

TOWN OF PALM BEACH SHORES
TOWN COMMISSION
247 EDWARDS LANE

**Final Budget
Hearing**

**Wednesday, October 5, 2011
6:30 pm**

JOHN M. WORKMAN
MAYOR X

LISA A. TROPEPE
VICE MAYOR O

ROBERT DEREUIL
COMMISSIONER X

ALAN D. FIERS
COMMISSIONER X

SCOTT MCCRANELS
COMMISSIONER X

1. Call public hearing to order.
 - 1) Announce the percentage decrease from the rolled-back rate of 6.3134 - (1.80%).
 - 2) Announce the millage levy rate necessary to fund the budget – 6.200.
 - 3) Summary of tentative budget.
2. Public comments.
3. Resolution No. R-11-11 adopting millage rate.
4. Resolution No. R-12-11 adopting the 2011-2012 Budget.
5. Adjournment.

MINUTES

The final hearing for the 2011-2012 budget was called to order at 6:30 pm by Mayor John Workman. Roll call revealed that all members were present with the exception of Vice Mayor Lisa Tropepe. Also present were Police Chief Steve Kniffin, Town Manager Cindy Lindskoog and Town Clerk Carolyn Gangwer.

The Mayor announced that the proposed millage rate of 6.200 was 1.80% under the rolled back rate of 6.3134 mills. He then formally announced the proposed millage rate for the 2011-2012 budget

year as 6.200 mills.

A brief summary of the proposed budget was provided by Town Manager Cindy Lindskoog. The total proposed budget is \$3,888,177.

PUBLIC COMMENTS:

Resident Frank MacNeil of Tacoma Lane asked whether this is over or under last year's budget. Mayor Workman answered that the 2011-2012 budget will be lower by approximately \$205,000 than what was budgeted.

Mr. MacNeil asked if the Community Center is currently running at a loss? The response was yes. He then asked how long it was anticipated that this would continue. Ms. Lindskoog explained that the negative impact has been reduced significantly. The gap will continue to get smaller, but this cannot really be changed unless the town changes the way that the facility is rented out.

Commissioner Fiers explained that the Community Center ran at an approximate loss of \$30,000 this last year which is significantly less than the year before. Mr. Fiers opined that the community center should be treated the same as one of the town's parks – it is provided for the use of the residents, and there will always be costs involved in this.

Mayor Workman noted that some of the town's costs go toward providing the Community Center at no cost for the town's civic groups such as the Seaside and Property Owners Association.

Mr. MacNeil then asked what was included in Debt Service and Risk Management departments. The Town Manager explained what these departments covered.

The issue of the fund balance reserves was discussed. Mr. MacNeil wanted to know where the \$265,565 was being taken from. Mayor Workman explained that this amount comes from the Fund Balance reserve, and is used to balance the budget. Mr. MacNeil asked what the total reserve amount was. Ms. Lindskoog responded that the town currently has 29% of its total budget of \$3.8 million in fund balance reserves. In addition, the town has set aside \$500,000 for future road repairs. Ms. Lindskoog characterized the town as being in very good fiscal condition.

Commissioner Fiers explained that the Town Commission had the option this year of holding the millage at the lower rate of 5.999, and drawing more down from the reserve, or increasing the millage slightly to 6.200, and preserving the reserve. This was done after looking ahead at the next year, where there will likely be another decrease in tax and other revenues. Mr. MacNeil concurred with this philosophy.

Mr. MacNeil noted that his property value decreased by 19%, but his taxes only went down 14%. He asked for an explanation. Commissioner Fiers pointed out that this is probably due to the county and school district more than the town, which is only a portion of any tax bill.

Discussion continued, with questions from the audience about what was included in various

departments.

Commissioner Fiers explained that, as the Commission went through this year's budget process, some large and small items were found where money could be saved. A future public meeting is planned to get input on the possibility of eliminating lifeguards at the beach, and switching from local dispatch to a regional dispatch. In addition, there is the suggestion to roll over the current town loan to pay for improvements to the town's roads.

Commissioner McCranels opined that, due to the forecasts of a worsening economy, everything should be kept on the table.

After further brief discussion, Public Comment time was closed.

Resolution No. R-11-11:

Commissioner Fiers moved to **approve Resolution No. R-11-11, setting 6.200 as the millage rate for fiscal year 2011-2012.** After a second by Commissioner McCranels, the motion carried unanimously.

Resolution No. R-12-11:

Commissioner Fiers moved to **approve Resolution No. R-12-11, approving the budget for fiscal year 2011-2012.** Commissioner McCranels offered the second.

Commissioner DeReuil noted that the budget line for the lawn maintenance contract is still at the higher amount, but, with the new contractor, there will be an annual savings of \$20,000. He would like for the Commission to consider shifting this savings to the Fire department so that stipends can be offered to the out of district reserves, whose shifts are 12 hours. Commissioner DeReuil suggested offering a \$30 stipend for a 12 hour shift. With the reserve firefighters currently on the roster, the cost would come to \$15,600 annually. Manager Lindskoog explained this could possibly be presented at the October Commission meeting, and if approved, included in the budget amendment at the November meeting.

Mayor Workman agreed with the suggestion made by Commissioner DeReuil. This is a "budget-neutral" recommendation. Mayor Workman opined that today's volunteer fire department is not the same as it was a year or so ago – now, with an incredible amount of talent available. It's probably a good idea to do whatever possible to keep things going in the right direction.

There was brief discussion about how far the department has progressed. Commissioner DeReuil opined that the department has reached the point that they could possibly respond to a Riviera Beach call, if their island unit was off-island.

Ms. Lindskoog noted that the Fire Chief is looking into bringing the 175 funds back from the Riviera Beach Pension plan to the town's department. This would be allocated for the town's volunteers, not those serving on the day shift.

The vote was **unanimous for approval of Resolution No. R-12-11.**

The meeting adjourned at 6:57 pm.

Carolyn J. Gangwer, Town Clerk

John M. Workman, Mayor