

**MINUTES  
CITY COUNCIL WORKSHOP  
CITY OF ARCADIA  
SATURDAY, AUGUST 3, 2013  
9:00 AM**

*The following minutes reflect action items of the City Council of the City of Arcadia. For a verbatim copy of the minutes you may contact City Administration to obtain a copy of the recorded meeting.*

**CALL TO ORDER, INVOCATION PLEDGE OF ALLEGIANCE & ROLL CALL**

The meeting was called to order at approximately 9:00 a.m.

Councilman Allen gave the invocation which was followed by the Pledge of Allegiance.

**Arcadia City Council**

Mayor Keith Keene  
Deputy Mayor Robert Heine  
Councilman Robert R. Allen

Councilwoman Alice Frierson  
Councilman Joseph E. Fink

**Arcadia City Staff**

City Administrator Judi Jankosky  
Public Works Director Cathy Miller  
H R Manager Sandy Vitella  
W/S Dept Head Steve Underwood  
Golf Course Manager Mike Kotzker

Finance Director Renee Green  
Marshal Matt Anderson  
Public Works Supervisor Jerry Cordes  
Systems Supervisor Fred Lewis  
Greens Superintendant Tom Taylor

**DISCUSSION ITEMS:**

1. Enterprise Funds:

a. Airport

Revenue:

Mrs. Jankosky reported on two grants in addition to the master plan grant. Florida Department of Transportation grants include pavement marking and runway lighting which are 100% funded for a total of \$420,000.

Expenses:

Mrs. Jankosky noted Airport expenses as \$45,000 operating, \$24,000 reserves and the remaining expenses include grants. She noted at the end of the fiscal year there will be approximately \$124,000 in reserves for future Airport grant upgrades. Mrs. Jankosky replied to Mayor Keene the \$3,000 is for general maintenance and building repairs at the Airport.

b. Sanitation

Mrs. Green explained that the City Council approved breaking out the Sanitation Department into an Enterprise fund beginning October 1, 2013.

## Revenue

Mrs. Jankosky noted estimated revenues for Sanitation at approximately \$745,800. Deputy Mayor Heine stated that he wanted to ensure money was set aside every year for equipment replacement. Mayor Keene questioned if the Sanitation revenues estimated would meet the expected \$783,000. Mrs. Green responded that most likely revenues will meet expectations because of the payments of extra trash pickups.

## Expenses

Mrs. Jankosky noted that all operational items were similar to last year. Outlay request is \$110,000, which consists of two boxed crushers and hydraulics.

### c. Water

## Revenue

Mrs. Jankosky explained that the revenues were based upon the additional three percent increase per the adopted Resolution. Revenues include water tap fees, connection fees, and late fees. Total water and sewer revenue estimated at \$3,763,700.00.

## Expenses

Mrs. Green explained that audit fees will be broken down between all departments as well as insurance payments. Mrs. Jankosky replied to Deputy Mayor Heine that chemicals for the new water plant will be less. Machinery and equipment requested includes one mower and one weed eater. Debt service for the new water plant will begin in April in the amount of \$154,000. Water/Sewer fund will be repaying the general fund \$53,000 per year. Total expenditures \$595,741.

### d. Sewer

Mrs. Jankosky reported that total sewer expenditures are \$712,425, which is a decrease from last year's expenditures of \$985,000.

### e. Utility Collections

Mrs. Green explained that the Meter Reader position was now reflected under Utilities, not Water Systems. Expenses include auditing and two conference registrations. She noted that utility bills normally mailed as post cards will be issued as regular size bills. She replied to Councilman Fink that the regular bills will be able to include public service information. Mrs. Green added that a consumption history will be required on utility bills, which may be implemented by September 1, 2013. She stated that Utility Collections department will be hiring a part-time Meter Reader to utilize during turn on and shut off days. Utility collection total expenditures are \$252,000. Mrs. Green responded to Deputy Mayor Heine that they complete deposits daily and they are delivered by an Officer.

## Water Systems:

The Meter Reader position will be reflected under Utilities. Mrs. Jankosky noted that some money was reserved for items needed at the new WTP building which will be housing Water/Sewer Systems and offices for staff.

Mayor Keene called for a short break at this time. (5minutes)  
Mayor Keene called the workshop back to order.

