

MINUTES
City of Cocoa
City Council Priority Planning Workshop #2

January 19, 2021

A City Council Priority Planning Workshop was held on Tuesday, January 19, 2021 in City Council Chambers, located in Cocoa City Hall, 65 Stone Street, in Cocoa, Florida 32922, as publicly noticed.

- I. Mayor Blake called the Workshop to order at 4:43 p.m.

Deputy Mayor Goins provided the invocation and Attorney Garganese led the assembly in the Pledge of Allegiance to the Flag of the United States of America.

PRESENT:	Michael C. Blake	Mayor
	James Goins	Deputy Mayor
	Rip Dyal	Councilmember
	Lavander Hearn	Councilmember
	Lorraine Koss	Councilmember
	Anthony Garganese	City Attorney
	Stockton Whitten	City Manager
	Carie Shealy	City Clerk

OTHER STAFF MEMBERS PRESENT:

Matthew Fuhrer, Assistant City Manager; Tammy Gemmati, Administrative Services Director; Jack Walsh, Utilities Director; John Hankins, Interim Chief of Police; Jonathan Lamm, Fire Chief; Bryant Smith, Public Works Director; Rebecca Bowman, Finance Director; Nancy Bunt, Community Services Director; Rob Beach, Chief Technology Officer; and Samantha Senger, Assistant to the City Manager/PR Specialist.

- II. WORKSHOP ITEMS:

Mayor Blake welcomed everyone and City Manager Whitten explained why the workshop was being held.

City Manager Whitten noted that the solid waste contract expires in September of this year and this type of service takes a lot of time, especially to meet the

requirements of the contract. The City needs to start moving towards getting direction in regards to the waste contract. Additionally, he reminded Council that at the first workshop council directed staff to look into the possibility of bringing green waste services in house.

He further provided an overview of tonight's workshop and mentioned that they would also like to discuss e-comments.

City Manager Whitten spoke in regards to E-Comments and advised that the Governor's Executive Order 20-69 expired in November. The E-Comments system was purchased through April 2021. Staff also reached out to other municipalities to see how they handled e-comments and provided that information to Council.

Attorney Garganese provided an explanation and noted that we arrived where we are today due to the Governor's order. That order no longer exists and council can meet with a physical quorum and public are allowed attend. There is not requirement in the law that e-comments have to be received and each local government seems to be doing their own thing. Regardless, any member of the public can communicate with Council regarding an item. He pointed out that the question was is if they still want to take the e-comments in, do they want them read into the record, etc.

Mayor Blake sees this from both sides.

Councilmember Dyal felt that since the order expired November 1, 2020 the public should come in and speak in person.

Discussion was held on the different ways that comments can be submitted.

Councilmember Koss agreed with Councilmember Dyal and that people can be braver online than in person. She would like to have something put into the record event if they are not read into the record. This would allow for some decorum to be maintained.

Councilmember Hearn was in agreement to give citizens as many options as available to communicate but agrees for them not to be read into the record. He concurred with Councilmember Koss's option.

Deputy Mayor Goins felt that the e-comments should be ended and felt that some were taking advantage of it.

Mayor Blake summarized that Council's wishes were to no longer read the comments but to add them to the agenda and minutes.

City Attorney Garganese stated that this meeting was advertised that action could be taken and under law since they might take action they should open it up for public input.

Mayor Blake opened this item to the public. Mr. Aleck Greenwood agreed with Council.

- * **MOTION by Councilmember Koss; Seconded by Councilmember Dyal, for E-Comments to no longer be read during the meeting into the record but to become a part of the record through the minutes.**

AYES: Blake, Goins, Dyal, Hearn, Koss

THE MOTION CARRIED (5-0)

2. Solid Waste Franchise Agreement Request for Proposal for Solid Waste Services

Mr. Smith provided a presentation¹ and noted he was going to expound on the current contract, green waste, and additional services that the City may want to look into.

He pointed out that the current contract with Waste Management started in 2011 and a five-year renewal was done in 2016 with an expiration date of September 30, 2021.

He shared some of the services provided and explained them in detail.

Mr. Smith provided the following future contract options:

- 1- Initiate a request to solicit proposals from qualified vendors to perform the requirements of the solid waste franchise agreement.

¹ EXHIBIT A: Solid Waste Presentation

2- Negotiate an extension with the current provider for a continuation of services with negotiated residential rates no to exceed \$17.50 (additional services could be requested as a part of this negotiation pending agreement from each party)

3- Both items above can include options described later in this presentation related to green waste.

Current rates were discussed as well as issues and concerns with the current services from what they have heard from staff and Council in Public Works. Commercial rates vary by dumpster size and pick up frequency.

Potential solutions to vacant lots with solid and green waste on them were discussed in detail as well as residential evictions with bulk solid waste.

City Manager Whitten advised that these solutions being discussed were all about the image and aesthetics of the City.

Mayor Blake has no problem with trash that is generated with green containers, his problem is with the green waste. He has a pile that has been sitting out for three months. In response, Mr. Smith agreed and noted this was a complaint that they have heard frequently. They are supposed to tag those and notify dispatch. He believes that they have a potential solution for that issue. Mayor Blake was in favor of doing our own pick up. He thought one district per week would be good or if they completed that district they could move on to the next.

Discussion was held on equipment, costs, and the picking up of green waste if we were to bring those services in-house.

Mr. Smith felt that having calls for bulk pick up requests routed through Public Works would hold Waste Management more accountable. They could also log the request and keep track of how many they were getting. The city could also charge a fee anytime we have to go out to pick up the green waste in order to recoup costs.

Mayor Blake wants immediate attention when it comes to pick up and Mr. Smith believed that it should be no more than three days and that could be done with City staff.

Councilmember Hearn was in agreement about educating citizens. Mr. Smith advised that would be part of the negotiations and would need to be put on social media, water bills, etc. so that residents know what to do.

Councilmember Dyal stated that you can make money on recycling. In response, Mr. Smith advised that general recyclable materials were not a big market right now. Some areas are not even doing glass at this time.

Composting was discussed as well and Mr. Smith noted this would be done outside of the solid waste contract.

Mr. Smith provided a chart of annual costs over a ten-year period for in-house green waste.

City Manager Whitten reiterated that the contract would still require a seventy-two hour pick up and those not picked up within that time would be supplemented by the City clam truck. The City would have a call log and we would charge \$25 to the contractor. This would be negotiated that no matter what if the City has to go out after the seventy-two hour mark we would ask for some sort of reimbursement.

Mr. Smith feels that once they start getting hit with reimbursement fees we will see a better rate of pick up.

Direction on Green Waste was as follows:

Mr. Smith noted that staff's recommendation was a combination of 2 & 3.

- * **MOTION by Councilmember Dyal; Seconded by Councilmember Hearn, to go with Option #3, which in addition to Option #2 (continue with contracted green waste pick-up, but require bulk green waste calls to come through the City and not the Contractor Call Center. Staff could respond if there is a high volume of calls for an increased level of service), supplement bulk green waste pick-up with Public Works Staff. An additional Maintenance Worker II at \$40,000/year would be required. Public Works can utilize existing equipment to perform this function.**

There were no comments from the public.

AYES: Blake, Goins, Dyal, Hearn, Koss

THE MOTION CARRIED UNANIMOUSLY (5-0)

Further discussion was held on vacant lots and green waste, and timeliness for Code related violations to be resolved. One of the biggest complaints was the generation of commercial green waste.

Direction on RFP:

Mr. Smith provided options if they chose to do the RFP Process and provided a timeline as well.

City Manager Whitten advised that if Council wants staff to try to negotiate with the current contractor and were successful, it would be one of the lower rates in the county, even if we were near \$17.50.

Councilmember Koss clarified that it would be for the same services, two day garbage pick-up, and would mirror the same contract. If the City wanted to include some other items it would not be included in the rate but would come from the general fund.

Mayor opened this item up to the public. No one from the public wished to speak.

- * **MOTION by Deputy Mayor Goins; Seconded by Councilmember Dyal, to negotiate with the current vendor for the rate of \$17.50 or lower.**

AYES: Blake, Goins, Dyal, Hearn, Koss

THE MOTION CARRIED (5-0)

Lastly, Mr. Smith asked for Council for direction on the incorporation of vacant lots and eviction lot pickups on an as needed basis to the contract.

Mayor Blake asked if they would need more Code budget. Mr. Smith advised he was not sure about their budget but assured him that Public Works would help Code in setting up a process.

Councilmember Hearn asked who was responsible for trash near homeless camps. Mr. Smith spoke in regards to that and mentioned that was a tough issue.

Further discussion was held on this issue.

Mayor opened this item to the public. There was no response.

- * **MOTION by Councilmember Dyal; Seconded by Councilmember Hearn, to budget \$10,000 annually and to incorporate this into the contract.**

AYES: Blake, Goins, Dyal, Hearn, Koss

THE MOTION CARRIED (5-0)

Lastly, he provided a timeline for the RFP process. The process will take about six to eight months.

After a question posed by Councilmember Koss regarding vendors in the area, Mr. Smith advised there were about three to five qualified vendors.

Mr. Smith pointed out that a **DRAFT** RFP was provided to Council which would be further refined, however, they are looking to mirror the current contract with a few updates.

