City Council
Special Meeting
August 7, 2025

The City of Titusville City Council met in special session on Thursday, August 7, 2025, at Titusville City Hall, second floor, Council Chamber, 555 South Washington Avenue, Titusville, Florida 32796. Mayor Connors called the City Council meeting to order at 5:00 p.m. Those present in the Council Chamber included Mayor Andrew Connors, Vice-Mayor Herman A. Cole, Jr., Col USAF Retired, and City Council Members Megan Moscoso, Jo Lynn Nelson, and Dr. Sarah Stoeckel.

Also in attendance were City Manager Tom Abbate, Attorney James Stokes (A contract attorney for the City), Assistant City Clerk Jolynn Donhoff, and the City's Executive Leadership Team (department heads) or their designees.

Mayor Connors requested a moment of silence. He then led those present in the *Pledge of Allegiance to the Flag*. Assistant City Clerk Donhoff read the procedures for public participation.

The purpose of the special City Council meeting was to hold a workshop on the Fiscal Year (FY) 2026 proposed budget

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Staff Presentation – City Manager Abbate, joined by Finance Director Teri Butler, gave a presentation on the following information:

- Budget workshop agenda and format
- City Manager's responsibilities under *Section 30(4)* of the City *Charter*
- The City's vision and mission statements
- The FY 2026 Strategic Plan Goals and Priorities
- FY 2026 Budget environment
- FY 2026 Budget priorities
- FY 2026 Budget highlights, all funds proposed revenues (histogram), and all funds expenditures (pie chart)
- Organization and staffing, proposed organizational chart for FY 2026, total staffing levels

Budget highlights by fund, as followed:

- General Fund

    - Proposed Full Time Employee (FTE) Changes
    - General Fund and proposed budgeted revenues for FY 2026 (pie chart)
    - Property tax values, operating millage rate, ad valorem revenues (line graphs)
    - General Fund Millage Rate built at the rate of 6.3000 mils
    - Ad valorem per resident comparisons
    - Millage Comparisons
    - General Fund Revenues

- FY 2026 General Fund Expenditures (pie chart)
- General Fund Capital Projects Road Resurfacing Program
- General Fund Expenditures

- Special Revenue Funds
  - Community Redevelopment Agency (CRA) Revenues and Expenditures
  - Building Inspection Fund
- Debt Service Funds
- Enterprise Funds
  - Solid Waste: revenues and expenses
  - Stormwater revenues, expenses, and Capital Fund
  - Stormwater and Solid Waste Rate Proposals
  - Stormwater rate comparison (residential)
  - Solid Waste rate comparisons (residential and commercial)
  - Marina revenues and expenses
  - Water and wastewater revenues, expenses, Capital Fund, rate proposals, rate comparison for residential
  - Combined utility rate comparison (residential)
- Internal Service Funds – Fleet, Information Technology, Self Insured Dental, Loss Fund, Health Insurance Funds, etc.

In addition, staff highlighted information on the following:

- Health Care Trends
- Health Insurance Presentation by Benefits Consultant
- Capital Outlay Items:
  - Capital Equipment: General Fund and Water & Sewer
  - Vehicles and General Fund
  - Vehicles and Water & Sewer
  - Vehicles and Stormwater
  - Vehicles and Solid Waste
- FY 2026 Unfunded projects, initiatives, and trends
- FY 2026 budget considerations
- Next steps, including public comment, Council discussion, respond to outstanding issues, and hold the public hearings on the FY 2026 budget scheduled for the special City Council meetings on September 11, 2025 at 5:30 p.m. and September 18, 2025 at 5:30 p.m.
- Council was scheduled to adopt the annual budget on September 18, 2025 at a meeting commencing at 5:30 p.m.

During and immediately following the presentation on the Fiscal Year (FY) 2026 budget, Council Members discussed various information and questions with staff and the City's health care benefits consultant.

Mayor Connors discussed:

- Information on internal service funds and differences from last year to the proposed budget for FY 2026
- Decisions and challenges related to health care insurance for employees
- Forecasting needs and how employers take care of the employees
- Health care costs, fiscal responsibility, compassion for employees was a priority, prior catastrophic employee health claims and costs, returning to normal cost trends, keeping premiums low, facing future health care costs estimated to increase 6% to 9%, the importance of providing good plans and options to employees for health care, etc.
- A (broader) audit of commercial pharmacy revenues, costs to consumers, and results of the audit (unclear who was conducting the audit) being available in approximately one month
- Concerns for administrative fees for health care may be charged to the public to make-up pharmacy revenue losses or in case regulating pharmacy revenues or costs occurred
- Using a camera inspection system to inspect City water pipes or similar infrastructure

Member Nelson discussed:

- Employee health care costs, deductibles, and "out of pocket" costs to employees
- The enhanced health care coverage was estimated to pay approximately 85% of an employee's health care costs, whereas the basic plan was estimated to pay approximately 80% of costs
- The details and differences between available health care plan options for employees
- The status of a large project involving the Florida Department of Transportation (FDOT) and lighting improvements along state roads inside the City
- The Police Department using drones and leveraging technology to increase efficiency in safety, improve service, being deployed to calls where crimes may be in progress, clearing up information on the status of issues faster, the purchasing process was slower than the rate of technological advancements, which could assist the department to continually make improvements in service to the community
- Staffing levels changes since 2005 to 2017

Member Moscoso discussed:

- Concerns for an enhanced health care benefit option to employees at the cost of $100 per month (employee's responsibility if elected by employee) would more or less cancel the benefit of lower paid employees receiving a 3% cost of living adjustment (COLA) in FY 2026
- Staffing levels having grown by 23% since 2017, her support of freezing new hires based on budget constraints, whether there was matrix to compare staffing increases with overall recent growth and development in the City, etc.