Water Systems Continued – Pg 108. Mrs. Jankosky stated that \$20,000 was included for meters to have on hand to replace broken meters. Mrs. Green added that Systems completes error reports to see which meters are functioning. Councilman Fink asked if the City was requiring residential customers to put in backflow preventers. Mrs. Jankosky replied no, only commercial establishments, that is, unless they have an onsite well that we are aware. Councilman Fink asked if new houses were constructed, would they have to include the back flow system. Mr. Lewis replied that on any new construction the City requires a dual check valve.

Mrs. Jankosky continued that 8 fire hydrants were added at \$4,000 each. Mr. Lewis responded to Deputy Mayor Heine that he is utilizing the valve insertion to change out fire hydrants. Mr. Lewis responded to Councilman Fink that approximately 30 fire Hydrants still need replacing. He will also be coordinating with the Fire Department on the exact numbers. Mrs. Miller stated that the Department is putting together a hydrant maintenance program which entails checking, painting, cleaning, etc. in an effort to be pro-active. Florida Department of Environmental Protection (FDEP) does require the City to exercise the valves. Mr. Lewis added that the City needs to find out the frequency of the valve exercises. He stated that staff has completed one quarter of the City so far and documenting all valve exercises. Mrs. Jankosky explained that \$30,000 was added in reserves for a valve exercise machine to comply with FDEP requirements.

Mrs. Green explained that the debt service amount is for the City bonds issued and the Cities principal payments are \$120,000. There is also debt service for the meters purchased several years ago. Mrs. Green explained that staff is attempting to simplify the process by entering expenses and revenues into the proper funds. These debt service principals will be paid out of the fund which holds the debt therefore we no longer have to transfer funds.

Mrs. Jankosky explained there will be a back truck lease totaling \$220,000 with payments at \$46,000 with a five-year lease. The City's current back truck is a 1988. Mrs. Green felt that the City could absorb monthly payments by financing the equipment however; she suggested no more than a five-year term. The 30-year bond has not been working well. Mrs. Jankosky summarized that the total for Water/Sewer Systems and meters is \$919,942 but she reminded that water and sewer brings in \$3.7 million. Mrs. Miller replied to Deputy Mayor Heine that the old tower will be demolished sometime in September. There are final tests being completed on the new system and they want to issue a community information notice. Mrs. Miller replied that removal of the tower is part of the WTP grant.

Mrs. Green stated that the system setup, especially payroll, has taken many hours to complete. As Council continues through the process following this review and another review at the third level which contains whatever Council changes may be. The fourth level will be the final budget. Mrs. Green replied to Councilman Allen that revenue is included in the total with the entire fund. Total

revenue for Water and Sewer is \$3.7 million. The \$3.7 million includes 5 different departments. We have \$620,000 in reserves.

#### Sewer Systems:

Mayor Keene asked if we have our locations of water and sewer systems on computer. Mrs. Miller replied that Mrs. Julie Karleskint (Hazen and Sawyer) has manuals on manholes and City staff is double checking information attempting to establish City priorities. Mayor Keene stated that he asked that question because when the City receives a septic application staff has to determine if it is available. Should we have that information electronically we could easily look to see if water/sewer was available.

Mrs. Jankosky continued that there is funding for a dry bed for the Vac Truck Waste in the amount of \$15,000. Final Sewer Systems total \$212,704.

Councilwoman Frierson asked how much new equipment was requested in the Water and Sewer departments. Mrs. Green reviewed the list: mower for WTP - \$8,000, hydrants \$32,000, valve exerciser \$30,000, dry bed for Vac Truck - \$15,000 and the back truck is a loan of \$46,000 for five years. Mrs. Jankosky stated approximately \$100,000 is requested this year for new equipment. Mrs. Green added that money was included for new dumpsters and meters.

Mrs. Jankosky stated that this budget leaves the City \$1 million in unrestricted funds however negative \$1.4 million because that loss was borrowed from the General Fund, so, in fact, the City has zero money. This budget is putting \$250,000 aside due to the consent order. When the new WTP is running smoothly the City will be putting \$450,000 in reserves to assist paying for engineering costs. The contingency of \$620,000 will be flagged towards the City's negative balance. With the rate study we may be out of the negative by the end of 2015-2016 depending on how things transpire. The City must continue to follow the rate study to get into the positive again. If we don't keep our expenses down the State will be back on us again.

