

CITY OF MELBOURNE, FLORIDA
MINUTES – SPECIAL MEETING BEFORE CITY COUNCIL
SEPTEMBER 3, 2002

A special meeting of the City Council was held in the City Hall Council Chamber, 900 E. Strawbridge Avenue, and was called to order to 7:30 p.m. by Mayor John A. Buckley.

1. All present gave the Pledge of Allegiance to the Flag of the United States of America.
2. Roll call.

Present:	John A. Buckley	Mayor
	Loretta Isenberg-Hand	Vice Mayor, District 6
	Richard Contreras	Council Member, District 1
	Ed Palmer	Council Member, District 2
	Pat Poole	Council Member, District 3
	Grace Walker	Council Member, District 4
	Henry J. Hill	City Manager
	Suzanne Novak	Assistant City Attorney
	Cathleen A. Wysor	City Clerk
	Amy W. Elliott	Assistant City Manager
	Michele Ennis	Acting Director of Finance
	Karen Windsor	Budget Officer

Absent:	Cheryl Palmer	Council Member, District 5
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Mr. Hill opened with a presentation and overview of the proposed 2002-2003 budget. The presentation included discussion on the notice of proposed property taxes; city's budget calendar; millage rate (4.5228 mills), which is 1.35% over the roll back rate; budget total (\$109,518,852); millage rate history; Melbourne property valuation since 1988; new growth portion of the valuation; residential construction; comparison of proposed tax rates with other municipalities in Brevard County – Melbourne ranked ninth out of the other 15 cities; chart of sources of revenues in the General Fund; chart of expenditures in the General Fund; Airport Capital Improvements; and major goals included in the proposed budget.

3. PUBLIC HEARING: Proposed 2002-2003 Budget

Mayor Buckley opened the public hearing.

Wallace Rowan, 349 Waddell Street, Lakewood Village Mobile Home Community, reported that the residents in Lakewood Village received a 300% increase in assessed value. He added that he realizes the city does not play a role in determining the assessed value; however, the residents would appreciate any assistance offered by the City Council.

Mr. Rowan explained that since they don't own the land their mobile home occupies, they aren't eligible for homestead exemption. Mr. Rowan submitted the property tax estimate from the Brevard County Property Appraiser for two of the residents, which shows the increase in assessed value. He noted that the assessment does not take into account the age and condition of the property.

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Mr. Rowan concluded by discussing the steps that he took to discuss the increase with the Property Appraiser's Office. Additionally, he referenced the petition for adjustment, which requires a \$15 application fee.

Mayor Buckley said it is amazing that the Property Appraiser wants to hold increases by the County Commission to 3%, yet his increase went up 300%. He stated that he will write a letter to Property Appraiser Jim Ford indicating that he (the Mayor) believes the increase is excessive.

Robert Smith, 2339 Royal Palm Drive, Palm Bay, stated that he lives in a mobile home. Mr. Smith said that the county has to develop a separate category for mobile homes. By definition, a mobile home is not real property "fastened to the ground." Since mobile homes are not deeded as true property, they cannot be taxed as real property. It is ludicrous to tax a mobile home for its carport, awnings, and shed. He thanked Council for its support and willingness to look into the situation.

In response to Mrs. Poole, Mr. Hill explained that the city receives one valuation for the entire city. The individual properties are not broken down. From that one figure, the city determines the millage rate.

Mrs. Poole said it seems like a crime to have such a big jump. She questioned why the increase in assessed value can't be held to 3%. The Mayor said he does not believe the city can get involved in the way assessments are determined. He cautioned that any adjustment made affects the amount the city will receive later. Mayor Buckley confirmed for Mrs. Poole that the 300% increase in assessed value for the mobile homes was already included in the figure provided to the city by Jim Ford's office. Mr. Hill elaborated on the process and noted that Council sets the tax rate but does not determine the assessed value.

Mr. Palmer recommended the residents of the mobile home park sign a mass petition to the Property Appraiser indicating that they are not in agreement with the increase; the increase does not reflect the fair market value; and that they want an adjustment.

Robert McGinnis, 360 Peck Street, asked if a standard petition form is available that the residents can complete.

Mr. Hill referenced the notice the residents received from the Property Appraiser, which outlines where the petition forms are available. Mr. McGinnis asked if all the residents can add their name to a single petition. Mr. Hill said the city does not establish the operating rules for the Property Appraiser. The Value Adjustment Board is impaneled under the State Statutes. He cautioned that the residents need to contact the Property Appraiser in order to determine the process and receive instructions. A deadline has been established for filing a petition.

There were no other comments from the public.

