

**MINUTES
BREVARD CITY COUNCIL
Work Session
January 22, 2015**

The City Council of the City of Brevard met in a scheduled work session on Monday, January 22, 2015 at 5:30 p.m. in the Council Chambers of City Hall with Mayor Jimmy Harris presiding.

Present: Mayor Jimmy Harris, Mayor Pro Tem Mac Morrow, Council Members Ann Hollingsworth, Charlie Landreth, and Wes Dickson. Absent: Maurice Jones

Staff Present: City Manager Joe Moore, Acting City Clerk Sarah Lutz, Finance Director Jim Fatland, Public Works Director David Lutz, Police Chief Phil Harris, Planning Dir. Josh Freeman, Fire Chief Craig Budzinski, Consultant Angela Owen & Planner Daniel Cobb.

Media Present: Derek McKissock, Transylvania Times

Council was called to session at 5:41 P.M. Mayor Harris welcomed all present and asked Acting Clerk Lutz to certify a quorum, which she did. Mr. Landreth made the motion to accept the agenda as presented, which Mr. Dickson seconded and passed unanimously.

Mr. Moore began with an overview of the agenda and then deferred to Mr. Fatland. Mr. Fatland gave a presentation (attached in pre-retreat budget binder) wherein he explained to City Council an overview of available revenue, including available unassigned fund balance, capital reserve and project accounts. Mr. Fatland went on to explain that while tax revenue is ahead of what had been budgeted, however, the City will be losing the revenue from the Legislature mandated removal of privilege license fees.

Mayor Harris asked the City Manager for clarification as it regards the disbursement percentages of revenue from the ABC Board between the City and the County. After some discussion, Mayor Harris also asked Mr. Moore to verify for Council which formula is used to disburse sales tax between the City and the County.

As the presentation continued, Mr. Landreth expressed concerned over the long-term viability of the volunteer nature of the Fire Department, to which Mr. Moore responded that there would be a presentation on that subject at Retreat.

Mr. Fatland went on to explain that there are a variety of ways to pay for growing water and sewer fund debt, but that the most consistent and successful way seems to be through instituting fixed fees. Mayor Harris noted that at least one proposal would require a nearly 40% increase in water and sewer user fees in the next three years. Mr. Fatland responded that many of the projects had been financed through low or no interest loans but that Council has to have a steady income stream to pay for the projects.

Mrs. Hollingsworth asked if there was any way to pay for sanitation service other than a monthly bill to help lessen the impact of rising water and sewer rates. Mr. Moore responded that the only way to pay for sanitation services would be through the general fund, which would require raising taxes.

Mr. Landreth requested a graph that shows the big picture of budgeted versus actual revenue and expenditures on a monthly basis. Mr. Landreth also requested that the 2013 Legislative change in methodology for figuring unemployment be inserted as a footnote.

As Mr. Fatland presented on relevant economic indicators, Mr. Moore noted that he had been able to budget for COLA for employees in the previous two budgets because

inflation had been so low. He noted, however, that as inflation rises, it will be more difficult to provide that for the employees without cuts in services or a rise in taxes.

Mrs. Hollingsworth requested the City Manager provide Council with details about the City of Hendersonville's tax rate.

Mr. Fatland ended his presentation with a brief discussion about the possible effects of the reevaluation in 2017 and how changes in the tax rate may arise.

Mr. Moore then explained the retreat memo he had prepared to give Council an idea of what presentations they would see at Retreat. There was some discussion about some of the topics, specifically special events, directly related to the cost of staffing special events and process. Council had consensus that they wanted a different way of looking at events at Retreat that did not necessarily include some kind of prioritization.

Mrs. Owen indicated that if Council concurred, Retreat would begin ten minutes earlier to go over the ground rules. Council concurred.

At 7:30 P.M., Mr. Dickson motioned to adjourn the work session, seconded by Mrs. Hollingsworth. The motion carried unanimously.

s/_____
Jimmy Harris
Mayor

s/_____
Sarah Lutz, CFM, CZO, PMP
Acting City Clerk

Minutes Approved: March 2, 2015