

**MANATEE COUNTY BOARD OF COUNTY COMMISSIONERS
WORK SESSION
COUNTY ADMINISTRATION BUILDING, FIFTH FLOOR, MANATEE/OSPREY ROOM
1112 Manatee Avenue West
Bradenton, Florida
February 16, 2021**

Meeting video link: <https://www.youtube.com/channel/UCULgjuGhS-qV966RU2Z7AtA>

Present were:

Vanessa Baugh, Chairman
George Kruse, First Vice-Chairman
Kevin Van Ostenbridge, Second Vice-Chairman
Reggie Bellamy, Third Vice-Chairman
Misty Servia
James A. Satcher III
Carol Whitmore

Also present were:

Cheri Coryea, County Administrator
William Clague, County Attorney
Quantana Acevedo, Deputy Clerk, Clerk of the Circuit Court

Chairman Baugh called the work session to order at 9:24 a.m.


INVOCATION AND PLEDGE OF ALLEGIANCE


1.  The Invocation was delivered by Pastor Dylan Kern, Bradenton Christian Reformed Church, followed by the Pledge of Allegiance.

AGENDA

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2. **MANATEE COUNTY INVESTMENT POLICY**

 Angelina Colonnese, Clerk of the Circuit Court, stated an update on the Investment Policy would be provided by the end of the summer. Upon question, she confirmed the Investment Policy is located on the Clerk's website, which was drafted and created in accordance with Chapter 218, Florida Statutes, by former Clerk of the Circuit Court, R. B. "Chips" Shore.

 Glen Gibellina inquired on whether the Investment Policy should only be used for a designated fund (i.e. Healthcare Trust Fund), and making the draft Investment Policy available for review.


There being no further public comment, Chairman Baugh closed public comment.


 Discussion took place on the availability of the draft Investment Policy.

Ms. Colonnese stated she would make the draft Investment Policy available to the public once it has been thoroughly reviewed, and reiterated Chapter 218, Florida Statutes, outlines the rules for investments.


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3. **FY 22 OPERATING BUDGET**

 Cheri Coryea, County Administrator, remarked this FY 21 pre-budget work session was scheduled to give the County Commission the opportunity to have dialogue prior to the budget being compiled, prepared, and delivered by the County Administrator as required under Florida Statutes. Financial Management staff has worked diligently to make documents accessible and comprehensible for the public.

 Jan Brewer, Financial Management Director, made use of a slide presentation to review the

Goals of the Work Session – Operating, themes of the FY 22 Budget/FY 23 Planned Budget, discussion of available funding, outstanding debt, general government debt, gas tax debt service, debt issuance 2019, and debt service within the FY 21 Budget.


 Discussion ensued on the funding for the 44th Avenue East extension, the continued funding of 44th Avenue East has tied the County's hands, gas tax would continue to decrease due to electric vehicles and changes in travel patterns, saving money by spending Reserves and borrowing money to get roads built, and the life of the bond has to mimic the life of the asset for which it was borrowed.


Ms. Brewer reported that to date, \$135 million has been spent on the 44th Avenue East extension project, and \$20 million has been programmed into the impact fees for FY 24.

Wendell Gaertner, Public Resources Advisory Group (Municipal Advisor), continued the slide presentation to review the status of the County's debt including credit ratings, how Fitch Ratings and Moody's Investors Service rate the County, Moody rates the County higher than its scorecard rating, and the County faces the most ratings sensitivity in fund balance and debt levels.


General obligation debt was referenced during Mr. Gaertner's presentation. Ms. Brewer reported the County no longer has a general obligation bond, because it was paid off within the last 4-5 years.


Discussion proceeded on how the millage has not been raised since 2009, bonds could place the County in debt, bonds can only be used for long-term assets such as roads, it is cheaper to borrow money than to wait out inflation in order to improve infrastructure and quality of life, and the need to look at priorities.


