EMERGENCY
BUDGET MEETING
Commission Board Room
Dixie County Courthouse
214 NE Hwy 351, Cross City, FL 32628
August 27, 2026 – 4:30 PM

The Board meetings are audio recorded. The public can hear and participate in the meeting via conference call by dialing 1 469-551-3616 and enter code 908825494#

COMMISSIONERS
Mark Hatch, District 3, Chairman
Jody Stephenson, District 1
Daniel Wood, District 2
Jamie Storey, District 4, Vice Chairman
David Osteen, District 5

STAFF
John Jenkins, County Manager
Roy Bass, Assistant County Manager
Martha McCaskill, Administrative Asst/Grant Coordinator – Not present
Chana Watson, County Attorney
Barbie Higginbotham, Clerk of Court
Brenda Royal, Chief Financial Officer
Christie Zander, Deputy Clerk

CALL TO ORDER
Chairman Mark Hatch called the workshop to order and welcomed all attendees, thanking everyone for coming.

Agenda Order
Chairman Hatch stated that the meeting would begin with a report from Finance Director Brenda Royal.

INVOCATION AND PLEDGE TO THE AMERICAN FLAG
Vice Chairman Storey led the Invocation and Commissioner Wood led the Pledge to the American Flag.

OPENING STATEMENT
Good News / Funding Announcements
Chairman Mark Hatch reported the following:

- Chairman Hatch, Roy Bass, Leon Wright, Sheriff Butler sent Scott Harden, Danny Forehand, and others attended an event with the Governor earlier in the day.

- The Governor presented a $75,000 check to John's office for record retention. These funds will be used to digitize existing paper records and reduce the number of storage boxes currently being maintained.
- The Town of Horseshoe Beach received approximately $3 million in funding for drainage projects and GIS mapping.
- In total, the Governor awarded approximately $15.2–$15.3 million in funding during the event.
- Chairman Hatch noted that this is very positive news for Horseshoe Beach and for Dixie County, as the funds will improve records management and infrastructure.

Solid Waste – Site Hours, Staffing, and Site Closure Plan

Presenter: Brenda Royal

Overview of Work Since Prior Meeting

- Ms. Royal reported that she met with Solid Waste, the County Manager, Assistant County Manager, and her supervisors to review the solid-waste information provided at the prior meeting.
- The group went line-by-line through the data and developed a plan that balances the Solid Waste budget based on site hours and wage assumptions, without yet assigning specific employees.

Site Hours / Operational Model

- Analysis was done by hours per site, not by individual employees, using $15/hour as the wage assumption.
- Sites reviewed: Pole Gap, Rock Pit, Jack Roberts Curve, 55A, 317, Suwannee, Horseshoe, Jena, with closure of the 349 "Site 1".
- Initial concept of 6 hours per day created staffing issues (risking employees crossing into full-time status with benefits).
- To avoid triggering full-time positions and associated benefit costs, they targeted 25–28 hours/week per person, which:
    - Keeps part-time employees under full-time thresholds.
    - Allows the County to cut the number of part-time attendants roughly in half, with a few floaters retained.
- Revised hours:
    - Most sites modeled at 1:00 p.m. – 6:00 p.m. (5 hours per day), two days per week.
    - Pole Gap is treated as the busiest site and will have longer hours (described as 7 hours per week / 8 hours per day in discussion and to be finalized in the written schedule).

Commissioners and Clerk of the Court Barbie Higginbotham expressed support; no formal motion was deemed necessary at this "preliminary" stage.

Board Direction – Implementation & Public Notice

- Chairman Hatch stated he wants the changes implemented quickly once finalized.

- The Board discussed public outreach methods:

Preferred approach:

- Have site attendants talk directly with users as they come through the sites.
- Use handouts/flyers to explain the new hours and the closure of 349 Site 1 and redirection to the Rock Pit (approx. 6 miles away).
- Possible newspaper notice was also mentioned.
- Not favored: spending money on “a bunch of signs.”
- Tim Johnson requested a timeframe, noting manpower limits but agreed to begin outreach as soon as the Board is in agreement.

Impacts on Employees

- It was acknowledged that:
    - Part-time staff hours will be reduced; some part-time positions will be eliminated.
    - The County will need to meet with all part-time attendants to explain that some will lose their positions.

Ms. Royal clarified they intentionally did not assign individuals yet:

- Current work is strictly by site and hours needed to operate.
- Once the Board confirms the plan, management will map hours to specific employees and handle personnel changes.

