

Special Town Commission Meeting of the Town of Ocean Ridge held on Tuesday, July 30, 2002 at 8:00 AM in the Town Hall Meeting Chambers

The meeting was called to order by Mayor Kaleel and roll call was answered by the following:

Commissioner Aaskov	Commissioner Bingham
Commissioner Bridges	Commissioner Schulte
Mayor Kaleel	

Pledge of Allegiance

1. Consideration of the 2002-03 Proposed Budget

Town Manager Dailey stated that she has reviewed the budget although most of it was prepared during the time of the Interim Town Manager.

Town Clerk Hancsak advised that the proposed surplus needed to balance the budget has decreased due to the increase in ad valorem revenue which is a result of \$13 million of new construction this past year. She stated that the staff was suggesting a 4.000 millage rate for the general budget and .3206 millage rate for the debt service. She advised that the 4.0000 millage rate would allow the Town to receive \$1,860,537 in ad valorem taxes which would be a \$285,176 increase over the previous year. Comm Bingham stated that she felt the 11.7% increase was steep and that she did not believe they wanted to raise taxes that much. Mayor Kaleel stated that he felt the Town Commission had been in agreement to maintain the 4.0000 millage for a few years in anticipation of drainage payments.

Town Manager Dailey reviewed the highlights of the budget which include \$60,000 for the Town Engineer, an increase from the previous year as this would be budgeting for a whole year's service when previously only a partial year's service was budgeted. She advised that \$2,750 was being budgeted for a professional to update the computer network and \$55,000 for plans of a renovation of Town Hall. Comm Willens commented that architectural plans are generally 8 – 10% of the total cost, so he questioned if the total project would be around \$1/2 million to which Town Manager Dailey advised that the cost would depend on how much is new construction vs. renovation. She concluded with the rest of the outlined highlights of the 3% COLA increase, upgrade of computer server, addition of one new DPS Officer, two new police vehicles, right-of-way maintenance, misc capital projects and storm drainage improvements. Comm Bingham questioned the right-of-way maintenance to which Town Manager Dailey replied that it is a policy decision that the Town Commission needs to make and that no set rights-of-way have been chosen by the staff.

Regarding the Consolidated Statement of Revenues and Disbursements, Town Clerk Hancsak reminded the Commission that the figures for FY 01-02 were estimates and that

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the balance forward would probably be higher than the estimate as all the expenditures budgeted in a year are generally not all spent.

Regarding the anticipated revenues, Town Clerk Hancsak advised that the anticipated amount of the Communications services tax would be increasing and that the Law Enforcement/Fire Services Charges was a reflection of a one year contract extension with Briny Breezes. She added that the amount for interest earned on savings and investments was being lowered as a result of the lower interest rates she has been receiving.

Town Commission

Town Manager Dailey advised that the expenditures have decreased slightly due to a decrease in retirement costs.

Town Manager

Town Manager Dailey advised that the budget has decreased slightly due to the change in her salary from the previous Town Manager and the change in position for the Administrative Assistant to a Project Coordinator. Comm Aaskov stated that she had no problem in the change of position, but she did not want the salary to decrease. Mayor Kaleel stated that he did not feel we needed either the new or the old position and could outsource the position for a lot less with better results.

After general discussion regarding whether the position should be changed or was even necessary, Comm Aaskov moved to keep the new position at the current salary grade 8 and re-evaluate after one year, seconded by Comm Bingham.

Comm Schulte stated that the Town Commission would effectively be telling this individual that they have only one more year left. Comm Willens reiterated that Town Manager Dailey has evaluated that current position and determined that it is not needed any more and that if the salary is not adjusted for a new position, the Town Commission is saying that the new position is comparable in salary to the old one. Mayor Kaleel reiterated that the Town Manager has advised that the current position is not justified even at the lower salary.

Comm Willens suggested eliminating the position and contracting it for a year to the current individual to which Town Clerk Hancsak advised that the Town contracted with this person before and were required to hire him as a permanent employee by Florida State Retirement. Town Manager Dailey reiterated that the responsibilities of this new position do not justify the salary grade 8. Mayor Kaleel stated that he stills feels that while the Town Manager does need some help, this position is not entirely necessary.

Roll call was taken on Comm Aaskov's motion.

Motion failed – aye 2 (Aaskov, Bingham)
nay 3 (Schulte, Willens, Kaleel)

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Comm Bingham moved to create the new position, but keep it at the current salary of \$47,215 with no COLA increase for the next fiscal year. Mayor Kaleel stated that it would be difficult to not give a COLA to one specific employee. There was no second to the motion.

