

## **Minutes of St. Johns County Civic Association Roundtable Meeting**

**September 13, 2010**

**Members present 21 + speaker**

### **No Finance Report.**

Chairman Jim McLane opened meeting and asked for any comments from the members; Mary Kohnke –Comment- Superintendent of schools has requested a millage increase for the purpose of raising taxes for constructing schools to accommodate future needs. Ms Khonke alleges incorrect figures were used by developers and that the same consultant is now advising the Commissioners on this matter. Is very much against raising taxes.

It was suggested to have Dr Joiner address the Roundtable on the subject.

### **Community Concerns-**

- a. No Soliciting enforcement was discussed.
- b. Open rural- a landscaping business has been started in a residential neighborhood which is zoned Open Rural. Because of the zoning the business is allowed but unacceptable.

Old Business- Amendment #4- We have secured a speaker to debate the “NO to Amendment # 4” side on October 6, 2010. The Speaker is Chuck White from the Citizens for Lower Taxes and a Stronger Economy, Inc...

The Debate, in co-sponsorship with the League of Women Voters, will be held at the County Auditorium on October 6, 7:00pm to 9:00pm. And will be televised.

Other sources of information on the issues;

[www.collinscenter.org/BFLA2010ammendments](http://www.collinscenter.org/BFLA2010ammendments)

### **Guest Speaker- Dr. William Proctor**

Subject- Discussion of past session and budget

Dr Proctor opened with a question;

Does budget drive policy or does policy drive the budget?

The key is recognizing the budget priorities;

- A. Human services-(welfare, Medicaid) 40.5 % of the budget
- B. Education- 32%
- C. Public safety-(judicial, corrections)7.3%

These priorities total 80% of the Budget. Everyone fights over the last 20%

Revenue is close to \$24 Billion, approximately 34% off.

Revenue sources-

Tobacco- ½ of 1%

Federal 38.5%

State 25.2 %

Lottery 1.9%

Trust fund is 33% - Medicaid/ lottery fund

General revenue-basic taxes (sale/doc stamps/corporate)

From this revenue;

52.5% education

28% Human services

14% public safety.

Medicaid endowment;

Jan 08 -2.13 million people on Medicaid

December 09- 2.72 million on Medicaid

Increase cost last year was \$1.38Billion

In 98/99 Medicaid was 18% of budget

In 09/10 26% of budget

Projected to increase to 36% of budget

Medicaid is the most formidable challenge.

Legislature looks at the critical needs (mandatory needs)

These are growth in Medicaid costs, K-12student increase, prison population increase.

Medicaid;

There are 54 items on the list of approved Medicaid medical conditions.

“fee for service” presents difficulty

Estimated 10% to 20% fraud in Medicaid.

Many fraudulent prescriptions.

Some providers are unwilling to write prescriptions.

Investigators have a problem w/ medical records.

Next Three Budget Years.

Critical needs must be funded. (there are 26 drivers in this category)

Other high priority needs must be funded ( 29 drivers )

Current projected shortfall in fiscal year 11-12, with a general revenue increase of 1.1%

If only Critical needs are funded, then shortfall would be \$3.2 billion

If Critical needs and high priorities are funded- shortfall would be \$4.9 billion

In 2012-2013 it gets better;

If Critical needs and high priorities are funded- shortfall would be \$2.5 billion.

In 2013-2014 projection is;

If Critical needs and high priorities are funded- shortfall would be \$1.3 billion

Legislative Budget Committee projecting \$773.0 million shortfall in school board taxes due to property devaluation.

Other issues;

Florida Retirement system is currently solvent, but it requires attention. There is a proposal to grandfather all current retirees and those retiring within 10 years, then restructure for all others.

Property insurance is still a major issue.

If Florida were to suffer a catastrophic \$80Billion dollar storm the insurance fund could not cover it.

Summary;

Florida requires a balanced budget be presented

It is important to stimulate the economy. Florida is a small business state, so the challenge is to stimulate small businesses.

Taxes on non-homestead properties should be limited.

Another insurance bill should be passed.

Budget cuts should be looked at differently, not across the board but individual valuations.

**Other Comments;**

\*Roundtable member mentioned upcoming County budget hearings on Sept 23 to 29<sup>th</sup> at county auditorium.

Meeting Adjourned. Next meeting is October 11,2010 at 9 am at The Record office.