) – Right of way acquisition; will meet with residents in town to persuade them to sit down and discuss.
- 3) 470 (from Sumter Co. to CR 33) – Widen to 4-lane (section by Publix & Winn-Dixie); heavy truck corridor; need to purchase another retention pond in area.
- 4) Eaglesnest Rd. – Ready to be built this year; placing left / right turn lanes at intersection; trying to get a signal warrant at intersection by State, but County needs to get hill cut down and place turn lanes before signal. State is coming through with 6-lanes (bidding in July) and run from Martin Luther King to Lake Ella Rd.
- 5) Radio Road (Treadway School Rd. to Jackson Rd.) – Enhancements to roadway and sidewalks.

Road Impact Fees – District 4

- 1) Lakeshore Blvd. (from N. Buckhill Rd. to Central Ave.) – Howey-in-the-Hills project; study has been completed and bidding out. Widening road (that is currently 16') which is main road coming in from the south other than SR 19.

Road Impact Fees – District 5

- 1) Hancock Rd. (north extension – Fosgate to Lake Minneola High School) – Benefited from reserves that the BCC has put into account. Funds indentified in this fund as well as Sales Tax to purchase right of way; still no construction dollars for this project.
- 2) Hartwood Marsh Rd. (intersection with Hancock Rd.) – Installing turn lanes and hope to complete in 2012. All right of way is acquired.

Road Impact Fees – District 6

- 1) Sunset Avenue – Ready to be bid this year, which cleans up north/south route through City of Mascotte who has taken the lead on this project.
- 2) Bible Camp Rd. – City of Groveland's number one project; have taken lead on this project and planned for right of acquisition this year.
- 3) 565A (from SR 50 to Lake Minneola Shores) – Tied to traffic signal at Silver Eagle; Federal and local funds combined to improve section of roadway.

Renewal Sales Tax Capital Projects – Roads

- 1) 19A @ Dillard Rd. – Construct eastbound left turn lane.
- 2) 437 (Orange Co. line to SR 44) – Study of 437 corridor; working forward on Wekiva Parkway; State is thinking about taking lead in this project
- 3) 455 Bridge – rehabilitate Bridge at Alexander Springs – safety project.
- 4) 450 (Marion Co. line to Lake Yale Rd.) – resurfacing part.
- 5) 450 (Collins St. @ SR 19) – grant from State; County share of money.
- 6) 455 @ CR 50 – south side of turnpike; intersection improvements; island in middle of roadway; motorists going wrong way.
- 7) 50 (Washington St. @ US 27) – Backup in area; looking at improving intersection at US 27; working on purchasing market in area. Patrons park in right of way area where vehicles turn.
- 8) Grassy Lake Rd. (curve) – Safety issues; three buses ran into a post at house on corner of intersection over 5-year period with injuries in one of them. County purchased house and tore down wall and making a small radius instead of corner.
- 9) Griffin Avenue @ Rolling Acres Rd. – construct westbound left turn lane.
- 10) Griffin View Dr. @ Grays Airport Rd. – 4,000 vehicles daily coming off US 27; need to widen to 24'.
- 11) Griffin View Dr. @ Harbor Hills Blvd. – directed by BCC year ago for intersection improvements – HOA waiting; County designed and permitted project, but need to obtain right of way from HOA; HOA said no which is still run by the developer.

Needs Presentation – Jim Stivender, Jr. Public Works Director of Lake County (continued) -

Renewal Sales Tax Capital Projects – Roads (continued)

- 12) Hancock Rd. @ Fosgate Rd. – tied to previous project.
- 13) Johns Lake Rd. (Lost Lake Elem. to Hancock Rd.) – back door to elementary school; a lot of traffic; 30ft. right of way and no room for sidewalk or road; drainage is limited.
- 14) Lake Ella Rd. @ Rolling Acres Rd. – sight distance problem (hump in road before stop sign).
- 15) Old Mt. Dora Rd. (Grove St. to Eudora Rd.) – smooth section of road; realign curve; widen to 24'; County has right of way.
- 16) Oswald Rd. Connection (to Royal Vista Rd.) – large growth area; need traffic management to access together.
- 17) Oswald Rd. (Lakeshore Dr. to Reagan's Run Dr.) – 4,000 vehicles daily; 18' roadway – clay based; widen to 24'; resurface and construct turn lanes.
- 18) Countywide Resurfacing Program – ARRA money allowed County was able to do three bridges and several resurfacing projects that brought it down to a 'safe point'. This money will keep us at this level and when road is ready to be surfaced, they can apply it. Linda Nagle asked how many lane miles this was and Mr. Stivender advised he would get that number for her. He stated that at one time he got down to 3 miles that needed repaving, but new inventory bounced the number up.
- 19) Countywide Sidewalk and Trail Program – when Impact Fees went away, resurfacing became a big issue and any future funding was cut off for sidewalk program. Not many sidewalks have been built, but rather take sections out of sidewalks and re-built them and dealing with ADA issues.