City Manager Whitten noted that on page 3 section 6 the proposal format breaks out what the committee would be requiring. The committee would rank the proposals which would be public meetings, and then they will go from there. ²

City Manager Whitten advised that the Chief of Police position closes on January 22, 2021 and he has received all of Council's appointments to the screening committee. At this time there are seventy-four applicants. HR will screen them and that will determine how many will proceed to the committee. The committee will be responsible for bringing a short list of applicants to him. There will also be some meet the candidate/community meetings as well.

Ms. Bowman provided a presentation³ and an introduction to Government Finance and discussed the City's financial system and department responsibilities in detail.

She provided various budgetary items for Council to consider during the upcoming year such as labor negotiations, future state mandates, computer

² A break was taken at 6:26 p.m. and the Workshop reconvened at 6:43 p.m.

³ EXHIBIT B: Introduction to Government Finance Presentation

system requirements, major construction projects, solid waste contract expiration, competitive salaries and the impact of COVID-19.

Mayor Blake pointed out that we were in a census year and spoke about the Consent Decree and redistricting.

Lastly, City Manager Whitten pointed out that Mr. Smith was working with FDOT on driver feedback signs on SR 520. There is already one southbound on Pineda.

- * **MOTION by Deputy Mayor Goins; Seconded by Councilmember Dyal, to adjourn the Workshop.**

AYES: Blake, Goins, Dyal, Hearn, Koss

THE MOTION CARRIED (5-0)

The Workshop adjourned at 7:40 p.m.


Michael C. Blake, Mayor

ATTEST:


Carrie E. Shealy, MMC, City Clerk





EXHIBIT A: Solid Waste Franchise
Agreement Presentation

Solid Waste Franchise Agreement Request for Proposal for Solid Waste Services January 19, 2021

Current Contract Overview

- A franchise agreement permits exclusive rights to a vendor for specified services related to residential and commercial solid waste services
- Current solid waste provider is Waste Management Inc. of Florida
- Current contract began in 2011 and was renewed for a final 5-year term in 2016 with an expiration date of September 30, 2021
- Contract provides service to approximately:
 - 5505 Single Family Residential Accounts
 - 31 Multifamily Auto-Cart Accounts (Not including Dumpsters)
 - 478 Dumpster Accounts
 - 208 Commercial Auto-Cart Accounts
 - **21 Commercial Accounts have Green/Vegetative Waste Accounts**
 - 346 City Controlled Units (Dumpsters, Solar Compactors, Auto-carts, Roll-off Containers, and Roadside Cans.)



Current Contract Overview

- Residential and Multiple Dwelling Unit collection and disposal services
 - Household Trash and Garbage twice a week (Monday & Thursday or Tuesday & Friday)
 - Single Stream Recycling once per week (Thursday or Tuesday)
 - Vegetative Waste once per week (Friday or Monday)
 - Bulk Trash and Vegetative Waste as requested by account holder
 - “Back-Door” service for medically disabled customers
- Commercial Collection and Disposal Services
 - Commercial Trash and Garbage twice per week
 - At an additional fee: Vegetative Waste and Recycling
- Service is typically provided through 64-gallon auto-carts



Current Contract Overview

- City Controlled Property Collection (No Direct Charge to the City)
 - Trash and Garbage twice a week
 - High volume pedestrian areas with roadside cans are serviced 2-4 times per week
 - Single Stream Recycling once per week
 - Vegetative Waste once per week
 - Bulk Trash and Vegetative Waste as needed
- Dumpster Service
 - Various Size and Frequency Collection determined by the Contractor and Account Holder
 - Roll-off/Open Top Container Pull
 - Compactor Pulls
 - Cocoa Village has a combination of autocarts and shared dumpsters with private agreements



Future Contract City Options

- Initiate a request to solicit proposals from qualified vendors to perform the requirements of the solid waste franchise agreement.
- Negotiate an extension with the current provider for a continuation of services with negotiated residential rates not to exceed \$17.50 (additional services could be requested as part of this negotiation, pending agreement from each party).
- Both items above can include options described later in this presentation related to green waste.



Current Rates

- The current monthly rate structure related to single family residential solid waste are as follows:
 - Garbage: \$10.28
 - Recycle: \$3.30 (a \$1.02 increase was approved by council on 7-22-20)
 - **Yard: \$1.93**
 - Total: \$15.51

- Commercial rates vary by dumpster size and pick-up frequency



Current Service Issues/Concerns

- Vacant Lot Solid Waste
- Vacant Lot Green Waste
- Residential Evictions – Bulk Solid Waste
- Commercial Green Waste Generation
- Overall Green Waste Pick-up Concerns



Potential Solutions/Analysis

- Vacant Lot Solid and Green Waste
 - Establish a new fee in the contract, by debris type and size for on-call pickup within 72 hours (Public Works/Code Enforcement to Initiate)
 - City would need to budget for this service by a contractor or perform in-house within the right-of-way
- Residential Evictions – Bulk Solid Waste
 - Utilize on-call style pick-up, as mentioned above as a form of abatement
 - Code Enforcement Contractor performs abatement
 - Abatements require a minimum of 10 days and may result in a lien placed on the property.
- The City would need to budget these options annually through the General Fund Budget.



Potential Solutions/Analysis

➤ Commercial Green Waste Generation

- This service is already provided, by subscription, to commercial property owners
- **There are over 400 Commercial solid waste accounts (carts and dumpsters) and only 21 pay for green waste**
- Typically, commercial properties handle this through a landscape contractor
- Others leave waste on the Right-of-Way, with an expectation for the City to handle at no charge to them. This takes staff time and resources. Ultimately, the City Taxpayers are covering this cost.
- On June 24, 2020 Council approved for Code Enforcement to use the Solid Waste Contractor for green waste abatement. Abatements can only take place 10 days after proper notice with no response.



Overall Green Waste Pick-up Concerns

- City appearance due to unsightly green waste piles.
- Timeliness for Code Enforcement related violations to be resolved.
- Solutions:
 - Bring Green Waste In-house entirely (An estimated cost is provided in the next slides)
 - Potentially supplement the current services with additional Public Works Staff to field and possibly respond to bulk green waste calls as needed. This may require an administrative employee and additional maintenance workers, pending service requests.
 - Continue Code Enforcement action on violators



In-House Green Waste

- Current green waste services cost is \$1.93/month or \$23.16/year. This includes once per week and on-call bulk services.
- To match this level of service the following equipment and personnel are needed. Note that both owned and leased equipment were analyzed. Owning the equipment resulted in a lower 10 year cost and was used for the comparison with the contracted rates. A chart is provided for reference.



In-House Green Waste

➤ Equipment Needs:

- One Grapple Claw Truck for Bulk Service - \$201,691 [\$24,025.10/year with O&M]
- Three Diesel Rear Loaders (one as a back-up) - \$699,906 [\$81,558.60/year with O&M]
- One Chipper/Shredder - \$880,000 - {\$106,500/year with O&M]
- One Loader - \$121,900 - [\$16,046/year with O&M]
- One Excavator - \$123,500 - [\$16,206/year with O&M]
- **Initial capital investment of \$2,026,997 and reoccurring costs of \$41,636.00**

➤ Staffing Needs:

- Three Heavy Equipment Operators
- Six Maintenance Workers
- Two Customer Service Reps for Billing and Call Center
- One Green Waste Supervisor
- **Approximately \$471,165 annually, based on current hourly wages**



In-House Green Waste

- Estimated total annual cost for in-house green waste over a ten year period: \$715,500.70
- State permitting would be required for mulching operations
- Break-even cost to the resident with no miscellaneous expenses or contingency built in:
 - Approximately \$127.61/annually or \$10.63/month
 - Approximately a 450.78% increase from the current \$1.93 residential monthly rate



