

Commission Workshop
August 21, 2017
6:00 pm

Minutes of August 21, 2017 Starke City Commission Workshop

This was the first budget workshop. Members present: Mayor Tommy Chastain, Commissioner Mortimer, Commissioner Nugent, Commissioner Waters and Commissioner Woods. Also present were Interim City Attorney John Cooper, Police Chief Jeff Johnson, City Manager Bob Milner and City Clerk Ricky Thompson.

Mayor Chastain called the meeting to order at 6:00 pm and turned the meeting over to Mr. Milner. Mr. Milner expressed appreciation for Ricky Thompson and John-Paul Ledford's help with the budget. Mr. Milner began giving a breakdown. Mayor Chastain asked if they would have a line item budget. Mr. Milner stated that some items were being consolidated. Mayor Chastain asked the commissioners if they were ok with that. Commissioner Waters stated that he was ok with it but he wants to see what it costs for each department to operate. Commissioner Woods wants to see the line item budget. Commissioner Nugent stated that he is ok with it and the consolidation. Commissioner Mortimer wants to see the line item budget. Mayor Chastain wants to see the line item budget. Mr. Milner plans to present a balanced budget at the August 28, 2017 Workshop.

Mr. Milner recommended that no major paving projects be done during the year only repairs. This would allow the paving budget to build up. We need to make the necessary sewer repairs which will require tearing up some streets. Mr. Milner met with the local legislature who want to meet with the commissioners at their delegation meeting the last Wednesday of September. We are applying for grants to complete work on the Wastewater Treatment Plant. Everything except the 300,000 gallon containers need to be replaced. The repairs will cost approximately \$200,000.00.

Mr. Milner has provided the commissioners with four packets. The first one addressed on call overtime. Overtime cannot be eliminated but it needs to be controlled. Mayor Chastain asked how many months the \$222,421.73 covered. Mr. Milner answered it was overtime costs for 10 months.

Mr. Milner addressed the base rate for utilities. We have not adjusted our base rate since 2001. Ours is \$6.45 for residential customers and \$9.00 for commercial customers. Most other utilities charge considerably more. Mr. Milner suggested increasing the base charge to \$12.00 for residential customers and commercial customers. This will bring in approximately \$295,000.00 He also suggested raising late fees. Our late fee is \$5.00 for commercial and residential customers most others are \$15.00 or more. Mr. Milner suggested raising ours to \$10.00. Mr. Thompson pointed out that raising the base rate must go before the Public Service Commission. We must submit a rate change sheet for approval. Mayor Chastain asked how long it would take to get approval. Mr. Thompson stated it would take about a month.

The fire department's budget is approximately \$1,200,000.00 and the police department is approximately \$1,400,000.00. That's approximately \$2,600,000.00 for public safety. Mr. Milner looked into Palatka's fire fees. They bring in approximately \$1,300,000.00. Mr. Milner encouraged the commissioners to have an open mind. Commissioner Waters mentioned that the Fire Department salaries totals almost \$500,000 and the Police Department salaries totals over \$750,000.00. Mayor Chastain mentioned that the Enterprise Fund is doing well. We need to be concerned with the General Fund. Mr. Milner stated that several employees who are heavily involved in utilities are only being covered by utilities for 10% of their salaries so adjustments need to be made.

Mr. Milner addressed the Personal Services Summary currently the one with no raises is more because of the addition of a Utility/Operations Director. We also need a Human Resources person who could also serve as Mr. Milner's Executive Assistant. Mr. Milner mentioned that raises need to be given to employees once they earn their Water Treatment License. Commissioner Mortimer asked if we pay for their training. Mr. Milner said that we do. Commissioner Mortimer asked if they were obligated to stay after receiving their license. We do require them to stay for 3 years. We currently have a grant to partially fund the police department salaries that will run out but we are hoping to renew it. We will know if it gets renewed in October. Commissioner Mortimer asked about decreases in salaries. We have employees retiring and their positions will not be filled. Mr. Milner pointed out that the current payroll sheet does not include on call or overtime pay. Commissioner Mortimer asked what the employee contribution into the retirement account is. Mr. Thompson stated that the city pays 5% and the employee pays 1%. Commissioner Mortimer asked when was the last time we had an increase in the employee contribution. Mr. Thompson stated that it was several years ago. Commissioner Woods asked Mrs. McMillian if the fund was coming down. Mrs. McMillian stated that it was. Mayor Chastain asked if we had ever had a City Manager and a Utility Director. Mr. Thompson stated that they had both for a little while but could not afford both. Commissioner Nugent added that the position was funded but never filled.

The last handout breaks out the revenue sources and expenditures. The first part is for electric for \$8,694,000.00. This is based on 10 months of this year. Water is the next utility and we are projecting \$835,000.00. Mayor Chastain asked about the percentage of increases for water and sewer. Mrs. McMillian stated that it was approximately 8%. Mr. Milner stated that the additional 8% had not been added in. Sewer was the next utility. It is around the same as last year. We had a down year in gas due to a warmer than normal winter but we are getting new gas customers. We had a substantial increase in permit fees because of the duplexes on Southern Villa Drive. Mr. Milner stated that we need to work on our nuisance ordinance and enforcing it.

There being no further business, the meeting was adjourned at 7:17 pm.