

City Council
Special Meeting
August 2, 2003

The City Council of the City of Titusville, Florida met in special session in the Council Chamber of City Hall, 555 South Washington Avenue, on Saturday, August 2, 2003.

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Mayor Ronald Swank called the meeting to order at 9:05 a.m. Present were Vice-Mayor Jeff Rainey and Council Members Conrad Eigenmann and Ken Ward. Also in attendance were City Manager Tom Harmer and Finance Director Bob Erickson. Council Member Christopher Broome was absent.

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Mayor Swank asked for a moment of silence. The entire assembly stood and recited the Pledge of Allegiance to the Flag.

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The purpose of the meeting was to conduct a budget workshop on the proposed City of Titusville's Operating and Capital Improvement Plan budgets for Fiscal Year 2003/2004 between City Council and Staff.

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The workshop began with Mayor Swank commending the staff on the hard work placed in preparing the proposed budget.

City Manager Harmer presented the Budget Overview. City Manager Harmer outlined that he would present an overview with each department head presenting their own department's proposed budget. City Manager Harmer detailed that two workshops would be conducted with this workshop being the first and all departments, less Public Works and Water Resources, presenting their proposed budget for the next fiscal year; a second and final workshop, concentrating on the Public Works and Water Resources departments, would be conducted on August 19, 2003. Two public hearings have been scheduled, September 11, 2003, for the first public hearing, and September 25, 2003 for the second and final public hearing.

City Manager Harmer continued his overview presentation addressing the budget as a plan. He explained the process of the budget development. The City Mission Statement was reviewed. City Manager Harmer reviewed the 2003/2004 Strategic Issues, with a primary focus being placed on: 1) Fostering a positive work environment; 2) Sustain financial wellness; 3) Position our community for quality growth opportunities; 4) Promote our community; and 5) Provide a safe and secure environment. City Manager Harmer presented a summary of citizen perception as they related to City operations and service.

City Manager Harmer addressed the impacts in the development of the budget. He identified fiscal challenges, specifically: 1) a three-year economic downturn; 2) the demand for service remaining constant; and 3) the increased costs of providing services. City Manager Harmer identified, as examples, other local government fiscal challenges faced by the State of Florida and the Cities of Sanford, Tamarac, Fort Lauderdale and Orlando. In comparison, he reported that the City of Titusville having a balanced budget was a noteworthy accomplishment.

City Manager Harmer outlined specific cost impacts in the areas of Pension, Salary, General Liability Insurance, Retirees' Health Insurance, six miles of road resurfacing, and Florida East Coast Railroad Repairs and their cost. The Mayor mentioned Workers' Compensation as an additional cost impact.

City Manager Harmer then addressed the projected 2004 General Fund Budget operating gap of \$884,366. He outlined actions taken as they relate to this gap, which includes a 4 percent Savings Plan. He continued by reviewing the staff plan to balance the General Fund by using the 4 percent Savings Plan and future projections for years 2005 and 2006.

City Manager Harmer then addressed Tax Base Benchmarking, comparing Titusville to Cocoa Beach. He also reported that Titusville's per capita municipal taxable value of \$28,094 was the third lowest in the county and the City's per capita taxes levied of \$164.36 was the sixth lowest in the county. City Manager Harmer then addressed new construction added to the tax rolls and total assessed values. He further reported that the General Fund was balanced with the current property tax millage rate of \$5.8504. He also reported a proposed 4 percent pay raise for city employees.

The City Budget Strategy, both short and long term, was presented. City Manager Harmer presented additional budget highlights, the Fleet Replacement Plan, 65+ seniors exemption and a sales tax referendum being placed on the fall ballot.

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Individual departmental presentations for the City Administrative Departments began with the **City Council** proposed budget presentation. Karen Hood, Executive Assistant to the City Manager, presented the City Council's mission and plan to address the City's Strategic Issues. She then presented the Comparative Operating Benchmarks for the City Council as \$62,700 for FY 02/03 and a proposed amount of \$65,531 for FY 2003/2004. Finance Director Bob Erickson clarified for council how departmental entries in the proposed budget could be identified and interpreted. There were no questions.

