

CITY OF MACCLENNY
Regular Meeting
June 14, 2016
6:00 p.m.

The City Commission met in a regular session, Tuesday, June 14, 2016 with the following present: Mayor Gary Dopson, City Manager Phil Rhoden, City Attorney Frank Maloney, Commissioners Mark Bryant, Sam Kitching, Cecil Horne Jr., and Danny Norton and Council Secretary Deanna Dinkins.

Mayor Dopson called the meeting to order. Commissioner Kitching opened the meeting with prayer, followed by a pledge to the United States Flag.

New Business:

Lynne Walker, Executive Director of Macclenny Housing Authority, addressed the Board asking for approval of the Macclenny Housing Authority 2016 Board Members as presented. Alex Robinson and Nancy Barnette are new members and the remaining members will be renewed. Mayor Dopson encouraged that as openings become available, minority representatives be sought. Ms. Walker replied the board will keep that in mind; there was a minority member who resigned due to a conflict of interest. Commissioner Kitching made the motion to approve the request of approval of Board Members for the Macclenny Housing Authority and was seconded by Commissioner Bryant. Voting was unanimous.

Chief Dugger informed the Board Rusty Rhoden was the only firefighter who passed the Engineer's test and was promoted a month ago. Chief Dugger then pinned Engineer Rhoden. Manager Rhoden congratulated Engineer Rhoden on a job well done.

Manager Rhoden informed the Board there was another tragedy where our dive team assisted in the recovery of an individual who drowned. Commissioner Norton went to the scene with the City Manager and Assistant City Manager. This recovery was a joint effort involving Macclenny Fire and Rescue, Baker County Sheriff's Office, Baker County Rescue, Baker County Fire, and Florida Fish and Wildlife Commission. Manager Rhoden expressed his appreciation for the fire department and stated they train every shift and most Thursday nights; the commissioners and the public are welcome to stop by any time.

Manager Rhoden began the discussion of the Sheriff's budget by informing the Board he received a call from the finance director, Jeffrey Cox, of the Sheriff's Department asking what our budget amount would be for the upcoming fiscal year. Mayor Dopson asked if we have received the information we requested regarding how much it costs to have a full-time additional officer in the City. Manager Rhoden replied we have not received the figures, and went on to say that he asked Mr. Cox if he needed the request in writing and was told no. However, the information has not been received. The focus of our Board needs to be what the City's needs are and to make the most effective use of the taxpayer dollars.

Mayor Dopson stated this is not the City of Macclenny against the Sheriff's Office; this is City of Macclenny trying to deal with a severely deteriorated infrastructure, mostly water and sewer pipes in the old original downtown area. Just for the sewer line replacement we've been given an estimate of as much as \$12 million. We will not get that entirely in grants, so we need to start planning for this. In the very short term we will be installing a new sewer pipe under the railroad track, and estimates range from \$200,000 to \$350,000. We cannot afford to continue to pay the amount of money into the Sheriff's budget when we are already paying quite a bit of money through the county taxes paid by people and businesses in the City of Macclenny. Residents and businesses in the City of Macclenny pay both county tax (at the same millage as those outside the city limits) and additional city tax. The county taxes that come from the City of Macclenny are spent to some extent outside the City. While the City does have other revenues such as water, sewer, garbage, state funds, we have to prioritize where that funding can help us the most. We do want to keep additional police protection in the city but we cannot afford to continue at the level of funding that we have been providing in the past.

Manager Rhoden agreed and stated we have a great Sheriff's Department and we are appreciative of what they do for us. He then presented a summary of various state revenues

received by the city and the county. Local Discretionary Sales Tax is set at 1% for Baker County; the county receives \$1,610,743 (76.94%), the City of Macclenny receives \$452,310 (21.61%), and the Town of Glen receives \$30,367 (1.45%). The Local Government ½ Cent Sales Tax is distributed in the same manner with the county receiving \$771,132, the City \$216,540, and the Town of Glen \$14,538. However, the county also gets emergency distribution of \$963,482, supplemental distribution of \$20,980, and fiscally constrained distribution of \$569,087, all of which are derived from the ½ cent sales tax, and the City does not get a portion of any of these amounts. Most of the sales tax is generated from businesses located within the city limits. The Local Option Fuel Taxes must be spent on roads. The county receives \$949,280 (86%), the City of Macclenny receives \$143,496 (13%), and the Town of Glen receives \$11,038 (1%). The county does not pave roads inside the city limits. We are blessed with a great road superintendent and with the support of county commissioners they assist us where they can with labor and equipment. We also try and support them as well with the county roads inside the city limits. Manager Rhoden pointed out the fact that much of the fuel sold in the county is from stations located within the city limits. The Revenue Sharing is distributed more proportionately, as the county receives \$507,098 and the City receives \$187,022. The county receives Ninth Cent Fuel Tax in the amount of \$194,937, Constitutional Fuel Tax in the amount of \$766,270, and County Fuel Tax in the amount of \$339,917 and the City does not get a portion of these amounts.

