



FIRST PUBLIC BUDGET HEARING MINUTES, 9/9/2020

Call to Order

Invocation and Pledge of Allegiance

Roll Call

Councilmember Noble
Council member Zemaitis
Mayor Dudley
Council member Hauft
Vice Mayor Howell
Manager Campbell
Attorney Mora

Fiscal Year 2020-21 Budget Public Hearings

1. Resolution 20-06 - Adopting the Proposed Millage Rate for FY 2020-21
Attorney Mora read in full

Motion: Vice-Mayor Howell

Second: Councilmember Nobel

Manager Campbell stated the rollback rate is the act of applying prior year tax rate, or the rate that generates the same amount of property tax revenue. The increase is 10.89%, because of a 11 ½ increase in ad valorem tax values. We are recommending the same millage rate as the prior year. Manager Campbell referenced the 420MM-P form in the budget document.

To keep the same millage rate as last year, a 2/3 vote is needed, which is 4 out of 5 Council Members voting yes.

If in the future Council is considering an increase in millage, we need to start the budget process earlier. The deadline is August 4th. to provide the property appraiser that information, so the Truth in Mileage notices will go out with the proposed millage.

Councilmember Zemaitis ideally wants to help residents effected by the pandemic, by not raising taxes, but realizes the budget relies on the current rate.

Mayor Dudley would agree, if not having to borrow from reserve.

Councilmember Hauft stated that certain items each year go up a certain percent and we have to keep up with that and we are chasing it. We need to periodically increase the millage rate.

Councilmember Noble stated we need to have a tighter control on our spending throughout the year. She feels we need to focus on what we are spending money on and discuss it. She stated there are a lot of ways to saving money and improve the Town.

No public comment

Councilmember Noble	yes
Councilmember Zemaitis	yes
Mayor Dudley	yes
Councilmember Hautt	yes
Vice-Mayor Howell	yes

Resolution 20-06 was unanimously approved

Resolution 20-07 - Tentatively Adopting the Budget for FY 2020-21 Attorney Mora read in full

Motion:	Councilmember Hautt	Second:	Vice-Mayor Howell
Councilmember Noble	yes		
Councilmember Zemaitis	yes		
Mayor Dudley	yes		
Councilmember Hautt	yes		
Vice-Mayor Howell	yes		

Resolution 20-07 was unanimously approved.

Manager Campbell stated budget for the Town is		
	General Fund totals	\$2,929,362
	Beautification Fund (old red-light camera)	\$205,000
	Capital Improvement Plan Fund	\$2,132,000

The budget is a bird’s eye view of the Town’s finances.

As mentioned in the last 2 years of budget discussions, there may come a time in the future when expenditures potentially outpace our revenues. When it came for the audit, it showed we borrowed a moderate amount from reserve. Those were normal budget times. However, because of the pandemic The County and other municipalities are faced with difficulty in making budget projections. We need to accurately project what it will take to maintain our finances.

Cutting health care costs were looked at, however some employees were not pleased

with that overall recommendation, thus other ways are needed to come up with a way to reduce the number borrowed from reserves.

Manager Campbell stated the goal is to make recommendations to the Council, who are the policy makers. His goal is to try to accurately project where we will be this fiscal year. We have to get creative. The projections and recommendation, in the budget are not personal. They are focused on dollar values. We realize and respect that are largest cost center within the Town is the Police Department.

We highly respect our Police Department, they put their lives on the line every day. We have done our best to provide financing for them to continue on with their resources.

The budget is balanced and we have a sufficient amount of reserves, as designed by the Florida League of Cities in order to balance any shortfalls within the budget.

We are not in dire straits now; we have the ability to borrow from reserve to balance the budget

Councilmember Zemaitis wanted to clarify the proposal was to move the money from reserve to balance the budget or eliminate a position in the Police Department through attrition.

Manager Campbell stated the budget documents show pulling the balance from reserve, however the narrative to eliminate the position through attrition is in the memos.

Councilmember Zemaitis, asked if there is any timeframe for that position elimination. How do we make sure it doesn't go on for an extended period of time?

Manager Campbell stated if no one leaves, then the money would be borrowed from reserve to cover the position.

Mayor Dudley stated there was no communication in a timely fashion to address the health care costs. She stated Manager Campbell is doing his job to be keeping the Town fiscally sound.

Mayor Dudley doesn't think it is the time to cut a position and the question of can we work with one less officer needs to be answered. She would like a plan presented from Manager Campbell and Chief Riley, outlining how eliminating a position would look.

