

CITY OF ARCHER COMMISSION 2011-2012 BUDGET MEETING WORKSHOP MINUTES

Tuesday, July 19, 2011 Time: 2:00 PM

MINUTES, WHICH ARE PUBLIC RECORD, ARE NOTES TAKEN TO PROVIDE A SUMMARY MEMORANDUM OF MEETINGS OR HEARINGS AND CONTAIN ALL OFFICIAL ACTIONS TAKEN. MINUTES ARE NOT INTENDED TO BE A WORD FOR WORD OR VERBATIM TRANSCRIPTION OF THE MEETING.

QUORUM CHECK:

Vice Mayor: Marjorie Zander
Commissioners: Roberta Lopez
Gabe Green

Staff:

City Manager John Glanzer
Minutes Recorder Mary T. Flickinger

Absent:

Mayor Frank Ogborn
Commissioner Blanch Parker

I. CALL TO ORDER

Vice Mayor Zander called the meeting to order at 2:15 p.m.

II. NEW BUSINESS

A. Presentation and discussion of 2011-2012 Budget.

City Manager Glanzer referred the Commission to the 2011-2012 Proposed Budget handout discussing the Taxable Value and Millage Rate. The Commission decided to make the decision on the millage rate at the Commission Meeting on Monday when all members of the Commission will be in attendance.

City Manager Glanzer recapped that last year the Commission voted not to increase the millage to the roll-back rate of 5.1526 and kept the rate at 5.000 mills, reducing the overall tax burden by 4%. This year, based upon the 5.000 millage rate, our roll-back rate is 5.0994, which would generate \$172,329.00 in Ad-Valorem revenue.

City Manager Glanzer clarified that millage is a rate of a dollar per thousand dollars of assessed value. Other exemptions include a \$25,000 Homestead Exemption, exemptions for military personnel and their families, and discounts for senior citizens. It is required by law to budget at least 95% of our Ad-Valorem revenues in our budget.

Commissioner Lopez asked if the property values in Archer went down.

City Manager Glanzer stated that property values went down by 2%, caused by the economy and other factors. City Manager Glanzer clarified that the Appraiser's Office does not appraise properties the same way as when buying a house. Because they are responsible for appraising hundreds of pieces of property, they use a statistical formula.

Commissioner Green commented on the amount of foreclosures in surrounding counties.

City Manager Glanzer recommended that the Commission consider increasing the millage rate to 5.2 mills. This will generate \$175,729 in ad-valorem revenue. City Manager Glanzer stated that he is looking for a decrease in gas taxes because of the economy, but the state sales taxes and state revenue sharing taxes are expected to hold steady. The half-cent sales tax is controlled by the economy. The electrical franchise fees and utility taxes, while dependent on usage, have shown themselves consistent from year-to-year. Communication service taxes have shown a tendency to come in lower than predicted and we should not look for this tax to rebound because there is talk in Tallahassee for the levy allowed to be lowered from 5.2 to 4%, and this would affect future budgets.

City Manager Glanzer recapped that originally Baskerville-Donovan had estimated \$60,000 for the engineering costs. This projection was made on the assumption that the City received funding and we would move forward into construction on the plant this fiscal year. This money was set aside to be used for rate studies and permitting actions. Baskerville-Donovan was asked recently if that number could be tightened up to a more realistic number. Wayne White feels that realistically, the actual costs would be around \$45,000.

City Manager Glanzer proposed no increase in the salaries or cost of living increases. City Manager Glanzer proposed going with BCBS Plan 5260 which allows for co-pays for the doctor and prescriptions prior to meeting the deductible. In order to offset the increase in premiums, City Manager Glanzer proposed that the employees pick up 20% of the cost of the insurance. The 5260 Plan premiums total \$51,739 a year with the employees picking up a total of \$10,348 of the costs at 20%.

There will be a \$7,500 a year cost for Comprehensive Planning with the North Central Florida Regional Planning Council. The city has entered into a contract on our second water tank for \$8,300 per year to cover the cost of maintenance.

Commissioner Lopez asked if other plans were checked out before making a decision on the BCBS Plan 5260. City Manager Glanzer stated that the other plans investigated were all similar in cost.