Board Comments / Consensus

- Commissioners generally agreed that the County “has to do something to save money,” even though closing long-standing sites (such as the 349 site, in operation since the 1950s) is difficult.
- Key concept: “Chew the elephant one bite at a time” – closure of Site 1 (349) is seen as Step 1, with the understanding that other sites (e.g., 317) may be evaluated later if further cuts are required.
- No formal motion was taken; the Board expressed consensus to proceed with the outlined solid-waste hours/closure plan and to begin public notification.

Transportation Department – Revenues Delay & Staffing (Kristen Jerrells Position)

Presenter: Brenda Royal

State Transportation Revenues

Ms. Royal reported that no state transportation revenue figures have been received yet:

- She contacted the Department of Revenue; the official over that area is still waiting on the data before it can be entered into their system and uploaded to EDR.
- Last year, the data was received on August 26; he was hopeful it would arrive this week, but it had not arrived as of this meeting.

Ms. Royal expressed concern that, without these figures:

- She may not have adequate information to present a complete budget at the upcoming hearing.
- The County may need to continue or reschedule the budget hearing, as was done last year, to stay within statutory guidelines.

- Ms. Royal emphasized that budget balancing is a shared responsibility, and appreciated the Board's involvement since revenues and expenditures still do not yet match.

Follow-up on Prior Motion – Transportation Employee (Kristen Jerrells)
Chairman Hatch reminded the Board of a prior motion to move "Ms. Jerrells" from Transportation to another office and noted:

- After the motion, questions arose regarding her full list of job duties and responsibilities.
- There is concern about how Transportation work will be covered if she moves.
- Tim Johnson offered an alternative to avoid disruption:
- He has an employee at the Roll Off site who:
    - Is already on the payroll (and included in existing budgeting),
    - Is capable and willing to go full-time, and
    - Could be trained to take on Kristen's duties if the transfer ultimately proceeds.

Budget Treatment of the Position
Ms. Royal confirmed that in the draft budget:

- A full-time position has been included to support Tim's department.
- Kristen's salary has been removed from the Transportation budget and placed where the Board previously directed.

Chairman Hatch noted that although the motion to move Kristen stands on record, the Board still needs to ensure that operational responsibilities are adequately covered.

Board Direction / Temporary Hold
After discussion, the Board agreed to:

- Leave the existing motion in place, but
- Keep Ms. Jerrells in her current Transportation role for now, pending completion of the budget process.
- The Board's intent is to:
    - Finish the budget first,
    - Then "pull the trigger" on reassigning Kristen and/or activating the alternative staffing plan, once they are certain operational needs will be met.

Fire Assessment – Rates, Proportionality, and Commercial Impact
Presenters: Brenda Royal, Roy Bass, Attorney Watson, Fire/EMS leadership, Board discussion
Background & Constraints

- Ms. Royal reminded the Board they had previously discussed the fire assessment and that this is one of the key items needed to balance the budget.
- Roy Bass reported that the fire assessment consultant and associated law firm stated:
    - Rates must remain proportional between classes (e.g., residential vs. commercial).
        - They would not provide a spreadsheet that would allow lowering the commercial rate alone while leaving residential higher.

Mr. Bass explained:

- Current commercial rate is $0.12 per square foot.
- The proposed change in the study would increase commercial to $0.23 per square foot, roughly a 100% increase.

Attorney Watson explained:

- Statute allows assessments to be apportioned by square footage or alternate methodology, but:
    - Assessment for each parcel cannot exceed the proportional benefit compared to others.
- If the County wants different rates for different occupancy classifications (e.g., warehouses vs. occupied commercial, high-hazard vs. low-hazard), that would require:
    - A more complex classification system (hazard-based building types, not number of people).
    - Likely a future-year reassessment, not something that can be implemented before this budget cycle.

Board Concerns

Commercial impact:

- Commissioners expressed strong concern that doubling commercial rates (from $0.12 to $0.23) will harm local businesses and risk driving them out of the county.
- Specific examples were discussed (e.g., empty or lightly used buildings facing large increases; agricultural barns with limited contents; a marina owner threatening to bulldoze rather than pay).

Residential vs. commercial balance:

- Discussion that if residential increases were **less** than proposed, that might **lower** the proportional commercial rate, but exact calculations were unclear.
- Some neighboring counties' rates were referenced:
    - Levy County: Residential recently increased from $129 to $250; commercial around $0.50/sq ft.
    - Dixie (current): Residential $125; advertised max $250; working figures around $205.
    - Gilchrist: Residential approximately $170 (higher than Dixie's current).
    - Columbia: Fire assessment rate reportedly about $325 (residential).
    - Other counties (Suwannee, Columbia, Taylor, etc.) also have higher or similar assessments and/or EMS MSTUs.

