

**TOWN OF PENNEY FARMS
TOWN COUNCIL BUDGET WORKSHOP MINUTES
FY 2022/2023
Friday, August 12, 2022 9:00AM AT TOWN HALL**

CALL TO ORDER: Mayor Ryder at 9:00am

Present: Mayor Ryder, Vice-Mayor DeVille, CM Andrews, CM Sabin, CM Taylor
All present for the record.

Absent: None

Additional Audience:

- *The Town's Finance Committee members have been invited to these proceedings as a courtesy and may participate as advisors.*

All present for the record. No additional audience attended.

This meeting has been called to ensure that all Council members may attend for discussions and not violate the Sunshine Law. *NOTE: No voting can take place at this meeting.*

Additional Audience:

**** According to the Florida Municipal Officials Manual: Although citizens are allowed to attend all meetings of the public body, there is no requirement that citizens be allowed to participate in these meetings. Citizens are permitted to participate at public hearings and legislative meetings, such as the Town Council meetings. ****

AGENDA OUTLINE:

Item #1 Town Manager and staff to present and review the new Fiscal Year 2022- 2023 Budget for approval.

**Budget Package distributed to all Town Council Member and Finance Committee Members. (Attached)*

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- TC Cooper reviewed and explained the table of contents and how the budget will be presented.
- TC Cooper stated the General Fund will appear larger than usual because the Town is applying for several large grants.
- TC reminded the Council of the upcoming public hearing dates that have been selected to not conflict with the Clay County Board of Commissioners meetings; and the Clay County School Board meetings.
- TC stated the Capital Projects list is attached, as well as a completed list of projects for the last two years.
- TC Cooper stated the bank account balances used are from June 30, 2022 bank statements.

BANK ACCOUNT BALANCES

-TM Cooper reviewed the bank balances for all the Town's bank accounts that are being used for this budget.

COUNCIL MEMBERS STIPEND

-TC Cooper explained the next page is a formality that the Town Council needs to make a decision on the Town Council's Annual stipend. The Town Council was asked individually to choose how they would like to proceed with this issue.
-After asking each Council Member, it was determined the Council would like to keep their stipends as a line item in the General Fund to be used at their discretion.

2022/2023 GENERAL FUND REVENUE TRACKING SHEET

➤ Ad-Valorem Tax Revenue

-TC Cooper explained the 2022-2023 General Fund Revenue tracking sheet to all the attendees. She reported the General Fund contains the Ad-Valorem Tax revenue, which can be used for anything; Building Permit revenues, which are somewhat restricted and expenses have to relate to permits; and the American Rescue Plan Act (ARPA) revenue that can be used for anything, the remaining balance is operating reserves.
-TC Cooper reported for this budget, this seated Town Council and Finance Committee have provided a consensus to keep the Millage rate the same, which has been documented at the last couple of public meetings.
-TC Cooper reviewed the amounts in this column and explained the balance brought forward of \$117,214.00 was allocated for street repair, most notably Caroline Blvd.
-TC Cooper stated if the millage rate stays the same at 4.4535, the total amount collected will be \$94,156.00, less 5%, per the auditor. She explained the 5% reflects any adjustments from the Clay County Property Appraisers Office (CCPAO). She stated the amount used for the new budget will be \$89,448.00. She further stated the CCPAO collects the money and send the Town a check, usually once a month throughout the year.
-TC Cooper reviewed this column and stated the Town Manager suggested the one capital repair should be a sidewalk repair at the corner of Morton Street and Lewis Avenue, which will cost approximately \$4,000.00.
-There were no objections

➤ Building Permit Revenue

-TC Cooper reviewed this column with the Council. She explained the balance brought forward and there were two projects that were approved in previous years, but were not completed, so they have been added back in for this year, because there will be expenditures for those projects. She explained the Town Hall back hallway was one and the other was the shelving for the climate controlled storage room, which has been back ordered for some time.
-CM Andrews asked why these items are listed again when they have already been approved.
-TC Cooper stated there will be expenditures and a line item is necessary to account for these projects.
-TC Cooper reviewed the net revenues for the 4th Qtr FY 20/21; 1st Qtr FY 21/22; 2nd Qtr 21/22, which included the new dining hall permits; 3rd Qtr 21/22. She stated the totals are computed after all expenses have been paid out and the result is \$174,502.00 in revenues during that time.
-TC Cooper stated this money can be used for salaries and she explained that she and the Administrative Assistant spend at least 50% of their time on building permits. She stated the 50% of salaries are fully burdened with all benefits included. She stated this money can be used for any items relating to the building permits, but can benefit the Town Hall as well. She further explained she would like to add items such as, a new pick-up truck for building code enforcement; a wide format scanner/printer to scan building permits/town maps and be able to store our Town documents electronically; and also to pay for the expense of accepting credit cards for building permits, and water utility payments,

either in person or online; and also IT services. She explained these items have been approved by the auditor and can be very useful in the future, but we have to make the budget work one year at a time.

