

TERRELL L. HILL
MAYOR - COMMISSIONER

MARY LAWSON BROWN
VICE MAYOR - COMMISSIONER

RUFUS J. BOROM
COMMISSIONER

JUSTIN R. CAMPBELL
COMMISSIONER

JAMES NORWOOD, JR.
COMMISSIONER



TERRY K. SUGGS
CITY MANAGER

BETSY JORDAN DRIGGERS
CITY CLERK

MATTHEW D. REYNOLDS
FINANCE DIRECTOR

JAMES A. GRIFFITH
INTERIM CHIEF OF POLICE

MICHAEL LAMBERT
CHIEF FIRE DEPT.

DONALD E. HOLMES
CITY ATTORNEY

CITY of Palatka FLORIDA

Regular meeting 2nd and 4th Thursdays each month at 6:00 p.m.

WORKSHOP CITY OF PALATKA August 31, 2015

**CALL TO ORDER & Reading of Special Meeting Call - Mayor Hill
Invocation, Pledge of Allegiance & Roll Call**

Approval of Minutes

PUBLIC COMMENTS - (Speakers limited to three minutes - no action taken on items)

Agenda Items

- * 1. **PRESENTATION & DISCUSSION** - Proposed General and Enterprise Funds Budgets per FY 2015/16 TRIM Calendar Requirements

Adjourn

*Attachment

ANY PERSON WSHING TO APPEAL ANY DECISION MADE BY THE COMMUNITY REDEVELOPMENT AGENCY WITH RESPECT TO ANY MATTER CONSIDERED AT SUCH MEETING WILL NEED A RECORD OF THE PROCEEDINGS, AND FOR SUCH PURPOSE MAY NEED TO INSURE THAT A VERBATIM RECORD OF THE PROCEEDINGS IS MADE, WHICH RECORD INCLUDES THE TESTIMONY AND EVIDENCE UPON WHICH THE APPEAL IS TO BE BASED. FS 286.105

PERSONS WITH DISABILITIES REQUIRING ACCOMMODATIONS IN OROER TO PARTICIPATE IN THIS MEETING SHOULD CONTACT THE CITY CLERKS OFFICE AT 329-0100 AT LEAST 24 HOURS IN ADVANCE TO REOUEST ACCOMMODATIONS.



**CITY COMMISSION WORKSHOP
AGENDA ITEM**

SUBJECT:

PRESENTATION & DISCUSSION - Proposed General and Enterprise Funds Budgets per FY 2015/16 TRIM Calendar Requirements

SUMMARY:

This is presentation and discussion of the proposed draft budget covering City of Palatka General Fund and Enterprise Fund.

RECOMMENDED ACTION:

As this is a workshop, these items are being presented for discussion and recommendations only. First public hearing and resolution adopting the tentative FY 2015/16 budget is scheduled for September 10. Second public hearing on the resolution adopting the final FY 2015/16 budget will take place on September 24, 2015.

ATTACHMENTS:

Description	Type
▣ Presentation	Presentation

CITY of *Palatka* **FY2015-16**
FLORIDA

BUDGET WORKSHOP

MONDAY, AUGUST 31, 2015

City-wide Assumptions

2

- No cost of living increase
- Increase in health insurance costs of 9%
- City share of Pension contribution:
 - General Employees from 23.5% to 23.2%
 - Police Officers from 14.4% to 12.3%
 - Firefighters remain at 33.4%

Airport Fund

3

- Changes since the first budget workshop:
 - Added a reimbursement to the General Fund for administrative services in the amount of \$52,335
 - Increased Transfer from General Fund (\$81,738 to \$133,919)

Airport Fund Revenues & Expenditures

4

	Budget 2014-15	Projected 2014-15	Budget 2015-16
Grant Revenues	\$923,237	\$1,803,419	\$-
Grant Expenditures	\$(942,212)	\$(1,827,458)	\$-
City Share of Grants	<u>\$(18,975)</u>	<u>\$(24,039)</u>	\$-
Operating & Other Revenues	\$957,213	\$808,636	\$833,821
Operating Expenditures	\$(868,024)	\$(730,760)	\$(755,239)
Debt Service	\$(171,212)	\$(171,212)	\$(160,166)
Admin Exp Reimbursement	\$-	\$-	\$(52,335)
Net Revenues/(Expenses)	<u>\$(82,023)</u>	<u>\$(93,336)</u>	<u>\$(133,919)</u>
Transfer (General Fund)	\$100,998	\$117,376	\$133,919