Appeal/adjustment process:

- It was noted that last year individual property owners with disputed square footage or use came in and had adjustments made after review by John and Roy.
    - The Board discussed using a similar case-by-case appeal process this year for unusually high or misclassified properties.

Operational & Budget Implications

Chief Brown and Fire/EMS leadership described:

- Substantial increases in operational costs (turnout gear, SCBAs, hoses, equipment testing, maintenance, fuel, wages, FRS high-risk contributions, insurance).

- The need to maintain staffing to meet minimum safety standards and required response times; cutting further staff would:
    - Close trucks/stations,
    - Increase response times, and
    - Increase risk to life and property.
- Replacement and re-chassis needs:
    - Several ambulances are beyond normal lifecycle; re-chassis cost ~$230,000+ each.
    - Older apparatus will soon exceed acceptable mileage and age thresholds.
- Many capital items were acquired via grants, but those grant cycles are temporary; replacement cycles will eventually fall back on the County.
- Brenda explained she had balanced the fire budget by:
- Using the higher fire assessment revenue to move as many eligible expenses/personnel as possible into the fire budget, relieving EMS.
- If the fire assessment is not increased, the EMS budget would fall further out of balance, forcing:
    - Truck closures,
    - Layoffs, and
    - Potential equipment sales.

Fire Assessment Decision – Motion and Vote

- After extensive discussion on alternatives, neighboring county comparisons, and the risks of underfunding Fire/EMS:

Motion made by Commissioner Story To set the fire assessment residential rate at $205and proceed with the budget as balanced using that rate. Seconded by Commissioner Wood. Discussion:

- Acknowledged:
    - Solid Waste and Road Departments have cut staff (including 16 positions between them).
    - Fire/EMS had already made significant cuts in prior years and could not safely cut further staffing.
    - Levy and other counties' higher assessments were referenced again for context.
- Commissioners recognized public pushback is likely but concluded the increase is necessary to:
    - Maintain basic fire/EMS service levels,
    - Avoid shutting down additional trucks, and
    - Keep budgets balanced without deeper service reductions.
- **Vote: All in favor.**
- **Result: Motion carried.** Fire budget to be balanced on the **$205** residential fire assessment rate (with proportional commercial adjustments as per the study).

Ms. Royal confirmed that with this approved fire assessment rate, the fire budget is balanced under the current draft.

EMS Budget – Shortfall, Cash Flow, and Revenues
Presenters: Brenda Royal, Fire/EMS leadership

Current-Year EMS Position

Ms. Royal provided an overview of EMS expenditures vs. revenues:

- Total EMS operation (excluding major capital projects) is significantly constrained by:
    - Unrealized ambulance fee collections,
    - “Wall time” (hospital offload delays) and non-emergency revenue shortfalls,
    - Delayed receipts from PEMT and hurricane-related reimbursements.
- Roughly $750,000–$800,000 in expected or pending revenues were identified:
- Approx. $196,000 in PEMT (with anticipated deposit date in September),
- Additional corrections and late charges,
- Tower revenue,
- Hurricane-related reimbursements (~$300,000, not all expected by fiscal year end),
- Approx. $61,000 for a fire station grant under review at the state.
- Even with these, EMS is facing a cash-flow problem:
- Large station-construction obligations remain,
- Payroll and operating costs must be met before all revenues arrive.

Capital Projects – EMS Stations

- Two EMS/fire station projects:
    - Station 3: Approx. $2.4 million spent to date,
    - Horseshoe Station (Station 4): Approx. $1.8 million spent to date.
- Combined station expenditures are deducted from the gross EMS expense totals to show “true” operating costs.
- Remaining grant-related obligations must still be paid and may leave little or no leftover grant funds; any surplus is restricted to project use or must be returned.

EMS Millage

- Current EMS millage: 3.2000 mills (maxed last year).
- Rollback rate for the new year: 3.0223 mills, which:
    - Slightly lowers the rate (~0.18 mills),
    - Still produces a modest revenue increase due to higher property values (approx. $30–31K, per discussion).
- The Board is using the rollback rate on EMS, not the maximum, even though the budget remains tight.

Next Steps on EMS Shortfall

Ms. Royal and Chief Brown will:

- Work together to refine a realistic EMS cash carryforward figure,
- Identify the remaining **shortfall** once committed grant/project obligations are netted out.

