

BUDGET WORKSHOP MEETING MINUTES

August 8, 2018

A. Call to Order- The meeting was called to order at 7:30 p.m.

B. Roll Call

In attendance: Mayor Dudley, Councilmember DeSimone, Councilmember Roberts
Councilmember Troup and Attorney Mora and Manager Campbell

Absent: Vice-Mayor Howell

C. Discussion of Proposed FY 2018/19 Budget

Manager Campbell reviewed the Budget. It is a snapshot of the Town's Finances. The Town's Capital Improvement Plan is 5 years, though we are only focusing on the 2018/2019 year. The only difference in this budget with what has been undertaken in the last 8 years is that it proposes a 1 mill increase. The Town is proposing this to help balance the budget and pay for some much-needed expenditures. Inflation is on average 3%, and with a 2.6-million-dollar budget, that is \$78,000.

It is a challenge. To retain/acquire our employees we are proposing a 50% contribution for employees or \$400 per month to go towards dependent care. This equates to a half mill. These are some discussion items.

Also included in your packet are some recommended program changes. A number of these are suggestions that were given from the time the original draft budget was created to the time it was presented to you. These suggested changes are highlighted. It is going from 80% to 100% for the employee and the 50% dependent coverage on behalf of the town. For clarification, we are proposing combining our donation line items. To give the Council greater flexibility, as far as the donations they provide annually for Community Services Agency, who provide services within the Town and surrounding Communities. For example, there was not a line item in the budget for the Mayors' Council Charity Luncheon or the Fire Expos, (helping out at events).

The other item that is imperative is the natural gas line. The TECO energy bill for the gas stove in the Community Hall and the generator we have outside.

Change the Part time Code Enforcement officer to full time. We are cross training officers for this position. A credit for the Part-time and the extra money for the Full Time.

Two Sergeants and two Corporals were in the original draft budget, however have discussion with the Chief we are proposing three Sergeants and eliminating the Corporals which would be an additional \$ 7,000.

Additional Public Works position, and Executive Assistant within Town Hall were suggested, however, we don't have the money for funds for these positions at this time.

Even with the 1 mill increase for the overall ad valorem. The amount of money we are, on paper, borrowing from the overall reserves is right at 200,000. Over the last 3 years we have not touched

that. Anything that is above and beyond what is in the budget will result in us borrowing additional money from that overall reserve.

The other items within the budget are housekeeping or your standard line items. There is a recommendation to provide all employees with a 3% merit increase. This is commiserated with the County average of 3.2% to 3.3%. Some agencies are proposing a merit increase and a percentage of a Cola increase.

I am proposing we do a Merit raise, rather than the employee getting a flat 3% October 1st, they would get the 3% based on their anniversary date instead. It will be tied to their annual performance rating. If the employee meets established expectations.

We did update the Detail of Expenses, to provide more detail.

The budget is healthy. The audit indicated the Town is practicing sound budgeting practices.

We are doing a good job at balancing Capital Projects, everyday projects within the town with continuing to increase the overall capital fund reserves with putting forth good infrastructure projects: The Park, Public Works Building, resurfacing the parking lots, Community Hall.

Mayor Dudley: Merit pay - Are there are employees that would have to wait 10 or 11 months for an increase? Could this become an issue. Is this standard to be given on the Anniversary date?

Manager Campbell: A lot of other Communities transitioned it over to a Merit. The Police Officers are in a step program. It is important to note that the employees are also receiving additional health care contributions, which is less money out of their pocket.

Councilmember Roberts: Wanted the opinion of the Council on the millage rate, code enforcement, insurance benefits and raises.

Merit performance is going above and beyond and taking classes. She wanted to know what classes have been taken by the staff to get the performance benefits.

Manager Campbell: Merit pay, based on if they are meeting current expectations of the position.

The Town Clerk is also a chartered employee and she can be given the same review form that is filled out for the Town Manager. We have some staff that are very new to their positions and are still in a learning phase.

Councilmember Roberts, was concerned about the extra money being proposed for the additional healthcare insurance. She didn't think the Residents should pay for that increase. She was interested in what other Cities pay, 100% of the employee or 50% of dependents their employees. She wanted to know what residents are getting out of this increase.

She thought we were doing away with a Crossing Guard. She doesn't agree with it.

She is questioning the salary of an additional Public Works/Code Enforcement employee, whether the salary included all benefits.

Administration Specialist – questioning the salary difference, in regard to the employee who left and the new employee

Manager Campbell – We have to provide an increase in wage or benefits, in order to obtain a skilled workforce. That is reflected in the increase in that position.

Included in your packet is a Pay and Classification Plan – range of pay for employees and the pay study, which was done. We need to increase the wages to recruit and hire competitively. If a staff member was to leave, there would probably be a higher salary needed to replace that position.

Crossing Guard is a discussion point for the Council. There has been engineering improvements to that intersection, in addition to the clarification and relocation of the school zone. It is a convenience to the Community.

The Public works employee and the additional Code Enforcement Officer is all inclusive with benefits.

Mayor Dudley: agrees with the health insurance and the merit pay. We need to take care of our employees. We have not raised our millage in 8 years. It is time. A comparison was given, what the increase in millage would look like.

If we are taking care of our employees, we are going to get quality work out of them. Those employees will be retained.

She would like to keep the crossing guard. We need to finish a school year with a crossing guard, not pulled them in the middle of the year. We voted last year to keep the crossing guard.

We need to be thinking about other things on the Recommended Program Changes, for the future, even though they are not recommended currently.

In reference to the Sergeant positions, Mayor Dudley supports this. She did research and talked to numerous people regarding the two opinions. The needs of Kenneth City should be thought of, along with our Mission Statement and branding statement.

Attorney Mora: This is the forum where the discussion should happen, whether we are workshopping this or draft ordinances. This is when we take the time to work things out.

Manager Campbell confirmed the Council wanted to have another workshop.

D. Adjournment-

Motion to Approve: Councilmember DeSimone

Second: Councilmember Roberts

Motion passed unanimously

The Meeting was adjourned at 7:36 p.m.

Respectfully submitted,
Cindy McCarthy, Town Clerk