

**AGENDA MINUTES
CITY COUNCIL
SPECIAL ONE ITEM AGENDA MEETING
CITY OF ARCADIA
MONDAY, SEPTEMBER 14, 2015
6:00 P.M.**

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 AND ROLL CALL

Mayor Wertz-Strickland called the meeting to order at approximately 6:00 p.m. and advised this was a public hearing meeting of the Arcadia City Council. The following members and staff were present:

Arcadia City Council

Mayor Judy Wertz-Strickland
Deputy Mayor Alice Frierson

Councilmember Susan Coker
Councilmember Joseph E. Fink

Councilmember S. Delshay Turner – not in attendance

Arcadia City Staff

City Administrator Terry Stewart
Finance Director Beth Carsten

City Clerk Penny Delaney
Marshal Matthew Anderson

ACTION ITEMS

Resolution No. 2015-06; a Resolution adopting the Tentative Millage Rate to be Levied by the City of Arcadia, Florida for Fiscal Year 2015-2016

Resolution No. 2015-07; a Resolution Adopting the Tentative Budget for the City of Arcadia for Fiscal Year 2015-2016

City Administrator Stewart advised Council would be voting on resolutions for millage and discussing and deciding whether or not to move forward with the budget as intended. He stated Council needed to vote on the millage first pursuant to state statute. He advised the tentative millage rate was the rolled back rate and staff came back and recommended keeping the millage rate the same as it is for the current year which would be less than the rolled back rate. Mr. Stewart stated that once they vote to keep the millage at the current rate, Council cannot go higher. He further stated they could keep it the same or go lower. City Administrator Stewart informed Council that Finance Director Carsten would be reviewing the budget in a summary

format. He advised that areas of the budget that would be highlighted would be items that Council asked staff to include with the budget that were not in it at the time that staff presented it at the budget workshop. He then turned it over to Finance Director Carsten.

Ms. Carsten stated that since the workshop, she had been working on the changes that Council requested and when she provided the update, she also provided a page that spelled out each of those changes. She then reviewed such in a summary format. Ms. Carsten advised that everything she will refer to will be the changes that were made from the numbers presented at the workshop until now. Regarding the general fund, she explained that the general fund revenues had increased from \$4,677,553 to \$4,687,013 which was due to receiving information about a JAGC grant for the Police Department in the amount of \$8,437.00. She further explained there was also a difference in the charge back code from when the changes were made throughout the departments of \$1,023.00. She advised that was the only change in the revenues.

Finance Director Carsten stated that throughout the departments, there were changes and most had to do with personnel, one of which was the workman's compensation premium. She advised the City had received an increase in the premium of \$40,834.00 which was spread throughout the different departments with the amounts being based on the charge codes that they received. She stated there was a smaller decrease in health insurance. City Administrator Stewart advised that health insurance will cost more this year. He explained initially they were talking about a 15% increase in the cost of healthcare and staff managed to get them down to 7%, thus less of an increase.

Ms. Carsten explained that they were adding one (1) police department position and one (1) parks position and the parks position will be split between the parks and the airport.

Finance Director Carsten advised that two percent (2%) raises were calculated throughout the general fund department which comes to about \$46,000.00.

Ms. Carsten stated that as a whole for the general fund there was an increase in expenditures of \$113,608.00. She explained to offset it; they lowered the amount in the contingencies set aside for reserve in other governmental departments. She advised Council this lowered the contingency amount from \$233,728.00 to \$120,120.00 which did not change the bottom line expenditures. City Administrator Stewart stated that due to Council's work done over the last several years and putting aside contingency instead of spending it, the City is now at the level of undesignated reserves that is recommended, even a little better than what is recommended.

Regarding the water/sewer fund, Mr. Carsten advised there was no change in revenues, but the workman's compensation was reflected throughout, along with the small decrease with health insurance and the two percent (2%) raises which amounted to \$15,410.00. She advised that after the workman's compensation offset, there was only an amount of \$3,853.00 that increased regarding the expenses. Ms. Carsten advised that the contingency was lowered from \$358,040.00 to \$354,182. Councilmember Fink questioned there not being an increase regarding revenue and Ms. Carsten advised of none since the last workshop. City Administrator Stewart

verified again that the areas being highlighted were changes from what was presented at the workshop to tonight's presentation.

Regarding solid wastes, Ms. Carsten advised that the two percent (2%) raises calculated to \$4,125.00 and the offset with the workman's compensation make it so that there is only an expenditure addition of \$1,722.00. She further advised that the contingency under the solid waste was lowered from \$32,753.00 to \$31,031.00. She stated the funds, in the end, had not changed with the exception of the revenue for the general fund because it was an addition. Councilmember Fink asked if the two percent (2%) raises would automatically take effect on October 1st or if they were planned over a period of time with anniversary dates, etc. City Administrator Stewart advised they were planned to take effect immediately after October 1st. Mr. Stewart further advised that there were two (2) individuals who would not receive the two percent (2%) raise: himself and the Marshal. Councilmember Fink referenced the Marshall's increase and City Administrator Stewart stated that according to the budget presented at the workshop, the Marshal's raise was included in that and that was the reason he was not getting the two percent (2%) on top of that.

Regarding the airport, Ms. Carsten advised there were a few changes and according to the FAA, the amount we will be getting for grants so far will be \$181,000.00. She also advised of a change in expenses under professional fees in the amount of \$30,000.00 which represents the amount Council agreed to for the contract with Hanson. She stated this did not need to all be spent, but it was what they had agreed upon to a certain amount so it needed to be put in the budget. She advised this contemplated using some fund balance, \$13,368.00, in order to balance the budget for airport.