 William Clague, County Attorney, reported the County has an outside bond counsel (Greenberg Traurig), but in-house financial legal responsibilities are going to be relegated to Alex Nicodemi, Assistant County Attorney. He asked Mr. Gaertner to explain spend down requirements because of the discussion on issuing tax exempt bonds. Under the Internal Revenue Code, proceeds from the bonds must be spent down within a certain amount of time or repayment would have to occur.


 Mr. Gaertner reported that within the Internal Revenue Code you have to reasonably expect to spend 85 percent of the proceeds within three years.

Discussion continued on not wanting bonding capacity to go towards building out certain districts without addressing the needs of the urban core, infrastructure is needed in Districts Two and Four due to the generation of less impact fees, infrastructure is needed in District Five, but impact fees are allocated towards the 44th Avenue East extension project, public-private partnerships, host a roundtable in which private developers can present ideas/thoughts on how to accomplish identified projects within individual districts, the expense of acquiring right-of-way, additional roads are needed outside of U.S. 301 and I-75 for North County, and the previous County Commission left the County in good financial standing.

 Ms. Brewer continued the slide presentation to review the available funding (debt capacity and reserves), FY 21 Adopted Budget (sources and use of funds), General Fund, transportation, library, Children's Services, parks, unincorporated, and Matrix FY 21 Budget by Fund and Reserves.

 There was discussion on the Capital Improvement Plan, the use of the contingency funds for the County Commission and Sheriff's Office, whether there are State requirements regarding operating and stabilization reserves, holding on to the \$568 million (stabilization reserve) is costing taxpayers \$11 million of lost purchasing power every year, Reserve is at 20 percent, but the State requires 10 percent, and using some of the Reserves and structuring in an unused line of credit.

 Ms. Brewer explained the State recommends a 10 percent contingency reserve and up to 20 percent in cash. The Government Finance Officers Association recommends two months (16.6 percent) of cash in case of an emergency.


 Mr. Clague explained Florida law prohibits State and local governments from borrowing money for operating expenses. An operating reserve cannot fund a line of credit or any other borrowing device. Debt can only be used to fund capital expenditures with a useful life of five or more years.


Ms. Brewer explained it is not a requirement for the County to have a stabilization reserve. The 10 percent Contingency Reserve is based upon the total operating expenditures of a fund. For example, if 20 percent is in the general fund at \$61 million, the contingency could be \$30 million. The rest of the funds have been set aside for specific line items. The setting aside of 20 percent is approved through an adopted resolution.


Commissioner Kruse questioned the mindset of indefinitely putting money in the stabilization reserve, and pointed out the Parks and Natural Resources Department has a \$6 million stabilization reserve.

Ms. Brewer noted the 20 percent of the operating reserve is best practice in the industry, and the State has a stabilization fund.

Upon question regarding State regulated versus non-State regulated funds, Ms. Brewer explained that revenues collected by the County must be placed in the State designated fund by the Clerk's office. The General Fund does not have a specific use designation.

 Ms. Coryea pointed out the budget was adopted in September 2020 during an unusual time. A disaster reserve was created to have funds readily available to pay vendors, and the General Fund is the County's most flexible fund.

 Discussion took place on the use of the Stabilization Reserve to issue a bond, Parks and Natural Resources has \$6 million (ad valorem tax), which can only be utilized for parks, and seagrass mitigation credits.

 Charlie Hunsicker, Parks and Natural Resources Director, explained Parks and Natural Resources made an arrangement with the Utilities Department for fill dirt for the construction of Perico Preserve. After 50 cubic yards, it was determined that the needed 100,000 cubic yards would not be available, which is why Parks and Natural Resources owes Utilities money. The balance is being paid through the selling of seagrass mitigation credits. Port Manatee, the Florida Department of Transportation, and the Town of Longboat Key need seagrass for their mitigation projects, and Manatee County is the only government in Florida that has a seagrass mitigation bank. The City of Sarasota also purchased seagrass credits based on seagrass growth.