#### 2. Capital Improvement/Small County Surtax Fund:

##### a. Street Paving

Mrs. Green explained the Small County Surtax Fund (some cities call it infrastructure). The City's surtax fund of \$400,000 is for capital improvement. Then the City has a Capital Improvement Fund that does not take in any money. All of the City's capital improvements are paid out of the Small County Surtax Fund which is typically set up for roads. Mrs. Green stated, with that in mind, you have two funds causing many transfers. She has designed the budget now where we receive the money in and expend the money from the same fund. What money remaining are designated funds. If there is any money left, that will stay in the account as a reserved line item, for such cases as hurricanes.

Deputy Mayor Heine stated that he would really like to see some of the roads repaired, specifically Lee Avenue. Mrs. Green asked about a priority list. Mrs. Miller confirmed staff is completing a prioritization list that will be approved by Council. Mayor Keene asked for additional clarification on the Surtax Fund. Mrs. Green responded that the Surtax Fund is the City's 1 cent sales tax. The State tax is 6%. The 1 cent sales tax is what the County implemented. So instead of 6% DeSoto County gets 7% which is where the 1 cent derives. Councilwoman Frierson asked if there is a date

when that 1 cent sales tax expires. Mrs. Green said she would review with the County. Councilman Fink asked if the division of those taxes is designated by the State, County, City or maybe a combination of these plus by population. Councilman Fink asked if it should also be designated by the businesses. Mrs. Green replied that businesses are part of the formula. The State maintains track of the formula and the money.

Expenses.

Mrs. Jankosky reported \$456,000 will be used for a few projects. \$360,000 is set aside towards street paving.

b. Golf Course Improvement Project

The remainder of the Surtax Fund will be used to improve the greens at the Golf Course and drainage due to flooding. The remaining \$16,000 is in contingency.

Mr. Tom Taylor, Golf Course Superintendant, stated that the Golf Course should sustain itself. There is a tremendous amount of misuse of equipment and money. Dr. Lorenzo Dixon stated it will be a big question spending \$80,000 for Golf Course improvement and will the Golf Course be able to generate enough money to sustain itself. He asked about the Golf Course Superintendant, Tom Taylor and his salary. Councilman Fink stated he didn't feel like Council was here to hammer the budget to pieces but to receive information. Mrs. Green agreed and stated this workshop is not the final workshop.

3. Community Development Block Grant - Infrastructure

Mrs. Jankosky reported that the Community Development Block Grant (CDBG) for the Bridle Path area is \$700,000. Engineering services are \$57,750 leaving \$642,000. The City will be going out to bid in a few weeks on this project. Mrs. Jankosky noted that we will lose points for our past grant audit. The legislative response was sent to the State however; we have not heard anything and the committee will convene in September.

Mayor called for a five minute break at that time.

Mayor Keene called the workshop meeting back to order.

Mayor Keene announced that Councilman Allen went outside the building and asked the Mayor to start without him, if necessary.

4. General Fund

Mrs. Green noted changes they have completed to the General fund to make items similar and simple to understand. The Local Option Gas Tax which has no money in it but gets money transferred into the account. We added the fuel tax in with the General Fund because included in the General Fund is the Street department and traffic lights. This report shows you have 25% of your Police Department because of traffic violations, and anything to do with streets. The General Fund always subsidized this particular item.

## a. Revenues

Ad Valorem taxes - this budget is based on the rolled back rate because this is the rate that should bring in the taxes close to what the City brought in last year. 8.5859 was last year's approved 2013 millage. This budget is based on the current rolled back rate of 8.6694. You are only allowed to spend 95% of your Ad Valorem. The current year proceeds at the rolled back rate is \$1,435,937. This rate is giving the City \$95,000 less than last year. The current rolled back rate is 8.7867.

Mrs. Jankosky went through revenues explaining that many of the numbers are State projections and staff's averages of years 2011 through 2013. Mayor Keene asked about the MSBU on page 2 and where that is generated from. Mrs. Jankosky replied that is the City's Municipal Service Benefit Unit (MSBU) created in 2006 - \$77 per commercial and residential units. The County collects these taxes for the City through the tax bill. We did include grants in the revenue. The total General fund revenue is \$4,779,659.

Mayor Keene asked how we are doing in regards to collecting funds for the former obligated cemetery lots. Mrs. Green replied that staff did send out notice letters to those who leased lots in the early 1920's. Currently the City does not allow a burial permit until they have paid for their lots. Collections are much better.

## c. Legislative

Mrs. Jankosky explained "Simplifile" which is electronic recording of legislative, legal or ordinances with the Clerk of Court. Codification of Ordinances not adopted since 2009 - \$25,000 which needs to be completed, however; this could wait because the Land Development Code will soon be ready for codification. We included \$1,500 for promotional activities, Ridge League dinners, advertising for ordinances and membership to both National and Florida league of Cities.

