

Special Town Commission Meeting of the Town of Ocean Ridge held on Monday, July 28, 2008 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 2008-2009 PROPOSED BUDGET

Interim Town Manager Mathis commented that both he and the Town Clerk had met with each of the Commissioners individually to review the budget. He commented that the FY 2008/09 budget was prepared with the 5.4900 millage rate. He commented that the millage was based on not utilizing any of the reserves to balance the budget as has been done in prior years. He stated that his summary letter highlights the major expenditures and Capital Project unfunded items, such as the Island Drive Bridge, Coconut Lane and any excess Town Hall monies. He also stated that the budget was proposed with a 4% COLA increase. He reminded the Commission that the proposed millage could always be lowered and this millage would 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 5.4900 and that the State provides estimates for the various State revenues. The Utility Service Taxes are based on a Town ordinance adopted in the early 1990's placing a 8.5% utility service tax on electric, propane gas, and water which can be raised to 10%, thereby increasing the revenue by approximately \$27,000 in the 2008/09 FY budget and approximately \$35-\$40,000 in future years. These taxes are used as part of the pledge for the drainage loan payment which is based on 115% of the actual payment due and the pledge was approximately \$14,000 short for the 2006/07 FY and an increase would hopefully insure that the pledged monies will be adequate in the future. She added that if the Commission was interested in increasing these fees the ordinance must be heard for first reading at the Aug. 4th meeting and notification to the Department of Revenue by Sept. 1, 2008 to be effective for Jan. 1, 2009.

Town Clerk Hancsak also explained that the building permit revenue was reduced based on the belief that the two pending multi-family developments that were thought to be applied for in this current year have not been and probably will not be in the 2008/09 FY. She stated that the flat \$60 tier could be raised to \$100 thereby increasing the revenue approximately \$28,000 based on the average of the last two years of total building permits applied for. Comm Pugh had commented that this increase was compatible with surrounding communities.

Town Clerk Hancsak mentioned that the \$54,000 anticipated revenue for the Alarm Monitoring was accidentally omitted as was the \$1,500 for the Other Gen Govt Charges and this would automatically result in a \$55,500 increase in revenues. She stated that the garbage/trash revenue was based on raising the annual fee to the resident from \$135.00 to approximately \$150.00 and this could also be an area that could be increased.

Town Commission, Town Clerk, Appointed Boards, Civil Defense, Building & Zoning, and Sanitation

There was no discussion for these departments other than summarizing a few of the actual accounts.

Town Manager

It was pointed out that this department decreased due to the elimination of the Project Coordinator position and that the fuel costs for the 2007/08 FY were incorrectly calculated in that instead of one fill up per week the budget actually reflects one fill up per month, hence the reason that it is over budget and the reason for the amount budgeted for the 2008/09 FY, which is also based on \$5 per gallon. This fuel price is an estimate reached by the local Police Chiefs.

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Town Attorney

This department was summarized and it was discussed that most of the litigations within the Special Counsel have concluded and this account may possibly be decreased by \$25,000.

General Government

The professional services account reflected additional monies for computer consultant work if needed, since the Project Coordinator position was eliminated. The Holiday Decorations, Utility Services, Insurance, and Repair Maintenance accounts increased due to the new Town Hall/Police Complex building. The Utility Services account is comprised of electric and water estimates provided by the architect and accounts for one half (1/2) of the anticipated costs (the other half is budgeted in the Law Enforcement Utility Service account). The insurance for the new building is also an estimate at this time. The Repair and Maintenance account includes an estimate of \$10,700 for a cleaning service that has never been previously budgeted. The Drainage loan payment decreased \$6,000 once the loan was closed and the Town Hall loan increased because the FY 07/08 reflected a payment on \$3,000,000 when the loan was actually \$4,000,000.

Public Safety

Town Clerk Hancsak summarized the title page outlining the capital outlay expenditures (\$29,960), which included one hybrid vehicle and one FCIC computer and also mentioned the 4.9% increase for the Fire/ALS Service contract with the City of Boynton Beach (\$773,694). She added that 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 \$5 per gallon.

It was pointed out that there was a vacant officer position in the budget (an officer left in early July and the position has not been filled) and the total estimated costs related to this position total approximately \$80,000. Mayor Kaleel questioned whether a reduction in force would impact the department. Chief Hillery advised Lt. Katz has been out since March on a Workers Comp injury and now with another officer short they are scrambling and it reduces the ability to man 3 per shift but the Town can be patrolled with 2 per shift. Town Manager Mathis commented that the Chief has extended his patrolling in town to compensate for the absences. Comm Brown suggested keeping the position in the budget; however only fill it if necessary.

Regarding the fuel costs, Chief Hillery mentioned that one less vehicle in the fleet and the hybrid vehicle were already reflected in the figure.

Investigator Yannuzzi commented that when the overtime is expended it provides minimal manning and requires the officers to either work a 6th day or a 12 hour shift so the department is actually impacted by the vacancy. Sgt. Hallahan added that a 3rd officer on the weekend provides added coverage.

Environmental

Town Manager Mathis summarized this department by stating that the Professional Services account contained the budgeted funds for the Comp Plan Amendments. He explained the Town Engineering Services and was asked if the invoices were based on actual time spent to which he advised it was and that he still planned to negotiate with Engenuity. He stated that while he has been back he was advised that her attendance was not necessary at meetings anymore and he also reduced the weekly visits to the Town Hall to bi-weekly. He explained that he reduced the Landscape Projects by \$10,000 and there was also \$25,000 budgeted for ROW Maintenance (clearing) that could also possibly be removed.

