TOWN OF PALM BEACH

Office of the Town Clerk

FINANCE & TAXATION COMMITTEE REPORT OF MEETINGS HELD ON

JUNE 1, 1994 AND JUNE 2, 1994

I. CALL TO ORDER AND ROLL CALL: The Finance & Taxation Committee meeting was called to order by Chairman Wiener at 10:05 AM on June 1, 1994. On roll call, Mrs. Wiener, Chairman and Mrs. Smith, Committee member were found to be in attendance. Other Elected Officials attending for all or parts of the meeting were Mayor Ilyinsky, Councilwoman Royal, Councilmen Weinberg and Shaw. Also attending were Mr. Doney, Mrs. Crozier, Mrs. Kelly, Mrs. Peters, Mr. Elwell, Mr. Jakubiak, Chief Terlizzese, Major Croft, Mr. Crouse, Chief Elmore, Assistant Chiefs Koelz and Neal, EMS Coordinator Price, Mr. Bitzer, Mrs. Martinuzzi, Mr. Wilson, Mr. Bowser, Mr. Ugi, Mr. Moore and Mrs. Zamecnik.

II. APPROVAL OF AGENDA: Agenda was approved.

III. FY95 PROPOSED BUDGETS:

A. Overview - Comments by Town Manager and Finance Director. Mr. Doney described the FY95 Proposed Budgets, indicating that in his opinion, each of the Department Heads have submitted responsible budgets and revisions have been made after he met with each Department Head, and he believes that proper justification can be provided for the items requested. He reported the proposed FY95 budget has several proposed changes in levels of service, based upon Town Council identified changes; one being beach cleaning, and another being the operation and maintenance charges in the Public Works Department proposed budget for the cost associated with the operation of the Lake Worth Inlet Sand Transfer Plant.

Mr. Doney advised there are exhibits attached to his memorandum dated May 26, 1994 to the Finance & Taxation Committee members and a list of those exhibits is attached to this report. The exhibits can be reviewed in the Town Clerk's Office.

Mr. Doney reported the total "Preliminary" FY95 Proposed General (Operating) Fund Budget is $29,846,832, which would be an increase of $643,407 over the FY94 adopted budget or a 2.2% increase in actual expenditures over the FY94 adopted

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budget. He handed out Exhibit O which showed the major items substantiating the increase, which were as follows:

	$ Change	% Change
TOTAL	$643,407	
CAPITAL IMPROVEMENT FUNDING INCREASE	(259,000)	
L.W.INLET MANAGEMENT	(160,000)	
BEACH CLEANING PROGRAM	(40,000)	
(541) RESIDENTIAL COLLECTION - 6 YD GARBAGE PACKER	(76,000)	
$ AND % CHANGE BEFORE MAJOR ITEMS OF INCREASE	$108,407	0.37%

Mr. Doney advised that at this point in the budget cycle a proposed general pay increase is not included for FY95, as that issue is addressed during the summer months and a recommendation will be made in late July or August, so the Town Council may consider this item before the budget hearings in September.

Mr. Doney explained Exhibit P identifies the Estimated Ad Valorem Taxes paid by Town property owners based upon the final taxable value of the Town of Palm Beach for 1993-4, which was $4,099,189,783.

Mrs. Crozier explained there are specific line items in the budget where consistent increases were used. An example is a three per cent increase for electricity; however, the anticipated expenditures for electricity are projected to be $16,000 less overall than they were in 1994, due to the energy saving measures implemented by the Public Works Department, including consistent setting of thermostats and window filming. Approximately $23,000 is expected to be saved as a result of those measures in FY94.

Mrs. Crozier advised costs for retirement funding have been redistributed throughout all of the Departments and that was done to more equitably reflect the cost within specific employee group types, with the overall increase being approximately 1% or $27,000. She reported approximately $5000 has been saved by using the Risograph printing machine in house and projections show there will be a higher savings figure. She projected $70,000 in interest will be realized this Fiscal Year as a result of the Investment Management Services Agreement entered into with First Union last December, and next year that figure will be approximately $150,000.

B. INSURANCE OVERVIEW - PERSONNEL DIRECTOR AND RISK MANAGER: Mr. Crouse reported the Health Plan for 1993 was approved by the State of Florida, Office of the Treasurer as actuarially sound. He also advised that the Actuary reported the contribution structure together with reserves for FY94 is actuarially sound. He reported the Medical Claims Cost, which represents over 80% of the total Health Care costs were lower in 1993 than in 1992, due primarily to the Town's adoption of the Preferred Provider Organization, and other actions, which have resulted in savings of over $700,000 or twenty per cent of the cost in 1992 and in 1993, over $210,000 or twelve per cent of the costs, and today it is averaging approximately ten per cent lower. He felt it was important to place this in perspective with the trend that the Federal and State governments continue to mandate changes to the Plan which increase costs; however, he felt the Town has a sound program which will require little or hopefully, no increase for next fiscal year.