Un-Funded Program – Jim Stivender advised this program is over \$300 million and has gone up in the last 2-3 days just by applying current figures. He advised they went back to records from 2003 to current for unfunded projects and pulled the information and put on a list. Mr. Stivender stated it was amazing how many projects either were accomplished under another title/name and took off the list, or had no purpose because the developer is gone; it is in pine trees and no traffic, and currently going through list to drop more off. Bill Benham advised that there are still available monies in Impact Fees for District 2 and 3 and asked if he had a priority list to pair up with unfunded piece and Mr. Stivender advised it zeros out, but will have money after 2012 but should be out in 2013. Below is a project that is currently being done:

- 1) 44 (452 to SR 19) – in front of fairgrounds and over to Publix north of Eustis; heavily traveled road – approx. 12-13 thousand vehicles daily; because it is not funded, we have a State grant to place turn-lanes at SR 19 & 44; after completed our part will end in paved shoulders to 44 east and west; then will be overlaid and make last longer.

Within the next few weeks, Jim Stivender advised the unfunded list would be trimmed and highlight the projects to be placed in the 'funded program'. The first projects added will be construction dollars for CR 446A and the Hancock Extension, as right of way and design is done. Jim Richardson asked if the County is approx. \$15 million short and Mr. Stivender agreed, which is why CR466A was resurfaced. He advised he could not wait until it is four-lane, as traffic will continue to grow, but vehicles have a safer and smoother surface to drive on. Alan Winslow asked clarification on spending \$22 million next year from Impact Fees and asked if it was a typical year and Mr. Stivender advised that is low. Mr. Winslow stated in 2013 and forward and possibly no more Impact Fees and a need to replace at least \$22-\$23 million for lack of Impact Fees and Mr. Stivender agreed. Jim Stivender advised that after Impact Fees had peaked in 2005 at \$19 million, so he projected a certain rate of increase and when numbers began dropping in 2008 (before Impact Fees were dropped), road projects were cut in half.

Lake-Sumter MPO Transportation 2035 Capacity Needs – T.J. Fish, Executive Director -

Overall Development Plan Approach:

- Develop a creative and customized approach to long-range transportation planning for the region by integrating planning for freight, ferries, roads, rails, air, transit, bicycling, and walking.
- Emphasis on clean and safe transportation. Priority is placed on transportation investments that serve centers and compact urban communities.
- Plan should establish a unified regional strategy rather than be a collection of 21 local plans.

Developing Transportation Needs – (5 year plan on all funding)

- Focus on roadways and network connectivity after the TIP projects are implemented
- Focus on multimodal corridor strategies
- Focus on non-constrained corridors
- Focus on advancing Trails Master Plan
- Focus on advancing the List of Priority Projects (LOPP)
- Focus on advancing Transit Development Plan (TDP) priorities
- Local Knowledge and Input (through citizens and MPO staff) was critical in identifying conditions on the ground and adjusting transportation models

Alternative Land Use Scenario

- Land Use Conflict Identification Strategy (LUCIS)
- Centers, Corridors, Countryside, Conservation
- Suitability of Land for Certain Uses
 - ❖ Location, Access, Transportation Choices, Proximity
 - ❖ Environmental Sensitivity
 - ❖ Land Values
- Reduce Sprawl
- Reduce Infrastructure Needs & Costs
- Support a Multimodal Plan

Starting Point

- Model generated 2035
- Congested roadways based on actual capacities and segments with severe delay
- US 27 is constrained to 4-lanes; only six-lanes allowed are US 441, US 27 and SR 50. Everything else is constrained to 2-4 lanes. When it comes to accepting State or Federal monies, and the BCC disagrees, then they have to go to their own comp plan and change policy, and then MPO would have to follow suit.