➤ American Rescue Plan Revenue (ARPA)

-TC Cooper explained this money was free money given to the Town from federal reserves and distributed by the State of Florida. She stated the Town received at total of \$417,212.00 of these funds and received one half of the total last year and will receive the second half in the next month or two.

-TC Cooper reported this money has no restrictions and can be used for anything. She further stated these finds have been allocated by the Town Manager for the water line replacements.

-TM Cooper stated this money has to be spent by December 2024 and reminded the Town Council it will be used for the replacement of old water lines with the Community Development Block Grant (CDBG) grant as discussed in previous meetings.

➤ General Fund Operating Reserves

-TC Cooper stated these funds are unrestricted and can be used for anything. This column shows the \$32,000.00 being put into the operating.

➤ General Fund Bank Balance

-TC Cooper state this column shows the amount of money in the General Fund bank account and all of the earlier explained expenditures are used.

-TC Cooper reminded the Council a lot of the money is already earmarked and the new budget has yet to be accounted for during this process.

-TC Cooper asked if there were any questions. There were none.

2022/2023 GENERAL FUND REVENUE – (See Sheet in Packet)

-TC Cooper initially explained that the State Revenues are derived from the Financial Handbook she receives every year. She stated the Franchise Fees are determined by averages. She pointed out the form shows last year's column and the new fiscal year's column, and then, the difference. She pointed out the corresponding bank accounts associated with the General Fund and explained what the separate general ledger codes listed meant and that they will come into play further in the process.

-Council Member Sabin asked if the budget will need to be changed if the Town does not receive the grants.

-TC Cooper stated there would be no change in the budget needed. She stated if the grants fall through, the line items will simply not be used.

-Finance Committee member, Gail Larson asked if the decrease in the Communication Service Tax revenue was a result of Opticaltel backing out of their contract.

-TM Cooper stated Opticaltel has no bearing on this line item, this is a state revenue that is divided among all the cities and towns and will eventually dwindle away and be gone.

-CM Andrews asked how long the maintenance contract is for and is there any way to get an increase for this service. He stated the state should not take advantage of the Town.

-TM Cooper stated that the contract is for three (3) years and the Town does not make money on this contract. He further explained the state's opinion is: "take it or leave it". He further stated, he always asks for more, but gets turned down, but he wants to make sure the job gets done right, because State Road 16 is what the Town is known for and our public works department does the best job of taking care of it.

-TM Cooper reviewed each remaining line item with the Town Council and there were no more questions.

2022/2023 GENERAL FUND EXPENDITURES – (See Sheet in Packet)

- TM Cooper reviewed the expenditure line items. He began with the Council Reserve Fund and the Town Managers salary items which were already approved.
- TC Cooper explained that in the Regular Salaries & Wages section the health insurance was reduced, however, AETNA has changed its plan. She stated the previous individual premiums were determined by age, now the premiums for all covered employees are the same, no matter the age. She further stated this section is lower, but they are higher in the public works section, because the younger employees, now cost more. She stated it is difficult to find a small group insurance policy for such few employees.
- TC Cooper reported the Town paid out \$60,516.00 last year in health insurance premiums; this year the premiums will be \$62,510.00, showing the 3% increase.
- Finance Committee member Tom Ryder and Vice-Mayor DeVille asked if the auditor expense can be partially paid for by building permit money.
- TC Cooper stated that she will ask the auditor.
- TC Cooper explained the public works employee's salaries are split between all three funds and these numbers represent the percentages of their corresponding salaries in the General Fund.
- TC Cooper explained the Inter Fund Transfer line items are there to accommodate the building permits when there is new construction and the water portion will go to the water utility; and the sewer portion goes into the sewer fund.
- Council Member Sabin asked if the Town is providing a decent salary to the Town employees.
- TM Cooper stated he has made sure the salaries are competitive and he believes the Town has a good crew now. He stated he wants the least amount of turnover as possible. He further stated all the Clay County municipalities have labor issues and they can't find employees to work.
- Council Member Andrews stated the public works employees need to pay closer attention to detail. He stated the weed-eating around the stop signs and edging the curbs need more attention.
- TM reviewed each remaining line item with the Town Council and there were no more questions.