## d. Retirees

Retired Council expenses – no changes

## e. Executive

Mrs. Jankosky explained the Executive budget which includes administrative staff, and the Administrator. The Administrator is divided between the General Fund and Water/Sewer/Sanitation. Contract services expenses are IT and Cintas our records destruction company. Provided staff can attend training, we set aside \$1,000. We broke out postage and freight, the copy lease, \$600 for promotional activities, monthly newsletter and birthday events. Other current charges is for emergencies \$1,000. Pg 10 HR advertising for job vacancies is \$1,000. The City is seeing some staff retiring. \$1,000 for memberships including International City Managers Association (ICMA), Human Resource memberships and Florida Association of City Clerks (FACC).

## f. Finance

Councilman Fink asked why the Finance Director salary is 60% and the Administrator is 55% since it's the same Enterprise fund. Mrs. Jankosky replied that the Finance Director has direct supervision of the Finance and the Utility Departments. Mrs. Green stated that the Department has an

Accounting Clerk, Finance Officer and Accounts Payable/payroll. She is thinking of possibly hiring a part-time Accounting Clerk however; she is certain that she will need to hire a part-time Meter Reader. The part-time finance person will not happen unless we decide to continue taking business licenses. We only have Erica Larson, Accounts Receivable, from a staffing company through this month, and she is receiving her Bachelor's Degree in December. She explained that Contract Services is MUNIS. Mileage and tolls for conferences is included. Rentals are the postage machine and printing/binding is for the audit and special printing jobs. Staff wears City uniforms now. Deputy Mayor Heine asked about name badges, he believes staff should wear them. Lastly membership fees for the Finance Director.

g. Legal Counsel

Pg. 16 – Mrs. Jankosky stated that based upon projected numbers legal is set at \$70,000. Other legal would include other additional matters like evictions and Stonegate \$30,000 and another \$30,000 for the Pension Attorney.

h. Comprehensive/Community Development

Mrs. Jankosky stated that the City Planner is included in this budget and possibly Code Enforcement. If Code Enforcement is not something Council concurs with then that can be changed later. The Planning Specialist/Administrative Assistant is 50% Community Development and 50% Executive. The Clerk or the Planning Specialist/Administrative Assistant will be attending and completing minutes for Planning & Zoning Board, Historic Preservation Commission and any other meetings. Page 18 is the Special Magistrate for Code Enforcement Professional Fees. Contractual is for Central Florida Regional Planning Council (CFRPC) however now with a certified City Planner we reduced that contract to \$5,000 which saves \$25,000. Planning and fees revenue came in at \$69,150 and administrative costs or expenditures were approximately \$65,000. Code fees, lien filings, vehicle repair, office supplies/operating supplies; a code conference and postage, printing/binding and advertising for land changes etc. We added money to mow, board up houses and demolishing budgeting \$35,000. Lastly a small Membership and continuing education budget for the City Planner.

i. General Government

Contract services include: Munis, FLC Telecommunication audit - \$2,500. The City is requesting additional discounts from Century Link due to many years of double billing. Century Link refunded the City for four years. A digital subscriber line (DSL) upgrade is included for Munis. Insurance may be able to be broken down further - \$68,000 includes General Government. Mrs. Green replied that she will have a better breakdown at the next workshop and ensure insurance is booked to the correct funds. Mrs. Jankosky was asked to skip pages 24 through 42 for now as there are several different department items to address.

j. Cemetery

Mrs. Jankosky noted no special requests regarding the Cemetery except day to day operations and repairing the mower.

