

MALABAR COUNCIL WORKSHOP MEETING
August 12, 2019 7:00 PM

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

A. CALL TO ORDER:

The meeting was called to order at 7:00 pm by Chair Mayor Reilly and led P&P.

B. COUNCIL:

COUNCIL CHAIR:	MAYOR PATRICK T. REILLY
VICE-CHAIR:	STEVE RIVET
COUNCIL MEMBERS:	GRANT BALL
	BRIAN VAIL
	DICK KORN
	DANNY WHITE
ADMINISTRATOR	MATT STINNETT
CLERK/TREASURER:	DEBBY FRANKLIN

For the record, Fire Chief Mike Foley and PW Director are also present.

C. BUDGET WORKSHOP FOR 19/20 Fiscal Year

Chair Stated Clerk will go over income and Administrator will go over expenses. Chair asked staff to state how we are doing thus far in current budget.

TA said they are doing very good. Went over areas to be funding and have hit on most of them; stormwater, road repairs, revolving loan account for the stormwater inventory and master plan, set aside money for Bldg Dept improvements, included a new bed for the dump truck. He has also provided funding for maintenance on Storm Water projects like finishing up the Hall Road project.

Clerk said we are ten months and one week into the current fiscal year and are at 94% of revenues received and only 81% of expenditures. Franklin said a self-grade would be an A+ considering the level of staffing.

Franklin stated that we have accomplished much more this year than in the prior six years. We have realized increased interest on investments as set up by TA. We have made tremendous progress on building improvements as started by the TA and Clerk and volunteers. We have increased communication with residents with the monthly newsletter in the Home Town Newspaper in addition to the Mailboat. We have gone live with the new website that is ADA compliant. We have started the archive process to reduce the paper stored in the Building Department.

The 18/19 millage rate is 2.1582. The proposed millage rate is 2.2680 in this draft budget is a ten percent increase over the rollback rate (RBR) 2.0615.

Clerk said the proposed Ad Valorem millage rate of 2.2680 will produce approximately \$51,000.00 more than we have received this year. The difference between no increase and maximum increase being discussed, is \$51,000.00. Ad Valorem revenue represents about 1/3 of the revenue received that pays for the annual expenditures of the Town. CM White did an article explaining this to residents and it should be expressed to more residents.

Clerk stated the revenue estimates are based on information from the State, the County or calculations based on prior receipts. Revenue sharing formula the State uses is based on a Malabar population of 2,899.

CM Vail asked about the decrease in the BTR revenue and increase in the Alcohol tax. Clerk said they are reviewing the decrease in BTR revenue. The increase is the new restaurant on Hwy 1 paying their tax for alcohol sales.

CM White asked about the 190K showing in the 389-line item. Clerk turned it over to TA Stinnett: Staff is proposing applying for the revolving loan program through FDEP at 1 to 1.5% interest rate and a repayment term of 20-40 years that includes a possibility for a loan forgiveness of some portion of the debt, once the project is complete. This amount includes the inventory as well as the master plan.

CM Vail said he talked to Bill Barrett and was told the same thing. And the annual repayment amounts could be made from Dept 538 (SW fund).

CM Korn said it can be forgiven either half or more if the project is done. Said there are also federal infrastructure money available. He asked about the building activity on Raulerson Lane – need to come up with a way to deal with these type roads.

Expenditures:

511 – Legislative – Council's department. Lobbyist Bill Barrett is in this department. Also plans to upgrade the recording equipment. CM White said also the new Laserfiche - yes.

512 – Executive – increased salary. (Later discussion to add annual car allowance of \$3,600.00)

PW Dir Tom Miliore stated that he has previously suggested transferring the PW Dodge Dakota pick-up to town hall for the use of TA. PW needs a full-size pickup truck to haul lumber, concrete and other material.

513 – Finance – CM White mentioned no raise for Franklin (cost of living increase of 1.8 will be added.) CM Rivet said employees should be entitled to more than a cost of living increase. Franklin stated that the hourly employees in the general staffing were done with approximately 3% increase with a couple exceptions. In department 513, the 3% increase is what is included in draft budget. She will include the COL increase into her salary.

514.3100 – Attorney legal costs have decreased.

515.3100 – There will be ongoing expenditures to accomplish new zoning map and land use regulations.

Dept 519 – General Govt

Engineering, Surveyor and Planner costs are more appropriate in the Bldg. Dept or Stormwater or Streets and Roads. CM Ball questioned the costs in operations. CM Vail asked why the capital expenditures were reduced to 0. TA explained that previously budgeted items as capital assets have to be journal entered back into operational costs during the audit because they don't truly represent capital assets that depreciate. Gave example if we buy new carpet for town hall as a capital asset, for auditing, it will be reclassified under operational or maintenance and not depreciated annually.

Fire Dept

522.1200 – Chief said they downsized a lot of things and took some items out of this department. The big expense was the full-time employees and this draft includes eight fulltime employees. CM White said this still bothers him. CM Rivet said the draft budget accomplishes this with only a 27K increase. CM White said yes but look at two years ago. CM Vail said our Fire Dept budget would be double that if farmed out. CM Rivet said the rules and requirements for fire department demand so much more training. Mayor said he did research and provided how much it would cost for fire service by the County. CM Korn said they got estimates from the County Fire Chief and the Palm Bay Fire Department. CM White said we are paying more for the FD budget but cutting 40K from streets and roads dept. CM Vail said he will hold his comment until they are on Dept 541.

CM Korn said if we can't pay for both, then he must go with public safety. CM White said he drove Oakridge and Linrose lanes last Saturday and the dirt roads are bad.