-----MEETING PAUSED FOR A BREAK-----TEN MINUTES-----

2022/2023 WATER UTILITY REVENUES – (See Sheet in Packet)

- TM Cooper reviewed the line items in the water utility revenues.
- TM Cooper stated the Town will be looking into yard waste rules and costs, because the cost of removing tree debris is expensive. He stated he would like to update our solid waste policy that if a tree service cuts down a tree, the tree service should haul off the debris. He further stated the landfill disposal charges are very high for this service.
- Council Member Taylor asked how the Town picks up large tree limbs and stumps now.
- TM Cooper stated the Town uses the tractor to help load heavy items.
- TM Cooper reviewed each remaining line item and there were no additional questions.

2022/2023 WATER UTILITY EXPENDITURES – (See Sheet in Packet)

- TM Cooper reviewed the line items for the water utility expenditures.
- TC Cooper explained how the reserve line item is derived. She explained after all expenses are determined, whatever is left goes to the utility reserves. She pointed out the nice amount that will be going to the reserves in the new fiscal year.
- TM Cooper stated that he has been buying water pipe to do the repair on Little Dairy Road which he has told the Council that needs to be done.
- TM Cooper reviewed each remaining line item and there were no additional questions.

2022/2023 WASTEWATER/SEWER REVENUES – (See Sheet in Packet)

- TM Cooper reviewed the line items for the wastewater/sewer revenues.
- TM Cooper stated that he is still trying to get the Town's debt service, the Department of Environmental Protection (DEP) loan forgiven. He stated the Town passed an unexpected DEP inspection with flying colors.
- TM Cooper reviewed each remaining line item and there were no additional questions.

2022/2023 WASTEWATER/SEWER EXPENDITURES – (See Sheet in Packet)

- TM Cooper reviewed the line items for the wastewater/sewer expenditures.
- TM Cooper stated the Clay County Utility Authority (CCUA) line item has been reduced by the repairs that have been made since he has been here.
- Finance Committee member, Gail Larson asked who manages the pension money for the Town.
- TC Cooper stated the Florida League of Cities (FLC), Florida Municipal Insurance Trust Fund (FMIT) handles the pension(s) for all of the Town employees.
- TM Cooper reviewed each remaining line item and there were no additional questions.

ORDINANCE 2022-01 – (See whole Ordinance in packet)

- TC Cooper explained the Ordinance is a snapshot and/or condensed version of everything that was just reviewed for all three (3) funds.
- TC Cooper pointed out that all the codes noted in each of the funds come into play here. The totals for each of those codes are entered here.
- TC Cooper clarified that in the General Fund, the Franchise Fees are never raised, and they are simply accounted for by usage only.
- TC Cooper read through the Ordinance and explained the totals for each of the noted items for all three (3) funds.
- TC Cooper explained that there will be two (2) public hearings to read this Ordinance and a roll call vote will take place at each meeting. She further stated the voting will be acknowledged and the Town Attorney will sign off on it.
- Vice-Mayor, Tom DeVille asked if the technology trends are being considered for the water utility, such as, meter reading capabilities?
- TM Cooper stated that he is checking into a new way of reading the meters to be able to read the water meters by telephone. He stated the state of the art satellite readings will be too expensive to consider right now. He further stated the meters will not have to be changed yet and is a long way down the road.
- TC Cooper reviewed each fund and there were no more questions.

PUBLIC NOTICE AND LEGAL AD FOR FISCAL YEAR 2022-2023 – (See in packet)

- TC Cooper stated this is the required sheet to be posted on the Town's bulletin boards and the Town's website. She stated all of the line items and totals are exactly the same as the 2022-01 Budget Ordinance.

CAPITAL PROJECTS LIST – COMPLETED PROJECTS (See in packet)

- TC Cooper stated this list hasn't been touched since 2020 during the pandemic onset, but stated a lot of things have been completed in spite of the pandemic setbacks.
- TC Cooper stated the funding sources and time farms are noted.
- TC Cooper stated this is the Town's wish list and encouraged everyone to suggest or make additions to this list.

