

MALABAR TOWN COUNCIL BUDGET WORKSHOP MEETING
August 29, 2011 7:00 PM

This meeting of the Malabar Town Council was held at Town Hall at 2725 Malabar Road.

A. CALL TO ORDER:

The meeting was called to order at 7:30 pm by Chair Thomas Eschenberg. The prayer and pledge were led by Mayor Tom Eschenberg.

B. ROLL CALL:

MAYOR/CHAIR

VICE-CHAIR:

COUNCIL MEMBERS:

TOWN ADMINISTRATOR:

TOWN CLERK/TREASURER:

TOM ESCHENBERG

MARISA ACQUAVIVA

CARL BEATTY

DAVID WHITE

STEVE RIVET

JEFF MCKNIGHT, excused

BONILYN WILBANKS

DEBBY FRANKLIN

Clerk noted for record that and PW Dir Tom Miliore and Fire Chief Dennis Covey are also present.

C. WORKSHOP ACTION:

1. Review 2011/2012 Fiscal Year (FY) Proposed Budget

Mayor said they could finalize budget tonight hopefully.

Mayor would like to take lead tonight and go over his numbers and save some time. Council had no objections. Mayor said this morning he got preliminary July financials from the accountant and spent four hours going over it and now has a better idea, picture of how we are doing this year.

Mayor asked Council to look at revenues. Mayor said he felt the revenues are overstated by 10,000.00.

314.4000 – this is not running anywhere near the budget. New budget is almost 11K. He reduced to 7600 for new budget.

323.1000 – backed down to 195K

329.4000 – Mayor asked again what staff based this on. An estimate that two projects may come in from the multiple that we speak to every month.

349.4000 – Mayor suggested taking this down to 900. Mayor said the bonus savings will come later.

Expenditures:

511 – Legislative

Mayor has no problem.

Postage and freight – based on three newsletters

Printing and binding – based on three newsletters

511.4800 we spent more already this year than we have budgeted for next year.

512 – Executive,

No major things – He has it 162 higher.

TA said she spoke with Augie and after the first three months the charge would be the same and then he can lower after that in GL. The amount can't be reduced in UF because it is problematic.

Mayor said Augie is cutting 5K. Yes. Mayor kept accountant in and deleted acct clerk in his budget.

TA also spoke with Auditor.

513 – Finance and Administration,

513.1300 – Mayor asked how is that going to drop off – He made it 2400.00. No action.

513.3100 – leave 600.00 in and reduce by 3175. Agreed. This was Mayor's bonus savings. Franklin explained that there are requirements for legal ads regarding the referendum questions and the qualifying dates that will occur within the 2011/2012 budget year. It can't be reduced to zero.

513.3210 - Use same number for auditor – leave at 2200. Agreed. TA had spoken to Auditor and said that is a good number for general fund.

Mayor said more items can be cut here but he has reduced \$10. - \$100.00 and doesn't want to go over all of them now.

513.2200 – FRS –it was supposed to drop - Mayor asked why the amount is so low. Clerk showed definition. TA explained that Franklin was made senior mgmt in 2009 and the amount due to make up the difference was spread over the budgets. The payment was made in July for 2100.00. The amount for Franklin with the balance owed of 2400 and Deputy Kelley totals 7259 for 2011/2012. The amount budgeted is reduced by 3% for each employee. The Town pays the difference. It is a significant amount of reduction.

TA asked if she was to cut the accounting clerk. No, Council decided to go with the person – Mayor went with citizens and did not put in acct clerk

514 – Legal –

Mayor said we have already spent 37K on Attorney. TA said when they had the meeting at Palm Bay; he said the legal fees he has charged should come from the utility fund. TA has to create an account number for attorney in the utility or enterprise fund. The enterprise is supposed to pay its own expenses. The attorney bills related to the utility issue are approximately 9200.00. That would reduce the legal expenses from the general fund. Mayor is looking at July numbers and they show 37,000.00 and if you reduce 9200.00 we are in good shape this year. She will prepare a budget adjustment to move that amount from general fund.

