

## COMMISSION WORKSHOP

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Mayor Nugent called the first budget workshop to order to discuss the General Fund. Present were Commissioner Tommy Chastain, Commissioner Travis Woods, Commissioner Carolyn B. Spooner, City Clerk Ricky Thompson, City Manager Tom Ernharth, and Finance Director Alica McMillian. Commissioner Wilbur Waters was absent.

Mayor Nugent turned the workshop over to Mr. Ernharth.

Mr. Ernharth discussed the first draft of the General Fund Budget. He provided copies to the Commissioners June 7, 2016 for their review for this workshop. Revenue amounts are estimated due to the numbers not being released until the end of June early July for the Ad Valorem taxes and sales tax.

Cost Sharing Revenues – The Florida Department of Revenue’s Office of Tax Research will release their cost sharing revenue estimates for Cities and Counties by mid to late June so the projections within this draft are purely mine.

C.O.P.S. Grant – Next year will be the last year of our three year \$83,333 C.O.P.S. grant

Election Qualifying Fee Revenue – Added \$12,000 for qualifying fees for next year’s round of elections.

Contribution from USRF – I kept the transfer from the Enterprise Fund the same as this year at \$530,000.

Salary and Payroll Taxes – No Salary Increases are included within the budget. I would like to review any increases in August after we completed preliminary review of the entire budget.

Life and Health Insurance Expense – Preliminary estimates are that our Life and Health Insurance could increase by 8%.

General Employee Retirement Fund – The City’s contribution to the Employee’s Retirement Fund is 49.7%.

Badcock Development – I have included \$150,000 for asbestos removal and demolition of the former Badcock Building. Looking into a Brownfield Grant and a revenue line will be added which will offset this expense.

Property and Liability Insurance - We have submitted our renewal package for our property and Liability Insurance and have not received our new rates yet but I am expecting our rates to increase by 5%.

Professional Services – Additional \$15,000 was included to cover the extension of computer software licenses.

Office Equipment - \$2,000 for new Meeting Room and Office Chairs was included.

Election Expenses - \$5,000 was included to cover next year's round of elections.

Capital Outlay – For City Hall, \$86,638 for Capital Expenditures have been budgeted for a Document Scanning System, Computer Work Stations, Electronic Sign at City Hall and Televisions for Commission Meeting Room.

Law Enforcement Retirement Fund – The City's contribution to the Law Enforcement Retirement Fund is 18.4% and for budgeting purposes, I used 19% in case the State's Contribution falls short.

Expenses legal & professional fees there was no budget and had an expense so far of \$10,974.

Commissioner Chastain suggested budgeting something this year.

Clerk Thompson suggested \$5,000 for deductible. Mayor Nugent recommended \$10,000 to be on the safe side. The \$5,000 is deductible is per occurrence.

Clerk Thompson added some of the policy we have with the Florida League of Cities has zero deductible.

Police Car Repairs – With the new fleet of vehicles the budget for repairs has been slashed in half to \$30,000 from previous the years' average. For next year, we are only anticipating that routine maintenance such as oil changes, tires etc. will be needed.

Police Gas and Oil – With the new fleet getting better gas mileage the budget for gas has been reduced from \$80,000 to \$60,000.

Police Capital Loan and Principal – The new radios and cars are expected to be purchased this year through a combination of cash and grants therefore no new loans are anticipated and the budget simply reflects year 2 of our current loan for the first round of cars purchased this year.

Commissioner Chastain questions the \$0 placed in the budget; where is the money coming from to pay reserves back for the match of the grant.

Mr. Ernharth explained for gas and oil in the past was budgeted \$80,000 and now we are budgeting \$50,000 that is a savings of \$30,000 to use toward the reserve payback.

Mayor Nugent responded you are adding it back to the budget

Mr. Ernharth responded you are savings because you got the new cars.

Commissioner Chastain responded it would only be a savings if it shows on the bottom line.

Police Capital Projects – The only capital project for the police department is new rugs within the station and I added \$5,000 to Building Maintenance to cover that.

Firefighters' Retirement Fund – The City's contribution to the Firefighters' Retirement Fund is 38.3% and for budgeting purposes, I used 39% in case the State's Contribution falls short.

Capital Outlay Fire Truck – \$70,000 is included to cover the first year's loan and principal payment should we decide to pursue the purchase of a new fire truck. Going for a USDA Grant to help offset the cost for the truck.

They requested \$2,500 for radio maintenance.

Firefighter Supplies was budget for \$12,000 the chief requested \$60,000. They need new bunker gear. The gear has an expiration date and it was all purchased at one time so all is ready to expire.

Park and Recreation Maintenance – Costs for maintenance have averaged about \$15,000 per year the last couple of years so I increased the budget from \$6,000 to \$15,000.

Additional Funding – If the budget comes together as presented an additional \$85,326 would have to be transferred from the Enterprise Fund to the General Fund.

Most budget numbers are consistent with previous years with some changes. The contribution from the utility to general will be \$530,000 right now but will depend on what is decided.

Commissioner Chastain referenced the total revenues along with the actuals as of March and for him to look into something didn't seem quite right.

Mr. Ernharth explained most of the revenues for taxes come in the first part of the year and slow down the second half.

Commissioner Spooner referenced on page 5 the Comcast Pole Rental Fees that there is no amount.

Clerk Thompson responded he would look into it.

Mr. Ernharth moved to the expenses and stated he didn't want to look at salary increases until they reviewed the entire budget in August.

Reserved Capital Outlay is for the documents scanning and storage package, computer workstations, electronic signage, additional televisions for City Hall. Clerk Thompson stated the additional would allow doing video conferencing, meetings. They would help the pension boards with the expense of travel for the attorney, etc.

Commissioner Chastain requested the figure be placed in the budget for the 311 code violation number. It was around \$1,500 in expense.

Under Law Enforcement expenses legal & professional fees there was no budget and had an expenses so far of \$10,974.

Commissioner Chastain suggested budgeting something this year.  
Clerk Thompson suggested \$5,000 for deductible. Mayor Nugent recommended \$10,000 to be on the safe side. The \$5,000 deductible is per occurrence.  
Clerk Thompson added some of the policy we have with the Florida League of Cities has zero deductible.  
Commissioner Chastain suggested placing some additional funds in Parks & Recreation to secure parking.

Transportation Trust there is a small increase in revenues from last year total revenue the difference is \$14,550. The expenses are the same as last year \$1,005,810 leaving a \$5,660 surplus.

Mayor Nugent asked if any additional information needed to be brought in front of the workshop; hearing none he closed the workshop.

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Daniel Nugent, Mayor  
Commissioner Tommy Chastain  
Commissioner Carolyn B. Spooner  
Commissioner Wilbur L. Waters  
Commissioner Travis V. Woods

Attest: \_\_\_\_\_  
Ricky Thompson, City Clerk