2035 Needs Plan

- Selective widening projects
- Designated Multi-modal corridors
- Constrained corridor policy
- New roadway connections
- Use of ITS operational strategies on regional corridors
- Expand transit (fixed route bus, Orange Blossom Express and new Sumter service)
- **Note: Lake Express costs \$1.2 million to operate (received \$2.2 million in Federal Grants for this year)**

Cost Feasible Plan is

- Financially constrained version of the 2035 Needs Plan
- Based on available revenue (federal, state & local) through the year 2035
- Contains the most important projects (priorities) identified in the Needs Plan
- The basis for the MPO's unfunded priority projects (the LOPP)

Financial Feasibility

- Build cost feasible plan on existing sources
- Create 'alternative' cost feasible plan scenarios with enhanced options

Cost Feasibility Approach

- Began with best available cost estimates and compared against available funding
- Funded priorities based on local input from workshops and LOPP
- Followed existing policy direction

Lake-Sumter MPO Transportation 2035 Capacity Needs – T.J. Fish, Executive Director (continued) -

Funding Assumptions

- Federal and State revenue projections generated using standard formula
- Lake County revenue projections assumed existing transportation impact fee adopted in 2001 (currently suspended but assumed will be reinstated by 2014)
- Even though an acute funding gap at the local level over the next 25 years is expected, the MPO Board was not asked to obligate additional funding sources

Needs vs. Available Funding

Roadway Capacity Needs	Estimated Costs (2016 – 2035)
Total Lake County Needs	\$2,193 million
Total Lake County Cost Feasible Projects	\$667.1 million
Difference	\$1,525.9 million

Needs vs. Available Funding – Lake County

Roadway Capacity Needs	Estimated Costs (2016 – 2035)
Total Lake County Needs	\$672.1 million
Total Lake County Cost Feasible Projects	\$223.2 million
Difference	\$448.9 million

List of Priority Projects - Production

Rank	Project Name	From	To	Location	Project Description	Funded Phase / In Fiscal Year	Request for New Funding
1	CR466A	Sumter Co.	SR 25/500 (US 27 /441)	Fruitland Park	Widen to 4-lanes	ROW / 2010/11	CST
2	N. Hancock Ext.	CR 50	SR 91 (FL Turnpike)	Minneola	Widen to 4-lanes	ROW / 2010-11	CST – 2011/12
3	Hartwood Marsh Rd.	SR 25 (US 27)	Hancock Rd.	Clermont	Widen to 4-lanes	ROW / 2013/14	CST
4	CR 48	Palatlahaha Bridge	CR 33	Leesburg	Widen to 4-lanes	PE	ROW/CST
5	CR 470	Sumter Co.	CR 33 / CR 48	Leesburg	Widen to 4-lanes	PE / 2011/12	ROW/CST

Summary

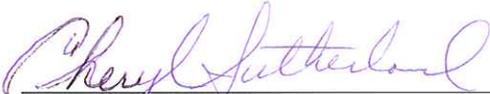
- T.J. Fish advised there are no resources available; forget road widening. With money available, Jim is trying to spread it around and get the most from the money and just trying to fix 'choking points of intersections'.

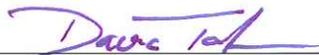
Alan Winslow requested in preparation for next meeting to provide a one-page 'matrix' to include an ideal projection of costs, feasibility, plus and minus, total of road needs by year for the next 10-20 years. Also, would like to see assumptions, funding available (renewing of gas taxes, etc.) so the committee can begin discussions. T.J. Fish advised he could breakdown his regional plan into 5-year increments, and Jim Stivender advised he would be able to provide a matrix for the committee.

LAKE COUNTY
CAPITAL FACILITIES ADVISORY COMMITTEE
MEETING MINUTES – June 30, 2011

Chairman Talmage asked for a motion for the committee to adjourn; Jim Richardson motioned to adjourn and it was seconded by John Buxman. Mr. Talmage adjourned the meeting at 12:53 pm.

Respectfully submitted,


Cheryl Sutherland
Office Associate III


Davis Talmage
IF/CFAC Chairman