- The bulk of new employees hired in recent years consisted mainly of police and fire personnel
- Whether the municipality was keeping up with growth concurrency requirements
- Twenty-three (23) new employee positions were requested by the departments in FY 2026; however, this was declined except for two police officer positions, etc.
- The City and Police Department had a robust School Resource Officer (SRO) Program and diminishing staff levels would cause the program to fall below target service levels. Staff did not support doing away with SROs
- The anticipated population estimate in the City by 2050 was estimated at 60,000 residents, concern hiring more employees was not sustainable to justify this future population estimate, looking at operational efficiencies through employee attrition, job sharing and other creative opportunities, etc.

Member Stoeckel discussed:

- Two health care plan options available to employees were PPO plans
- Reasons why employees may not choose the enhanced health plan at $100 per month, perhaps based on if the employee did not anticipate going to the doctor(s) much
- Overall budgeted revenues and differences (presentation slide no. 12)
- The State's new Chief Financial Officer's (CFO) desires to work smarter. Use matrix to track status of such concepts. For example, if no permits were issued during a two-month period, this may be a problem that needed to be addressed
- Idea of consolidating more and if adding more staff desired later, make a case for "why"
- The City received a request from the State and Department of Government Efficiency (DOGE), in which the City was charged with a quick turn-around time to respond, to which it was done by the deadline. The City was confident it would pass a DOGE audit. Any issues could also be addressed

Vice-Mayor Cole discussed:

- Concerns for employee health care, his position as a board member of Parrish Medical Center (local hospital), it was normal for health care insurers to negotiate and reach terms with hospitals and agencies, etc.
- Confirmed that artificial intelligence was being used in the Community Development departments to improve service to the community

Staff advised that the City's proposed budget for Fiscal Year (FY) 2026 was presently balanced. This workshop was the appropriate time to learn if the Council desired different things.

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<u>Petitions from the Public Present</u> –

Trenton Mansfield desired asking questions of Council and staff, to which were addressed as best possible during the workshop. Mr. Mansfield's questions concerned capital costs for vehicle purchases and/or interest costs, concern for cost burdens shifting to renters rather than landlords, concerns for incremental cost increases for utilities added up over time, and whether City departments were using artificial intelligence to streamline services and improve efficiency.

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Fiscal Year (FY) 2026 Budget Workshop –

Member Moscoso desired more information following the workshop, including a breakdown on costs for the following line items in the proposed FY 2026 budget for the Administration:

- City Council budget - $23,000 budgeted for *Books / Publications/ Subscriptions / Memberships*
- City Clerk budget - $42,000 budgeted for *Promotional Activities*

Mayor Connors and staff discussed the following:

- Developing ideas and economic development incentives to offset or mitigate the void caused by the recent dissolution of the North Brevard Economic Development Zone
- Estimating the City's costs each time there was a rocket launch. He desired generating more revenue for the City from businesses or agencies trying to launch their rockets which may impact the City's costs
- Approximately 25 years ago, NASA paid the costs of staff overtime and working traffic safety needs at four or five roadway intersections. This was extremely helpful to cover the City's costs, but then this later stopped with changes in NASA's space program
- The importance of seeking State appropriations (funding) for capital projects. This generated more discussion on the annual cycle and procedures of Council and others setting their legislative priorities, as well as the Florida League of Cities, combining and championing legislative priorities at the State level, etc.
- Twelve years ago, the City had "shovel ready" projects ready to go, in case State funding was available
- Anticipating receiving grant funding and preparing for providing matching funds
- The purpose of hiring a lobbyist

Brief discussion ensued. Member Stoeckel desired asking whether it was appropriate to ask staff if there were projects, they felt the State would fund and anticipating having the matching funds. Tie these concepts into what the City thought would get approved at the State level.

Member Nelson desired infrastructure projects that would help restore the Indian River Lagoon for the long-term and overarching health of the lagoon. Other kinds of projects to support clams or lagoon wildlife may not be as easy to obtain or have ready. The long-term health and future of the lagoon was the primary goal.

Mayor Connors advised that Florida's Governor was visiting Melbourne next week and would give a speech on the lagoon. Having a lobbyist would bring experience in these kinds of matters. The Council and staff could also research other cities and their projects.

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With no further business to discuss, the meeting adjourned at 6:32 p.m.

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Andrew Connors, Mayor

ATTEST:

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Wanda F. Wells, City Clerk