

Special Town Commission Meeting of the Town of Ocean Ridge held on Wednesday, July 31, 2013 at 8:30 AM in the Town Hall Meeting Chambers

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

Commissioner Aaskov
Commissioner Allison

Commissioner Brookes
Mayor Pugh

Comm. Hennigan was absent with notice. Clerk Hancsak read a memo from Comm. Hennigan apologizing for still not being able to attend due to a family illness/surgery. She had requested further response to some of the budget information. Her e-mails and the Town Manager's response were sent to the Commission prior to the meeting. As a result of the last budget meeting he had also prepared another memo giving further clarification/justification of the wish list. He opened it to the Commission for any questions.

1. FURTHER DISCUSSION ON THE PROPOSED FY 2013-2014 BUDGET

Comm. Brookes questioned the Town Manager's response memo to Comm. Hennigan's e-mails. Manager Schenck stated that she had asked for percentages regarding the increase of salary adjustments for the Police Chief, Lieutenant and the 2 senior dispatchers in which he provided the percentages with and without the 3% and 5% already included in the budget.

Comm. Brookes also stated his concern regarding the article in Sunday's Palm Beach Post regarding the Inspector General and the legal costs incurred by the municipalities. Of all the municipalities, Ocean Ridge was listed as the highest, over \$16,000, and he asked why our costs were higher than other municipalities which ranged from \$1000 to \$6000. It was discussed that some of the municipalities had joined together and were sharing the costs. The paper also had printed our attorney rate being \$265/hr and it is actually \$205/hr. If the Inspector General won, the costs to the towns would be annual, and in the long run it is cheaper to pay attorney fees now than to have a recurring cost of \$3000-\$4000 every year. It was also noted that some of the municipalities have in house lawyers, and the numbers in the paper may not reflect their true legal costs. This item will be discussed further at the Commission Meeting on August 5th, 2013 and was tabled.

Town Manager Schenck stated that at the July 24th, 2013 Budget Meeting, the Commission had requested that 2 items from the budget be put on the Wish List. These were one police cars (\$34,000) and the Salary Benefits for the 13 non-union employees (\$53,373). Although the budget document was not revised to reflect this reduction they are included as items on the wish list. The costs of these 2 items would reduce the total expenses to \$5,262,774, and the anticipated income for the year is \$5,281,798 and would result an income excess in the budget of \$17,024.

The Manager reviewed the items on the Wish List, and asked the Commission for any comments.

1) Salary Increases to the 13 non-union employees \$53,373. Comm. Allison did not have an issue with this item, and felt it was important for morale, and felt it was only fair that all employees receive the same benefits. Comm. Aaskov agreed. Comm. Brookes disagreed stating that the Commission has "unionized" the whole Town. According to the salary surveys, the Clerk's Department was on the high end of the curve. He felt that "morale" was the supervisor's responsibility not the Commission's, and asked for justification of a salary increase. Mayor Pugh agreed that justification was needed. Clerk Hancsak stated that it was not a fair comparison of her staff to other municipalities - Ocean Ridge has different duties than other towns. The Town Clerk's position is also the Finance Officer, Human Resources, Risk Manager, Records Manager and assists with Zoning Reviews. Our Deputy Clerk also has additional duties such as weekly accounting responsibilities including payroll, payables, and receivable along with permitting and other clerk duties. Our Receptionist does more than just phones; she handles the contractor's registration, Building Permit organization, maintains the Town's website and additional work and she was responsible for lowering the flood rates for the residents last year, when she volunteered to take on the task of NFIP coordinator. This job was being performed by Mike Tait. When he left 6 years ago, his position was not filled, and his duties were split among several employees, along with hiring an outside contractor for our computer maintenance. Clerk Hancsak added that this increase was not limited to just administrative staff but dispatchers and maintenance as well. They were hired expecting to rise in the step plan, and then the Commission froze the step plan, and it's been 4 years now. This amount also included dental and vision insurance and the health insurance deductible for the non-union employees. Mayor Pugh stated that he agreed with some of Comm. Brookes comments and advised this maybe the first time he may have the justification.

