

**CITY OF METTER
CALLED MEETING/BUDGET WORKSHOP
WEDNESDAY, MAY 23, 2018
11:00 A.M.**

A called meeting/budget workshop was held at City Hall on Wednesday, May 23, 2018, at 11:00 a. m. in the Council Chambers.

Attending the meeting were the following officials:

Mayor Edwin O. Boyd
Mayor Pro tem Chyrileen Kilcrease
Councilman Paul MacGregor
Councilwoman Rashida Taylor
Councilwoman Marsha Colson
Councilwoman Amy Harrelson
City Manager Mandi Cody
City Clerk Angie Conner
Public Works Director Cliff Hendrix
Chief of Police Robert Shore
Fire Chief Jason Douglas
Finance Manager Cindy Collins
HR/Purchasing Manager Missy Edenfield
Director of Tourism/Business Development Heidi Jeffers
Jerri Goodman, Metter Advertiser

There were no guests present.

CALL TO ORDER AND WELCOME

Mayor Boyd called the meeting to order and welcomed everyone.

PLEDGE OF ALLEGIANCE

Councilman MacGregor led the Pledge of Allegiance.

INVOCATION

Councilwoman Kilcrease gave the invocation.

APPROVAL OF AGENDA

Councilwoman Kilcrease made a motion to approve the agenda as presented.
Councilman MacGregor seconded the motion and the vote was unanimous.

PURPOSE

The purpose of this meeting was to discuss different options pertaining to balancing the FY 2019 General Fund Budget.

Ms. Cody provided Mayor and Council with handouts which included FY 2019 Budget Options/Scenarios as follows:

Millage Increase	Sanitation Option	Budget Options
2 mill increase	Option 1	<ul style="list-style-type: none">➤ Option 1 Personnel➤ COLA➤ Entities at Requested Funding Levels (including IDA to \$70,000)➤ \$6,724 Contingencies

2.5 mill increase	Option 1	<ul style="list-style-type: none"> ➤ Proposal 1: No new Personnel and \$64,224 to Fund Balance/Contingencies Proposal 2: Hire 1 new hire (choose priority – Fire, Police, or Streets & Lane) ➤ COLA ➤ Entities at FY 18 level, except IDA to \$50,000
3 mill increase	Option 1	<ul style="list-style-type: none"> ➤ Option 2 Personnel ➤ COLA ➤ Entities at FY 18 level, except IDA to \$50,000 ➤ \$4,901 Contingencies ➤ \$0 to Fund Balance
3.5 mill increase	Option 1	<ul style="list-style-type: none"> ➤ Option 2 Personnel ➤ COLA ➤ Entities at FY 18 level, except IDA to \$50,000 ➤ \$42,401 to Fund Balance or Contingencies
4 mill increase	Option 1	<ul style="list-style-type: none"> ➤ Option 2 Personnel ➤ COLA ➤ Entities at FY 18 level, except IDA to \$50,000 ➤ \$40,541 to Fund Balance ➤ \$39,360 Contingencies
5 mill	Option 1	<ul style="list-style-type: none"> ➤ Option 2 Personnel ➤ COLA ➤ Entities at FY 18 level, except IDA \$50,000 ➤ \$40,541 to Fund Balance ➤ \$114,360 Contingencies

All options include the additional firefighter position. The revenue also includes receiving 50% or \$300,845 from the county for fire services.

Ms. Cody asked council to consider making the following additions to personnel for the FY 2019 budget:

FY 2019 Proposed Additions to Authorized Personnel

Proposed Position	Proposed Grade	Proposed Number
Firefighter	15	1
Police Officer *	15	1
Groundskeeper	10	1

*Police Department overtime has run over \$50,309 for FY 15 and \$40,367 for FY 16. Not adding another officer will result in reduced coverage in order to remain in budget for FY 19.

Cost recovery fees for sanitation services were presented as follows:

Residential Package:

One time per week polycart pick up
 One time per week yard waste pick up
 One time per week bulk pickup

Option 1 = Increase from \$17 month to \$25 Per month to generate cost recovery.

Commercial Package:

Three times per week polycart pick up
 One time per week yard waste pick up
 One time per week bulk pick up
 One time per week tire pick up

Option 1 = Increase from \$23 month to \$39 per month to generate cost recovery.

