



CITY OF CALLAWAY, FLORIDA

CITY HALL

6601 East Highway 22, Callaway, FL 32404

Phone 850-871-6000 • FAX 850-871-2444

www.cityofcallaway.com

Mayor

Thomas W. Abbott

Commissioners

Melba Covey

Pam Henderson

Bob Pelletier

Ralph L. Hollister

REGULAR MEETING
CITY OF CALLAWAY BOARD OF COMMISSIONERS
TUESDAY, SEPTEMBER 22, 2015 – 6:00 P.M.
CALLAWAY ARTS & CONFERENCE CENTER
500 CALLAWAY PARK WAY
CALLAWAY, FL 32404

AGENDA

CALL TO ORDER

INVOCATION & PLEDGE OF ALLEGIANCE

ROLL CALL

MAYOR'S INSTRUCTIONS

Call for Additions/Deletions, and any items to be pulled from Consent Agenda for discussion.
Remind everyone, elected officials and citizens, to speak directly into microphones.

PRESENTATIONS / PROCLAMATIONS

- Presentation 20 Year Service Plaque – Donald R. Simpler
- Presentation Employee of the Month – Roger Chandler
- Presentation Code Enforcement Board – Joseph Volpi, Chairman
- Presentation Bay County Sheriff's Office – Lt. Michael Branning

PUBLIC PARTICIPATION

- Citizens must complete a Public Participation form prior to the meeting and submit it to the City Clerk to be called and recognized at the podium.
- Speakers must come to the podium to be heard.
- Public Participation will be heard at the beginning of the meeting only.
- Comments are limited to three (3) minutes.

APPROVAL OF MINUTES

- July 18, 2015 Special meeting
- August 24, 2015 Regular Workshop
- August 25, 2015 Regular Meeting
- August 26, 2015 Budget Workshop
- Sept. 10, 2015 1st Budget Hearing Minutes

CONSENT AGENDA

Item #1 Budget Transfers – General Government

Item #2 Financial Update – “Budget-in-Brief”

Item #3 Accounts for Collections

Fire Department
P: 850-871-2753
F: 850-871-5564

Leisure Services
P: 850-874-0031
F: 850-874-9977

Planning / Code Enforcement
P: 850-871-4672
F: 850-871-2404

Public Works
P: 850-871-1033
F: 850-871-2416

Arts & Conference Center
P: 850-874-0035
F: 850-874-0706

“This institution is an equal opportunity provider and employer.”

OLD BUSINESS

Item #4 FY2014 Audit Findings

REGULAR AGENDA

Item #5 Resolution No. 15-25 Setting FY2015/16 Meeting & Holiday Schedule

Item #6 Resolution No. 15-26 Approving Annual Wholesale Water Rate Adjustment for Sewer

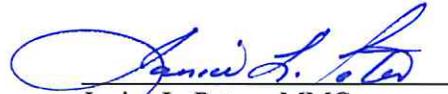
COMMISSION COMMENTS

ANNOUNCEMENTS

All meetings will be held at the Callaway Arts & Conference Center, 500 Callaway Park Way, Callaway, FL, unless otherwise noted.

- Sept. 24, 2015 6:00 P.M. Code Enforcement Board Meeting
- October 26, 2015 6:00 P.M. Regular Workshop
- October 27, 2015 6:00 P.M. Regular Meeting

ADJOURNMENT



Janice L. Peters, MMC
City Clerk

Public Participation for the Regular Commission Agenda items will be held at the Workshop Meeting on the day prior to the Regular Commission Meeting. Comments are limited to three (3) minutes at the Workshop Meeting and for Public Participation at the beginning of the Regular Commission Meeting.

Providing public input is important. It can be accomplished by calling, emailing, making an appointment with your Commissioner, or speaking at a public meeting. Public Participation will be at the beginning of the meeting and is limited to three (3) minutes.

If a person decides to appeal any decision made by the City Commission with respect to any matter considered at the meeting, if an appeal is available, such person will need a record of the proceeding and such person may need to ensure that a verbatim record of the proceeding is made, which record includes the testimony and evidence upon which the appeal is to be based. Any person requiring a special accommodation at this meeting because of a disability or physical impairment should contact Callaway’s City Clerk, at 6601 E. Highway 22, Callaway, FL 32404; or by phone at (850) 871-6000 at least five calendar days prior to the meeting.

If you are hearing or speech impaired, and you possess TDD equipment, you may contact the City Clerk using the Florida Dual Party Relay System, which can be reached at 1-800-955-8770 (Voice) or 1-800-955-7661 (TDD).

“This institution is an equal opportunity provider and employer.”

Certificate of Appreciation

Presented to

Donald R. Simpler

*In appreciation of 20 years of service
and dedication to the City of Callaway.*

August 28, 1995 - August 28, 2015



Thomas R. Albert
Mayor

A. W. D.
City Manager



Employee of the Month

August 2015

Presented to

Roger Chandler

Thank you, Roger for your attention to detail, your positive attitude and your ongoing dedication to our City, Citizens and Staff.

Mayor

City Manager

**CALLAWAY BOARD OF COMMISSIONERS
SPECIAL MEETING
JULY 18, 2015 - 10:30 A.M.**

The Special Meeting of the City of Callaway Board of Commissioners was called to order and recessed by Mayor Abbott at 10:30 A.M.

Due to the first three interviews being cancelled, Commission discussed scoring procedures.

Mayor Abbot reconvened the Special Meeting at 12:00 P.M.

ROLL CALL: Commissioner Covey, Commissioner Henderson, Commissioner Pelletier,
Commissioner Hollister, Mayor Abbott

ALSO PRESENT: City Manager Fuller

AGENDA

INTERVIEW APPLICANTS FOR CITY CLERK

Commission began the second round of interviews.

Olivia Wilson, the first applicant of the day to be interview, stated she was interested in the job to learn something new. She has prior customer service experience and is experienced with computers and Microsoft.

The second applicant, Anne Risely, answered questions from the Board emphasizing that she has customer service experience, namely in transportation, and would not have a problem learning to take minutes.

Peggy Legg was the third person to be interview by the Commission. She stated that she was a supply specialist in the Airforce and has experience in office and clerical work.

Next, Janice Peters was set to interview by the Commission. Ms. Peters stated that she is a certified municipal clerk and is familiar with public meeting, agenda preparation, and taking minutes. She is currently the City Clerk of the City of Brooksville Florida.

In the following interview, Mark Olshefski explained he has prior experience in security and records management. He also has a Masters Degree in HR Management.

Lastly, Yvette Lareaux provided the Board with an updated resume and discussed her current job as a financial aid specialist and how it related to city clerk duties.

SELECTION OF CITY CLERK

Mayor Abbott asked everyone to rank the applicants and sign their names on the ballet, and give them to the City Manager to add up the scores.

City Manager Fuller counted all the ballots and stated that Janice Peters had the best score therefore she was selected as City Clerk.

Commissioner Pelletier moved to accept the scores and offer the City Clerk position to the top applicant, Janice Peters at an annual salary of \$57,000. Seconded by Commissioner Covey.

Roll Call Vote:

**Commissioner Covey – aye
Commissioner Henderson – aye
Commissioner Pelletier – aye
Commissioner Hollister – aye
Mayor Abbott – aye**

Motion passed

Mayor Abbott requested HR contact Ms. Peters and begin the hiring process as soon as possible.

There being no further business Commissioner Henderson motioned to adjourn.

J. Michael Fuller, City Manager

**CITY OF CALLAWAY
BOARD OF COMMISSIONERS
REGULAR WORKSHOP MINUTES
AUGUST 24, 2015 – 6:00 P.M.**

The Callaway Commission met in workshop session with Thomas Abbott, Mayor and Commissioners Melba Covey, Pam Henderson, Bob Pelletier and Ralph Hollister. Also present was J. Michael Fuller, City Manager; Kevin Obos, City Attorney; Janice L. Peters, City Clerk; Beverly Waldrip, Finance Director; Tim Legare, Leisure Services Director; Bill Frye, Zoning & Code Administrator; David Joyner, Fire Chief; Trevor Noble, Public Works Director and Lisa Koepke, Assistant to the City Manager.

The meeting was called to order by Mayor Abbott, followed by an invocation and the Pledge of Allegiance.

CONSENT AGENDA

Budget Transfer

Commissioner Henderson asked if the \$9,300 was for Ms. Bennett's contract for the rest of the Fiscal Year. City Manager Fuller confirmed, stating he wasn't sure the entire amount would be spent but wanted to be on the safe side. She asked where we stand on the bank reconciliations. City Manager Fuller advised they are caught up through March.

Commissioner Henderson asked if the \$4,676 is the end of the IT costs. City Manager Fuller advised this should cover costs for the rest of this Fiscal Year.

Commissioner Henderson asked about the \$98,512 decrease in CIP as to why nothing is being increased. Finance Director Waldrip advised they are decreasing revenue and expense to adjust the Capital Projects fund because in the last Fiscal Year budget it was not budgeted as a transfer out of the General Fund, it was only budgeted as a transfer in to the Capital Projects Fund. It's just a correction within the fund, not affecting any other funds. Commissioner Covey required further explanation, asking if this item was over budgeted.

City Manager Fuller further explained that the Stormwater improvements project that the City received a grant for was originally in the budget for \$795,000. The actual cost of the grant was \$705,000. The budget is being adjusted to reflect the actual costs.

Commissioner Covey advised, regarding Attachment A, that Commission has not received an update as to what Ms. Bennett is doing, for the last two weeks. Finance Director Waldrip advised she has been in and City Manager Fuller advised they will get an update tomorrow.

Financial Update – Budget in Brief

Commissioner Pelletier indicated he had asked about Planning and Code Enforcement and he still has not received an answer weeks later. He had asked why this is at 60%. City Manager Fuller advised Animal Control is coming in under budget and because of staff vacancies. Commissioner Pelletier asked for updates.

Commissioner Covey asked where we are for this Fiscal Year for Animal Services since it is at 60%. Finance Director Waldrip advised the city is billed quarterly so there is one billing quarter left for this year. City Manager Fuller indicated that if the trend continues, this will come in under budget.

Mayor Abbott stated this has always been the issue, but he recommends reviewing of past billing to get an estimate of amounts to budget. Commissioner Covey agreed.

Finance Director Waldrip stated they have given us a letter with an estimate for next Fiscal Year and the amount is reduced by \$15,000 from the current Fiscal Year. City Manager Fuller advised it is the most cost-effective option for the City.

PUBLIC HEARING

Ordinance No. 960 – Amending the Code of Ordinances Restricting Pools, Trampolines

Commissioner Henderson asked if it is ok for a homeowner to have these items in the front yard if it is fenced. City Manager Fuller advised it would apply to any pool or trampolines that are not screened or secured by a fence or wall.

Commissioner Covey asked if residents are allowed to have fences in their front yards. City Manager Fuller advised they are allowed. Mayor Abbott indicated they are allowed but the options are very limited.

Discussion continued of devaluation of surrounding properties of residents who have these items in their front yard, as well as the issue of junk vehicles being stored on residential properties.

Mayor Abbott advised this ordinance should provide some relief to the problems discussed, but if it does not the issue may have to be revisited. Commissioner Covey stated precedence must be set for the city.

OLD BUSINESS

Salary and Wage Schedule

Discussion ensued of the across-the-board raises for all employees making less than \$10.00 per hour. City Manager Fuller advised the minutes in question were reviewed and the Commission only voted to raise the Fire Fighter's salaries at that time. Mayor Abbott requested documentation of costs to raise employee salaries that fall under \$10.00 per hour for the upcoming Budget Workshop. Commission agreed. City Manager Fuller will provide that information. Commissioner Covey would like this to be effective immediately.

Mayor Abbott was under the impression that any changes made to the salary and wage schedule would be effective with the new budget. He asked if funds were available in the current budget to cover the proposed costs. City Manager Fuller was also under the impression, from discussions at the last workshop, that increases would be effective in the next Fiscal Year's budget.

Mayor Abbott advised it is something the Commission will have to vote on, preferably at the regular Commission meeting tomorrow night. City Manager Fuller will provide.

Discussion continued of the proposed job title changes to two positions; Purchasing Technician and Accounting Technician. Commissioner Covey noted that on Exhibit A, the job title of Purchasing Technician is listed under Pay Grade 10, not 9, as reflected on the individual job description. City Manager Fuller advised that will be corrected.

Commissioner Henderson, regarding the proposed changes to the job descriptions and titles, asked if the person in that position will get a raise. City Manager Fuller advised yes.

Commissioner Pelletier, referencing the Accounting Technician position, advised he had met with City Manager Fuller. The changes, in his opinion, are just putting a band aid on an on-going problem. His proposal would be to make the position an Accountant position, which was discussed further.

Mayor Abbott stressed that the discussions are about the structure and responsibilities of the positions, not people.

PUBLIC INPUT

Brigid Johnson, 7509 Melody Lane was in agreement with Commissioner Pelletier that someone qualified should be in these positions. Mayor Abbott reiterated his prior statement that the Commission does not put “people” in positions, other than the City Manager and City Clerk. The City Manager hires for all other positions. In general, he added that any position authorized by the Commission will go out for advertising.