## k. Streets

Page 49 - contract services: we are debating over the inmate contract. Mrs. Miller does not feel the City is receiving enough work for the money spent. The City pays for the Guard's salary and 8 inmates. There are two to three weeks the guard is off. She named some of the days the guards and inmates could not work due to lockdowns. She continued that the City also pays for their travel. The inmates arrive about 8 a.m. and by the time they get to the project site it is 9 a.m. Then they break for lunch and leave at 2:30 to unload. They must be back to the institution by 4:30. The City also pays for the security check. For a whole day you are only getting 4 to 5 hours of work. Mayor Keene asked for clarification on the contract. Mrs. Jankosky replied the contract is with the Department of Corrections however; we have not renewed but we have talked to them about the contract. Mrs. Jankosky replied to Mayor Keene that the City receives 4 days a week at about 4 to 5 hours per day. The City furnishes the van and all equipment. In resolving this issue, staff was looking at hiring seasonal part-time help during the summer months. Mr. Cordes responded to Councilwoman Frierson that without the inmates it will be difficult to complete items especially taking care of the ditches. Councilman Fink asked about the van that the City owns and would the City be able to recoup anything or utilize it for another department. Mr. Cordes responded that should you get the van you would have to purchase another truck. Councilwoman Frierson asked what the changes would be to Worker's Compensation and is the City paying Worker's Compensation for the prisoners. Mrs. Jankosky replied the City pays Workers Compensation only for the Guard and should we hire seasonal staff Worker's Compensation would increase some. Mayor Keene asked if the Administrator could establish a cost analysis for the seasonal employees. Councilman Fink stated many cities don't utilize inmates because it is not cost effective. Mrs. Green replied that the last 5 years the City had to pay for the guard, van and equipment which in the past were free. That is why many Cities stopped using them. Mrs. Jankosky stated that she will put together a spreadsheet for seasonal employees.

Mrs. Jankosky continued that under contractual there is money budgeted for dead tree clean up in the right of ways. Page 50 – is general expenses. Utility services - \$60,000. After auditing the bills we found that FDOT street lights were included in the City's street light program. We will be working with FDOT and placing the funds where they should be. Pg. 51 lists continuing replacement of many of the faded stop signs. Capital request: Streets is asking for two (2) new trucks, F-150 similar to the trucks purchased last year (\$15,000 each). Mr. Cordes stated that they are replacing two pickups a 1996 and 1997. Total expenses for the Streets Department - \$373,059.

## l. Other Transportation (FDOT Lighting, RR)

Pg 53. Lighting and Railroad Maintenance contract. This budget is asking for \$15,000 for street light repairs, \$15,000 for traffic light repairs and \$23,000 for utility services. Mrs. Green stated the Maintenance contract for the railroad signal lights is with Seminole Gulf Railway. Mrs. Green stated that the street lights FDOT contract is \$41,944 and the traffic light maintenance is \$21,010.

## m. Vehicle and Facility Maintenance

Page 53 – Mrs. Jankosky explained that this budget was originally called "Garage". We are combining the two as they are doing repairs to our facilities and vehicles. Mrs. Miller stated this budget is asking for a certified mechanic. Mrs. Jankosky added that this department originally employed four (4) staff now the department is down to two (2). Cemetery – Staff member at the

Cemetery was going to retire but he has reconsidered due to pension numbers. Page 57 is requests for equipment. Total capital request \$3,500, for an A/C machine to charge and recharge City vehicles.

n. Golf Course

Pg. 58 – Mrs. Jankosky reported that the Golf Course was separated from the Pro Shop as well as revenue items. The Golf Course staff in the field is split 50/50 and the groundskeepers and mowers. Contracts include port-a-potties. License fees include a staff person who maintains a spray license. USGA fee membership \$350. Pg 62 is maintenance and vehicle repairs, small operating supplies. Pg 63 is fuel/oil and uniforms for staff. Estimated revenue, inclusive of additional sign ups of 60-70 additional memberships, totals \$484,650. Operating expenses for Golf and Pro Shop is estimated at \$466,175.

o. Pro-Shop

There was discussion about the need for so many carts. Mr. Kotzker replied yes they need that many carts especially during the winter season. Mrs. Jankosky replied that the Golf cart lease was \$60,000. The City will also be purchasing golf hats, shirts in the amount of \$2,000. Staff uniforms have been upgraded so staff will have golf apparel to wear. Mrs. Jankosky responded to Councilman Fink that the cart lease is a four (4) year lease that that City may return the carts in three (3) years. Councilman Fink asked if we terminate the lease there is a penalty. Mrs. Jankosky confirmed yes there would be a penalty. Councilwoman Frierson asked what the revenues were based upon. Mrs. Jankosky replied the revenues were based upon this year's revenue and upgrading the greens and the fees. Golf Course budgeted \$20,000 to repair the greens. Councilman Fink stated his disapproval of events or fundraisers being held outside of our community rather than the Arcadia Golf Course. Mr. Taylor stated that the Golf Course, greens and tees are in horrible shape. His goal is to put a road block so no one goes to The Bluff's. We could potentially have a better Golf Course than The Bluff's. Councilwoman Frierson stated she received an email from the Administrator saying that an expert said the course was not that bad. Mrs. Jankosky clarified the course is not that bad based on the budget the City has. Mr. Taylor continued that he has a five-year plan to put the Arcadia Golf Course up to par with any courses within 50 miles.

