

**SPECIAL CALL CITY COUNCIL MINUTES  
WEDNESDAY, SEPTEMBER 9, 2020 5:10 P.M.  
CITY HALL, COUNCIL CHAMBERS, VERO BEACH, FLORIDA**

**1. CALL TO ORDER**

**A) Roll Call**

Mayor Tony Young, present; Vice Mayor Laura Moss, present; Councilmember Robbie Brackett, present; Councilmember Joe Graves, present and Councilmember Rey Neville, present (via GoToMeeting) **Also Present:** Monte Falls, City Manager; John Turner, City Attorney and Tammy Bursick, City Clerk

**2. PUBLIC HEARINGS**

**A) An Ordinance of the City of Vero Beach, Florida, Providing the Levy of Ad Valorem Taxes for the Fiscal Year 2020-2021 at a Millage Rate of 2.5000 which equates to \$2.5000 per \$1,000 of Assessed Property Value.**

Ms. Cindy Lawson, Finance Director, explained that they have two (2) orders of business to take care of today, which are to adopt the millage rate and to adopt the budget that is both tentative and final with the final hearing being held on September 22, 2020. She further explained that they need to hear each Ordinance in order with separate motions and they do need to take public comments on each of them prior to moving for approval.

Ms. Lawson reported that there is a requirement that the first substantial issue to be discussed is that there is some increase in the millage rate over the rolled back rate that they needed to fund the budget. She explained that the proposed budget is balanced at a millage rate of 2.5000, which is 2.95% greater than the rolled back rate of 2.4284. That increased tax revenue was raised primarily to offset the decline in their third year of their glide path from the use of the electric sale proceeds and to fund some of the increases in personnel costs in both salaries and health insurance.

The City Clerk read the Ordinance by title only into the record.

Mayor Young felt that during the budget hearings it was the consensus of the City Council that the millage rate would provide them the wherewithal to meet the needs for the City of Vero Beach.

Mayor Young opened the public hearing at 5:14 p.m.

Mr. Brian Heady said budgets should be two (2) sides; one (1) side is what you expect to collect in taxes, fees, permits, etc., and the other side is all the expenses. What he, as a taxpayer wants, is for the City to have their expenses less than their expected income. He said this budget does not do that. He said the only way this millage rate works is if they borrow money to make it work. That is what this millage rate represents.

Mr. Brackett asked Ms. Lawson to confirm that the only money they took out was part of their "soft landing" from the sale of the Electric Utility.

Ms. Lawson explained that it is the “soft landing” program, as well as the contributions to pension and the Other Post Employment Benefits (OPEB) that was formally set aside in the Fund Balance by the City Council.

Mr. Brackett said it is his understanding that they couldn’t raise this millage rate if they wanted to at this point.

Ms. Lawson explained that the City Council set a not-to-exceed at their Budget Hearings so they can lower the millage rate, but they cannot raise it at this point.

Mayor Young said his understanding is that based on the recommendations for staffing, the salary budget increase is \$309,193, which takes into account the 3% raise across the board.

Mayor Young closed the public hearing at 5:16 p.m., with no one else wishing to be heard.

**Mr. Brackett moved to adopt the Ordinance. Mr. Graves seconded the motion.**

The City Clerk read Section I and Section II of the Ordinance into the record.

**The City Clerk polled the Council on the motion and it passed 5-0 with Mr. Neville voting yes, Mr. Graves yes, Mr. Brackett yes, Vice Mayor Moss yes, and Mayor Young yes.**

**B) An Ordinance of the City of Vero Beach, Florida, adopting the Annual Budget of the City for the Fiscal Year beginning October 1, 2020 and Ending September 30, 2021; Appropriating funds for the Operating Expenses, Supplies, and Personnel, and otherwise appropriating funds for the Efficient and Effective Operation of the Government of the City of Vero Beach and its Departments; Such appropriations being from anticipated revenue; providing a means to amend the Annual Budget to carry forward the funding of Purchase Orders, Work Orders, and Grants outstanding as of September 30, 2020; Providing a means to amend the Annual Budget to reflect Grants received after September 30, 2020; and authorizing the Transfer of Funds Appropriated so long as the total combined appropriations shall not be increased thereby; Providing an Effective Date.**

The City Clerk read the Ordinance by title only into the record.

