

**FINANCE COMMISSION MINUTES**  
**Tuesday, August 29, 2023 – 9:30 a.m.**  
**City Hall, Council Chambers, Vero Beach, Florida**

**PRESENT:** Chairman, Robert Jones; Vice Chairman, Kathryn Barton; Members: Mark Ashdown, Timothy Dean and Alternate Member, Gretchen Hanson **Also Present:** Assistant Finance Director, Kelly Brost; Finance Director, Steven Dionne; City Attorney, John Turner and Deputy City Clerk, Sherri Philo

**Excused Absences:** Gene Waddell and Jay Kramer

**1. CALL TO ORDER**

Today's meeting was called to order at 9:30 a.m.

**2. APPROVAL OF MINUTES**

**A) May 30, 2023**

**Mr. Dean made a motion to approve the minutes of the May 30, 2023 Finance Commission meeting. Mr. Ashdown seconded the motion and it passed unanimously.**

**3. FINANCE DIRECTOR'S MATTERS**

**A) Review of Second and Third Quarter Financial Reports and Variance Analysis**

Mr. Jones asked if there was any reason why they should go over the Second Quarter Financial Report and Variance Analysis.

Mrs. Kelly Brost, Assistant Finance Director, said there was nothing unusual in the Report or Variance Analysis.

Mr. Jones said they would go directly to the Third Quarter Financial Report and Variance Analysis.

Mr. Steven Dionne, Finance Director, briefly went over the Third Quarter Financial Report and Variance Analysis with the Commission members (on file in the City Clerk's office).

Mr. Keith Drewett, Chairman of the Marine Commission and Vice Chairman of the Clean Water Coalition (CWC), said that he would be speaking on behalf of the CWC. He said the next natural move at the Marina was to expand the mooring field. He said there were three (3) environmental reasons why this was a good thing and why the CWC and the Indian River Neighborhood Association (IRNA) supports this. The first reason was that there were a lot of anchored boats south of the bridge and the most popular type of anchor was a plow anchor. If the boat drags

across the field it would plow a deep furrow. The second reason was that moorings were more secure for a boat during a hurricane. The third reason was for environmental reasons. He explained that it was widely believed that many of the boats that were anchored were discharging their waste overboard. He said those were three (3) strong reasons why moorings were a good thing and should be high on the City's list, which he felt that they were. He said if there was an opportunity, the CWC and the IRNA would encourage the City to move as quickly as possible on the mooring field.

Mrs. Brost noted that they did put \$285,000 in the proposed budget for the following fiscal year.

Mr. Drewett said if that could be moved up it would be very good for the City.

### **B) 2023 Budget Highlights**

Mr. Dionne briefly went over the General Fund FY 23-24 – Summarized Changes from the City Council Budget Workshop BS the FY 23-24 – General Fund Unfunded Budget Requests by Department with the Commission members (attached to the original minutes). He reported that at the City Council's final Budget Workshop meeting they voted to increase the mileage rate from 2.6964 to 2.7680, which would allow them to fill all the positions listed. He referred to the 2022 Millage Rate table that showed the comparison of municipalities with the population of 10,000 to 32,000 (attached to the original minutes). He said the City of Vero Beach was fourth from the bottom so they have an extremely low mileage rate compared to the other municipalities listed. He said the City should be very proud of the work that gets done with this level of mileage rate. He hoped that they would continue to remain in the bottom portion of the chart. He noted that this information was simply to provide a comparison.

### **C) Update on the New Water Treatment Facility**

Mrs. Brost reported that a few years ago they thought the cost of the new Water Reclamation Facility was going to be about \$50 million. Then as they got closer to design it, it turned into an \$80 million project, and in late June another estimate came in at almost \$130 million. She reported that they discussed this with their Financial Advisors and with Rate Study Consultants. Their Financial Advisors said that they were not surprised of this because they have been hearing of costs increases of this magnitude and more on projects across the State. She reported that there are a lot of large grant opportunities that are becoming available and as the application windows open they are applying for them. She said that the City is a very attractive applicant because they were so far along into the design process, as well as the type of project that it is.

Mr. Dionne reported that there were three (3) grants that were already applied for or were in the process. One was a \$20 million Florida Department of Environmental Protection (FDEP) Water Quality Improvement Grant, which was specifically for the Indian River Lagoon water quality. There was also a \$1.5 million grant for the STEP System program and a \$5 million grant from St. John's River Water Management District for the Indian River Lagoon water quality. In addition

there was also another \$1.9 million grant from FDEP stormwater alternative use, which this project fits into that program and about \$15 million in resiliency grants that they would be applying for.

**D) Update on the Three Corners Request for Proposal (RFP) Process**

\*Please note that this item was heard after item 3-F) on today's agenda.

Mrs. Brost reported that the City has hired a Project Manager for the Three Corners project.

**E) Update on the Marina Phase I**

Mr. Dionne said there was an increase in costs that they would be presenting to the City Council at a Special Call meeting tomorrow.

**F) Update on the Stormwater Utility**

\*Please note that this item was heard before items 3-C) and 3-D) on today's agenda.

Mrs. Brost gave a brief update on the Stormwater Utility (attached to the original minutes). She reported that the Five-Year CIP that was presented to the City Council during the budget workshops basically reflected the same proposed assessment that they did this current fiscal year. She said it would generate about \$99,000 in assessment revenue with the balance coming from the last remaining funds from the ARP grants that the City received. Once they go into fiscal year 2024/2025 the assumption was that they would go back to the ERU levels so instead of \$7.00 it would be \$75.00 per month.

**4. PUBLIC COMMENT**

None

**5. CHAIRMAN'S MATTERS**

None

**6. MEMBER'S MATTERS**

None

**7. CLERK'S MATTERS**

None

**8. ADJOURNMENT**

Today's meeting adjourned at 10:21 a.m.

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