

**Continuation of Budget Workshop from 8/8/2023 (Monday, August 14, 2023)**

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A. WORKSHOP OPENER

Procedural: 1. Call To Order - Roll Call

**Mayor Stegall called the continuation of budget workshop to order at 6:09pm.**

In Attendance:

**City Commission- Mayor Stegall, Vice Mayor Hendrix, Commissioner Huggins, Commissioner Redman, Commissioner Sirmones**

**City Staff- Interim City Manager Tillis, Minutes Clerk Page, Finance Director Sapp**

B. AGENDA ITEM NUMBER

Discussion: 1. Continuation of 2023-2024 Fiscal Year Budget Workshop

**Vice Mayor Hendrix stated that the board had left off with the City Commission expenses, which is referenced as page 2.**

**Vice Mayor Hendrix stated that there was an adjustment to the FRS line item and questioned the use of the travel line for city commission.**

**Vice Mayor Hendrix referenced the dues and publications for the city commission, and asked Interim Manager Tillis what the \$1,500 represents, and Tillis explained the expenses associated with this line item.**

**Interim Manager Tillis stated the reason for the expense line being at the figure provided.**

**Mr. Dave Mecusker asked if public comment is warranted, City Attorney Maines stated that it is up to the board's decision.**

**Mayor Stegall allowed for public comment.**

**Mr. Mecusker stated that during his tenure, they had suggested the Mayor be a part of the National League of Cities.**

**Mr. Mecusker stated that being on the historical society board and referenced the \$5,000 city donation and county donation.**

**Vice Mayor Hendrix stated that the expense line Mecusker questioned has not been reached yet.**

**Commissioner Redman questioned the hotel that is used during the FLC annual conference, and the expenses associated with it.**

**Commissioner Hendrix has referenced the city manager salary and stated that until a salary is set by the board, the job posting cannot be posted until a salary is set. Stated that the job description has been reviewed by the Mayor Stegall and City Attorney Maines. Referenced that the city manager salary provided by Interim Manager Tillis has been board approved, and Interim Manager Tillis did clarify that the \$85,000 figure is a suggestion only.**

**Mr. Mecusker asked to speak up as public comment regarding the city manager job description and salary, and stated during his time, he looked at the salary adjustments on a conservative level as well as the liberal level. Stated that the FRS contributions for the city manager needs to be reviewed carefully before setting the salary with the differences in percentages dependent on the class.**

**Vice Mayor Hendrix reviewed the FRS percentage sheet printed out.**

**Vice Mayor Hendrix did state that the board can look into this and review the percentages, and adjust if appropriate.**

**Vice Mayor Hendrix referenced the city manager office supplies and city manager operating supplies and asked if the city manager office and operating supplies is projected appropriately.**

**Interim Manager Tillis stated that he was not aware of why there needed to be two separate lines, and Vice Mayor Hendrix stated that she would review surrounding counties financial statements.**

**Vice Mayor Hendrix asked why vehicle supplies and fuel were two different expense lines, and Interim Manager Tillis clarified that vehicle supplies could be for oil change, repairs, maintenance.**

Interim Manager Tillis did clarify that the fuel is dependent on the city manager will have a city car or if he needs to be adjusted to mileage instead.

Vice Mayor Hendrix clarified that the city manager telephone expense line is for the office phone, in which Interim Manager Tillis confirmed.

Interim Manager Tillis stated that he reviewed the GL over the weekend, with July being posted, to help project the revenues received and expenses paid by the end of the fiscal year, which is September 30, 2023.

Vice Mayor Hendrix stated that the significant difference in expense for city manager workers comp, and Interim Manager Tillis did comment that he was under the impression that there were more than just the city manager workers compensation was being expensed to this account.

Vice Mayor Hendrix did state that the health insurance stipend and referenced that the city is paying the \$8,000 hospitalization stipend AND a \$600 primary care subscription, and suggested that the commission adjust to remove the \$600 primary care subscription to be included within the \$8,000 stipend. Vice Mayor Hendrix did comment that due to the previous city manager's decision to make the Union Direct Primary Care subscription mandatory, and that it took a negative effect on some employees.