Options discussed in concept included:

- Possible future use of short-term financing/loan if cash flow becomes critical,
- Further line-by-line review for any additional cuts (though Fire/EMS leadership and commissioners agreed staffing cuts are not safely possible).

General Fund & Transportation – State Revenue Delays and Overall Gaps

General Fund

- Without including any speculative carryforward, the general fund is currently showing an approximate $2 million shortfall.
- ARPA and hurricane funds had previously masked structural issues; Brenda now treats those as offsetting revenue/expenditure entries, effectively neutral in the draft budget.
- She expects some Idalia/Helene reimbursements that may properly belong in General Fund (even where initial spending flowed through Transportation), but is not counting them until firm numbers are available.

Transportation

- State transportation revenue data is still not available from the Department of Revenue.
- Without the state numbers, the County may have to:
    - Call the upcoming budget hearing to order and then continue it (as last year), or
    - Reschedule within statutory advertising and timing requirements.

Road Department / Fuel Tax

Discussion noted:

- Road department down multiple graders; leasing vs. purchase decisions are complicated by budget limits.
- A local fuel tax (gas tax) was discussed as a future-year solution to support road funding:
    - Would spread the burden to all who travel through the county, not just residents.
    - Timeline is too short to implement for the 2024–25 budget, but Board indicated intent to pursue for the next fiscal year.

Employee Health Insurance – HSA Funding Policy

Topic: Replacement of prior “cards” with HSA contributions

Health Savings Account (HSA) Funding

Motion by Commissioner Storey to discontinue the prior insurance card system. Seconded by Commissioner Osteen.

- Adopt an HSA funding model as follows:
    - $500 contribution on January 1, and
    - $500 contribution on July 1,

    - For a total of $1,000 per employee per year,
    - Condition: Employee must not be in the 180-day job probationary period on the date of each contribution.
- Departments with longer formal probation periods (e.g., Fire/EMS, Sheriff) must modify their internal policies as needed so that the HSA eligibility rule is based on the 180-day standard for this benefit.

Discussion:

- Motion was restated clearly for the record:
    - Benefit tied to job probation only (not disciplinary issues),
    - $1,000 total per year per eligible employee, split into two $500 deposits.
- Intention is to control costs and **end confusion** and rumors about returning to prior "card" arrangements.
- **Vote: All in favor.**
- **Result: Motion carried.**
- HSA plan effective January 1, under the described terms.

Public Comment / Agenda Time Limits

Discussion Only – No formal resolution number stated, but clear Board direction

- Concern was raised about very lengthy presentations by individuals who repeatedly appear on the agenda (e.g., AI-related topics).

Attorney Watson recommended:

- Limit presentations by persons on the agenda to 10 minutes.
- Clarify that:
    - The 10-minute cap applies to the initial presentation,
    - Board questions and follow-up discussion may extend beyond 10 minutes as needed.

Chairman Hatch and other commissioners agreed:

- The time limit should be applied uniformly to all speakers on the agenda.
- Clerk's office should inform presenters in advance of the 10-minute limit when placing them on the agenda.

- General public comment (for those not on the agenda) remains subject to the existing 3-minute guideline.

Upcoming Meetings & Workshops

Emergency Budget Meeting

Monday, August 31, 2026, at 4:30 p.m.
Purpose: Continue detailed work on the overall County budget, including constitutional officer budgets (Sheriff, etc.), and apply "last year's budget" baseline expectations.

Tentative Budget Hearing

Thursday, September 3, 2026, 5:30 p.m.
At this hearing, the Board is scheduled to:

- Adopt tentative millage rates,
- Adopt the fire assessment and solid waste assessment,
- May need to continue the hearing if state revenue data is lacking.

AI Workshop – Commission Boardroom
Monday, September 14,2026, 3:00 p.m.

Final Budget Hearing – Commission Boardroom
Monday, September 14, 5:30 p.m.

Regular Board meeting following workshop Monday, September 14, 2026, at 6:00 p.m.

- **Courtroom A use**
  - Brief note that Court Administration has approved use of the courtroom for an upcoming meeting.
  - Public will remain behind the benches; only Board and staff will be permitted in the well of the courtroom.

Closing Comments & Adjournment

- **Commissioner Jody Stephenson**:
  - Apologized for missing the prior meeting, explaining he had been with Mr. Paul**,** a 92-year-old friend battling cancer.
  - Requested that the Board and public keep that family in their prayers.

ADJOURN

Motion to adjourn made by Vice Chairman Storey. Seconded by Commissioner Osteen. Meeting adjourned.