

WORK SESSION  
JULY 15, 2003

A special work session of the Arcadia City Council was held on July 15, 2003 at 5:00 p.m. in Room D of the Way Building at 23 N. Polk Avenue. Councilmembers attending were: Goodman, Fazzone, Heine, Whitlock and Johnson. Also in attendance were: Administrator Strube, Attorney Holloman, Marshal Lee, Capitan Anderson, Fire Chief Rutherford, Assistant Fire Chief Wells, several firefighters Ms. Way and Recorder Baumann.

Mayor Goodman called the meeting to order.

The Invocation was given by Mayor Goodman.

Mayor Goodman stated the purpose of the work session is to listen to employees concerns regarding a possible merger with the County Fire Department.

Administrator Strube addressed a memo sent to Council from the Fire Department which outlined several issues that were relevant during the last merger discussions with the County. The main issue had to do with the retirement program. The County must be on the Florida Retirement System (FRS) and pays all costs for the employees at about 14%. The City Fire Department has their own retirement system which requires all members to contribute 9.6% of their salary each week; the City contributes between 4%-5% for an average of 14%. City employees feel that the entire cost for their retirement system should be picked up by the County in order to be in line with the current benefit the County provides their employees. The Fire Department was informed by the plans attorney that only current city employees (before a merger) could remain in the Police and Fire Pension Fund. Any employee hired after the merger would automatically go on the FRS system. Councilman Johnson asked if current employees would be able buy into the FRS system and was informed that they can, however it would not be on a year for a year basis. Some of the differences between the two retirement systems are; FRS requires 25 years to be eligible for retirement, while the Police & Fire Pension Fund requires only 20 years. Vesting occurs at six (6) years on both plans. During the last merger talks the County was not willing to pick up all costs (employee & employer) for the Police and Fire Pension Fund. The City's position concerning this issue is that the County should pick up all costs.

A second issue of concern has to do with promotions. Fire Chief Rutherford stated that the County just tested four (4) employees for a Lieutenant's position and that once the test results are received two (2) employees will be promoted. Chief Rutherford believes that this is unfair to City employees who might have been eligible to take the test and be promoted. Fazzone asked Chief Rutherford if he was requesting that the City ask the County not to promote employees until the merger talks are completed as a show of good faith. Chief Rutherford stated yes. Administrator Strube said that it would be very hard to expect the County to hold back on organizational needs until a merger might be reached, however City employees must have parity with County employees.

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Heine moved to have Mayor Goodman and Administrator Strube meet as soon as possible with County Administrator Chisholm and Chairman Needs to discuss the issue of promotions; seconded by Fazzone and carried.

Administrator Strube noted that the City needs to get the County's current plan as we are still using old information.

Councilman Fazzone stated that he does not believe that the City and County will ever be able to agree without the aid of a consultant. Fazzone then moved to hire a consultant to be paid 50/50 from the City and County to work out the details of a merger in order for it to be equitable for all parties; seconded by Johnson and carried.

Marshal Lee addressed the Council stating that as a citizen of the Southwest section most of his neighbors are elderly and he does not believe that the citizens should pay more money for less service.

Mayor Goodman stated that the Council knows that the City has a good Fire Department.

It was asked what would happen if the merger does not go through and Fazzone stated that there could be possible cutbacks. Heine noted that at the last Council meeting Administrator Strube reported that this will be a very tight budget year which may require some cuts in staff. Administrator Strube also reported that the City will receive only \$45,000.00 in new tax revenue.

Assistant Fire Chief Wells asked about funding of the merger and was informed by Administrator Strube that funding is a major concern regarding any merger talks. The County's MSTU tax rate has been doubled, however it still leaves a deficit of between \$400,000.00 to \$500,000.00. The City was never told how long they would be required to make up the shortfall from the first year.

It was noted that the County has hired and received a report on setting rates for the MSTU and MSBU.

Councilman Heine suggested the Fire Department merger issue be put to a vote of the citizens. Councilman Fazzone stated that until the citizens were aware of what is being discussed regarding any merger they would not be able to make an informed decision and he believes that most would vote no. Councilman Whitlock stated that the Council is vested with the power to make these types of decisions. Administrator Strube noted that several years ago a merger of all City and County functions was on the ballot. The City residents voted in favor, the County residents against and no further action was ever taken.

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Several Firefighters expressed concern as to what type of consulting firm would be used. Administrator Strube said there should be firms out there that are familiar with this type of merger talks noting several cities/counties such as Wauchula, Hardee County, Pasco County, Dade City and Okeechobee have either just recently gone through a merger or are in the process.

New Firefighter Becca Petterson addressed Council stating that she was very impressed with the longevity of City Firefighters noting that the County seems to have a problem with turnover.

Firefighter C.W. Blosser thanked the Council for holding this workshop.

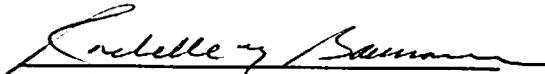
Mayor Goodman stated that the Council will do what is best for the citizens and staff.

Firefighter Randy Hipp stated that he has eighteen (18) years with the City and he hopes to complete twenty (20). He would like to be sure that all of the current sixteen (16) Fire Department employees would be hired by the County as he has heard otherwise.

A concerned citizen inquired why a merger was being discussed and was informed by Mayor Goodman that the Council had received a written request from the County to discuss a possible merger. Mayor Goodman then suggested that he attend the County meeting on July 22, 2003 in order ask the County any questions he may have.

Mayor Goodman then stated that the Council could have made a decision to merge without holding a workshop with employees, however we are a team and we must work together to protect each other. The employees must be the Council's ears and eyes so that the Council does not get blindsided and can make informed decisions.

There being no further business the meeting was adjourned.

  
CITY RECORDER

  
PRESIDENT