City Administrator Stewart stated there would not be a change in fees with the exception of the automatic change in water rates which was approved in a prior rate schedule and some fees for services where preliminary work shows they are not recovering the actual cost. He advised once he receives all the information, he will bring it back to Council for their guidance. Mr. Stewart advised that might mean there may be a change in the profile of the expected revenue, but that would be something they would include with a budget adjustment at the time Council makes its decision. He further stated that along the budget adjustment line, there are a number of grants the City is going after and explained one regarding video mapping the sewer system, and he advised that would change the wastewater budget by \$1,000,000.00.

Ms. Carsten asked if there were any other questions and there were none. Councilmember Fink made a motion to approve Resolution 2015-06 as presented with the addition to number two (2) that it will be the rolled back rate minus 1.55 percent and Councilmember Coker seconded the motion. Councilmember Fink thanked the City Administrator for his tenacity in ensuring the citizens would not receive even a minuscule increase in taxes. No discussion followed and it was unanimously, 4/0, approved.

The City Clerk was instructed to read Resolution 2015-06 by title only and she did so. At this time, Council cast their individual votes with Deputy Mayor Frierson casting an assenting

vote, Councilmember Fink casting an assenting vote, Councilmember Coker casting an assenting vote and Mayor Wertz-Strickland casting an assenting vote.

The City Clerk was instructed to read Resolution 2015-07 by title only and she did so. Councilmember Coker made a motion to accept Resolution 2015-07 and Deputy Mayor Frierson seconded the motion. Councilmember Fink advised that the budget was probably one of the best written budgets that he had ever had the opportunity to vote upon. However, he advised he did have concerns, not in the budget, but dealing with several serious issues that he planned on following up on and he did not believe he, in good conscience, could vote on it without addressing the issues. Regarding the municipal golf course, he advised the City was spending \$470,714.00 on the course and the projected revenues are \$335,000.00 meaning they are spending \$134,714.00 more than they project to make. He stated that he cannot vote to deficit spend for something the vast majority of Arcadians do not use. He also brought up the issue of free golf for retired council members and others of which he was not in agreement with. Councilmember Fink then addressed the three percent (3%) on water, three percent (3%) on sewer and two percent (2%) on trash rate increases and stated his disagreement with the automatic increases. He then stated that he believed the City employees deserved the two percent (2%) pay raise, but didn't feel it was equitable when the Marshal was going to get nine point one two five (9.125%).

City Administrator Stewart thanked Councilmember Fink for his support regarding the millage rate and the kind comments regarding the budget in general. Mr. Stewart stated that he had asked the Rural Water Association to do some rate analysis for the City to see if we are where we need to be and he would bring that information back to Council. He stated they are looking at the fee structure and acknowledged there are some issues there. Regarding the golf course, Mr. Stewart stated he would be meeting with the golf course director to validate whether anyone was getting free golf, and if so, what the circumstances are for such and he advised he would report back to Council. City Administrator Stewart stated that he would not speak on the Marshal's behalf regarding his raise, but reiterated the fact that the reason this was brought forward was because he is essentially still making what he was making as a captain and he received no raise when he was elected to the position of Marshal. He further stated that the rate of pay for him as head of a police department was modest in comparison to many other communities with similar size populations. Deputy Mayor Frierson stated that when the Marshal stepped into the position at the request of the Council, he did not ask for any increase, but was willing to step in at his current salary. Councilmember Coker stated that the current salary that the Marshal has requested is still below what the previous Marshal was making. She reminded Council that when Ms. Carsten stepped in as interim administration, she was placed at the higher salary of the administrator at that time. Councilmember Coker stated that she felt the Marshal had earned an increase, not just the two percent (2%). She then expressed her thoughts regarding the golf course. She stated that she felt the community benefits as a whole from its services and felt it was a recreational facility. She further stated that if it was taken away from Arcadia, it would be a huge loss and stated she was in support of the golf course and felt they could do something with it.

The golf course director was asked how many people received free golf and he advised there were five (5) people, plus three (3) volunteers. City Administrator Stewart advised that he wanted the golf director to provide him with a report as to the name of the individuals, how often they play, exactly what they get when they play and then it will be up to Council as to whether it is continued or not. Mayor Wertz-Strickland stated that she thought they had decided to give it a year and then come back and look at it. Regarding the individuals receiving free golf, City Administrator Stewart stated that he felt it should be driven by two things: 1) if it is not legal, then they should not do it and the attorney should advise; and 2) if it is not illegal, then the Council needs to determine whether or not to do it. After much further discussion, Mayor Wertz-Strickland stated that she felt they needed to stick with the plan formulated a couple of weeks ago to see what will happen within the next year.

At this time, the discussion was open to the public. Charles Conklin, a city resident, stated that they should set a time limit to see if they can cut even. Jackie Scogin, a city resident, agreed with Councilmember Coker and stated the City needed a golf course. She felt they needed to look into the free golf regarding those who aren't volunteering or doing anything in return and she felt the golf course needed to be advertised and promoted. No discussion followed and it was 3/1 approved with Councilmember Fink casting the dissenting vote.

PUBLIC

None

ADJOURN

Councilmember Fink made a motion to adjourn and Councilmember Coker seconded the motion. No discussion followed and it was unanimously, 4/0, approved. Having no further business at this time, the meeting was adjourned at approximately 7:06 P.M.

ADOPTED THIS 6th DAY OF October, 2015.

By:


Judy Wertz-Strickland, Mayor




Penny Delaney, City Clerk