Mrs. Barbara Martinuzzi, Risk Manager, then addressed the Liability and Workers' Compensation programs, indicating the Town has a self-insured program which are at retention levels consistent with the sovereign immunity limits provided in State Statutes. She advised there is fifteen million dollars coverage for the general and automobile liability as well as the public officials liability. She noted there is twenty eight million dollars is the total capacity on property; and boiler and machinery coverages in the amount of thirty million. After discussion, it is THE RECOMMENDATION OF THE COMMITTEE TO REDUCE THE LIMITS OF LIABILITY ON THE PUBLIC OFFICIAL AND GENERAL LIABILITY INSURANCE POLICIES FROM FIFTEEN MILLION TO TEN MILLION DOLLARS, AT AN APPROXIMATE ANNUAL PREMIUM SAVINGS OF $55,000.

C. DATA PROCESSING ISSUES OVERVIEW - INFORMATION SYSTEMS MANAGER: Spencer Wilson addressed the Committee giving an overview of his office and noted that meetings were held with all departments to review the current data processing hardware and software requests both on the AS-400 and the PC's, future needs and projects which were being planned, all of which is used as a basis for budgeting. After full discussion, IT IS THE RECOMMENDATION OF THE FINANCE & TAXATION COMMITTEE that authorization be given to purchase a new Advanced System AS/400 Model 300 in the amount of $145,000 over three (3) years, with assurances received from Mr. Wilson that this would accommodate the data processing needs of the Town of Palm Beach for the next five years. The request for hardware purchases totaling approximately $58,000 was not approved and this figure for FY95 was recommended to be reduced to approximately $25,000.

D. PERSONNEL DEPARTMENT: Mr. Crouse presented the budget for the Personnel Department, noting the salary line items are down due to the fact that one of his key employees has resigned and has not been replaced. He reported another line item which has been reduced is advertising. He noted he will be overexpended in his police recruitment as there have been a number of resignations and retirements. After review and discussion, IT IS THE RECOMMENDATION OF THE FINANCE & TAXATION COMMITTEE THAT THE BUDGET FOR THE PERSONNEL DEPARTMENT BE APPROVED WITH THE ELIMINATION OF $3,800, WHICH REPRESENTS THE COST OF A PORTABLE COMPUTER. Mr. Doney and Mr. Crouse explained there was included in the budget a proposed retirement recognition program of a ring or watch, depending on years of service, (to replace the current plaque presentations), with a total annual estimated additional cost of $2700, to which the COMMITTEE RECOMMENDED APPROVAL.

E POLICE DEPARTMENT: Chief Terlizzese and Major Croft presented the budget for the Police Department, noting they have eleven programs and their booklet showed the levels of service in public safety the residents are receiving for their tax dollars. Chief Terlizzese noted in the past three years there has been crime reduction all over the country, with the Town having a three per cent decline in Part 1 and 2 crimes and a 15.29% reduction in the past calendar year in serious crime, whereas the rest of the nation averaged only a two to three per cent decrease. He noted this has been the trend for the past three years. He reported the Patrol Division handled 41,000 calls for service. He advised the Crime Prevention Unit makes this a safer community as the citizens are more aware and educated in ways of safety for their homes and families. He indicated the Detective Bureau is doing a great job in solving crimes. He reported the Beach Rescue Unit had over 100,000 people visiting the Town's beaches and five swimmers were rescued from certain death. He recalled the Parking Patrol Unit issued over 20,000 parking tickets and installed the traffic boots on 123 cars. Chief Terlizzese reported the Police Department budget has increased by .35 of one per cent over last year and that increase is due principally to the $135,000 cost which was reallocated through the departments for retirement line items. After review and discussion, it is THE COMMITTEE'S RECOMMENDATION TO ACCEPT THE POLICE DEPARTMENT BUDGET. The Committee made the request that if between now and July, there are further reductions that can be made, that this be done.

F. FIRE-RESCUE DEPARTMENT: Chief Elmore and Assistant Chief Koelz addressed the Committee with an overview of the Fire-Rescue Department, noting that their budget is in five programs, and their proposed budget is $5,481,216 which represents an increase of approximately $102,000 over the FY94 Approved Budget, and the retirement reallocation increased their budget by $105,000. Mr. Doney explained the impact of redistributing the retirement charges is more equitable according to the Actuary's report, as previously noted by Mrs. Crozier. Chief Elmore noted their salary line items are down $69,000, which includes a projected merit increase for all eligible employees; Mr. Doney commented that the Town's merit (incentive) program is included in all applicable Departments and programs. Chief Elmore explained the five programs in his Department and after discussion and review, it is THE COMMITTEE'S RECOMMENDATION TO ACCEPT THE BUDGET PROPOSED BY THE FIRE-RESCUE DEPARTMENT. The Committee also made the request of Chief Elmore that in the event there are further reductions which can be made in the Fire-Rescue Department between now and July, that the reductions be made.