Regarding the Human Resources & Employment Development Coordinator, City Manager Fuller advised this is the same description and same Salary Grade, just a different title.

Commissioner Covey asked for the Human Resource description that was in place when the current employee was hired for that position. City Manager Fuller will provide.

REGULAR AGENDA

Bay County Sheriff Law Enforcement Service Agreement – City Manager Fuller

Commissioner Pelletier suggested that we have the best Police representation of any city in Bay County. Mayor Abbott felt we are getting a lot for the money.

Commissioner Henderson asked what the additional 5% will cover. City Manager Fuller thought it would go again towards additional patrol cars and salaries. It was noted that under the contract they can request the additional 5% annually. City Manager Fuller has discussed the issue with them.

FY2014 Audit Findings – Commissioner Covey

Commissioner Covey will make a motion tomorrow evening to get the written assurance from the City Manager on the requested information.

Fuel Report and Usage

Commissioner Pelletier indicated that after meetings with Public Works over the past year there is finally a manual log for the sample key usage, but it is not consistent and the process still needs work. He advised he will make a motion tomorrow evening for a more stringent process for accountability.

City Manager Fuller and Director Legare explained the equipment and amount of fuel being used, along with the current process. Discussion continued in which Director Legare advised there have been a few incidents of dishonesty over the years and they were dealt with.

Mayor Abbott added that a lot of the fuel is probably still in the equipment being used. Commissioner Pelletier indicated the log and the computer do not match. City Manager Fuller said this can still be identified.

Director Noble reviewed the current process and will work on the process and a possible written policy.

Regarding staff, Mayor Abbott clarified that Commission only directs the City Manager, who directs staff. City Manager Fuller will work with staff to establish a policy and update Commission. Mayor Abbott suggested a more streamlined and timely report, not the May report in August.

COMMISSION COMMENTS

Commissioner Hollister indicated that on August 20th there was a Letter to the Editor in the News Herald regarding restore money and East Bay Pass. He suggested staff keep an eye on the issue and apply for funds.

Mayor Abbott stated he received two letters during the month, one from Bay Builders Association and one from the Chamber of Commerce, commending Bay County and some surrounding cities for adopting ordinances giving local preference. They encouraged Callaway to do the same, which has already been done.

Mayor Abbott also received a request from the West Florida Regional Planning Council to continue on the board for another year, which he agreed to. He advised that at their meeting last week he had met with the Assistant Executive Director and the Project Manager for the North Florida Water Management District and they have \$2.6 million dollars available beginning September 1st. He talked to them about the City's water and sewer lines and it is well within the usage of that money. He passed the information to City Manager Fuller to apply for some of those funds.

ADJOURNMENT

There being no further business, the meeting was adjourned at 7:15 p.m.

Janice L. Peters, MMC, City Clerk

**CITY OF CALLAWAY
BOARD OF COMMISSIONERS
REGULAR MEETING MINUTES
AUGUST 25, 2015 – 6:00 P.M.**

The Callaway Commission met in regular session with Thomas Abbott, Mayor and Commissioners Melba Covey, Pam Henderson, Bob Pelletier and Ralph Hollister. Also present was J. Michael Fuller, City Manager; Kevin Obos, City Attorney; Janice L. Peters, City Clerk; Beverly Waldrip, Finance Director; Tim Legare, Leisure Services Director; Bill Frye, Zoning & Code Administrator; David Joyner, Fire Chief; Trevor Noble, Public Works Director and Lisa Koepke, Assistant to the City Manager.

The meeting was called to order by Mayor Abbott, followed by an invocation and the Pledge of Allegiance.

Mayor Abbott called for changes to the agenda.

Commissioner Henderson asked that Item #3, Ordinance No. 960, be pulled from the agenda for further discussion. City Attorney Obos advised it could be tabled until the next meeting or denied once that item is up for consideration.

PRESENTATIONS

Proclamation – Constitution Week

Mayor Abbott read the proclamation in its entirety, designating September 17-23, 2015, as Constitution Week.

Employee of the Month for July – Winnie Williams – Customer Service

The Commission presented Winnie Williams with the Employee of the Month for July.

Bay Economic Development Alliance

Becca Hardin, President of the Alliance gave an update of the direction the Alliance is going and 14 ongoing projects they are working on in an effort to promote Bay County.

Commissioner Covey indicated nothing is happening in Callaway, with one of the problems being no industrial sites. She'd like to see what they can do for Callaway, such as a Sam's Club. Ms. Hardin advised she can meet with City Manager Fuller and they can do a feasibility study and an inventory of properties for Callaway. Mayor Abbott recommended she consult with Neil Wade, her predecessor.

Clemons & Company - Insurance

Scott Clemons of Clemons & Company reviewed the proposed renewal of benefits. He advised Florida Blue came in with no increase in premiums. Aetna premiums came lower in some plans but the lower plan came in with little savings and no Cardiology options. He recommended staying with Florida Blue. City Manager Fuller agreed.

Mr. Clemons advised the only outstanding question is the contribution of the City toward employee premiums. Mayor Abbott advised this would be discussed at tomorrow's Budget Workshop.

Code Enforcement Board Report

Chairman Volpi informed the Commission of the outcome of the eight cases heard by the Code Enforcement Board at their meeting on July 23, 2015.

Commissioner Covey requested a report be submitted to the City Clerk before the meeting so they can follow along.

Commissioner Pelletier asked City Manager Fuller when the non-compliance letters would be going out. City Manager Fuller advised he will provide that information tomorrow.

Bay County Sheriff's Office Report

Lt. Branning reviewed statistics for the month of July 2015 as follows:

Miles Patrolled	- 19,101	Traffic Stops	- 83
Calls for Service	- 1,271	Citations Issued	- 72
Arrests Made	- 85	Traffic Crashes	- 54

Mayor Abbott asked for information regarding what the 5% increase in the renewal of their contract would go towards. Lt. Branning advised it will fund increases in insurance, workman's comp, retirement and a 3% salary increase.

Commissioner Covey asked how many vehicles have been replaced. Lt. Branning advised 15 have been replaced and new computers for the vehicles have been purchased, as well as upgrades to the substation. He assured Commission that the increases benefit Callaway. She then referenced an incident wherein there was a delay in getting alerts. Lt. Branning indicated there was a delay in the recent press release because it was an ongoing investigation which involved a rash of burglaries charged to one person, and for the most part attributed to citizens leaving their vehicles unlocked.

PUBLIC PARTICIPATION

Jean Champoux, 621 S. Berthe Avenue asked if the City Manager had contacted Springbrook about having a representative attend the first budget hearing on September 10th. City Manager Fuller advised they will be in attendance. She recommended the Commission consider something to improve the sound system.

Commissioner Covey advised she had spoken with Janet Peterson of Springbrook who will provide estimated figures to factor into the budget.

John Malone, 705 Plantation Circle expressed frustration regarding issues submitted to the Commission and referenced Florida Constitution Article IV7(a), dealing with neglect of duty in office by public officers, indicating Commission will address his future findings in Court and the Governor's Office. He questioned the authority on which former Finance Director Alice Bennett was hired part-time to work on Mondays.

Carolyn Hartzog, 7312 Cherry Street informed Commission that her water had been disconnected twice for non-payment. She advised the bank had to call and verify that her check had cleared. She asked for contact information in case this happens after hours or on the weekend. She was directed to contact the Public Works' after hours number and/or the City Manager.

MINUTES

June 22, 2015 – Workshop Minutes
July 21, 2015 – Budget Workshop
July 28, 2015 – Regular Meeting
August 11, 2015 – Salary & Wage Workshop

Commissioner Henderson pointed out that in the heading of the June 22, 2015, minutes, Mayor Abbott was present and “Mayor Abbott was absent” needed to be deleted from the second line. She also noted that on page 5 of the August 11, 2015, Workshop, Clements should be Clemons.

Motion: Motion was made by Commissioner Henderson and seconded by Commissioner Henderson to approve the minutes as amended. Motion carried unanimously upon roll-call vote.

Commissioner Covey indicated she liked the new format of the minutes.

CONSENT AGENDA

Budget Transfer

Financial Update – Budget in Brief

Motion: Motion was made by Commissioner Henderson and seconded by Commissioner Covey to approve the consent agenda. Motion carried unanimously upon roll-call vote.

PUBLIC HEARING

Ordinance No. 960 – Amending the Code of Ordinances Restricting Pools, Trampolines

Mayor Abbott opened the public hearing. There was no public input.

City Attorney Obos read Ordinance No. 960 by title only.

Motion: Motion was made by Commissioner Henderson and seconded by Commissioner Henderson to approve Ordinance No. 960. Motion failed unanimously upon roll-call vote.

OLD BUSINESS

Salary and Wage Schedule

City Manager Fuller advised five employees are currently making less than \$10.25 per hour and recommended their increases be approved effective immediately. He noted there is enough money in the budget for the change. Brief discussion followed. Commissioner Covey indicated there was discussion initially about increasing all employees making less than \$10.00 per hour during the discussion on Firefighter's pay, although it was never adopted.

Motion: Motion was made by Commissioner Hollister and seconded by Commissioner Henderson to approve staff recommendation. Motion carried 4-1 upon roll-call vote, with Commissioner Pelletier voting in opposition.

REGULAR AGENDA

Bay County Sheriff Law Enforcement Service Agreement – City Manager Fuller

Motion: Motion was made by Commissioner Covey and seconded by Commissioner Henderson to approve the Bay County Sheriff Law Enforcement Service Agreement. Motion carried unanimously upon roll-call vote.

Mr. Malone asked if citizens would be allowed to speak on the individual items. Mayor Abbott advised citizens are allowed to speak on individual items at the workshop preceding the regular meeting for individual items on the agenda. At the regular meeting, citizens are only allowed to speak at the beginning of the meeting.

FY2014 Audit Findings – Commissioner Covey

Motion: Motion was made by Commissioner Covey and seconded by Commissioner Henderson that written assurance be provided by the City Manager at the next meeting that all findings have been addressed. Motion carried 4-0 upon roll-call vote. Commissioner Hollister was not present for the vote.

Fuel Report and Usage

Commissioner Pelletier advised he reviewed June and July reports and they are inconsistent as well. He would like documentation as to where the fuel is being used, indicating the system is there, it just needs to be consistent.

City Manager Fuller and Public Works Director Noble reviewed the process and recommended a flow-meter device with weekly monitoring of the logs reflecting detailed usage.

Motion: Motion was made by Commissioner Pelletier and seconded by Commissioner Covey to direct the City Manager to prepare a more consistent process of documentation and to update Commission quarterly. Motion carried unanimously upon roll-call vote.

COMMISSION COMMENTS

Bob Pelletier, Commissioner, Ward III

Posting of Water Bill Payments

Commissioner Pelletier asked for an explanation of how these mistakes can happen regarding a payment not being posted to a customer's account. City Manager Fuller will look into the situation.

Water Line Damaged by Contractor

Commissioner Pelletier, referencing a water line broken by the contractor last week, asked why the City Manager isn't notifying Commission that this has happened. City Manager Fuller advised he was not aware of the break. Director Noble advised they get small breaks all the time.

He is gathering the cost estimate it took to fix and will meet with the City Manager to pursue payment from the contractor that caused the break.

Agenda Distribution

Commissioner Pelletier asked why the process is taking so long for distribution of the agenda. He advised Commission is supposed to be getting the agenda on Wednesdays, which was briefly discussed.

Staff Attendance at Commission Meetings

Commissioner Pelletier advised the policy is for all Directors to attend the meetings and asked why the Public Works Director was not at the last Workshop. City Manager Fuller indicated he had not asked him to be in attendance since there was nothing regarding Public Works on the agenda. Commission consensus was that the City Manager had been directed to require all salaried Directors to attend meetings.

Melba Covey, Commissioner, Ward I

Water Line Damaged by Contractor

Commissioner Covey advised she was called and reiterated the importance of keeping commission informed of these things.

Posting of Water Bill Payments

She indicated her checks have taken as long as two weeks to be deposited for bills. She dropped hers in the box but the bank had been called and it had been posted as an ACH payment.

Lockbox

Commissioner Covey asked if payments are being sent to be processed by the Lock Box. City Manager Fuller advised there have been limited times when this has been done. Finance Director Waldrip explained the Lockbox has a lot of uses and payments get processed more quickly and efficiently. It eliminates large peaks in staffing for days when there are large volumes of payments to be processed. The cost is minimal, thereby reducing overtime. Discussion continued of the costs of overtime versus the use of the Lockbox. Finance Director Waldrip asked for specific account information so she can investigate the deficiencies.

Overgrown Ditches and Right-of-Ways

Commissioner Covey asked why the ditches and right-of-ways are overgrown when we have two boom axes. City Manager Fuller advised this is a busy time of year and the added rain does not help. He will look into it.

New Commission Office Computer

Commissioner Covey asked if that is a new computer in Commission office. City Manager Fuller advised it is a new computer purchased by the city. Commissioner Covey indicated she could not log in to print her e-mails. She had consulted with IT about the problem. City Manager Fuller advised staff is working to solve the problems.