Ms. Lawson reported they have already spoken about the millage rate and the City Council already agreed to the staffing and salaries. She said there is an increase in staff, which is mostly in the Water and Sewer Department in response to the Clean Waterways Act. This proposed budget does provide for the 3% salary increase and other staffing changes. She reported that at the time they held their Budget Hearings the State did not have any estimates of what the State Revenue Sharing would look like so they agreed, in principle, that they could dip into their budgetary stabilization reserves if needed in order to balance the budget. On August 18, 2020, she reported that it looked like they would need about \$229,000 to balance the budget. Since then the State revised their estimates again and it went up by about \$158,000. At the same time, the City received their final quote from FMIT, as well as their final OPEB evaluation for the coming year, which lowered the City’s expenses by about \$159,000. The combination of those two (2) things means not only did they not have to use any budget stabilization reserve, they have a budget that has about an \$89,000 surplus that is unappropriated. Staff suggests that they leave those funds alone

because it will give them room as they move forward in deciding what they want to do about the Three Corners property.

Mr. Monte Falls, City Manager, reported that as they reviewed the budget earlier this week, they found a couple of things that need to be brought to the City Council's attention. He said they have the Police Pistol Range improvements in the Capital Budget, which will need to be adjusted from a \$300,000 project to a \$400,000 project. He reported that they can accommodate that in their capital program in the out years by moving some things around.

Ms. Lawson reported that in the current Fiscal Year in Fund 304, they forgot to include a project that came along in midyear for a Public Works generator. She noted that they have a grant for this and it doesn't change the bottom line, but for clarity she will make the change in the budget to reflect the grant revenue and the project.

Mr. Brackett said the Police Department received over \$400,000 (Code Enforcement penalty payment) of forfeiture a few weeks ago. He suggested that they take \$300,000 of those funds to go towards the Firing Range and the rest could be used for other capital projects.

Mayor Young questioned making that available for that intent.

Ms. Lawson said that revenue is currently in the General Fund and after speaking with the City Attorney it is her understanding that the City Council is to use those funds as they wish. She said if that is the City Council's wish, staff can make that transfer.

Mr. Brackett suggested that they ask staff to look at it and come back with possibly an alternative project at the final public hearing.

Ms. Lawson noted that they do have to adopt a specific budget tonight so if they are going to make that amendment they need to do it tonight. She said they could transfer \$300,000 into Fund 304 in the current fiscal year and tag it for the gun range for next year. In finding another project for the funds, she would suggest leaving it in the Fund Balance.

Vice Mayor Moss said that she would support making that amendment.

Mr. Neville said that he thinks that is a reasonable thing to do.

Mr. Graves asked does it really make a difference if the funds come out of the Code Enforcement money or the General Fund. He said they would just be swapping sources for that particular project.

Ms. Lawson explained that they are talking about two (2) separate funds.

Mayor Young said then the amendment would be to allocate those funds in support of the gun range.

Ms. Lawson said the amendment would be to transfer \$300,000 of the Code Enforcement revenue in fiscal year 2020 to support the gun range and to increase the expenses for the gun range in fiscal year 2021 to \$400,000.

Vice Mayor Moss said if you think about it, it's logical from another aspect too, which is that on Code Enforcement, which is part of the Police Department generated those funds so it is entirely appropriate that it would be turned back to the Police Department.

Mr. Graves said that he thinks it is a good idea.

Mayor Young opened the public hearing at 5:26 p.m.

