

Special Town Commission Meeting of the Town of Ocean Ridge held on Wednesday, July 29, 2009 at 8:30 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 Allison
Commissioner Bingham
Commissioner Pugh
Commissioner Brown
Mayor Kaleel

1. CONSIDERATION OF THE 2009-2010 PROPOSED BUDGET

Town Manager Schenck commented that both he and staff had met with the Commissioners individually to review the budget. He commented that the FY 2009/10 budget was prepared with the 5.8000 proposed millage rate (12% increase). He commented that the millage was based on utilizing \$8,444 of the reserves to balance the budget and the budget also reflects a \$160,000 transfer to the Capital Projects Fund. This has also been done in prior years. He stated that his summary letter highlights the major expenditures and Capital Project items, such as the Island Drive Bridge, Coconut Lane, proposed drainage improvements to Douglas/Oceanview and Inlet Cay Island. He also stated that the budget was proposed without any COLA increase; however the step increases (totaling approximately \$16,000) are included for the remaining 8 employees not topped out. He mentioned that several changes occurring in the Law Enforcement Department actually reduced their budget. He also stated that he distributed a memo this morning outlining additional possible reductions. He reminded the Commission that the proposed millage could always be lowered and this millage would ultimately require a unanimous vote. He stated that Town Clerk Hancsak would be summarizing the actual budget pages.

Revenues

Town Clerk Hancsak summarized the revenues. She discussed the major highlights in more detail and reminded the Commission that the ad valorem revenue reflects 97% of the anticipated revenue based on a millage rate of 5.8000 and that the State provides estimates for the various State revenue, which actually reflect reductions from the current year.

Town Clerk Hancsak explained that the building permit revenue was reduced based on the economy and lack of major permitting in the current year. Town Clerk Hancsak mentioned that the garbage/trash revenue was based on proposed increases the Town will be charged for the pickup fees. She stated the Town will be opening the Request for Proposals later this date and both the revenue and expenditures may be lowered based on the outcome. She also mentioned that the interest earned revenue was estimated to be lower.

Town Commission

Comm Brown questioned whether the salaries could possibly be eliminated to which there was no consensus.

Town Manager

It was pointed out that this department decreased due to the health insurance deductible paid by the Town being reduced and also because the Operating Supplies – Gas was also reduced from \$5 per gallon to \$4 based on research by the police department.

Comm Brown mentioned his concerns for the homesteaded property owners and felt the budget needed to reviewed and reductions made where possible. He commented on the Town Manager’s benefits, some items which include the vehicle allowance, vacation pay, retirement, and fuel fill ups. Comm Allison reminded the Commission that his benefits were part of his contract negotiations. Town Manager Schenck mentioned that the vehicle allowance eliminates the Town providing a vehicle, maintenance and insurance.

The consensus was to reduce the Operating Supplies – Gas by \$1,000.

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Town Clerk

Comm Bingham clarified that both the Deputy Clerk and Receptionist/Clerk were both still on the step plan.

The consensus was to reduce the Travel and Per Diem budget by \$1,000.

Town Attorney

Comm Brown questioned how the Town is invoiced for the legal work to which he was advised that there is a monthly retainer, however the Town is invoiced on the actual time based on a blended rate.

The consensus was to reduce the Special Counsel account by \$10,000.

Appointed Boards

The Other Current Charges account was reduced by \$1,000.

General Government

It was explained that the Utility Services account decreased significantly because the costs were totally estimated in the FY 2008/09 year. The Insurance account increased due to the first full year of new building coverage and the excess flood insurance coverage. The Other Current Charges included \$5,000 in funding for promotional events.

The Holiday Decorations (to be renamed to Other Contractual Services) and was reduced by \$6500, the \$2,500 4th of July contribution to Boynton Beach was removed, the Other Current Charges was reduced by \$5,000 to remove the food from the Light the Lights and also \$5,000 for promotional events (future election costs will be also separated out), the \$400 Town Logo Shirts was removed, and \$325 was removed for the Boynton Beach Chamber of Commerce Membership.

The consensus was to purchase the Capital Outlay items consisting of a Network Server (\$7,000) and Utility Software (\$2,000) from the Contingency Account of the FY 2008/09 budget to be brought up at the Aug. 3, 2009 regular meeting.

