

**MALABAR TOWN COUNCIL BUDGET WORKSHOP MEETING MINUTES  
AUGUST 30, 2021, 7:30 PM**

This mtg of the Malabar Town Council was held at Malabar Town Hall, 2725 Malabar Road, Malabar, FL 32950.

**1. CALL TO ORDER:**

Chair, Mayor Patrick T. Reilly called the meeting to order at 7:30 pm and said P&P.

**2. ROLL CALL:**

CHAIR:

MAYOR PATRICK T. REILLY

VICE CHAIR:

STEVE RIVET

COUNCIL MEMBERS:

MARISA ACQUAVIVA

BRIAN VAIL

DAVID SCARDINO

DANNY WHITE

TOWN MANAGER

LISA MORRELL

TOWN CLERK/TREASURER:

DEBBY FRANKLIN

Also present was the Fire Chief Mike Foley.

**3. Council Review of Proposed Budget and Capital Projects Funding**

Chair asked ITM Lisa to present. She went over the one-page "snapshot" of Town's Balance sheet; it includes the monies in Fund balance and available from the County in TIFT funds not yet requested.

ITM Lisa Morrell went over the two-page Budget Summary that shows the Revenue and Expenditure summaries by Account type. All the revenue sources that start with "31" are subtotaled and shown on the Summary page. Same on the Expense side; each Department starting with a "5" is subtotaled and shown on the Summary page. The pie charts follow the two-page Budget summary and show the portion of revenues and expenses in a visual. The charts do include the first payment of the ARPA (American Recovery Plan Act) due before the end of September.

ITM Lisa reminded Council that the amount of the first payment of ARPA is as much as total ad valorem funds budgeted. The Town Council has until the end of 2024 to commit the funds and then until the end of 2026 to expend them. Any unspent monies would go back to Federal Government.

Went over the two Enterprise Departments (Stormwater (538) and Building Depart (524)). Those two Departments are supposed to be self-funded: Stormwater from the non-ad-valorem fee on each tax bill and the Bldg Dept from permit fees.

She stated that like the capital road project workshop set for the first quarter of next year when staff has actual engineering and paving quotes, she suggested Council think about discussing in the upcoming year the possibility of bringing forth some Referendum questions for the voters to take on debt to accomplish some of the larger projects, or even just for trash payments on the tax bill. A bond issue could provide needed CIP funds, but you would have to budget in the Capital Fund to commit 50K repayments for 30 years. Those are the discussion items for future public meetings; to give direction to staff on priorities. Must be done in a public forum. CM Rivet asked why Fines and Forfeitures was so low. It is the small portion of traffic tickets that comes back to the Town.

ITM Lisa also explained that many common items that are all paid out of the General Fund have been consolidated into the "519" expense instead of showing in each individual department. The highlighted items indicate the common expenses consolidated.

No further discussion. Started on expenses by department:

511 – Legislative: half of the new Special Projects Mgr. is funded from this Dept

512 – Executive: ITM removed, TM at 9.5 months and true up of FRS contribution for TM is included.

513 - Finance and Admin. They have funded for Admin Asst to be FTE and will have some ability to amend later if a replacement Clerk/Treasurer is brought on earlier to orient to the position as suggested by the Mayor. ITM and Clerk both said that a budget amendment at that time would be appropriate but that they already know there will be an opening as the Admin Asst has given notice and she had been upgraded to FTE from PTE in the budget so there are funds available.

514 – we have doubled pending legal activities. To accommodate for that. CM Acquaviva asked about the employee manual. ITM will update as part of the projects under her new title and then Ford Harris or other labor Atty will review.

515 – Comp Plan has been reduced.

