

**MINUTES  
BREVARD CITY COUNCIL  
June 11, 2012 – 5:30 PM**

**Budget Workshop #2**

The City Council of the City of Brevard met in special session on Monday, June 11, 2012, starting at 5:00 p.m. with a light dinner and the budget workshop starting at 5:30 p.m. in the Council Chambers of City Hall with Mayor Jimmy Harris presiding.

The following were present: Mayor Jimmy Harris, Mayor Pro Tem Mac Morrow, Council Members Rodney Locks, Charlie Landreth, Maurice Jones and Wes Dickson.

Staff: City Manager Joe Moore, Planning Director Josh Freeman, Assistant Planning Director Brad Burton, Finance Director Jim Fatland, Public Service Director David Lutz, Building and Grounds Director Lynn Goldsmith, Human Resource Director LeAnn McCraw, Police Chief Phil Harris, Firefighter Bradley Elmore, and Deputy City Clerk Daniel Cobb.

Press: Derek McKissock, Transylvania Times

Others: Heart of Brevard Interim Executive Director Michael Trufant

**Welcome** - Mayor Harris called the meeting to order, welcomed those present and explained the properly Noticed meeting is open to the public. The workshop is intended for Council and staff to discuss together the proposed budget. The Public Hearing is scheduled to be held on June 18th.

**Quorum and Agenda** – A quorum was established with all members of Council present. Agenda was accepted as presented.

**Opening Comments** – Mr. Moore explained tonight's meeting is a continuation of the previous workshop held on June 4, 2012.

**Employee Self-Funded Medical Program** - Mr. Moore gave a brief overview and background of the City's Health Insurance Program as well as the City's Wellness Program. He then turned the floor over to LeAnn McGraw, Director of Human Resources for more information. Ms. McGraw gave more specifics on the City's health insurance program, specifically the deductible program and individual costs to employees and City, noting that the City's health insurance premiums have gone down 1.8% for the upcoming year.

Mrs. McGraw also gave a brief background on the Doctor Care and wellness programs; including education lunches, weight-loss challenges, annual health risk assessments (blood draws) and other events aimed at a healthier lifestyle.

Mr. Fatland informed Council that health insurance costs are down \$165,000 from last year.

**Fire Department Special Revenue Fund**—Mr. Moore turned the meeting over to Mr. Fatland and Assistant Chief Bradley Elmore of the Fire Department. Mr. Fatland gave an overview of the Fire Department Fund and the City's costs associated with that. Mr. Fatland recommended that all revenues and expenditures be transferred to one fund, this would allow for the County to better understand the true cost when it comes to deciding how much their contribution should be. This year the City will be contributing \$300,000 to the fund instead of the \$340,000 that was contributed last year.

Assistant Chief Elmore discussed the history of Tanker 22 and the reasoning for requesting replacement. Essentially, all of the new safety features required of new fire

trucks are not present on Tanker 22. He is recommending replacement vehicle that meets the safety standards for the truck and is also an automatic transmission making it suitable for more drivers.

Mr. Fatland recommended a 10-year financing option for the purchase of a new vehicle in the City's upcoming budget.

Mr. Locks asked the manager to look into what it would cost to have a full-time Fire Chief and when that would be necessary based on citizen needs.

**General Fund Revenue** – Mr. Moore recognized Mr. Fatland to discuss the next four items including general fund revenue, general fund expenditures, utility fund revenue, and utility fund expenditures.

Mr. Fatland gave a brief overview of revenue streams for the general fund, including a relatively flat property tax (increase of approximately \$500,000) but an increase in sales tax.

Mr. Moore stated that the City's main revenue stream, property tax, is flattening out. In upcoming workshops the Council will need to consider other revenue sources.

Mr. Landreth asked Mr. Fatland what the City is doing to maintain or improve its credit rating. Mr. Fatland said the City is already doing a number of things to improve its financials including adopting and funding a capital improvement plan, funding retirement benefits, and financing equipment when necessary are all good things.