Florida Retirement System (FRS)

Commissioner Covey asked about enrollment in FRS and asked if the City is legally enrolled and if the Commissioners can opt out. City Attorney Obos advised we are compliant because FRS accepted our enrollment and any current employee is allowed to be enrolled. He will seek clarification for Commissioner Covey's questions.

Commissioner Covey advised she would like the City Clerk to be acknowledged during comments for anything she may need to mention.

Thomas Abbott, Mayor

NWFWMD

Mayor Abbott reminded staff of the money available from Northwest Florida Water Management District as of September.

J. Michael Fuller, City Manager

Staff Update

City Manager Fuller updated Commission on the following projects:

- The derelict house on Cherry Street has been torn down.
- Barrens Auto on Tyndall Parkway has been torn down.
- Northstar Church is doing site work on a new sanctuary by Alford Tires.
- Pawn & Jewelry store being constructed at the old Sonic site.
- Sidewalks are being constructed along 7th Street from Tyndall Parkway to Bob Little Rd.
- New fencing at Veteran's Park is coming along.
- The lift-station fencing has been removed and landscaping will be added.
- Stormwater Ponds near Pridgen are under construction.
- Purchased the Bafflebox with grant funds from the Water Management District to treat stormwater.
- Reconciliations for Bond Trust and Payroll Accounts are up to date through July and Alice is working on the April Pooled Cash Operating Accounts.
- Billing for Animal Control – current data is in the works. Average quarterly bill has been \$19,000.

ANNOUNCEMENTS

Mayor Abbott read this month's announcements.

ADJOURNMENT

There being no further business, motion was made to adjourn.

Janice L. Peters, MMC, City Clerk

**CITY OF CALLAWAY
BOARD OF COMMISSIONERS
BUDGET WORKSHOP MINUTES
AUGUST 26, 2015 - 6:00 P.M.**

The Callaway Commission met in workshop session with Thomas Abbott, Mayor and Commissioners Melba Covey, Pam Henderson, Bob Pelletier and Ralph Hollister. Also present was J. Michael Fuller, City Manager; Janice L. Peters, City Clerk; Beverly Waldrip, Finance Director; Tim Legare, Leisure Services Director; David Joyner, Fire Chief and Lisa Koepke, Assistant to the City Manager.

The meeting was called to order by Mayor Abbott followed by an invocation and the Pledge of Allegiance.

FY2015/16 Budget – Review of Proposed Draft

City Manager Fuller advised changes made based upon workshop direction included refining Capital Expenditures, provided service records and supporting documentation for all the vehicles proposed for replacement. It did not include pay raises or an increase in ad valorem.

The big change from the last draft reflected changes to the debt service and a proposal to pay off a number of bonds.

Unrestricted Reserves

City Manager Fuller advised the reserve balances are projected to be lower at the end of FY2016 than prior years due to the proposal to pay off a number of debts and the refinancing of the 2007 series \$20M Capital Extension Bonds. Collectively, this will produce a combined savings of \$1,299,000.

Mayor Abbott asked where this will leave the payment on the Capital Extension. City Manager Fuller advised it will be restructured for interest only payments for 5 years. It could be structured to have no payments for the next 3 years but the payments thereafter would be higher than they are now.

Mayor Abbott asked what the payments will be. Finance Director Waldrip advised the interest only payment will be \$663,000 in 2016, according to the new amortization schedule. The next 4 years will be \$796,000 payment. Thereafter the payments will be \$1.4 million. She advised the current interest rate was calculated at an average of around 5%.

Commissioner Pelletier asked why we'd want to pay interest only on the loan. Mayor Abbott thought it may be a requirement of the bond Counsel. Their recommendation for the best savings with the current budget and projections would be to take advantage of 3 years of no payment or 5 years of Interest only payments.

Finance Director Waldrip advised they were trying to wait on the development and fees that are forthcoming, during which time there would be no payment. Commissioner Covey didn't think the city would see that development anytime soon.

City Manager Fuller asked for Commission's direction. Mayor Abbott asked if what is in front of them reflects taking the payoffs as recommended. City Manager Fuller stated it is. Finance Director Waldrip referenced a \$1.1 million savings over the life of the refinanced loan. City Manager Fuller advised the timing is attributed to low interest rates at this time.

Proposed Expenditures

City Manager Fuller reviewed proposed expenditures, indicating 20% is dedicated to debt service. A significant amount is going to Capital Expenditures, 17% is higher than prior years and is contributed to large equipment needs for fire and public works.

Mayor Abbott asked City Manager Fuller to confirm that if the bond recommendations were to be approved the reserve funds would still meet the minimum requirements set by policy. He indicated that even with applying the unrestricted reserves towards the proposed debt service it would still maintain the 17% as set by Commission in each of the funds.

City Manager Fuller advised, excluding debt service, the operating personnel and capital expenses decreased slightly from the prior fiscal year. The same applies to the General and Enterprise funds.

He advised the Commission department of the General Fund is staying the same.

FY2016 Budget Priorities

City Manager Fuller reviewed budget priorities for FY2016:

- Recreational Complex and Facilities Rentals, maximized usage.
- Water Meter Replacement, the entire 2/3's of the remaining project from the water fund.
- Wastewater/Lift Station Improvements.
- Water Utility Line Relocation.
- He advised, although budgeted, taking over the Lift Station may not happen.

Lift Station Rehab List

City Manager Fuller advised there are 15 lift stations in the city needing routine maintenance and upgrade. Funds have been allocated.

Manhole Realignment

There are 15 and they are reflected in the budget.

Paving List

City Manager Fuller indicated the money allocated includes paving 5 streets.

Water Line Relocation

City Manager Fuller advised it is in the budget but he will seek other funding options.

Capital Equipment

Regarding city facilities, City Manager Fuller advised they are trying to develop and further define a 5 year plan.

He indicated a large dent was made in the IT deficiencies. Enough money is added to continue with that.

City Hall and Utility billing area improvements are included in the budget.

Health Insurance

City Manager Fuller reiterated the Florida Blue plans we already have will continue. Nothing has changed in the budget from last year, which he reviewed.

With approved funding of 95% of employee's plans, he reviewed the three proposed scenarios.

Based on the 3900 plan, Scenario #1 would fund 100% of the employee's coverage at a cost of \$505,782, or \$44,000 more than what is current; Scenario #2 would fund 95% of employee coverage at cost of \$532,150, or \$70,000 more than the current structure; and Scenario #3 would add \$100 per month to employee plans for approximately \$523,678.

Commissioner Henderson tried to come up with a way to put more money in employee paychecks without giving raises. Based on gross pay, a 3% across the board raise would cost the city \$79,505.88 just in wages. In total it would cost the city \$91,586. With a percentage increase, the more an employee makes the larger their increase will be. She proposed paying an additional \$100 per month for employee insurance. For the ones who don't participate in the insurance, a one-time \$600 payment would be added to their pay, before tax. Scenario 3 would work in conjunction with the current plan.

Commissioner Covey noted that Scenario #3 would eliminate the increase in taxes, retirement, etc.

Finance Director Waldrip advised those numbers will apply as long as the employee stays with their current plan.

Mayor Abbott asked what kind of feedback the City Manager had gotten from the employees, who advised it won't benefit anyone that doesn't currently have city health insurance. Based on his interaction with staff, he recommended Scenario #3, with no pay increase.

Mayor Abbott reviewed the city-wide totals, advising Scenario #3 will cost \$523,678, which is less than Scenario #2 and a little more than Scenario #1. It was noted that costs won't be finalized until open enrollment. Finance Director Waldrip noted they had been over budgeting for vacancies.

Commissioner Henderson wanted to make sure that someone who doesn't have insurance takes the bonus then wants to enroll later on in the year, which was discussed. It was decided that they would be required to show proof of other insurance.

City Manager Fuller advised, and Commission consensus was to move forward with Scenario #3. Again Commissioner Pelletier requested information be provided prior to meetings in which decisions are going to be made.

Expenditures

Page 17 - City Commission

Finance Director Waldrip advised she added columns for actuals through July and a projected column to come up with projected reserves in order to pay off the debt. Comparisons were made between the projected and the budgeted.

Commissioner Pelletier referenced an increase of \$2000 in salaries, based upon a percentage of the average monthly expenses through July. Commissioner Covey noted there is an election in April.

Page 18 - City Manager

Commissioner Hollister suggested a \$5,000 per year increase for the City Manager. Mayor Abbott would only support a pay raise for him if all employees got a raise, even if the roll back rate is adopted. Commissioner Covey asked if Commissioner Henderson takes the full Commission salary and he advised yes. Mayor Abbott recommended maybe some type of process for annual improvements via step charts or CPI. Commissioner Henderson did not agree with that analogy.

Commissioner Henderson asked if they could get a list of who gets the cell phone allowance and why they need it. Discussion ensued in which Commissioner Covey advised she pays \$25 per month and asked why we can't do something like that, except for the City Manager. Commission consensus was to pay the City Manager \$50 per month phone allowance and \$25 for all others.

Commissioner Pelletier asked why workman's comp is going up 20%. City Manager Fuller will contact the Florida League of Cities and provide that information.

Commissioner Pelletier asked why travel and per diem is up to \$3,200. City Manager Fuller advised it is for Human Resources and City Manager conferences.

Commissioner Henderson requested a list by department of training and descriptions. City Manager Fuller will try to put that together. She asked about the line item for education, the PR Certificate. Finance Director Waldrip advised it is a payroll certificate.

Commissioner Covey asked if the Human Resources really needs a headphone. City Manager Fuller advised she used to have one. She felt this is setting a precedent and should be deleted. Finance Director Waldrip felt it would be of minimal cost. City Manager Fuller

indicated cost would be around \$125. He advised the \$1,750 includes office supplies, etc. Commissioner Covey wanted the headphones removed. Regarding education she felt the Human Resources certificate should have been procured before she was given the position. Finance Director Waldrip advised she did have it but last year it was not budgeted.

Commissioner Covey stated that former City Manager Collins had given the HR Technician two 10% raises within a 6-month period and indicated she would be paying for her own Payroll Certificate. The consensus of Commission was to not fund the costs for this certification.

Page 19 – Finance

Commissioner Pelletier asked about the projected salaries, as well as travel and per diem. Finance Director Waldrip advised there had been a good many changes and allocations. She had not detailed the travel and per diem for the Finance Department. She will provide specific details of the requested per diem; advising significant changes in the Finance budget reflect that the Accounting and Auditing line item was moved from General Government to Finance, \$51,000. The other change was that \$20,000 was added to Other Contractual for Springbrook implementation of additional modules.

Mayor Abbott asked about the \$4,000 allocated to travel, referencing the Springbrook conference. Finance Director Waldrip stated a large portion of that is allocated to Springbrook because the conference is in Portland. Commission requested detailed information on travel expenses and line item information. She advised other finance staff will be doing sales tax and stale checks so she would like those employees to attend the training. The \$4,000 is an estimated guess.

Finance Director Waldrip clarified that there is only cell phone allowance for Finance.

Commissioner Covey spoke about the Springbrook software analysis and the cloud, which will include training onsite. She requested the City Clerk included in the training. She also asked that Commissioner Pelletier contact Springbrook for clarification, which he declined, recommending the City Manager confer with IT and have them talk to Springbrook. City Manager Fuller will handle.

Commissioner Covey asked about the \$1,300 projected for books, publications, dues and \$6,000 continuing education. Finance Director Waldrip advised the continuing education is for on-going training for customer service. Commissioner Covey felt customer service staff should have already had the training they needed to do their job. Finance Director Waldrip advised she needs continuing professional education credits to maintain her CPE License and the extended budget module training. Commission asked for detailed information for the education line item.

City Manager Fuller reiterated that staff needs to be afforded continued training.

Commissioner Covey expressed concern for getting to a more conducive budget to review at the 1st Public Hearing. City Manager Fuller advised staff will be diligently working on

presenting a detailed budget with amendments as directed by Commission at the 1st Public Hearing.

Page 20 – General Government

Commissioner Henderson asked about training for the City Clerk's office. City Clerk Peters advised it includes training for the Records Clerk to be certified through the Florida Records Management Association (FRMA). She clarified that it is normal procedure to estimate projections for continuing education because until the training is actually posted for scheduling there is no way to really know how much it will cost. If the money is not used it reverts back to General Fund.

City Clerk Peters clarified that, although she has met all training requirements to acquire her Master Municipal Clerk designation, she would still need to be a member of the International Institute of Municipal Clerks and the Florida Association of City Clerks (FACC) in order to maintain that designation. These costs are minimal, around \$250 annually, combined. No further training is need for that but she would like to be able to attend one of the two conferences annually for FACC because they do keep you updated on legislative changes, new public records exemptions and processes in the City Clerk's office that are beneficial to the City.

Commissioner Henderson asked why the line item for Communications/Telephone is increasing to \$38,000. City Manager Fuller advised he is looking at a new telephone system for the city. Commissioner Pelletier felt the audio switchboard system may be the way to go and recommended that possibility be considered.

