

MALABAR TOWN COUNCIL BUDGET WORKSHOP
AUGUST 8, 2006 7:30 PM

This meeting of the Malabar Town Council was held at Malabar Town Hall, 2725 Malabar Road, Malabar, Florida. The meeting was called to order at 7:30 pm by Mayor Thomas Eschenberg. The prayer and pledge were led by Mayor Eschenberg.

<u>ROLL CALL:</u> MAYOR/CHAIR	TOM ESCHENBERG
VICE-CHAIR:	STEVE RIVET - excused
COUNCIL MEMBERS:	FRANK HICKSON - absent
	BRIAN VAIL
	BOBBI MOCCIA
	PAT DEZMAN
ADMINISTRATOR:	ED BOOTH
TOWN CLERK/TREASURER:	SUSAN KABANA

Mayor – the County considered the Malabar MSTU issue today at the County Commission Meeting which the Mayor attended. The County Manager gave some history on the events of the past three years. After that Tom Jenkins from the Sheriff's office spoke, then Mayor Eschenberg was permitted to speak. The Mayor feels that Volts and Colon seemed in a cooperative mood. Scarborough discussed fairness. And Pritchard discussed a point. The Commission was concerned about the referendum not being binding. The County said they'd wait until after the November election before making a decision as to whether or not to sue Malabar.

DISCUSSION OF PROPOSED 2006/2007 BUDGET

Booth – Council will make decisions tonight that will adjust the budget and this will come back before them. Notes that additional revenues are due to us from insurance.

Booth began with the General Fund.

Revenues:

First was ad valorem taxes. Booth stated that our population will increase next year and subsequently increase some revenues. He continued with local option gas tax, utility taxes, franchise fees, and building permits. Building permits will increase due to the completed subdivisions and proposed commercial development. Reviewed revenue sharing and the minor revenue accounts. Code Enforcement fines are at zero because we like compliance as opposed to levying fines. The miscellaneous revenue line item increases due to the sale of old equipment. Interest has increased due to the sweep account and additional funds on deposit.

Expenses:

Booth – looked at several salary studies and looked at the same jobs in the area. This adjusts the employee salaries and those salaries are the results of what the studies reflect. States that if we look at all the salaries across the board Malabar is a lot lower-paying. We looked at similar size cities, not Melbourne and Palm Bay.

Moccia – what are the salary raises based on? Booth – the League had a study and there were other studies also. Moccia – she personally received a salary increase but she feels like the ones in the budget are a considerable amount. Booth – one of the things we did was get information from our area. Moccia – is not sure that is the best way. Kabana – we used more than one salary survey along with information from the surrounding area and came up with adjustments. Moccia – feels that was done a couple

years ago, this is a large increase percentage-wise. Booth – the salaries are based upon studies. Moccia – is very concerned, feels that studies were done two years ago.

Dezman – asks if all the responsibilities in these studies are all in line with Malabar's? Booth – absolutely, we looked at salaries for those jobs based upon what the responsibilities are here. Moccia – is concerned that these are based on bigger cities. Is our population being considered? Booth – yes, that is why we did the studies on all the towns with like populations. Moccia – we are a small town and we need to look at towns that are similar in size.

Kabana – notes that in bigger cities one person is responsible for a narrower scope of responsibility and in a smaller town there is a wider range of responsibilities. Booth – we did comparisons and when we looked at the studies, these are the result.

Dezman – if a position here is split between more than one position then that split should be taken into consideration when calculating a salary. Booth – we did look at similar jobs for the similar pay listed.

Eschenberg – we need to consider budget size also. Moccia – really wants to see what this percentage is.

Kabana – you can look at other positions in the area, and their level of responsibility, and then look at the level of responsibility here, which is more than what is out there, and what is in this proposed budget is still not as much as what is being paid by other cities. Kabana thinks the big picture needs to be looked at. Moccia – she feels she needs the percentage.

Vail – we need to pay what is comparable in the area. Booth – the County did a comparability study to bring everyone closer to what everyone else makes. It was one of the studies used for this budget.

Vail – if another city is offering a certain amount for a position and we are offering lower for the same position, then are we going to lose someone to that other city? Booth – this is what he is talking about.