Utility Fund

5

- Changes since the first budget workshop:
 - Added a 10% increase in water and sewer rates (\$388,261 in additional revenues)
 - Transfer to General Fund of \$260,000 increased to \$265,339 (5.9% of gross revenues)
 - Added a reimbursement to the General Fund for administrative services in the amount of \$243,827

- Net effect of changes:
 - Operating surplus/(deficit) changed from **\$(80,759)** to \$6,357

Utility Fund Revenues & Expenditures

6

	Budget 2014-15	Projected 2014-15	Budget 2015-16
Operating & Other Revenues	\$4,346,619	\$4,322,665	\$4,497,275
Operating Expenditures	\$(4,362,850)	\$(4,266,676)	\$(4,490,918)
Net Revenues/(Expenses)	<u>\$(16,231)</u>	<u>\$95,989</u>	<u>\$6,357</u>
Reserves	\$193,389	\$305,609	\$311,966
Reserves as % of Op. Exp.	4.43%	7.23%	6.95%

- Reasons for Projected to be significantly better than Budget:
 - \$75,000 in W&S Dist. Capital Outlay for line replacement
 - Approx. \$50,000 savings in W&S Dist. Personnel due to turnover
 - Approx. \$50,000 savings in WWTP Personnel due to turnover
 - Approx. \$40,000 savings in Operating expenditures of the Water Plant

Utility Fund – BCR Project Impact

7

	Current Operating Costs	Proposed Operating Costs w/ BCR	Current Operating Costs <u>with Disposal</u>
WAS Pump Energy	\$ 105	\$ 105	\$ 105
Thickener Energy	\$ 105	\$ -	\$ 105
CleanB Energy	\$ -	\$ 266	\$ -
Anerobic Digester Energy & Gas	\$ 41,104	\$ -	\$ 41,104
Dewatering Energy	\$ 2,966	\$ 136	\$ 2,966
Polymer	\$ 4,900	\$ 3,920	\$ 4,900
Repair & Maintenance	\$ 10,000	\$ -	\$ 10,000
Hauling	\$ 13,780	\$ -	\$ 13,780
Disposal	\$ -	\$ -	\$ 137,800
BCR Whole Biosolids Solution (includes disposal)	\$ -	\$ 120,502	\$ -
SRF Loan Repayment	\$ -	\$ 75,000	\$ -
Total	\$ 72,960	\$ 199,929	\$ 210,760
Increase over current costs	\$ -	\$ 126,969	\$ 137,800
Potential revenue from Leachate	\$ -	\$ 270,000	\$ 270,000
Increase/(Decrease) over current costs with leachate revenue	\$ -	\$ (143,031)	\$ (132,200)

Utility Fund Decision Points

8

▪The Operating surplus or deficit of the Utility Fund under different scenarios is as follows:

	Current Budget w/o BCR Project	BCR Project w/o Leachate	BCR Project w/ Leachate
Surplus/(Deficit) w/o rate increase	\$(358,996)	\$(485,965)	\$(215,965)
Surplus/(Deficit) w/ 3% rate increase	\$(249,390)	\$(376,359)	\$(106,359)
Surplus/(Deficit) w/ 5% rate increase	\$(176,319)	\$(303,288)	\$(33,288)
Surplus/(Deficit) w/ 10% rate increase	\$6,357	\$(120,612)	\$149,388

Golf Fund

9

- Changes since the first budget workshop:
 - Added a reimbursement to the General Fund for administrative services in the amount of \$15,402
 - Increased Transfer from General Fund (\$156,480 to \$171,647)

Golf Fund Revenues & Expenditures

10

	Budget 2014-15	Projected 2014-15	Budget 2015-16
Grant Revenues	\$200,000	\$185,832	\$-
Grant Expenditures	\$(200,000)	\$(225,833)	\$-
City Share of Grants	<u>\$-</u>	<u>\$(40,001)</u>	<u>\$-</u>
Operating & Other Revenues	\$731,241	\$691,576	\$676,479
Operating Expenditures	\$(807,968)	\$(898,585)	\$(795,724)
Capital Outlay	\$(26,585)	\$(17,000)	\$(37,000)
Admin Exp Reimbursement	\$-	\$-	\$(15,402)
Net Revenues/(Expenses)	<u>\$(103,313)</u>	<u>\$(224,009)</u>	<u>\$(171,647)</u>
Transfer (General Fund)	\$103,313	\$264,010	\$171,647
Transfer from Better Place	\$168,999	\$168,999	\$168,984
Debt Service	\$(168,999)	\$(168,999)	\$(168,984)