The City Attorney, Dwight Severs, presented council with his department's proposed budget for FY 2003/2004. He identified books and periodicals as an area that needs to be improved upon. He also addressed recording and filing fees. Mayor Swank noted a large increase in pension budget items that the City Manager previously addressed and a large

increase should be seen in each departmental presentation. Member Eigenmann inquired into the allocation process of electricity bills noting the Police and Fire allocations went down and other departments allocations went up drastically. Mr. Erickson addressed the question by clarifying the electrical metering process within city facilities. There being no further questions, Mr. Severs concluded his presentation.

The City Manager's proposed FY 03/04 budget was presented by Mrs. Karen Hood, Executive Assistant to the City Manager. The City Manager's plan to address Strategic Issues was presented to council with a proposed budget of \$308,058 for FY 03/04 as compared to a budget of \$295,539 for FY 02/03. There were no questions from council.

The Community Relations Department proposed FY 03/04 budget was presented by Jim Thomas, Community Relations Director. He presented council his department's Mission and Core Services. He further addressed his department's plan to address the five Strategic Issues and his department's accomplishments, specifically by Media Specialists Adrian Kilgore and Robert Brown, and their individual accomplishments over the past year. Mr. Thomas completed his presentation with his proposed budget for his department for FY 03/04 of \$203,417, a decrease from the FY 02/03 budget of \$203,914. Member Eigenmann noted that group insurance cost for all departments was down from last year except for this department. Mr. Erickson and his staff researched the discovery and reported that the line items were uploaded from the H.T.E. budgeting software and can be addressed separately for each department and that one of the Media Specialist positions went from part-time to full-time during the past FY, thus the increase. There were no other questions.

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The Mayor called for a break at 10:27 a.m. Council reconvened at 10:37 a.m.

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The City Clerk's proposed FY 03/04 budget was presented by Karan Rounsavall, City Clerk. Mrs. Rounsavall outlined the City Clerk's goals and objectives in addressing the City's Strategic Issues. She also briefed the core services provided by her office. She highlighted the Laserfiche records keeping software and other City Clerk office accomplishments over the past year. She presented to council a proposed budget of \$348,490 for FY 03/04 as compared to a budget of \$357,761 for FY 02/03. The Mayor asked the City Manager if the budget included laptop computers for council to allow for a paperless agenda. The City Manager answered no and advised council that the plan was to take baby steps toward a paperless agenda. There were no further questions.

This concluded the budget presentations of the Administrative Offices of the city. Support Services departments of the city followed.

The **People Support Services** department proposed FY 03/04 budget was presented by Frank Ross, Interim People Support Services Director. His presentation included the department's mission, core services and his departments plan to support the City Strategic Issues. Mr. Ross highlighted his department's wellness program. He presented a proposed budget for FY 03/04 of \$420,679 as compared to FY 02/03's budget of \$413,304. Mayor Swank inquired into a decrease of salaries and Mr. Ross replied that it was due to the salary of the Human Resources Director reverting back to the entry level. There were no further questions.

Bob Erickson, Finance Director, presented council with the proposed budget for the **Finance Department**. His presentation included the department's mission, core services and the department's plan to support the City Strategic Issues. Mr. Erickson highlighted accomplishments by his department by H.T.E. Systems Implementation as well as other accomplishments. His department's proposed FY 03/04 budget was \$818,389 as compared to \$785,696 for FY 02/03. Member Eigenmann asked why there was a significant increase in publications. Mr. Erickson replied that financial reports were to be done internally. The Mayor agreed that publishing the City's Comprehensive Annual Financial Report and adopted budget on the city web page was a good idea. There were no other questions.

Joellen Moore, Corporate Services Director, presented the **Corporate Services Department's** proposed budget. Ms. Moore introduced Wynn Greene, Administrative Secretary, who assisted her in the budget preparation. Ms. Moore presented her department's mission, core services, and her department's plan to support the City Strategic Issues. Her departments proposed budget for FY 03/04 was \$747,189 as compared to \$707,457 in FY 02/03. The Mayor had two minor questions that Ms. Moore answered which concluded her presentation.

Rick Roberts, Information System Director, presented the **Management Information Systems Department's** proposed budget. He began with the department's mission, core services, and the department plan to support the City Strategic Issues. Mr. Roberts highlighted his department's accomplishments over the past year. He then briefed council on a technology roadmap for the past as well as the future of the city. His department's proposed budget for FY 03/04 was \$833,029 as compared to \$696,560 for FY 02/03. The Mayor had questions pertaining to: 1) The definition of "Professional Services General"; 2) The definition of "Communications and freight", Mr. Roberts clarified each; and 3) Why is there an ISDN lease? Mr. Roberts noted that there were six remote sites in the city that still need them. Member Eigenmann asked why the cost of licenses increased from last year. Mr. Roberts explained that there would be an increase in H.T.E. licenses from last year. There were no further questions.

