

1 AGENDA, CITY COUNCIL BUDGET WORKSHOP
2 JULY 23, 2013 7:10 P.M. or as soon thereafter as possible
3 UMATILLA COUNCIL CHAMBERS
4 1 S. CENTRAL AVE, UMATILLA, FL 32784
5
6

7 IN ATTENDANCE: President Eric Olson; Vice President Peter Tarby; Council members David
8 Adams, Ralph Cadwell, Donnie Kent; Mayor Laura Wright; Finance Director Carol Rogers, City
9 Manager Glenn Irby, City Clerk Karen Howard.

10 Absent:

11
12 **Budget Overview**

13
14 **City Manager Glenn Irby** said this year's budget was a concerted effort by **Finance Director**
15 **Carol Rogers** and me.

16
17 **Finance Director Carol Rogers** explained we started by calculating the revenues and look at the
18 whole economic picture. We feel we are looking at the bottom of the property values. On page 8
19 there is a chart that shows the change in property values. I think we will start seeing some
20 increases. We tried to be conservative with this budget.

21
22 There was no increase in our health insurance premiums because our utilization ratio was
23 practically zero; that is the difference between the premiums paid and the services used. We are
24 in a pool with PRM and the pool had a 7.4% increase, but we had no increase. We were able to
25 give a 2% salary increase across the board to the employees.

26
27 We are showing a 15% increase in property and casualty as well as Workers Comp.

28
29 **Finance Director Rogers** went through the budget message and explained the highlights. There
30 is an overall decrease because no capital purchases are included in this budget. We have high
31 hopes that the infrastructure tax will be approved by the citizens but you do not know.

32
33 **Vice President Peter Tarby** questioned the Ad Valorem taxes shown on page 7 show a different
34 variance than page 9.

35
36 **Finance Director Rogers** explained we look at it several different ways when preparing
37 revenues and the effect of the CRA. Our overall value is reduced by about \$9 million dollars of
38 CRA properties. The CRA Ad Valorem taxes go to a separate fund. We get the benefit of
39 revenues from the other taxing bodies. We do not have control on what the other taxing bodies
40 contribute. We do projections on it, so the numbers will vary. There is something wrong with
41 the table; that will be corrected.

42
43 **City Manager Irby** said the biggest reason for CRA is to correct slum and blight and to increase
44 property values. This is the first year in several years that one of the two CRA districts showed a

45 slight increase in value. Property valuation and taxes lag one year and the buildings in the
46 downtown should kick in next year.

47
48 **Finance Director Rogers** said for new construction we had a net increase of \$670,000. It does
49 not seem like very much. **City Manager Irby** said Recovery Village will not kick in until next
50 year.

51
52 **Finance Director Rogers** said the rest of the budget message addresses other revenues. They
53 were up 16% this year. Charges for services (building rentals) are up a little, but are not a major
54 revenue source.

55
56 The Water and Sewer rate study is being worked on but it has not been completed. We know
57 there is an insufficiency in that fund. We are going to have to come back when we complete the
58 rate study and redo the budget for those funds.

59
60 We are working on the grant for Orange Avenue and we have the legislative appropriation to
61 reline the sewer lines. It is a \$1.225 million project that will start prior to the end of the fiscal
62 year and is not reflected in the budgets.

63
64 The final page in the overview is a recap on the personnel that we have discussed.

65
66 **Vice President Tarby** asked on Page 11 about water sales going down but the alternative water
67 fees are going up. The sewer sales are going up. **City Manager Irby** said it is all based on
68 trend. The Alternative Water is a flat \$2 fee. I look at the line and extrapolate forward. I check
69 it two or three times before the budget is finalized.

70
71 **Finance Director Rogers** said the next section is department by department. This has been
72 covered in the budget message. The Appendix shows the specific requests by Department.

73
74 **Vice President Tarby** had specific questions on the Appendix, Tab 6:

- 75
76 • **Page A:** Discussion on changes for unknown meetings. **City Manager Irby** responded
77 that there are six elected officials instead of five. There was some extra padding for
78 Rebranding workshops.

79
80 Discussion on \$30 increase in Florida League of Cities dues.

- 81
82 • **Page B:** Discussion on two finance memberships under Dues & Subscriptions.
83 **City Manager Irby** responded there are two different associations: one is Florida and
84 the other is international. **Finance Director Rogers** said we have to belong to the GFOA
85 to submit the CAFR for award.

86
87 Discussion on Travel and Per Diem for the Finance Director and City Clerk.