Commissioner Covey asked about the added website and maintenance for meeting videos under Other Contractual Services. City Clerk Peters advised those costs are for a dedicated system for audio recording of the meeting as well as a system for live-streaming a video of the meeting to the City's website. Commission was in favor of the new system. City Clerk Peters further reviewed classes available via the FRMA.

Under Promotional Activities, Commissioner Henderson asked for clarification about the note for meeting refreshments. City Manager Fuller advised most of the increase is for name tags and pins rather than shirts, as well as code binders. Additional decorations will need to be added to that item. Discussion ensued of decorating for Christmas at City Hall and/or Veterans Park.

Under Other Current Charges, City Manager Fuller recommended allocation of \$8,500 to the Trolley. Commissioner Covey asked about the video line. It is for the conference room at city hall for projections of meetings and videos. For developers, maps, meetings, etc.

Mayor Abbott did not want to increase any line items for Christmas decorations.

A break was taken from 8:05 until 8:15.

Planning & Code Enforcement

Payroll – Discussion of adding a staff assistant ensued. Commission consensus was not in favor.

The line for Attorney fees was briefly discussed. City Manager Fuller advised it is for legal process for lien collection, etc. The City Manager will get clarification on the process.

Under Office Supplies and Office Equipment, Commissioner Covey asked why so much more than what was used previously is being proposed. City Manager Fuller advised it is for anticipated expenses, such as small equipment, computer upgrades, etc.

The line items for Books, Publication, Dues and Education were reviewed by the City Manager.

Commissioner Covey liked the boxes at the end of General Government, which breaks down the cost projections within Contractual Services, Other Current Charges and Books, Publications & Dues. She would like to see those for all departments.

City Manager Fuller, referencing the amount projected for Animal Control advised we should budget their projections.

Commissioner Henderson asked if Planning got their computers updated. Bill said they were in pretty good shape but they need a Wi-Fi update.

Fire Department

Commissioner Pelletier questioned the 45% increase in Worker's Compensation. Finance Director Waldrip advised it is an estimate from last year's budget compared to the final cost for this year. She advised we received a refund for this budget and will check for the final numbers.

Mayor Abbott recommending adding up all the cost saving of this year's projected budget and finding a way to give employees a raise.

Commissioner Pelletier asked about the 50% fuel increase. Fire Chief Joyner advised it is associated with the call volumes going out and is based on projections.

Commissioner Henderson asked, under the line item for communications and phones, if they are land lines. Fire Chief Joyner confirmed.

The condition of the two Fire Department vehicles staff proposes to replace was discussed in detail. Commissioner Covey reviewed details about all the vehicles being requested for replacement, including the Code Enforcement vehicles. It was her opinion that the vehicles staff is proposing to replace have not been properly cared for and replacement is not justified at this time.

Regarding the Code Enforcement vehicle replacement request, Commissioner Henderson asked if it would still be needed without the request for a Staff Assistant. City Manager Fuller advised it is still needed.

Mayor Abbott advised he spends hours discussing these things with the Finance Director and City Manager. He recommended other Commissions do the same.

Commissioner Covey asked, with the added new vehicles, will the City Manager be getting rid of any mechanics. City Manager Fuller advised the city needs reliable emergency vehicles and he will not be getting rid of any mechanics. He has personally spoken with the lead mechanic and it is his recommendation to replace the vehicles in question as well. City Manager Fuller advised the most cost effective vehicles available are being requested.

The request for a consensus to not replace the vehicles in question was not given by Commission.

Commissioner Covey advised she had spent a lot of time going through this budget and was not in favor of purchasing the requested vehicles. Mayor Abbott reiterated that he spends a lot of time outside the actual meeting getting any questions he has answered.

Leisure Services

Commissioner Pelletier asked about the camera and sound system. Director Legare advised the camera system was already discussed and the sound system is for the auditorium.

Commissioner Pelletier asked what will be done with the 1996 F-150 that is being recommended for replacement and why the request is for a vehicle with a V8 motor. Director Legare advised the vehicle will be used to tow equipment trailers on a regular basis.

Commissioner Henderson asked about the proposal under Other Contract Services to hire the Conference Center Manager as a salaried position. City Manager Fuller advised hiring him will save the city money. Director Legare indicated we currently pay \$30,940 annually. Hiring him will reduce that cost for the city to \$28,146 at pay grade 8. He also will not use the health insurance. Potentially, if he left and someone were hired in his place they may need the insurance, which would add to the \$28,146.

Commissioner Henderson agreed with Commissioner Covey that she would like to see Christmas decorations at City Hall. Mayor Abbott reiterated that he will not be in favor of adding Christmas decorations in lieu of raises for employee. Director Legare advised he added \$5,000 to the Operating Supplies, of which \$3,000 can be used for decorations for both locations. The possibility of decorating at Veterans Park was also considered. Commissioner Covey felt the city should have something on display for every holiday and to begin acting like we care about the city.

Commission consensus was to add Mr. Wynn as an employee.

Commissioner Covey reviewed the specifics of the two vehicles up for replacement, one of which Director Legare advised was passed on from the Fire Department and the other was donated by the military. She was not in favor of replacing these vehicles.

Commissioner Covey asked if there is something in place to ensure that the new vehicles will be protected, such as using sun visors, weekly washing, etc. City Manager Fuller advised all vehicles are washed regularly and cleaned. It is part of the fleet maintenance program.

Commissioner Henderson asked if both vehicles have to be replaced this year or can one be approved this year and one next year. Director Legare advised those two are in very poor condition. City Manager Fuller advised these were taken out of last year's budget. Mayor Abbott added that it has been a number of years in which no vehicles were bought city-wide so there are a few in dire need of replacement. Director Legare advised there are six trucks in Leisure Services and after this purchase they would probably replace one every 2-3 years and be in good shape.

Commissioner Covey felt upgrading of the software systems to be of more importance than vehicle replacement. City Manager Fuller advised an estimated cost for software purchases/upgrades have been reflected in the proposed budget. Commissioner Covey didn't want to have to consider raising taxes next year because of vehicle purchases this year.

City Manager Fuller advised the reserves will take a hit in order to pay off a large amount of debt this year but he expects to see revenues increase with the new meter technology. He has touched base with the auditor who is confident we are in good shape. Commissioner Covey further commented on the current water bill rates. City Manager Fuller indicated it is too early to know how much revenue will increase, if at all, with the new meters.

Mayor Abbott advised that as a collective board, if the new meters reflect big increases because of a prior deficiency of regulation, and costs are a lot higher, the board has the authority to adjust rates so they are more reflective of actual costs. City Manager Fuller advised they are not proposing an increase in sewer rates this year, indicated the City of Callaway is seeing a slight increase in Ad valorem tax revenues, which can be attributed to slowly-increasing property taxes.

Mayor Abbott indicated that of the rates of the seven entities in the water business in this county, the City of Callaway is number four in terms of cost. He said he would love to do more in terms of decorations, but noted that Panama City and Lynn Haven have higher rates, and at the end of the day, the Ad valorem must reflect the level of service expected by our citizens.

Capital Improvement Program

Commissioner Pelletier asked about the proposed \$50,000 for city hall renovations. City Manager Fuller indicated it is for the customer service area, then the outside if there are funds left over. Commissioner Pelletier was in favor of the opposite. Commissioner Henderson felt both the interior and exterior needs to be done.

Commissioner Covey didn't feel the renovations were necessary. City Manager Fuller felt the inside can be reconfigured to improve customer service and to add security measures, which includes wiring for the computer and phones. He indicated engineering/design will cost as well.

Replacement vehicles were further discussed, during which City Manager Fuller advised they are basic models bought from state contract.

Commissioner Covey, referring to the Engineering contractor, asked if staff is keeping on top of this, pointing out that they were paid around \$200,000 last year. City Manager Fuller indicated their services were acquired via an RFP. He advised a lot of their costs are reimbursed through grant monies. Commissioner Covey stated she did not want to see any change orders for monies to the engineers for cases where they did not correctly project an amount for services.

City Manager Fuller advised engineering fees for replacement of the sidewalks on 7th Street and Bob Little Road were reimbursed by the FDOT Grant Project. Fees for the Lance/Pridgen Street Stormwater Project were paid for with grants through the Water Management District.

Water Fund

Under expenses, Commissioner Pelletier asked for an explanation of the \$21,500 bad debt line item. Finance Director Waldrip advised that is the total of accounts sent to collections, it is an expense. Commissioner Pelletier advised they set a policy that nothing will be written off without being brought to the Commission to approve. He felt it should be listed as a receivable on the books and not listed as a bad debt until Commission approves for it to be written off. Commissioner Henderson agreed. Finance Director Waldrip advised that if we're not likely to be collected it shouldn't be listed as an asset. Staff advised nothing had been written off in this fiscal year.

Mayor Abbott recommended the line item be renamed to Sent to Collections. Commissioner Pelletier stated he wanted to see documentation of what is being written off or sent to collections. Finance Director Waldrip advised it is an estimate reflective of prior year amounts. City Manager Fuller indicated staff will compile the numbers of what is being collected.

Sewer Fund

Mayor Abbott wanted to know if the figures will change if the refinancing does not go through. City Manager Fuller indicated they would and he will get the figures for that as well.

City Manager Fuller advised that on page 41 there is \$508,000 towards a possible purchase of the lift station and equipment that may not happen.

Solid Waste

Commissioner Covey felt this to be a little late in the game to be tearing the budget apart. City Manager Fuller advised it is a pretty lean budget. Finance Director Waldrip indicated she has incorporated all the changes requested by Commission.

Commissioner Pelletier asked if there needs to be another meeting prior to the 10th to review all the changes being proposed. Mayor Abbott advised the first hearing is on September 10th. Commission requested a final budget be provided a week before, by September 3rd.

Mayor Abbott urged each Commissioner to review what is received on the 3rd and to contact the City Manager with any questions before the First Budget Hearing on the 10th.

Commissioner Pelletier asked if the format can be extended to legal side with lines. Staff will comply.

PUBLIC PARTICIPATION

Brigid Johnson – 7509 Melody Lane commented on the requested vehicle replacements and increased taxes.

Janice Jennings – 7514 Sara Lane felt Christmas decorations should be at City Hall and Veterans Park and commented on property values. She wanted to see information about the cost of the Loc box as well as a review of Sandy Creek costs.

There being no further business, the meeting was adjourned at 10:30 P.M.

Janice L. Peters, MMC
City Clerk

CITY OF CALLAWAY
BOARD OF COMMISSIONERS
1ST BUDGET HEARING MINUTES
SEPTEMBER 10, 2015 – 6:00 P.M.

The Callaway Commission met for the first budget hearing session with Thomas Abbott, Mayor and Commissioners Melba Covey, Pam Henderson, and Ralph Hollister. Also present was J. Michael Fuller, City Manager; Kevin Obos, City Attorney; Janice L. Peters, City Clerk; Beverly Waldrip, Finance Director; Tim Legare, Leisure Services Director; Bill Frye, Zoning & Code Administrator; David Joyner, Fire Chief; Trevor Noble, Public Works Director and Lisa Koepke, Assistant to the City Manager. Commissioner Pelletier was absent.

The meeting was called to order by Mayor Abbott, followed by an invocation and the Pledge of Allegiance.

PUBLIC HEARING – PRESENTATION OF THE TENTATIVE BUDGET FOR FISCAL YEAR BEGINNING OCTOBER 1, 2015

Public Announcement – Ad Valorem Tax Rate (Trim Notice)

City Attorney Obos read the public announcement as follows:

Pursuant to Section 200.065(2)(e), F.S., “Notice of Tentative property Taxes for the City of Callaway, Florida” (TRIM NOTICE) the proposed ad valorem rate for the Fiscal Year 2015/16 was advertised to be a maximum of 3.2045 mils. This millage rate would be a 0.4251% increase over the current year’s rolled-back rate of 2.2453 mils. After reviewing revenue projections and proposed expenditure levels for the 2015/16 Fiscal Year, the General Fund budget is balanced at a tentative rate of 2.2500 mils, which is an increase of .0021% over the current year’s roll back rate. This means 2.2500 mils is to be levied to fund the Fiscal Year 2015/16 Budget.

Tentative FY2015/16 Budget and City Manager’s Budget Message

Review tentative budget and points of discussion.

City Manager Fuller introduced representatives from Springbrook.

Springbrook Presentation

Springbrook Representatives, Jay Grewe, Sales Manager and Debbie McLeod, Finance/Payroll Consultant, reviewed the added training needed. He advised many changes have been made to the system and recommended additional training for those needing to use the software. He was confident the data needed is there and access is possible.

Debbie McLeod advised the city had received an upgrade to the system and staff would like to be trained, which will improve productivity. She distributed the needs analysis she did onsite, covering the modules available and staff concerns, indicating the current system does not support the work order module Public Works wants.

Commissioner Covey asked about costs associated with the Cloud. Ms. McLeod advised upgrades would be included with the Cloud and any other area, other than Finance, that is not trained. Commissioner Covey asked if there is modules in Utility Billing that is not being utilized. Ms. McLeod indicated backflow reporting is available on the utility side, which will be covered in training.

Commissioner Covey asked about cash flow and Lock Box. Ms. McLeod advised those had been resolved with an alternate vendor.