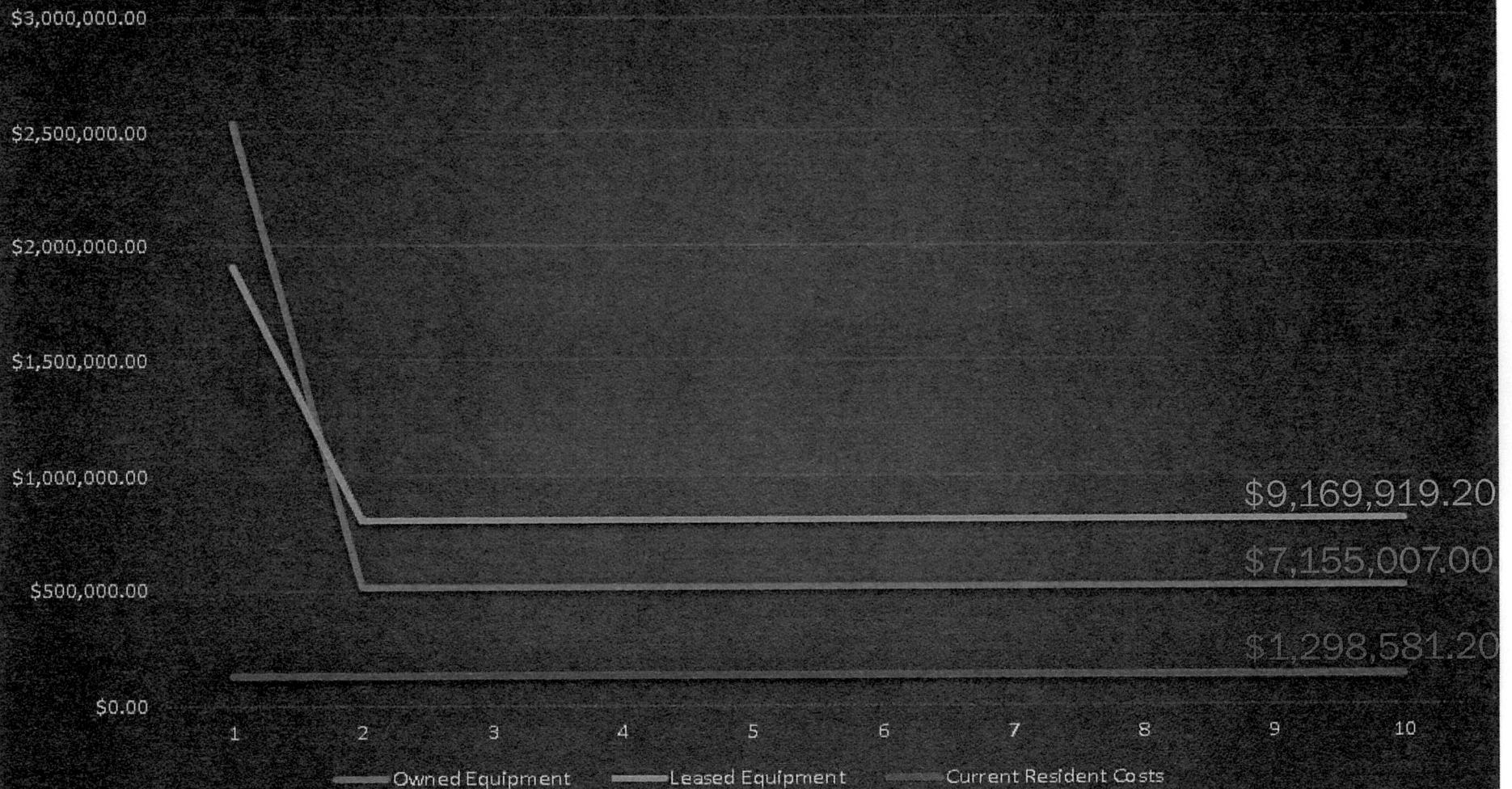
Residential Rate Increases (Florida)

- Recent Contracts
 - Brevard County – 39% Increase (\$16.19/month)
 - Palm Bay – 91% Increase (\$23.50/month) for once per week to twice per week service
 - Osceola County – 24.85% Increase, followed by a 16.97% Increase (\$24.42)
 - Volusia County – New Rate of \$19.98/month
- Negotiated Extension
 - Charlotte County – 2019 and 2020 saw 26.49% and 37.53% increases, each year (\$18.91/month)
 - Hernando County – 46.47% (\$14.40/month)
 - Hillsborough County – 50% Increase (\$15.53/month)
 - Martin County – Projected 31% Increase (\$18.10/month)
- Typical rates are adjusted to an average of approximately \$18.88/month, compared to Cocoa's current rate of \$15.51/month
- **All rates are likely to increase due to the new minimum wage bill**



In-House Green Waste

Annual Costs



Council Direction On Solid Waste Services

- Negotiate with current vendor or issue a RFP
 - Staff suggests exploring both options to potentially provide the lowest possible rate to the account holders. If the residential rates can be negotiated at a rate of \$17.50 or lower, a continuation may be ideal.
 - If pricing adjustment negotiations cannot be completed by February 9, 2021. The City will have an RFP ready for advertisement.
- Incorporate Vacant Lot (Green and Household/Bulk Waste) and Eviction (Household/Bulk Waste) Lot Pick-ups on an as needed basis to the contract.
 - Budget \$10,000 annually for this as needed service and adjust as needed (estimated at 50+ pickups per year, pending size)
 - Private property pick-ups still need to be handled through Code Enforcement.



Council Direction on Green Waste

1. Continue with the current contract or new contract with the same terms
2. Continue with contracted green waste pick-up, but require bulk green waste calls to come through the City and not the Contractor Call Center. Staff could respond if there is a high volume of calls for an increased level of service.
3. In addition to Option #2, supplement bulk green waste pick-up with Public Works Staff. An additional Maintenance Worker II at \$40,000/year would be required. Public Works can utilize existing equipment to perform this function.
4. Bring green waste in-house. This is a very high capital cost that will either require general fund subsidization or high resident costs. General Fund debt service would likely be needed. Up to two years would be needed to acquire equipment and staffing.



RFP Process and Timeline

- Advertise of 45 days
- City Manager to establish a review committee
- Accept proposals and hold presentations for review committee
- Review committee will recommend the highest scoring vendor to Council to initiate contract negotiations
- Vendor service begins on October 1, 2021

This is potentially a 6-8 month process including the negotiation period and finalization of the contract.



RFP Process and Timeline

Action	Date
Bid Advertised	February 10, 2021
Respondent Question Deadline	March 19, 2021
Bid Submissions & Opening	March 31, 2021
Bid Review and Presentations to Review Committee	April 8, 2021
Selection Committee Scoring Meeting	April 21, 2021
Selection Committee Recommendation to City Council for Contract Negotiations	April 27, 2021
Notice of Award	July 1, 2021
Notice to Proceed Effective Date	October 1, 2021



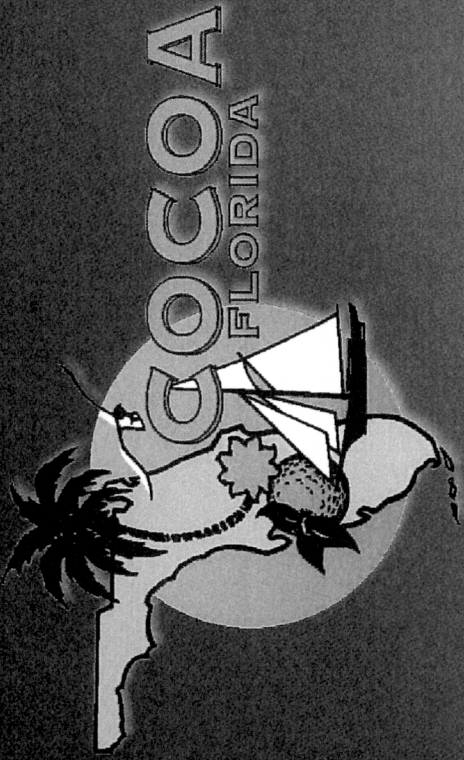


EXHIBIT B: Introduction to
Government Finance
Presentation

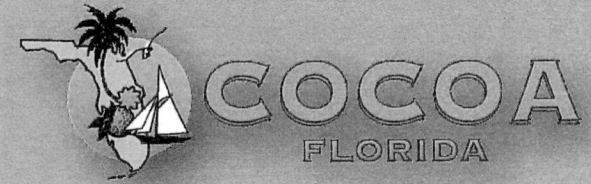
Introduction to Government

Finance

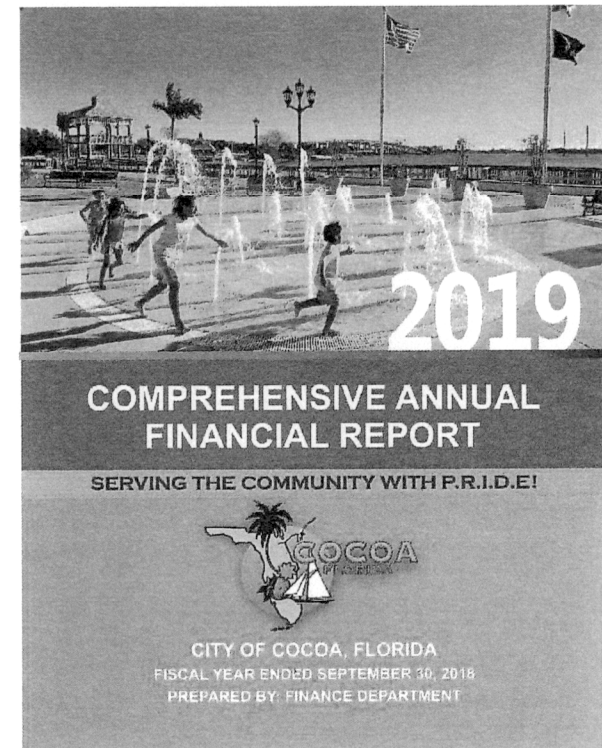
FINANCE DEPARTMENT

December 3, 2020

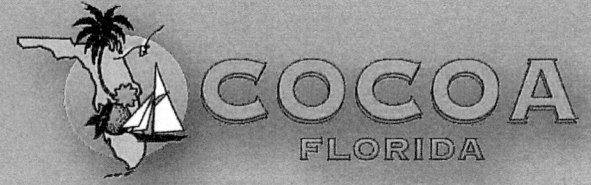
Finance Department Responsibilities



- Comprehensive Annual Financial Report (CAFR)
- Annual Audit
- Internal Controls
- Grant Compliance
- Budget Development
- Budgetary Analysis
- Purchasing
- Utility Payments
- Utility Meter Services
- Utility Billing
- Audits



Fund Types



- Governmental Funds (current resources)
 - General Fund – available for general purposes
 - CRA
 - Capital Projects
 - Other Special Revenue Funds
- Proprietary Funds (business-like)
 - Water/Sewer Fund
 - Stormwater Fund
- Internal Service Fund (cost recovery/break-even)
 - Health Insurance Fund
 - Workers' Compensation Fund

General Fund Fund Balance Reserve Policy

Fund Balance Reserve Policy - to ensure there will be adequate liquid resources to serve as a financial cushion for the General Fund.

