

CITY OF MACCLENNY
FIRST BUDGET WORKSHOP
August 18, 2015
6:00 p.m.

The City Commission met in special session, Tuesday, August 18, 2015 with the following present: Mayor Gary Dopson, City Manager Phil Rhoden and Commissioners Floyd V. Bennett, Mark Bryant, Sam Kitching and Cecil Horne Jr.

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

Mayor Dopson stated the purpose of this meeting is to discuss our 2015-2016 budget. Commissioner Kitching complimented Mrs. Thompson for the details provided which made understanding the budget easier. Manager Rhoden said we have tried to detail the items in the budget which have changed from last year and provide an explanation for the modifications.

City Manager Rhoden stated he would like to discuss a significant change in the proposed budget with the Board. Manager Rhoden said he received a phone call from Sheriff Dobson last week to discuss the proposed budget cut. Manager Rhoden said I am sure everyone here is aware of the situation with the County's budget, many of you have listened to the last two county budget workshops. Manager Rhoden said in their conversation Sheriff Dobson took full responsibility for where they are in their budget. Manager Rhoden told the Board that Sheriff Dobson eluded to the fact that they are in dire straits and the cut proposed would require him to eliminate positions. Sheriff Dobson said this would not be a layoff because he is fully aware the cuts the city makes to his budget would not be coming back or be returned at a later date. Manager Rhoden said Sheriff Dobson stated he heard us in the past and knew he needed to be prepared for these cuts. Manager Rhoden stated last year we proposed a cut of \$125,000 to the Sheriff's budget. County Manager CJ Thompson and the Chairman at the time, Jimmy Anderson met with him and asked him to reconsider cutting the \$125,000 last budget year to give them time to prepare. Manager Rhoden said there was a clear understanding if we as a Board did not cut the budget by the \$125,000 last year, that amount would be added into the additional cut for this the 2015-2016 budget year. Manager Rhoden said we met and as a Board decided not to cut the Sheriff's budget last year in order to give the Board of Commissioners and the Sheriff's department time to prepare. He said he is not sure where it got lost in translation or time, but he has talked with Chairman Croft and the Sheriff several times this week, and he has spoken with Jimmy Anderson as well and they all agree and remember the discussion last year. However, if you listen to their board meetings, it seems forgotten as they say things like, how can the City put us in this position. Manager Rhoden stated the main reason he called Chairman Croft is because anyone attending the meetings or listened to the audio of those meetings, would hear it implied or almost given as a directive from the Board pretty much unanimously that if the City cuts the proposed budget then they do not get additional protection. He said they used the term enhanced protection or coverage. We consider it additional protection, and we pay above and beyond what our 7.29 mils pays for as a county taxpayer, because we wanted the stepped up protection of two deputies inside the City limits at all times. Manager Rhoden said once again on the record it was implied that wasn't always the case that two deputies would remain in the city. Manager Rhoden said we understand in an emergency or life or death situation we might not have two deputies, but that was not the example used in the meeting, it was said if the deputies in the City were needed in Glen St. Mary then they would go there and the deputies assigned to the County would come into the City if needed. Manager Rhoden said Sheriff Dobson asked him if there was any way we could reduce our proposed cut by \$150,000 this year and he told him he would look and see what we could do and gave him his word that it would be a firm objective review of our expenses and that he would present it to the Board and get back with him. Sheriff Dobson's response was whatever we can work out, we will not see any reduction in service inside the city limits. Manager Rhoden said for the future we need to decide what we intend to do as a Board with regard to additional coverage in the City. He said he asked the Sheriff to provide us with a clear cost of a first responder or deputy, not an investigator etc. We need to know what it costs per deputy with benefits, one vehicle equipped and all necessary equipment for him to perform his tasks. Manager Rhoden asked him to provide this information as soon as possible, so that within 60

days we can have a number to bring back the this Board. We talked about doing a step down in the budget to help the County and the Sheriff be prepared, he said he is still not sure how this came as a shock to the Board but in their two budget meetings it appeared to be, so we need to make it more clear and defined and hopefully come back to this Board no later than sixty days with a number as to what it costs for a deputy. Manager Rhoden said he is not suggesting we pay the entire cost for a deputy, our 7.29 mils pays for a county deputy and if you listen to the audio of the County Budget Workshops you will know they are pretty much in the City all the time anyway. What we are talking about is what additional manpower is needed so a deputy can remain in the City limits at all times, do we want one deputy or more, what can we afford. We may find the amount of money we have is something the Sheriff is unable to work with and that he can't provide the services for what we can afford. Manager Rhoden said we have to decide as a Board if we are going to continue the contract and at what level so the Sheriff can plan for the future, whether he reduces staff by attrition or another method. He said Chairman Croft and Mr. Anderson were very clear this contract is between us and the Sheriff, not us and the Board of County Commissioners, so how in the meeting were we accused of putting the County in a bad position if this contract did not involve them. Manager Rhoden said we work very well with the County and he understands they are under a great deal of pressure and maybe some comments were made that were not well thought out.

