

CITY OF PALMETTO
CITY COMMISSION WORKSHOP MEETING
July 31, 2013
6:00 PM

Elected Officials Present

Shirley Groover Bryant, Mayor
Tambra Varnadore, Vice Mayor, Commissioner, Ward 2
Tamara Cornwell, Commissioner-at-Large 2
Jonathan Davis, Commissioner-at-Large 1
Charles Smith, Commissioner, Ward 1—(Entered the meeting at 6:16 p.m.)
Brian Williams, Commissioner Ward 3

Staff Present

Mark Barnebey, City Attorney
Jim Freeman, City Clerk
Allen Tusing, Public Works Director
Scott Tyler, Deputy Chief of Police
Karen Simpson, Deputy Director of Finance
Javier Vargas, Public Works Superintendent
Amber Foley, Assistant City Clerk

Mayor Bryant called the meeting to order at 6:00 p.m.

1. DISCUSSION: FISCAL YEAR 2013-2014 BUDGET

Mr. Freeman reviewed the Assumptions for the 2014 Budget:

- ✓ General Fund ad valorem revenues are approximately \$3.59M with the assumption of assessing a preliminary millage rate of \$5.7171. Last year's millage rate was \$5.2171. Property values have increased .52% compared to the previous year.

Commissioner Williams exited the meeting at 6:06 p.m., and returned at 6:07 p.m.

Mayor Bryant explained to Commission that the General Fund reserves may or may not increase by approximately \$102K because it is subject to CRA approval of the Code Enforcement plan which would fund two Code Enforcement positions. She also informed Commission that the Police Department is in need of dispatch personnel and have eliminated two proposed new positions from the budget this year, and the budget for a new Police Department roof was also removed.

- ✓ Revenues are budgeted at 95% of what the City expects to collect
- ✓ TIF monies from the City to the CRA are expected to be \$1.25M compared to \$1.13M last year. TIF monies from Manatee County to the CRA are projected to be \$1.37M
- ✓ Reimbursement from CRA to the City to support programs in the General Fund is projected to be approximately \$719,111

Commissioner Varnadore questioned why Public Works does not receive funding from the CRA. Mayor Bryant stated that CRA funds cannot be used for basic maintenance. Staff is looking at the possibility of CRA funding part-time, seasonal employment for the Parks Department.

- ✓ Water and Sewer revenues reflect a 2% increase, which is not a utility rate increase; it is a result of the new telemetry meters being more accurate. Utility rate increases are proposed for water, sewer, and reuse services.

Commissioner Williams would like to have a joint meeting between the CRA Board and the CRA Advisory Board to discuss the CRA budget. Mr. Freeman explained that the CRA Advisory Board reviews the CRA budget first, and then makes a recommendation to the CRA Board for approval. Because there is not a

CRA budget in the FY2014 budget tonight, Commissioner Williams would like to see, in the future, the CRA Advisory Board having a joint meeting with the CRA Board to discuss the budget before it is presented to Commission. Mayor Bryant suggested a meeting be held with the CRA Advisory Board after their meeting on August 13th. Commissioner Varnadore would like to see a meeting held with them at the end of August. The consensus of Commission was to ask staff to schedule a joint meeting with the CRA Advisory Board during a scheduled budget workshop meeting on August 19th, 20th, or 26th.

- ✓ The Building Department is in a deficit and will use reserves to balance the budget again this year. An analysis of permitting and building department fees is needed to ensure the stability of this fund can be maintained in the coming years.
- ✓ All employee salaries include a 3% COLA adjustment for FY 2014 including Mayor and Commissioners.
- ✓ Cost of health insurance decreased by 2% for the same level of benefits when compared to last year.
- ✓ There are currently 138 funded positions with 116 full-time, 16 part-time, and 6 Elected Officials.
- ✓ Currently, there are 12 vacant positions; 5 full-time and 7 part-time. The project inspector in Public Works was vacated in FY 2013 and will be eliminated in the FY 2014 budget.
- ✓ Organizational changes will be made to Building, Planning, and Code Enforcement in FY 2014.
- ✓ Property, Casualty, and Liability insurance premiums have increased by 5% in comparison to last year.
- ✓ Worker's Compensation rates remain flat.
- ✓ Pension costs increased: PD had a 3.18% increase in pension contributions over last year and General Employees increased 3.12%

Commissioner Smith opined that the Mayor's salary should be increased, and should be included in the General Employees' Retirement Plan.

Commissioner Davis departed the meeting at 6:47 p.m. and returned at 6:48 p.m.

Commissioner Williams would like discussion at a future workshop regarding different options for City pension plans.

Commissioner Smith requested a study be done on how many cities have a strong mayor form of government and the salary of those mayors.

- ✓ Allocation methodology remains consistent with prior years.
- ✓ One capital lease has been budgeted for this year for equipment costing approximately \$635,450.
- ✓ Other General Fund Capital Expenditures being funded with Fund Balance include:
 - New A/V and microphones for Chambers
 - Mower for Parks
 - 2 A/C units for Historic Park
 - Scanner for Fleet
- ✓ All enterprise funds with the exception of the Water/Sewer fund are balanced. The proposed rate study will impact Water/Sewer and Reuse revenues.
- ✓ The FY 2014 Capital Budget will be coming back to Commission and will be passed in conjunction with the operating budget in September.
- ✓ Discussed Tax Calculations for Ad Valorem and CRA TIF worksheet on page 4 of the budget.

Commissioner Williams requested information on how much the taxes are that Riviera Dunes is paying. Mr. Freeman said that he should be receiving information from the Property Appraisers Office by August 9th for all the properties within the CRA district.

Commissioner Cornwell opined that, since Riviera Dunes is no longer a slum and blight area, it be removed from the CRA district and the boundaries of the CRA be reviewed and altered to include another area of slum and blight. Mayor Bryant suggested a discussion about CRA district boundaries be placed on a CRA Advisory Board agenda. Discussion continued regarding CRA re-districting. Mayor Bryant asked staff to email Mr. Burton about setting up a meeting at the beginning of each fiscal year between the CRA Board and the CRA Advisory Board to discuss the CRA boundaries and any re-districting.

Mr. Freeman discussed the table on page 4 of the budget. This table shows the annual cost to the homeowner on their property taxes if the proposed millage increase is adopted.

Mr. Freeman discussed an updated Budget Summary; page 10 of the budget. A copy of this updated page is attached to and made a part of these minutes. The estimated total budget for the City for FY 2014 is \$22M.

Commissioner Williams and Commissioner Smith requested information on all items that were removed from the budget to make it balanced.

In regard to the utility rate increase, Mr. Tusing stated that currently the adoption for a proposed utility rate increase is to be held the same day as the adoption of the FY 2014 budget (September 23rd). Mr. Tusing suggested that Commission could adopt the proposed budget and adopt a utility rate study the same night. He would then bring forward a budget amendment to include any utility rate increase that Commission adopts.

Discussion ensued regarding the Police Department building. Mayor Bryant would like a discussion placed on a future workshop meeting regarding a new building for the Police Department. Commissioner Varnadore recommended staff review the Office Spatial Needs study that was performed in 2006.

Commissioner Cornwell asked that the meeting scheduled on August 19th be cancelled and rescheduled for August 20th due to the first day of school. Attorney Barnebey stated that a motion will have to be made at the August 5th meeting to reschedule the meeting on the 19th.

The consensus of the Commission was to cancel the budget workshop on August 6th and August 12th.

Mayor Bryant adjourned the meeting at 7:55 p.m.

Minutes approved: August 20, 2013

James R. Freeman

James R. Freeman
City Clerk