2nd - BUDGET WORKSHOP MEETING OF LAKE BUTLER, FLORIDA

July 15, 2024

 6:00PM

City Hall Lake Butler

200SW 1st Street

 Lake Butler, Florida 32054

AGENDA – Fiscal Year 2024-2025 2nd - Budget Workshop

1. **Call to order – Roll Call, Opening Prayer, Pledge of Allegiance.**
2. Admin Content *If a person decides to appeal a decision made with respect to any matter at this neeting or hearing, he or she will need a record of the proceedings and may need to ensure that a verbatim record is made.*

Mayor Hendrix called the meeting to order at 6:00pm.

In Attendance:

City Commission –Commissioner Redman, Commissioner Stephenson, Commisioner Sirmones, Vice Mayor Huggins, Mayor Hendrix,

City Staff –City Manager Hayes, Finance Director Mecusker, Administrative Assistant Evernden.

Absent: City Attorney Maines

Opening Prayer was led by Commissioner Redman.

Pledge of Allegiance was led by Mayor Hendrix.

1. **City Commission Discussion on 2024-2025 Annual Operating Budget (FOR CITY COMMISSION DISCUSSION ONLY).**

Special City Commission Meeting. Discussion of 2024-2025 Annual Operating Budget.

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Discussion opened by Mayor Hendrix. Mayor Hendrix asked the Commissioners how they wanted to proceed by conducting the meeting for an hour tonight and then picking another date to meet again. City Manager Hayes asked the Commissioners did they want to go line by line on the purposed budget and everyone agreed they want to go line by line.

Finance Director Mecusker discussed with the Board the documents presented to them in their folder. Finance Director Mecusker explained that the fourth revision has not been approved by the Board yet, but we are moving forward with the Budget Season. Finance Director Mecusker stated that the purposed budget is broken down by funds which is the way the board requested. Finance Director Mecusker stated that he is here to assist the board with any questions and/or concerns with the breakdown of the purposed budget. City Manager Hayes requested Finance Director Mecusker to explain the columns and the highlighted areas. Finance Director Mecusker explained to the board the city had four (4) budget revisions for the years. Finance Director Mecusker explained revenue must equal expense. The fourth (4th) revision for June 30th will be voted on tomorrow night 7/16/2024. Finance Director Mecusker explained the difference between Fixed Variables and Discretionary Expenditures. Finance Director Mecusker reviewed & explained the fund codes to the board, for example 30 is wastewater fund. Finance Director Mecusker explained whatever Mr. Dukes office decides is what the TRIM will be for the next budget year. Finance Director Mecusker stated that we need to set up a meeting with Union County Housing Authority to discuss increasing the rates of their rental occupancy because everything has increased, and this has not happened in several years.

Finance Director Mecusker explained the taxes and the impact that would have on the city. Commissioner Stephenson and Mayor Hendrix asked Finance Director Mecusker how the taxes are calculated prior to being sent to the city and county. Finance Director Mecusker stated that it is

not known prior to being sent to us from the State of Florida.

A discussion of where the city limits are and what is included and excluded took place amongst the board. Mayor Hendrix asked what the miscellaneous tax and fees were for. Finance Director Mecusker discussed Mosquito Control and was questioned was that for Worthington and was it still in effect. Finance Director Mecusker stated it was not clear on the and City Manager Hayes stated they would check in to this.

Finance Director Mecusker discussed the Highway Lighting Reimbursement from DOT and Mayor Hendrix asked why we are not getting any money and Finance Director Mecusker explained we get it all in one check in June. Finance Director Mecusker explained that the Greenscape Reimbursement is quarterly, and they may go up when he receives the new statement from the State of Florida. Mayor Hendrix asked where this third agreement is, and can we review the contracts to compare them to what we receive.

Finance Director Mecusker discussed with the board the rental increases on the small office spaces at the Townsend Building which includes Utilities. Vice-Mayor Huggins discussed doing some upgrades on these spaces if we increase the rental fees.

The board discussed utilizing the Trails Building but we are not allowed to rent this building out based on the contract for an extended period of years.

Mayor Hendrix questioned Finance Director Mecusker about the Special Event Donations and the $500 donated for the Christmas Parade since it was a special event. Finance Director Mecusker stated he would look into what account that was deposited in too.

Finance Director Mecusker stated that staff was advised on the Miscellaneous Salvage-Recycling fund all the recyclable items picked up during beautification month and throughout the year would be broke down and taken to recycle once a year or twice a year for resale.

Finance Director Mecusker discussed how the deposit process for the Community Center was changed and the deposits are now deposited into the city bank account and when the keys are returned for the Community Center a check is issued to the renter.