Mr. Brian Heady said as he understood the Finance Director, the \$400,000 is kind of free so he doesn't know why they would want an amendment. He said they are concerned about certain dollar amounts in being insured that they are in the right spot, during the Budget Hearings there was discussion and some jokes about the buckets that were catching the rain. It seemed to him at the time that the discussion should be why aren't they fixing the roof. His question is if there is enough leeway to fix the roof at City Hall in this budget.

Ms. Lawson said there is \$900,000 budgeted for the City Hall roof placement in this budget as presented.

Mr. Heady questioned nothing for the Three Corners. He said that he is not often speechless, but he doesn't know what to say. They should have at least enough money in the budget to keep the discussion alive. He said one (1) concern of Mr. Graves was that they would get a report and put it on the shelf. He said in less than three (3) weeks after they were presented with a plan for the Three Corners they were told it wasn't a good plan anymore because of the Coronavirus. He said that he wears a mask because it is respectful, not because he believes it is going to protect him. He said they came up with a plan and then six (6) weeks later, really only one (1) guy told them all the hotels stopped building. He said that he still has contacts in the construction industry and that is just not accurate.

Mr. Ken Daige said that he liked that they discussed the pistol range for the Police Department. If he understands it correctly, they have \$400,000 coming in and they are going to use \$300,000 of it to go towards the pistol range. He asked where will the remainder of the funds go (\$100,000). He said that they have discussed a street sweeper, which is doable. He said if he understands it correctly, by changing this around they are not restricting the funds for the future.

Ms. Lawson explained that the bottom line is to adopt budgets that gives some flexibility because things do come along. The only thing they cannot change is the millage rate.

Mayor Young closed the public hearing at 5:35 p.m., with no one else wishing to be heard.

**Mr. Brackett made a motion that they take \$300,000 of the \$400,000 they received by forfeiture in 2019/2020 and move to the 2020/2021 in the category for the pistol range and then move free of that \$300,000 that is there to be used for future projects as needed. Vice Mayor Moss seconded the motion and it passed 5-0 with Mr. Neville voting yes, Mr. Graves yes, Mr. Brackett yes, Vice Mayor Moss yes, and Mayor Young yes.**

**Mr. Brackett made a motion to approve the budget as amended. Vice Mayor Moss seconded the motion and it passed 5-0 with Mr. Neville voting yes, Mr. Graves yes, Mr. Brackett yes, Vice Mayor Moss yes, and Mayor Young yes.**

Mayor Young expressed his appreciation to staff for what they have done.

Vice Mayor Moss gave a special thank you to the Vero Beach Police Department. She said they have seen across the Country a lot of social unrest and a lot of violence and we don't have that here and that is thanks to Chief Currey and his leadership and his staff that we don't live in fear here. She thanked Chief Currey for his leadership and all the people under his supervision. She thanked them for keeping us safe.

Mr. Graves said the Finance Director is a rock star and the City is fortunate to have her. This is a lot of work to keep this together and he really appreciates the job that she has done. He echoed Vice Mayor Moss in her sentiments about the Police Department. He is glad to see the pistol ranch get done and is glad to see that this Council supports the Police Department. He said that Mr. Falls, as always, is doing a great job in getting all this information to them. He said that Mr. Falls is the one (1) who really looked out for the City employees and really pushed for the 3% raise for all City employees. He said that he was glad they were able to give City employees the 3% raise. They deserve it.

Mr. Brackett echoed Mr. Graves's thoughts. He said it if wasn't for the Police Department they wouldn't have the \$400,000 extra to do the range. He commended everyone.

Mr. Graves said the Code Enforcement job that was done was excellent.

Mr. Neville agreed with everything that was said. He commended the rest of the staff of the City. He said they did an incredible job and he is pleased to be a member of this team.

Mr. Falls thanked the City Council, Ms. Lawson, and City staff. He said it is good to see staff get rewarded for what they do.

Ms. Lawson thanked the City Council for their comments. She said it is a team effort.

### **3. PUBLIC COMMENT**

This item was discussed earlier in the meeting.

### **4. ADJOURNMENT**

Today's meeting adjourned at 5:43 p.m.

/sp