88

- 89
- **Page E:** Discussion on Cisco under Communication Services. **Finance Director Rogers** explained this is a replacement connection that brings a considerable savings.
- 90
- 91
- **Page F:** Discussion on Contractual Services, Target Solutions. **Finance Director Rogers** said this is a new training program for ISO. **City Manager Irby** explained this ties into insurance company ratings for homeowners. Umatilla has a 4 rating out of 10, which is very good for a Volunteer Department.
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- 93
- 94
- 95
- 96
- 97 Discussion on Other Current Charges – Physicals. **City Manager Irby** said we are not always able to obtain volunteers who work for other departments. Some are nomadic; some departments will not allow them to volunteer for another department. We do not give volunteers double physicals if they have been done by another department.
- 98
- 99
- 100
- 101
- **Page G:** Discussion on Other Contractual Services, Traffic Signal Maintenance. **City Manager Irby** responded do we have to maintain the two traffic lights in the city. It is 100% on a state road. Five points has two points on a state highway.
- 102
- 103
- 104
- 105
- 106 Discussion on Lake County Mosquito Control. **City Manager Irby** said the county does not charge us and services the city on a schedule.
- 107
- 108
- 109 Discussion on Repair & Maintenance-Equip: **City Manager Irby** said that is for replacement trailer tires.
- 110
- 111
- 112 Discussion on Operating Supplies: **City Manager Irby** that is a plug figure for small hand tools and it was cut \$4,000 from his request. **Finance Director Rogers** said there are two lines for miscellaneous tools and supplies.
- 113
- 114
- 115
- 116 **Page H:** Discussion on increase in Operating Supplies. **City Manager Irby** said this an error that will be corrected; the current budget for the Children’s Program is \$1,300.
- 117
- 118
- **Page H-1:** Discussion on position from which there will be an employee retiring this year and **Howard** will go into that position as full time. There will be a vacant position to be filled. **City Manager Irby** said this will be corrected.
- 119
- 120
- 121
- 122
- **Page I:** Discussion on Other Contractual Services-Lake Maintenance and Lake Treatment. **City Manager Irby** said we have someone certified to spray lakes. The chemicals are in the operating supplies. **Finance Director Rogers** said we buy the chemicals ourselves and that is down to \$2500.
- 123
- 124
- 125
- 126
- 127
- 128 Employee Physicals is for new employees.
- 129
- 130 Discussion on Janitorial Supplies: **Finance Director Rogers** listed the supplies that were included. Discussion on the picnic tables built by staff and they did a good job. A shade structure will be placed next to the building where the picnic tables are located.
- 131
- 132
- 133

134 • **Page I-1** Discussion on increase in **Hatfield's** salary. It reflects a proposed \$3 hourly
135 increase for more responsibility. The proposed increase for **Music** is \$1 for more
136 responsibilities and certifications.

137
138 **City Manager Irby** discussed the increases for **Hatcher, Respress, and Nilson**. They
139 have gotten licenses and certifications. **Nilson** is now a Class A Sewer operator.

140
141 • **Page J:** Discussion on CRA and the \$90,000 budgeted. **City Manager Irby** said the
142 State statute says anything that you budget as revenue should be budgeted as expenditure.
143 The revenues will be higher than that, but we have other commitments. It does not mean
144 that you have to spend it; it is to comply with statute.

145
146 Discussion ensued on the status of the Library Caboose project. **City Manager Irby** we have
147 been told it is too wet to paint.

148
149 **Page K:** Discussion on water tower inspection. **City Manager Irby** explained there is a
150 five year commitment for tower maintenance which includes repainting of the tower to
151 include the logo. They will use the new logo after the rebranding process if there are not
152 too many colors. **City Manager Irby** said we would like to take the tower down. Other
153 cities leave them up even if they are off line to showcase their logo.

154
155 Discussion the difference in the fire extinguisher maintenance from department to
156 department. **City Manager Irby** said the number of extinguishers and sizes vary.

157
158 Discussion on Laboratory Analysis fees. **City Manager Irby** said it was adjusted based
159 on trend.

160
161 • **Page L:** Discussion on Miscellaneous Needs. **City Manager Irby** read the items
162 included under this line. The request has been cut every year and this year we need to
163 catch-up.

164
165 Discussion on Engineering Fees: the need to update the Master Plan and the Lake Yale
166 project. We are talking about taking stormwater and the idea is to run it back through
167 head works, mix it with reuse, and pump it back out. We blew one at least agencies mind
168 with this concept because it has never been done before. It has to be permitted and there
169 has to be some engineering for this.

170
171 Discussion on composting to C&S Peat and the dumpster service costs.

172
173 Repair and Maintenance is trending down. **City Manager Irby** said there is a lot of new
174 equipment but there is some old. We buy extended warranties, but still have several older
175 pieces of equipment. There is an L-8000 Ford dump truck and the repairs to that and two
176 front tires.

177

178 **City Manager Irby** said **Public Works Director Ken White** originally asked for
179 \$32,852 and I cut it, but gave him a small increase.
180

- 181 • **Page L-1:** Discussion on **Neeley** and **Nilson**. **Nilson** went from a B Sewer Certification
182 to an A Certification. We reimburse the employee if they pass the test.
183
- 184 • **Page M:** Discussion on Stormwater Master Plan. **City Manager Irby** said that was
185 approved several months ago.
186

187 Discussion on NPDES: **City Manager Irby** said that is a person contracted by the city.
188 **Finance Director Rogers** said it fulfills a federal requirement.
189

190 **President Eric Olson** referred to Tab 2, Page 24 Capital Outlay on buildings for the Police.
191 **City Manager Irby** said they have asked for a shed for the last five years. They are out of room.
192