- A minimum reserve requirement of 33% of total operating expenditures + \$500,000 capital replacement reserve.
- Only used for Capital and One-Time expenses and cannot sustain recurring expenses
- Utilize available Fund Balance to fund projects
 - Emergency Response- Pandemic, Natural Disaster... (\$4,091,410 – recent hurricanes; apx \$1M – COVID-19);
 - Catalytic Capital/Economic Projects to enhance overall City growth and quality of life

FY21 Fund Balance Reserves = \$11,995,106 (min. Reserve + Capital Reserve)



Stormwater Minimum Reserve Policy

Maintain a minimum unrestricted cash reserve = to 4 months
operating & maintenance expenses

FY21 Reserve = \$335,446



Water/Sewer Utility Fund Working Capital Reserve Policy

Maintain a minimum unrestricted cash reserve = to 6 months
operating & maintenance expenses

Per bond covenants – maintain Renewal & Replacement
reserve of \$2,750,000 every year

Debt Service Reserve per bond covenants = \$1,891,950

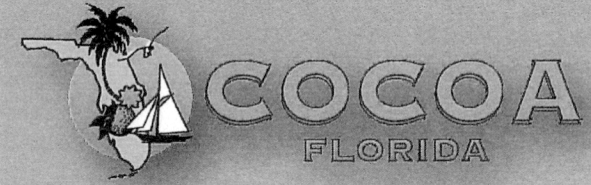
FY21 Reserve = \$7,109,544 (Cash Reserve Only)



Budget Adoption

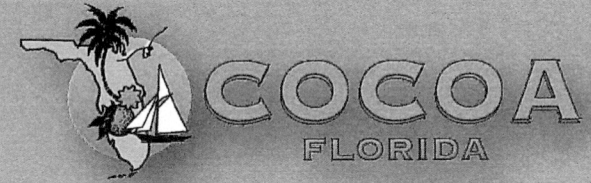


Budget Development



- ∞ Fiscal year is 10/1 to 9/30
 - ∞ Budget must be balanced per Florida Statutes
 - ∞ Must be adopted by Oct. 1 of each year
 - ∞ Must adopt during the budget process:
 - Proposed Millage Rate
 - Proposed Budget
 - Tentative Millage Rate and Budget
 - Final Millage Rate and Budget
- Must be completed by dates established in TRIM

Truth in Millage (TRIM) Timeline



July

Brevard County Property Appraisers Office, sends Property Valuation Estimates and City Council Sets the Proposed Millage Rate. This Proposed Millage Rate is then Certified.

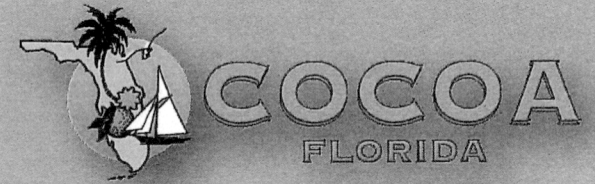
August

Brevard County Property Appraisers Office sends out "Notice of Proposed Property Tax", which advertises the date time and place of the first Public Hearing.

September

- First Public Hearing held to Adopt a Tentative Budget and Millage Rate.
- Final Public Hearing to Adopt a Final Budget and Millage Rate.

Cocoa Budget Calendar



February

Capitol Improvement Projects (CIP) 5 Year Planning/Update

March

Budget Priorities Workshop / Department Entry

April

Finalize the CIP

May

Budget Module closes for entry / Departmental Meetings

June

Financial Sustainability and Budget Workshop

July

TRIM City Council sets the Proposed Millage Rate

August

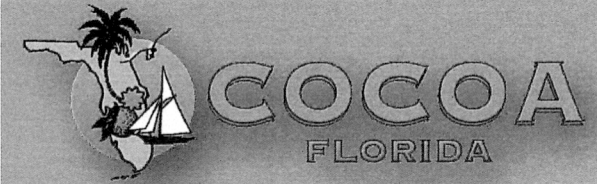
Hold Public Hearings for Utility Rates, Fire Assessment & Stormwater Assessment

September

Hold Two Public Hearings for Budget and Millage Rates

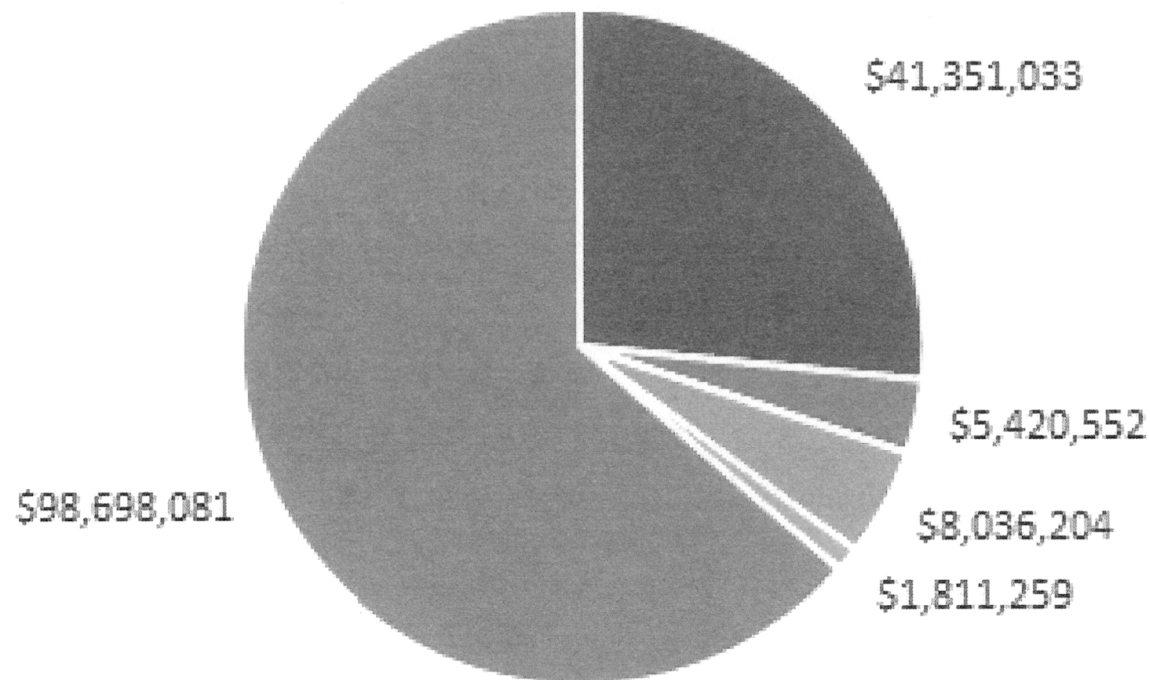
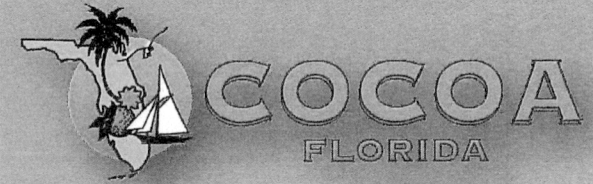
CITIZEN
INPUT

FY 21 Adopted Budget



FUND	FY 2021 FINAL	% of FY2021 BUDGET
Capital Project Funds	\$91,628	0.1%
General Fund	\$41,351,033	26.6%
Building Permit Fund	\$536,646	0.3%
G.F. Debt Service Fund	\$1,745,706	1.1%
Special Revenue Funds	\$3,046,572	2.0%
Self Insurance Funds	\$6,827,260	4.4%
Workers Compensation Fund	\$1,208,944	0.8%
Stormwater	\$1,811,269	1.2%
Water/Sewer Fund	\$75,186,987	48.4%
Water/Impact Fees	\$2,233,605	1.4%
Renewal & Replacement	\$11,484,879	7.4%
WS Capital Project 2018 Bond Fund	-	-
WS Debt Service Fund	<u>\$9,792,610</u>	<u>6.3%</u>
TOTAL	\$155,317,139	100%

