



2015

LEGISLATIVE PRIORITIES

for Marion County, Florida

For more information, please contact:

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Marion County Board of County Commissioners

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District 1 – David Moore, Commissioner
District 2 – Kathy Bryant, Vice Chairman
District 3 – Stan McClain, Chairman
District 4 – Carl Zalak III, Commissioner
District 5 – Earl Arnett, Commissioner

January 12, 2015

Chairman Dean, Honorable Senators and Representatives:

Marion County continues to enjoy an exceptional working relationship with our state delegation, and we appreciate your commitment to serving the needs and interests of our residents and businesses. Your partnership will be pivotal in helping our community drive areas of natural resource protection and economic potential into reality.

This year we are asking you to look at the following priorities: 1) Marion County's readiness to become home of the 8th state veterans' nursing home, 2) Southeastern Livestock Pavilion, 3) Land and water resources, and balanced distribution of funding for land acquisition and water quality/quantity projects, 4) Local Discretionary Sales Tax reform, 5) Medicaid cost-sharing, 6) Florida Retirement System Pension Plan and 7) Rainbow River patrol.

In June 2014, Marion County witnessed one of the largest demonstrations of support for our patriots during a community rally in support of Marion becoming the home of the next state veterans' nursing facility. Our financial commitment, site conditions and support for this initiative remain unchanged. We are asking you and your fellow state legislators to make a **line item budget appropriation for the 8th state veterans' nursing home to be built in Marion County, and waive the application process for an automatic site awarding to Marion.**

As "Horse Capital of the World," our community is proud to be among the strongest supporters of agriculture. This industry is vital to Marion, and we are honored to serve as home of Florida's arterial agriculture complex - the Southeastern Livestock Pavilion. To maximize this state-of-the-art facility's economic development potential for the region and the state, we are requesting that you **allocate \$4,518,748 to fulfill Phase III of the Southeastern Livestock Pavilion's master plan for boosting Florida's agriculture.** Marion County's financial commitment to this facility over the past decade nears \$4.6 million. We are proud of this investment and our joint ownership with the Florida Department of Agriculture and Consumer Services. Each year, the pavilion generates \$11.2 million in economic activity and more than \$200,000 in state sales tax.

Land and water resource protection is just as vital to Florida's fifth largest county. We respectfully ask you to:

- Support balanced distribution of funds for land acquisition and water quality and quantity projects throughout the state, with equitable allocation irrespective of a project's urban/rural nature, or coastal/inland location.

- Support an allocation policy that involves local government participation in priority assessment and community impact.

- Support the continued funding of the Water Management Lands Trust Fund and the annual reserve for payments in lieu of taxes for ad valorem losses incurred as a result of water management district acquisition or charitable donation.

Our success is Florida's success, and we will remain committed to building partnerships as we seek solutions that promote stewardship, obtainable land use activities and sound development practices.

"Meeting Needs by Exceeding Expectations"

The next priority we ask you to consider is a Local Discretionary Sales Tax. Existing laws do not provide the flexibility local governments need. Therefore, we are asking you to **support modifications to existing laws to allow for a discretionary sales tax that can be used for general purposes, including operations expenditures.**

Marion County is also seeking reform in two other areas: Medicaid and the Florida Retirement System. Medicaid cost is 10% of Marion's general fund ad valorem for 2015. We believe Medicaid cost should be funded 100% by the state. Therefore, we ask you to:

- **Support continued evaluation of county-state Medicaid cost-share arrangement, considering the impacts of state policies designed to contain growth in Medicaid costs including statewide Medicaid-managed care and diagnosis-related group reimbursement for hospitals.**

- **Consider possible alternatives to the current arrangement, including:**

- **Alternative financing mechanisms.**
- **Targeted local investment of the statutory county Medicaid contribution.**
- **Allocation of state funds to reduce cost-shift created by implementation of an enrollment-based formula.**
- **Elimination of unfunded mandate.**

- **Support establishing a cap on growth in the individual county Medicaid costs under S. 409.915, F.S. to address the anticipated cost shifts that result from the transition to a Medicaid enrollee-based, cost-sharing system.**

- **Oppose efforts to further shift state Medicaid costs to counties.**

Local governments enrolled in the Florida Retirement System operate under a different standard than state government when defining regularly established positions as temporary positions. The State of Florida can employ a part-time worker indefinitely if the agency head justifies it, while local governments are limited to 6 months. A change in the definition of a temporary position at the county level will allow local governments to employ part-time employees longer than 6 months without paying retirement.