We have six months' worth of reserves, so we have enough to pull from reserves to make this work.

Councilmember Zemaitis stated we are paying for 100% of the health care, giving raises and allowing employees to keep their positions. The Town could save money by not giving raises.

Councilmember Noble stated her concern about her the communication in the Town.

She suggested cutting dependent health care instead of cutting the insurance for the employees or a position. She questioned if lower cost options were available.

Manager Campbell stated that all our plans were looked at within the PRM portfolio. The goal was to provide a middle of the road option for the employees. The draft budget did have the reduction in that line item and it was listed in the detail of expenses. Upon open enrollment it was brought to the attention of staff that reducing the health insurance coverage, with out consulting with the PBA could be a grieve able offence. Manager Campbell stated we could have sent an email to the employees ahead of time regarding the proposed reduced amount of health care coverage. The dependent coverage was put into place to make the Town more competitive with what others offer employees.

Councilmember Noble asked if we have ever surveyed the employees to see what benefits are more important to them? She asked if we have checked out other insurance companies.

Manager Campbell stated that a survey has not been done, but life insurance has been upgraded. There are three insurance companies in the State of Florida, which can be used.

Mayor Dudley stated it was her understanding that the insurance clause in contract was only one more year.

Manager Campbell stated that this is the last year of a three-year negotiated plan. This year was a reopener, for wages only. The PBA would not be willing to reduce health care coverage, when a dollar amount is given in the contract.

Councilmember Noble stated the numbers don't support what is being said. She stated that research needs to be done first for projects.

Mayor Dudley stated that this is the last year of the 3-year contract, we need to look at all the options.

Vice-Mayor Howell stated if expenses keep increasing, the revenues will also need to increase.

Councilmember Zemaitis stated we need to do a better job at communication. The millage rate should not always have to be increased.

Mayor Dudley also agrees we need to do a better job communicating. There was not enough time to make adjustments to the budget.

Councilmember Noble stated there are other ways to save money.

Attorney Mora stated the budget is a three- step process.

1. In July a proposed millage rate is determined
2. Adoption of a Tentative budget and millage rate.
3. Adoption of a Final budget and millage rate

The Town is in the closing window of the budget process. It is Attorney Mora's strong advice to have discussions now, and reach conclusions as much as possible.

Mayor Dudley was confirming that if we voted now, we would be voting on the actual numbers in the budget.

Attorney Mora stated the Resolution incorporates the budget, which is just numbers. The question of how we plan to navigate this going forward, is this a proposal.

Vice-Mayor Howell stated that we just need to pass the budget and then track costs on an ongoing basis throughout the year.

Councilmember Noble, questioned the salary for the Town Clerk and the Administrative Staff, Part time Accountant.

The Town is trying to find around 45,000 to midgait the amount that is borrowed, to provide an alternative to attrition. To account for any shortfall, money would be drawn from reserves. The Council's job is to decide how, as a body to navigate and resolve it.

Councilmember Zemaitis suggested we cutting the raises, as we need to make some kind of adjustment. She suggested a .5% for the non-sworn staff.

Manager Campbell stated next year will be full contract negotiation. We need to remain competitive with the other agencies throughout the County, and increase the starting wage.

Manager Campbell stated regarding the Administrative salary questions. the Admin salary increase is to move the part-time employee to a full- time position.

Councilmember Noble wants the 6th paragraph of the management letter removed. Bonnie, letter from Town Manager, prioritize projects

Attorney Mora, stated it is up to the Council to approve the .5% increase between the steps for the PD. There is a built-in increase within the PBA contract, beyond that there is a negotiation from the built in 2 to 2.5.

Mayor Dudley stated we need to take the budget, approve in and move forward and review the costs monthly using the report provided.

Public Comment

Fran Howell, 4931 56th Way N she stated the Town needs to get business done. She hears what people are saying, but the Council needs to move on and make adjustments through the year. She suggested being optimistic and working together .

Mayor/Council/Attorney/Manager/Clerk Comments

Councilmember Zemaitis would like a workshop on Communication,

Councilmember Noble would like a workshop on prioritizing capital projects.

Councilmember Hauft would like everyone to have a better understanding of percentages and their thought process.

Manager Campbell we will start strategizing for the first workshop to talk about Capital projects, prioritization, expectations and the financials in an Excel format.

The final budget hearing will be September 23, 2020 at 6pm.

Adjournment

Motion Vice-Mayor Howell

Second Councilmember Zemaitis

Meeting was adjourned at 7:35.

Respectively submitted,
Cindy M Matson