City Manager Glanzer referred the Commission to the 2011-2012 Budget Worksheet and presented the Revenue line items in detail to the Commission.

City Manager Glanzer stated that this year the recreation program is not looking good with only 12 kids that have signed up and of that 12 only 5 are in football. The Recreation Committee will be discussing ideas on how we can create a phone tree to generate interest. If we are not able to field a team by mid-August, the City will not have a program. The scholarship helps, but does not pay for the entire fee. Last year fees were either not paid or only a portion of the fee was paid.

Commissioner Lopez asked if all of the uniforms were returned to the City. City Manager Glanzer stated that the uniforms were returned, but the football helmets need to be re-certified each year.

Commissioner Green asked what the fees are per child. City Manager Glanzer stated that football is \$80, cheerleading is \$35, soccer is \$60, and flag football is \$25.

Commissioner Lopez recapped that there are two scholarships available. Sara Brannon created a scholarship program from the funds generated from the garage sales and the other scholarship program is from the Bo Diddley event.

City Manager Glanzer stated that he has to file a 422 form with the Property Appraiser's Office. This form states what last year's millage rate was, what the roll-back rate for this year is, what our majority rate is, what our super majority rate is, and what we are proposing to charge the citizens. There are two ads sent out, one by the Property Appraiser's Office in August and one by the City prior to our official budget hearing in September. City Manager Glanzer clarified that the normal procedure is to put in a slightly higher number in the first ad because this rate can be lowered at a later date. This is done because if something happened and the city needed more money in the budget, it would be difficult to back up and go higher.

City Manager Glanzer asked if the Commission would like to continue or adjourn the workshop. The Commission unanimously decided to continue the discussion.

City Manager Glanzer stated that there will be two more workshops in August before the official meetings in September. City Manager Glanzer continued the line item discussion on the Expense portion of the budget.

In discussing employee insurance, City Manager Glanzer stated that his portion of the city's health insurance is approximately \$12,000. City Manager Glanzer stated that he would be willing to consider stepping out of the city's group plan, if the Commission is willing to consider amending his contract, but research must be done before a decision is made.

Commissioner Lopez asked City Manager Glanzer to explain to the new members of the Commission about Attorney Kaye's fees.

City Manager Glanzer stated that the \$24,000 is for attendance at Commission Meetings and preparation of ordinances and resolutions. The Codes Board and Planning & Zoning Board requirements come out of another account. City Manager Glanzer stated that there are no active meetings for Codes or Planning & Zoning at this time, reducing attorney fees.

Commissioner Lopez requested a list of all fees paid to Attorney Kaye.

City Manager Glanzer stated that \$7,500 has been set aside for the North Central Florida Regional Planning Council. They have offered to do all of our comprehensive planning work, amendments, site plan reviews, assist with the upcoming annexation, and will also review the work on the E.A.R Amendments that Gene Boles created.

City Manager Glanzer recapped that Baskerville-Donovan originally estimated \$60,000 for engineering costs and this number was recently tightened up to a more realistic number of \$45,000. The remaining \$15,000 will be put into Depreciation. After the budget hearings, City Manager Glanzer stated that he will propose opening two new accounts under depreciation, one for streets and roads, and one for the water department.

Commissioner Lopez inquired about the interest on the Alarian Bank account.

Cindy Bloom, Accounting Technician, noted that she has a spread sheet showing the interest details for that account.

City Manager Glanzer stated that Mr. Brame put a replacement value on The Archer Community Center at approximately \$300 per square foot. Tom Connelly, from the Florida League of Cities, stated that they will fund a large portion of appraising all of the City's buildings. City Manager Glanzer stated that he will be meeting with Tom Connelly in a few weeks to discuss the details further.

The next budget workshop date will be decided at the Commission Meeting on Monday.

III. ADJOURN MEETING

With no further business to be discussed, Vice Mayor Zander called for a motion to adjourn the meeting.

MOTION made by Commissioner Lopez to adjourn the meeting.

SECOND made by Commissioner Green.



John Glanzer, City Manager



Marjorie Zander, Vice Mayor