519 – OEB (other employee benefits) is an unfunded liability that has not previously been shown in the budget but should cover items such as to cover the unexpected loss of FTE with accruals or retirement, etc. You don't have anything identified in the budget. Auditor will be pleased to see this improvement. Also, the Workers Comp (WC) has been consolidated from the various departments within the General Fund to pay from this department. Same with the additional death and dismemberment insurance. It is all paid from the same fund except for the costs from the FTE in Dept 524 (Bldg Dept). Same was done on operational costs, maintenance, phones previously charged against each department will all be consolidated and paid from this Department. Might have a future discussion on potential savings on a user charge for credit card payments. CM Acquaviva asked about the "Travel and Train" expense. It was also consolidated.

522 - FD all the union negotiation – all costs are reflected. FICA and FRS are both given. Removed the WC to 519. The Medical Director Dr Dudley was broken out vs where medical physicals are paid from. Moved office operational costs to 519 then that number was reduced; those remaining operational expenses are specific to Fire Dept medical operating costs. Mayor asked Chief if he anticipates hiring any additional paid fire personnel. Chief doesn't plan on any new paid personnel. ITM said that any new paid position would require addition to the union agreement. Discussion on capital expenses for Scott Packs and the improvement by now doing annual certification by in house staff rather than outside contractor.

524 – Protective Services: This department should support itself and building permit fees adjusted to do so regularly. If excess revenues are produced and held over four years, reimbursements are required to applicants. That is not the case in Malabar. The General Fund pays the overage costs to operate the Department. They have committed to a new Building Official through the piggyback contract approved earlier in the year. They have finally filled this position that will provide three days a week of attendance to do plan review, Building Permit review, fire plan review and hopefully the other land related permits. This will be a contracted position.

Mayor questioned need for more money to fund the Planner to attend meetings and provide guidance to P&Z Board. ITM said we are not seeing the need for this use at this time. Incoming commercial site plans don't require review by a planner. New Building Official will be able to provide some of that guidance.

525 – ITM Lisa went over ARPA again on the timeline, uses and allocation. Will have a lot of workshops to discuss how it is spent. If it is not used it must be returned. Went over the rules from IRS. We can invest and earn interest on it until we spend it, but we must spend the interest proceeds on ARPA purposes. The investments would be in conservative funds not anything volatile.

538 – Storm Water (funded from non-ad-valorem fees on property tax bill) Mayor asked about the vacuum truck – will that do all the culverts or only the larger ones? ITM said the average estimate is \$8 per foot of service. The 50K is for the culverts on the Town's culvert inventory; those under roads and intersections. As she writes the RFP, she would like to include add an option for property owners to request similar service to their driveway culverts but with a separate additional cost and possible hold harmless paperwork required to protect the Town if the cleaning causes the older pipes to collapse. CM White asked if all stormwater work has to be paid from this account. It is supposed to but the General Fund has paid the overages in this department.

541 – Streets and Roads – this department covers the PW Director and three Heavy Equipment Operators (HEO). Still have opening advertised with two applicants. Dept did good on overtime and when used for special events they adjust comp time. The ARPA funds can't be used on Streets and Roads projects. CM Vail said there is still money available in current budget for road product – ITM said we have recently received 360 tons of material that is still unpaid.

572 – went over consolidated and handsfree and touch point contactless improvements that some might be eligible for ARPA funding. Also have the Request for Proposal (RFP) for the Eagle Nest Trailhead (ENT) improvements posted on DemandStar.

574 – we reduced to 6k. With COVID numbers increasing, we maybe cancelling, postponing, or reducing the "Trunk or Treat event on Oct 30, 2021. CM Acquaviva was very impressed by the first monthly Malabar Community Market event last Saturday. It is set for the 4<sup>th</sup> Saturday of each month going forward. Maybe going forward we could join our event with the monthly market.

ITM Lisa said the budget is a "spending plan" not a checkbook. As we go through the year we may have to adjust/amend periodically and will continually shuffle figures within departments throughout the year.

**4. ADJOURNMENT:** There being no further business to discuss and without objection, the meeting was adjourned at 8:37 P.M.

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

ATTEST:

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

Date Approved: 9/14/2021