FY 2021 Adopted Budget by Fund



■ General Fund

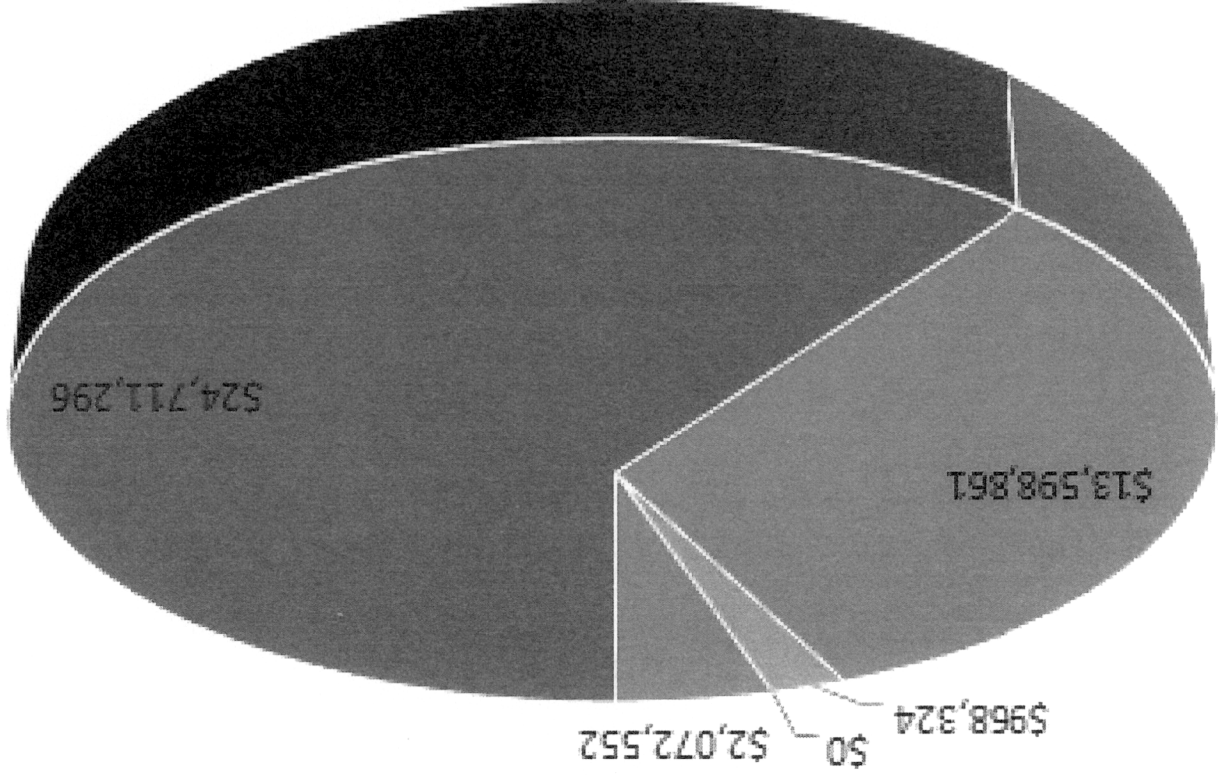
■ Other Funds

■ Internal Service Funds

■ Sormwater Fund

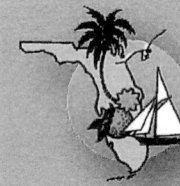
■ W/S Utility Fund

FY21 General Fund Budget

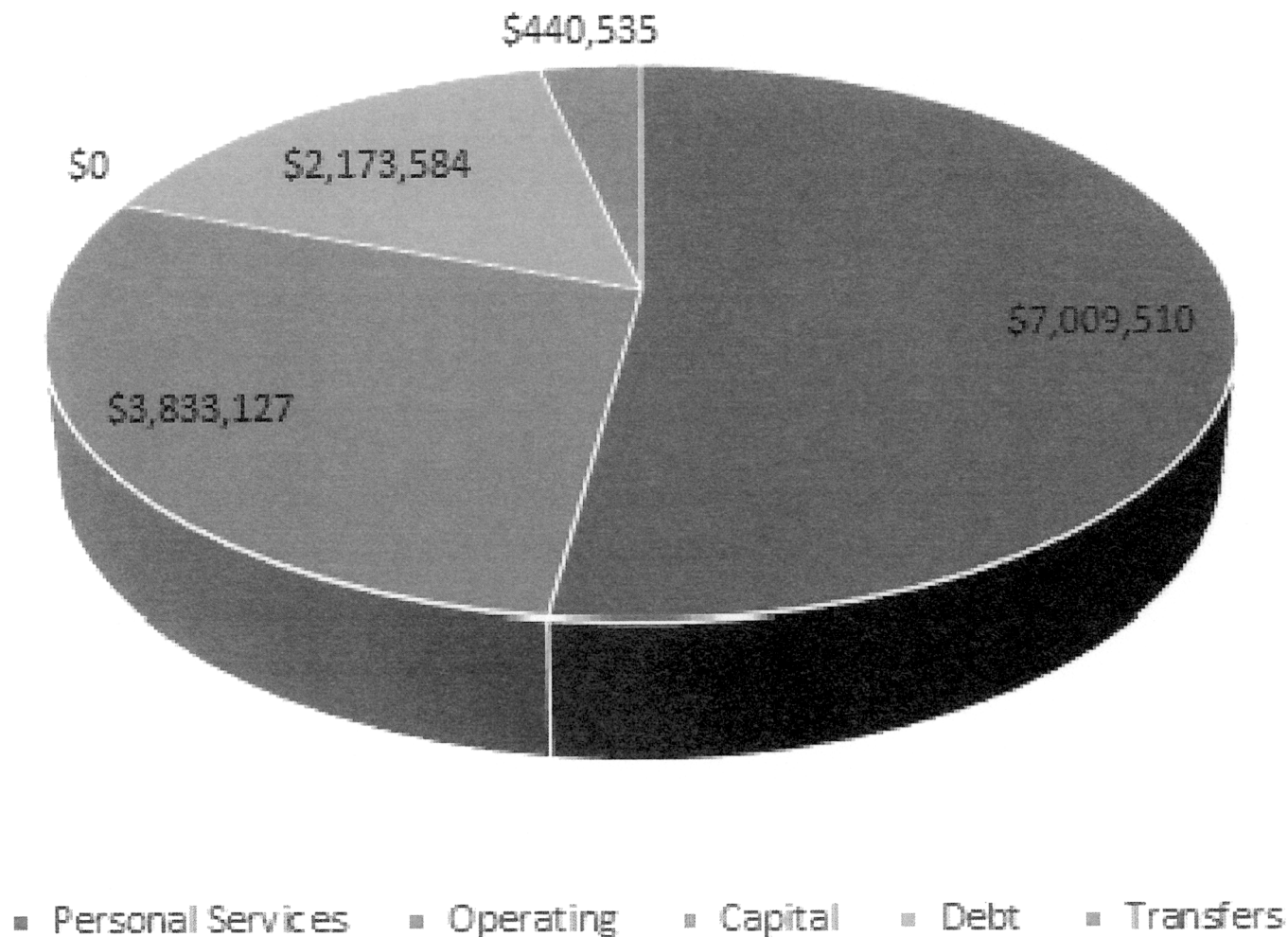


- Personal Services
- Operating
- Capital
- Debt
- Transfers

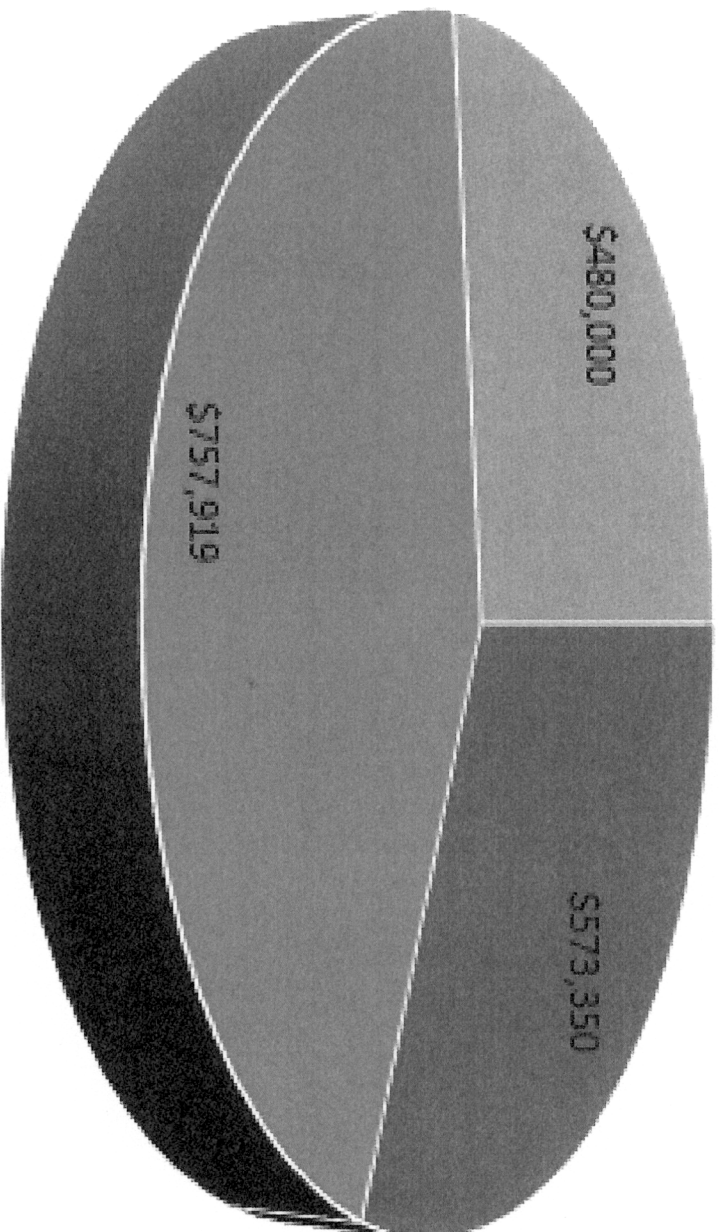
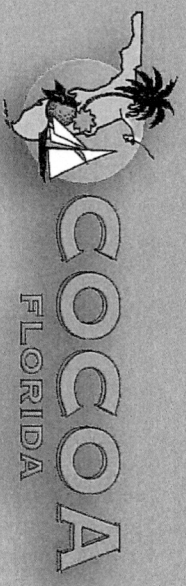
All Other Governmental Funds