Public Safety

Town Clerk Hancsak summarized the title page outlining the capital outlay expenditures which included two police vehicles (\$44,297) and one FCIC computer (\$2,000) and also mentioned the 4% increase to the Fire/ALS Service contract with the City of Boynton Beach (\$804,642). She added that the salaries decreased due to the changes in personnel. She mentioned the remaining one half of the electric and water are reflected in the Utility Services Account and the Fuel costs were based on the actual consumption at \$4 per gallon. It was pointed out that there was still a vacant officer position in the budget and the total estimated costs related to this position total approximately \$80,000. Town Manager Schenck's memo suggested that the two police vehicles be purchased from the FY 2008/09 budget to further reduce the budget by \$44,297.

Comm Allison commented that she was concerned with maintaining staff and believes that no one wants turnover. She suggested eliminating one of the police vehicles and funding the entire insurance deductible for the employees. Mayor Kaleel mentioned promoting community wellness issues in an effort to reduce insurance costs. Comm Brown commented that the total benefits may equate to near \$37,000 for some employees and felt the Town should hold the line in this budget.

Comm Brown moved that the employees pay the first \$1,000 of the \$2,100 deductible beginning in Jan. 2010, seconded by Comm Bingham.

Comm Pugh commented that he did not want to decide until the final budget figures are adopted.

Motion failed – Yea (Brown)

Nay (Bingham, Pugh, Allison, Kaleel)

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The consensus was to reduce the Other Current Charges account by \$2,500.

After discussing the vehicles, as far as maintenance costs and type, the consensus was to purchase two vehicles, one that was originally budgeted for FY 2008/09 and one additional vehicle from the Contingency Account from FY 2008/09 to be brought up at the Aug. 3, 2009 Regular Meeting. Chief Hillery clarified that the staff will not know the final maintenance costs and the total effect on the budget until the vehicles are delivered in April 2010. Therefore the \$44,297 is to be removed from the budget.

There was a brief discussion regarding the officers implementing bicycle patrols and also park and walk patrols if all the positions were filled. Comm Brown questioned if the \$11,000 was necessary in the Unemployment account to which he was advised that the other departments do not have a budgeted item for this, however, law enforcement has always reflected a portion based on salary calculations in the event it is needed. He also stated that he felt the cafeteria plan should be considered again as it was started in 1993/93 and subsequently increased when funding was more available.

Lt. Yannuzzi stated that as requested he prepared and then showed a table providing a breakdown of the fire service calls. He did not know whether Boynton Beach would consider invoicing on a per call basis. Mayor Kaleel stated that he did not believe they would consider this type of arrangement.

Building & Zoning, Emergency Preparedness and Sanitation

There were no changes to these departments at this time.

Environmental

Town Manager Schenck mentioned that his memo suggested reducing several items even further in this department; such as eliminating the GASB evaluation, reducing the GIS consulting, and the landscaping budget. Comm Brown questioned how the Town Engineer was paid to which he was advised they were paid on actual time spent. Comm Brown stated he felt the actual services received needed to be reviewed very carefully and the Town should possibly research other services, to which the Commission agreed.

The consensus was to reduce the Town Engineer general services by \$5,000, eliminate the \$5,000 GASB consulting, reduce the GIS consulting by \$5,000, and also to reduce the Other Contractual Services landscaping by \$20,000.

Public Works

The major changes in this department included the decrease in fuel costs, which also includes the fuel for the generators and the diesel tank. The storm drain maintenance (\$50,000) is included in the proposed budget. The Commission was reminded that there were no paving monies in the proposed budget.

Comm Brown suggested providing a job description and list of duties/projects performed by the two personnel.

The consensus was to purchase the 7 portable Stop signs (\$1,400) and weed eater (\$200) out the Contingency Account of the FY 2008/09 budget and will be requested at the Aug. 3, 2009 Regular Meeting.

