

Proceedings of a called budget workshop of the City Commission of the City of Palatka, Florida, held on the 18th day of June, 2002

PRESENT:	Mayor	Karl N. Flagg
	Commissioner	Mary Lawson Brown
	Commissioner	Hernan Azula
	Commissioner	James Norwood, Jr.
	Commissioner	George E. Sanders

Also Present: City Manager Allen R. Bush, City Clerk Betsy Jordan Driggers, Finance Director Ruby Williams, Police Chief Gary Getchell, Police Lt. James Griffith, Fire Chief Kenneth Venables, Planning Director Adam Mengel, Sanitation & Streets Supt. Bernard Williams, Parks Supt. Jeff Norton, Cemeteries Supt. Larry Hartman.

INVOCATION – Commissioner James Norwood

PLEDGE OF ALLEGIANCE – Fire Chief Ken Venables

Mayor Flagg called the meeting to order and read the following call:

June 17, 2002

TO MESSRS: MARY LAWSON BROWN, HERNAN AZULA,
JAMES NORWOOD AND GEORGE SANDERS:

You are hereby notified that a special called meeting of the City Commission is called to be held at the regular meeting place of City Hall, 201 N. 2nd Street, Palatka, Florida, at 2:00 p.m., Tuesday, June 18, 2002.

The purpose of the meeting is to hold a budget workshop for the fiscal year 2002/03.

/s/ Karl N. Flagg, Mayor

We acknowledge receipt of a copy of the foregoing notice of a special meeting this 17th day of June, 2002

/s/ Mary Lawson Brown
COMMISSIONER

/s/ Hernan Azula
COMMISSIONER

/s/ James Norwood, Jr.
COMMISSIONER

/s/ George E. Sanders
COMMISSIONER

Mayor Flagg thanked everyone for their hard work during this budget process, and said today they are dealing with only the general fund budget. They will also hear those departments’ five-year Capital Improvement Plans (CIP).

Mr. Bush said everyone has received a copy of the tentative budget. Each department has turned in a copy of their 5-year CIP. It is his policy each year to present the Commission with a balanced budget, which is the result of various meetings with each department head. They will see a major increase in ad valorem taxes. This budget is based on 7.8 mills, which represents a ½ mill increase, even before the roll-back. As they go through this budget, they will see why this is necessary. Local option gas taxes are the same as last year. Franchise & utility services are both estimated to be less than the previous year, due to the economy. The PSC mandated that FPL give a major rebate to its customers; therefore, there is less utility tax and franchise fees due to the City. Franchise taxes dropped around 3.3%; utility taxes dropped around 6%. The figures he has presented take historical increases into consideration. Telecommunications service taxes for next year will be reduced to 11 months collections, so they will be slightly lower than the collections for this year. Occupational licenses have not appreciably changed. Building permits are tied directly to new construction. Wal-Mart accounted for a major part of this year’s revenue; they won’t have one of those every year. He has listed the

federal grants; these are offset on the expenditure side, and will also show the city's match, so the figures on the expenditure side will be somewhat higher. The 'payment in lieu of taxes' is approximately what they have been receiving; they did receive a little less last year. He listed only 1 state grant; this is the CDBG for improvements to Fred Green Park. There are some additional grants in the 5-year plan. State shared revenues did not appreciably increase. There is somewhat of a windfall in the fireworks fund, they expect to bring in more donations due to the current patriotic fervor. They may not see that every year. He has plugged in a lesser amount for this year's fireworks instead of the usual amount. The expenditure for fireworks shows \$11,000, and he has plugged the extra \$7,000 into contingency. Court Fines are up slightly. Interest rates are down, but they had some balances built up from prior years. The restricted funds from the cemeteries fund goes into paying for capital improvements. He has increased the utilities fund contribution this year in order to make up for some revenue shortfalls they have experienced this year. The general fund does a tremendous amount of support work for the various enterprise funds; it handles all their payroll and personnel expenses, reporting, etc. which is why those funds are transferred. The general fund purchased the 100 block and tax increment funds are repaying the debt based on an amortization schedule. Last year's revenue actually represented several years' payments, so this year's revenue will only represent the usual repayment amount, which is the reason it is lower.

The budget should show the attorney's salary from the Commissioners' salaries, but it does not, which is the reason for the discrepancy from last year to this year. It will also show up a separate page. This will be corrected in the final budget. One position has been eliminated from City Hall; it came open and was not refilled, due to budget constraints. After discussion, the position was added back to the general fund budget for the year 2002-03. Mayor Flagg said the Commission should also receive the same 5% raise as all other employees, and this should be built-in so that they do not have to re-address it each year. Mr. Bush said Worker's Comp increases will come about as the result of legislation, but the increase will not be as high percentage-wise as in previous years, due to a very high claims year rolling off the experience mod, which will account for a lower increase than they have seen. Group health insurance is expected to go up; this figure is a projection. He does not yet have the true figures. He is asking the Commission to hold off setting the tentative millage rate until the end of July so he will have a better handle on what these figures will be.

Mr. Bush noted that he increased the amount of Vice-Mayor Brown's travel budget as she is on several committees and boards. Mayor Flagg asked that all members of the Commission be given an equal amount of travel budget. If one commissioner needs extra travel money, the commission should vote on making transfers to that account.

CITY HALL - Ruby Williams presented the 5-year CIP for City Hall, a copy of which was distributed to the Commission (filed). She said she failed to include a new car for the City Manager, but will go back and add it. Mr. Bush said he feels certain he can get another five years' use from it. Commissioner Brown said they should be thinking about adding a position for a grant writer. When they employed Fred Fox as grant writer, they did a lot of community development work in the City. Their salary can be tied to the amount of grants they write; they can pay for their own spot. It does not have to be done this year, but needs to be done within the next five years. Commissioner Azula said they need to add renovation work at City Hall. They have done some patching, but that is not enough. Mr. Bush said some of that can be taken care of under Building Maintenance.

Mr. Bush noted that social services shows a greatly reduced rate, but he has plugged in certain organizations because they send him letters requesting inclusion in the budget, for commission consideration. Per the question, the City does not pay for the Clock Tower; the money shown came from contributions that were placed in an account, which the City manages. The City's only expense is a maintenance agreement for around \$200 per year.

Mr. Bush said the balance of contingency is around \$79,500, when the position they added back to City Hall is subtracted from the balance. He will also need to subtract the 5% raises for the Mayor and Commissioners.

BUILDING & ZONING - Adam Mengel, Planning Director, presented his department's 5-year CIP (filed).

POLICE – Police Chief Getchell presented his department's 5-year CIP (filed).

FIRE – Fire Chief Venables presented his department's 5-year CIP (filed).

STREETS & MAINTENANCE – Bernard Williams, Superintendent, presented his department's 5-year CIP (filed).

CEMETERIES – Larry Hartman, Supervisor, presented his department's 5-year CIP (filed).

PARKS – Jeff Norton, Supervisor, presented his department's 5-year CIP (filed).

There being no further business to discuss, the meeting was adjourned at 7:15 p.m.

CITY CLERK

MAYOR