Sanitation Fund

11

- Changes since the first budget workshop:
 - Transfer to General Fund of \$95,000 increased to \$96,178 (5.9% of gross revenues)
 - Added a reimbursement to the General Fund for administrative services in the amount of \$88,364

Sanitation Fund Revenues & Expenditures

12

	Budget 2014-15	Projected 2014-15	Budget 2015-16
Operating Revenues	\$1,636,508	\$1,632,469	\$1,629,639
Other Revenues	\$49,735	\$28,478	\$500
Operating Expenditures	\$(1,387,046)	\$(1,417,181)	\$(1,527,850)
Debt Service	\$(29,068)	\$(29,068)	\$(64,518)
Net Revenues/(Expenses)	<u>\$270,129</u>	<u>\$214,698</u>	<u>\$37,771</u>
Debt Proceeds	\$-	\$296,570	\$575,000
Capital Outlay	\$(261,091)	\$(296,570)	\$(575,000)
Reserves	\$344,003	\$550,023	\$587,794
Reserves as % of Op. Exp.	24.29%	38.03%	36.91%

General Fund

13

	Budget 2014-15	Projected 2014-15	Requested Budget 2015-16	Proposed Budget 2015-16
Operating surplus/(deficit)	\$(284,406)	\$(1,045)	\$(465,749)	\$37,905
Reserves	\$522,978	\$806,339	\$340,590	\$844,244
Reserves as % of Op. Exp.	5.92%	9.84%	4.12%	10.22%

- Major changes to various revenue streams within the General Fund:
 - Ad Valorem millage rate reduced from 9.1749 to 6.9967 (\$720,483 decrease)
 - Added Fire Assessment revenue of \$787,775
 - Transfer from Gas Authority lowered from \$300,000 to approximately \$166,000 (5.9% of gross revenues)
 - Added Reimbursement for Administrative services from each enterprise fund (approximately \$414,000)

General Fund-City Commission

14

	Budget 2014-15	Projected 2014-15	Requested Budget 2015-16	Proposed Budget 2015-16
Personnel Services	\$110,744	\$110,715	\$110,507	\$110,477
Operating Expenditures	\$24,798	\$44,526	\$32,796	\$79,117
Capital Outlay	\$-	\$7,000	\$-	\$-
Total Department	\$135,542	\$162,240	\$143,303	\$189,594

■ Major changes within this department:

- \$25,000 for lobbyist
- Increase in schooling/conference/education budgets increased by \$18,000
- Included \$5,000 for building maintenance (also included \$5,000 in all other departments located within City Hall)

General Fund-City Manager's Office

15

	Budget 2014-15	Projected 2014-15	Requested Budget 2015-16	Proposed Budget 2015-16
Personnel Services	\$207,365	\$264,906	\$166,525	\$239,276
Operating Expenditures	\$16,917	\$24,972	\$21,879	\$29,905
Capital Outlay	\$4,200	\$29,869	\$-	\$-
Total Department	\$228,482	\$319,747	\$188,404	\$269,181

■ Major changes within this department:

- Transferred Project Administrator from Building & Zoning to City Manager's department
- Increase in schooling/conference/education budgets increased by \$3,250
- Included \$5,000 for building maintenance (also included \$5,000 in all other departments located within City Hall)

General Fund-City Clerk's Office

16

	Budget 2014-15	Projected 2014-15	Requested Budget 2015-16	Proposed Budget 2015-16
Personnel Services	\$105,122	\$103,595	\$106,036	\$133,851
Operating Expenditures	\$56,738	\$53,657	\$37,537	\$42,842
Capital Outlay	\$-	\$18,600	\$-	\$-
Total Department	\$161,500	\$157,252	\$143,573	\$176,693

■ Major changes within this department:

- Cemetery Administrative Clerk transitioned from part time to full time and transferred to City Clerk's Office to fill Records Clerk position
- Increase in Equipment Maintenance of \$4,500 for annual maintenance of LaserFiche document imaging system
- Included \$5,000 for building maintenance (also included \$5,000 in all other departments located within City Hall)

General Fund-Finance Department

17

	Budget 2014-15	Projected 2014-15	Requested Budget 2015-16	Proposed Budget 2015-16
Personnel Services	\$228,945	\$208,349	\$240,437	\$227,966
Operating Expenditures	\$60,246	\$61,511	\$72,198	\$99,953
Capital Outlay	\$-	\$-	\$-	\$-
Total Department	\$289,191	\$269,860	\$312,635	\$327,919

■ Major changes within this department:

