
COUNCIL FINANCE & BUDGET COMMITTEE
MEETING MINUTES

Tuesday, June 19, 2018 ♦ 5:30 p.m.

1. CALL TO ORDER

The Council Finance & Budget Committee met on Tuesday, June 19, 2018, at 5:30 p.m. in the Council Chamber at Rockledge City Hall, 1600 Huntington Lane, Rockledge, Florida.

PRESENT:	Mayor Thomas J. Price	Chairman
	Councilman Duane Daski	Committee Member
	Councilman Shaun Ferguson	Committee Member
	Councilman Frank Forester	Committee Member
	Dr. Brenda Fettrow	City Manager
	Lisa C. Nicholas	Public Relations Officer & City Clerk

ABSENT: None

STAFF PRESENT:	Matthew Trine	Interim Assistant City Manager/Finance Director
	Joseph P. LaSata	Public Safety Director/Chief of Police
	Donna Seyferth	Public Safety Deputy Chief of Police
	Alexandra Bernard	Planning Director
	James Elmore	Wastewater Treatment Director
	Brian Smith	Wastewater Treatment Assistant Director
	C. Kenneth Poole	Public Works Director
	Stephen H. Wilson	Community Advocate

With a quorum present, the meeting was called to order by Chairman Price.

2. UNFINISHED BUSINESS

A. Finance & Budget Committee Priorities for Fiscal Year 2019

City Manager Fettrow inquired as to whether there was any additional direction from the members of the Finance & Budget Committee with regard to budget priorities. At the June 13, 2018, Finance & Budget Committee meeting, budgeting for the potential purchase of a drone was discussed. Deputy Chief of Police Donna Seyferth reported that, according to her research, a basic drone can be purchased for between \$1,500.00 and \$7,500.00 and would provide for routine functionality. However, if infrared cameras and other highly technical items for search-and-rescue operations are desired, the price increases exponentially, and the camera alone can cost between \$8,000.00 and \$10,000.00. Depending on what model of drone is chosen, there is an

option to subsequently add a camera. All aspects of drone operation are governed by the Federal Aviation Administration (FAA), and all operators must have a Part 107 unmanned-aircraft license, which costs approximately \$150.00. A more in-depth training class is available for \$1,200.00 and provides education on everything related to the operation of the drone. An amount of approximately \$12,000.00 could be budgeted for Fiscal Year 2019 for a basic, but high-quality, drone, training, licensing and other related expenses.

Committee member Daski moved to recommend to the full Council the inclusion of an amount of up to \$12,000.00 in the Fiscal Year 2019 proposed budget for the purchase of a drone, as well as training, licensing and other related expenses; seconded by Committee member Ferguson. The motion passed by unanimous vote (4).

B. Employee Salaries

As City Manager Fettrow noted during the June 13, 2018, Finance & Budget Committee meeting, the CPI is 2.8 percent and continues to rise. At said meeting, Committee members concurred that an increase of 3 percent for non-union employee salaries was appropriate, with the understanding that negotiation with the unions will be required.

Committee member Forester moved to recommend to the full Council a salary increase of 3 percent for non-union City employees, with the understanding that negotiation with the unions will be required, and further moved to authorize the City Manager to adjust the percentage accordingly within said negotiations across the board to monitor pay compression issues; seconded by Committee member Ferguson. The motion passed without objection (4).

Committee member Forester moved to recommend to the full Council authorization for the City Manager to adjust the hourly base rate up to \$12.00 per hour pursuant to the Compensation Study, and further moved to authorize the City Manager to handle any compression issues that may arise as a result of said increase; seconded by Committee member Daski. The motion passed unanimously (4).

C. Fiscal Year 2019 Proposed Budget

At the June 13, 2018, Council Finance & Budget Committee meeting, City Manager Fettrow provided a comprehensive analysis of the Fiscal Year 2019 proposed budget, which was formulated using a millage rate of 6.15; a 5-percent increase for health insurance (which could decrease slightly); two new full-time equivalents (FTEs), one for the Wastewater Treatment Department and one for the Public Works Department; and the capital items that were included in the draft budget. At this time, City Manager Fettrow outlined changes to the Fiscal Year 2019 General Fund proposed budget, which include the updated Wastewater Treatment Department and Sanitation Division budgets as presented.

Committee member Daski moved to recommend to the full Council the Fiscal Year 2019 proposed budget as presented this evening, along with the addition of up to \$12,000.00 for the purchase of a drone and related expenses; seconded by Committee member Ferguson. The motion passed by unanimous vote (4).

D. Fees & Charges

1. Tentative Millage Rate

City Manager Fettrow indicated that the Fiscal Year 2019 proposed budget presented at the June 13, 2018, Finance & Budget Committee meeting was formulated using a millage rate of 6.15. At said meeting, there was consensus that the 6.15 millage rate was acceptable.