Manager Rhoden said he is making this proposal tonight in an effort to help the Sheriff avoid cutting positions. He told the Board he has reviewed the budget and has found two areas where we can reduce some planned spending which will allow us to reduce the projected cut in the Sheriff's budget by \$105,000. He said he has discussed this figure with Sheriff Dobson and he is aware of future cuts and will be prepared for what is coming. Manager Rhoden went over the proposed reduction in the machinery and equipment line in the sewer department from \$70,000 to \$30,000 which was planned to purchase a generator and SCADA software and set aside the \$40,000 for the Sheriff's budget. He said the amount we had for SCADA was not enough to purchase the software and said we can put that off this budget year. The next area he proposed we reduce was planned paving projects in the amount of \$125,000 in the improvements other than buildings in the Streets department. Manager Rhoden explained we have been able to resurface a large portion of the needed areas in the City because of the decrease in cost of asphalt and have been able to do this without borrowing money, so he feels we can reduce the amount to \$60,000 which will allow us to do what we need to this upcoming year, this will allow us to set aside \$65,000 for the Sheriff. The two reductions in our budget will free up \$105,000 and allow us to increase the Sheriff's budget from \$386,098 to \$491,098, which is still a reduction of \$195,627 overall from his budget amount last year. Manager Rhoden said if the Board approves this, he doesn't think we need to wait this late in the year next year to address this with the Sheriff's department and the Board of County Commissioners. We need to advise them as quick as we can on what we anticipate the budget to be for next year. He said he isn't asking to do away with the contract for the sake of it, we have needs coming up and need to be prepared for those future needs.

Mayor Dopson asked Manager Rhoden if when he talked with Chairman Croft and the Sheriff if they understand that we also pay the 7.29 mils County tax and therefore we are entitled to exactly the same service as Sanderson or Taylor or whoever else and the additional money we pay with City taxes is for additional protection for the homeowners and businesses within the City of Macclenny. Manager Rhoden said he made that very clear and they understood and said there was no intent on the comments made in the meeting for them to be derogatory to the City. Mayor Dopson said we have been doing this supplementation for additional coverage of the police budget for quite a few years now. He said we are looking at cutting the police budget because of needs in other areas such as infrastructure needs in water and sewer and streets, and just about everything else you can name. Mayor Dopson said people talk about double taxation, we are not talking about double taxation, we are saying we can't afford that much anymore and are looking at having to cut back on this contract and shift those funds to other priorities. As too often is the case, not pointing to any individual or any particular group of County Commissioners over the past few years, but as a general rule the County Commissioner's tend to forget the City of Macclenny is in fact a part of the County and pay a significant amount of County taxes. He said at one point, people paying taxes, the residents and businesses in the City of Macclenny made up about 50 percent of the people paying taxes in the County. He said it's lower than that now because there have been some pretty nice homes built in the County but including timber lands we are

probably paying about 30 percent of the County taxes from within the City. Mayor Dopson said he has a problem right here at the holidays with three or four deputies losing their job. He said he spoke with Manager Rhoden about this earlier and even though he isn't supposed to say this, he prayed about it and a feeling of contentment came over him that we should do this and give them the additional money this year. He said we can survive one more year. Mayor Dopson said he would personally like to look at having two deputies for the City of Macclenny and get the cost associated with doing this. He discussed how with shift work it wouldn't be as simple as hiring two deputies but might actually take three and a half people to constitute having one deputy in the City at all times. He said he is interested in seeing what cost the Sheriff puts on having two deputies provide additional coverage to the City of Macclenny. He said we may not be able to afford two, we might only be able to pay for one or as Manager Rhoden said, the Sheriff may determine it is not worth it to him. Mayor Dopson said he wants it to be clear and that all understand the costs when we get these figures and that will be our payment and hopefully this will avoid further confusion. This way if it does require cutting people based on what the County does at least it can be done by attrition rather than firing people. Mayor Dopson said he supports reducing our expenses in these areas and increasing the Sheriff's budget this year.

Commission Horne said he agrees since it will not put the City in a bind, we should help the Sheriff out and this would give him a year to figure it out and do what he needs to do. If it came down to raising taxes the answer would be no, but since it isn't we should help him out.

