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# ROCKLEDGE CITY COUNCIL FINANCE & BUDGET COMMITTEE MEETING MINUTES

WEDNESDAY, JUNE 9, 2021 ♦ 5:30 P.M.

MAYOR PRICE, CHAIR; COUNCILMEN DASKI, FORESTER & FERGUSON

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## 1. CALL TO ORDER / ROLL CALL

The Council Finance & Budget Committee met on Wednesday, June 9, 2021, at 5:35 p.m. in the Council Chamber at Rockledge City Hall, 1600 Huntington Lane, Rockledge, Florida.

**MEMBERS PRESENT:**

Thomas J. Price	Chairman
Dr. R. Shaun Ferguson	Committee Member
Frank T. Forester	Committee Member
Duane A. Daski	Committee Member
Dr. Brenda Fettrow	City Manager
Jennifer M. LeVasseur	City Clerk & Public Relations Officer

**STAFF PRESENT:**

Matthew Trine	Assistant City Manager & Finance Director
John Cooper	Planning Director
Joseph P. LaSata	Public Safety Director/Chief of Police
Scott Brown	Public Works Director
James Elmore	Wastewater Treatment & Water Reclamation Director

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

## 2. UNFINISHED BUSINESS

- None

## 3. NEW BUSINESS

### A. Presentations

#### 1. Accomplishments – Fiscal Year 2021

City Manager Fettrow outlined the accomplishments that have taken place throughout the City, to date, during Fiscal Year 2021.

Committee members discussed the volume of recyclables that the Sanitation Division collects.

City Manager Fettrow provided a financial update on the first year of the Building Department Enterprise Fund and notified the Committee that we have not received any applications for Building Official or Building Inspector; however, preparations are underway for a Provisional Inspector to be implemented.

2. Draft Budget Review for Fiscal Year 2022

City Manager Fettrow provided a high-level report on the budget for Fiscal Year 2022 and referenced a number of documents the Committee members had before them. The proposed Fiscal Year 2022 budget is formulated utilizing the following parameters:

- A millage rate of 6.00.
- 10 percent raises for employees.
- A 5 percent increase in healthcare costs.
- Three (3) additional full-time employees (Information Technology Division, Police Division and Sanitation Division).
- \$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 proposed millage rates of 6.00 and 5.99 and projected revenue for each rate, as well as the proposed budget and the parameters upon which it was created.

***Committee Member Forester moved to recommend a tentative millage rate of 5.99 mills; seconded by Committee Member Daski. The motion carried unanimously (4).***

***Committee Member Forester moved to recommend approval of the addition of three (3) additional full time employee positions in the Information Technology Division, Police Division and Sanitation Division; seconded by Committee Member Ferguson. The motion passed without objection (4).***

City Manager Fettrow explained that the health insurance rate is expected to increase by approximately 3.4%; however, the City may be able to negotiate a 0% increase in order to remain with Cigna for an additional year before releasing a Request for Proposals.

***Committee Member Daski moved to recommend that City Manager Fettrow negotiate a 0% rate with Cigna for Fiscal Year 2022 and to authorize a Request for Proposal process to commence if a 0% rate is not available; seconded by Committee Member Ferguson.***

***A call for discussion was made.***

Committee members discussed the historic rate increase that the City has experienced over the last several years, as well as a potential monetary incentive for COVID-vaccinated employees.

***The motion passed unanimously (4).***

City Manager Fettrow requested that the Committee consider increasing the City-sponsored life insurance coverage from \$20,000.00 to \$50,000.00 per employee. Committee members agreed that the increase in life insurance coverage would benefit employees as well as the City in terms of becoming a destination employer.

***Committee Member Daski moved to recommend an increase in life insurance coverage from \$20,000.00 to \$50,000.00 per employee; seconded by Committee Member Forester. The motion carried unanimously (4).***

A more in-depth outline of needs per fund was also provided. A brief review of the entire proposed budget followed.

Committee members discussed the possibility of increasing employee retirement contributions to 7.5% from 7% in conjunction with the 10% wage increase. The Committee determined that this was not the appropriate time to implement this.

City Manager Fettrow explained that the Department of Public Safety is in need of nine (9) police vehicles and one (1) fire engine, which is likely to be an allowable expenditure of American Rescue Plan Act (ARPA) funds according to interim guidance. The dealership has notified staff that vehicles are in high demand, and an order must be submitted by June 25<sup>th</sup> in order to secure the desired vehicles.