Option 2 = Increase from \$17 to \$30 per month to generate 1 mill profit

Option 2 = Increase form \$23 month to \$44 month to generate 1 mill of profit.

The handouts provided by Ms. Cody also included a FY 2019 Proposed Property Tax Rate Table.

Ms. Cody informed the council that she is working on financial policies for the city. These policies include budgetary policies. In the budgetary policy, it refers to a contingency budget, which is used to minimize or avoid the use of unreserved fund balance, the city may include an amount in the general fund (i.e., a line-item for contingencies) for unforeseen emergency type operating expenditures.

Councilman MacGregor said that he couldn't see increasing the funding of the Industrial Development Authority (IDA). Mayor Boyd explained that \$70,000 is forty percent of the total IDA budget. Sixty percent will come from the unincorporated tax district to equalize the burden amount tax districts. He said he would like to see the county fund this and the city make their payment. As it is now the Mayor serves on the board and has two appointments to the board. The board consists of five members. This gives the city controlling interest. Mayor Boyd said that he would agree to surrender the appointments on a wrap-around agreement if county would fund but County Administrator Doug Eaves declined. Mayor Boyd said that this way would allow equal tax to all citizens to support the IDA. He said that if we go the other way, we will pay less than forty percent and still have the appointments. Mayor Boyd said that he thinks we need to be fair about this issue. Mayor Boyd said that he supports the \$70,000 in the budget for the IDA and hopes this can be altered in the Service Delivery Strategy (SDS) negotiations. Councilman MacGregor asked why we can't amend the budget if it all works out. Mayor Boyd said that they are asking for less than 1 mill. That is not that much for citizens to contribute to IDA. Mayor Boyd said that now Mr. Eaves is no longer with the county, he doesn't know where the county stands on this issue.

Ms. Cody said that there are assumptions in the budget that we may have to come back and amend after the SDS negotiations.

Councilwoman Harrelson said she thinks Economic Development is very important and agrees with increasing the IDA to \$70,000. She also said not to give up the seats on the board.

Councilwoman Colson said that we are showing such focus on Economic Development and agrees we need to support Economic Development, but we also need to support the IDA as much and not show mixed signals.

Mayor Boyd said that we will not be setting the millage until September. The SDS is moving rapidly. Hopefully we will have more clarity before setting the millage rate. He said that we can set the budget now and come back and amend after the clarity from the SDS.

Councilman MacGregor said that he agrees with hiring a police officer to keep overtime down. He said that he agrees with the budget for Economic Development because it is needed every day. The money for the IDA is not used every day.

Mayor Boyd suggested staying conservative on hiring until issues are resolved with the county. Once this is resolved then we can amend our budget. Mayor Boyd said that between July and September, hopefully we will have clarity and can revisit the requests for additional employees, after the SDS.

Councilwoman Kilcrease stated that a lot of this will be based on outcome of the SDS. Right now, we need to hold off on new hires until after SDS and see what to do at that time. She said it is imperative to give the \$70,000 or \$50,000 to the IDA. Mayor Boyd said that he thought this would be acceptable since it would get us closer to the forty percent. Councilwoman Kilcrease said that she is in favor of doing what we need to do

Called Meeting/Budget Workshop, May 23, 2018

within reason to get the budget balanced then we can come back after SDS to make adjustments.

Mayor Boyd said he could support a 2 mill increase to help balance the budget.

After the discussions were complete, Ms. Cody recapped on the consensus of council for calculating the FY 2019 general fund budget as follows:

- Use a 2 mill increase
- O & M cost recovery for Sanitation Option 1
- Include the Firefighter position and the assumption of the county paying fifty percent of the fire department budget
- Include the police department position
- Fund the IDA at \$50,000
- Include proposed COLA

Ms. Cody said that she would put it all together and release the FY 2019 proposed budget on June 4, 2018.

ADJOURNMENT

After no further discussion, Councilwoman Colson made a motion to adjourn the meeting. Councilwoman Harrelson seconded the motion, and the vote was unanimous.

The meeting was adjourned at 11:54 a.m.

Angie Conner, City Clerk

Edwin O. Boyd, Mayor