
ROCKLEDGE CITY COUNCIL FINANCE AND BUDGET COMMITTEE MEETING MINUTES

WEDNESDAY, JUNE 19, 2019 ♦ 4:00 P.M.

MAYOR PRICE, CHAIR; COUNCILMEN DASKI, FORESTER & FERGUSON

1. CALL TO ORDER / ROLL CALL

The Council Finance and Budget Committee met on Wednesday, June 19, 2019, at 4:00 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
STAFF PRESENT:	Matthew Trine	Assistant City Manager & Finance Director
	Alexandra Bernard	Planning Director
	Joseph P. LaSata	Public Safety Director/Chief of Police
	Michael Jarusiewicz	Assistant to the Public Works 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

A. Finance and Budget Committee Priorities for Fiscal Year 2020

City Manager Fettrow inquired as to whether there was any additional direction from the members of the Finance and Budget Committee with regard to Fiscal Year 2020 budget priorities. No additional items were suggested or added to the proposed budget.

B. Employee Salaries

As City Manager Fettrow noted during the June 12, 2019, Council Finance and Budget Committee meeting, the CPI is 2.9 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. There was also consensus that the Committee would like to see an increase in the starting salary from \$12.00 to \$13.50 per hour; the City Manager will have some latitude for salary compression issues, as well as rates of pay for positions that are critical or difficult to fill. Discussion ensued.

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; seconded by Committee Member Daski. The motion passed without objection (4).

Committee Member Forester moved to recommend to the full Council authorizing latitude for the City Manager to adjust rates of pay for certain positions deemed to be critical or difficult to fill; seconded by Committee Member Daski. The motion passed without objection (4).

Committee Member Forester moved to recommend to the full Council authorizing the City Manager to adjust the hourly base rate up to \$13.50 per hour; seconded by Committee Member Ferguson. The motion passed by unanimous vote (4).

Committee Member Forester moved to recommend to the full Council authorizing the City Manager to account for any salary compression issues that may arise as a result of said increase in the hourly base rate; seconded by Committee Member Ferguson. The motion passed unanimously (4).

C. Fiscal Year 2020 Proposed Budget

At the June 12, 2019, Council Finance and Budget Committee meeting, City Manager Fettrow provided a high-level report on the budget-related priorities for Fiscal Year 2020 and indicated that the proposed FY 2020 budget was formulated utilizing the following parameters:

- o A Millage rate of 6.10.
- o A 10 percent increase in healthcare costs (which could decrease slightly).
- o A salary increase of 3 percent for nonunion employees.

- o \$500,000.00 in reserve funds to balance the budget, which has been authorized in previous years.

Committee Member Daski moved to recommend to the full Council the Fiscal Year 2020 proposed budget as presented; seconded by Committee Member Ferguson. The motion passed unanimously (4).

D. Investment Policy of the City

During the June 12, 2019, Council Finance and Budget Committee meeting, 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 and Budget Committee. If desired, the Finance and 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.

Committee Member Forester moved to recommend to the full Council amending the Review Procedures outlined in Section 8 of the City's Investment Policy by requiring the City Manager and the Assistant City Manager/Finance Director to provide a quarterly report on the City Investment Policy rather than requiring a quarterly meeting; seconded by Committee Member Ferguson. The motion was approved without objection (4).

E. Fees and Charges

1. Tentative Millage Rate

City Manager Fettrow indicated that the Fiscal Year 2020 proposed budget that was presented at the June 12, 2019, Finance and Budget Committee meeting was formulated using a millage rate of 6.10. Although the millage rate is being reduced, it still results in a 3-percent tax increase.

Committee Member Daski moved to recommend to the full Council a tentative millage rate of 6.10 mills, and that the same rate be reported to the Brevard County Property Appraiser and the State of Florida; seconded by Committee Member Ferguson. 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 12, 2019, Council Finance and Budget Committee meeting, there was consensus among Committee members regarding the implementation of a 5-

percent increase on the water usage charge per 1,000 gallons per year for each of the next three years (2022).