Therefore, we are asking you to **revise language in the Florida statutes to allow local governments to employ temporary positions under the same rules as the State of Florida.**

Wrapping up Marion's legislative priorities list is river patrol. Marion's water resources give our community the tourism appeal needed to support additional economic influx to our region. Look no further than spring-fed Rainbow River, for example. The river welcomes approximately 70,000 visitors from Florida and around the world each year through its KP Hole Park connection alone. To help maintain the balance in resource protection and meaningful tourism opportunities, we ask you and your fellow state legislators to **allocate \$10,000 for a dedicated Florida Fish and Wildlife officer on the Rainbow River on holidays and weekends from Memorial Day through Labor Day, our busiest season.** This single action will assist in river patrol, enhancing our safety and resource protection efforts.

Enclosed with this letter are supporting materials to further illustrate why we feel these legislative actions are important and needed to support our veterans, promote the state and our region's agriculture and economic vitality, protect our water and land resources, remove sales tax roadblocks, and bring parity in Medicaid and the state's pension plan criteria. As always, I remain available to answer any questions you may have about our priorities or positions on any issue.

On behalf of the Marion County Board of County Commissioners, I thank you for the opportunity to present our legislative priorities. We look forward to working with you during the next legislative session to address the issues that are critical to our citizens.

Sincerely,



Stan McClain
Chairman



8th State Home for Veterans

The Ideal Location for Florida's Next State Veterans' Nursing Home

Bill Kauffman, County Administrator - Email: William.Kauffman@marioncountyfl.org / Ph: 352-438-2300
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On Sept. 23, 2014, Our Governor and his Cabinet recognized Marion and St. Lucie counties as offering the top two locations for the 7th state veterans' nursing home. Upon awarding St. Lucie County, the Cabinet and FDVA recognized Marion's readiness to meet future nursing home needs. **Marion achieved a virtual first-place tie, with a mere 21-point difference in the site selection ranking.**

Along with St. Lucie County, Marion invested a substantial amount of resources toward the site selection process. Our county delivered an outstanding location, support packet and community support. The **third neediest area for a home**, Marion County fully demonstrated its readiness and ability to house the nursing facility.

Marion's financial commitment, site conditions and support for this initiative remain unchanged. The Marion County Commission respectfully requests a line item appropriation for the State's 2015-16 budget that secures funding for the 8th state veterans' nursing home and automatic awarding of the next facility to Marion County.

Requested ACTION:

Line Item Budget Appropriation for the 8th state veterans' nursing home to be built in Marion County, and waiver of the application process for an automatic site awarding to Marion.

MARION COUNTY'S FINANCIAL SUPPORT OVERVIEW:

- \$500,000** - Board financial commitment.
- \$1,000,000** - Private land donation.
- \$37,000** - Site surveying/engineering and other application requirement materials.
- \$20,000+** - Private business donations and in-kind services for Community Rally on day of Site Selection Tour.

MARION COUNTY SITE OFFERINGS:

- **Shovel-ready site:** Donated property is located in well-known retirement community with ready access to high-quality community, public and advanced medical services.
- **Prompt emergency response:** Fire and EMS response is available within 1 mile of the site, and a full-service hospital is just 3.5 miles away.
- **Emergency evacuation destination:** Marion is located outside all coastal hurricane zones.
- **Central location:** The proposed site is located within 75 miles or less from a third of our state's 67 counties.
- **Substantial veteran population:** Marion is home to more than 45,000 veterans, and approximately 650,000 veterans live within a 75-mile radius of the site. More than 280,000 of these patriots are over the age of 65.
- **Award-winning veterans' services:** Veterans Services department has twice in three years earned the "Large County Service Office of the Year" award from the Veterans of Foreign Wars Department of Florida.