Dr. Lorenzo Dixon stated we should remain optimistic to get the Golf Course in shape, but he is still not comfortable throwing that kind of money away. However; these gentlemen appear to know what they are doing.

Mayor Keene adjourned the workshop for a lunch break.

Mayor Keene called the workshop meeting back to order at 1 p.m.

p. Parks

Page 67: One-third of the contract for inmates is in the Parks budget which will be reviewed. Mrs. Miller called and spoke to the State and whatever we have now is what we get. Mr. Cordes replied to Councilman Fink that the guards typically take vacation in July or they lose their time. Mr. Cordes stated they sometimes they send a replacement guard. Pg. 68 Other current charges include repairs to maintain the playground equipment, mulch and wood treatment. Mrs. Miller explained that the Jim Space estimate is evolving as Mrs. Pat Backer is coordinating a fundraiser to replace the equipment

with compressed plastic that lasts a long time. In the meantime we have to treat the wood and repairs need to be made. Pg 69: We budgeted for high visibility, (a safety vest and shirt all in one) shirts which are \$8 each. Shell was budgeted for the parking areas. Parks total expenses \$254,000.

q. Mobile Home Park(MHP)

Mrs. Jankosky explained that Ms. Carol Anderson, MHP Manager, will now receive a set stipend. Page 72: Small amounts budgeted to maintain and repair buildings. MHP Revenue is \$230,000 and their budget request is \$145,000. Other current charges: \$15,000, depending on whether the County changes their MSBU that amount may reduce to \$5,000. Last year Ms. Anderson took a survey and the MHP voted for a laundry mat. That has since been installed. \$10,000 was placed in reserves this year for what the MHP residents may suggest. Councilman Fink suggested that when we do the billing with the new notices that we do some sort of customer survey with the residents - a random sampling containing what the citizen's like/dislike and pertinent needs to be addressed. Councilman Fink asked why we could not do a survey for the whole City which could be placed in their utility bills. Page 73: MSBU fire services are \$135,147. That places the MHP \$95,000 in the black.

r. Way Building

Pg 74: Utility Service, repair of building such as air conditioning repairs. The current units may need replacing soon. Mrs. Jankosky replied to Deputy Mayor Heine that the Way Building has six (6) units. Janitorial service update: We will have an employee who may retire and the whole benefit package is \$48,000. The new janitorial service is \$8,500 per year plus supplies. Total Way Building budget: \$35,000. Mrs. Green responded to Deputy Mayor Heine that the move and changes to the Way Building haven't yet been finalized but much of the work and material was donated or supplied by City staff and the School Board donated additional items as well.

s. Fire

Pg. 37: Fire contract with the County. Mrs. Green pointed out the line item for the MSBU and the fire merger contract is under the General fund. Fire control will show the money we paid to the County. We still have 6 months of settlement payments. Fire contract payments are \$27,500 now. The total amount paid is \$330,000 plus the \$245,000.

t. Crossing Guards

Page 41: Marshal Anderson stated he was requesting \$18,000 for four (4) crossing guards. He added that there were some funds remaining from last year and they purchased stop signs and uniforms.

u. Law Enforcement

Page 24: Marshal Anderson reviewed requested items under the Law Enforcement budget. He suggested that at least two officers attend the High School football games to show presence in the community as well as being proactive in all matters. Court time and parades account for much of the overtime. Increase in the pension is 58% of payroll. That will drastically drop in years 2014 and 2015 due to the smoothing period.

Marshal Anderson explained the extensive mileage on all the vehicles in the Police Department. Marshal Anderson included the purchase of two (2) new police vehicles. Marshal Anderson replied to Mrs. Green that the pricing does include the full police package and is the State contract price. He stated that all cars come in white. Mayor Keene reconfirmed that Marshal Anderson is requesting two (2) vehicles in the amount of \$54,000 which includes all packages. Marshal Anderson confirmed.

v. FDLE Computer/Software Upgrade grant

Marshal Anderson explained the request for updated computer software. The current software is nearing four (4) years old and won't allow the Officers to generate simple reports. Information has to be manually input. He stated they received one bid for a new software program in the amount of \$37,000 which contains 5 user licenses, one of which being the main server license. Part of the software program is an evidence tracking system. Staff has been working on purging the evidence. There was some discussion regarding the COPS system. Marshal Anderson replied to Mrs. Green that they do have laptops but they require air cards and software and at this time those are too cost prohibitive. He explained that the FDLE Grant is for \$12,363 and the remaining request is \$25,000. If the request is denied he could return to FDLE and do a grant adjustment.