City Attorney Maines did state that the board needs to have the consideration of termination of the Union Direct Primary Care subscription with effective date on 10-1-2023, and to inform employees that this benefit is no longer provided as of the given date.

City Attorney Maines did state that it was not perceived as being mandatory.

Vice Mayor Hendrix did suggest and ask that this be added to the consent agenda.

Mr. Mecusker asked for a point of clarification on the Union Direct Primary Care subscription and the board provided clarification.

Vice Mayor Hendrix requested that the contract between city and Union Direct Primary Care be reviewed.

Vice Mayor Hendrix clarified on the life insurance carrier, as well as the amount provided for each employee.

Vice Mayor Hendrix did reference the finance director salary, as well as the job description, referenced Finance Director Sapp's resignation with notice given today.

Vice Mayor Hendrix did state that this may be a good time to have the position descriptions reviewed and refined, and the suggestion of a procurement person, a HR person, or a more complex finance director position.

Vice Mayor Hendrix did suggest outsourcing the position such as an auditing firm or a CPA which City Attorney Maines commented would save the city money, on a 1099 basis.

Vice Mayor Hendrix did state that the County has careful review of their finances.

Vice Mayor Hendrix did raise concern that the city does not have a firm grasp on procurement with items being acquired without board oversight.

Interim Manager Tillis did state that the city will be undergoing significant projects with lots and lots of paperwork.

City Attorney Maines asked if the city has a grant administrator, and Interim Manager Tillis stated that they do the paperwork, but not the physical receipt and expense of the grant monies.

Vice Mayor Hendrix did explain the process that was explained to the board by the Mittauer & Associates, Inc. engineering firm.

Commissioner Huggins commented that he has researched surrounding organizations who have outsourced HR as well as procurement.

Vice Mayor Hendrix and City Attorney Maines did comment that to have an outsourced HR firm, would provide more cushion and better internal control to avoid publicizing employee complaints, and to have the entire process fair and balanced.

Commissioner Huggins did state that the process would be much easier and a better process altogether.

Commissioner Huggins' wife, Mrs. Huggins spoke up that the HR firm would speak to each individual employee and to get the research done for each individual employee.

Commissioner Huggins did state that to City Attorney Maines' comment, the city does not have a lot of complaints, but this process can be improved significantly.

Vice Mayor Hendrix referenced that the total city expense for the finance director position is \$92,934.80, and stated that this position as a whole can be reviewed and adjusted, to provide better benefit to the city.

Vice Mayor Hendrix referenced the audit expense line, and clarified and confirmed that the expense line is used to pay for the annual audit, and Interim Manager Tillis stated that the audit is divided up between different funds to cover that audit.

Vice Mayor Hendrix asked on the research into radios rather than cell phones, and Interim Manager Tillis did state that he did ask the sheriff's department on what they use, and hopes to have an answer soon.

Vice Mayor Hendrix did state that the city cell phone policy needs to be reviewed, with an expense of \$15 per employee and it needs to be reviewed.

Vice Mayor Hendrix raised concern that the employee reimbursement with the monthly deduction is not being recorded as a revenue, and Finance Director Sapp did comment that if the board would like, the revenue line is added to reflect this reimbursement.

Vice Mayor Hendrix did raise concern that the city does not currently check the drivers licenses checked for all city employees.

Vice Mayor Hendrix asked on the reason for the repairs and maintenance expense line for finance, Interim Manager Tillis explained that the electronic device repair at city hall would be expensed to this line item, such as a new drive.

Vice Mayor Hendrix did ask why there was legal advertising and advertising expense lines, and City Attorney Maines clarified that the legal ads are normally North Central Florida Regional Planning Council (NCFRPC) expenses.

Vice Mayor Hendrix referenced that the operating and office supplies were combined for this proposed budget, with a \$11,000 expense in the operating supplies.

Vice Mayor Hendrix referenced the copier lease and the cost for the several different printers in City Hall. Minutes Clerk Page commented that the quote has been requested by the copier provider.