G. RECREATION DEPARTMENT: Russ Bitzer, Recreation Director, addressed the Committee noting there are five programs in his Department indicating the overall budget is up $39,000 or five per cent and is primarily due to an air conditioning replacement of $12,000; personnel increases of $15,000 which is due to a reallocation of Public Works maintenance employees; $7,000 for additional programs, which will be offset by revenues; and $5,000 for tile floor replacement. He advised the overall revenues will be increased approximately $10,000 or 3.5% above last year's estimated revenue. He noted there is a recovery percent of revenues at 67% compared to 65% for last year. After further discussion, the COMMITTEE'S RECOMMENDATION FOR THE RECREATION DEPARTMENT IS THAT THE FEE SCHEDULES BE SCRUTINIZED AND INCREASES BE MADE TO THOSE FEES FOR NON-RESIDENTS IN THE TENNIS PROGRAM WHICH HAVE NOT BEEN INCREASED SINCE 1984; ADDITIONALLY THE RESIDENT GREENS FEES BE INCREASED FROM $14.50 TO $15.00, AS WELL AS A POSSIBLE NON-RESIDENT GREENS FEES INCREASE FROM $18.50 TO POSSIBLY $25.00, AND THIS ISSUE SHOULD BE REVISITED AFTER RECONSTRUCTION OF THE GREENS AND TEES PROJECT IS COMPLETED; AND THE REQUEST FOR THE PURCHASE OF AN IBM VALUEPOINT PC IN THE AMOUNT OF $2400 BE ELIMINATED FROM THE RECREATION DEPARTMENT'S BUDGET.

H. TOWN CLERK'S OFFICE: Mrs. Peters presented her proposed budget, indicating there is an increase as the salary for an additional person, a Deputy Town Clerk, has been included for a one year period, which has increased all personnel line items. She advised the line item on Codification has been increased as there will be a proposal to reformat the Code of Ordinances, however, there will be an estimated $11,000 recouped from the $14,500 figure budgeted. THE COMMITTEE'S RECOMMENDATION IS TO APPROVE THE TOWN CLERK'S BUDGET WITH THE ELIMINATION OF $1200 UNDER THE DATA PROCESSING LINE ITEM AND MRS. PETERS WAS REQUESTED TO REPORT BACK AS TO POTENTIAL FURTHER ELIMINATIONS ON THIS PARTICULAR LINE ITEM.

I. TOWN MANAGER'S OFFICE:

1. LAW AND POLICY REVIEW, LEGISLATION: Mr. Doney presented the budget for this division answering questions with regards to the line item on the proposed 1995 Calendar/Annual Report (48-01), which had an expenditure of $9200 this year (which Mr. Doney noted was a very good quote from the printer) and is proposed to be $18,000 next fiscal year. Mrs. Wiener recalled the conversation last year on the Risograph printer and

thought the calendar was going to be able to be produced on the Risograph. Mrs. Crozier explained the Risograph has produced a cost savings, however, the Calendar is not able to be reproduced on it. After discussion, the COMMITTEE RECOMMENDS THE $18,000 PROPOSED FIGURE FOR THE PRINTING OF THE CALENDAR BE REDUCED TO $15,000.

2. INTERGOVERNMENTAL RELATIONS: Mr. Doney presented the budget noting the budget is down 34% and after consideration, it is the COMMITTEE'S RECOMMENDATION TO REDUCE THE LINE ITEM 31-01 FROM $10,000 TO $5,000 FOR "SPECIAL LEGAL" EXPENSES AND APPROVE THE REMAINDER OF THE INTERGOVERNMENTAL RELATIONS' BUDGET.

3. TOWN MANAGER'S OFFICE: Mr. Doney explained the budget for his office is down 5%. After consideration and review, THE COMMITTEE RECOMMENDED THE BUDGET FOR THE TOWN MANAGER'S OFFICE BE APPROVED WITH THE ELIMINATION OF ITEM 64-04 "DATA PROCESSING" WHICH WILL BE REDUCED FROM $2000 to $0.

4. LEGAL COUNSEL: Mr. Doney advised this budget is in line with the legal services which are required and after review, THE FINANCE & TAXATION COMMITTEE RECOMMENDED THE LEGAL SERVICES PROGRAM BE APPROVED.