COCOA
FLORIDA

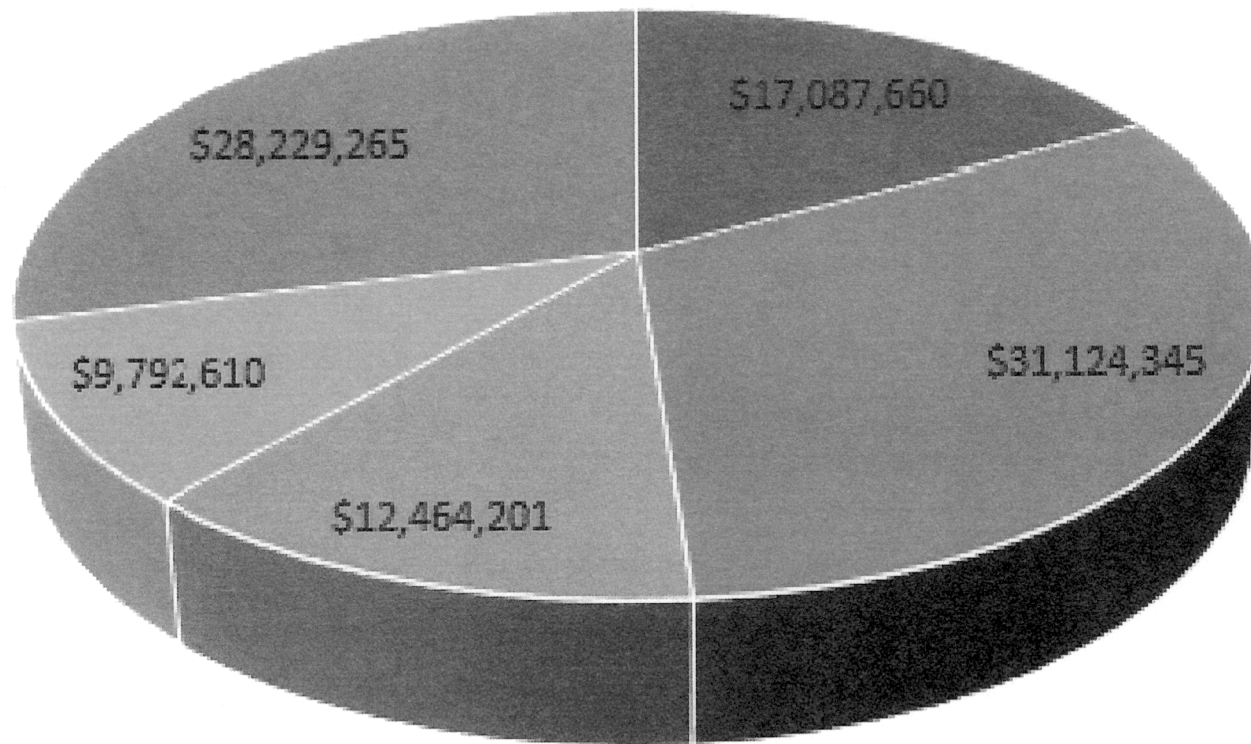


FY21 Stormwater Budget



- Personal Services
- Operating
- Capital

FY21 Water/Sewer Utility Fund Budget



■ Personal Services ■ Operating ■ Capital ■ Debt ■ Transfers

General Fund Budget Adoption

1. Review increases in property values
2. Review/forecast/plan other revenues
3. Review personal services – personnel needs and benefits
4. Review operational needs – provision of basic services and mandated operational components
5. Review capital needs and requests from departments
6. FAMS analysis/sustainability analysis with Stantec/verification the budget will be sustainable for utility
7. Determine what can be taken out of budget or deferred if costs exceed revenues
8. Balance budget



Historical Review

Ad Valorem Tax Base



Fiscal Year	Valuation	% of Change
FY2009	\$1,168,009,451	(0.9%)
FY2010	\$1,025,224,075	(12.2%)
FY2011	\$906,460,404	(11.6%)
FY2012	\$797,859,898	(12.0%)
FY2013	\$771,155,034	(3.3%)
FY2014	\$773,867,625	0.4%
FY2015	\$780,867,625	0.9%
FY2016	\$817,760,975	4.7%
FY2017	\$858,558,414	5.0%
FY2018	\$890,566,389	3.5%
FY2019	\$971,766,039	8.8%
FY2020	\$1,099,762,247	13.2%
FY2021	\$1,166,698,204	6.0%

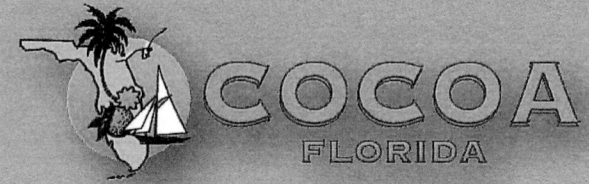
FY2020 Millage Rates



Ranking	City	Current	Rolled-back	Adopted
1	Satellite Beach	8.8212	8.3428	8.7000
2	Palm Bay	8.4500	7.8995	8.4500
3	Titusville	7.9517	7.4951	7.7210
4	Melbourne	7.1878	6.8023	7.1878
5	Rockledge	6.2000	5.9223	6.1000
6	Cocoa	5.9790	5.7844	5.9790
7	Indialantic	6.2853	5.7743	5.9484
8	Cocoa Beach	5.7298	5.4480	5.8294
9	Cape Canaveral	3.8288	3.7495	3.7359
10	West Melbourne	2.6017	2.4936	2.6017

Note: The City of Cocoa Adopted Millage Rate has been the same since FY2015

FY2021 Gross Taxable Values



Ranking	City	Gross Taxable Value (in thousands)	Population	Millage Rate
1	Melbourne	\$5,735,844	83,349	6.8650
2	Palm Bay	\$4,814,134	115,322	7.8378
3	Titusville	2,238,078	46,497	7.9359
4	Cocoa Beach	\$2,196,822	11,328	5.8294
5	West Melbourne	\$1,909,861	23,607	2.5087
6	Rockledge	\$1,707,607	27,292	6.0500
7	Cape Canaveral	\$1,407,449	10,241	3.6396
8	Cocoa	\$1,166,698	19,328	5.9790
9	Satellite Beach	\$1,070,005	11,088	8.6312
10	Indialantic	\$448,309	2,913	6.0923

Note: The City of Cocoa Adopted Millage Rate has been the same since FY2015

FY2021 Property Taxes Collectible



Ranking	City	Property Taxes	Population	Millage Rate
1	Melbourne	37,407,741	83,349	6.8650
2	Palm Bay	35,845,607	115,322	7.8378
3	Titusville	16,873,101	7,9359	7.9359
4	Cocoa Beach	12,165,849	11,328	5.8294
5	Rockledge	9,814,472	27,292	6.0500
6	Satellite Beach	8,773,654	11,088	8.6312
7	Cocoa	6,626,904	19,328	5.9790
8	Cape Canaveral	4,866,424	10,241	3.6396
9	West Melbourne	4,551,704	23,607	2.5087
10	Indialantic	2,594,669	2,913	6.0923

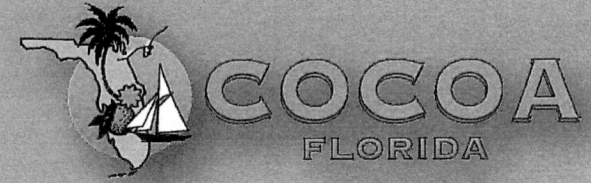
Note: The City of Cocoa Adopted Millage Rate has been the same since FY2015

FY2021 Ad Valorem per Capita



Ranking	City	Gross Ad Valorem Taxes	Amount Paid per Capita	Population	Ad Valorem as % of Total Revenue
1	Cocoa Beach	12,165,849	1,073.96	11,328	39%
2	Indialantic	2,594,669	890.72	2,913	63%
3	Satellite Beach	8,773,654	791.27	11,088	54%
4	Cape Canaveral	4,866,424	475.19	10,241	39%
5	Melbourne	37,407,741	448.81	83,349	36%
6	Titusville	16,873,101	362.89	46,497	32%
7	Rockledge	9,814,472	356.91	27,292	41%
8	Cocoa	6,626,904	342.87	19,328	18%
9	Palm Bay	35,845,607	310.83	115,322	38%
10	West Melbourne	4,551,704	192.81	23,607	22%