w. Victim of Crimes grant

Marshal Anderson explained that the Victim of Crimes Grant is 100% funded through the State of Florida. The position is self-sufficient and a huge asset to the City. He responded to Mrs. Green that the COPS grant pays an officer's salary for three years and the City picks up the 4<sup>th</sup> year. Due to accounting errors in the past we had enough money that the Federal Government agreed to pay the 4<sup>th</sup> year. He continued that the Department started last year's budget at 17 positions and he is requesting the same for next year's budget. The money requested for changes in manpower positions was not added into the budget. With the savings we have for that one line item he requested pay raises for the staff who took on added responsibilities. Total Police Department Budget is \$1.6 million. Councilwoman Frierson replied that the City's ad valorem is only \$1.4.

Marshal Anderson stated that the budget increased by \$300,000, due to the pension, the equipment requested and absorbing the COPS grant. Mrs. Green stated that she is concerned with the deficit of the Police Department because the General Fund will have to make up the deficit by the end of the year. She added that the previous Finance Director did not budget the increases in pension, liability insurance and several other items. So, in fact, the Police budget began the year with a deficit. All of the City's departments will have to make up the deficit of the Police Department from last year by the end of September. Mayor Keene confirmed that in fact the \$1.44 should have been \$1.5. Deputy Mayor Heine stated that the City in actuality is \$200,000 short. Mrs. Jankosky replied that there is \$200,000 in contingency. Our General fund balance is \$700,000. Per our fund policy that Council approved we are required to put 17% aside for emergencies. If you enact this proposed budget the City will have \$300,000 left so we still need to find \$461,000. There was discussion about the \$1.4 ad valorem, and Mrs. Green confirmed the number is the 95% ad valorem.

Mrs. Jankosky added that she is very surprised that with everything requested in the budget that we have the \$300,000 left. In past years we have borrowed from other departments.

Councilman Fink stated that he didn't want to sound hard hearted but there are certain things we can't afford especially if we want to make it to 128 years of Municipal service. Sometimes it's not what you want to do but what you have to do. Deputy Mayor Heine asked if the current millage brings in enough money. Mrs. Jankosky replied no. Councilman Fink added that the maximum 10 mills would not bring in enough either. Mrs. Green stated we sent the County 10 mills for the Truth in Millage (TRIM) notice. Councilman Fink replied that the 10 mills would not fix the problem and, in his opinion, that's throwing good money after bad. He continued that he is not trying to pick on anyone but when the Marshal says that we have 17 officers he believes that there should be less. Marshal Anderson replied that the City's current population is 7,640 which is 2.2 - 2.5 per thousand population which is 17 to 19 officers as recommended by FDLE. Marshal Anderson continued that statistically Wauchula, Sebring, Hardee County and Punta Gorda, their officers per thousand vary. Wauchula has 13 officers, they should have 11. DeSoto County's population is 34,000 so they should have 60 and they have 59. City of Arcadia, per population, should have 17 to 19. He reviewed several other examples.

Councilman Fink responded that he has concerns and he understands the Marshal is an elected position however; the supervisory role of the City of Arcadia, in his opinion, is that the City Administrator has no responsibility over a wide chain of activities. He added that he is also concerned because the City Administrator's wage is less. Councilwoman Frierson stated that they could sit and discuss the pros and cons but the fact is this budget cannot afford a \$1.6 million dollar Police Department.

Mrs. Green suggested making arrangements with the Sheriff for so many cars to be in an area and there are many other options to review. We are not sure about the pension status because of the nature of the case, which would help the Police Department.

Deputy Mayor Heine gave an example of how they handle policing in Zolfo Springs. Mayor Keene asked Mrs. Green her experience regarding Avon Park. Mrs. Green replied that Avon Park contracted with the Highlands County Sheriff's Office and maintained two (2) members on staff as community control officers. They designate certain Sheriff's to patrol the areas and Avon Park believes now they are getting better service. Mrs. Green asked the Council how they felt about the Fire merger in 2006 and if they felt they lost a service.