2) Transfer of \$100,000 from the Reserves to the Capital Project Fund for proposed capital drainage improvements throughout the year – there was no further discussion for this item.

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- 3) Use the \$119,000 FDEP reimbursement grant to resume the street paving program. These funds are already in the Capital Project Fund and just need to be designated for the paving projects – there was no further discussion for this item.
- 4) Replace 28 Computers/Laptops and 1 Server \$55,355 – this cost is for software and hardware only (the server’s cost is half). The installation costs will be approximately \$9000 (billed hourly) bringing the total costs up to \$64,355. The budget could be reduced by any proceeds of sale of the old computers and for computers already replaced. It was discussed that these costs should be taken out of reserves \$59,000 as it was a one-time purchase.
- 5) Salary increase of Police Chief, Lieutenant and the 2 Senior Dispatchers - \$36,073. Mayor Pugh stated that it had been discussed during the PBA negotiations that for future budgets all salary increases be built into the budget, and then it would be at the discretion of management upon employee evaluations to disperse it to their employees. Clerk Hancsak clarified that for future budgets everything is to be put on a wish list with justification for those items and the Commission would decide what items could be put into the budget.
- 6) Purchase of 2 new police vehicles for a total of \$68,000 and sale of the Ford Escape and Vehicle #564. One new vehicle would be a SUV and the other a Chevy Impala. Comm. Aaskov stated that there should be no discussion, we need new vehicles; the old vehicles had high mileage and were worn out.
- 7) Purchase of new covered ATV - \$15,000 in lieu of a used golf cart and uncovered ATV. Comm. Brookes clarified that this item had also mentioned hiring a part-time officer for beach duty. No decision had been made to hire a new part-time officer. It would require a separate action if the Commission chose to hire another officer for beach patrol.
- 8) Promote Billy Armstrong to Full-Time Maintenance position - \$19,000. Comm. Brookes requested more detailed financial justification to increase the budget \$19,000 rather than just safety issues. Comm. Allison stated that this was always a 2 person department, but when Fred Martin retired 3 years ago, we replaced him with a part-time employee. There were budget constraints and a bad economy. She was in favor of him being made full time as he was an asset to the town. Mayor Pugh stated that Item #9 helped justify item #8.
- 9) Purchase of used Bucket Truck - \$20,000 - \$30,000. Manager Schenck stated that he had contacted our insurance company and the increase to the policy would be approximately \$700/year. Many other municipalities had bucket trucks and it was common. Our annual cost for tree trimming is about \$12,000 – in a few years we could recoup the purchase cost. We would also be able to do more projects if we had our own equipment. This cost should also come out of reserves as it would be a one-time purchase.

Manager Schenck concluded that the capital items totaled \$158,355, and salary increases totaled approximately \$108,000 and he proposed to have the funds come from reserves instead of raising the milage. He also noted that while the health insurance company has not given us a quote yet, we did budget a possible 10% increase. The total amount needed to balance the budget would be approximately \$240,000, which he recommended should come from reserves. This did not include a part-time officer for beach patrol.

The consensus of the commission was to revise the budget to reflect everything on the wish list with the exception of the part-time police officer.

Public Comment

Ken Kaleel, 86 Island Dr South, thanked the Commission and Staff for their work on the budget. He did agree with Comm. Brookes and felt that the Commission should look at individual employees rather than a blanket increase, and felt they were taking an inconsistent path. They need to find the value of these items to make sure the items are warranted or not. He did feel that beach patrol was warranted and that more manpower was needed on the road. He asked that there be a 3-man shifts again, with mandatory 2 people on the roads at all times. While the police department was doing what they could, he felt they were sending out the wrong message. Just yesterday, there was someone casing the neighborhoods. He asked for a strong police presence to influence the violators to leave Ocean Ridge and move on to the next town.

It was noted that the budget with these revisions would be an item at the August 5th, Commission Meeting.

Meeting adjourned at 9:30am.

Attest By:

Town Clerk

Mayor Pugh

Commissioner Aaskov

Commissioner Allison

Commissioner Brookes