Comm Schulte moved to keep the new position at the current salary of \$47,215 with no COLA increase in the new budget year and to have the Town Manager present a review of the new position in ninety days to which there was no second. Mayor Kaleel reiterated that it would not be a good idea to withhold the COLA increase from one employee.

There were no passed motions to change the proposed budget.

Town Clerk

Town Manager Dailey stated that this budget has increased slightly due to the purchase of new accounting software.

Comm Schulte questioned that if COLA increases are given across the board to all employees, how an employee would know that they are not performing well. Town Clerk Hancsak advised that the Department of Public Safety got an additional increase in a previous budget year due to the fact that theirs was the lowest paid department in Palm Beach County. Director Hillery advised that allowing for a COLA increase helps the department avoid unions. Comm Bingham stated that she felt most small businesses were dropping health coverage for employees and that she did not believe the CPI was as high as 3% this year. Town Manager Dailey advised that the COLA was not based solely on the CPI, but also on the increases proposed by other municipalities. Comm Willens questioned what the increase in health costs would be in this budget to which Town Clerk Hancsak advised that the Town's increase is going to be 21% where some other municipalities were receiving 34% increases. She added that the Worker's Compensation rates were increasing dramatically due to the addition of hypertension as an allowable claim but that was not considered a benefit to the employee because it is mandated.

Comm Willens moved that the entire personnel cost for employees be limited to a 3% increase, seconded by Comm Schulte.

Comm Bingham again stated that some businesses are discontinuing health care benefits to which Mayor Kaleel advised that there is a difference between private and public. He stated that employees of private companies receive additional benefits such as profit sharing dependent upon the success or failure of the business where public employees receive benefits such as health care. Town Clerk Hancsak advised that some municipalities are also paying a portion of dependent coverage as well.

Comm Willens withdrew his motion.

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Comm Bingham moved to pass on the increase in benefit costs to the employees. There was no second to the motion.

Town Attorney

Town Manager Dailey explained that this account would now be based on a retainer for the Town Attorney on a monthly basis and a new account for special counsel.

Appointed Boards

Town Manager Dailey advised that this account decreased due to a decrease in the professional services account.

General Government

Town Manager Dailey stated that the overall budget had decreased due to the decrease in the Capital Outlay. She advised that the repair and maintenance account had increased due to the cost to upgrade the server and the capital outlay account includes costs for a/c replacements and two new computers. She added that the \$55,000 proposed for the architectural drawings for the Town Hall are coming from the general government professional services account.

Comm Willens questioned if it is the consensus of the Town Commission to go ahead with the Town Hall renovation to which Mayor Kaleel stated that was the decision of the Town Commission when they purchased the property from Boynton Beach surrounding the Town Hall.

Public Safety

Town Manager Dailey advised that the Capital Outlay included two patrol cars, replacing a service weapon, two SCBA units, two siren control boxes, a digital camera and a tape recorder. She added that one new DPS Officer has also been included in the budget.

Comm Aaskov moved to include the addition of two new officers (one more than in the proposed budget) and all applicable costs with the appropriate change in the unappropriated funds to balance the budget, seconded by Comm Bingham.

Director Hillery advised that one new officer would allow there to be three officers on the road most of the time when he is included as a patrolling officer. Mayor Kaleel stated that he felt there was a tremendous number of residents who feel there should be three officers on patrol at all times. Director Hillery stated that with the addition of five new officers, he would be able to guarantee that there would be three officers on at all times including covering sick and vacation times.

Comm Willens stated that he did not see how the officers would be able to handle the extra patrol and still do code enforcement to which Director Hillery explained that the

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third day shift officer would still be the code enforcement officer and also available for calls if needed.

Mayor Kaleel questioned the situation with the fire service to which Director Hillery explained that in the next budget year (03-04), the Town would have to include a contract for outside fire services, but that the Town would still be in the interlocal agreement for this budget year (02-03).

Inspections

Town Manager Dailey advised that there were no proposed changes to this budget.

Civil Defense

Town Manager Dailey advised that there were no proposed changes to this budget.

Garbage and Solid Waste

Town Manager Dailey advised that this budget reflects a 1.6% increase in services.

Environmental

Town Manager Dailey advised that this budget contains \$75,000 for right-of-way clearing which will be used based on the policy decision that will be made by the Town Commission. Comm Aaskov stated that she wanted to cut this amount in half to which Director Hillery advised that when the Town received estimates to clear all rights-of-way many years ago, the average was \$130,000. Mayor Kaleel stated that he was in favor of having this amount included for budget purposes, but that he hoped not to spend that much.

Mayor Kaleel questioned where the \$100,000 for Town signage was in the budget to which Town Clerk Hancsak advised that it was not part of the general budget, but from the beautification reserve account.

Comm Aaskov left the meeting at 9:50 AM.