Manager Rhoden shared a map displaying Macclenny Fire Department's first response area to illustrate another benefit the county receives from the City. There are areas outside the city limits that are considered Macclenny Fire and Rescue Department (MFRD) First Response Zone to ensure faster response time and eliminate a county responder from having to pass through the city in order to respond to a call. Between June 1, 2015 and June 1, 2016 Macclenny Fire Department responded to 1,034 emergency calls. 187 of the 1,034 calls were outside city limits in the MFRD First Response Zone, which represents 18% of the calls for the 12 month period. Macclenny Fire Department's budget for 2015/16 is \$1,027,186. Total calls related to total budget shows county taxpayers outside the city limits benefited \$184,893 (18% of the first response calls equals \$184,893 of the fire department's total budget). Manager Rhoden stressed that he is not saying we should not provide the services, he is just trying to show we are paying more than our fair share. Mayor Dopson added that many taxpayers benefit on their homeowner's insurance premiums because of the low ISO rating. Taxpayers outside the city limits may also benefit as some insurance companies offer the discount if the home is located in the MFRD First Response Zone. Assistant Manager Griffis added the city's ISO rating is 3, while the county's rating is 7 or 9. This lower ISO rating may save individuals as much as \$500 to \$600 per year.

Manager Rhoden outlined some upcoming costs that we are aware of. In fiscal year 2016/17 the first loan payment for the fire department in the amount of \$97,708 will be due. There will also be a payment in the amount of \$19,578 due for the State Revolving Fund loan; this is the fixed amount that we know we will have to pay associated with the analysis of our sewer system we are conducting now. There will be an additional annual payment associated with the sewer improvements that will probably occur in 2017/18. Until we complete the sewer system evaluation and devise an improvement plan we will not know what that payment will be. We have been notified that tipping fees are increasing \$10,000 - \$12,000. Also in 2017/18 we will have \$150,000 in firefighter employee costs unless we are able to extend the SAFER grant. We may need to add an additional firefighter to each shift if our volunteer numbers do not increase.

Manager Rhoden began the discussion regarding ad valorem proceeds. County budgeted ad valorem proceeds total \$5,306,945 based on assessed values and millage of 7.2916%. The portion of the Sheriff's 2015/16 budget from county ad valorem proceeds is \$3,359,542, which is 63% of total county ad valorem taxes. The city taxable property value of \$225,115,351 multiplied by the county millage rate of 7.2916% results in \$1,641,451 ad valorem county tax of city property. \$1,641,451 multiplied by 63% equates to \$1,034,114 contributed to the Sheriff's Department budget via these county ad valorem taxes paid by city residents and businesses. The city makes up about 24% of the county's population but pays approximately 31% of the ad valorem taxes received by the Sheriff (\$1,034,114 divided by \$3,359,542 = 31%). Mayor Dopson noted that in addition to the county millage rate, the city residents and businesses also pay additional city taxes not included in the figures above.

Manager Rhoden then provided a brief history of the City's Sheriff line item budget amounts. Fiscal year 2012/13 budget amount was \$686,725 plus impact fees in the amount of \$30,000 which was partially funded from the General Fund since less than \$30,000 was collected

that year in impact fees. Fiscal year 2013/14 budget amount was \$686,725 plus impact fees in the amount of \$12,593, based on actual fees collected. For fiscal year 2014/15 the Sheriff requested \$758,442 plus \$30,000 impact fees. Mayor Dopson noted in this year the city millage we collected was about \$675,000. In addition to \$1,034,114 contributed to the Sheriff's budget by city residents and taxpayers we would have also paid all of the city millage we collected plus several thousand dollars to the Sheriff. Manager Rhoden continued by stating he proposed a reduction of \$125,000 from the previous year's budget figure of \$686,725. The County Manager and Baker County Commission Board Chairman requested no reduction to allow them time to prepare for a reduced budget, and it was mutually agreed that the \$125,000 reduction would be added to the following year's budget reduction. The final budget figures for fiscal year 2014/15 were \$686,725 plus \$12,000 impact fees actually collected. For 2015/16 the City Manager proposed \$386,000 based on the \$125,000 reduction postponed from the prior year and the planned reduction of \$175,000 for the current year, and there were no impact fees. The Sheriff requested the \$300,000 reduction be reduced by \$150,000 to prevent the loss of three positions this year and to allow them time to prepare for further reductions. The City Commission decreased the proposed reduction by adding \$105,000 back to the Sheriff's budget. One of the County Commissioners initially agreed to fund the other \$45,000 in order to make up the \$150,000 but later opted not to do that. The final budget figure for fiscal year 2015/16 was \$491,098.

