

**ANNUAL REPORT
OF THE
COUNTY MANAGER
2012**

- **The Annual Report is required under Section 3.3 (2) of the Home Rule Charter for Columbia County.**

2011-2012 RECOMMENDATIONS UPDATE

- **Columbia County should retain an engineer as a full time employee. The position would answer to the Public Works Director and perform all duties as currently performed by the contracted County Engineer.**

Update: A full time engineer was hired as an employee by Columbia County on January 11, 2012.

- **Ichetucknee Springs benefits from the support of two groups, The Ichetucknee Partnership and The Ichetucknee Springs Water Quality Working Group. Due to state revenue reductions, both groups have lost their funding. Columbia County should consider financial assistance to the extent the core services (education and outreach) of the Ichetucknee Partnership are maintained.**

Update: The Board of County Commissioners allocated all revenues received as “Payment in Lieu of Taxes” (PILT) to The Ichetucknee Partnership (TIP). Columbia County’s funding is currently the sole revenue source for TIP. Total funding for FY 11-12 is \$112,000.00.

- **Create a program similar to a Community Redevelopment/Tax Increment Fund for the Ellisville interchange. The “fund” would receive monies each year based on the amount of growth and redevelopment which occurs in the target area. The use of the funds would be controlled by the Board of County Commissioners.**

Update: Columbia County completed the research necessary to create a Community Redevelopment/Tax Increment Fund for the Ellisville interchange in FY 11-12; however, staff recommended the project be placed on hold. The research identified that property values had declined so significantly in the target area that no funds would be available for target projects. It is recommended that the project be revisited when property values begin to rise.

- **Authorize renovation of the Montgomery Building. The lead paint/asbestos survey is complete. Assuming the renovated building would be used to house the Columbia County Economic Development Department and the Columbia County Tourist Development Council, potential revenue sources would include contingency funds of the EDD and TDC. The project would also qualify for financial assistance from the Tax Increment Fund of the City of Lake City.**

Update: A plan to remodel the Montgomery Building was completed in FY 11-12; however, the estimated cost to remodel (\$1,500,00) was double the original estimated budget (\$750,000). As a result, the project was placed on hold. The abatement of lead paint and asbestos was recommended, subject to available funding. No decision to proceed with abatement has been made.

- **The Columbia County Tourist Development Council appointed a fact finding committee to analyze the potential economic impact of an “Events Center” and enhanced recreational facilities on the local economy. Due to fiscal constraints, the TDC has decided to concentrate on recreation enhancement. The Board of County Commissioners should authorize the appointment of a committee to continue the work of the TDC. The facts as determined by the TDC committee would indicate possible revenue opportunities for the county. The committee should include appointees from Columbia County Resources, Inc.**

Update: Phase I of the Events Center planning effort was completed and presented publicly on October 9, 2012. On November 15, 2012 the Board of County Commissioners authorized Phase II of the project. Phase II is scheduled to begin in January, 2013.

- **Due to the size and scope of county government today, departmental reorganization is required. All county departments will be placed in 1 of 3 divisions. These divisions are:**

- 1.) **General Government**
- 2.) **Public Safety**
- 3.) **Public Works (Operations)**

Each division will be supervised by a Director who answers to the County Manager. The current system providing that all departments answer directly to the County Manager has worked well in the past; however, expected changes in how government services will be delivered, the types of services provided and population indicate change is needed.

Update: The departments of the county were successfully placed in three (3) separate divisions. The division titles are Administrative, Safety and Operations. The head of each division is referred to as a manager.

FY 2010-2011 FINANCIAL REVIEW

- **The audit for the period ending September 30, 2011 is complete.**
- **No major findings were noted in the audit and forecasted expenditures for the period were within budget. Total county indebtedness decreased and the county's ending reserve balance increased.**
- **Columbia County had the 7th highest advalorem "rollback" in the state and ranked 55th in the state for lowest per capita impact.**

FY 2011-2012 FINANCIAL REVIEW

- **FY 2011-2012 began with \$1,200,000 less revenue than the previous year. No new taxes or assessments were adopted.**