Roy Crawford, Executive Director of **Community Development** who thanked Lynn Fuhrman for assisting in the budget preparation, presented council with his department's proposed budget. Mr. Crawford briefed his department's mission, core services, and his department's plan to support the Strategic Issues of the City. Mr. Crawford described for council his department's structure that includes the following divisions: Building, Economic Development, Planning, Code Enforcement, Social Services, Housing and Community Development, Community Redevelopment Agency. The proposed FY 03/04 budget for the Community Development Department presented to council was \$1,987,786 as compared to \$2,027,572 for FY 02/03. The Mayor and Member Eigenmann had minor questions that Mr. Crawford addressed. There were no further questions.

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The Mayor called for a lunch break at 11:53 a.m. Council reconvened at 12:26 p.m.

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City Manager Harmer reported to council that this specific budget workshop was posted to the City Bulletin Boards on Thursday, July 31, 2003 that met the 24-hour prior requirement for posting of meetings.

Rick Talbert, Fire Chief, presented council with the proposed FY 03/04 budget for the **Fire and Emergency Services Department**. His presentation outlined his department's mission, core services and efforts in supporting the Strategic Issues of the City as outlined by the City Manager. Chief Talbert praised his staff for the hard work in preparing his department's proposed budget. He outlined his department's accomplishments and program enhancements over the past. Chief Talbert briefed council on Capital Outlay Requests. He presented his department's proposed FY 03/04 budget of \$4,646,911 as compared to the budget of \$4,416,816 in FY 02/03. The Mayor had a question answered by Bob Erickson concerning the increase in the proposed budget. There were no further questions.

Interim Police Chief Tony Bollinger presented council with the proposed FY 03/04 budget for the **Police Department**. His presentation outlined his department's mission, core services and efforts in supporting the Strategic Issues of the City. Chief Bollinger highlighted some of his department's accomplishments and program enhancements over the past fiscal year. He specifically addressed his department's justification for a third traffic motorcycle. He presented his department's proposed FY 03/04 budget of \$7,773,536 as compared to the budget of \$7,319,735 in FY 02/03. The Mayor had minor questions and JC Couey, Police Department Account Clerk answered each of them. The Mayor had a more specific question concerning the cost of cellular telephones and recommended possibly consolidating the cellular telephone resources and their associated costs. Member Ward questioned the lease of the motorcycle as opposed to purchasing but leasing was described as the best option. There were no more questions.

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City Manager Harmer reported that the Community Redevelopment Agency Budget would be addressed at the CRA Meeting on August 12, 2003. The Mayor wants the City Manager to explore options to use paperless agendas. Member Ward concurred.

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Comments from the public present. Joan Wheeler spoke, asking if any of the budget items discussed during the meeting today would be made? She further asked how was a 4 percent, across-the-board, pay raise determined? The Mayor answered and the City Manager added that the PBA and IAFF contractually were given an annual 4 percent pay raise and that fact was taken into consideration in establishing the across-the-board pay raise for all city employees. Member Ward asked Ms. Wheeler for any ideas or recommendations. Ms Wheeler replied that she disagrees with an across the board pay raise just because the unions have a pay raise in their contracts. She recommended the city plan for a new salary survey. She recommended there be a water resources and solid waste study conducted. She asked how much senior citizens received from the Senior Citizen Benefit. She asked if the city received revenue from hauled waste. She stated that budget terms were confusing to her. Lastly, Ms. Wheeler thanked council for allowing her to sit all day in order to speak for just five minutes.

City Manager Harmer addressed the salary increase issue again. Mayor commented that salaries are measured in comparison with other cities.

Member Eigenmann said we are the keeper of the public money and past negotiations with unions. He further commended staff on what they have done in this area. He also commended staff on the budget and making it easier to read and understand.

Mayor Swank announced the next budget workshop would be conducted on August 19, 2003.

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The meeting was adjourned at 1:30 p.m.

Ronald G. Swank, Mayor

ATTEST:

Karan J. Rounsavall, City Clerk