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

3. Sanitation Division Rates

City Manager Fettrow emphasized the fragility of this fund during the June 12, 2019, Council Finance and Budget Committee meeting and provided an in-depth report on the factors contributing to its vulnerability. At that time, there was consensus among Committee members that rate increases for commercial pickups and residential and commercial/multi-family recycling, dumpsters, carts and cans are a necessity. A variety of rate increases were proposed by Committee members and staff.

Committee Member Forester moved to recommend to the full Council increases in the rates for sanitation services as follows:

o **RESIDENTIAL**

▪ **Sanitation (refuse)**

An increase of \$1.00, from \$12.40 to \$13.40, for residential sanitation (refuse) collection for each of the next three years (through FY 2022);

Current	FY 2020	FY 2021	FY 2022
\$12.40	\$13.40	\$13.40	\$13.40

▪ **Recycling**

An increase of \$1.25, from \$2.50 to \$3.75, for FY 2020, and then increases of \$0.50 in FYs 2021 and 2022, from \$3.75 to \$4.25 and from \$4.25 to \$4.75, respectively, for residential recycling collection;

Current	FY 2020	FY 2021	FY 2022
\$2.50	\$3.75	\$4.25	\$4.75

o **COMMERCIAL/MULTI-FAMILY**

▪ **Recycling**

An increase of \$1.40, from \$2.35 to \$3.75, for FY 2020, and then increases of \$0.50 in FYs 2021 and 2022, from \$3.75 to

\$4.25 and from \$4.25 to \$4.75, respectively, for commercial recycling collection;

Current	FY 2020	FY 2021	FY 2022
\$2.35	\$3.75	\$4.25	\$4.75

▪ ***Dumpsters***

An increase of \$1.00, from \$4.75 to \$5.75, for FY 2020, and then increases of \$0.50 in FYs 2021 and 2022, from \$5.75 to \$6.25 and from \$6.25 to \$6.75, respectively, for commercial dumpsters;

Current	FY 2020	FY 2021	FY 2022
\$4.75	\$5.75	\$6.25	\$6.75

▪ ***Cans***

An increase of \$5.00, from \$30.00 to \$35.00, for FY 2020, and then increases of \$5.00 in FYs 2021 and 2022, from \$35.00 to \$40.00 and from \$40.00 to \$45.00, respectively, for commercial cans.

Current	FY 2020	FY 2021	FY 2022
\$30.00	\$35.00	\$40.00	\$45.00

The motion was seconded by Committee Member Ferguson and passed by unanimous vote (4).

At the June 12, 2019, Council Finance and Budget Committee meeting, there was also consensus that the City should implement impact fees so that any new development will pay for itself. Impact fee amounts were suggested by staff, but a final determination on the amounts was not reached at that time. Discussion ensued. If approved, all of the new proposed rates will take effect on October 1, 2019.

Committee Member Ferguson moved to impose new sanitation impact fees as follows:

- ***For residential construction - \$300.00 per single-family home.***
- ***For multi-family construction - \$100.00 per apartment/unit.***
- ***For commercial construction - \$0.50 per square foot.***

The motion was seconded by Committee Member Daski and passed unanimously (4).

NOT AN AGENDA ITEM

Status of July 10, 2019, Finance and Budget Committee Meeting

City Manager Fettrow indicated that a subsequent meeting of the Finance and Budget Committee meeting is scheduled for July 10, 2019, 5:30 p.m., in the Council Chamber at City Hall. A determination of the Committee was requested as to the necessity of convening this meeting.

Committee Member Daski moved to cancel the July 10, 2019, Finance and Budget Committee meeting; seconded by Committee Member Forester. The motion passed unanimously (4).

3. NEW BUSINESS

- o None

4. ADJOURN

There being no further business to come before the Council Finance and Budget Committee, Chairman Price adjourned the meeting at 5:02 p.m.

SUBMITTED BY:

NAME	Lisa Nicholas
TITLE	Public Relations Officer & City Clerk