
ROCKLEDGE CITY COUNCIL FINANCE & BUDGET COMMITTEE MEETING MINUTES

WEDNESDAY, JUNE 12, 2019 ♦ 6:00 P.M.

MAYOR PRICE, CHAIR; COUNCILMEN DASKI, FORESTER & FERGUSON

1. CALL TO ORDER / ROLL CALL

The Council Finance & Budget Committee met on Wednesday, June 12, 2019, at 5:30 p.m. in the Council Chamber at Rockledge City Hall, 1600 Huntington Lane, Rockledge, Florida.

MEMBERS PRESENT:

Thomas J. Price	Council Chairman
Dr. R. Shaun Ferguson	Committee Member
Frank T. Forester	Committee Member
Duane A. Daski	Committee Member
Dr. Brenda Fettrow	City Manager
Lisa C. Nicholas	Public Relations Officer & City Clerk

MEMBERS ABSENT: None

STAFF PRESENT:

Matthew Trine	Assistant City Manager & Finance Director
Alexandra Bernard	Planning Director
Joseph P. LaSata	Public Safety Director/Chief of Police
C. Kenneth Poole	Public Works Director
James Elmore	Wastewater Treatment & Water Reclamation Director
Brian Smith	Wastewater Treatment & Water Reclamation Assistant Director
Ashley Golding	Community Advocate

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

2. UNFINISHED BUSINESS

- o None

3. NEW BUSINESS

A. Presentations

1. Accomplishments – Fiscal Year 2019

City Manager Fettrow outlined the accomplishments that have taken place throughout the City, to date, during Fiscal Year 2019.

2. Priorities for Fiscal Year 2020

City Manager Fettrow provided a high-level report on the budget-related priorities for Fiscal Year 2020 and referenced a number of documents the Committee members had before them. The proposed FY 2020 budget is formulated utilizing the following parameters:

- A Millage rate of 6.10.
- A 10 percent increase in healthcare costs.
- A salary increase of 3 percent for nonunion employees.
- \$500,000.00 in reserve funds to balance the budget, which has been authorized in previous years.

Discussion ensued among Committee members with regard to the proposed budget and the stipulations upon which it was created. A more in-depth outline of needs per fund was also provided.

At this time, Chairman Price called for a brief recess. The meeting reconvened at 6:35 p.m.

Discussion continued with regard to rates for Sanitation (residential and commercial pickups/recycling and impact fees); staff will take all recommendations and revise the documents for the upcoming Finance and Budget Committee meeting on June 19.

A brief review of the entire proposed budget followed.

There was consensus that the Committee would like to see an increase in the starting salary from \$12.00 to \$13.50 per hour. In addition, the Committee authorized some latitude for the City Manager with regard to rates of pay for certain critical positions.

B. Discussion

1. Banking Services Contract with Community Bank of the South

The City has a banking arrangement with Community Bank of the South that began in 2013. In July 2016, through the Finance and Budget Committee and the full Council, the arrangement was extended through July of 2019. Because of the responsiveness and outstanding customer service provided by CBOS, as well as the local connection, it was

recommended that the banking arrangement be renewed for an additional three-year period.

Committee Member Daski moved to recommend to Council extending the banking arrangement with Community Bank of the South for an additional three-year period; seconded by Committee Member Ferguson. The motion passed without objection (4).

2. Investment Policy of the City

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 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. Mayor Price indicated that he would like the Committee to have an opportunity to review the Investment Policy prior to the June 19 Finance and Budget Committee meeting.

3. Fees & Charges

a) Tentative Millage Rate

A tentative millage rate of 6.10 was discussed; Mayor Price indicated that he believes the rate could be lower.

b) Wastewater Treatment Department Rates

City Manager Fettrow indicated that, last year, the Committee approved and recommended to Council a 5 percent increase on the water usage charge per 1,000 gallons for each of the next three years. Although the full Council approved the recommendation in July 2018, the language was not incorporated into the ordinance. Since the need for the increase is probably even greater at this point in time, staff recommended approving an increase of 5 percent per year for each of the next three years on the water usage charge per 1,000 gallons and to recommend same to the full Council. If approved, the last year for the increases will be 2022.

c) Sanitation Division Rates

City Manager Fettrow informed the Committee that there are three significant variables affecting this fund:

- **Sizeable change in the Waste Management contract** - because of worldwide changes concerning the disposal of recycled materials and contamination rates, Waste Management will have to modify the City's contract, which expires in October of this year,

to the extent that it could cost the City nearly \$11,000.00 more per month or \$132,000.00 per year.

- **Impact fees** – the City does not have an impact fee for new development in areas where new, additional garbage pickup routes are required. To ensure that any new development pays for itself, impact fees are being proposed for residential and commercial new construction, along with an annual increase to the impact fees of CPI or 3 percent, whichever is greater. Mayor Price indicated that the proposed impact fee of \$10.00 per square foot on new commercial construction was too costly. Staff will provide additional scenarios at the June 19 meeting.
- **Commercial pickups** – the rates for commercial pickups, which compose between 60 and 65 percent of the revenue generated by the City's pickups, have not been reviewed in more than 20 years. An increase in the rates for commercial pickups; residential and commercial recycling; and dumpsters, carts and cans is being proposed, along with an annual increase in the rates by CPI or 3 percent, whichever is greater. There was consensus among Committee members that rate increases are necessary and increases that were proposed were discussed. Staff will provide additional scenarios at the June 19 meeting.

4. **ADJOURN**

There being no further business to come before the Committee, Chairman Price declared the meeting to be adjourned at 7:49 p.m.

SUBMITTED BY:

Lisa C. Nicholas
Public Relations Officer & City Clerk