

Workshop

Budget Workshop

Commission Board Room

Dixie County Courthouse

214 NE Hwy 351, Cross City, FL 32628

June 20, 2024 – 3:00 PM

The Board meetings are audio recorded. The public can hear and participate in the meeting via conference call by dialing 1(917)900-1022 and enter code 32628.

COMMISSIONERS

Jody Stephenson, District 1, Vice Chairman

Daniel Wood, District 2

Mark Hatch, District 3

Jamie Storey, District 4, Chairman

David Osteen, District 5

STAFF

Paul Gainey, County Manager

Martha McCaskill, Administrative Asst/Grant Coordinator

Brenda Royal, Finance Director

Jackie Johnson, Assistant Finance Director

Barbie Higginbotham, Clerk of Court

Verna Wilson, Chief Deputy Clerk

Joannie Morse, Deputy Clerk

1. CALL TO ORDER

The Board Meeting was called to order at 3:00 PM by Commissioner Storey.

2. INVOCATION AND PLEDGE TO THE AMERICAN FLAG

The Invocation was led by Commissioner Hatch and the Pledge to the American Flag was led by Commissioner Hatch.

Assistant Finance Director, Jackie Johnson, presented to the Board and stated that she would like to speak concerning the County budget planning and wanted to open the subject for discussion. She supplied the Board with budget packets which included the following:

1. 2025 Budget Issues and Recommendations Spreadsheet
 - a. Salaries Comparison Report
 - b. Salaries and Benefits being the most expensive cost for the County.
 - c. Recommendations
 - d. Benefits
 - e. Health Insurance-HSA vs. FSA
2. Vision Process for the County
3. Review of Cash, Budget and Revenue
4. Purchase Orders and Purchasing Policies

Mrs. Jackie Johnson stated that the Budget processes are missing two (2) key components (the Ad valorem, which will be received after July 1st and State revenues, which will be in around July or August of 2024), so they are just estimating for right now. She said that once the finance department receives the Ad valorem and special assessment amounts, they will give budget recaps.

Salaries:

Mrs. Johnson stated that the proposed budget for 2025 includes a \$1.00 raise for regular employees and \$2.00 for supervisors/department heads.

She added that this does not include the costs for Constitutional Officers.

She had everyone review page two (2) of the proposed budget report which showed salaries overtime from the year 2020 until the projected amount in 2025. She mentioned there is a steady increase and projected a 13.33% increase in salaries cost by 2025. She suggested looking into the salary/raise process and considering changing how the County distributes raises. She suggested using a system like the State of Florida, which gives raises according to the pay classes and job qualifications and responsibilities.

Commissioner Hatch stated there would be a lot of benefits to doing this, but also reminded that advertising within the department is a must and he added that job descriptions should reflect the amount paid for the positions. Commissioner Hatch also asked about the status of employee insurance as discussed in earlier meetings.

County Manager Paul Gainey stated that he spoke with Insurance Representative Mr. Braswell today and the County is going to be at a five (5) % increase this coming year instead of ten (10) % because of our participation in the Health Wellness Program.

Mrs. Jackie Johnson stated that when deciding things that will affect salary and other items within the County budget and that affect everyone across the board, the County needs to look at the effect in the

future as well as the here and now. She encouraged and recommended to have a vision process and consider the future costs.

Commissioner Hatch asked for the status of the HSA/FSA accounts for employees.

He said it was discussed that the County needs to look into whether to keep the HSA's or switch to FSA's.

Mrs. Jackie Johnson explained the difference between the HSA and FSA. She said that the HSA is an account in which the employee is given \$1,000.00 in an account to help with the \$1,500.00 deductible cost for health insurance. This money is deposited into an HSA account and can be used at any time for medical items, but it is the responsibility of the employee/individual to give an account on their taxes as to how they spend the money. Potentially the client could pull all the money out and use it on other items that are not medical, and the county be out \$1,000 for each employee. She stated that the FSA on the other hand is a deposit of \$1,000.00 into an account and can be used for medical items; however, the items will not approve if it is not medical and if the employee has any left over at the end of the year it will stay in the County. With the FSA accounts-when the employee makes a medical purchase it is billed to Optum and then Optum withdraws it out of the County's account. Optum does charge \$3.60 a month per employee on the FSA Optum Program. She said even though there is a cost involved, if the employee doesn't use their \$1,000 by the end of the year, whatever they don't use will stay in the County. The County would budget for the whole amount coming out, which is around \$179,000, but if employees don't use the whole amount, then the cost comes down.

