



Municipal Service District of Ponte Vedra Beach
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MEETING MINUTES
SEPTEMBER 11, 2023
BUDGET MEETING

The Trustees of the Municipal Service District held their budgeting meeting on Monday, September 11th at the Ponte Vedra Beach Branch Library – FOL Room at 5:30 PM.

TRUSTEES PRESENT

Al Hollon – Chairman
Kitty Switkes – Vice Chairman
Rick Brown – Treasurer
Charles Callaghan
John Cellucci
Brad Wester
Michael White

Wayne Flowers – Attorney

Chairman Hollon called the meeting to order at 5:30 p.m. We will begin with the Pledge of Allegiance to the Flag.

PUBLIC COMMENTS

Scott Pearson – 180 San Juan Drive – Mr. Pearson reported that he has been reviewing the past years budgets and the current recommended budget and asked if there is a way for the public to see actual spend vs. spend on a more regular basis than once a year. Chairman Hollon reported that we do this once a month. Mr. Pearson asked if we could get a copy of those. The answer was yes. Mr. Pearson reviewed the current budget and reported that there is an 87% increase in cash balance and that suggests to me that the cash is higher than the ad valorem collected. My question is the cash balance higher than what is to be collected for ad valorem? My understanding of the Charter is when the dollars become unspendable, they are given back to the community. Chairman Hollon reported that when the reserves are over \$200,000, we reduce the millage. Mr. Pearson asked why we continue to collect ad valorem when we have a cash balance higher and where is the accountability from an expense standpoint. Chairman Hollon reported the new items on the budget and explained the reserves are under \$200,000. Mr. Pearson reported that for Public Safety there is \$689,000 listed and the new upcoming budget there is \$875,000. He asked if we have spent the \$689,000 for 2022-2023? We have increased the cash balance and public safety and the over increase has gone up 39%. Chairman Hollon reported that the people want the law enforcement, they want the sidewalk and they want the drainage fixed. Chairman Hollon reported that we are having a second/final budget hearing on September 20th. Mr. Pearson reported that sidewalk has been on the budget since 2021 and we have not spent anything. He reported that he is not being critical and not disagreeing with you but this is the first time he has reviewed anything. My concern is if we are not going to spend

the ad valorem taxes, then let us give it back to the residents.

Vice Chairman Switkes reported that you have been to enough meeting to know that we do not know what the county is going to do. For example, they said they were going to pay for the Ponte Vedra sidewalk and now they are not. Mr. Pearson reported that there is almost \$1 million in cash and then you are collecting almost \$780,000 in ad valorem. Why would you not lower the millage?

Kathy Gleason – 318 San Juan Drive – Ms. Gleason asked if the reserves are not to be over \$200,000 then why is there other money in the other categories as they seem to be reserves to me. My other question is it seems impossible that you can end up with a \$900,088 carryover balance if in fact the previous year's budget was collected to run the district. Chairman Hollon reported that the reserves are not over \$200,000 as you have the clean up fund and the reserves for October and November. Ms. Gleason reported that they are all reserves and you can put any words you want. Chairman Hollon reported that he disagrees as this is how the budgets have been done.

Trustee Wester reported to Mr. Pearson to put in an e-mail your questions and give us a chance to respond to your questions. Trustee Wester reported that you have been to enough meetings to hear discussions and we have been talking about the budget since June. Mr. Pearson reported that he does not get the financial information. Trustee Wester reported that it is available. Ms. Gleason's second point is how do you have almost \$1 million carry over if in fact you budget from previous years accurately reflect what is required to operate the district. Chairman Hollon reported that some of that money was not spent which were matters we thought we would spend. Ms. Gleason reported it seems like you are stockpiling money to do something in the future as opposed to taxing people in the current year for what you need. Chairman Hollon reported that we are not stockpiling money and reviewed the budget line items from last year that we did not spend and last year we did reduce the millage.

2023-2024 BUDGET DISCUSSION – CHAIRMAN HOLLON

Chairman Hollon made a motion to set the millage rate at .27. The motion was seconded and unanimously carried. Chairman Hollon made a motion to accept the draft budget where the total expenditure and reserves are \$1,776,113 and to be finalized at the September 20th meeting. The motion was seconded and unanimously carried.

ADJOURN

A motion was made to adjourn this meeting and reconvene at Our Lady Star of the Sea. It was seconded and unanimously carried.

Submitted, Ann Jurenovich, MSD Secretary