515 – Comp Plan – no change

519 – General Government

519.4900 – Mayor asked why it is budgeted so low when we have spent so much already this year.

519.4500 – Mayor asked when we would get a reduction in rate. Franklin said we can't budget for a reimbursement or refund. We pay it quarterly and made a payment on July 1.

519.6300 – he left in 1000.00 to do something to the front of town hall. No action.

522 – FD

522.3410 - Mayor said we have to do something about this. We have already spent much more than we propose to budget. TA said she spoke with netDirective and was told the contract work was closer to \$4800 but the additional monies spent was for product and services over and above the contract that he is having to put in for the fire dept. She has asked owner Dave Soper to provide a breakdown and had hoped to have it for this meeting. The Fire Dept had viruses on their computers and email issues and access issues and they had to move programs to separate drives. It was corrected when we learned of it when Chief Covey started. TA said there was a lot of stuff that had to be migrated.

She is going out to quote for services. No major upgrades planned for this year on their computers or towns. Mayor said we are a good customer for netDirective. Rivet asked Chief Covey if he was ok with the budgeted amount. Yes.

Mayor asked about the accrued interest to date on ladder truck and why it was on the budget. Franklin said she spoke with the lease holder and when the agreement was written there were rates built in up front. The direction was to pay off the lease in September; that will be four principal and interest payments and there will be no more to budget for in new budget.

Acquaviva said the plan is to budget the principal amount so an amount equal to the principal payment could be paid back into reserves.

524 – BD – Mayor had nothing.

539 – Public Works (PW)

539.5200 - We are carrying over a large number and we are not spending from that line item. TA said she would check. Mayor said he thought it was an accounting situation. He suspects there is no fuel being charged to PW. We are not spending the money.

TA said if this is about the elimination of the gator aid and just use the water; you have to have the other fluids available. Mayor said he thinks we can save money.

CHECK THE BREVARD COUNTY FUEL BILL.

541 – Streets and Roads

541.2500 – Mayor asked TA if that is all we will need. TA said she did the checking and based on the information she has she left on quarter monies left for one employee. She did not provide for any more. She does have someone that wants to get laid off. He has reached MMI; we have no light duty for him. He wants to get fired so he can collect unemployment. She is working on that with legal. Mayor said good luck with that. She will be bringing a policy to Council – medical discharge.

541.1200 – it is PW staff. Mayor said it is not broken down. Why is that higher this year? TA said she told Council earlier that two employees are being brought up to heavy equipment operator and have to move up in the pay range. TA said one is being reduced to medium Equip Operator from heavy.

541.2200 – Mayor again said it is a dramatic drop. TA said she gave the percentage decrease. She explained that the State is being challenged on how they are using the saving in the FRS to balance the budget. Those monies are not going into the pension fund – they are using it to do balance the budget.

541.4610 – Culverts and 541.4630 – paving.

Mayor asked if there is any way to estimate the cost of how many aprons we can get for that money. Mayor asked how you derive 20K for that line item or is it a rough number.

We used up 3500 for culverts and 9999 for paving.

The 10K we can pave 4 aprons when we replace pipes under paved roads. Tom Miliore said we did 4 or 5 aprons and two bad spots on Homestead Lane and ?

541.4640 - Acquaviva asked about repair on street light – county does the work. Last year had more call out issues. We pay whatever the county bills.

572 – Parks

Check the number of cleanings per week – 2x or 3x a week. Also in restroom supplies. There is money that could be saved. Staff will check agreement – Franklin thinks it was reduced to 2x a week.

572.4600 – There were a lot of expenses at park and restroom this year. Had to replace the well, sinks, toilets, paper towel dispenser changed, new gates on restroom entrances, security dome over camera. Staff has 1500 in there and Mayor has 5000. Mayor also thought maybe we need an inspection of the park; the roof on the gazebo. Is there anything else that needs to be maintained? TA said we have been maintaining it. The roof on pavilion was repaired. All repairs have been made.

572.5200 - cut the \$1210 back some. TA said they eliminated the paper towels when they put in the electric hand dryers. They have made many changes to reduce vandalism.

