

Palmetto City Council
Budget Workshop
August 9, 2004 4:00 PM

Elected Officials present:

Larry Bustle, Mayor
Tamara Cornwell, Vice Mayor
Mary Lancaster, Council Member
Brian Williams, Council Member

Elected Officials absent:

Eric Ball, Council Member

Staff and others present:

J. E. Free, Jr., City Clerk
Chief Garry Lowe
Chris Lukowiak, Public Works Director
Diane Ponder, Administrative Assistant

Mayor Bustle called the meeting to order at 4:05 pm. A moment of silence was observed in recognition of the military personnel overseas, followed by the Pledge of Allegiance to the United States Flag.

Mayor Bustle introduced, in alphabetical sequence, Ted Schmidt and Tambra Varnadore, candidates for the vacant Ward 2 city council seat.

1. FISCAL YEAR 2004-2005 BUDGET

Mayor Bustle directed Council to the budget summary, stating the proposed budget shows a \$210,265 deficit. Mr. Free discussed how the proposed 2005 figures had been calculated, discussed the allocation amounts, and explained the Requested 2005 column is the budget amounts Council would review and eventually approve. The \$7,594,351 budget is supported by General Fund revenues of \$6,570,133. The difference will be supported by non General Fund department transfers listed under the General Fund.

Mr. Free began the budget review by informing Council he and Mr. Williams had met and Mr. Williams had brought forth the following suggestions:

1. Council must approve any expenditure of capital or personnel funds expended for an item not approved in the budget.
 - Discussion of the topic resulted in Council's consensus to establish an administrative policy stating notification must be provided Council when a capital or personnel item not approved in the itemized budget is purchased.
2. An expense amount for the Mayor and Council to cover items such a personal cell phones or other legitimate expenses. Ms. Cornwell commented on the high cost of the Nextel phone program, cautioning staff that the walkie-talkie feature should always be used by employees to control the cost of the program. Confirmation of the City's plan will be provided to Council at a subsequent meeting.
 - Surrounding municipalities will be surveyed to determine if expense amounts are provided elected officials.
 - Mileage and meal amounts will be researched to establish realistic reimbursement amounts.

3. Departments that keep spending under budget are allowed to keep one-half of the funds; 10% of balance to be returned to the employees; 15% to be used for employee comfort; 25% to be used for capital projects.
 - Mayor Bustle, Ms. Cornwell and Mrs. Lancaster were not receptive to the suggestion. Mr. Williams will bring Council examples of where the policy exists.

Mr. Free advised a 3% wage increase on the employee's anniversary is included in the budget.

Mr. Free informed Council that employees were not placed on step during the conversion to the Cody & Associates pay scale adjustments. Placing employees on step has been calculated into the budget. Any employee not receiving a minimum \$500 in going to the next step will be put on the next step beyond in the pay scale; therefore, some salary increases will be higher than 3%, and others lower. The proposal before Council shows the calculated total an employee will receive for the fiscal year 2004-2005. An updated, corrected pay schedule will be provided Council.

Council discussed the crossing guard positions, which show an adjustment for tenure. Mr. Williams contended the position was to have been a flat annual amount with no compensation for tenure. It was the consensus of Council the positions would be adjusted by tenure. Mayor Bustle inquired as to the amount of revenue the City receives from Manatee County for crossing guards.

Mayor and Council

The \$500 expense to S.T.A.R.T. was discussed. Ms. Cornwell stated she did not wish to fund the program because of it being an act of God; Mr. Williams agreed. Mayor Bustle will provide Council with information regarding the program. The amount was left in the budget at this time.

Attorney

Mr. Williams suggested reducing the budgeted amount from \$300,000 to \$225,000. Mayor Bustle informed Council the attorney has been asked to break out items pertaining to development, which will be passed through to developers. Ms. Cornwell suggested if the item reviewed by the city attorney is a CRA issue, CRA should bear the expense. Mr. Free suggested adding a revenue line of \$75,000 to provide for pass-through expenses. The revenue will be placed in the General Fund.

City Clerk

Travel/PerDiem reduced \$1,000 to \$4,000.
New Office Equipment reduced \$3,000 to \$3,000.

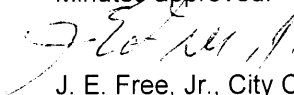
Mr. Free confirmed CRA's TIFT funds were included in the Community Renovation line item. Council briefly discussed portions of the CRA allocations. CRA allocates approximately \$225,000 to the General Fund. A budget review will be held with CRA at a subsequent date.

IT Department

ADG Training reduced by \$4,400 (40 hours) to \$4,400.
Microsoft reduced by \$2,500 to \$2,500.
Travel will be checked and cut back to the 2003-2004 level.

Mr. Free distributed the Capital Improvement Plan updated June 2004, for Council's review prior to the next meeting. He advised Council the \$30,000 for the audio/video has been allocated and will be removed. Mr. Lukowiak will provide a report detailing the projects that have been started, the percentage that has been spent and the amount that has been billed against the project. Mr. Free also informed Council the ADG system is now being utilized to provide detailed information on each City project.

Meeting adjourned at 6:05 pm.
Minutes approved: September 15, 2004


J. E. Free, Jr., City Clerk