Public Works

Town Manager Dailey stated that there were no substantial changes to this budget.

Comm Bingham moved to remove the \$200 budgeted in Capital Outlay for the leaf blower. There was no second to the motion. Director Hillery advised that the blower was not going to be used to blow leaves into the street, but used for other purposes around the Town Hall building.

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Comm Willens questioned who oversees the landscape projects such as Woolbright Rd. to which Town Manager Dailey explained that there was a landscape architect who designed it and a landscape company in charge of the installation. She advised that she has stopped the project until she speaks to the landscape architect.

Economic Environment

Town Clerk Hancsak advised that this budget decreased due to the elimination of irrigation fees and the decrease in the professional services account.

Capital Projects

Town Clerk Hancsak advised that the budget includes \$4,400,000 for drainage improvements. Mayor Kaleel questioned if the plans for drainage had been submitted to DEP to which Town Manager Dailey advised that Lisa Tropepe would be at the August Town Commission meeting to update the Commissioners.

Debt Service

Town Manager Dailey explained that the debt millage is a set amount. Town Clerk Hancsak advised that this loan would be paid off in 2006.

Regarding the Capital Projects account, Comm Willens questioned the \$110,000 budgeted for David Lane improvements to which Town Manager Dailey advised that it is the result of the Kelso litigation.

Regarding the unfunded expenditures in the budget summary, Town Manager Dailey advised that she would like to segregate funds in the amount of \$300,000 for the renovations of the Town Hall. Town Clerk Hancsak stated that they would only be moving funds from the general fund to a new reserve account for this purpose.

Comm Willens moved to approve initial capital funding for Town Hall renovations in the amount of \$300,000 to be placed in a reserve account from the general fund balance, seconded by Comm Schulte.

Motion carried - yea 4.

Town Manager Dailey advised that the staff would like to purchase GIS computer software which would greatly help with all of the new projects that the Town is involved in. Mayor Kaleel advised that he felt the staff would be very pleased with the result as this is a great program. Comm Schulte questioned the maintenance cost for this program to which Town Manager Dailey stated that it would only be an additional cost of the training of the employees.

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Mayor Kaleel stated that when the computers were all replaced four years ago, the Town Commission requested that upgrades be done all the time so that they are not hit for high costs all at one time. He stated that this will not be a problem when the Town has the proper personnel overseeing the computers and technology.

Comm Willens moved to approve \$50,000 in the general government capital outlay account for the purchase of the GIS computer software with the appropriate change in the fund balance unappropriated used to balance the budget, seconded by Comm Schulte.

Motion carried - yea 4.

Before the Commissioners proceeded with the necessary motions for the budget meeting, Town Clerk Hancsak advised that if the Town Commission moved that the proposed millage rate be 4.000 that it could only be lowered in subsequent budget meetings and not increased.

Comm Willens moved that the rolled back rate be certified at \$3.5806 per \$1,000 and that the Certification of Taxable Value form be executed to reflect this for submission to the Property Appraiser and Tax Collector of Palm Beach County, seconded by Comm Bingham.

Motion carried – yea 4.

Comm Bingham moved that the proposed millage rate for 2002-2003 be established at 4.0000 mills and that this be included on the Certification of Taxable Value form that is forwarded to the Property Appraiser and Tax Collector of Palm Beach County, seconded by Comm Schulte.

Motion carried – yea 4.

Comm Willens moved that the debt service millage rate for 2002-2003 be set at \$.3206 per \$1,000 and that this also be included on the Certification of Taxable Value form that is forwarded to the Property Appraiser and Tax Collector of Palm Beach County, seconded by Comm Bingham.

Motion carried – yea 4.

Comm Bingham moved that the first public hearing to consider the budget for the fiscal year 2002-2003 be held at 5:01 PM on Tuesday, September 10, 2002, with the Regular Meeting immediately following, and that this date be included on the Certification of Taxable Value form that is forwarded to the Palm Beach County Property Appraiser and Tax Collector, seconded by Comm Willens.

Motion carried – yea 4.

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Comm Schulte moved that the second public hearing to consider the tentative budget for the 2002-2003 fiscal year be held at 5:01 PM on Tuesday, September 17, 2001, seconded by Comm Willens.

Motion carried – yea 4.

Town Manager Dailey stated that she would like to thank the staff for their work on the budget. She advised the Commissioners that she would be ordering new business cards and would order them for the Commissioners if they wanted any. She added that she would be ordering shirts that have the Town logo on it for any Commissioners that would be interested.

The meeting was adjourned at 10:10 AM.

Attest By:

Town Clerk

Mayor Kaleel

Commissioner Aaskov

Commissioner Bingham

Commissioner Schulte

Commissioner Willens