Dezman – using herself as an example, she received a raise that took into consideration the percentage increase for her type of position in the local area. But she was given an increase significantly more than that so her salary was brought in line for the exact reason Vail just mentioned. Her employer does not want to lose her to another system and Dezman feels that may be what we have to look at here.

Moccia – she wants to see a percentage. Kabana – will provide this information to all the Council members. Dezman – thinks the percentage is a good barometer but she does not feel it is everything.

Booth – notes that we are requiring more and more from our public works employees, they have to learn more sophisticated equipment and provide better and better service.

Booth – continued reviewing the administrative budget expenses.

Booth – the second planner is going to be cut and additional funds will be added to our current planner. The second planner is very expensive. Dezman – would like this on the agenda as a discussion item.

Booth – continued reviewing the budget with administrative expenses.

Dezman – is not impressed with the website. Moccia – feels like things are missing. Dezman – a lot more could be out there.

Dezman – states that some people are waiting on inspections. Booth – we complete inspections within a day or two, there may be some other mitigating circumstance if someone is waiting.

Booth – continued to overview the budget expenses, we will create the Fire Marshal budget, and Mike Foley is in training and will be our new Fire Marshal in the near future.

Dezman – what is software training? (under building dept). Kabana – optional training from our software company on updates and efficient use of the software.

Booth – code enforcement is salary paid to staff when they are working on code enforcement issues.

Booth – engineering: engineering is basically borne by the cost of the customer. We do use him at times for environmental issues. His costs have gone up but so has the activity.

Booth – park contract labor has gone up because the contractor puts in more hours. Booth has added additional monies so the contractor can hire someone to assist him and so the contractor himself can work fewer hours. Booth is not sure if we can reduce park police protection because the police do get hit on.

Moccia – heard that the bridge needed repair. Booth – we will repair the bridge this year. Notes that we cannot put a bridge in Fern Creek Crossing Park because St. John's will not let us. We are still looking to do something with this in this year's budget. The playground equipment is something that will go in Huggins Park for the one to four-year-olds.

Booth – we are still looking at the shed for the park but they cost a bit more than what we thought. He had thought to put a space dome in the park and paint it like a soccer ball. Booth would like to put this on the agenda as a discussion item. Dezman – agrees.

Booth – public works labor was reduced due to fewer laborers. The salary study includes salaries for light, medium and heavy equipment operators.

Booth continued to overview the public works department budget. Moccia – do we have a second box blade? Booth – we have three. Vail – we need something to keep down the wash-boarding, possibly a vibratory roller.

Booth – the line item for street/culvert improvements is for purchasing the millings for the remaining roads. Booth notes that road paving will be done with transportation impact fee funds.

Booth – we may need to add to the fencing line item – we need fencing to separate our lands from the EEL's lands.

Booth – asks if Council wants lines on the roads? Vail – just on the highways. Booth – we can take this out.

Booth – talked to the pavers today, they say that we are still 30 days out to get Atz and Benjamin paved.

Booth – Fire Department – the Fire Chief's budget does not change much.

Booth – the pagers went up because they now have two styles of pagers. Vail – why are cell phones lower? Foley – we are trying to negotiate a better price.

Booth – the Fire Dept had a lot of repairs this past year. The old tankers have to be replaced; they cannot make it any longer; new equipment will be purchased.

Dezman – what is miscellaneous expense? Booth – bunker gear, Scott air packs. Dezman – would like a better name. Booth – necessary fire gear can be the new name.

Council took a 10 minute recess.

Booth – we have a lease line item in the fire dept budget for two vehicles. It will purchase two vehicles to replace the two old tankers.

Dezman – will any vehicle allow you into the back road of Brook Hollow? Foley – yes. Vail – how old are the proposed new vehicles? Chief – they are brand new, 2007's. One will replace the Scat truck; it has a tank and a comparable pump. It can get back to houses with narrow driveways and can be used for rapid response. The total cost is \$69,000. The second truck is a brush truck and can also be used as a rapid response truck. It can carry 500 gallons of water. They both have new fuel-efficient

diesel engines. Foley – this second truck is 4 wheel-drive. Chief – the cost for the second truck is about \$50,000.