We will still have our budget workshops, but with the information that we have now Manager Rhoden proposed that next fiscal year we fund the Sheriff \$295,500 which is a reduction of \$195,500 from the current year budget. The following year, 2017/18, planned funding is \$100,000 which is a reduction of \$195,500 from the 2016/17 budget. At that time there will be a new sheriff and we would be open to meeting with him to discuss the level of enhanced coverage and budget amount.

This information has been presented in order to respond to the Sheriff's Department request so they know how to prepare their budget. Mayor Dopson stated for three years we have tried to cut the Sheriff's budget because we felt like we were paying our fair share. The money we pay in addition is for additional services and we need details on the costs of those services. We are facing major costs in infrastructure improvements, and this budget item by itself is not going to solve the problem. We will be looking at other ways to finance the improvements.

Manager Rhoden stated there are other things on the horizon such as what Department of Environmental Protection is going to tell us regarding getting out of Turkey Creek. That could cost us millions of dollars in the next few years. The fire department has equipment needs that are very costly.

Mayor Dopson expressed his agreement with the proposed amounts for the next two fiscal years. He went on to say it is a good idea to meet with the new Sheriff next year to discuss proposed budget amount and the level of enhanced coverage. Manager Rhoden stated the recording from the most recent Board County Commissioner meeting reflected the interim County Manager brought up animal control and that the county is not obligated to supply that service for free to municipalities. If the county decides to charge us for animal control, Manager Rhoden will ask the City Council to consider cutting the budget further by that amount.

Mayor Dopson stated this is not a vote on the budget, but he did ask for a motion to support or turn down what the City Manger has proposed. Commissioner Bryant made the motion to support what the City Manager has proposed regarding the Sheriff's Department budget amounts for upcoming fiscal years and was seconded by Commissioner Horne. Commissioner Kitching abstained since he is an employee of the Sheriff's Office. Voting was unanimous.

In other business was the approval of the minutes. The following minutes were submitted for approval:

- Regular Meeting: May10, 2016
- Special Meeting to Discuss USDA Fire Equipment: May 10, 2016

Commissioner Kitching made the motion to approve the minutes and was seconded by Commissioner Bryant. Voting was unanimous.

In other business was the review of the bills for May. Commissioner Kitching made a motion to approve the bills and was seconded by Commissioner Bryant. Voting was unanimous.

Comments from the Board:

Commissioner Norton stated he was at City Hall when the rescue call came in and he went to the scene with Manager Rhoden and Assistant Manager Griffis. He was impressed with the recovery efforts and commended the firefighters for a job well done.

Mayor Dopson asked about the status of paving Jonathan Street. Manager Rhoden said he spoke with Mittauer and Associates and it will be two week before it is ready to bid. It's going to be close to get it completed before school starts.

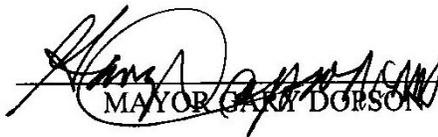
Mayor Dopson asked about the status of Buck Starling Road. Manager Rhoden reported bids are due shortly and then paving will be done. The project is scheduled to be completed by the end of summer.

Mayor Dopson asked about the Fiscal Sustainability Plan, and Manager Rhoden reported we are on the fifth rewrite. There is still some discussion regarding the numbers and proper wording but we are working toward a document to bring before the Board. Years ago we developed a tier system increase, but stopped it when the economy slowed down. We may need to look at rate increases in the next year or two.

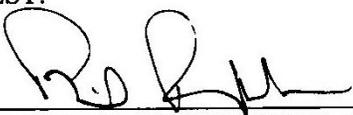
Commissioner Horne thanked Assistant Manager Griffis for getting the street lights fixed in Northeast Macclenny.

With no further comments from the audience, Mayor Dopson adjourned the regular meeting.




MAYOR GARY DOPSON

ATTEST:


CITY MANAGER/ CLERK PHIL RHODEN