Regarding the radio read meters, Mr. Grewe advised the system is already capable of implementation. Commissioner Covey asked if there will be a limited number of employees for training. Mr. Grew stated they encourage as many end users as needed be trained. He also recommended the city have two points of contact, with one point of contact to handle reporting problems.

Commissioner Henderson asked if they were going to go through the proposal. Mr. Grewe advised his goal is to get people trained. They proposed two weeks of Finance and one week of Utility Billing training. The cost is \$14,000 for the two weeks of Finance and Utility training is \$7,000 for a total of \$21,000 for on-site training. He recommended new hires get complete training, but indicated there are training tools on the website as well. He also advised that calls for support are included in the maintenance.

Commissioner Hollister advised if the problems don't get worked out the city will need to look elsewhere for these services. Mayor Abbott recognized the capability of Springbrook to expand for our needs, but reiterated that training is essential.

Commissioner Covey referenced the proposed costs. With respect to the numbers, Mr. Grewe advised they will be addressing the cost and discounting if necessary, based upon what we've already paid for. He added that the system is a state of the art system with endless scalable capabilities. It all comes down to training.

BUDGET MESSAGE

City Manager Fuller recapped the tentative budget and what had been discussed at prior workshops, such as capital expenditures and one-time costs. Options and alternatives for health insurance were researched, which resulted in staying with what we currently have.

The outcome of prior meetings has produced a descriptive budget with message, graphs, and tables for a detailed look at all proposed revenues and expenditures. Where possible, certain capital expenditures/equipment has been delayed for another year. Extensive supporting documentation on capital equipment/vehicles, including service records were provided, along with a proposal for paying off and refinancing bond debt.

He advised that in the General Fund, several revenues are projected to increase slightly. Revenue from new meter technology is expected to increase but is not included in the budget because it is too early for projections.

Cash reserves are at a healthy balance and unrestricted cash will be used towards the debt payoff/refinance.

Graphs showed the major sources of tax revenues and their history over the last 5 years, as well as Ad valorem tax revenues from 2010 to 2016. City Manager Fuller advised there is no recommendation for an increase in millage at this time.

Proposed expenditures by type were reviewed, which reflected a large portion being used for debt service and capital outlay. A large amount of capital purchases are being proposed over the next

5 years, which can be attributed to no capital expenditures in 2013/14. Capital expenditures are expected to decrease in years 3, 4 and 5.

City Manager Fuller reviewed deductions made by Commissions at the August 26th budget workshop. These included:

- Removal of the Planning/Code Enforcement Admin Position \$23,904
- Cell phone allowance was cut by half \$3,600
- Eliminated payroll Certification Training \$600
- Updated Worker's Compensation Projections \$10,763
- Removed Arts & Conference Manager from Contractual to Personnel \$2,700

This resulted in a savings of \$41,661.

He advised the proposed budgets presented to Commission thus far do not include any sort of pay raise for employees. He recommended a 1.7% COLA for all employees, a difference of about \$55,679 and includes adjustments for Social Security, Medicare, Retirement, etc.

Commissioner Hollister advised that everyone is getting a proposed pay raise except the tax payers, indicating that next year he will be pulling for a reduction in ad valorem.

Mayor Abbott asked for clarification of the 1.7% recommended COLA for all employees. He also asked, regarding Springbrook, if it is budgeted. City Manager Fuller advised the proposal is just an estimate for additional training and has not been added to the budget. It was pointed out that the extended budgeting module was already included in costs paid to Springbrook so the training costs should be available in funds that have already been allocated to Springbrook.

Commissioner Covey felt the costs for training should be shown in each department. City Manager Fuller advised it is in there under Other Contractual for the modules. The additional training of \$21,000 can be included in current allocations because the additional modules are on hold for now.

Commissioner Covey recommended another budget workshop on the 19th. She advised she is comfortable passing the resolution for tentative millage, but not tentative budget because there are still too many moving parts and questions, which was discussed.

Commissioner Henderson advised she was very disappointed in the presentation by Springbrook, in that they did not review the modules and that more training was needed for additional training. Regarding the 1.7% COLA, she felt that the additional \$1,200 per employee allowance for insurance to be a raise of sorts.

Commissioner Covey advised she is still not onboard for all the requested vehicle replacements.

PUBLIC PARTICIPATION

Mayor Abbott called for public input.

Joe Townsend, 6412 Babby Lane advised citizens have asked that Code Enforcement updates be provided detailing the number of initiated cases, closed cases and the status of each case. Regarding vehicles, he asked if a study has been done to support requested replacements. City Manager Fuller advised there are reports available on the city's website and the Chairman of the Code Enforcement Board reports monthly to the Commission.

Dolly Andrews, 104 Collins, felt 3 minutes is not enough time to speak. She asked that the acronyms in the budget be clarified, and did not agree with the requested vehicle purchases. She asked if a decorator was included in the City Hall renovations and wanted to know why Cobb's position in Leisure Services is being transferred. Ms. Andrews also requested the 6-month update of the usage of the Lock Box.

John L'Heureux, 133 Lauren Lane was going to speak on vehicle replacement but it had been addressed.

Ron Fairbanks, 732 Mark Drive spoke regarding the vehicle replacement, recommending maintaining the current vehicles. Regarding the 1.7% COLA he felt the \$1,200 insurance allowance was generous and it should be either or. He was in agreement with the hiring of the Arts & Conference Manager.

Jean Champoux, 621 S. Berthe Avenue referenced vehicle replacement, which she felt to be unnecessary, as well as the 1.7% COLA increase. She was in favor of a subsequent budget workshop.

Janice Jennings, 7514 Sara Lane 6 referenced Code Enforcement and vehicle replacement, recommending a contingency plan. She also expressed concern for the Lock Box, as well as requests for education and certifications and the transfer of the Arts & Conference Manager position.

Brigid Johnson, 7509 Melody Lane asked how much was contributed towards the employee healthcare. It was \$1,200 per employee; almost \$70,000. The 1.7% COLA would amount to about \$55,000, which she was not in favor of. She asked who came up with all the franchise fees in addition to Ad valorem. She was also not in favor of the requested vehicle replacement.

Mayor Abbott elaborated on the taxes collected and Commissioner Henderson explained franchise fees.

Commissioner Covey remarked on the vehicles stating that some seemed to be purchased used and asked if staff has investigated how much they can be sold for at auction. She asked why staff is not shopping around for smaller, cost efficient trucks instead of 8 cylinder vehicles.

There was no Commission consensus on the 1.7% COLA increase.

Resolution No. 15-21 FY2015/16 Tentative Ad Valorem Tax Rate

Consideration of Resolution levying a General Fund Ad Valorem Rate of 2.2500 mils.

City Attorney Obos read Resolution No. 15-21 by title only.

Motion:

Motion was made by Commissioner Covey and seconded by Commissioner Henderson to approve Resolution No. 15-21, levying a tentative Ad Valorem Rate of 2.2500 mils for FY2015/16. Motion carried unanimously upon roll-call vote.

Resolution No. 15-22 Tentative Budget for FY2015/16

Consideration of Resolution adopting a tentative budget effective October 1, 2015.

City Attorney Obos read Resolution No. 15-22 by title only.

Motion:

Motion was made by Commissioner Hollister and seconded by Commissioner Henderson to approve Resolution No. 15-22, adopting the tentative budget for FY2015/16. Motion resulted in a 2/2 vote upon roll-call vote, with Commissioner Covey and Commissioner Henderson voting in opposition.

City Attorney Obos advised it is requirement of the State of Florida to adopt a tentative budget at the 1st Budget Hearing. It can be changed between now and the Final Hearing.

Commissioner Covey advised she is not going to vote for the tentative budget approval unless a workshop can be scheduled.

Council consensus was to schedule a Special Meeting on Wednesday, September 16th, for the Bond refinancing presentation and a Budget Workshop for Sunday, September 20th.

Motion:

Motion was made by Commissioner Henderson and seconded by Commissioner Hollister to approve Resolution No. 15-22, adopting the tentative budget for FY2015/16. Motion carried unanimously upon roll-call vote.

ADJOURNMENT

There being no further business, motion was made to adjourn. 7:50.

Janice L. Peters, MMC, City Clerk

**CITY OF CALLAWAY
BOARD OF COMMISSIONERS
AGENDA ITEM SUMMARY**

DATE: SEPTEMBER 22, 2015

ITEM: BUDGET TRANSFER – GENERAL GOVERNMENT

1. PLACED ON AGENDA BY:
J. Michael Fuller, City Manager

2. AGENDA:
PRESENTATION
PUBLIC HEARING
CONSENT
OLD BUSINESS
REGULAR

3. IS THIS ITEM BUDGETED (IF APPLICABLE)?: YES NO

4. BACKGROUND: (WHY, WHAT, WHO, WHERE, WHEN, HOW, & IDENTIFY ALL ATTACHMENTS)

The Department of General Government is in need of a budget transfer to cover the cost of replacing the rusted shed roof at City Hall. The funds are being transferred within General Government to Line Item #01-519-304-60 R&M Bldgs & Grounds from Line Item #01-519-102-30 Group Insurance which came in under budget by \$7,800. Work was done inhouse.

ATTACHMENT:
• BUDGET TRANSFER REQUEST

5. REQUESTED MOTION/ACTION:

Staff recommends approval of the budget transfer of \$666.00 for replacement of the shed roof at City Hall.

**CITY OF CALLAWAY
BOARD OF COMMISSIONERS
AGENDA ITEM SUMMARY**

DATE: SEPTEMBER 22, 2015

ITEM: FINANCIAL UPDATE

1. PLACED ON AGENDA BY:
J. Michael Fuller, City Manager

2. AGENDA:
PRESENTATION
PUBLIC HEARING
CONSENT
OLD BUSINESS
REGULAR

3. IS THIS ITEM BUDGETED (IF APPLICABLE)?: YES NO

4. BACKGROUND: (WHY, WHAT, WHO, WHERE, WHEN, HOW, & IDENTIFY ALL ATTACHMENTS)

Please see the attached "Budget-In-Brief" financial statement as of July 31, 2015.

ATTACHMENT:

- BUDGET-IN-BRIEF

5. REQUESTED MOTION/ACTION:

For review only. No action required.

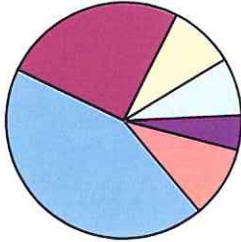


CITY OF CALLAWAY

Fiscal Year 2015

BUDGET-IN-BRIEF as of August 31, 2015 91.67% of Year Elapsed

YTD-Citywide Expense Allocation



Operating 43.2%	Personnel Svc 25.3%
Non-Operating 8.9%	Transfers 7.9%
Principal Debt Pmts 4.8%	Capital 9.9%

General Fund Revenues

Revenues	Budget	Year-to-Date	%
Ad valorem Taxes	1,002,236	1,020,036	101.8%
Other Taxes	1,807,323	1,756,057	97.2%
Permits, Fees, & Licenses	1,228,300	928,226	75.6%
Grants & Shared Revenue	1,851,113	1,673,468	90.4%
Service Charges	149,203	156,606	105.0%
Judgements, Fines, & Forfeits	2,600	3,846	147.9%
Interest & Other Earnings	3,915	2,727	69.7%
Rents & Royalties	51,600	56,405	109.3%
Sales of Fixed Assets	7,177	31,879	444.2%
Contributions & Donations	3,700	2,608	70.5%
Miscellaneous Revenue	11,170	3,918	35.1%
Total Revenues	\$ 6,118,337	\$ 5,635,776	92.1%

General Fund Expenditures

Expenditures	Budget	Year-to-Date	%
Executive (Commission)	54,190	46,802	86.4%
City Manager	229,960	201,158	87.5%
Finance	167,128	140,979	84.4%
Legal	85,000	96,318	113.3%
Planning & Code Enforcement	271,514	172,802	63.6%
Elections	-	-	0.0%
General Government	386,459	325,302	84.2%
Law Enforcement	1,412,989	1,295,291	91.7%
Fire Department	996,743	836,329	83.9%
Streets	1,135,861	793,761	69.9%
Maintenance Shop	208,505	179,880	86.3%
Leisure Services	791,099	699,940	88.5%
Transfers	904,221	322,365	35.7%
Total Expenditures	\$ 6,643,669	\$ 5,110,927	76.9%

General Fund Increase/Decrease to Fund Balance

	Budget	Year-to-Date
Incr / (Decr) to Fund Balance	(525,332)	524,849

Community Redevelopment Fund

	Budget	Year-to-Date	%
Revenues & Trfrs In	25,770	25,585	99.3%
Expenditures	116,118	4,966	4.3%
Incr / (Decr) to Fund Balance	(90,348)	20,619	

Debt Service Fund

	Budget	Year-to-Date	%
Transfers In	89,757	89,757	100.0%
Debt Service Pmts.	89,757	-	0.0%
Incr / (Decr) to Fund Balance	-	89,757	

(Debt Service payment paid annually on 9/1)

Capital Projects Fund

	Budget	Year-to-Date	%
Revenues & Trfrs In	931,238	72,134	7.7%
Expenditures	931,238	144,802	15.5%
Incr / (Decr) to Fund Balance	-	(72,668)	

Water Fund

	Budget	Year-to-Date	%
Revenues & Trfrs In	3,331,150	2,770,179	83.2%
Expenses & Trfrs Out	4,584,401	2,978,720	65.0%
Incr / (Decr) to Net Assets	(1,253,251)	(208,541)	

Sewer Fund

	Budget	Year-to-Date	%
Revenues & Trfrs In	4,455,870	4,176,325	93.7%
Expenses & Trfrs Out	4,678,724	3,689,393	78.9%
Incr / (Decr) to Net Assets	(222,854)	486,932	

Solid Waste Fund

	Budget	Year-to-Date	%
Revenues	584,640	530,212	90.7%
Expenses & Trfrs Out	733,353	447,111	61.0%
Incr / (Decr) to Net Assets	(148,713)	83,101	

Citywide Increase/Decrease to Fund Balance / Net Assets

	Budget	Year-to-Date
Incr / (Decr) to Fund Balance/Net Assets	(2,240,498)	924,049

**CITY OF CALLAWAY
BOARD OF COMMISSIONERS
AGENDA ITEM SUMMARY**

DATE: SEPTEMBER 22, 2015

ITEM: ACCOUNTS FOR COLLECTIONS

1. PLACED ON AGENDA BY:
J. Michael Fuller, City Manager

2. AGENDA:
PRESENTATION
PUBLIC HEARING
CONSENT
OLD BUSINESS
REGULAR

3. IS THIS ITEM BUDGETED (IF APPLICABLE)?: YES NO

4. BACKGROUND: (WHY, WHAT, WHO, WHERE, WHEN, HOW, & IDENTIFY ALL ATTACHMENTS)

Attached is a list of accounts that are ready to be turned over to collections.