Mayor asked CM White to state the issue – CM White said they shouldn't go from PT to FT in mid-year. Now we are taking money from other depts to fund these positions, stating a third of Town budget goes to FD. Mayor said a prior Council approved the funding for four fulltime Lts.

CM Korn said what we have done for the FD is fine but need to do more in the FD; public safety is the most important job of Council.

CM Vail said he knows first hand that the FD is not getting the number of volunteers as they did in the past. He goes down there almost daily and volunteers and works on trucks, whatever is needed. The participation is significantly reduced relative to the prior years. He sees it first-hand. Most of the time there will be three persons ready to roll on a call.

CM Ball said we are budgeting to pay for Engine 99 for ten years, but are we budgeting to ultimately replace that vehicle – that is a significantly large item that needs to be considered. What are we putting in to buy another truck? What are we setting aside to replace this truck? Referring to engine 99. The payments are for ten years and the fire truck should remain certified for 20 years. Consensus on the importance to fund the vehicle replacement within the Fire Dept before they need to be purchased. Even if it is not the full amount, it is a significant benefit.

Also budgeted \$16,298.00 to repay reserved funds used in May 2019. This will go into reserved funds on deposit – not a new expense.

Dept 524 - Building Dept

- TA said this department is intended to be self-sustaining. (see Revenue acct 322.1000). In the past it was supported by the general fund because this department did not bring in enough money to cover expenses. With the increase in the building permit fees and the administrative fees it is now supporting itself and will pay its portion of the overhead and operational costs of the department. CM Ball said the salary for AABO is not much increased for everything she does. It is a 3% increase. TA said for the level of responsibility and the fact she is responsible for coordinating the Engineer, Building Official, Fire Inspector and Planner, she is a department head and he would like to see her annual wages at 40K to 41K. Clerk agreed and said that when she was in that position, her title was Building Dept Manager and her annual wages were more than what Denine is making. Mayor suggested that at Harris, when a person is promoted and gets a new title, they get a bonus. Consensus for TA to look at how to adjust budget to provide an annual wage increase, title change and a bonus.

TA Budget reflects using extra revenue from prior two years (389.9520) to improve this Dept. Look at 41K and title change for a bonus change. TA will work that out.

Disaster Relief

525 – identified but not budgeted for hurricanes.

538 Stormwater / Flood Control

TA explained his plans for this department. If we are successful with getting the approval for the revolving loan program through the FDEP, the financing can be rolled into construction projects. Council asked TA to identify what specific projects will be pursued so they can share this information with the residents. TA said projects to be funded through 538.4900:

- Hall Road project from Raulerson to Flashy – finish this up –
- Rocky Pt off of Huggins, or Coral Way, the pipework that is on property line and has collapsed and needs work.
- Hall Road project from Appleby Lane to Rays Ln and Rivet Ln.

Discussed a project on north side of Atz between LaCourt and Corey.

541 – Streets and Roads

CM Vail showed the amount budgeted and what was spent in 4610. CM White said just because we haven't spent it, we shouldn't reduce it in next budget year. As expressed by Council we need to start setting aside money for repaving. CM White said we should be buying more material.

TA said he gave PW Director a significant increase at 3.8%. Regular employees are budgeted for one more employee – still open at this time. CM White asked about employment; should there be more employees? TA said with the equipment they have – there are days that they could easily use ten persons, but for the most part, the number that we have now is a good fit for the equipment we have to operate.

TA said last year we focused on drainage per Council directive and did more work drainage than in roads and the results have been positive. CM Ball said keep that as the main focus. TA said the number being reduced. They did take a reduction, but the idea is still the work that we can set aside. CM White said we need to add dirt on.

PW Dir Tom said for many previous years they just got 10K budgeted for road material. CM Vail said the quality vs the source. Material that had metal in it on Appleby Lane was supplied by Doug Connor and they no longer use that vendor. Tom explained that we were paying for FDOT certified crushed concrete that has no metal. CM White said what is the difference. FDOT certified is guaranteed metal free and costs more. The vendor they are using now we have been using for years and had only one major problem. It could have been caused by magnet failure or metal didn't completely leave the chute, but the vendor comped them three loads of material, delivered to make it right. TA said we have looked at the various types of road base material and a shell material. They have selected a vendor that we can try and are working out a plan to try it. Council discussed the prior use of asphalt millings on the dirt roads. PW Dir Tom explained the later problems caused by using those millings years ago; they are not a gradable material. He explained that such roads should be tilled and mixed with new material and packed and graded.

CM Vail said we could maybe use the Palm Bay travel mixer and regrade those roads that were previously covered with the chipped millings.

Typo on option code of 6420. TA explained it will be changed. Council liked the 75K for future re-paving projects. Consensus of Council that this was a positive addition.

572 – Parks Dept

CM White asked about 10K for Eagles Nest Trailhead. TA explained that the Trails and Greenways Committee was not able to get as much done on this new trailhead on Marie Street as they had hoped to accomplish this year. Also planning to get some repairs done on the pavilion roof, soccer field and bridge at the Malabar Community Park as requested by the Parks & Rec Board.

574 - Special Events

This includes the FallFest event and the Tree Lighting – delete the SpringFest from the notes section; too many activities in Spring and weather is unpredictable.

Mayor summarized and said for TA to add \$3,600.00 to Matt's travel line item. Do a flat monthly rate of \$300.00 instead of reimbursement based on mileage reports and added recordkeeping.

Mayor also directed TA to increase AABO annual wages and make a title change with a bonus.

CM Rivet said he thought this whole budget is close; it is focusing on priorities. He is very happy with process.

BY: original signed
Mayor Patrick T. Reilly, Council Chair

(seal)

ATTEST:

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

Approved: RTCM 8/19/2019