REPORT OF THE BUDGET WORKSHOP
OF THE ESCAMBIA COUNTY BOARD OF COUNTY COMMISSIONERS

JULY 8, 2025

Present: Commissioner Michael S. Kohler, Chair, District 2
Commissioner Ashlee M. Hofberger, Vice Chair, District 4
Commissioner Steven L. Barry, District 5
Commissioner Lumon J. May, District 3
Commissioner Steven R. Stroberger, District 1
Honorable Pam Childers, Clerk of the Circuit Court and Comptroller
Codey Leigh, General Counsel, Clerk and Comptroller’s Office
Wesley J. Moreno, County Administrator
Alison Rogers, County Attorney
DeLana Allen-Busbee, Operations Supervisor, Clerk and Comptroller's Office
Jose Gochez, Operations Manager, County Administrator’s Office

Location: Ernie Lee Magaha Government Building, Board Chambers, First Floor
221 Palafox Place, Pensacola, Florida

Report prepared by: DeLana Allen-Busbee

AGENDA NUMBER

1. Call to Order

   Commissioner Kohler, Chair, called the Budget Workshop to order on July 8, 2025, at 9:02 a.m.

2. Was the Meeting Properly Advertised?

   The Board was advised by DeLana Allen-Busbee, Operations Supervisor, Clerk and Comptroller’s Office, that the Budget Workshop was advertised in the *Pensacola News Journal* on July 3, 2025, in the Board’s weekly meeting schedule.

3. Overview of Budget

County Administrator Moreno presented the County's Proposed Balanced Budget for Fiscal Year (FY) 2025/2026 in the amount of $824,440,150 and provided the following information and updates concerning the budget:

- The FY 2025/2026 Budget represents an increase of $25.7 million across all County funds over the prior year's total budget of $798.7 million; the 2026 Budget also includes an increase in the General Fund of $13.667 million over the prior year;
- There are no changes in the millage rates; the County Wide millage rate is 6.6165; the Library MSTU (Municipal Services Taxing Unit) is .3590; and the Sheriff's MSTU is .6850;
- There are no other significant changes in tax levies anticipated in the budget, and the Board has maintained the current levies since Fiscal Year 2013-2014;
- The proposed changes in the Fire Assessment rates for the mainland county properties are not included in the Proposed Fiscal Year 2025/2026 Budget;
- The current rates are $125.33 per residential dwelling unit, $.0526 per square foot with a minimum assessment of $125.33 for commercial; $15.03 per parcel plus $.03 per acre for unimproved; and vacant agricultural land is excluded from assessment, per Florida Statute 125.01;
- The proposed mainland rates are $226.78 per residential dwelling unit, which is an increase of $101.45, $.0985 per square foot, which is an increase of $.0459, with a minimum assessment of $226.78 for commercial; $39.47 per parcel, which is an increase of $24.44, plus $.03 per acre for unimproved; and vacant agricultural land is excluded from assessment, per Florida Statute 125.01;
- There is a proposed change to the Pensacola Beach Fire Assessment removing the current Fire MSBU assessment rates for the unincorporated area on Pensacola Beach and replacing this source of funding with an increase in Santa Rosa Island Authority (SRIA) lease fees from 50% to 75%, and using those funds to reimburse Escambia County for the fire protection costs associated with Fire Station #13 located at 901 Via Deluna Drive;
- The current rates on Pensacola Beach are $201.38 per residential dwelling unit; $.0726 per square foot for commercial; and $63.84 per parcel plus $.03 per acre for vacant property;
- The June 1st taxable value certification for ad valorem is 6.79% above the July 1st certification of the previous year and the Law Enforcement MSTU is 7.06% above the July 1st certification of the previous year, resulting in about $14.9 million more funding overall;
- The County may appropriate 95% of these revenue sources for a combined total of an additional $14.1 million;
- The June 1st taxable values related to property taxes are included in the Proposed FY 2025/2026 balanced Budget;