Property Increases Due to New Construction



Fiscal Year	New Construction	% of Increase
FY21	\$15,283,427	22.83%
FY20	\$50,168,675	39.20%
FY19	\$25,192,917	31.03%
FY18	\$7,322,322	22.88%
FY17	\$15,059,110	36.91%

Setting the Millage Rate



Options:

- **Rollback Rate** – millage rate to collect same amount of taxes as PY excluding new construction
- **Keep the Same** – results in tax increase
- **Majority Vote** – rolled back rate + % change in per capita FL personal income
- **2/3 Vote** – up to 110% of the majority vote max millage rate
- **Unanimous or Referendum** – any millage up to 10 mills

Your Tax Dollar

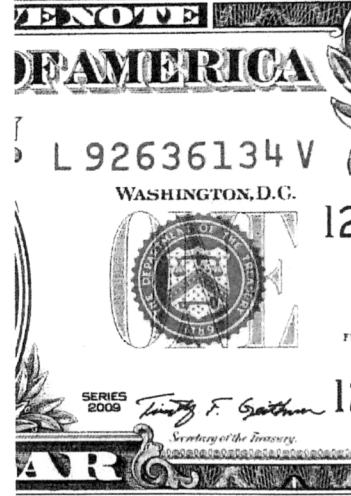
School Board
\$0.35



City of Cocoa
General Fund
\$0.33



Brevard County
General Fund
\$0.22



Brevard
County
Other
\$0.08



Other
\$0.02



General Fund FAMS Model

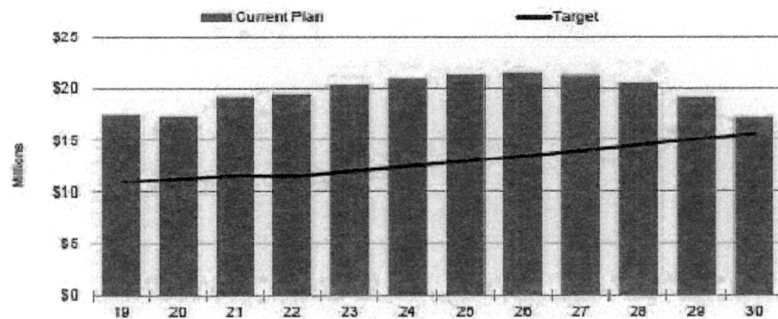


City of Cocoa, FL

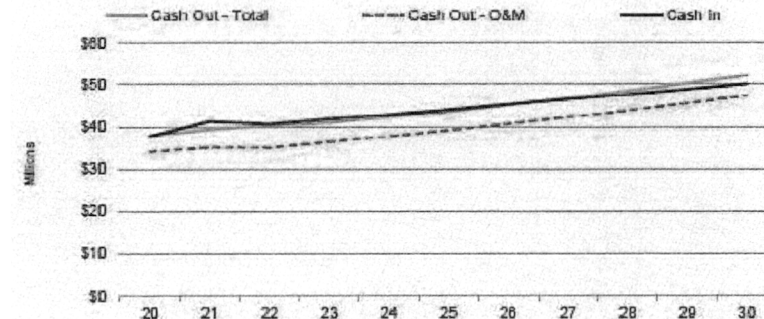


	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Millage Rate	5.9790	5.9790	5.9790	5.9790	5.9790	5.9790	5.9790	5.9790	5.9790	5.9790	5.9790
Existing Property Value Adj	12.6%	6.6%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
New Construction	N/A	N/A	1.0%	3.1%	1.0%	2.1%	3.2%	1.0%	1.0%	1.0%	1.0%
Cash Flow Surplus/(Deficit) \$M	\$ (0.19)	\$ 1.85	\$ 0.34	\$ 0.83	\$ 0.58	\$ 0.48	\$ 0.20	\$ (0.28)	\$ (0.81)	\$ (1.39)	\$ (2.01)
End of Year Fund Balance \$M	\$ 17.31	\$ 19.16	\$ 19.50	\$ 20.33	\$ 20.90	\$ 21.38	\$ 21.58	\$ 21.30	\$ 20.49	\$ 19.11	\$ 17.10
Target Fund Balance \$M	\$ 11.29	\$ 11.59	\$ 11.57	\$ 12.00	\$ 12.45	\$ 12.91	\$ 13.40	\$ 13.92	\$ 14.46	\$ 15.02	\$ 15.62
Balance % of Expenses	50.60%	54.54%	55.61%	55.90%	55.43%	54.65%	53.14%	50.51%	46.78%	41.96%	36.13%

End of Year Fund Balance



Revenues vs. Expenses



Balancing the General Fund Budget

Ad Valorem Revenue FY21	\$ 6,626,904
Police Budget	\$10,485,570
Fire Budget	<u>\$ 6,628,150</u>
Net	(\$10,486,816)
Fire Assessment Collections	<u>2,614,500</u>
Difference (shortage)	(\$7,872,316)

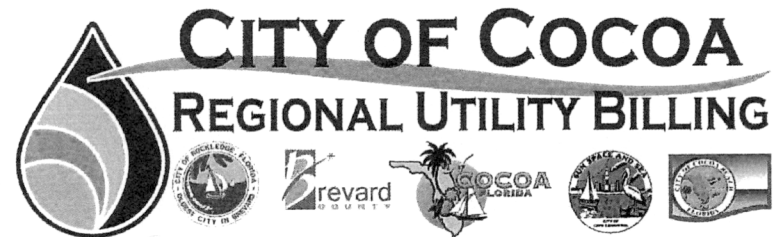
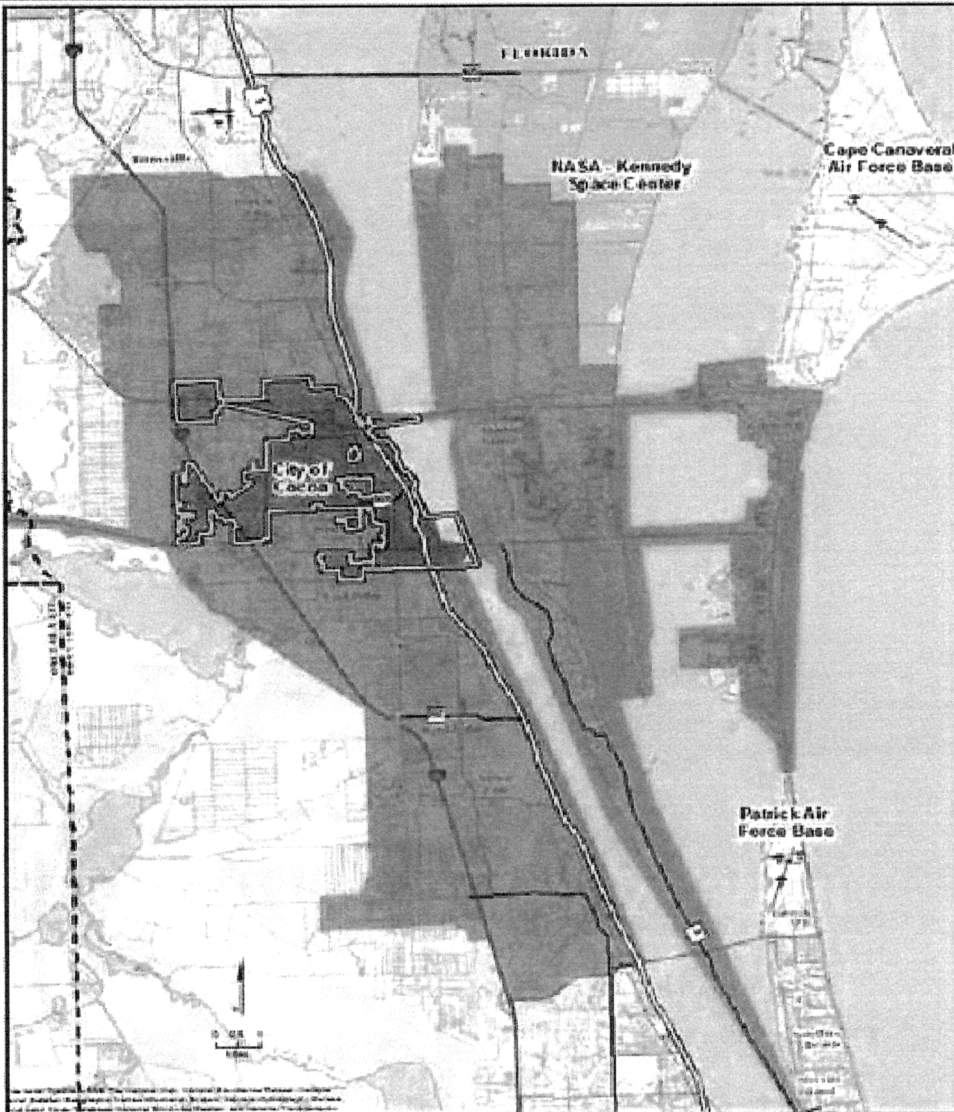