ATTACHMENT:

- UTILITY BILLING – COLLECTIONS TURNOVER

5. REQUESTED MOTION/ACTION:

Staff recommends Commission approval to send the accounts in question to collections.

Memo

To: Michael Fuller, City Manager
CC: Beverly Waldrip, Director of Finance
From: Emily Franklin 
Date: September 9, 2015
Re: Accounts for Collections

The attached is a list of accounts that are ready to be turned over to collections. Please review and make any comments or changes you may have.

I would like to get these turned over as soon as possible.

Utility Billing

Collections Turnover

User: efranklin
 Printed: 09/14/20
 Sort By: Account
 Display: Tenant Ir
 Batch: 00001.05



Account No Reference No	Tenant / Tenant Mailing Address Tenant I	Service Address	Last Bill Date Tax Lot	Last Bill	Amt to Collections Drv Lic No
000149-256 10800920.0	740 S Tyndall Pkwy CALLAWAY FL, 32404	6502 LANCE ST PANAMA CITY FL, 32404-	6/3/2015		32.40
000168-000 10100675.01	9723 Clanton Pines Dr Humble TX, 77396	1425 DONNA AVE H/I CALLAWAY FL, 32404-	2/25/2015		75.71
000201-038 11000260.0	2708 Hwy 77 Panama City FL, 32405	105 S GAY AVE PANAMA CITY FL, 32404	5/27/2015		44.78
001436-000 10200315.00	5905 IVY RD CALLAWAY FL, 32404	6215 CHRISTEN DR CALLAWAY FL, 32404	6/1/2015		190.22
003072-004	1838 FRANKFORT AVE PANAMA CITY FL, 32405	5707 LAKE DR APT 7 Callaway FL, 32404-	4/14/2015		41.48
004755-000 10604070.00	5700 LILLY DR CALLAWAY FL, 32404	5700 LILLY DR CALLAWAY FL, 32404	2/12/2015		197.36
005690-001 10700930.01	712 S, GAY AVE CALLAWAY FL, 32404	712 S GAY AVE CALLAWAY FL, 32404	4/13/2015		90.55
006716-000 10800870.03	6308 LANCE STREET CALLAWAY FL, 32404	6308 LANCE ST PANAMA CITY FL, 32404-	11/14/2014		155.46
007613-148 10800638.0	429 S TYNDALL PKWY #F PANAMA CITY FL, 32404	715 MICHEAL DR CALLAWAY FL, 32404-	3/9/2015		47.91
011212-000 11302160.02	7129 SINGLETON CIR CALLAWAY FL, 32404	7129 SINGLETON CIR CALLAWAY FL, 32404	3/12/2015		164.01

Account No Reference No	Tenant I Tenant I	Tenant Mailing Address	Service Address	Last Bill Date Tax Lot	Last Bill	Amt to Collections Drv Lic No
012858-000	312 1/2 9 TH ST	4800 HWY 22	4800 HWY 22	5/29/2015		176.92
11508110.03	MORGAN CITY LA, 703802014	PANAMA CITY FL, 32404-	PANAMA CITY FL, 32404-			
014407-000	c/o AApex Holdings, LLC 6201 Cher 261 N Tyndall Pkwy	CALLAWAY FL, 32404	CALLAWAY FL, 32404	6/8/2015		1,101.38
11703260.0						
014447-000	612 CAMELLIA AVE.	612 CAMELLIA & 5424 MCCA	612 CAMELLIA & 5424 MCCA	2/12/2015		452.13
11800190.00	CALLAWAY FL, 32404	CALLAWAY FL, 32404	CALLAWAY FL, 32404			
014627-011	PO BOX 7781	168 N COMET AVE D-4	168 N COMET AVE D-4	3/10/2015		39.28
12102290.1	PANAMA CITY BEACH FL, 32413	PANAMA CITY FL, 32404-	PANAMA CITY FL, 32404-			
016429-000	6101 Charles Drive	129 HILL DR	129 HILL DR	4/1/2015		119.40
11902230.00	Panama City FL, 32404	CALLAWAY FL, 32404-	CALLAWAY FL, 32404-			
018675-001	5115 E 14th St lot#4	107 BEULAH AVE	107 BEULAH AVE	2/11/2015		155.27
11300315.0	Panama City FL, 32401	CALLAWAY FL, 32404	CALLAWAY FL, 32404			
020028-000	626 Magnolia Avenue	7503 LOIS ST	7503 LOIS ST	6/2/2015		12.34
12300570.00	Panama City FL, 32401	PANAMA CITY FL, 32404-	PANAMA CITY FL, 32404-			
020103-000	7436 HARVEY ST	7436 HARVEY ST	7436 HARVEY ST	4/27/2015		149.47
12300865.00	CALLAWAY FL, 32404	CALLAWAY FL, 32404	CALLAWAY FL, 32404			
022962-000	1128 S GAY # 72	1128 S GAY AVE 72	1128 S GAY AVE 72	4/13/2015		207.37
13000442.02	CALLAWAY FL, 32404	CALLAWAY FL, 32404	CALLAWAY FL, 32404			
024578-000	1128 S GAY AVE F	1128 S GAY AVE F	1128 S GAY AVE F	2/12/2015		154.93
13000656.02	CALLAWAY FL, 32404	PANAMA CITY FL, 32404-	PANAMA CITY FL, 32404-			
024838-003	4722 N LAKEWOOD DR	6520 OLOKEE ST	6520 OLOKEE ST	4/17/2015		46.47
11200475.1	PANAMA CITY FL, 32404	PANAMA CITY FL, 32404-	PANAMA CITY FL, 32404-			
025291-000	208 N HWY 22A L-16	208 N HWY 22A L-16	208 N HWY 22A L-16	4/13/2015		181.44
11702060.11	CALLAWAY FL, 32404	CALLAWAY FL, 32404	CALLAWAY FL, 32404			
027151-000	48 FIDDLERS LN	5803 N LAKEWOOD DR	5803 N LAKEWOOD DR	4/22/2015		495.91
11000350.00	BUENA VISTA GA, 318035240	CALLAWAY FL, 32404-	CALLAWAY FL, 32404-			
027576-003	740 S Tyndall pkwy	406 Judy Place	406 Judy Place	3/30/2015		40.44
	PANAMA CITY FL, 32404	Callaway FL, 32404-	Callaway FL, 32404-			

Account No Reference No	Tenant / Tenant Mailing Address Tenant I	Service Address	Last Bill Date Tax Lot	Last Bill	Amt to Collections Drv Lic No
029173-000 12101017.09	420 N KIMBREL AVE 97 CALLAWAY FL, 32404	420 N KIMBREL AVE 97 PANAMA CITY FL, 32404	3/2/2015		60.36
029264-004 10700525.0	2521 40th Crt Panama city FL, 32404	822 HIGHLINE DR CALLAWAY FL, 32404	2/9/2015		56.92
029947-001 11200385.00	240 S BERTHE AVE CALLAWAY FL, 32404	240 S BERTHE AVE CALLAWAY FL, 32404	4/13/2015		115.10
030923-001 12400450.0	3820 quarts st Panama City FL, 32408	7623 WHISPERWOOD DR CALLAWAY FL, 32404	3/5/2015		56.22
031568-001 10701025.1	518 EVERITTE AVE LOT 2 SPRINGFIELD FL, 32401	718 S GAY AVE E-3 CALLAWAY FL, 32404	4/23/2015		15.09
031914-001 11401960.06	650 River Plantation Rd Crawfordville FL, 32327	7619 YELLOW BLUFF RD H/I PANAMA CITY FL, 32404-	6/3/2015		657.03
033623-000	8080 SHERATON PARK DR FENTON MI, 48430	7104 Maxwell Court H/I Callaway FL, 32404-	4/17/2015		35.37
034301-001	2531 E 40th Plaza Panama City FL, 32405	271 N Star Ave: SWDF Callaway FL, 32404	3/18/2015		29.67
035860-000 13000615.0	1128 S GAY AVE LOT 9 CALLAWAY FL, 32404	1128 S GAY AVE 9 PANAMA CITY FL, 32404	4/13/2015		13.81
036242-000 11302265.1	327 VIOLA AVE Callaway FL, 32404	327 VIOLA AVE PANAMA CITY FL, 32404	11/14/2014		53.20
036405-001 12600095.1	2995 Sonya Lane Snellville GA, 30078	318 JAMES ST C CALLAWAY FL, 32404	3/4/2015		67.48
036499-002 11701855.1	208 N Hwy 22A D Callaway FL, 32404	208 N HWY 22A APT D PANAMA CITY FL, 32404	3/9/2015		61.95
036657-000 12301580.0	7718 HWY 22 C Callaway FL, 32404	7718 HWY 22 C CALLAWAY FL, 32404	3/13/2015		61.37
037163-003 12103230.1	806 woodland dr Pensacola FL, 32503	146 N KIMBREL AVE PANAMA CITY FL, 32401-	2/12/2015		84.02

Account No Reference No	Tenant / Tenant Mailing Address Tenant I	Service Address	Last Bill Date Tax Lot	Last Bill	Amt to Collections Drv Lic No
037259-000 10900990.0	PO BOX 24632 New Orleans LA, 70184	829 CLARENCE LN H/I CALLAWAY FL, 32404	4/6/2015		13.40
037419-000 11800445.1	48 Daniels Crt Newton AL, 36352	5303 GARDEN COVE RD PANAMA CITY FL, 32404-	4/24/2015		119.38
037621-001	5201 Joshua Lane Callaway FL, 32404	5201 Joshua Lane Callaway FL, 32404	4/13/2015		146.34
037884-023 10101981.0	13510 C Hutchison Blvd Panama City Beach FL, 32407	1425 S GAY AVE H/I CALLAWAY FL, 32404-	4/6/2015		12.00
038267-000 10200610.0	1326 WEST PARK LN Callaway FL, 32404	1326 WEST PARK LN CALLAWAY FL, 32404-	3/9/2015		97.35
038309-003 12102105.0	519 S Gay Ave Callaway FL, 32404	132 N COMET AVE 12 PANAMA CITY FL, 32404	3/12/2015		277.85
038811-001 12001525.0	5705 E 5TH CRT B-2 CALLAWAY FL, 32404	5705 E 5TH CRT B-2 PANAMA CITY FL, 32404	4/13/2015		169.75
038831-000 10603430.0	213 TYNDALL PKWY Callaway FL, 32404	213 TYNDALL PKWY CALLAWAY FL, 32404-	4/30/2015		20.75
038967-002 11701158.0	5101 Beaver St Callaway FL, 32404	5101 BEAVER ST CALLAWAY FL, 32404	2/12/2015		65.21
039404-000 10800636.0	717 MICHAEL DR Callaway FL, 32404	717 MICHAEL DR CALLAWAY FL, 32404	4/16/2015		42.04
039551-001	517 Cactus Ave Panama city FL, 32401	5802 Hwy 22 #13 Callaway FL, 32404-	2/23/2015		44.86
039653-000 10400650.0	1013 GEORGIA AVE A Callaway FL, 32404	1013 GEORGIA AVE A PANAMA CITY FL, 32404	3/12/2015		80.59
040028-001 10800415.0	616 S Berthe Ave Callaway FL, 32404	616 S BERTHE AVE PANAMA CITY FL, 32404-	2/12/2015		225.98
040558-000 11200505.0	12138 RACoon RD SOUTHPORT FL, 32409	231 S KATHERINE AVE CALLAWAY FL, 32404-	5/13/2015		106.14

