

September 25, 2003

The Pinellas Assembly City and County Municipal Services Taxing Unit (MSTU) Task Force met in the Largo City Hall Community Room, 201 Highland Avenue, Largo, Florida, at 6:11 P.M. on this date with the following members in attendance: Dick Holmes, Chairman; Carlton Ward, Co-Chairman; Beverley Billiris; John Doran; Sallie Parks; and C. R. Wedding.

Absent: Wayne Darnell and Bill Heller.

Also present: Maureen (Moe) Freaney, City of Dunedin; Mark S. Woodard, Pinellas County Government; Kim Adams, City of Largo; Dan Katsiyiannis, City of Pinellas Park; William Puller and Rick Hough, Pinellas County Sheriff's Department; Camille Tharpe, Government Services Group (GSG); other interested individuals; and Arlene Smitke, Board Reporter.

#### AGENDA

1. Welcome/Call to Order
2. Approval of July 23, August 13 and August 27 Minutes
3. Introduction of City MSTU Technical Committee Report on GSG Study
4. Presentation of City MSTU Technical Committee Report on GSG Study
5. Discussion of Sheriff's Allocation Methodology
6. Presentation on Other County Services (Non-Sheriff) Funded by MSTU

#### CALL TO ORDER

Chairman Holmes called the meeting to order at 6:11 P.M. and confirmed the presence of a quorum.

#### APPROVAL OF AUGUST 13 AND AUGUST 27, 2003 MINUTES

Upon motion by Mr. Wedding, seconded by Ms. Billiris and carried, the minutes of the August 13 and August 27, 2003 meetings were approved.

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## INTRODUCTION OF CITY MSTU TECHNICAL COMMITTEE REPORT ON GSG STUDY

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Ms. Freaney explained that when the Task Force was first appointed, a committee consisting primarily of City finance directors had also been formed; that the committee has prepared a report entitled, *MSTU Technical Resources Committee Report – Sheriff’s MSTU Cost Allocation Study*, a copy of which has been filed and made a part of the record; and indicated that Kim Adams, Management Services Director, City of Largo, is present to summarize the report and answer questions.

## PRESENTATION OF CITY MSTU TECHNICAL COMMITTEE REPORT ON GSG STUDY

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Mr. Adams explained that the Technical Committee report addresses three main elements of the Sheriff’s cost study, to wit: overall reasonableness of the cost allocation process; base level of service cost allocation; and workload measure cost allocation. He presented the following observations and findings:

- ◆ Costs are allocated to three main groups: Incorporated residents, MSTU (unincorporated) residents, and Countywide (all) residents.
- ◆ Costs are broken down into three main functions: Jail, Courts, and Law Enforcement. Costs for the Jail and Courts are allocated 100 percent to the Countywide, with which the Committee agrees. The Committee does not agree with the Law Enforcement allocation.
- ◆ GSG’s Base Level of Service definition and calculation do not accurately represent Countywide costs.
- ◆ Land area and population should not be equally weighted – crime follows the people.
- ◆ Costs should be allocated by workload measures. In the absence of reliable workload data, the Committee was fairly comfortable with GSG’s assumption that 27 percent of patrol activities take place in incorporated areas; 73 percent occur in MSTU areas.
- ◆ There should be no Countywide workload measures; all activities occur in either MSTU or incorporated areas.
- ◆ The study under-allocates costs to the MSTU residents.

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- ♦ Contract city services should be billed at full cost.
- ♦ The Committee would like further information regarding six accounts classified as indirect expenses.
- ♦ Future cost studies should be conducted by an independent third party, such as the Clerk of the Circuit Court, who would define the assumptions and methodologies.

Mr. Adams indicated that the Committee has formulated two cost allocation alternatives, as specified below; and that Alternative No. 1 is the recommended method of allocation.

Alternative No. 1

- ♦ Utilizes the 27/73 percent workload measures as identified in the study
- ♦ Excludes the base level of service cost allocation

Alternative No. 2

- ♦ Same as Alternative No. 1, except allocates certain costs Countywide at 100 percent

Mr. Adams indicated that the Technical Resources Committee will address the non-Sheriff portion of the MSTU budget.

DISCUSSION OF SHERIFF'S ALLOCATION METHODOLOGY

The Task Force discussed the base level of service, obligations of the Sheriff, and gathering of workload data; whereupon, Mr. Woodard read an excerpt from the 1979 Price Waterhouse study which indicated that procedures were not in place to distinguish between activities performed in municipalities and in the unincorporated area. Responding to queries of the members, William Puller and Rick Hough of the Sheriff's Office provided input regarding current efforts to compile workload data and the feasibility of doing so.

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PRESENTATION ON OTHER COUNTY SERVICES (NON-SHERIFF) FUNDED BY  
MSTU

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Mr. Woodard noted the time and suggested that his presentation regarding the non-Sheriff MSTU items be deferred to the October 8 meeting; whereupon, he distributed a spreadsheet entitled *Pinellas County Sheriff, Budget Supported by Jurisdiction Based on Taxable Value*, a copy of which has been filed and made a part of the record, and responded to queries by the members.

Chairman Holmes indicated that he hopes the Task Force will be able to make a recommendation by the end of October; requested guidance from the members; and requested that Mr. Woodard assist in formulating a position; whereupon, Ms. Freaney suggested that she and Mr. Woodard work together to address the financial and philosophical aspects of the issue, the consultant's and Technical Committee's views, and the cost impacts of different alternatives.

ADJOURNMENT

Chairman Holmes reminded the members that the next meeting will be on Wednesday, October 8, and hearing no objection, adjourned the meeting at 7:59 P.M.