Capital Projects

The current year and proposed projects were summarized which included for FY 2009/10 transferring \$160,000 from the General Fund into the Capital Projects Fund for adding a new drainage line to connect the catch basin at the end of Douglas/Oceanview Dr. to a catch basin farther west for discharge into the Tropical system (\$80,000) and to replace several valley gutters on Spanish River Drive (\$80,000). \$40,000 was also budgeted from remaining monies for professional services for the two drainage projects; \$550,000 is budgeted for the remaining work for the Island Drive Bridge Replacement, \$450,000 for Coconut Lane Drainage Improvements and \$50,000 for related professional services. The Commission was also reminded that they approved a transfer of monies in the FY 2008/09 budget. Regarding the Coconut Lane improvements, Town Manager Schenck stated that staff was waiting to hear whether they will receive a grant for the Coconut Lane drainage improvements.

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Mayor Kaleel thanked the staff for the thorough explanation of the budget and suggested reviewing the budget for any further revisions.

At this point Town Clerk Hancsak summarized all of the changes totaling a \$125,122 reduction to the budget.

Comm Allison moved to adopt all the revisions as summarized totaling \$125,122, seconded by Comm Pugh.

Motion carried – Yea (5)

Certification of Rolled Back Rate for Millage for 2009/10

Comm Bingham moved that the rolled back be certified at \$5.9000 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. Comm Pugh seconded the motion.

Motion carried – Yea (5).

At this point the Commission directed the Town Clerk to reconfigure the millage rate based on the revised expenditures.

Several minutes later Town Clerk Hancsak advised that with a millage rate of 5.6300 the budget could be balanced utilizing \$3,980 from the surplus, or 5.6200 utilizing, or 5.6000 utilizing \$25,273 as the total expenditures was reduced to \$5,277,324.

Comm Brown commented that this would still represent a 6.8% increase to homesteaded property owners and there are still other areas to look for cuts. Comm Pugh questioned what the ramifications would be to stay at the 5.1500 millage rate to which he was advised approximately \$600,000 total would need to be cut including possibly up to 4 positions. Comm Allison suggested possibly cutting the \$50,000 Contingency Account.

Public Comment

Helena Klement, 5510 N Ocean Blvd., stated that she lived in a beautiful Town but felt the Commission lived in a bubble citing that her husband is employed with IBM and he does not receive the benefits the Town employees receive. She added that everything must be considered including reducing staff, deleting the cafeteria plan, and having the maintenance personnel perform the janitorial work.

Nancy Hogan, 37 Hibiscus Way, stated that she would like to share the knowledge she has to offer and felt there should be clarity in when the public can speak. She stated that Truth in Millage is imperative to pass and thoughts should not be of taxing people at this difficult time. She commented that the Town has increased the millage three times when other taxing districts have reduced their millages. She felt the Town and County should tighten up and get on tract.

Earl Jones, 14 Sailfish Lane, stated that if the food portion was pulled from the Light the Lights no one would probably come and therefore the total amount should be removed from the budget. He suggested reviewing the salaries and sizes of the police force of other towns to determine if we are similar. Mayor Kaleel stated that comparing the salaries may be difficult because of the varying benefits offered and whether they are unionized or not. He added that Gulf Stream has a 12 member police force compared to 14 for Ocean Ridge.

Proposed Millage Rate for 2009/10

Comm Brown moved that the proposed millage rate for 2009/10 be established at \$5.5000 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. Comm Allison seconded the motion.

Motion carried – Yea (Brown, Pugh, Allison, Kaleel)
Nay (Bingham)

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First Public Hearing to consider the budget for fiscal year 2008/2009

Comm Pugh moved that the First Public Hearing to consider the budget for the fiscal year 2009-2010 be held at **5:01** PM on **Thursday**, September **10th, 2009**, 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 Allison.

Motion carried – yea (5).

Second Public Hearing to consider the tentative budget for the 2009/2010 fiscal year

Comm Bingham moved that the second public hearing to consider the tentative budget for the 2009-2010 fiscal year be held at **5:01** PM on **Thursday** September **17th, 2009**, seconded by Comm Allison.

Motion carried – yea (5).

Meeting adjourned at 12:00 Noon

Attest By:

Town Clerk

Mayor Kaleel

Commissioner Allison

Commissioner Bingham

Commissioner Pugh

Commissioner Brown