Account No Reference No	Tenant Name	Tenant Mailing Address	Service Address	Last Bill Date Tax Lot	Last Bill	Amt to Collections Drv Lic No
040580-000 11700905.0	150 SIMS AVE Lot 6 Callaway FL, 32404	150 SIMS AVE 6 PANAMA CITY FL, 32404-		4/6/2015		30.83
040774-000 11200460.0	6504 OLOKEE ST Callaway FL, 32404	6504 OLOKEE ST CALLAWAY FL, 32404-		3/12/2015		283.34
040905-000 10700940.1	718 S GAY AVE APT A-2 Callaway FL, 32404	718 S GAY AVE A-2 PANAMA CITY FL, 32404-		2/12/2015		45.41
041262-000	2310 E 15 St Panama City FL, 32405	11929 Caruso Dr Callaway FL, 32404		4/22/2015		41.40
041330-000 12604150.1	301 JAMES ST B Callaway FL, 32404	301 JAMES ST B PANAMA CITY FL, 32404-		2/12/2015		76.43
041548-003 10701415.1	309 Richard Jackson blvd ste 200 Panama City Beach FL, 32407	5927 LANCE ST CALLAWAY FL, 32444-		5/19/2015		40.23
041553-001 11902003.0	123 N GAY AVE B Callaway FL, 32404	123 N GAY AVE B PANAMA CITY FL, 32404-		4/13/2015		41.15
041839-003 12300050.0	2014 Thomas Drive Panama City Beach FL, 32408	7440 CHIPEWA ST PANAMA CITY FL, 32404		5/8/2015		17.94
042052-001 10801750.0	6623 PRIDGEN ST Callaway FL, 32404	6623 PRIDGEN ST CALLAWAY FL, 30205-		9/30/2014		25.00
042150-000 11100390.0	6008 MINNEOLA ST H/I Callaway FL, 32404	6008 MINNEOLA ST H/I CALLAWAY FL, 32404-		2/12/2015		148.65
042312-000 12205525.0	5245 COLLINS DR PANAMA CITY FL, 324047211	120 CHRISTIE LN CALLAWAY FL, 32404-		3/13/2015		93.37
042424-000 11900925.1	6101 HARVEY ST 14 Callaway FL, 32404	6101 HARVEY ST 14 CALLAWAY FL, 32404		2/12/2015		322.76
042586-000 11302420.1	407 VIOLA AVE Callaway FL, 32404	407 VIOLA AVE PANAMA CITY FL, 32404-		5/18/2015		92.96
042719-000	5707 LAKE DR APT 29 Callaway FL, 32404	5707 LAKE DR APT 29 Callaway FL, 32404		5/14/2015		109.61

Account No Reference No	Tenant / Tenant Mailing Address Tenant I	Service Address	Last Bill Date Tax Lot	Last Bill	Amt to Collections Dry Lic No
042796-000 10900530.0	619 S BERTHE AVE Callaway FL, 32404	619 S BERTHE AVE PANAMA CITY FL, 32404-	5/7/2015		368.75
043333-000 11901030.0	6101 HARVEY ST 2 Callaway FL, 32404	6101 HARVEY ST 2 CALLAWAY FL, 32401-	3/9/2015		69.97
043693-000 12102220.0	168 N COMET AVE A-2 PANAMA CITY FL, 32404	168 N COMET AVE A-2 PANAMA CITY FL, 32404-	2/12/2015		33.47
044482-000 12400130.1	7636 SHADOW BAY DR CALLAWAY FL, 32404	7636 SHADOW BAY DR CALLAWAY FL, 32404	5/14/2015		291.22
044535-000	1824 Mallard Dr A Callaway FL, 32404	1824 Mallard Dr A Callaway FL, 32404-	2/12/2015		141.59
044557-000 12102025.0	103 N COMET AVE CALLAWAY FL, 32404	103 N COMET AVE CALLAWAY FL, 32404-	5/13/2015		63.53
044697-000 11301007.0	12618 Greenbriar fountain FL, 32438	6827 LETOHATCHEE ST CALLAWAY FL, 32404-	5/28/2015		29.83
044774-000	7531 Harvey St Callaway FL, 32404	7531 Harvey St Callaway FL, 32404-	3/3/2015		148.88
044881-001 11802169.1	628 N HWY 22A L-10 CALLAWAY FL, 32404	628 N HWY 22A L-10 CALLAWAY FL, 32404	5/14/2015		314.60
044889-000 11100330.0	270 HL SUDDUTH CIR CALLAWAY FL, 32404	270 HL SUDDUTH CIR CALLAWAY FL, 32404-	3/12/2015		20.14
045027-000	PO BOX 517 PANAMA CITY FL, 32402	123 Eleanor Ave Callaway FL, 32404	5/14/2015		20.92
045192-001 11701295.0	149 Sims Ave C-8 Callaway FL, 32404	149 SIMS AVE C-8 CALLAWAY FL, 32404-	4/7/2015		44.13
045405-000 12301070.0	250 NELLIE AVE 7 PANAMA CITY FL, 32404	250 NELLIE AVE 7 PANAMA CITY FL, 32404	1/20/2015		47.96
045493-000 11801390.1	5107 E 4TH ST PANAMA CITY FL, 32404	5107 E 4TH ST PANAMA CITY FL, 32404-	3/13/2015		19.02

Account No Reference No	Tenant I Tenant I	Tenant Mailing Address	Service Address	Last Bill Date Tax Lot	Last Bill	Amt to Collections Dry Lic No
045657-000 10801465.0	910 WEST AVE # 1204 MIAMI BEACH FL, 33139	6711 ENZOR ST H/I CALLAWAY FL, 32404		4/29/2015		15.18
045752-000 12203630.0	7304 CHARLOTTE CRT PANAMA CITY FL, 32404	7304 CHARLOTTE CRT PANAMA CITY FL, 32404		6/1/2015		29.99
045934-000 11904070.0	9227 Front Beach Rd Panama City Beach FL, 32407	5722 HWY 22 PANAMA CITY FL, 32404		2/25/2015		61.55
046009-000 10800415.0	616 S BERTHE AVE PANAMA CITY FL, 32404	616 S BERTHE AVE PANAMA CITY FL, 32404		3/23/2015		40.72
Batch Totals:					3,860.73	10,292.39

**CITY OF CALLAWAY
BOARD OF COMMISSIONERS
AGENDA ITEM SUMMARY**

DATE: SEPTEMBER 22, 2015

ITEM: FY2014 AUDIT FINDINGS

1. PLACED ON AGENDA BY:
J. Michael Fuller, City Manager

2. AGENDA:
PRESENTATION
PUBLIC HEARING
CONSENT
OLD BUSINESS
REGULAR

3. IS THIS ITEM BUDGETED (IF APPLICABLE)?: YES NO

N/A

4. BACKGROUND: (WHY, WHAT, WHO, WHERE, WHEN, HOW, & IDENTIFY ALL ATTACHMENTS)

At the last regular meeting in August, the City Commission directed me to provide the status of the city's current progress with respect to the auditor's findings from the FY14/15 Annual Audit. Please refer to the attached memo for details on these findings, the current status, and the expected time for completion.

ATTACHMENT:

- MEMO FROM CITY MANAGER

5. REQUESTED MOTION/ACTION:

For information only; no action required.



CITY OF CALLAWAY, FLORIDA

CITY HALL

6601 East Highway 22, Callaway, FL 32404
Phone 850-871-6000 • FAX 850-871-2444
www.cityofcallaway.com

Mayor
Thomas W. Abbott

Commissioners
Melba Covey
Pamn Henderson
Bob Pelletier
Ralph L. Hollister

MEMORANDUM

DATE: September 17, 2015

TO: Mayor Thomas Abbott
Commissioner Melba Covey
Commissioner Pamn Henderson
Commissioner Bob Pelletier
Commissioner Ralph Hollister

FROM: J. Michael Fuller, City Manager

RE: FY14/15 Audit Findings – Status/Update

At the last regular meeting in August, the City Commission directed me to provide the status of the city's current progress with respect to the auditor's findings from the FY14/15 Annual Audit. Below, I have outlined each of these findings, the current status as of the date of this memorandum, and staff's expected time for completion.

1) Monthly Closing Process

Auditor's Finding (summarized): The City's monthly closing process to include preparation and review of bank reconciliations and reconciliation of other material account balances was not completed on a timely basis. This condition exists because the City has experienced personnel turnover and the large volume of workload in its finance function. Following month-end closing procedures on a timely basis assures the accuracy of reports for management and the commission, and decreases the risk that a material misstatement can go undetected.

Status: The City was already several months behind in the monthly closing process prior to FY14/15; therefore, the main priorities were to catch up and then stay current. For the last few months, the City has contracted the work of reconciling bank statements and account balances with a third-party accountant. To date, the City has reconciled statements and accounts through May/June 2015. At the current rate, staff expects to have the process fully caught up by the 1st quarter of FY16. A number of steps have been taken to improve work flow which will allow staff to stay current on the month-end process. This includes the implementation of lock box services and other automated uploads of cash receipts. In August 2015, the Commission allowed management to reorganize and shift certain duties and functions in the Finance Department. These personnel changes will help with work flow and delegation of finance/utility billing processes. In addition, management will develop a formal closing schedule by mid-October.

Expected completion date: Oct/Nov 2015; monthly closing process will be ongoing.

Fire Department
Center
P: 850-871-2753
F: 850-871-5564

Leisure Services
P: 850-874-0031
F: 850-874-9977

Planning / Code
Enforcement
P: 850-871-4672
F: 850-871-2404

Public Works
P: 850-871-1033
F: 850-871-2416

Arts & Conference
P: 850-874-0035
F: 850-874-0706

Please note there are other recommendations from the Auditor to consider. In the FY 14/15 audit report, they recommended the City consider an additional position in the accounting or utility billing. Or, an alternative would be temporary assistance in the accounting function for a four (4) to six (6) month period of time.

2) IT Risk Assessment

Auditor's Finding (summarized): The City did not have a current risk assessment to formally evaluate its IT system to determine potential areas of vulnerability. Further passwords on the City's Windows operating system had not been changed in several years, the password structure lacks complexity requirements, and available updates to the Springbrook financial accounting system are not consistently implemented on a timely basis. The City's accounting policy manual contains limited IT policy to include administrators and authorized users are required to change passwords every 90 days along with a generic requirement for password complexity.

Status: A formal IT risk assessment was recommended by the auditor. Since then, the City has contracted with a new IT management consultant and completed an assessment on its information technology systems. As a result, the City updated its computers systems and network components, and is in the process of updating its accounting software, Springbrook.

Expected completion date: Completed

3) Utility Billing Exception Reporting

Auditor's Finding (summarized): The City did not have an efficient method to monitor inaccurate meter reads. Personnel had manually scanned the proof list to identify meter readings that might contain a possible exception for re-reads. This review of potential inaccurate readings is an integral control activity part of the overall system of internal control, but a manual process is time consuming and increases the opportunity for unintentional error.

Status: City personnel adopted the auditor's recommendation and worked with the accounting software vendor, Springbrook, to produce an automated exception report. The customize report was completed in February/March 2015, and now allows staff to compare current reads to prior monthly reads. Although already implemented, personnel continue to work with Springbrook to further refine the exception report.

Expected completion date: Completed; staff continues to work with vendor to refine report.

4) Segregation of Duties Surrounding Cash Disbursements

Auditor's Finding (summarized): The City's payroll and disbursement processes lack proper segregation of duties. For payroll, one individual maintains and updates the payroll master file, prepares and records the payroll, and has the ability to release direct deposit funds from the bank. For the disbursement process, signed checks go back to the individual who prepared the checks for signature prior to mailing.

Status: The ability to segregate duties is limited due to the number of people available. Management has segregated duties to the best extent possible to serve as a check and balance and to maintain sufficient internal controls. Since the reported findings, the Director of Finance has begun documenting the review and approval of payroll registers before they are processed. Authorization to release direct deposit funds from the bank by the individual preparing payroll has been

**Fire Department
Center**

P: 850-871-2753
F: 850-871-5564

Leisure Services

P: 850-874-0031
F: 850-874-9977

Planning / Code Enforcement

P: 850-871-4672
F: 850-871-2404

Public Works

P: 850-871-1033
F: 850-871-2416

Arts & Conference

P: 850-874-0035
F: 850-874-0706

eliminated. And, as an added control, the personnel assigned to mailing disbursements check does not have access to the disbursement module in Springbrook.

Expected completion date: Completed

5) Written Policies and Procedures

Auditor's Finding (summarized): The City's Accounting Policy and Procedure Manual and the Utility Billing Policy need to be updated to reflect policy changes as well as the current staffing configuration.

Status: Management is dedicating time and resources in the 1st quarter of FY15/16 to bring the Accounting and Utility Billing Policy Manuals up-to-date, as well as the Purchasing Policy Manual. Recent staff restructuring will now allow for distributed responsibility over updates and review of policies and procedures.

Expected completion date: December 2015; review and updates will be done annually.

