



### 3. NEW BUSINESS

#### A. Presentations

##### 1. Accomplishments – Fiscal Year 2020

City Manager Fettrow outlined the accomplishments that have taken place throughout the City, to date, during Fiscal Year 2020.

Mayor Price inquired as to what funds may be short due to the COVID-19 pandemic as Fiscal Year 2020 nears completion. City Manager Fettrow explained that it costs approximately \$1.75 million dollars per month to operate the City, not including the Enterprise Funds. As non-essential spending was frozen in March, and based on less monthly spending and current revenue, the City should have approximately \$3 million dollars left in revenue for the remaining 4 months of Fiscal Year 2020. For the month of May, it cost the City slightly under \$1 million dollars to operate. The estimated shortfall is unknown at this time. Several state revenue line items were discussed, bearing in mind that many of these line items are a month behind in distribution.

##### 2. Draft Budget Review for Fiscal Year 2021

City Manager Fettrow provided a high-level report on the budget for Fiscal Year 2021 and referenced a number of documents the Committee members had before them. The proposed Fiscal Year 2021 budget is formulated utilizing the following parameters:

- A millage rate of 6.05.
- No raises for employees.
- A 10 percent increase in healthcare costs.
- \$500,000 in reserve funds to balance the budget, which has been authorized in previous years, along with an additional \$141,745. Furthermore, if we receive a federal grant to complete \$1.5 million to harden Fire Stations 35 and 37, an added \$397,135 will need to be utilized out of reserves.

Discussion ensued among Committee members with regard to the proposed budget and the parameters upon which it was created. A more in-depth outline of needs per fund was also provided. The possibility of a 1 percent raise was discussed.

***Committee Member Forester motioned to recommend to the full Council a tentative millage rate of 6.05 mills and a minimum of 1% salary increase for employees; seconded by Committee Member Daski. The motion carried unanimously (4).***

A brief review of the entire proposed budget followed.

#### NOT AN AGENDA ITEM

City Manager Fettrow explained that the City currently has an Ordinance requiring that every replacement utility pole must be concrete. The City must pay \$2,800.00 extra for every concrete lateral pole replacement and \$3,000.00 for every concrete feeder pole replacement, which (for a current project already in the queue) will result in an expense of over \$70,000.00 in Fiscal Year 2021. City Manager Fettrow requested that the Committee consider revising the Ordinance to allow non-concrete replacement poles or to be aware of the potential expense for replacement poles going forward. The Committee directed City Manager Fettrow to obtain an executive summary from FPL illustrating recent hardening efforts and the benefits of poles comprised of different materials.

The Committee, along with Wastewater Treatment & Water Reclamation Director Elmore discussed Lift Station 3, located by the Indian River, and the potential for a spill into the river. Wastewater Treatment & Water Reclamation Director Elmore summarized the various safeguards in place to prevent such an occurrence.

#### B. Discussion

##### 1. Investment Policy of the City

Committee Member Forester explained that he will be attending a meeting next week regarding the investment policy and will report any findings at the June 17 Council Finance and Budget Committee meeting.

***Committee Member Forester moved to table the discussion on the Investment Policy until the June 17 Finance and Budget Committee meeting; seconded by Committee Member Ferguson. The motion passed without objection (4).***

##### 2. Fees & Charges

###### a) Tentative Millage Rate

A tentative millage rate of 6.05 was discussed. Committee members agreed that lowering the millage rate would be appropriate despite the potential decrease in property values from COVID-19. Additional scenarios with other millage rates and the projected gains/losses were discussed.

***See item 3.A.2 for motion***

###### b) Stormwater Rates

City Manager Fettrow explained that the City has not reviewed its stormwater rates since 2017. At that time, a .25¢ ERU increase was implemented for Fiscal Years 2018 and 2019, with no increase in Fiscal Year 2020. We are the third lowest rate in the County, with a fee of \$5.00 per ERU, or \$60.00 per year, per residence. A proposed increase of .25¢ per month for Fiscal Years 2021 and 2022 was discussed, which would generate an additional \$55,000 in Fiscal Years 2021 and 2022. Each resident would pay an additional .25¢ per month, equating to \$3.00 per year.

***Committee Member Forester made a motion to increase the stormwater ERU fee by .25¢ for Fiscal Year 2021 and an additional .25¢ in Fiscal Year 2022; seconded by Committee Member Ferguson. The motion carried unanimously (4).***

c) Creation of the Building Department Enterprise Fund

City Manager Fettrow explained that legislature recently passed legislation that required the isolation of Building Department revenue and expenses. City Manager Fettrow requested that the Committee authorize the City to officially create a new enterprise fund entitled "Building Department Enterprise Fund," which will isolate all Building Department revenue and expenses into an entirely separate fund.

***Committee Member Ferguson motioned to authorize the City to create the "Building Department Enterprise Fund;" seconded by Committee Member Daski. The motion passed without objection (4).***

#### 4. ADJOURN

There being no further business to come before the Committee, Chairman Price declared the meeting to be adjourned at 7:08 p.m.

#### SUBMITTED BY:

**Jennifer M. LeVasseur**  
**City Clerk & Public Relations Officer**