Vice Mayor Hendrix referenced the capital outlay that includes a \$6,000 expense which is the city hall AC, Interim Manager Tillis did comment that the unit that cools the city hall offices is the oldest unit that came with the building when it was constructed in 2004, and that it is most unlikely that the unit will last another whole year.

Commissioner Huggins asked if any of the city inmates has a HVAC certification to reduce costs in calls to the air conditioning company, Interim Manager Tillis did comment that to his knowledge, there is not any on the current inmate staff provided by RMC.

Vice Mayor Hendrix did reference the legal services expense line, and Interim Manager Tillis did explain that the expense will be over the projected \$40,000 expense line, and Hendrix asked if this expense represents legal services for City Attorney Maines, and Maines confirmed and added that it would include himself, the labor attorney, and the legal firm chosen for the Welch property swap and TNT acquisition, so that it is a very general expense that includes several different legal firms.

Vice Mayor Hendrix did reference the code enforcement expense category and asked what the salary expense has been calculated is accurate or which figure is the correct one. Hendrix raised concern that the salary is being adjusted and that the salary needs to remain the same after a raise was given by the previous city manager gave to the code enforcement officer. Hendrix did comment that when a salary increase occurs, the triple effect to employer contributions also increase.

Vice Mayor Hendrix referred to City Attorney Maines on how to handle keeping the salary amount for code enforcement the same, and City Attorney Maines explained that the board can do what they are most comfortable with.

Mayor Stegall asks the board if there are any further comments or concerns and the board is in agreement.

Mayor Stegall and the board has requested the interim manager adjust the salary to leave the salary at the current amount, which would affect the employer contribution amounts such as FICA, Medicare, FUTA, etc.

Interim Manager Tillis did explain that the Planning & Zoning expenses has increased due to the expense being moved from the city commission expense category, and this was combined to reduce the expense under the city commission expense category, and increase the planning and zoning category expense.

Vice Mayor Hendrix did reference that the elections expense category has been increased to \$5,000 due to the cost of electronic counting equipment provided by the Supervisor of Elections.

City Attorney Maines did state that the previous city manager hesitated to increase the expense due to an unknown resistance.

Mayor Stegall referenced the increase in fire insurance for property, which Interim Manager Tillis commented it is for the fire station, and is a part of the fire station insurance coverage seeing as how the city still owns this building but the County is using it.

The board reviewed the crossing guard expense category, referencing salaries, FRS, workers compensation, and Medicare.

Vice Mayor Hendrix stated that the cemetery did receive a \$8,000 expense for a fence at the cemetery which was not board approved.

Vice Mayor Hendrix did ask for clarification on the public works department and its sub-departments, and asked if street maintenance was a part of public works.

Interim Manager Tillis clarified that the expense breakdown across funds is explained in the spreadsheet provided to the board.

Vice Mayor Hendrix clarified that the spreadsheet reflects raises that has not been board-approved, and Tillis did reference that it is merely a suggestion and a proposal, or a recommendation.

Vice Mayor Hendrix stated that the number of full-time employees has been at 12 for several years, and is now at 14, which this increase was not approved by the board.

Vice Mayor Hendrix raised concern that with the number of employees assigned to mowing, the number of employees and the number of working pieces of equipment would create a problem since the city does not have the number of pieces of equipment to sustain that many mowing people.

Vice Mayor Hendrix raised concern on the total number of full-time employees, and with the condition of the streets and roads within the city limits, with several different areas not looking very well.

Commissioner Huggins stated during his drive around the city, he noticed several different areas that needs major improvement to the condition of the need of mowing, trimming, and general lawn maintenance.

Vice Mayor Hendrix did suggest that since she was told that the city only has 1 working lawnmower, that the number of total employees be reduced to the initial amount which is 12, and not 14, and a proposed 15 employees.

Commissioner Huggins did comment on certain areas that have overgrown ditches that need attention.

Vice Mayor Hendrix did state that items on the curbside are not being picked up, and that there is a concerning delay in getting the curbside items removed from the road.

Mayor Stegall commented that the issues his attention has been brought to has been and is concerned with the miscommunication and lack of response.