- Payroll Clerk remains unfilled
- Cemetery Administrative Clerk transitioned from part time to full time and transferred to Finance to fill Account Clerk I position
- Included \$25,000 in Professional Services for performance audit
- Included \$5,000 for building maintenance (also included \$5,000 in all other departments located within City Hall)

General Fund-Human Resources Dept

18

	Budget 2014-15	Projected 2014-15	Requested Budget 2015-16	Proposed Budget 2015-16
Personnel Services	\$-	\$-	\$-	\$81,500
Operating Expenditures	\$-	\$-	\$-	\$14,300
Capital Outlay	\$-	\$-	\$-	\$-
Total Department	\$-	\$-	\$-	\$95,800

■ Major changes within this department:

- Created Human Resources Department with one position, Human Resources Manager at an annual salary of \$51,739
- Included \$5,000 for building maintenance (also included \$5,000 in all other departments located within City Hall)

General Fund-Facilities Maintenance

19

	Budget 2014-15	Projected 2014-15	Requested Budget 2015-16	Proposed Budget 2015-16
Personnel Services	\$101,112	\$65,914	\$106,685	\$56,718
Operating Expenditures	\$15,575	\$16,047	\$19,588	\$14,411
Capital Outlay	\$-	\$-	\$45,000	\$5,000
Total Department	\$116,687	\$81,961	\$171,273	\$76,129

- Major changes within this department:
 - Second position within department remains unfilled
 - Included \$5,000 for scaffolding and welding machine/generator

General Fund-Information Technology

20

	Budget 2014-15	Projected 2014-15	Requested Budget 2015-16	Proposed Budget 2015-16
Personnel Services	\$90,093	\$96,489	\$84,282	\$84,254
Operating Expenditures	\$50,934	\$23,756	\$53,990	\$29,103
Capital Outlay	\$-	\$-	\$15,000	\$30,000
Debt Service	\$6,607	\$6,606	\$-	\$-
Total Department	\$147,634	\$126,851	\$153,272	\$143,357

■ Major changes within this department:

- Decreased Professional Services from approx. \$38,000 to \$10,000 due to several purchases not occurring in FY2014-15 as planned
- Included \$30,000 for new backup software and hardware as well as a new SAN

General Fund-Legal

21

	Budget 2014-15	Projected 2014-15	Requested Budget 2015-16	Proposed Budget 2015-16
Personnel Services	\$23,159	\$22,589	\$23,106	\$82,809
Operating Expenditures	\$35,395	\$44,804	\$45,278	\$6,031
Total Department	\$58,554	\$67,393	\$68,384	\$88,840

- Major changes within this department:

- Transitioned City Attorney retainer from \$17,609 to \$59,894
 - City will no longer be billed for any work performed outside of attending City Commission meetings

General Fund-Other Govt. Services

22

	Budget 2014-15	Projected 2014-15	Requested Budget 2015-16	Proposed Budget 2015-16
Operating Expenditures	\$25,750	\$27,025	\$24,104	\$29,104
Capital Outlay	\$-	\$-	\$-	\$15,000
Grants & Aids	\$12,000	\$11,000	\$11,000	\$11,000
Total Department	\$37,750	\$38,025	\$35,104	\$55,104

■ Major changes within this department:

- Included \$15,000 to purchase/construct a floating structure to launch fireworks from (Funds to accomplish this transferred from Downtown TIF)

General Fund-Building & Zoning

23

	Budget 2014-15	Projected 2014-15	Requested Budget 2015-16	Proposed Budget 2015-16
Personnel Services	\$287,114	\$268,000	\$291,628	\$199,891
Operating Expenditures	\$153,529	\$153,623	\$150,994	\$154,221
Capital Outlay	\$-	\$3,900	\$-	\$-
Total Department	\$440,643	\$425,523	\$442,622	\$354,112

- Major changes within this department:
 - Transferred Project Administrator to City Manager's Office
 - Part time receptionist/clerk position eliminated

General Fund-Police Department

24

	Budget 2014-15	Projected 2014-15	Requested Budget 2015-16	Proposed Budget 2015-16
Personnel Services	\$2,695,187	\$2,426,148	\$2,508,068	\$2,487,730
Operating Expenditures*	\$503,502	\$495,741	\$443,620	\$415,271
Capital Outlay	\$354,113	\$364,081	\$8,035	\$46,969
Grants & Aids	\$65,119	\$35,119	\$23,094	\$23,094
Debt Service	\$173,866	\$173,866	\$219,671	\$213,609
Total Department*	\$3,791,787	\$3,494,955	\$3,202,488	\$3,186,673

