



**BUDGET WORKSHOP MEETING
JUNE 17, 2002, AT 6:00 P.M.
CITY HALL, 116 FIRST STREET,
NEPTUNE BEACH, FLORIDA**

Pursuant to proper notice a Preliminary Budget Workshop Meeting of the City Council of the City of Neptune Beach was held June 17, 2002 at 6:00 p.m., in the Council Chambers, City Hall, 116 First Street, Neptune Beach, Florida.

Attendance:

IN ATTENDANCE:

Mayor Richard A. Brown
Vice Mayor Robert D. Shimp
Councilor James Gilbert
Councilor Ronald D. Patronik
Councilor Harriet M. Pruette
City Manager Richard A. Linn
City Clerk Lisa Volpe, CMC

Director of Finance Steve Ramsey
Director of Public Works John Galen
Assistant to the City Manager Terry Klein
Supervisor of Water/wastewater Leon Smith

Absent:
City Attorney Christopher White

Call to Order/Roll Call

The Mayor called the meeting to order at 6:00 p.m.

Resignation of Public Service Director

City Manager Linn announced that John Galen submitted a letter announcing his retirement as of June 30, 2002. He will remain a part time employee for \$100 a week on a consultant basis for any engineering services needed. Mr. Linn stated he will be bringing Supervisor of Water/Wastewater Leon Smith's name as a replacement for John Galen to the next regular meeting for council's approval. Mr. Smith would become Director and his current position would remain unfilled. This would save the city approximately \$40,000 in salary and benefits and reduce the staff at the city yard by one position. It also changed some items in the budget.

John Galen stated he had been thinking about retirement for some time. He felt the City of Neptune Beach was too small and did not require an engineer in his position. He commented that Leon Smith could handle the position and the staff was well trained. He would be available at any time for any engineering services needed.

Mayor Brown congratulated Leon Smith. Vice Mayor Shimp asked Mr. Smith if he felt he was ready. Leon Smith stated he was and he had enjoyed working with Mr. Galen. Councilor Pruette asked Mr. Smith if he felt more inclined to put more information on computer. He responded by saying that his staff knows what has been done but it can easily be put on computer.

Councilor Pruette questioned if ditch cleaning was contracted out. City Manager Linn stated it was. He also commented that city hall kept work orders on the computer along with his assistant who kept a log on Civic Tracker.

Capital Items

Director of Public Services John Galen stated that the Tahoe from the water and sewer

Reductions and Additions

fund would not be needed along with the pick up truck. Leon Smith would be getting his Tahoe and Leon's truck would go to water and sewer.

He stated the Animal Control truck was in bad shape but would hopefully last until October 1, when it would be replaced by a Stormwater truck, which would be replaced with a new one. He told the council that the City Manager would be asking their permission to purchase a new truck in this fiscal year only on an emergency basis if the animal control truck stopped working completely.

Mr. Galen stated that the Hypo-Chlorite System in the Water and the Sewer funds was necessary. This would allow a switch from using chlorine gas, which is dangerous, to chlorine liquid. This would save the city from a lot of regulations. City Manager Linn added it would also save expensive reporting requirements and help with safety.

Finance Director Steve Ramsey stated there is a 3.75% increase in revenue due to a water rate increase. The big increase in the budget is the capital. He stated he could answer for any questions. The income showed \$92,612 in the water and sewer funds. With the cuts that Mr. Galen made it went up to \$190,993.

Vice Mayor Shimp asked why other contractual services was increased 33%. Mr. Galen responded it is due to lab fees for regulated testing.

Finance Director Ramsey stated health insurance would be increased at least 25%-30%.

City Manager Linn stated professional services was budgeted at \$20,000 for a rate study. He questioned if the backhoe was a replacement. Mr. Galen answered yes.

Councilor Patronik questioned touch read replacement. Mr. Ramsey said this was the replacement program the city started three years ago which would eventually produce more revenue.

Councilor Gilbert asked why overtime was so high for the current fiscal year. Mr. Ramsey said it was due to water breaks and should eventually go down by the end of the 2003 fiscal year.

Finance Director Ramsey stated there was an extra expense to fund our Debt Service Fund.

Mr. Ramsey reminded the council he is available for any questions at any time. He stated the Stormwater Fund was new because of the new utility and the two employees were carried over from the gas tax fund.

Councilor Pruette asked about the contracting out of ditch cleaning. Mr. Galen stated it was on a schedule.

Adjournment

There being no further business, the meeting adjourned at 6:40 p.m.

Richard A. Brown, Mayor

ATTEST:

Lisa Volpe, CMC, City Clerk

Approved: _____