Chief James Phillips, U.S. Navy Retired, Marion County WWII Veteran



Southeastern Livestock Pavilion

Florida's Arterial Agriculture Complex

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The Southeastern Livestock Pavilion is an arterial complex for one of Florida's vital industries - agriculture. It generates **\$11.2 million in economic activity and more than \$200,000 in state sales tax annually.**

The state-of-the-art facility is booked nearly every weekend with regional agricultural events and civic functions. It is also the largest clear-span roof south of Atlanta.

An Ocala landmark since 1945, the Southeastern Livestock Pavilion is Marion County's agricultural showplace and is jointly owned by Marion County and the Florida Department of Agriculture and Consumer Services.



Requested ACTION:

Allocate \$4,518,748 to fulfill Phase III of the Southeastern Livestock Pavilion's master plan for boosting Florida's agriculture.

MARION COUNTY'S FINANCIAL SUPPORT OVERVIEW*:

\$715,000 - Parking lot.

\$1,819,983 - Extension Auditorium.

\$109,837 - Office building renovations.

\$915,000 - Arena concessions/restrooms.

\$1,038,363 - Additional improvements and structures.

** Includes funding for the past 10 years only, totaling approximately \$4.6 million.*

PAVILION'S STATEWIDE IMPACT:

- Fuels economic and community development in Florida's central and northeastern regions.
- Better promotes Florida's agriculture by bringing the industry closer to the public.
- Maximizes the facility's regional and statewide economic potential.





Land and Water in Marion

Priorities for connectivity, restoration and acquisition

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Marion continues to be conscientious of the responsibility to **protect and preserve our natural resources**, extending to both our lands and waters.



There is a high level of interaction between what happens on the land surface and the groundwater below due to our karst geology. Our land uses influence the quality and quantity of runoff that feeds our ground and surface waters; these, in turn, feed the Floridan Aquifer and downstream water

bodies such as Silver and Rainbow springs and the St. Johns and Withlacoochee rivers.

We aim for our economy to thrive by promoting our land and water resources, their connectivity, and their quality. The environmental and economic benefits are immense, not only for Marion County, but for all of the state of Florida.

Our success is Florida's success; we seek to build partnerships, research, funding and solutions that promote stewardship, obtainable land use activities and sound development practices.

Requested ACTIONS:

- **Support balanced distribution of funds for land acquisition and water quality and quantity projects throughout the state, with equitable allocation irrespective of a project's urban/rural nature, or coastal/inland location.**
 - **Fund local programs** for acquisition and restoration of vital lands to promote wildlife migration and further waterway and trail connectivity.
 - **Fund public land management** to foster quality recreation and natural area protection.
- **Support an allocation policy that involves local government participation in priority assessment and community impact.**
 - **Fund programs for domestic wastewater projects.** Retrofitting systems to reach advanced treatment standards is essential to springs protection.
 - **Prioritize septic system and package plant abatement** for Florida's most critical areas. Authorize the appropriate regulatory agencies to require connection to central sewer when available.
 - **Ensure equitable allocation of water** that focuses on local sources first and recognizes the vital role of agriculture for Florida's economic stability.
 - **Fund studies to verify effectiveness of agriculture BMPs** at representative sites pursuant to F.S. 403.067(7)(c)3. Current presumption of compliance with state water quality standards for implementing agriculture BMPs is not adequate for all regions.
 - **Require implementation of green industry/golf course BMPs.**
 - **Continue to fund alternative water supply projects, efficient water use programs and water quality improvements.**
- **Support the continued funding of the Water Management Lands Trust Fund and the annual reserve for payments in lieu of taxes for ad valorem losses incurred as a result of water management district acquisition or charitable donation.**



Local Discretionary Sales Tax

Achieving simplification, greater flexibility and efficiency

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Existing laws governing local discretionary sales tax revenue sources do not provide the flexibility local governments need.