- *Excludes Red Light Camera expenditures
- Major changes within this department:
 - Number of Patrol Officers decreased by 4
 - Included \$8,035 for carport for trailers, SWAT Van and other equipment
 - Included \$38,934 for initial payment (1/2) of new software (Smart Cop)

General Fund-Code Enforcement

25

	Budget 2014-15	Projected 2014-15	Requested Budget 2015-16	Proposed Budget 2015-16
Personnel Services	\$47,387	\$48,695	\$57,017	\$53,580
Operating Expenditures	\$6,715	\$12,528	\$8,958	\$9,697
Total Department	\$54,102	\$61,223	\$65,975	\$63,277

- Major changes within this department:

- Slight increase in schooling/conference/educational expenses

General Fund-Fire Department

26

	Budget 2014-15	Projected 2014-15	Requested Budget 2015-16	Proposed Budget 2015-16
Personnel Services	\$1,760,083	\$1,713,162	\$1,777,192	\$1,790,996
Operating Expenditures	\$224,869	\$253,686	\$205,836	\$201,647
Capital Outlay	\$139,000	\$139,000	\$-	\$-
Total Department	\$2,123,952	\$2,107,948	\$1,983,028	\$1,992,643

■ Major changes within this department:

- \$65,000 expense for Fire Assessment legal costs occurred in FY2014-15 and will not occur in FY2015-16

General Fund-Streets

27

	Budget 2014-15	Projected 2014-15	Requested Budget 2015-16	Proposed Budget 2015-16
Personnel Services	\$276,283	\$215,729	\$292,214	\$179,256
Operating Expenditures	\$264,324	\$269,543	\$259,005	\$263,180
Capital Outlay	\$-	\$24,050	\$-	\$-
Total Department	\$540,517	\$509,322	\$551,219	\$442,436

■ Major changes within this department:

- 6 Full Time positions reduced to 3 Full Time and 1 Part Time Inmate Crew Foreman

General Fund-Cemetery

28

	Budget 2014-15	Projected 2014-15	Requested Budget 2015-16	Proposed Budget 2015-16
Personnel Services	\$106,943	\$117,604	\$105,659	\$20,420
Operating Expenditures	\$50,693	\$72,570	\$51,760	\$23,824
Capital Outlay	\$8,000	\$12,585	\$8,000	\$10,000
Total Department	\$165,636	\$202,759	\$165,419	\$54,244

■ Major changes within this department:

- Reduction in expenditures due to City no longer performing burials or selling vaults
- Included \$8,000 for privacy fence, hose bibs/water lines and survey work
- Added a part time inmate foreman in order to focus on maintenance of cemeteries

General Fund-Cultural Services

29

	Budget 2014-15	Projected 2014-15	Requested Budget 2015-16	Proposed Budget 2015-16
Personnel Services	\$28,619	\$22,586	\$68,747	\$65,751
Operating Expenditures	\$94,747	\$75,508	\$87,579	\$78,262
Capital Outlay	\$-	\$-	\$-	\$-
Total Department	\$123,366	\$98,095	\$156,326	\$144,013

■ Major changes within this department:

- Created one Full Time (Resource Education Coordinator) position and one Part Time (Cultural Staffer/Intern) position

General Fund-Parks and Recreation

30

	Budget 2014-15	Projected 2014-15	Requested Budget 2015-16	Proposed Budget 2015-16
Personnel Services	\$97,523	\$87,335	\$229,141	\$143,296
Operating Expenditures	\$71,467	\$142,703	\$148,473	\$154,642
Capital Outlay	\$-	\$-	\$10,000	\$10,000
Total Department	\$168,990	\$230,038	\$387,884	\$307,938

■ Major changes within this department:

- Added two part time laborers and a part time Parks/Recreation Program Coordinator
- Added \$50,000 for Programs
- Included \$10,000 for a new mower

General Fund-Price Martin Center

31

	Budget 2014-15	Projected 2014-15	Requested Budget 2015-16	Proposed Budget 2015-16
Operating Expenditures	\$23,144	\$24,179	\$22,955	\$22,980
Total Department	\$23,144	\$24,179	\$22,955	\$22,980

■ No major changes within this department

General Fund-Transfers

32

	Budget 2014-15	Projected 2014-15	Requested Budget 2015-16	Proposed Budget 2015-16
Transfer to Golf Fund	\$100,998	\$264,010	\$171,647	\$171,647
Transfer to Airport Fund	\$103,312	\$117,376	\$133,919	\$133,919
Total Department	\$204,310	\$381,386	\$305,566	\$305,566

Questions, Observations, Discussion

33