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3. Continued…

- For FY 2025/2026, there is a General Fund budgeted reserve for contingency of $36 million, reserves for operating of $3.2 million, and a general reserve of $800 thousand for litigation and other unanticipated expenses;
- There is no Sheriff's reserve per the terms of the current three-year funding Interlocal Agreement approved by the Board;
- The FY 2026 General Fund total reserves are $40.08 million compared to the prior fiscal year's reserves of $41.1 million, for a decrease of $1.08 million in the County's total General Funds budgeted reserves; the decrease in the general reserve is due to no required Sheriff's reserve allocation;
- With Board support, the approved General Fund reserve has increased from $20.2 million in Fiscal Year 2021/2022 to the Proposed Fiscal Year 2026 Reserves total of $40.08 million, representing an increase of $19.8 million, or a 98.3% increase, in General Fund budgeted reserves over a period of four years;
- There is a 3% pay increase included in the FY 2025/2026 budget for Board departments totaling $3.7 million across all funds;
- The budgeted life and health employer contribution increased from the current year's amount of $10,750 to $11,000 per full time employee due to an increase in healthcare claims costs for the Board; there is currently no change in the employer/employee spread across all insured categories;
- A handout has been provided to the Board [and is available online with the meeting documents] that details all personnel transactions between FY 2025 and 2026 referencing position additions and deletions and various other changes in positions and personnel;
- The primary fund that was analyzed for position cuts was the General Fund; there are 13 deleted positions totaling $802.8 thousand across all funds; and the General Fund deletions total $146.8 thousand;
- There are also 50 partially defunded positions in Corrections in the General Fund totaling $2.8 million;
- There are a total of 63 deleted and defunded positions;
- There are a total of 49 added positions for the Board, totaling $4.3 million across all funds with $1.1 million in the General Fund, $70 thousand in the Fire Services Fund, $138 thousand in the Detention Commissary Fund, $72 thousand in the Library Fund, $150 thousand in the Affordable Housing Grant Fund, $58 thousand in the LOST IV Fund, $414 thousand in the Solid Waste Fund, and $2.2 million in the EMS Fund;
- The total net change in personnel cost is an increase of $586 thousand with an overall net increase of 36 positions for the Board; of the 36 new positions, 28 are in Public Safety;
- The Board previously directed staff to remove certain community partners from our annual partner list that are state mandated or have an Interlocal Agreement in place;

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3. Continued…

- This includes $150,000 for the Gulf Coast Kids House for abused children, $43,938 for the General Fund portion of Legal Aid Court Services, $45,232 for the West FL Regional Planning Council Dues, and $126,350 for the Escambia Estuary Program Dues;
- There is an allocation of $31,250 for the Escambia County Human Relations Commission through December 31, 2025, at which point this service will transition to the Board's Neighborhood and Human Services Department during Fiscal Year 2026;
- Excluding the ECHRC, these funding requests are considered non-discretionary and are included in the Fiscal Year 2026 budget;
- A total of $1,015,914 is available in the General Fund for Community Partner funding requests for FY2025/2026; BRACE has a funding request of $50,000 that was not initially included in the 2026 Proposed Budget and would need to be added if the Board approves that community partner funding request;
- There is $3.5 million included in the budget for the Department of Juvenile Justice State mandate, $6.8 million for the Medicaid State mandate, $500 thousand for indigent cremation, $400 thousand for the State mandated Baker Act services; and $337,645 for the State Health Department;
- Total mandated funding is $26.6 million; other fixed costs in the General Fund total $217.8 million; these General Fund costs reflect non-discretionary spending totaling $244 million or 68% and discretionary spending totaling $113 million or 32% for the Board's departments;
- There is $3,163,769 included in the Fiscal Year 2025/26 Budget for the Medical Examiner that includes an increase of $350 thousand over the prior year; the FY2026 Budget includes funding for 30.75 full-time staff and a 3% pay increase; the funding for the new Medical Examiner facility and capital request totaling $5.1 million was approved by the Board on March 21, 2024, and an additional $708 thousand toward this capital project was approved on December 12, 2024;
- There is $9 million included for payments to the City for the Tax Increment Financing districts (TIF), which is an increase of $737 thousand over the prior year's estimate;
- County CRA TIFs are maintained at the 75% increment level of funding for Fiscal Year 2025/2026 resulting in an estimated $9.3 Million for the County CRA's which is an increase of $1.2 million over the prior year's estimate;

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3. Continued…

- There were approximately $17.5 million in operational and capital enhancement requests that were made by Board Departments that are not included in this budget; the Board was provided a detail of those budget requests and reductions;
- There are allocations of $85,000 for the BCC Internship Program ($20k per Commissioner District and $5K for District 1), $214 thousand for the BCC discretionary allocations ($50 thousand per Commissioner District and $14.8 thousand for District 1);
- District 1 requested to use some of these funds for a part time position to assist in the District 1 office;
- There is $250 thousand for the Block-by-Block Project, $50 thousand for the Low-Income Utility Assistance Program and $18,884 for 211-United Way in the General Fund; also included is an allocation of $450 thousand for the Summer Work Programs in LOST IV;
- There are 12 months of planned LOST IV Project expenditures totaling $60 million in the Fiscal Year 2025/2026 Proposed Budget; staff plans to continue to refine the LOST 4 project listing with the Board's direction and any changes made by the Board will be made to the LOST 4 Projects Plan;
- The first year of a new three-year funding agreement with the Sheriff is included in the Fiscal Year 2025/2026 Budget reflecting a total increase in the Sheriff's Budget of $5.37 million over the prior year;
- The Sheriff's Fiscal Year 2025/2026 total General Fund request is $96 million, which maintains the Sheriff's current level of service and adds 8 new deputies serving the community;
- There is no budgeted Sheriff's Reserve for Fiscal Year 2026, per the terms of the Interlocal Funding Agreement; the Sheriff's new three-year Interlocal Funding Agreement was approved by the Board at the April 3, 2025, Board meeting;
- Other Constitutional Officers budgets increased approximately $2 million over the prior Fiscal Year; the total increase included in the Fiscal Year 2026 Budget for all Constitutional Officer budgets is $7.4 million; however, there are some additional amendments to those respective budgets;
- The Tax Collector's preliminary Budget is submitted around July 3rd annually; the difference between the anticipated Fiscal Year 2026 budget of $8 million and the submitted Tax Collector's budget of $7.6 million is a decrease of roughly $408 thousand back to the Board; and
- The Property Appraiser's estimated General Fund request included in the budget is $8.1 million, however the DOR approved budget submitted is $8 million for a decrease of $114 thousand back to the Board.