Mayor – believes that the people of Malabar want their money spent on the fire department. How do you feel about the proposed budget? Chief – a fire department is a 'losing' organization, you call us when everything has gone to pot. We have to train all the time and we can't issue tickets and generate revenue. The point is that he feels that the proposed budget is adequate. We can live within it.

Dezman – have goals and objectives been discussed? Long and short term? Chief – yes. Dezman – everyone wants to know that the fire department will be there in an emergency.

Booth – two part-time people have been budgeted for the department. Vail – would they be fire 1 and fire 2 type people? Foley – yes.

Discussion of the fire department trucks.

Continued with the budget.

Reviewed Fund 103 - Park Fund. Kabana – this is a small fund directed by the Park Board. Booth – but not spent by them. Kabana – correct, only Council can spend, the Park Board can make recommendations as to what this money could be spent for. Dezman – wants it clearly known that the Park Board cannot buy a box of tissues without Council approval. Booth – that is correct.

Booth – continued with the remaining funds:

Fund 105 – Stormwater Utility. Kabana – is waiting to hear from the County with the Stormwater figure. Booth – this is to be used on stormwater items. It can be used for storm related improvements. Dezman – can it be used to prepare for a storm? Booth – it can be used for storm-related capital improvements. A good example is a pipe that is to be replaced on Marie Street.

Booth – Fund 107 – Transportation Impact Fee Fund. The County owes us money. Kabana – notes that we can put the money coming in toward old projects or new projects.

Booth – Fund 108 – Festival Fund. To be use for festivals. Dezman – who has the power to spend this money? Booth – the Town, the committee only recommends the spending of the funds.

Booth – Fund 110 – Developers Recreational Fee. This is the money the Park Board wants to spend. Vail – it should be used for grant matching. Dezman – the spending of which is to be determined by the Council. Booth – absolutely.

Booth – Fund 400 – Utility Fund. We have to increase the utility rates by 15%. Dezman – is that enough? Booth – that is all that can be done. Notes that if the County referendum passes then Palm Bay's water will probably sky rocket and they will pass that cost on to Malabar. Dezman – the auditors said that we need to do something about losing money in the utility department.

Eschenberg – wants to make some comments. Under administrative expenses – feels the legal services should be upped \$10,000 due to the Gentile issue. He does not think any thought has been given to what the Gentile issue will cost.

Eschenberg – on Street/Culvert Improvements the budget has always been \$75,000 to \$80,000 and he does not know how it can be cut in half. Where is the ditch maintenance? Booth – this is distributed in salaries, fuel and equipment. We are doing more now than ever.

Eschenberg – is the budget taking from reserves? Kabana – yes. Booth – staff will correct that.

Dezman – in regard to the Gentile issue she thinks we will have a better idea of those expenses in October. Notes that last year we adjusted the legal services due to the Gentile issue.

Kabana – notes that in the past two years the total revenues collected were higher than the total expenses spent. Notes that we don't use the all the budgeted items just to use them.

Eschenberg – states that the auditors feel that we are not bad on reserves but that we don't have all the reserves we should have.

Vail – do we have enough debt? Booth – no and we don't have a credit rating. Dezman – that will have to be looked at, we need to establish a good credit rating. Good business sense says we take a mortgage on the proposed new town hall.

Booth – regardless of what the auditors said, we were able to withstand two hurricanes and clean up the town. We did not contract with Waste Management because we would have been bottom on the totem pole and the debris would have been a bigger problem than it was. We cleaned the Town ourselves and did not have to borrow money to do it. That says something about our reserves.

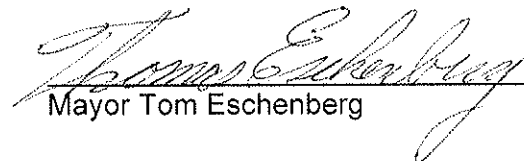
Booth – we will meet again on August 28th at 7:30 pm.

ADJOURNMENT

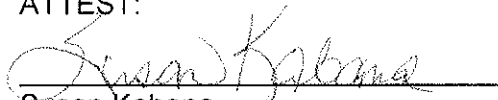
MOTION: Dezman/Moccia to adjourn. VOTE: All aye.

The meeting adjourned at 9:40 pm.

BY:


Mayor Tom Eschenberg

ATTEST:


Susan Kabana
Town Clerk/Treasurer

DATE:

8/21/06