Councilwoman Frierson noted that if something is not done this year it will be next year. Councilman Fink stated if the City grows then the ad valorem increases. Mrs. Green said the key is to do annexations along with more water and sewer. Councilman Fink concurred and stated it is not feasible at 4.4 square miles of a City. Councilman Fink stated that the Council is going to have to give the Marshal a direction. He asked for a consensus that the Administrator return to Council with alternative solutions to eliminate the department but build in a cushion to deal with the possibility of having dedicated Officers in the City provided by the Sheriff's Department. Deputy Mayor Heine agreed and stated we have to meet with Sheriff. Councilman Fink added that once we build a cushion in the budget then staff can meet with the Sheriff regarding what accommodations can be made.

Mayor Keene questioned the timeline for budget approval. Mrs. Green replied that budget hearings were scheduled for September 3, 2013 and September 17, 2013 for final millage and budget approval. She has delivered information to the Tax Collector and that will be on the proposed TRIM notices. Mrs. Green asked if the Council was willing to increase the millage. Councilman Fink and Deputy Mayor Heine agreed increasing the millage would not fix the problem. Mrs. Green stated she

has notes to get quotes on insurance, items that need to go out to bid for instance, auditors. Mrs. Jankosky stated that insurance rates would be arriving soon.

Councilman Allen stated he believes we need to proceed with a plan in mind before we meet with the Sheriff. Deputy Mayor Heine replied that we either give the total budget request to the Police Department or we have to trim the department. Councilman Allen replied that the City is in a position but we need a plan to do it and the Sheriff already knows its coming but how he will react is another question. Deputy Mayor Heine reiterated that he felt the City should talk to the Sheriff.

Marshal Anderson stated that the only items to cut are manpower which is the biggest expense. There was some discussion regarding the Pension. Marshal Anderson stated that he has worked for the City 25 years; he takes pride in his job and the community. He wants to save the department therefore; he needs to know what the Council is asking him to do. He continued that he wants to save the department he cherishes but to keep on dismantling the City we all love, one piece at a time, where does it end. When you start talking about the Sheriff servicing the City, the County offers certain services however; people move into the city for enhanced services.

Mayor Keene asked if there is a number Council can live with for Police Department. Councilman Allen stated that he has thought about this for the last two months and decided to meet with the City Administrator to put a plan together we could live with and take to the Sheriff for discussion. Mayor Keene replied he believes they should review all options. Councilwoman Frierson replied that Council still needs to hear from the Sheriff.

Councilman Fink stated that we don't want to give the Marshal or the Police Department false hopes. Marshal Anderson responded to Dr. Lorenzo Dixon that this was not about him and yes he could retire however; this is about the people and the City we serve and protect - the security you all take for granted. He continued that he understand the dollars and sense however; he is worried about his staff. Mayor Keene agreed and stated that we are all worried about these people.

Mrs. Green asked Marshal Anderson if he could give the Council an idea of what would be the minimum number he could run the department. She said that Mrs. Jankosky and herself could review those numbers and make it work. Marshal Anderson replied that reducing manpower is the only option. He replied to Mrs. Green that the lowest paid person would be around \$32,000 per year.

Councilman Fink spoke to the dual taxation and said the only County that deals with it in a proper manner is Charlotte County. If you have a home in Punta Gorda your ad valorem is lower for duplicated services.

Marshal Anderson explained that when he first started his job there were 14 positions which were cut back to 12. Mrs. Green suggested could you just conduct road patrol and no investigators. Mayor Keene asked if Council could get some options. Marshal Anderson stated if Council closes the Police Department doors, it's not personal for him. Mayor Keene replied there are tough decisions even at the Department of Health. You have to make cuts and you begin drilling down to the bare bones but that's where we are. Council asked about the next workshop. Mrs. Jankosky stated that staff could put some scenarios together. Mrs. Green suggested next Tuesday calling a special meeting and staff would still have time to get the advertisements ready for the paper and the website plus two public hearings on September 3rd and September 17th. Council agreed to a Special Meeting on August 13, 2013 at 5:30 p.m.

PUBLIC (PLEASE LIMIT PRESENTATIONS TO FIVE MINUTES)

ADJOURN

There being no further business the meeting adjourned at 2:45 p.m.

APPROVED THIS 1<sup>ST</sup> DAY OF OCT, 2013.

By:



**Alice Frierson, Mayor**

ATTEST:



Gia S. Lancaster, City Clerk  
Attest to listening to full audio recording  
Of the City of Arcadia, FL Budget Workshop  
Conducted on August 3, 2013