Public Works

The major changes in this department included the increase in fuel costs, which also includes the fuel for the generators and the diesel tank. The storm drain maintenance (\$50,000) and 5th year paving (\$75,000) were still included in the proposed budget. The Commission was reminded that the \$75,000 paving monies in the 2006/07 FY for Inlet Cay were still encumbered and paving in the current year has not been completed yet. The staff reminded the Commission that Inlet Cay was to be completed after the drainage improvements were complete.

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Capital Projects

The current year and proposed projects were summarized which included for FY 2008/09 transferring \$1,400,000 from the General Fund into the Capital Projects Fund for the Island Drive Bridge Replacement (\$700,000), Coconut Lane Drainage Improvements (\$500,000), and any Town Hall remaining expenditures (\$200,000 if needed). The Commission was also reminded that they approved that some of the remaining funds in the FY 2007/08 year be utilized for the projects listed on the summary page. Regarding the Coconut Lane improvements, Town Manager Mathis stated that the South Florida Water Management has advised that the proposed pump will not impact the mangroves.

Mayor Kaleel commented that he believed a developer purchased the property at the end of Coconut Lane and spending the funds for the cul-de-sac may be useless in several years once the street is extended when the property is developed.

Mayor Kaleel thanked the staff for the thorough explanation of the budget.

At this point the Commissioners individually discussed their potential additions to the revenues and deletions to the expenditures. Comm Brown commented that he would like to see reductions; however, he would like to keep the millage as proposed to increase the reserves to pay off the large debt early. Comm Bingham stated she wanted to eliminate the service provided by Trapper John in the detention area which was located within the landscape account. There was some discussion regarding the COLA for the employees on whether it should be reduced from 4% to 3%, however no action was taken. There was also some discussion on whether the vacant officer position should be eliminated and at this time the funding will remain with the position being frozen. Mayor Kaleel commented that he was in favor of proposing the suggested millage keeping in mind that the rate can go down but he agreed with Comm Brown that monies should not be taken out of the reserves.

Public Comment

Zoanne Hennigan, 91 Island Drive So., stated that she was a corporate manager for Intel and recommended opening up the officer position so as to take time for the interview and background process if it is 4-6 month process.

John Wooten, 5907 N Ocean Blvd., stated that he believed that the level of service is what makes the Town a nice place to live and he was willing to pay for these services. He also stated he would be disappointed to see the COLA reduced from 4% to 3% because he would not want to lose the current employees. He suggested deleting the Light the Lights funding instead. Mayor Kaleel mentioned that it was events such as these that make a community.

Nancy Hogan, 37 Hibiscus Way, stated that she was a fiscal conservative and that proceeding with the budgetary process without the final prior year numbers was incompetent and the debt on this community is unconscionable. She stated that as a member of the Board of Realtors she has been visiting other municipalities during their budget process and she requested that all of them hold the mill rate and Ocean Ridge should also. She added that the use of bicycles and the engineering services should be looked at very hard. She agreed with Comm Brown on reducing the COLA by 1% because the increase goes all down the line. She added that it was this Town's choice not to have hotels and a lot of residents are hurting and the Commission should think about every dollar.

Investigator Yannuzzi commented that one of the officers are part-time and therefore the department is actually 2 ½ officers down. He also requested that the Commission keep the 4% increase citing that the employees already have to fund the \$500 deductible for health insurance.

Following the public comment the Commission made several motions.

Comm Allison moved to delete the paving (\$75,000), noseum spraying (\$62,000), right-of-way clearing (\$25,000), reduce engineering (\$25,000), and reduce legal special counsel (\$25,000) totaling \$207,000 and reducing the expenditures to \$5,438,484. Comm Pugh seconded the motion.

Motion carried – Yea (5)

Comm Allison moved to increase the Utility Service Taxes from 8.5% to 10% and directed staff to take the appropriate action. Comm Bingham seconded the motion. (generating approximately \$27,000)

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Motion carried – Yea (5)

Comm Pugh moved to increase the building permit tier base from \$60 to \$100. Comm Allison seconded the motion. (generating approximately \$28,000)

Motion carried – Yea (5)

Comm Bingham moved to increase the garbage/trash revenue so that the single family annual fee is approximately \$180 and the multi-family adjusted accordingly. Comm Pugh seconded the motion. (generating approximately \$15,000)

2. Certification of Rolled Back ate for Millage for 2008/09

Comm Brown moved that the rolled back be certified at \$4.7930 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).

3. Proposed Millage Rate for 2008/09

Comm Bingham moved that the proposed millage rate for 2008/09 be established at \$5.4900 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 Brown seconded the motion.

Nancy Hogan, 37 Hibiscus Way, reiterated her earlier comments that the Commission should hold the mill rate and stated she was disappointed that the Commission could not hold the spending again.

Mayor Kaleel stated that the staff should try to think of innovative ways to further reduce costs if possible such as using bicycles or other methods.

3. First Public Hearing to consider the budget for fiscal year 2007/2008

Comm Pugh moved that the First Public Hearing to consider the budget for the fiscal year 2008-2009 be held at **5:01** PM on **Monday**, September **15th**, **2008**, 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).

4. Second Public Hearing to consider the tentative budget for the 2007/2008 fiscal year.

Comm Allison moved that the second public hearing to consider the tentative budget for the 2007-2008 fiscal year be held at **5:01** PM on **Wednesday** September **24th**, **2008**, seconded by Comm Bingham.

Motion carried – yea (5).

Town Clerk Hancsak questioned whether the Commission would like the proposed budget placed on the web-site with the changes to which they advised it could be placed on the site.

Meeting adjourned at 11:05 AM

Attest By:

Town Clerk

Mayor Kaleel

Commissioner Allison

Commissioner Bingham

Commissioner Pugh

Commissioner Hogan