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Mrs. Poole referenced the decrease in the Capital Improvement Fund taken at a previous Council meeting, which included eliminating the funding to replace fuel pumps and refurbish tanks at two fire stations. She noted that the estimated cost for this is approximately \$20,000. Mrs. Poole recommended Council decrease funding to several of the non-profit organizations in order to fund this important project. She said that many people would rather give to the organization of their choice rather than using taxpayers money to fund these organizations. She commented that she feels strongly about this since this has been such a tight budget.

Mayor Buckley said that Council discussed this at the last meeting and voted 5-2 to continue providing funding to local civic organizations. He added that these organizations enhance the betterment of our city. The band and orchestra provide entertainment for our citizens and other organizations work with our youth. He noted that if Council wishes to stop funding these organizations, it should be brought up next year when Council is working on the budget guidelines.

Moved by Hand/E. Palmer to close the public hearing. Motion carried unanimously.

The public hearing closed at 8:33 p.m.

4. COUNCIL ACTION RE: Adoption of proposed millage rate for the 2002-2003 fiscal year.

For information: The proposed millage rate of 4.5228 is .0602 mills (1.35%) above the rollback rate of 4.4626 mills. The proposed millage rate is the same as the current year rate.

Moved by Poole/Hand to tentatively approve the millage rate of 4.5228 for the 2002-2003 fiscal year. Motion carried. Council Member Contreras voted nay.

5. COUNCIL ACTION RE: Adoption of a tentative budget for the 2002-2003 fiscal year.

From the agenda report: Council gave preliminary approval for the 2002-2003 proposed budget of \$86,525,886 at the July 29 workshop meeting. Staff is recommending that Council act on the following revisions to the budget:

Include the 2002-2003 proposed budget for the Airport Fund detailed below. That budget was adopted by the Airport Authority at its August 21 meeting.

Operating Revenues	\$ 7,472,300
Non-Operating Revenues	8,515,111
Non-Revenue Transfers	<u>981,512</u>
Total Revenues	\$16,968,923

Operating Expenditures	\$ 7,375,818
Capital Outlay	7,714,488
Contingency & Intrafund Transfers	<u>1,878,617</u>
Total Expenditures	\$16,968,923

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Staff also recommends an additional change to the General Fund due to updated information from the Florida Department of Transportation (FDOT) concerning the Aggressive Driving Grant. The application for the FDOT grant included a 100% funding for the first year, 75% for the second year, and 50% for the third year. The actual grant award received indicates that personal services will be funded at \$69,039 or about 74%, uniforms at 100%, and vehicles and equipment at 100%. This requires matching funds from the city of \$24,021, but due to several changes in what the grant will pay for uniforms, more salary, and less overtime, plus the city's PBA retirement contribution increasing from 15.3% to 22.64% effective October 1, the city will need to provide a total of \$30,182 in matching funds. Despite the increase in the first year's matching funds, we still believe the option to obtain two officers through the Aggressive Driving Grant is better than using the Universal Hiring Grant (UHP).

The recommendation is to increase the transfer from the Capital Construction Reserve to \$105,398 from the August 20 workshop amount of \$75,216 due to the change in the Aggressive Driving Grant.

Net revenue and expenditure changes between the grant proposal and the grant contract result in the increase to the Tentative General Budget of \$2,685.

While preparing the Charter advertisement for the proposed budget, staff determined that the Transportation Impact Fee Fund (\$1,788,250) was misclassified as a Special Revenue Fund. The activity of this fund is already included in the Capital Improvement Fund, so staff proposes eliminating the double counting. The effect of this correction is to reduce the Special Revenue Fund budget from \$4,487,049 to \$2,698,799.

Mr. Hill reported that the tentative budget includes action taken by Council at the July and August special Council meetings. Further, staff discovered that the \$102,000 decrease to the transfer to the General Fund Capital Improvement Project (funding for eight projects) was included in the changes prepared for the September 3 meeting, but the corresponding decrease of \$102,000 was not included for the Capital Improvement Project Fund. This decrease brings the total of the Capital Improvement Fund to \$12,496,831.

The new budget total after all changes is \$109,416,852.

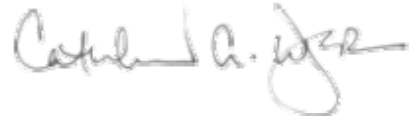
Moved by Hand/E. Palmer for approval of the revisions proposed by staff resulting in a 2002-2003 tentative budget of \$109,416,852. Motion carried. Council Member Contreras voted nay.

6. ADJOURNMENT

Moved by Hand/Contreras to adjourn. Motion carried unanimously.

The meeting adjourned at 8:37 p.m.

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City Clerk – 9/11/2002

Approved by Council: _____