Ms. Brewer responded to questions by Commissioner Satcher regarding spending options for

Reserves.

Discussion took place on using the General Fund to pay for a park, impact fees, and what can the County Commission do with the Stabilization Reserve.

Mr. Clague confirmed that ad valorem tax proceeds could be used for any legitimate, local government public purpose.


RECESS/RECONVENE: 11:50 a.m. – 11:58 a.m. All Commissioners were present.

Discussion continued on spending options for the Stabilization Reserve.
(Note: This item continued to later in the work session)

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RECESS/RECONVENE: 12:01 p.m. – 1:35 p.m. All Commissioners were present.

COVID-19 (CORONAVIRUS) VACCINE


 Chairman Baugh announced that a vaccine pop-up site is scheduled to open on February 17, 2021, at the Premier Sports Complex (facilitated by Rex Jensen, President/Chief Financial Officer of Schroeder-Manatee Ranch, and Governor Ron DeSantis). The vaccine pop-up site would administer 3,000 vaccines.

Discussion took place on why other Commissioners were not notified about the vaccine pop-up site, residents were selected from the lottery pool, this action could compromise the County's lottery pool by skewing the demographics since only 34202 and 34211 zip codes were selected, whether the County Administrator was informed about the vaccine pop-up site, and prioritizing residents by age in the lottery pool.

Cheri Coryea, County Administrator, reported she was asked about the availability of the Premier Sports Complex by Chairman Baugh and suggested a random pool be conducted.

Chairman Baugh noted that she embraced the opportunity to assist with the vaccine pop-up site and that she would do it again, because it brought additional vaccines to the County.


There was discussion on how the vaccine pop-up site in Port Charlotte was opened to all residents, emails received regarding the lottery, integrity of the lottery pool, legal ramifications, how Jacob Saur, Public Safety Director, sought authorization from the State to set up the vaccine pop-up site, and whether targeting certain zip codes placed the County in legal jeopardy.


 William Clague, County Attorney, stated he was not informed about this matter until this morning, and the Florida Department of Health (FDOH) decides how the vaccines are distributed.

Discussion continued on how obtaining the vaccines was the sole goal, a zip code is not required when registering for the lottery pool, need to set policy on how to handle this type of situation in the future, adjusting the lottery pool to include tiers, demographics from the Census Bureau reflects that 34202 and 34211 are the wealthiest zip codes in the County, whether the residents chosen can be placed back in the lottery pool, future pop-up vaccine sites should target all zip codes, and FDOH was not involved.


Public Comment

Corie Holmes stated the lottery pool was compromised with the organization of the pop-up vaccine site, and the County Commission should conduct themselves in a professional manner.

 Andra Griffin commented on Commissioner Whitmore informing the media about the pop-up vaccine site.


 Dawn Kitterman inquired as to why the County Commission did not discuss this matter since they have control on how the residents are selected to prevent the appearance of preferential treatment.


Chairman Baugh stated the pop-up vaccine site was not confirmed until Saturday (2/13/21), and she admitted responsibility on how the matter was handled.


 Sam Wiggle stated additional vaccines are great for the County, but residents with high health risks entered the lottery pool not expecting that others could be preferentially selected.

There being no further public comment, Chairman Baugh closed public comment.

3. **FY 22 OPERATING BUDGET** (Continued)


 Jan Brewer, Financial Management Director, referred to the Matrix FY 21 by Fund and Reserves to discuss Reserves. Staff's goal is to include this Matrix with budget amendment resolutions in the future. The General Fund has the least restrictions and Reserves have to be spent based upon the revenues they were collected for. Affordable housing and building capital projects have received funds from the General Fund.


 Discussion proceeded on making sure the budget information is presented in layman's terms, certain funds are earmarked in the budget, Central County Complex aka Musgrave property (approved 10/13/20) was paid out of the General Fund and the Utilities stabilization reserve, Parks and Natural Resources is repaying an Interfund Loan, and whether other departments are repaying loans.