Tax reform measures that simplify administration and provide an economic boost to Florida's taxpayers are essential. These measures must consider and minimize the collective and cumulative negative impact on local revenues, including state-shared and local discretionary revenue sources that are critical to local governments in providing community services.

The Marion County Commission recommends a **local discretionary sales surtax for local government to be used for general purposes**, including operating expenditures identified in the General Fund.

Requested ACTION:

Support modifications to existing laws to allow for a discretionary sales tax that can be used for general purposes, including operations expenditures.

GENERAL SALES TAX POTENTIAL:

The Marion County Board of County Commissioners ad valorem (property tax) revenue for the General Fund in 2015 is an estimated amount of \$45,972,176.

Using the county estimated sales surtax (chart shown below) at a 1% tax rate, ad valorem could be reduced by 65% for the General Fund.

Agency	% of Sales Tax Collected	Total Revenue to Agency
Marion County	82.695451	\$29,663,080



Shared Costs for Medicaid

Achieving fairer health cost reimbursement management

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Medicaid cost is 10% of general fund ad valorem for 2015. Medicaid cost should be funded 100% by the state.

If continued to be funded by the county, then funding should be based on a pre-agreed upon annual fixed dollar amount. This will eliminate large fluctuations in cost to the county.

MARION COUNTY COST HISTORY:

Year	Medicaid expenditures
2000	\$1,988,222
2001	\$1,958,810
2002	\$2,422,413
2003	\$2,506,539
2004	\$2,742,807
2005	\$3,132,760
2006	\$3,061,116
2007	\$2,847,923
2008	\$3,232,887
2009	\$2,964,224
2010	\$2,725,614
2011	\$3,284,114
2012	\$3,703,030
2013	\$5,112,304
2014	\$4,629,213
2015	\$4,725,837

Requested ACTIONS:

- Support continued evaluation of county-state Medicaid cost-share arrangement, considering the impacts of state policies designed to contain growth in Medicaid costs, including statewide Medicaid managed care and diagnosis-related group reimbursement for hospitals.

- Consider possible alternatives to the current arrangement, including:
 - * Alternative financing mechanisms.
 - * Targeted local investment of the statutory county Medicaid contribution.
 - * Allocation of state funds to reduce the cost-shift created by the implementation of an enrollment-based formula; and
 - * Elimination of unfunded mandate.

- Support establishing a cap on growth in the individual county Medicaid costs under S. 409.915, F.S. to address the anticipated cost shifts that result from the transition to a Medicaid enrollee-based cost-sharing system.

- Oppose efforts to further shift state Medicaid costs to counties.





Florida Retirement System

Achieving equal pension rules for county governments

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Local governments enrolled in the Florida Retirement System (FRS) operate under a different standard than state government when defining regularly established positions as temporary positions. They do not have the flexibility state government has.

The State of Florida can employ a part-time worker indefinitely if the agency head justifies it, while local governments are limited to 6 months. Whether an individual is employed either 6 months 8 hours a day, or 6 months 4 hours a day, the local agency cannot exceed 6 months.

When an employment position is extended beyond 6 consecutive calendar months, it becomes a regularly-established position. Further, when a temporary position extends beyond the 6 months and if there is no documentation substantiating the position originally established as a temporary position to last for 6 months or less, the employee filling such position will be enrolled from the initial date of employment and retirement contributions shall be due retroactively to that date.

A change in the definition of a temporary position at the county level will allow local governments to employ part-time employees longer than 6 months without paying retirement.

Requiring counties to operate under a different definition than state agencies is costing local taxpayers in each county considerable dollars.

Requested ACTION:

Revise language in the Florida statutes to allow local governments to employ temporary positions under the same rules as the State of Florida.





Rainbow River Patrol Officer

Achieving balance in resource protection and tourism opportunities

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The Rainbow River has been a preferred tubing destination for generations of Floridians and world travelers alike. The river offers one of the very few places where people can leisurely float downstream and enjoy a natural wonder of this kind. Nourished by Florida's fourth largest first-magnitude spring, Rainbow Springs, the river offers an authentic Florida experience with up-close sightings of fish, alligators, otters and other wildlife in their natural habitat.

