

Palmetto City Commission
August 24, 2009 5:30 PM

Elected Officials Present:

Shirley Bryant, Mayor
Tamara Cornwell, Commissioner
Mary Lancaster, Commissioner
Tambra Varnadore, Commissioner
Brian Williams, Vice Mayor
Alan Zirkelbach, Commissioner

Staff Present:

James R. Freeman, City Clerk
Chief Garry Lowe
Karen Simpson, Deputy Clerk-Finance
Allen Tusing, Public Works Director
Diane Ponder, Deputy Clerk-Administration

Mayor Bryant called the meeting to order at 5:30 p.m.

1. 2009-2010 FISCAL YEAR BUDGET

Mr. Freeman reviewed the options available for the health insurance coverage. After a discussion of the three options and the coverage that will be provided to the employees, a majority of the Commission concurred to offer base plan 3769 with an option to allow employees to buy up to plan 3559. The base plan will be paid at 100% for employees, with the City subsidizing 55% of dependent care.

HR Director Sharon Jones confirmed that Jim Free is a part-time, salaried non-benefit employee of the CRA, approved by the CRA Board and Commission in last year's budget. Mr. Free pays 100% of his insurance coverage. Ms. Jones confirmed that at this time insurance is not offered to part-time employees. Discussion ensued on offering the insurance to part-time employees now that the City's insurance will be a fully insurance policy, and there should be no impact in the additional coverage. Commission directed that Mr. Free's continued insurance coverage should be clarified and a policy implemented on whether or not to offer insurance to part-time employees. Mr. Freeman stated he can address the issue in the Personnel Policy that will be brought to Commission at a subsequent meeting.

Mayor Bryant informed Commission that an RFP for a Grants Writer has been issued. The City is entitled to apply for a \$750,000 CDBG Grant. If awarded, the funds will be used in the Ward 1 Phase II project. Jeff Burton, Interim CRA Administrator, discussed the two sources of entitlement, as well as the SHIP funding that has been curtailed. Commission instructed that the City's eligibility for the CDBG Grant and the SHIP funding should be obtained in writing.

Police Department

Staff will determine if the PD phone system is included in the consolidation of the system city-wide.

Mayor Bryant informed Commission there is potential to have a K-9 unit donated to the department, and asked that staff confirm it can be accepted. Discussion of the operating costs for the K-9 unit was discussed. The bumper sticker program that would have provided food for the dog has expired, but staff is returning to the sponsor to see if the program is still offered. If the cost of food has to be absorbed by the City, \$1,000 will be taken out of the employee testing line item. The school to allow a K-9 officer to be able to train an additional K-9 unit officer is going to cost \$500.

Staff confirmed the vehicles have been removed from the budget; line item 6401 shows a \$16,000 balance.

Discussion ensued on the following topics, with Commission requesting a report back on each topic:

- Why City mechanics do not perform the normal day-to-day maintenance of the police vehicle fleet, i.e. oil, lube and filters
 - Tire replacement, rotation and balancing
- Vehicle replacement plan
 - Research to determine what type of vehicles other municipalities are purchasing
- Fees for take home vehicles
 - 20 officers were surveyed regarding a \$30 per month fee; 17 agreed to the fee
 - Determine if there is a legality why police officers can not be charged a fee
- The continuance of the benefit program of police officer take home vehicles – to be discussed at a later meeting, no change will be made in the budget
 - Report on the number of times officers are called back to duty, with the type of emergency or activity, dates, officer names
 - How many officers live in the City
 - The individual mileage driven by the take home vehicles

Discussion returned to the purchase vs. leasing of vehicles. Mrs. Simpson opined it is not cost effective to lease less than three vehicles, which will amount to approximately \$21,000 per year vs. \$28,000 to purchase one vehicle. It was final consensus of Commission to add the lease of three police vehicles back to the budget.

Discussion ensued on the recent promotion of the Captain/Deputy Chief and the salary increase. Chief Lowe assured the Commission that the title Captain is the same as Deputy Chief, and there is no difference in salary between the titles. He also confirmed that the salary increase was \$4,639, and he is at Grade 118, Step 4 at \$71,491. The correct amount will be input into the budget.

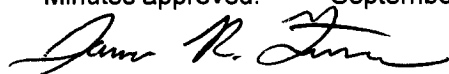
Mr. Freeman informed Commission that the pension actuary gives the City two numbers for the required contribution, a percentage of payroll and a dollar amount. In prior years, the contribution has been made by the dollar amount. The actuary has confirmed that the City can fund the pension by either method, so long as it is a consistent practice, over a long period of time. Should the Commission elect to fund via the percentage rate of payroll, the City would see a cost savings of approximately \$224,000, of which \$172,000 is in the General Fund. Staff will discuss the topic with the actuary and advise Commission which method will be used to fund the required contribution amount. Mr. Freeman was also asked to inform the actuary to be prepared to discuss the different options the City can pursue in cutting pension costs, such as freezing the current plan and going to a 401K plan.

Mr. Freeman confirmed he is anticipating receipt of the CRA budget.

The next budget meeting is Monday, August 31, at which time Version 4 will be available. The only outstanding issue is the shortfall in the Building Department; all other departments will in a positive position by the meeting time. Insurance for the mayor's position will be added to the budget. Mr. Freeman assured Commission that a balanced budget will be presented, the reserve policy will be met and staff will manage to the adopted budget.

Meeting adjourned at 8:15 p.m.

Minutes approved: September 14, 2009


James R. Freeman, City Clerk