4.I. Constitutional Officers

The Board heard an overview concerning the proposed FY 2025/2026 budgets for Constitutional Officers, as follows:

A. The Honorable Gary "Bubba" Peters addressed the proposed budget for the Property Appraiser and:

- Advised that his budget reflects an increase of approximately 2.6%, which includes a 3% pay increase for employees and other associated costs;
- Provided information regarding the ad valorem collections; and
- Provided his analysis of property value trends and potential future changes;

B. The proposed budget for the Tax Collector was not addressed;

C. Sonya Daniel, Deputy Supervisor of Elections, addressed the proposed budget for the Supervisor of Elections and:

- Advised that, after the recent election cycle, the SOE Office is looking to add three new positions in Voter Services, Finance, and IT;
- There has been discussion regarding the movement of services for the SOE's Office; and
- All available storage space has been used at the location on Navy Boulevard but she is unsure how soon Supervisor Bender anticipates needing a new or expanded space;

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4.I. Continued…

D. The Honorable Pam Childers addressed the proposed budget for the Clerk of the Circuit Court and Comptroller and:

- Advised that all positions are currently filled and explained how her office operates under various budgets;
- Provided information regarding increases to her budget, which are primarily due to employees getting ready to enter DROP, increases to benefits, and IT maintenance and pass-through costs;
- Reviewed the upgrade of the financial software from eFin to Finance Enterprise, which will be utilized by both Clerk and County staff; and
- Outlined the rationale for merit-based pay increases versus across the board increases; and

E. Henrique Dias, Chief Financial Officer, briefly addressed the proposed Sheriff's budget and advised that he was available for any questions.

5. Medical Examiner

This Agenda Item was addressed in County Administrator Moreno's overview of the FY 2025/2026 Budget and Dan Schebler, Director of Operations for the District One Medical Examiner, provided information about the completion and budget for the new central office, which is under construction.

6.I. Board Department Reviews

A. Commissioner May requested that the $50,000 line item for the Juneteenth Fireworks Celebration be penciled in to the Community Partners spreadsheet, and Commissioner Hofberger requested further discussion regarding an increase in the funding for BRACE;

B. The Board discussed the importance of emergency preparedness, heard comments from Dr. Nick Jackson, CEO of BRACE, and discussed merit raises versus cost-of-living/across the board raises;

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6.I.Continued…

C. In response to inquiry from Commissioner Kohler, County Administrator Moreno advised that:

   - Staff expects to bring something to the Board regarding the new Animal Services facility within four to six months;
   - The Corrections Department is continuing to recruit talent; and
   - Staff is reviewing the potential purchase of additional smaller vehicles for Mass Transit to reduce overtime, fuel, and maintenance costs;

D. The Board and County Administrator Moreno discussed potential methods of recruiting new employees, as well as the possibility and potential benefits of designated grant writers;

E. Commissioner Barry requested that Stephan Hall, Finance Department Director, communicate to entities that were partially or wholly denied funding from the TDC to reapply to the TDC prior to requesting funds from the BCC;

F. Commissioner Hofberger clarified with Director Hall that TDC applications could be amended, and thanked County Administrator Moreno for the county moving towards an online portal for next year's applicants;

G. Commissioner Stroberger advised that, in his opinion, the Red Cross should be added as a community partner;

H. Director Hall requested direction from the Board regarding updating TDC eligibility criteria in applications and support for creating three separate applications dependent on activity, and heard support from the Board for his requested changes; and

I. Commissioner Kohler announced that the Board would next meet during a Joint Meeting with the City, and heard brief comments regarding the Bay Center from Charles Bare, City Council.

7. Adjourn

Commissioner Kohler, Chair, declared the Budget Workshop adjourned at 10:34 a.m. on July 8, 2025.