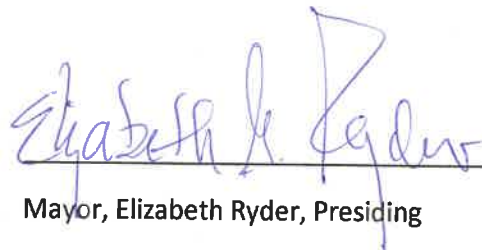
- Council Member Andrews asked if depreciation of equipment is being taken into account?
- TM Cooper stated yes, and replacement equipment is listed.
- TM Cooper pointed out the last page that showed all of the completed projects in the last two years, with the ongoing pandemic and a staff shortage.
- Council Member Sabin asked what the vision of the mentioned Community Center would mean to the Town.
- TM Cooper stated he believes adding a Town Community Center would be the way to bring the Town together. He stated the Town could have monthly breakfasts and events for the community to come together and visit.
- Council Member Sabin stated there are many Penney Retirement Community (PRC) residents that do not know they are part of the Town.
- TC Cooper stated the center could be used as a source of revenue to be rented out for indoor and outdoor events.
- TM Cooper stated it would be nice if the PRC marketing would allow new PRC residents to come and tour the Town Hall and get a welcome package to the Town.
- Council Member Taylor stated it is difficult to reach out to the town residents and get them involved more.
- TM Cooper stated he is making more effort to spend the time and talk to town residents. He gave some examples of community events and fundraiser that he would like to see happen, such as the renovation of the New Hope Church.
- Finance Committee member, Dick Hollowell suggested the community center could be used as a storm shelter and expressed his experiences in the Midwest.
- Council Member Andrews stated that currently the Town's storm shelter is located on the PRC campus and most town residents consider that private property. He stated the last time there was a storm, they went to the shelter and there was complaints about the children. He stated the Community Center is a great idea for neutral ground. He stated he feels some PRC residents don't want anyone who is not a PRC resident to be there. He gave an example of some town children riding their bikes through town and were asked to leave, that was traumatic for them. He further stated that Town signs at each end of the Town would be helpful in noting events, for those who have to hunt the bulletin boards and the website for information.
- Council Member Andrews stated there is a desire for the Town to come together.
- TM Cooper stated that the Town's Planning & Zoning Commission is currently going through the Town's Comprehension Plan and Land Development Regulations for future growth and considerations in the future. He stated there is an Ordinance on the books that don't allow the sale of alcohol in the Town and that will have to be changed. He stated he is trying to get the land for the community center and will continue that effort, with the Council's backing.
- TC Cooper stated if the community building could be used as a storm shelter, it would be easier to get a grant.
- Council Member Andrews noted the new pick-up truck is to replace the Ford Ranger and it is also listed on the completed list.
- TC Cooper stated she will change the new pick-up truck to replace the 2006 pick-up truck.
- Vice-Mayor DeVille commented that he grew up in New England and there the community center was known as a Grange Hall and it was used as a multipurpose facility.
- TC Cooper reminded everyone that the Town can't hold fundraiser, but donations are welcome.
- TC Cooper pointed out the last page of completed projects that were completed with the Town being understaffed. She stated this page is significant.
- Council Member Andrews asked if this information is for the public?
- TC Cooper stated yes.
- Council Member Andrews suggested that the total cost of the projects be put on this sheet, so residents can see the items competed with ad-valorem taxes.
- TC Cooper stated these projects were paid with building permit money; town money; and ad-valorem taxes. She will provide that information.
- Mayor Ryder asked this list be sent to her to distribute to PRC residents and asked everyone present to give the Town Manager and Town Clerk a hand for all their hard work and making their jobs easier.

- TM Cooper reported to the Town Council there is a surplus list of equipment that will be sold that he will be providing to them in the next few months.
- Council Member Andrews asked if these items will be put up for auction.
- TC Cooper stated she will check on the process for this, but she believes the Town Council has to approve the list.
- TM Cooper stated that he would not want to sell anything to a resident. He stated there will be more information coming soon.

END OF PACKAGE

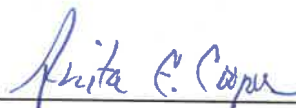
There being no further questions or concerns, the Budget Workshop was adjourned at 11:15AM by Mayor, Elizabeth Ryder





Mayor, Elizabeth Ryder, Presiding

ATTEST:



Anita E. Cooper, Town Clerk