Commissioner Hatch stated that he would bring it before the Board Meeting tonight for a vote and recommended implementation of the FSA's instead of the HSA's.

Mrs. Johnson asked if the Board wanted the Constitutional Officers to come and present their budget to the Board.

The Commissioners said no, unless the Constitutional Officers can't balance and then they have no choice and would have to come and present to the Board.

Mrs. Johnson recommended short- and long-term planning to know where the County is going to be in the next 5, 10, and 20 years. She stated this includes communicating goals and targets for all stakeholders. She also recommended stating goals clearly, being proactive, not reactive, for better decision making and keeping everyone on the same agenda.

Mrs. Johnson reminded the Board that the County budget is a plan to receive and spend revenues in the upcoming year and when the budget year opens on October 1 the revenues have not been received yet. She said this is why it is a good idea to review budgets and Commissioner Hatch recommended and reiterated how important it is for a quarterly budget review.

Purchase Orders:

Mrs. Johnson stated that during the past audit it was advised that the County implement a purchase order system as soon as possible. She also said that the auditors said they would not report the finding in FY2024 (Fiscal Year 2024), but by FY2025 they will find the County if not implemented. She said the purpose of purchase orders is to provide information for cash management, budget management and financial reporting. She added that currently the County operates on a cash basis, which means that once the check is written, finance knows the cash has been spent. She also added that a purchase order system would control who, what and where funds are obligated.

She also stated that the purpose of a procurement policy is to ensure that "best value" and fair purchasing practices are in place.

Mrs. Johnson stated that the Purchase Order Module for our accounting system will cost \$11,496 plus a recurring annual charge of \$5,196 and the users will have to be trained on the program, which may be an additional cost.

Commissioner Hatch asked what would happen if a program director doesn't have a secretary to help submit purchase orders and doesn't have time to do it themselves. He expressed concern about some program directors not having time.

Mrs. Johnson answered that most of the normal purchases would be submitted using a blanket purchase order, which would make it easier and take less time than other purchase orders.

Mrs. Barbie and Mr. Gainey stated that the County may have to hire someone that is qualified to help in the departments that need extra help.

Mrs. Johnson recommended implementing a purchasing policy for the County and approved employees for purchasing to help provide protection against fraud.

Commissioner Hatch asked if the FICA (Federal Insurance Contributions Act) is up to date.

Mrs. Johnson answered yes, it is and complimented Mrs. Karen Heaten for helping with the audits and getting this caught up.

Commissioner Hatch also asked for an update on the Inmate Medical Program.

Mr. Gainey said it is probably the best it has ever been and that County Grant Coordinator Mrs. Martha McCaskill has been on top of things and has done a great job with this program and that last year the County had a \$350,000 difference from the original billed amount compared to what was actually paid by the County, thanks to Mrs. McCaskill. Mrs. Johnson also said there are no outstanding bills within this program and complimented Mrs. McCaskill for her hard work.

Commissioner Hatch commended and congratulated the Finance Department and Clerk of Court Barbie Higginbotham and her staff for being on time and doing a great job with the audit this year.

28. ADJOURN

Commissioner Hatch made the motion to adjourn at 5:58 PM. Commissioner Osteen seconded. Board approved.

BOARD OF COUNTY COMMISSIONERS
DIXIE COUNTY, FLORIDA

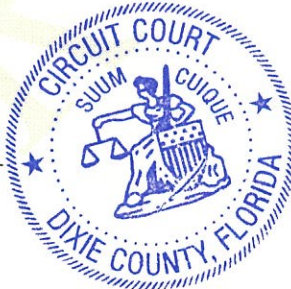
ATTEST:



Jami Storey, Chairman



Barbie Higginbotham, Clerk-Auditor



PLEASE BE ADVISED that if a person decides to appeal any decision made by the Board with respect to any matter considered at such meeting or hearings, he/ she will need a record of the proceedings, and for such purpose, he/ she will need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

“Persons with disabilities requesting reasonable accommodations to participate in this proceeding should contact (352) 486-4931 (Voice & TDD) or via Florida Relay Service at (800) 955-8771.”

The Board meets the first Thursday of each month at 10:00 AM and the third Thursday of each month at 6:00 PM. Individuals that would like to be placed on the agenda should call Barbie Higginbotham, Clerk of Court, by 4:00 PM on the Friday Preceding the Board meeting, at (352) 498-1200.

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