Commissioner Bryant asked if we have surveyed the lines for water and sewer or if this cost is covered in the budget. Manager Rhoden said we have the funding for those projects. Commissioner Bryant said he places a very high value on police and fire protection and he believes they spend the money smartly and with great integrity. He said we have some rough roads, but they are passable and we have repaired some of them so we can get by. He doesn't want to see men and women lose their jobs. However, he expressed his concern over the aging infrastructure in the water and sewer departments and asked if there were other areas we could cut the budget other than the sewer department. Manager Rhoden explained to Commissioner Bryant that we have included needed pump replacements and what we are proposing to cut would not be enough to purchase the SCADA and it is not a required item and has nothing to do with repair and maintenance. There was further discussion on lift station generators and other items included in this budget and things being done during this current year to be prepared. Commissioner Bryant said if you and staff and the engineer are comfortable then he is comfortable.

Commissioner Bennett said he isn't surprised this happened and the Sheriff is doing the best job he can do and if we can help him this year we should do it.

Commissioner Kitching has to abstain from voting but commented by saying he is technically paid out of BCDC rather than out of law enforcement so he could probably vote, but has recused himself based on appearance. He said he was thankful for all of the effort the City staff has put into this and applauded the City Manager for making this workable for one more year.

Mayor Dopson said we are in agreement with that and so changes were made to the budget as recommended by Manager Rhoden.

Manager Rhoden stated there were no increases to any entities this year. They are funded at the same amount as last year.

Mayor Dopson showed concern with two categories in the General Fund, Government Infrastructure One Cent Sales Tax and Electrical Franchise Tax. Mrs. Thompson discussed the difference between the States Projections compared to actual revenue.

The Utility budget was reviewed. Ms. Thompson stated there will be a slight decrease in collection fees due to making Code Red calls to remind customers of past due balances. \$60,000 will be transferred out of the General Fund to balance the Utility Fund Budget.

Mayor Dopson reviewed the budget for each department page by page.

The Commissioners budget was reviewed with no comments or questions. Mrs. Thompson did state there will be a 36% increase in every department for life insurance.

Mayor Dopson stated City Manager's salary increased by 3%, and added a monthly stipend for half the cost of family health coverage.

The Office budget was reviewed and noted; postage was increased due to increasing costs of stamps, janitorial expense will be paid out of office fund instead of split between departments and the School Board will be repaid \$31,937 which will reduce our Ad Valorem revenue.

The City Attorney's budget was reviewed with no comments or questions.

The Law Enforcement budget was reviewed in the first part of the meeting.

The Fire Department budget was reviewed. Mayor Dopson asked about the difference for State/OSHA/NFPA tests from \$10,500 to \$3200. Mrs. Thompson stated every other year there are different tests that are required on the fire trucks and this year none are required.

In reviewing the Building Department budget, Mayor Dopson asked why travel and per diem increased. Manager Rhoden stated Assistant City Manager Mr. Mike Griffis will be traveling to Tallahassee to help with grants for the City.

There were no questions or comments on the public safety budget.

The Solid Waste budget was reviewed and noted Griffin Court collection site attendant is now a contractual service.

The Street department budget was reviewed. Manager Rhoden stated \$10,000 was added for continued improvements in the Downtown area.

The Recreation Department and Heritage Park were reviewed with no questions or comments.

The Information Services budget was reviewed. Mayor Dopson questioned the increase under repair and maintenance, and the Windows server training. Mr. Marshall Mann stated the increase under the repair & maintenance is in part for a joint project between the county, school and city utilizing Geographic Information System (GIS) software for the purpose of emergency management. The software will give each agency access to live data used for and during emergencies. Mr. Mann stated the last formal training he attended for server and networking technologies had been over 15 years ago and since technology has changed so much he feels his training needs to be updated.

The Water Department budget was reviewed. It was discussed the difference of the amount for the 2015 budget and what has been spent. The difference is due to the Ohio Street well and necessary repairs that needed to be done.

The Sewer Department was reviewed with no questions or comments.

There were no questions or comments on the Rental Budget.

Mayor Dopson stated the basics of this budget meeting are; taxes will not increase and stay at 3.6 mil, a 3% raise or minimum \$1000.00 for employees, 1.9% increase in insurance costs and for the proposed budget the 2016 contingency fund is \$133,937.

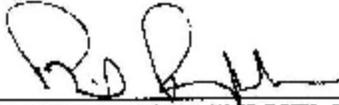
There was discussion about dates and it was decided our next meeting for the Public hearing on tentative millage rate and budget will be on Monday, September 8th at 5:45 p.m. prior to our regular meeting at 6 p.m.

With no further business to come before the board, the meeting was adjourned.




MAYOR CARY DOBSON

ATTEST:



CITY MANAGER/ CLERK PHIL RHODEN