

**MINUTES
BREVARD CITY COUNCIL
May 25, 2011 – 5:30 PM**

Budget Work Session #1

The City Council of the City of Brevard met in special session on Wednesday, May 25, 2011 starting at 5:00 PM with a light dinner and the budget work session starting at 5:30 PM in the Council Chambers of City Hall with Mayor Jimmy Harris presiding.

The following were present: Mayor Jimmy Harris, Council Members Larry Canady, Rodney Locks, Mack McKeller, Mayor Pro Tem Mac Morrow and Dee Dee Perkins; City Manager Joe Moore, and City Clerk Desiree Perry.

Staff: Fire Chief Craig Budzinski, Water Plant Operator Buck Egerton, Planning Dir. Josh Freeman, Bldg & Grounds Dir. Lynn Goldsmith, Police Chief Phil Harris, Public Service Dir. David Lutz, HR Dir. LeAnn McCraw, Waste Water Plant Operator Emory Owen, Executive Assistant Jeanette Owen, and Finance Dir. Terry Scruggs.

Press: Derek McKissock, Transylvania Times

Others: Heart of Brevard Executive Director Madrid Zimmerman, Mr. John Meany, Mr. Peter Chevez and Mr. Pete Peters.

Welcome - Mayor Harris called the meeting to order, welcomed those present and explained the meeting is open to the public; however, it is a workshop session intended for Council and staff to discuss the proposed budget and is not the public hearing for the proposed budget.

Agenda – Mr. Morrow moved, seconded by Mr. Canady, Council accept the meeting Agenda as the discussion of the proposed budget. Motion passed unanimously.

Budget Overview – Manager Moore provided an overview of the budget process and recapped the budget recommendations as presented at Council's May 16th meeting. A copy of the power point slides are on file in the Clerk's and Manager's Office. Manager explained the goal of the work session is to focus upon the budgetary concerns as they must be complete and adopted before June 30th. Recognized there are policies and/or planning concerns that need to be discussed; however, those will likely need to be done in greater detail after July 1.

Work session discussion topics to include:

1. Privilege License – Increase license fees, update ordinance and place fee schedules in annual budget.
2. Utility Rates – 5% increase proposed to cover capital projects.
3. Special Events – Begin exercising the option to charge for special events which is allowed by City Code 66-13.

4. Downtown Master Plan (DTMP) – Push construction funding to FY 2013; use FY 2012 to design project.
5. Non-Profits – Recommended to fund the same nonprofits funded last year.

Follow-up – Manager Moore offered the following information in reply to questions asked at the May 16th meeting:

Outsourcing Sports Complex Maintenance – Maybe; however if done it would likely only cover mowing and would probably not be less expensive than having the City staff to do so.

Outsourcing Franklin Park Pool – Doubtful.

Special Tax Districts – Purpose of districts are to generate revenue to fund festivals, marketing or enhancements for a defined area. Consider expanding Heart of Brevard District? If so, would not cover the entire Downtown Master Plan area but rather only the Downtown Mixed District (DMX) area.

Recreation – Attention drawn to the fact the City does not have within the budget the financial resources or staff to do both active and passive recreation.

Ms. Perkins suggested “Friends of Bracken Mountain” be considered as a means to help provide sponsorship and funds annually to help on the project.

Consensus: Council to have a future discussion or workshop on potential special tax districts areas, identify district purpose, projection of revenue generated, revenue or economic development strategy, and, recognized each district would be unique with perhaps different goals. Also, hold a future workshop to discuss Recreation.

Privilege Licensing – The last time privilege license flat tax fees were increased was in 1990, with the majority of the flat tax fees not being raised since the early 1970’s. Proposed is to double the current flat tax schedule (Schedule A). Update the privilege license ordinance and discussed taking the fee schedules from the City Code and place within the annual Budget fee schedule chapter, and, future consideration of changing from flat tax to gross receipts.

Consensus: Increase the flat tax (Schedule A) as proposed, update ordinance and remove fee schedule from the City Code and place within the annual budget, and, schedule to have a future workshop to discuss changing from the flat tax system to gross receipt system, and to discuss dedicated sales tax.

~~ 6:46 PM – Mayor Harris called for a ten minute break. ~~

Downtown Master Plan (DTMP) – Discussed need to look at what implementation of the DTMP will cost, and how it will be funded. Ready to implement the parking phase of the wayfinding system; however, funding is not available to implement the third phase. The increased HOB district tax is designated for the DTMP; however, revenue received is not sufficient to fund the next phase.

Mr. McKeller questioned going forward with designing the next phase (West End) of the DTMP knowing there is no funding for implementation, and suggested we not spend the budgeted \$35,000 to design the next phase because to do so will result in the plan sitting upon the shelf.

Ms. Perkins shared perhaps when revisiting the special tax district and/or expanding the Heart of Brevard district could be potential ways to generate funding to continue to move forward with the DTMP. Expressed concern that some of the downtown trees have not been replaced, and, emphasized the importance to maintain the parts of the DTMP that have been implemented.

Special Event Permits – The number of special event permits have increased and the level of services requested of City departments (police, fire, public services and building & grounds) has also increased considerably over the past few years. In order to get an accurate accounting of special event costs, City staff will be keeping track of actual costs, staff hours expended for events, etc. Discussed the recommended charges, importance to collect fees to help offset the costs, need to establish a line item and funding source for event costs, and, whether or not the HOB should be charged for events that have been deemed City Events (White Squirrel, Twilight Tour, Halloween Fest and July 4th).

Consensus: Council members agreed to the proposed City share costs for Special Events. However, for City events that have been endorsed by Resolution, those are to have a line item within the City budget.

Non-Profits – Discussed recommendation of funding the same non-profits funded last year, and, importance to establish performance measures for all funding considerations.

Consensus: Council supports the recommendation, and, desires future discussion to create a policy establishing performance criteria for the funding of non-profits.

Utility Rate Increase – Discussed the recommended utility rate increases proposed to cover capital projects costs. Questioned if the formula used whereby funds from the utility fund are transferred to the general fund is correct as it has gone from about \$200,000 to \$400,000. Requested staff check into formula for continued discussion at next budget work session.

Scheduled Budget Meetings:

1. Budget Public Hearing – Monday, June 6, 2011 (regular Council meeting)
2. Budget Work Session #2 – Monday, June 13, 2011; 5:00 PM Meal, 5:30 PM Work Session to begin.
3. Budget Adoption – Monday, June 20, 2011 (regular Council meeting)

Other Suggested Future Discussion or Workshops: (1) Discuss the dynamics of a debt ceiling policy; (2) Discuss impact fees for non-profit organizations; (3) Alternative fuels, alternative vehicles and facilities; and, (4) Recycling center within the central business district.

Public Participation – Mayor Harris asked if anyone within the audience desired to make comment to Council.

Ms. Madrid Zimmerman, Executive Director of Heart of Brevard, stated she would hope Council would look at Special Events in a different way as the community as a whole benefits from them.

Mr. Pete Peters questioned why the Heart of Brevard does not have either a public hearing or an open meeting to discuss and present their annual budget.

Mr. Locks asked how much revenue does the Heart of Brevard generate, and how much of that revenue does the City keep?

Manager Moore replied the City kept the designated \$11,000 for the Downtown Master Plan with the remainder revenue given to the Heart of Brevard.

Adjourn - There being no further business before Council, Mr. Morrow moved, seconded by Ms. Perkins the meeting be adjourned. Motion carried unanimously. Meeting adjourned at 8:42 PM.

Desiree D. Perry
City Clerk

Jimmy Harris
Mayor

Minutes Approved: June 20, 2011