 William Clague, County Attorney, noted the County has numerous sources of revenue with use restrictions, which apply whether the funds are in reserves or not. With regard to Reserves, the County Commission should determine how much money is needed in each Reserve and the best manner in which to spend the funds.

Ms. Brewer discussed Interfund Loans.

Discussion continued on needing action steps to utilize funds, staff reporting on the availability of funds for projects, the Clerk of the Circuit Court is the Comptroller for the County and regulates funds in accordance with the Department of Revenue and the Florida Auditor General, identifying funds available for roads and sidewalks, Florida Local Government Handbook, Stabilization Fund should remain at status quo, funding to replace the Green Bridge, the stabilization funds consist of monies left over from the previous budget that are then carried forward in the same funds.

 Andra Griffin commented on the County's operating budget (including projects/grants) and its effect on the quality of life for residents (documentation submitted).

 Glen Gibellina concurred with Ms. Griffin and noted that he was unable to find the Investment Policy on the Clerk's website. He suggested a zoning moratorium, and place a freeze on all recreational projects in order to address County needs such as infrastructure, affordable housing, and homelessness.

There being no further public comment, Chairman Baugh closed public comment.

The Clerk clarified the location of the Investment Policy on the Clerk's website.

RECESS/RECONVENE: 3:21 p.m. – 3:31 p.m. All Commissioners were present.



Ms. Brewer clarified the total budget for FY 16 and FY 21 as discussed by Ms. Griffin during public comment.

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4. **PROPERTY MANAGEMENT/PROPERTY ACQUISITION DIVISION/LAND ACQUISITION PROCESS**



Charlie Bishop, Property Management Director, introduced Joy Leggett-Murphy, Property Acquisition Division Manager, and spoke of her expertise as a licensed Florida attorney, a real estate agent, and a Florida Supreme Court mediator. Her position involves real estate due diligence, drafting contracts, conveyance of documents, and working with citizens.



Ms. Leggett-Murphy, Property Acquisition Division Manager, used a slide presentation to give a review of Property Acquisition staff, our history and where we are going, partners, services for citizens, leases, and real estate needs for Parks and Natural Resources, Neighborhood Services, Public Safety, Utilities, Convention and Visitors Bureau, and Public Works.

Tim Cristello, Senior Real Property Specialist, and Charles Meador, Senior Real Property Specialist, discussed the Land Acquisition Process (negotiations and eminent domain).



Discussion took place on in-house evaluations versus formal appraisals.

Ms. Leggett-Murphy used a slide presentation to review County-owned property (research and management of information), County-owned property by department, surplus property, laws governing the sale or lease of surplus property, and the surplus property team.



Victoria Rosenbecker, Real Property Specialist, discussed workflow regarding potential surplus property.



Mr. Bishop pointed out there are tax achievements that staff is unaware of that are addressed as quickly as possible.

Andra Griffin inquired about the length of the closing process, identity of the Property Acquisition staff person who negotiated for the Musgrave property, how Mike Gore, Utilities Director, was allowed to negotiate for the Musgrave property, and why a jurisdictional review was not used to acquire the property.

There being no additional public comment, Chairman Baugh closed public comment.

(Note: Staff responded to Ms. Griffin's inquiries via memorandum)

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5. **FY 22 CAPITAL IMPROVEMENT PLAN**

Chairman Baugh announced the work session had to conclude due to the loss of power in the microphones.

Cheri Coryea, County Administrator, noted the County Commission could discuss the Capital Improvement Plan (CIP) on February 18, 2021, from 1:00 p.m. – 3:00 p.m., or at a time certain on February 23, 2021.

Discussion ensued on how much time is needed for the presentation.

By consensus, the CIP would be rescheduled to February 18, 2021, following the Piney Point discussion.

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6. **CITIZEN COMMENTS**

Citizen Comment correspondence was submitted online.

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ADJOURN

There being no further business, Chairman Baugh adjourned the work session at 4:26 p.m.

Minutes Approved: July 25, 2023