Each year approximately 70,000 visitors enjoy the river from its KP Hole Park connection, peaking in the summer months. This makes river patrol an essential duty of natural resource protection.

The Marion County Commission currently funds 4 deputies and one city police officer on the Rainbow River from Memorial Day through Labor Day, on summer holidays and weekends. Because of the state's tuber impact on the river, the county supports state funding for a dedicated FWC officer during these peak periods, as well.

Requested ACTION:

Allocate \$10,000 for a dedicated Florida Fish and Wildlife officer on the Rainbow River from Memorial Day through Labor Day holidays and weekends.

MARION COUNTY'S FINANCIAL SUPPORT OVERVIEW:

\$43,241 - Four sheriff's deputies and one Dunnellon police officer for river patrol during peak summer times.

RAINBOW RIVER HIGHLIGHTS:

- The Rainbow River has welcomed tourists from around the world for more than **60 years**.
- The river stewards **5.7 miles of natural Florida green space and wildlife habitats**.
- Some **70,000 river enthusiasts** flow to the river from Marion County's KP Hole Park for tubing and other recreation **each year**.
- The river is a **world-renowned aquatic preserve and natural landmark**.



Photo by Jeff Sowards,
Rainbow Springs Aquatic Preserve



About Marion County

Florida's Kingdom of the Sun

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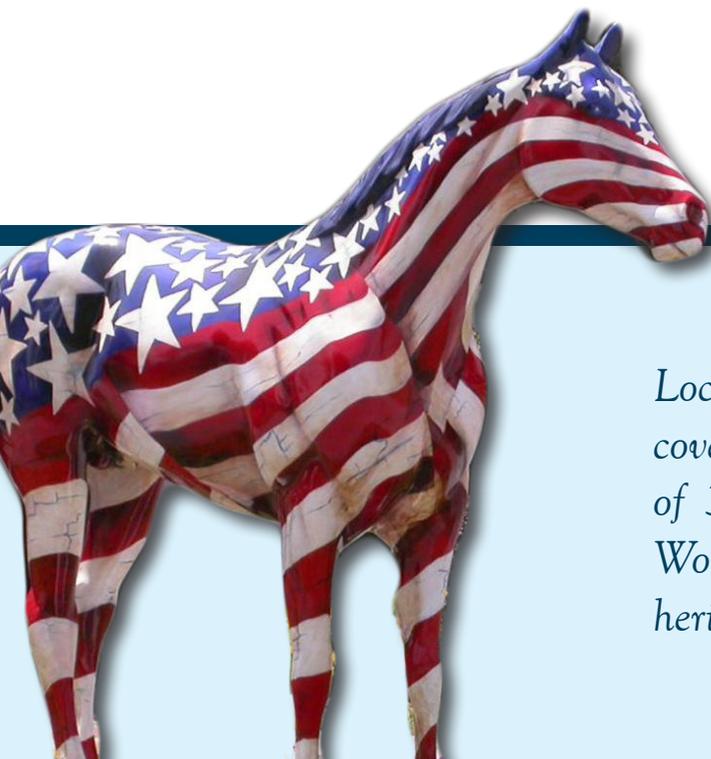
MARION COUNTY ALSO SUPPORTS LEGISLATION TO:

- **Strengthen** small businesses and job creation.
- **Invest** in local development efforts to attract growth industries.
- **Reduce** regulations to attract new industry.
- **Minimize** unfunded mandates.
- **Redistribute** water management district funds to their geographic source.
- **Promote** and support open space trails and connectivity.



MARION COUNTY BOARD OF COUNTY COMMISSIONERS

David Moore, District 1
Kathy Bryant, District 2
Stan McClain, District 3
Carl Zalak III, District 4
Earl Arnett, District 5



Located in north central Florida, Marion County covers 1,652 square miles and is home to a population of 335,000. Known as the "Horse Capital of the World," the county's rich equine and agricultural heritage is internationally renowned.