FY 2012-2013 BUDGET ISSUES

- **County reserves are a concern. Revenue reductions have limited the county in its ability to "replace" spent reserves.**
- **The county is expecting a decline in property tax revenue. This is due to the adjustment of taxable value due to declining market rates. The estimated loss of revenue from declining property tax values is \$500,000.**
- **Columbia County does not have an identified revenue source for road improvement projects. It is not likely that any fund balance can/will be appropriated for road projects during FY 2012 – 2013. Staff advises that roads in need of resurfacing have become an issue.**
- **State Aid to Libraries (Equalization) funding will be decreased or eliminated.**
- **Insurance costs are expected to increase.**

2012 Legislative Report

- **Funding through the Florida Department of Transportation for the Small County Outreach Program (SCOP) and Small County Road Assistance Program (SCRAP) was increased \$20 million dollars.**
- **Efforts to transfer local County Health Departments from the Department of Health to local governments was defeated.**
- **The “Mandatory Septic Tanks Inspection Program” was repealed. In place of the program a model ordinance will be adopted that local governments may adopt or “opt out”.**
- **County required Medicaid payments will be made through a reduction in Revenue Sharing in lieu of a billing system.**
- **Adopted Resolutions providing for three (3) constitutional amendments to be placed on the November, 2012 general election ballot. The amendments, if approved, would provide the following:**
 - 1.) **An additional Homestead Tax Exemption for Seniors who meet special criteria, and**
 - 2.) **a Property Tax Exemption for a Surviving Spouse of a Military Veteran or First Responder, and**
 - 3.) **provide an additional 25K exemption on tangible personal property.**
- **Required newspapers to post legal notices on their websites free of charge and capped the rate local governments may be charged for legal notices.**
- **Required public bodies to open sealed bids for construction and repairs to public buildings at a public meeting.**
- **Defeated legislation that would have exempted online travel companies from paying taxes on the retail rate on hotel rooms and would have repealed established local business taxes.**
- **Defeated legislation that would have allowed sludge waste from onsite sewage treatment and disposal systems to be land applied.**

FY 2012 – 2013 RECOMMENDATIONS

- **The Columbia County Code Enforcement Department needs to be reorganized and strengthened. As currently organized, the Department is unable to meet demands. Code Enforcement, if managed properly, can provide a quick, cost effective resolution to many issues.**
- **The Columbia County Information Technology Department is understaffed. A study should be conducted to determine the minimum amount of staff necessary to service and maintain the county's needs. Through the budgeting process, efforts should be made to meet the identified staffing needs.**
- **Final plans for enhancing the Southside Recreation Complex should be reviewed and approved in cooperation with the Columbia County Tourist Development Council. As a significant portion of the improvements identified are necessary for tournament play; a "bed tax" increase should be considered to fund a portion of the costs.**
- **Efforts to create a "Community Redevelopment Area" for Ellisville were discontinued due to the declining value of the tax roll. Columbia County should continue to pursue projects that would benefit and improve the interchange. Possible projects include, but are not limited to the removal of dilapidated and obsolete buildings, regulation of signs, interchange and street lighting, landscaping and the expansion of utilities.**
- **Based on the Columbia County Financial Report for the year ending September 30, 2009, Columbia County had \$2,936,320 in "Compensated Absences". This primarily is the value of earned leave that is owed by the county. The county has not created a special reserve fund for this specific liability. Payment is made on an "as needed" basis. A review should be made of this liability to develop recommendations regarding leave accumulation and payout.**
- **Columbia County should identify a specific, dedicated funding source for road construction and resurfacing. Road construction and resurfacing is funded through budget allocations from excess fund balance. Due to the overall reduction in revenue, the amount of fund balance available for road construction and resurfacing has diminished.**
- **A "fair and reasonable" apportionment study for solid waste and fire assessments was last completed in 2005. A new study should be conducted.**
- **Columbia County has an operational and legal requirement to provide office space. The number of requests for enhanced space (number of square feet and/or improvement due to condition) has increased. In addition, the county is meeting certain space needs through rentals and leases. Both short and long term space need solutions should be developed.**

DUE TO TROPICAL STORM DEBBY, THE 2012 ANNUAL REPORT OF THE COUNTY MANAGER IN WRITTEN FORM WAS COMPILED LATE. THE CONTENT OF THE REPORT WAS DISCUSSED IN WORKSHOPS ON MAY 1, 2012, MAY 3, 2012 AND AUGUST 10, 2012.