574 – Special Events

Acquaviva asked about Parks and Recreation Board changing the Spring Fest to a one day event. That is what she has heard. She thought the Council consensus was to have it a two day event. Franklin stated that Council direction sent to Park and Recreation Board was a request to get more volunteers so employees didn't have to work both days and to decide if it would be a Friday /Saturday or a

Sat/Sun event. Franklin said the Park and recreation Board will have a recommendation on September 12 Council agenda for a one day event and another event later in the year.
End of budget review.

Mayor said if Council made additional cuts there would be zero taken from reserves. Franklin said that this budget has not contingency line items in any department. Most city budgets have contingency fees built into each department.

TA said you just took 16K from revenues. Council then went over the suggested revenue reductions:

Roughly 9500K less on Mayor's revenue: reduce

314.4000 to 7600.00 cut 3,391.00

323.1000 to 195,000.00 cut 5,000.00

349.4000 to 900.00 cut 565.00

Total 8,956.00

Council consensus on revenues changes per Mayor.

Agreed to election expense reduction to 600.00. Cut by \$3,575.00 due to no election this year.

No reduction to newsletter or printing.

Rivet said there is a balance of \$5,925.00 to make up without taking from contingency.

Acquaviva said we had already reduced budget by 84,000.00 at last workshop.

White said we could make the following reductions:

539.5200 – minus 1000

572.3460 – minus 1000

572.5200 – minus 600

Council agreed.

574.4800 – 10K Beatty suggested reducing it to 8K. He said he was at Park Board and he spoke about having a one day event and then make enough to have another event later in the year. Mayor said we spent 8,700 this year on one day event. Acquaviva thought the consensus was to have a two day event and we spend more than that on a one day event now. Franklin said that even with a one day event we have already planned to have a larger event this year for the anniversary and we spend over 5,000.00 on a regular one day event. TA said this line item pays for the Tree lighting, Christmas party, Trash Bash and also the 50th anniversary extras.

541.4900 – TA said we could reduce this by 1000.00. Council agreed.

514.3100 - White said we should pay less to Attorney. He reviewed the last several years of what we paid. If you minus out the amount for the utility lawsuit, we could cut more.

Rivet wanted 1500.00 reduced.

White said take 2000.00 more off of the atty. Beatty agreed.

Chair asked if they wanted to recognize persons in the audience. Acquaviva said there was someone that has been trying to speak and she wanted to hear from him. Rivet agreed.

Bill Withers, 572.3440 – pesticides and fertilizers – he is only one in room with experience. We don't know what is going down on those fields. TA said we do know. Acquaviva said she has knowledge of this company and thinks they are high. TA is looking for a price from Palm Bay.

Brian Vail said extended thru

Acquaviva asked Chair for floor – she wanted to ask a question to Chief Covey – 522-5110 materials for fire schools. Does he really need 3,500.00? Can they take 1000.00 from there? Chief Covey said they would be having more classes. She asked if students pay for that. Yes. She asked if we make money on that. He and TA said yes.

Acquaviva said we only spent \$9 in 522.5110 – she asked why Council couldn't reduce it by a 1000.00. Mayor did not want to make changes.

Mayor wanted to reduce this account:

541.4300 – street lights – take 325 from that line item. Mayor projected it at 7600. Council agreed.

Rivet said that will give us a balanced budget with the same amount as when we came in this evening coming from reserves.

Mayor said people may think it is irresponsible of Council that they did not reduce number so nothing would have to come from reserves. TA said we are at rock bottom. We had already made huge cuts. Franklin said anyone could read the minutes and realize Council's effort.

Rivet said taking 1700.00 from reserves over one million is not irresponsible. Mayor said reserves are for emergencies.

D. ADJOURNMENT

There being no further business to discuss, **MOTION: Rivet / White to adjourn this meeting. VOTE: All Ayes.** The meeting adjourned at 8:47 PM.

BY: _____
Mayor Thomas M. Eschenberg, Chair

ATTEST BY:

Debby Franklin, C.M.C. Town Clerk/Treasurer

9/12/2011

Date Approved