193 **Vice President Tarby** asked about incentives. **City Manager Irby** said it is mandated by state
194 statute to pay for specific courses that the officers take up to a maximum amount. This is a
195 moving target. Discussion ensued on the officers that take classes. The state audits the amount
196 paid in incentives every year.
197

198 Discussion on 521 490 Other Current Charges and the increasing price of gas, and the cuts made
199 to the amount requested for drug screens and physicals.
200

201 **Mayor Laura Wright** referred to Tab 6, Page C Chamber of Commerce Support. **Mayor**
202 **Wright** asked how the Council felt about the budget cut from \$8,000 to \$4,000.
203

204 **Vice President Tarby** said he thought the cut was steep for one year and would like to see it not
205 cut that much in one year.
206

207 **Council Member Kent** said I look at it what we give in support services. If I look at their report
208 right they are doing well financially.
209

210 **Mayor Wright** expressed her opinion as being they are good and they have not been for a long
211 time. As my job as Mayor, I work with them and I take my job seriously. I understand there is
212 some bad blood and sometimes I am in the middle of that. There is a lot of new people there
213 working hard to represent us. I appreciate you giving me a chance to speak. They look at me
214 as Mayor and think that I am not backing them. I would like you to think about it.
215

216 **President Olson** said when people cannot take on new projects and do not want to take on new
217 projects or get any bigger and we are letting our taxpayers fund these people. That is my
218 personal feeling. When we get newspapers asking for photos and information on things to do
219 and we have Board members that will not provide them. We are trying to get businesses in
220 Umatilla.
221

222 The City Council has done a wonderful job making the downtown a perfect area. When there is
223 more activity we make more money. If you are not wanting any additional activities or for the
224 activities to grow bigger, then why are the taxpayers funding them?
225

226 **Council member Adams** said they cut their functions down and asked for more money. The
227 Boys & Girls Club and I am not saying that the Boys & Girls Club is more important.
228

229 **President Olson** said it is not bad blood; it is the effort. I do not know where these people get
230 the bad blood stuff because it is not. We need effort. The Council has made a great effort and
231 someone else needs to make the effort.
232

233 **Mayor Wright** said I sat here and watched rudeness being carried to the Council and I did not
234 approve of it at all. It is like facing a gift horse in the mouth. I am out there twenty hours a week
235 between the schools and businesses.
236

237 **President Olson** said I have not figured out what the Chamber has done for the businesses. I
238 have never had a call and been approached for funding from the Chamber.
239

240 **Matt Newby** stated that is not accurate. I have been to your office for ads for Chamber
241 promotional brochures.
242

243 **President Olson** asked about the picture that would not provide a photo to the Daily
244 Commercial to help businesses.
245

246 **Matt Newby** responded that it is a core competitor that sells ads also. If you see the magazine
247 that they put out; they sell advertising.
248

249 **Council member Kent** said the new blood that comes in you have to get out there and get to
250 work. No one is going to give you anything. You cannot stand and have your hand out all the
251 time. I agree with helping with the Cracker Christmas and Black Bear but just to give them
252 money to their general fund; that bugs me. We are helping them already.
253

254 **Mayor Wright** said on a happier note, I would like to have **Bruce Collins** and his crew
255 recognized at the next Council meeting.
256

257 **Council member Adams** said Tab 6, Page D: Discussion on \$10,000 increase in planning. **City**
258 **Manager Irby** said if we take off there are some annexations coming on board in the Dona Vista
259 area. It runs in tandem with revenues from applications
260

261 **Council member Kent** said he noticed a lot of items were cut; is it going to put us in a bind with
262 the daily operations?
263

264 **City Manager Irby** discussed the solid reserves that were in the bank and in the event of a
265 catastrophic event we will be able to work with local merchants.
266

267 Discussion ensued on the amounts the Department Heads request and how we try to be more
268 conservative.

269
270 **Finance Director Rogers** in our charter **City Manager Irby** has the authority to move money
271 within line items and adjusting the budget by transfer. If departments have a need they can make
272 the request.

273
274 **City Manager Irby** said there are no lines in this budget that are padded.

275
276 Discussion ensued on the reserves and that they would sustain the city for two months. **Finance**
277 **Director Rogers** said it should be three months. That number is based on the assumption that
278 we spend all the budgeted funds. Our rule of thumb is ninety days.

279
280 **City Manager Irby** said in order to increase your reserves you will have to increase all your
281 services until things level out. We are better off this year than in the last four years.

282
283 **City Manager Irby** said for this city in 2017 if the penny surtax is not renewed you have likely
284 bought your last new truck. The days of new bucket trucks would be gone and services would
285 suffer.

286
287 Discussion on building permit fees and the amount of money retained by the city.

288
289 **Meeting adjourned 8:47 p.m.**

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294
295 _____
296 Eric Olson
297 Council President

298
299
300
301 ATTEST:

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303
304
305 _____
306 Glenn A. Irby
307 City Manager

305 _____
306 Karen H. Howard, CMC
307 City Clerk

308