Committee member Ferguson moved to recommend to the full Council a tentative millage rate of 6.15 mills and that the same rate be reported to the Brevard County Property Appraiser and the State of Florida; seconded by Committee member Daski. The motion passed without objection (4).

2. Wastewater Treatment Department Rates

Following a detailed explanation of the current Wastewater Treatment Department budget by the City Manager during the June 13, 2018, Council Finance & Budget Committee meeting, there was consensus among Committee members on the following:

- Increasing the base rate by 5 percent, from \$14.00 to \$14.70, with equal distribution of the \$4.70 going into the Renewal and Replacement (R&R) and Capital Improvement reserve funds.
- A 5-percent increase per year for each of three years on the usage charge per 1,000 gallons.
- Elimination of the 15,000-gallon cap on residential users – the rate will apply per 1,000 gallons, regardless of the number of gallons utilized. (Currently, there is no cap on commercial users.)

Committee member Ferguson moved to recommend to the full Council an increase of the base rate by 5 percent, from \$14.00 to \$14.70, with distribution of the \$4.70 being split equally between the R&R and Capital Improvement reserve funds; seconded by Committee member Forester. The motion passed by unanimous vote (4).

Committee member Ferguson moved to recommend to the full Council an increase of 5 percent per year for each of three years on the usage charge per 1,000 gallons; seconded by Committee member Daski. The motion passed without objection (4).

Committee member Ferguson moved to recommend to the full Council the elimination of the 15,000-gallon cap on residential users; seconded by Committee member Forester. The motion passed unanimously (4).

3. Sanitation Division Rates

Following a thorough synopsis by the City Manager of the current refuse collection schedule and the fees associated with garbage pickups during the June 13, 2018, Finance & Budget Committee meeting, Committee members concurred that the rate for garbage collection should be increased to \$14.90 per month, per household.

Committee member Daski moved to recommend to the full Council an increase in the rate for garbage and refuse collection to \$14.90; seconded by Committee member Ferguson. The motion passed by unanimous vote (4).

E. Proposed Multi-Purpose Recreational Facility

At the June 13, 2018, Finance & Budget Committee meeting, information was requested with regard to an estimate of probable cost and location options for a multi-purpose recreational facility. In the current fiscal year (2018), \$50,000.00 is budgeted for preliminary design and engineering, and an additional \$50,000.00 is budgeted in the proposed Fiscal Year 2019 budget. City Manager Fettrow reported that a cost estimate for a feasibility study, conceptual sketches, a survey, and geotechnical work is approximately \$55,000.00. If additional master planning for the entire site is desired, the cost would be an additional \$62,000.00. The creation of 60-percent plans, and subsequently 100-percent plans that will be prepared for going out to bid will cost \$111,500.00. Possible locations include McLarty Park and an area adjacent to the Public Safety Department.

Committee member Forester moved to recommend to the full Council the addition of an additional \$25,000.00 from reserve funds, in addition to the \$50,000.00 currently included in the 2018 Fiscal Year budget, and further moved to allocate \$120,000.00 in the Fiscal Year 2019 proposed budget; seconded by Committee member Daski. The motion passed by unanimous vote (4).

3. NEW BUSINESS

- None scheduled

At this time, City Manager Fettrow discussed two items that had not been placed on the Agenda prior to its publication:

Budget Document

City Manager Fettrow stated that, since 2013, the City has published a comprehensive Budget Document for each member of Council and Executive Staff. Although the document is aesthetically pleasing, it is redundant because it is published after the Finance & Budget Committee and City Council have sufficient knowledge of the actual budget, and it is an additional expense to have it printed. City Manager Fettrow requested Committee members' thoughts on suspending the printing of the Budget Document.

Committee member Forester moved to recommend to the full Council the suspension of printing the Budget Document; seconded by Council member Daski. The motion passed without objection (4).

City Investment Policy

City Manager Fettrow explained that, pursuant to "Exhibit A" of Resolution No. 2012-724, the City's Investment Policy is to be reviewed annually by the Finance & Budget Committee. If desired, the Finance & Budget Committee can make recommendations to the City Council for modifications to this Policy if deemed necessary. City Manager Fettrow provided an overview of the current Investment Policy, with which the City is in full compliance as it is written.

Committee member Forester moved to recommend to the full Council to continue with the City's current Investment Policy; seconded by Committee member Daski. The motion passed by unanimous vote (4).

At this time, discussion ensued with regard to the need for a subsequent Finance & Budget Committee meeting.

Committee member Forester moved to cancel the July 18, 2018, meeting of the Finance & Budget Committee; seconded by Committee member Daski. The motion passed by unanimous vote (4).

4. ADJOURN

There being no further business to come before the Committee, Chairman Price adjourned the meeting at 6:56 p.m.

Submitted by:
Lisa C. Nicholas
Public Relations Officer & City Clerk