**General Fund Expenditures** – Mr. Fatland briefly went through a few departmental budgets.

Mr. Landreth asked Mr. Freeman about the list of projects submitted under the Planning Department's proposed budget. Mr. Freeman said it is in fact a large and aggressive work plan but some of the projects will be outsourced to consultants.

There was some discussion between Mr. Freeman and the Mayor regarding the land use plan. Mr. Freeman gave an overview of the process for creating the plan and the reason for doing so.

Mr. Moore reminded the Council members that the revenue streams are flattening out and over the upcoming year, during Council retreats and workshops, there will need to be some discussion on additional revenue streams or modification of services to ensure all costs are covered.

Mayor Harris mentioned that he had heard concerns from citizens about lack of picnic shelters at Franklin Park.

The Mayor called for a brief recess at 7:15 p.m.

The meeting resumed at 7:25 p.m.

Mr. Locks asked for clarification on gas prices and the discrepancy between the budget number for the Police and Public Services Departments. Mr. Moore stated that the numbers were in the budget for budgeting purposes and they will be treated as operational expenses throughout the year.

There was some discussion on special appropriations; Mayor Harris stated that these were the City's contribution to economic development. These include membership to the Chamber of Commerce, contributions to the Heart of Brevard, etc. (A full list can be viewed in the operating budget). Mr. Landreth stated that he does not feel comfortable allocating funding for agencies without a plan for that money.

Mr. Landreth made the motion that the Fiscal Year 2012-2013 budget includes a \$5,000 contribution from the contingency fund to the Transylvania Partnership fund, the motion was seconded by Mr. Locks.

Mr. Morrow stated that he has concerns about the City Contributing money to a group who in turns will give it away as prizes for a business plan competition.

Mayor Harris suggested giving \$2,500 to the Heart of Brevard in a performance based contract and the other \$2,500 to the Transylvania Partnership as a grant to be used for business development within the City.

Mr. Landreth amended the motion to include a \$5,000 grant to the Transylvania Partnership in a performance based business grant program for businesses within the City limits or on the City's utility system.

The motion was seconded by Mr. Locks, the motion carried 4-1.

Mr. Locks made the motion to increase the Heart of Brevard allocation by \$10,800 and develop a performance based contract.

There was no second, the motion died.

Mayor Harris recognized Michael Trufant, Interim Director of the Heart of Brevard and asked if he had anything to add.

Mr. Trufant stated that they are grateful for the current funding and not seeking additional money at the moment because he is not up to speed at the moment on what performance based measures will be required.

Mayor Harris asked Council if they would consider adding funds to a discretionary fund for the Manager for use in organizing retreats, hosting meetings, etc.

Mr. Moore stated that he feels as though such funds are already in place in the administration budget and setting up an additional account inherently weakens the position of City Manager because of the lack of transparency in the line item.

**Utility Fund Revenues** – Mr. Fatland briefly went over utility rates. He said one of the things rating agencies look at when reviewing financials is how often rates are raised, little increases more often are better an larger ones less frequently.

**Utility Fund Expenditures** – Mr. Fatland stated that a previously funded wastewater treatment plant project totaling \$100,000 was not spent in the current fiscal year; he asked that that money be reallocated in FY 12-13.

**Other Budget Items**– Mr. Locks asked for clarification on the fee schedule, specifically what is mandatory and what is not. Mr. Moore stated that everything is mandatory and none of the user fees can be waived. Mr. Moore then gave a brief overview of revenue streams and what expenses they cover.

**Adjourn** - Mr. Landreth moved for adjournment, seconded by Mr. Jones. Motion carried unanimously. Meeting adjourned at 8:45 p.m.

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Jimmy Harris, Mayor

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Daniel P. Cobb, Deputy City Clerk

Minutes Approved: January 22, 2013

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Desiree D. Perry, NCCMC - City Clerk