***Committee Member Daski moved to recommend the ordering of nine (9) police vehicles and one (1) fire engine on or before June 25<sup>th</sup>; seconded by Committee Member Forester. The motion passed without objection (4).***

At 6:50 p.m., Chairman Price called for a brief recess; the meeting reconvened at 6:56 p.m.

City Manager Fettrow introduced the topic of the proposed multi-purpose facility and potential locations, including within a Redevelopment District. The Committee was amenable to building the facility in the area of the Barton Boulevard Redevelopment District, as it furthers the City's redevelopment efforts.

City Manager Fettrow explained that the Wastewater Treatment and Water Reclamation Department will embark on several key projects, some of which will be funded through grants. However, an additional \$5-7 million will be required in order to fully fund the projects, and reserves would not

be appropriate or sufficient to cover the remaining balance. As a result, City Manager Fettrow recommended that, in addition to ARPA funds, a debt instrument could be secured in order to fund the projects; further, a simple principal/interest loan from a local bank has been offered at 1.65% for a 10-year term. The Committee determined that \$2.75 million in ARPA funds would be allocated to the Wastewater Treatment and Water Reclamation Department for upcoming projects and directed staff to present a proposed loan amount at the June 16<sup>th</sup> Committee meeting.

City Manager Fettrow requested guidance regarding a potential monetary incentive for employees who receive a COVID vaccination, as well as premium pay for employees. She recommended that the Committee consider providing employees with a \$300.00 incentive for receiving a COVID vaccine, and all employees who have been employed since October 1, 2020 and earlier could receive a \$1,000.00 one-time premium payment, which would be funded through a combination of ARPA funds and monies from other funds for employees who earn over the eligible salary threshold of \$75,030.00 per the ARPA formula and interim guidance.

***Committee Member Daski moved to recommend approval of COVID premium pay for employees and to authorize staff to "gross up" the amount so employees receive \$1,000.00 after taxes; seconded by Committee Member Ferguson. The motion passed unanimously (4).***

***Committee Member Ferguson moved to recommend approval of the utilization of ARPA funds to provide a \$300.00 incentive to employees who provide proof of COVID vaccination; seconded by Committee Member Forester. The motion carried with three (3) in favor (Daski, Ferguson, and Forester) and one (1) opposed (Price).***

## B. Discussion

### 1. Investment Policy of the City

City Manager Fettrow explained that, pursuant to "Exhibit A" of Resolution No. 2019-818, the City's Investment Policy is to be reviewed annually by the Finance & Budget Committee. If desired, the 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.

Committee members agreed to defer this item to the June 16<sup>th</sup> Committee meeting.

## NOT AN AGENDA ITEM

- City Manager Fettrow referenced a table listing Council salaries from municipalities in Brevard County. The Committee recommended that this item be presented at a City Council meeting for consideration.
- City Manager Fettrow noted that Transportation Impact Fee Trust Funds could be utilized for the Martin Road and Roy Wall Boulevard alignment project and requested guidance from the Committee. The Committee discussed drainage issues on Martin Road.

***Committee Member Daski moved to recommend approval to utilize up to \$1 million in TIFT funding for the Martin Road/Roy Wall Boulevard realignment project; seconded by Committee Member Ferguson. The motion passed unanimously (4).***

### 2. City Manager's Contract

Chairman Price briefly summarized the City Manager's proposed contract and referenced a list of City Manager salaries from other municipalities in Brevard County. City Attorney Miniclier found the contract to be in good form, and Chairman Price recommended approval of the contract as written and clarified that he desired for the contract to be renewed this month rather than in December.

***Committee Member Ferguson moved to recommend renewal of the City Manager contract as written with an immediate renewal; seconded by Committee Member Daski. The motion carried without objection (4).***

### 3. Fees & Charges

- a. Tentative Millage Rate

***See item 3.A.2.***

### 4. Creation of the Special Revenue 130 Fund – American Rescue Plan Act (ARPA) Fund

***See item 3.A.2.***

### 5. Debt Instrument for Wastewater Projects

***See item 3.A.2.***

## 4. ADJOURN

There being no further business to come before the Committee, Chairman Price declared the meeting to be adjourned at 8:00 p.m.

### SUBMITTED BY:

**Jennifer M. LeVasseur**

**City Clerk & Public Relations Officer**