



MINUTES
THE TOWN OF INDIAN RIVER SHORES
6001 North Highway A1A, Indian River Shores, FL 32963

SECOND BUDGET PUBLIC HEARING
Thursday, September 25, 2014
5:01 p.m.

PRESENT: Brian M. Barefoot, Mayor
Gerard A. Weick, Vice Mayor
Thomas W. Cadden, Councilman
Richard M. Haverland, Councilman

ABSENT: Thomas F. Slater, Councilman (*excused*)

STAFF PRESENT: Robert Stabe, Town Manager Laura Aldrich, Town Clerk
Chester Clem, Town Attorney Heather Christmas, Finance Department
Capt. Mike Jacobs, Public Safety Lt. Mark Shaw, Public Safety
Lt. Tony Dudley, Public Safety

RESIDENTS: Barbara Palumbo, PZV Co-Chairman; John Porta, Finance Committee; Bob Auwaeter, Finance Committee; Jon & Deb Knapp; Pansa Evfani; Debbi Peniston

1. **Call to Order**

- a. Pledge of Allegiance
- b. Invocation (Town Manager Stabe)
- c. Roll Call

Mayor Barefoot called the meeting to order at 5:01 p.m. with the Pledge of Allegiance and Invocation repeated. Town Clerk Aldrich called the Council role as shown.

2. **Discussion of Tentative Millage Rate and Budget**

- a. Mayor Barefoot announced that the Town of Indian River Shores proposes an aggregate millage rate of **1.6786** per \$1,000 for the Fiscal Year 2014/2015.
- b. Continuing, he said the proposed millage rate of **1.6786 is 16.83 % MORE than** the rolled-back rate of 1.4368. He discussed the definition of rolled-back rate as the millage rate we would have to have to charge in order to have the amount of dollars it takes to bring in the same revenue with respect to differences in appraised values. If the appraisal goes up, the rolled back rate goes down. It is actually only a 13.95% increase in millage.
- c. The 2014/2015 General Fund budget is \$5,592,791.
- d. The other funds in the 2014/2015 budget are set as follows:
 - 1) Roads and Offsite Drainage Fund of \$337,481 and
 - 2) Planning, Zoning and Building Fund of \$381,400.The Council had no comments.

3. **Receipt of Public Comment**

Debbi Peniston, 171 Terrapin Point, said that a 17% increase is large, and asked the Council to comment as no other institutions are raising their millage rates anywhere close to this. She asked if it was because of assuming an increase in Public Safety staffing to 6 or 7.

Please Note: The Town of Indian River Shores does not routinely keep verbatim minutes. Any party interested in such an appeal relating to any decision made by the Council with respect to any matter considered at this meeting is responsible to record the meeting and include the testimony and evidence upon which the appeal is to be based.

Mayor Barefoot said it was 13.95% increase, and there has been no increase for more than 5 years. At some point in time things catch up, such as the increase in staffing in Public Safety, and the other reason is to set aside funds for the lawsuit we have initiated against the City of Vero Beach for electric rate relief.

Mr. Stabe said that several years back the sitting Council had made some decisions to try to reduce costs for the Public Safety Department by not replacing a number of retiring Public Safety Officers and using per diem or part time people instead. This saved a good amount of money over about two years, and continued to be a practice that was assessed regularly. Recent concerns began to surface regarding the availability of those per diem employees, who had full time positions at other fire-rescue departments that left them unavailable to work for us, especially in the event of a hurricane. We had about 25 full time employees during Frances and Jeanne, and a number of PSD volunteers who assisted us. It was a huge task to get the Town up and running again quickly. Our concern was by losing almost half of the agency in the event of a disaster, we would be placed in a bad situation.

Also, we were last assessed in 2007 by the Insurance Service Office (ISO), who evaluates our firefighting capabilities. We are up for evaluation again very soon, and after the Council recommended that we hire a consultant to perform an analysis, we decided to increase staffing based on that recommendation to 8 officers. The ISO report is used by most insurance companies to determine the rates charged to homeowners. We have a very good chance of having a rating of class 10, the lowest, because of lack of staffing they require.

She questioned what the evaluation is based on, and Mr. Stabe said we provide not only fire, but police and medical services to the Town. It is not based on the number of calls, and this is not a huge increase in staff, as we have let our full time staff go in the past, and have not filled those positions. She asked if there were any problems with using part time staff, which Acting Director Mike Jacobs said there were several issues, such as availability to work shifts based on our need, capturing their required training hours, and the vehicle manning requirement by ISO.

Councilman Cadden said the simple problem is that if we put police officers in vehicles who are not EMT's, we are not offering the service we have traditionally offered. We have disrupted our good service by using non-triple certified officers.

Ms. Peniston repeated her question about 6 or 7 man shifts, and Mr. Stabe said this budget is designed for 7 man shifts, and we are proceeding with 6 man shifts until June and evaluating to determine that 7 is necessary.

Mayor Barefoot said if we are fortunate to have a surplus, there are some minor unfunded liabilities and some unknowns like what the lawsuit costs may be. Also, we paid for the new fire trucks using some of our reserves that could be recompensed. We could consider the millage rate next year if a smaller staffed shift is deemed appropriate.

Councilman Haverland said this is new news for 6 man shifts for an indefinite period of time. He asked if it would be discussed by the Council to hire the final employees, and Mr. Stabe affirmed.

Vice Mayor Weick said he has been here 16 years, and this is the first double digit increase in millage. During the recession we did everything we could to maintain the same tax rate. We have held the line, and the additional expenses caught up since we didn't raise taxes.

Mrs. Peniston asked what the criteria would be to determine a 6 man versus 7 man shift, and if another opinion would be sought to affirm the consultant's recommendation. The Mayor noted that it is not common practice to bring in a second professional for this type of scenario, much like a second auditor's opinion would not be sought.

There were no other comments.

4. **Adoption**

a. Proposed Resolution 14-08 for Adoption of the Final Millage Rate:

A RESOLUTION OF THE TOWN OF INDIAN RIVER SHORES IN INDIAN RIVER COUNTY, FLORIDA, ADOPTING THE FINAL LEVY OF AD VALOREM TAXES OF 1.6786 MILS FOR FISCAL YEAR 2014-2015; PROVIDING FOR FUNDING OPERATING EXPENSES DURING FISCAL YEAR 2014-2015; AND PROVIDING FOR AN EFFECTIVE DATE.

Mayor Barefoot read the proposed Resolution 14-08 by title as printed above. There being no comments, **a motion** was made by Councilman Cadden, supported by Vice Mayor Weick, **to approve Resolution 14-08 as proposed**, which **passed 3-1** with Councilman Haverland dissenting.

b. Proposed Resolution 14-09 for the Adoption of the Final Budget:

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF INDIAN RIVER SHORES, FLORIDA, ADOPTING THE FINAL BUDGET FOR THE FISCAL YEAR COMMENCING OCTOBER 1, 2014 AND ENDING SEPTEMBER 30, 2015; AND PROVIDING FOR AN EFFECTIVE DATE.

The Mayor read the proposed Resolution 14-09 by the title as printed above. With no comments, **a motion** was made by Vice Mayor Weick, supported by Councilman Cadden, **to approve Resolution 14-09 as proposed**, which **passed 3-1** with Councilman Haverland dissenting.

5. **Adjournment**

Hearing no further comments, the Mayor adjourned the meeting at 5:22 p.m.

Respectfully submitted,

/s _____
Laura Aldrich, Town Clerk

(Approved by the Town Council at the October 23, 2014 meeting)