Balancing the General Fund Budget

Total General Fund Revenue	\$ 41,351,033.00
Utility Related Fees:	
W/S Admin Fees	6,585,764
Return on Investment (ROI)	7,810,388
Payment in Lieu of Franchise Fees	1,374,993
UT Billing Service Charges	<u>2,600,546</u>
Total Utility Fund Support	\$ 18,371,691.00
General Fund Revenue without Utility Support	\$ 22,979,342.00
Less:	
Police	10,485,570
Fire	6,628,150
General Fund Payment to CRAs	<u>978,560</u>
Amount Available to Fund all Other GF Services	\$ 4,887,062



Cocoa Regional Utility

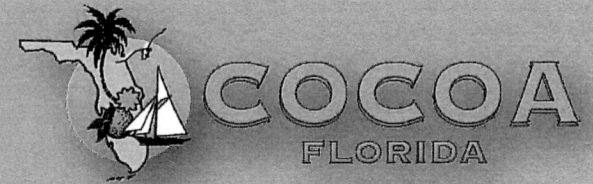


Water & Sewer Fund Budget Adoption

1. Review changes in costs
2. Review adopted 5-year planned revenues
3. Review personal services – personnel needs and benefits
4. Review operational needs – provision of basic services and mandated operational components
5. Review capital needs
6. Review net position and compliance with bond covenants
7. FAMS analysis/sustainability analysis with Stantec/verification the budget will be sustainable for utility
8. Adjust utility rates or determine what can be taken out of budget or deferred if costs exceed revenues
9. Balance budget



Water/Sewer FAMS Model



FAMS-XL

City of Cocoa, FL

Water & Sewer Fund

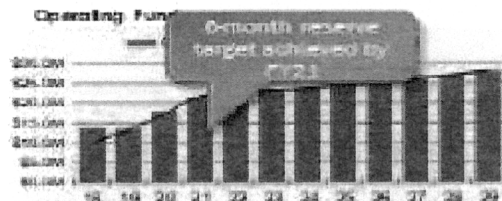
Stantec

CALC | LIVE | CDS | LMT | OUR

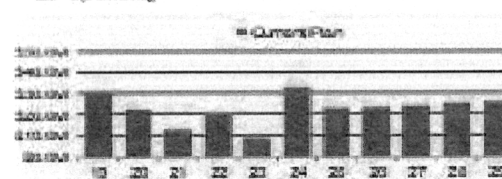
	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
Water Rate Plan	0.00%	5% Annual Rate Adjustments			1%	5.00%	5.00%	4.00%	4.00%	4.00%	4.00%	4.00%	37.0%	28.94%
Sewer Rate Plan	0.00%			1%	5.00%	5.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	37.4%	27.81%
Reuse Rate Plan	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%		
Service User DDC	2.24	3.40	3.03	3.28	2.94	3.66	2.73	2.80	3.46	3.48	3.38			
Subordinate DDC	5.39	5.48	6.55	7.45	6.94	10.56	15.10	20.10	27.25	26.48	11.31			
Avg WSI (5 Kgd)	66.28	66.00	66.44	66.60	66.00	66.67	66.66	66.66	66.66	66.66	66.66			

Scenario Manager
2019 Plan | Calculated

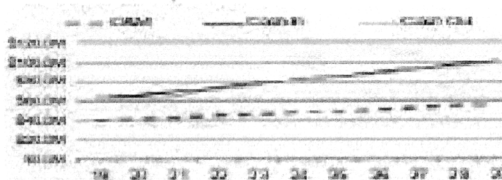
Strong debt service coverage



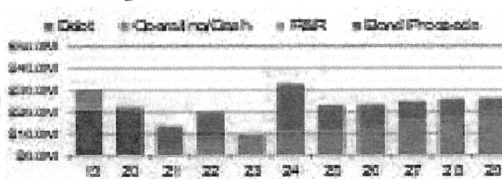
CIP Spending



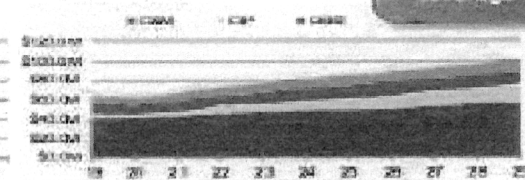
Revenue vs. Expenses



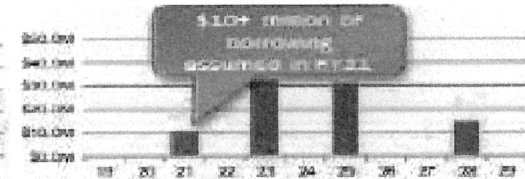
CIP Funding



Expenses by Type



Borrowing

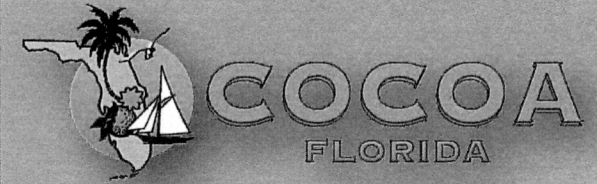


Stormwater Fund Budget Adoption

1. Review changes in costs
2. Review adopted 5-year planned revenues and CIP
3. Review personal services – personnel needs and benefits
4. Review operational needs – provision of basic services and mandated operational components
5. Review net position
6. FAMS analysis/sustainability analysis with Stantec/verification the budget will be sustainable for utility
7. Adjust stormwater rates or determine what can be taken out of budget or deferred if costs exceed revenues
8. Balance budget



Stormwater FAMS Model

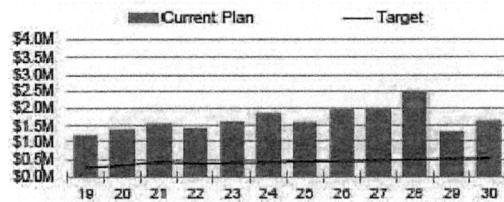


CITY OF COCOA, FL

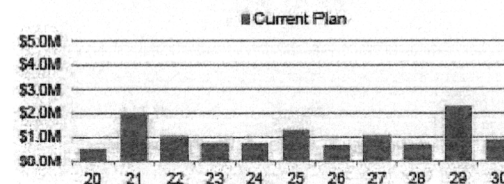


	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2025	FY 2030
Revenue Adjustment Plan	0.00%	0.00%	0.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	29.83%	50.50%
Tier 1 SFR Assessment	\$71.96	\$78.43	\$85.49	\$88.05	\$90.69	\$93.42	\$96.22	\$99.10	\$102.08	\$105.14	\$108.29		
Tier 2 SFR Assessment	\$110.71	\$120.67	\$131.53	\$135.48	\$139.55	\$143.73	\$148.04	\$152.48	\$157.06	\$161.77	\$166.62		
Tier 3 SFR Assessment	\$192.64	\$209.97	\$228.87	\$235.73	\$242.81	\$250.09	\$257.59	\$265.32	\$273.28	\$281.48	\$289.92		
Annual \$ Change (Tier 2)		\$9.96	\$10.86	\$3.95	\$4.06	\$4.19	\$4.31	\$4.44	\$4.57	\$4.71	\$4.85		

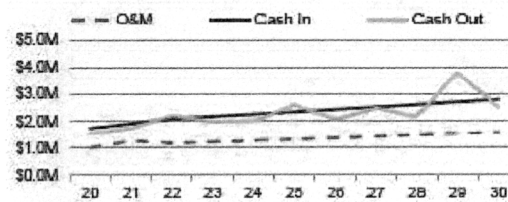
Operating Fund



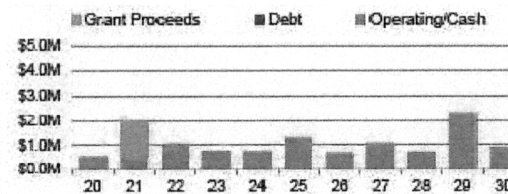
CIP Spending



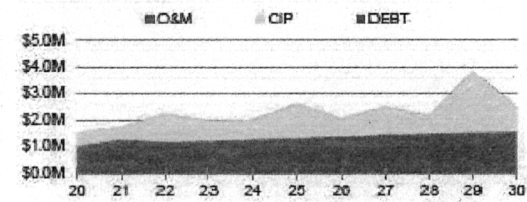
Revenues vs. Expenses



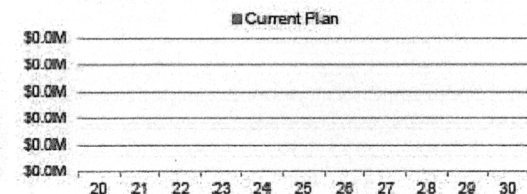
CIP Funding



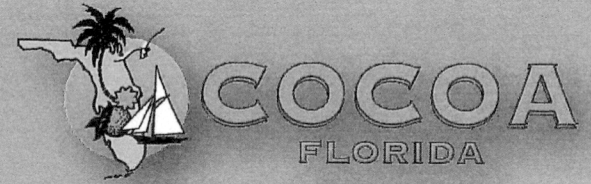
Expenses by Type



Borrowing



Other Budget Considerations



- Upcoming labor union negotiations
- Future State mandates
- Computer Systems requirements
- Major construction projects
- Solid Waste contract expiration
- Competitive Salaries
- COVID-19 Impact