6) Internal Budget Policy Non-Compliance

Auditor's Finding (summarized): The City, based on a policy change in FY 14, set the legal level of budgetary control at the line item (account) level for each department. Certain line item expenditures for the year to date period ended September 30, 2014 exceeded the approved budget for that line item. While the City was out of compliance with internal policy; total expenditures did not exceed budgeted amounts as it relates to compliance with Florida Statutes.

Status: This finding in FY14/15 was noted by management. Now in FY15/16, staff has remained compliant with this exceptional level of budgetary control. Finance reviews for over-budget line item at a minimum of a monthly basis. Updates to the Accounting Policy Manual will include this policy and establish procedures in conjunction with month-end closing procedures to ensure future compliance.

Expected completion date: Currently in compliance with internal budget policy; procedures will be established as part of updates to policy manual.

Please note that the un-intended effects of maintaining a line item level of budgetary control can include an increase to the amount of work and time required for staff to make purchases and complete projects efficiently. This level of control also tends to encourage the posting of transactions to accounts based on the remaining budget which can result in the loss of conformity and comparability of historical financial information.

Warren Averett examined the FY14/15 financial statements of the City of Callaway and found them materially compliant. The auditor issued findings in their report dated April 16, 2015. Since that time, management has worked towards addressing each finding.

**Fire Department
Center**

P: 850-871-2753
F: 850-871-5564

Leisure Services

P: 850-874-0031
F: 850-874-9977

Planning / Code Enforcement

P: 850-871-4672
F: 850-871-2404

Public Works

P: 850-871-1033
F: 850-871-2416

Arts & Conference

P: 850-874-0035
F: 850-874-0706

**CITY OF CALLAWAY
BOARD OF COMMISSIONERS
AGENDA ITEM SUMMARY**

DATE: SEPTEMBER 22, 2015

ITEM: RESOLUTION No. 15-25 ANNUAL MEETINGS, WORKSHOPS & HOLIDAYS FOR FY2015/16

1. PLACED ON AGENDA BY:
J. Michael Fuller, City Manager

2. AGENDA:
PRESENTATION
PUBLIC HEARING
CONSENT
OLD BUSINESS
REGULAR

3. IS THIS ITEM BUDGETED (IF APPLICABLE)?: YES NO
N/A

4. BACKGROUND: (WHY, WHAT, WHO, WHERE, WHEN, HOW, & IDENTIFY ALL ATTACHMENTS)

Ordinance 927 requires annual adoption of a resolution reflecting dates and times of all regular meetings, City holidays and other appropriate events as may be determined by City Commission.

ATTACHMENT:

- RESOLUTION No. 15-25
- SCHEDULE OF MEETINGS & HOILIDAYS

5. REQUESTED MOTION/ACTION:

Staff recommends Commission approval of Resolution No. 15-25 for the FY2015/16 Schedule of Meetings & Holidays

RESOLUTION 15-25

A RESOLUTION TO ADOPT A MEETING SCHEDULE FOR THE REGULAR MEETINGS AND WORKSHOPS OF THE CITY OF CALLAWAY BOARD OF CITY COMMISSIONERS FOR THE FISCAL YEAR 2015-2016; REPEALING ALL RESOLUTIONS IN CONFLICT HEREWITH AND RECITING AN EFFECTIVE DATE.

WHEREAS, the City of Callaway Board of City Commissioners, on September 25, 2012, adopted Ordinance No. 927 allowing for the adoption, by Resolution, of an annual calendar which shall indicate the dates and times of all regular meetings of the City Commission, City Holidays, and other appropriate events as may be determined by the City Commission.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF CALLAWAY, FLORIDA THAT:

SECTION 1. The City Commission of the City of Callaway adopts the “2015-2016 Annual Calendar for Regular Commission meetings, workshops, and holidays, as identified in Exhibit “A”.

SECTION 2. REPEAL. All resolutions or parts of resolutions in conflict herewith are repealed to the extent of such conflict.

SECTION 3. EFFECTIVE DATE. This Resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED this 22nd day of September, 2015, in regular session, by the CALLAWAY CITY COMMISSION.

CITY OF CALLAWAY, FLORIDA

By: _____
Thomas W. Abbott, Mayor

ATTEST: _____
Janice L. Peters, MMC, City Clerk

APPROVED AS TO FORM AND LEGAL SUFFICIENCY FOR THE CITY OF CALLAWAY ONLY:

Kevin Obos, City Attorney

VOTE OF COMMISSION:

Abbott _____
Covey _____
Henderson _____
Hollister _____
Pelletier _____

EXHIBIT "A"
 CALLAWAY CITY COMMISSION
 REGULAR MEETING & HOLIDAY SCHEDULE
 FISCAL YEAR 2015/16

MEETING/HOLIDAY	DATE	TIME
Regular Workshop	October 26, 2015	6:00 P.M.
Regular Meeting	October 27, 2015	6:00 P.M.
Veterans Day	November 11, 2015	
Regular Workshop	November 23, 2015	6:00 P.M.
Regular Meeting	November 24, 2015	6:00 P.M.
Thanksgiving Holiday	November 26-27, 2015	
Regular Workshop	December 21, 2015	6:00 P.M.
Regular Meeting	December 22, 2015	6:00 P.M.
Christmas Holiday	December 23-26, 2015	
New Year's Eve Holiday	December 30, 2015	½ Day per employee's work schedule
New Year's Day	January 1, 2016	
Dr. MLK, Jr.'s Birthday	January 18, 2016	
Regular Workshop	January 21, 2016	6:00 P.M.
Regular Meeting	January 22, 2016	6:00 P.M.
Regular Workshop	February 22, 2016	6:00 P.M.
Regular Meeting	February 23, 2016	6:00 P.M.
Regular Workshop	March 21, 2016	6:00 P.M.
Regular Meeting	March 22, 2016	6:00 P.M.
Regular Workshop	April 25, 2016	6:00 P.M.
Regular Meeting	April 26, 2016	6:00 P.M.
Regular Workshop	May 23, 2016	6:00 P.M.
Regular Meeting	May 24, 2016	6:00 P.M.
Memorial Day Holiday	May 30, 2016	
Regular Workshop	June 27, 2016	6:00 P.M.
Regular Meeting	June 28, 2016	6:00 P.M.
Independence Day Holiday	July 4, 2016	
Budget Workshop	July 19, 2016	6:00 P.M.
Regular Workshop	July 25, 2016	6:00 P.M.
Regular Meeting	July 26, 2016	6:00 P.M.
Budget Workshop	August 9, 2016	6:00 P.M.
Regular Workshop	August 22, 2016	6:00 P.M.
Regular Meeting	August 23, 2016	6:00 P.M.
Budget Workshop	August 24, 2016	6:00 P.M.
Labor Day Holiday	September 5, 2016	
1 ST & Final Budget Hearings	To Be Determined	
Regular Workshop	September 26, 2016	6:00 P.M.
Regular Meeting	September 27, 2016	6:00 P.M.

**CITY OF CALLAWAY
BOARD OF COMMISSIONERS
AGENDA ITEM SUMMARY**

DATE: SEPTEMBER 22, 2015

ITEM: RESOLUTION NO. 15-26 ANNUAL WHOLESALE SEWER RATE ADJUSTMENT

1. PLACED ON AGENDA BY:

J. Michael Fuller, City Manager

2. AGENDA:

PRESENTATION
 PUBLIC HEARING
 CONSENT
 OLD BUSINESS
 REGULAR

3. IS THIS ITEM BUDGETED (IF APPLICABLE)?: YES NO

N/A

4. BACKGROUND: (WHY, WHAT, WHO, WHERE, WHEN, HOW, & IDENTIFY ALL ATTACHMENTS)

Per Commission Direction, staff presents the Annual Wholesale Sewer Rate Adjustment imposed annually per AWT for review and direction.

ATTACHMENT:

- RESOLUTION NO. 15-26
- LETTER FROM THE BAY COUNTY MANAGER DATED 05/26/15

5. REQUESTED MOTION/ACTION:

Staff recommends Commission approval of Resolution No. 15-26

RESOLUTION 15-26

A RESOLUTION OF THE CITY OF CALLAWAY, FLORIDA, ADOPTING THE ANNUAL WHOLESALE SEWER RATE ADJUSTMENT IMPOSED ON THE CITY BY BAY COUNTY FOR RESIDENTIAL, COMMERCIAL, INDUSTRIAL AND BULK SERVICE FOR FY2015/16; REPEALING ALL RESOLUTIONS OR PARTS THEREOF WHICH ARE IN CONFLICT HEREWITH; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Resolution 14-14, adopted on August 26, 2014, established water and sewer service rates for residential, commercial, industrial and bulk service; and,

WHEREAS, said resolution provided that the consumption charges set forth therein for the Water Rates and Solid Waste Collection and Disposal Fees would automatically be subject to any annual wholesale water rate adjustment imposed on the City by Bay County as the wholesale provider of the City's water; and,

WHEREAS, the City Commission of the City of Callaway opted to review and approve annually the wholesale Sewer Rates imposed per the Military Point Advanced Wastewater Treatment Facility Interlocal Agreement (AWT); and,

WHEREAS, the City has been informed that for year two of the five year proforma, the wholesale wastewater rate will be increased to \$2.426 per thousand, from the current 2.22 per thousand gallons of consumption.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF CALLAWAY, FLORIDA, AS FOLLOWS:

SECTION 1. Authorization and Repealer.

This Resolution is adopted pursuant to Sections 18-50, 18-107, and 18-300 of the Code of Ordinances of the City of Callaway authorizing the amendment of charges and fees by resolution by the City Commission. Those portions of Sections 18-50, 18-107 and 18-300 contained in this Resolution which are not amended or do not specify changes in the charges and fees are neither modified nor re-adopted by this Resolution and are included herein for convenient reference only. All resolutions or parts of resolutions in conflict herewith are hereby repealed to the extent of such conflict.

SECTION 2. Effective Date

This resolution shall take effect as to allow the new rates, charges and fees to be collected on the utility bills due in October, 2015.

PASSED AND ADOPTED at the Regular Meeting of the City Commission of the City of Callaway, Florida this 22nd day of September, 2015.

CITY OF CALLAWAY, FLORIDA

By: _____
Thomas W. Abbott, Mayor

ATTEST: _____
Janice L. Peters, MMC, City Clerk

APPROVED AS TO FORM AND LEGAL
SUFFICIENCY FOR THE CITY OF CALLAWAY
ONLY:

Kevin Obos, City Attorney

VOTE OF COMMISSION:

Abbott _____
Covey _____
Henderson _____
Hollister _____
Pelletier _____



OFFICE OF COUNTY MANAGER

840 West 11th Street
Panama City, Florida 32401
Telephone: (850) 248-8140
Fax: (850) 248-8153

May 26, 2015

RECEIVED
MAY 29 2015
BY: *LP*

BOARD OF COUNTY
COMMISSIONERS

www.baycountyfl.gov

The Honorable Thomas Abbott
City of Callaway
6601 E. Highway 22
Callaway, FL 32404

Dear Mayor Abbott:

Pursuant to the Military Point Advanced Wastewater Treatment Facility Interlocal Agreement Section Article V, Section 5.16 (iii), please find attached a copy of the tentative AWTF Joint Venture budget for Fiscal Year 2016. The attachments include the AWTF Operations (O&M) budget for the Joint Venture System, Department #0464, and the AWTF Renewal and Replacement (R&R) budget, Department #0465. Also attached is Bay County's capital budget, Department #0496. This capital/debt budget reflects Bay County's projected share of various portions of debt service for the 2016. These tentative budgets will be presented to the Board of County Commissioners for approval later this summer. The budget information presented reflects "Actual FY 2013 and 2014", "Approved 2015 Budget – FY 2015" and the "Draft Budget – FY 2016". AWTF fund 412 Revenues is attached as well (see attached Exhibit 1).

On December 2014 GAI Consultants, Inc. completed a Wastewater Rate Study indentifying annual increases, through FY2019, to the wholesale wastewater rate. As this is year two of the five year proforma, the wholesale wastewater rate will be increased to \$2.426 per thousand gallons beginning October 1, 2015 (FY 2016) (See attached Exhibit 2).

Please be advised that the R&R fund has been identified with a shortfall that will need to be addressed by the MPAWTF Partners this year.

Should you have any questions or need additional information please contact Paul Lackemacher, Utility Services Director, at 248-5010.

Sincerely,

Robert J. Majka Jr.
Robert J. Majka Jr.
County Manager

/mlh

Cc: Dan Shaw, Asst. County Manager
Ashley Stukey, Budget
Terrell Arline, County Attorney
Paul Lackemacher, Utility Services Director
File

*cc. Commission
6/1/15*

840 WEST 11TH STREET
PANAMA CITY, FL 32401

COMMISSIONERS:

MIKE NELSON
DISTRICT I

GEORGE B. GAINER
DISTRICT II

WILLIAM T. DOZIER
DISTRICT III

GUY M. TUNNELL
DISTRICT IV

MIKE THOMAS
DISTRICT V

ROBERT J. MAJKA JR.
COUNTY MANAGER