

COUNCIL WORKSHOP MINUTES AUGUST 7, 2008

Pursuant to Public Notice, Mayor Brimer convened a workshop meeting of the City Council on Wednesday, August 7, 2008, at 6:00 p.m. in the Council Chamber. Those present were Mayor Mark Brimer, Vice-Mayor Joseph Ferrante, Councilwoman Martha Kirby, Councilman Sal D'Amato, Councilman Dominick Montanaro, City Manager Michael Crotty, and City Clerk Barbara Montanaro.

The sole purpose of the meeting was to discuss the FY 2008/2009 Budget.

City Manager Crotty stated that there are five copies of the proposed budgets available for the public; however, there were only two citizens present.

This is the fifth meeting devoted solely to the 2008/2009 budget. Meetings began in the fall when Council considered a fire assessment fee. There was a Levels of Service meeting on June 24 and two subsequent meetings on July 23 and 30 to review options for proposed millage and budget issues.

At previous meetings, Council requested that a budget be prepared providing the same levels of service and no layoffs. The tax reforms from the Legislature and the passage of Amendment 1 have provided challenges to maintaining services and personnel.

Some Legislators have referred to municipal spending as "fluff." Listed below are some of the fluff items in Satellite Beach:

Preservation of 40% of oceanfront property – This has been a citizen directed objective as far back as the early 1980's when citizens voted to add a tax to purchase beach property.

Preservation of 38% of land between the Grand Canal and the river – Based on tax dollars from Tortoise Island and Lansing Island, development of this 52 acre park would be equal to ½ mill.

Fund the State mandated 2 in – 2 out rule for the Fire Department – This resulted in the hiring of six additional firefighters and expanded the paramedic service to respond to two simultaneous incidents. There have been 154 such demands for service in the past year. These services are highly valued and desired; the portion of Lansing Island that is in Indian Harbour Beach has asked the City to provide emergency services to them.

Enhanced recreational facilities – The Sports and Recreation Park and the David R. Schechter Community Center provide an array of activities for citizens of all ages. Satellite Beach has eleven athletic fields, almost double the total number of the three other beach municipalities.

Quality of life – The quality of life and opportunities in Satellite Beach are comparable to municipalities two to three times our size.

Even with all these amenities, the increase in taxes in Satellite Beach for the past five years has been below the State average.

The maximum millage that the City can set is 7.8328 mills with a two-thirds vote. A millage of 7.1207 will provide the same revenue as last year, plus the CPI of 4.15%. This will give the majority of homeowners a decrease in taxes because many enjoy the protection of the Save Our Homes and Homestead Exemptions. However, for those who have purchased property since 2003 and as the value of the house goes up, there will be tax increases.

Staff has requested several proposals on health insurance to see if those costs can be reduced. Public safety will be restored to or above the level before tax reform.

State Revenue Sharing is down \$21,475; Half Cent Sales Tax, down \$53,757; Local Option Gas Tax, down \$14,459; and Communication Services Taxes, up \$44,784, for a net decrease in revenue of \$44,907. Expenditures for motor vehicle fuel are up \$85,000 and expenditures for electricity are up \$42,709. The combination of loss of revenue and increase in costs results in an impact in excess of \$160,000 to the City's General Fund.

Council reviewed the budget message and made the following comments:

- Recommended that the City Manager include positive comments that the millage could have been as high as 7.8 or 7.4, but Council chose 7.1, which is the millage that provides same the revenue as last year, plus Legislative approved inflation of 4.15%.
- The Budget letter is long but says what needs to be said – some may not read it when they see the length.
- Recommended adding examples and specifics of unfunded mandates (comp plan amendments, 2 in-2 out for fire department, extra \$40,000 to update state permit, etc.) These are mandates sent down from the legislature or other agencies that cause expenditures of money and staff time; the cities have no option but to pay for implementing them.
- Regarding the pending litigation against the Property Appraisers Office and Pelican Coast, some Council Members wanted to include in the message that the City will continue to work with all parties concerned and look at all options to resolve the issues. Others felt that it should be a separate article after the court hearing.

Council recommended that the budget message be sent to the Grantwriters to be put into Plain English.

Councilman Montanaro expressed special appreciation to City Manager Crotty and Finance Director Brenda Raver for the hours and hours of work and stress that went into preparing multiple budgets for Council to review. He also thanked department heads and staff for their efforts in maintaining service under challenging budget times.

Mayor Brimer asked for public comments. The following individual addressed Council:

- Don McLendon, 695 Fountain Boulevard, expressed appreciation to staff and the Council for their efforts in arriving at a reasonable budget. He then commented on issues relating to Pelican Coast.

Mayor Brimer asked the staff to continue working a white paper, projecting where the City will go as to what facilities will be renovated, what the options are for City Hall, staffing, etc.

Mayor Brimer adjourned the meeting at 6:55 p.m.

Barbara Montanaro, CMC
City Clerk