Finance Director Mecusker explained that all funds in the budget are currently self-sustaining, and Mayor Hendrix stated that this is awesome news.

Finance Director Mecusker discussed the sell of the Suburban and Truck and Mayor Hendrix stated the sale of the truck should have gone into restricted reserve. City Manager Hayes stated that she went before the board and asked permission for the funds from the sale of the truck be utilized at the WWTP for the list of items Willie turned in for repairs/replacement items that had been neglected the past 5 years. Mayor Hendrix stated that the board was not told that the whole $35,000 for the truck sold was spent. City Manager Hayes stated that there is a list of items the money was spent on and when they get to the WWTP budget they will go over all the items. Mayor Hendrix requested we go back and look at that because the board had requested that money be restricted.

Finance Director Mecusker stated that there is also a Salary Raise/Adjustments sheet attached and did the board want to discuss that. The Commissioners stated that they are not wanting a pay increase they would rather see the staff receive pay increases. Commissioner Redman stated she would like to discuss some notes on the salary she had made. Commissioner Redman stated two of the staff can be excluded from this discussion because they will be increased January 2025. Commissioner Redman stated if they could not include City Manager Hayes in this discussion also and look at her again in January 2025. Commissioner Redman also stated to eliminate all staff that have not been with the city a year. Mayor Hendrix agreed with that. Mayor Hendrix stated anybody here a year or more would get the raise. Finance Director Mecusker went through the list

of staff with the Commissioners and stated 5 staff would qualify for the increase. Vice-Mayor

Huggins stated that he agreed with this also and staff under a year should not benefit from the increase. Mayor Hendrix asked do you give 5% or a conservative 3% increase and see where the city is at before you bump them up to 5%. Finance Director Mecusker stated that we have the surplus in each fund, we are trying to look at what is going on around us with inflation and be comparable to the county and Mayor Hendrix stated you cannot compare us to the county because

we don’t have the money and we don’t offer benefits, but we need to look at benefits for staff next year. Commissioner Redman stated she does not see an increase of 5% being harmful. Mayor Hendrix stated to keep in mind it is not just the salary, it is Social Security, FRS. Vice-Mayor Huggins stated that performance should be considered and if there were performance issues, they would not get anything. Mayor Hendrix stated let’s be fair about it we have some staff in these 5 that have received a raise in the last 8 months and 2 they did not receive an increase. Commissioner Redman questioned how a staff member can be here 24 years and only be at $20 an hour.

City Manager Hayes stated that she has had too much to do since she has been here the past 5 ½ months but next year she will have and be completing performance evaluations and raises will be based on those evaluations. Mayor Hendrix stated that maybe we can consider anybody that has been here over a year to receive the 5% increase. Mayor Hendrix stated that there is a staff member that she understands did a great job, but he was at $13 an hour and jumped to $18.50 an hour to now we are going to give him another 5%. Vice-Mayor Huggins stated to the mayor’s point the staff member that has been here over 20 years and just knocking on the door of $20 an hour and Mayor Hendrix agreed we should give him 5%. City Manager Hayes confirmed 2 staff at 5% and 3 staff at 3%. Mayor Hendrix asked Commissioner Sirmones what his thoughts were, and he stated 5% increase across the board and Commissioner Redman asked was this on the 5 staff or everyone. Commissioner Sirmones stated the 5 should be 5%. Commissioner Redman asked about the FRS Drop had anything changed.

Finance Director Mecusker discussed Travel, Dues and Publication Funds and what was covered in that.

Mayor Hendrix asked about Board Docs and wasn’t that cancelled. City Manager Hayes stated that was stopped and we are now doing the Agendas and Minutes in house.

Finance Director Mecusker stated he will make changes based on what was discussed in tonight’s meeting.

Finance Director Mecusker discussed the base rates of water increased.

Mayor Hendrix stated that City Manager Tillis told the board he had fixed it and he had increased the rates for the citizens to 48%.

Finance Director Mecusker stated that there is negotiation with DOC on the rates and a base rate of 10% go down in water for citizens. Mayor Hendrix stated that we need to discuss this with City Attorney Maines because we need to get this added to the agenda to be able to vote on this it is time sensitive.

Vice-Mayor Huggins Motioned to continue the meeting August 8, 2024 @ 5:00 pm and Motion seconded by Commissioner Redman. Unanimous approval.

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1. Workshop Adjournment:

 **IN THE EVENT THE BOARD DOES NOT COMPLETE THE DISCUSSION, THE MAYOR CAN SET A DATE AND TIME TO CONTINUE THIS WORKSHOP.**

1. Meeting Adjournment

Mayor Hendrix continued this Budget Workshop Meeting until August 8, 2024, at 5:00 pm.

Meeting completed at 7:34 pm.