Vice Mayor Hendrix did suggest reducing to the original amount of the full-time employees and to use the reduction in salary to buy necessary equipment.

Commissioner Huggins asked Interim Manager Tillis why there was a need for additional staff for the mowing crew, and Tillis did comment on why there was a need for it for mowing the 236 acres of the sprayfield.

Vice Mayor Hendrix raised concern with over-budgeting on this category and that the boards need to carefully review the expense and number of employees.

Commissioner Redman asked how many people the city originally had, Hendrix referred to the former list which was 8, then 12, then 14, now a proposed 15 total employees.

Vice Mayor Hendrix did recommend that the number of employees be reviewed and did comment that the new wastewater treatment plant will need 4 certified operators, which is 3 in addition to Willie Henderson.

Vice Mayor Hendrix did suggest that the board start to reduce the number of expenses sooner rather than later with future expenses that will be mandatory.

Interim Manager Tillis explained the city's current situation with number of people servicing and the increase that will take place, and suggested that the city renegotiate with DOC for services provided for water and sewer service.

Vice Mayor Hendrix stated that it is possible to reduce the number of full-time employees and use that to provide raises with current employees, and just a general adjustment to the number of public works employees.

City Attorney Maines did clarify that the Vice Mayor is requesting or suggesting to adjust the number of full-time employees and to hire a OPS position for mowing the sprayfield, and to buy the equipment necessary to work with the number of employees.

**Interim Manager Tillis did ask if attrition needs to take place for the reduction or if termination takes place, Hendrix stated termination would need to take place.**

**Mr. Mecusker recommends the board research Florida Crown for part time summer help.**

**Mayor Stegall asked the board if there was a consensus or if the board has other comments.**

**Commissioner Huggins commented that the number of employees be reduced to 12, and a OPS for mowing the sprayfield would be a good idea.**

**Interim Manager Tillis commented on the animal control expense category and that it is currently being handled in-house.**

**Vice Mayor Hendrix did apologize for moving backwards, but referenced the public works uniforms, and did comment that the newer employees do not have uniforms.**

**Mayor Stegall commented that he had been working on the uniform policy that had been his selected policy.**

**Vice Mayor Hendrix did reference to make sure that the shoe allowance will include the boot allowance for the outside employees only, Mayor Stegall confirmed.**

**Vice Mayor Hendrix suggested under Animal Control, that the animal control truck is not currently being used could be sold, and the two vans could take the place of two trucks, one truck could be designated for the city manager, and the other can be sold as surplus to pay for improvements to the dog shelter down at the old wastewater plant, and stated that the potential sale of the dog truck would be restricted to the board to approve any expense to spend for the shelter improvements.**

**Vice Mayor Hendrix suggested that the sale of the dog truck be put on the regular agenda for September 19, 2023 regular meeting.**

**Vice Mayor Hendrix stated that a possible idea could be to put the sale of the 2009 van on the agenda along with the dog truck for the commission to consider and discuss to take action if appropriate.**

**The board raised concern with the process in which the mosquito control operator is being paid his additional wage for mosquito control.**

**Vice Mayor Hendrix stated she would contact Kim Hayes and ask how they handle the wages and payroll for mosquito control.**

**Vice Mayor Hendrix did comment that the board has suggested that the Town of Worthington Springs monthly service fee needs to be increased due to the fact it has not been changed in several years.**

**With concluding mosquito control expenses, Mayor Stegall requested the continuance of this budget workshop be held on Tuesday, August 22, 2023 at 5pm.**

**Gavel banged to conclude workshop was made by Mayor Stegall at 8:27pm.**

#### **C. WORKSHOP ADJOURNMENT**

**Action: 1. Adjournment by Mayor**

**Recommended Action: Mayor Stegall makes motion to adjourn or sets a date and time for continuation of this workshop.**

**With concluding mosquito control expenses, Mayor Stegall requested the continuance of this budget workshop be held on Tuesday, August 22, 2023 at 5pm.**

**Gavel banged to conclude workshop was made by Mayor Stegall at 8:27pm.**