5. OFFICE OF INFORMATION SYSTEMS: Mr. Doney noted the personnel complement in this office has been reduced from five to four. Mr. Wilson noted one line item has been increased so he can have the opportunity to hire a contract programmer due to the eliminated full time position. He noted the office's salaries are down 28% due to the elimination of one position. THE COMMITTEE RECOMMENDED THE BUDGET FOR THE OFFICE OF INFORMATION SYSTEMS WITH THE PROVISION THAT THE COMMITTEE WILL TAKE ANOTHER LOOK ON JUNE 2ND ON THE LINE ITEM 64-04 DATA PROCESSING ITEMS WITH THE OUTLOOK OF REDUCING THESE LINE ITEMS CONSIDERABLY.

J. FINANCE DEPARTMENT: Mrs. Crozier reported her overall budget will be increased by $1800 or less than a quarter of a per cent. She commented on her request for a new printer, which she felt was necessary. Mrs. Wiener recalled for the past three years, she has been suggesting another person is needed in this Department and a machine is not going to take care of the basic problem, especially with a key employee going on maternity leave. She felt the operation of this Department has to be right and timely and she again requested Mrs. Crozier and Mr. Doney to look into the possibility of adding an additional person. The budget of the Finance Department was revisited by the Committee on June 2nd.

K. PLANNING, ZONING AND BUILDING: Mr. Moore presented the budget for his department, noting that the Budget has been reduced approximately 3.5% and he has eliminated $5000 for the data processing equipment requested. He advised computer equipment has allowed his department to handle increased paper work and managing/retrieving data without increased personnel and he hoped to be able to reduce (through attrition) on some personnel with a voice activated inspection system. He noted the revenue has been increased by approximately $50,000 which is partially attributed to the changes in fees now allowed for occupational licenses. THE COMMITTEE RECOMMENDED APPROVAL OF THE BUDGET OF THE PLANNING, ZONING AND BUILDING DEPARTMENT WITH THE REDUCTION OF THE DATA PROCESSING EQUIPMENT IN THE AMOUNT OF $5000, REQUESTING IF FURTHER REDUCTIONS CAN BE MADE IN OTHER AREAS, THE REDUCTIONS SHOULD BE MADE.

Meeting adjourned at 4:20 PM.

JUNE 2, 1994

Meeting of the Finance & Taxation Committee was called to order at 10 AM by the Chairperson. In attendance were Chairperson Wiener and Council Member Smith, Committee Member. Other Elected Officials in attendance for all or part of the meeting were Mayor Ilyinsky, Councilmen Weinberg and Shaw; and Councilwoman Royal. Also attending were Mr. Doney, Mrs. Crozier, Mrs. Peters, Mrs. Kelly, Mr. Bowser, Mr. Wilson, Mr. Moore, Mr. Elwell, Mrs. Martinuzzi and Mr. Ugi.

SUMMARY OF DATA PROCESSING LINE ITEMS: Mr. Wilson reported he has met with each Department Head and the figure for data processing hardware of approximately $58,000 has been reduced to $25,615 for Town-wide hardware proposed purchases for FY95. THE COMMITTEE APPROVED THE REDUCTION IN THE DATA PROCESSING HARDWARE (TOWN-WIDE) FROM APPROXIMATELY $58,000 TO $25,615, AND IF FURTHER REDUCTIONS CAN BE MADE, THAT THIS BE DONE.

REVENUES: Mr. Doney advised the estimate of taxable value for the 1994 Tax Roll has been received from the County Property Appraiser and that estimate is $4,262,670,031 and this is higher by approximately $163,000,000 or 3.9% more than the 1993 taxable value. Mr. Doney advised that he believes that it is premature to prepare estimates with regards to millage as the preliminary certification of taxable value will be delivered on approximately July 1, and estimates and calculations will be made at that time to be advanced to the Finance & Taxation Committee.

Mrs. Crozier reported the proposed non-ad-valorem revenues for FY95 are projected to be $450,000 higher than FY94, which is due to $100,000 projected increase in interest on all funds; with the electrical franchise charges projected to increase $100,000; utility taxes $40,000; occupational license fees $15,000; licenses and permits $67,000, State shared revenues $15,000 and recreational fees $21,000.

FINANCE & TAXATION COMMITTEE REPORT OF MEETINGS HELD ON JUNE 1 and 2, 1994

TOWN ATTORNEY LETTER OF MARCH 18, 1994 in response to request of Finance & Taxation Committee meetings of June 9th and 10th, 1993 kept a record of all calls made to him which were not initiated by the Town Council or staff. Mrs. Wiener felt that it was not appropriate for people to use a Town Department, such as the Town Attorney, and having the time billed to the Town. Mrs. Wiener thought the people calling should be charged a minimum charge. Mr. Doney was asked to have Attorney Randolph be prepared to address this subject at the Town Council meeting of June 14, 1994.

FINANCE DEPARTMENT: Mrs. Crozier asked for the opportunity to review the organizational structure of her Department to make a decision on bringing the personnel complement in the Finance Department to an appropriate level, and advise the Committee what the decision should be, at the June 14th Town Council Meeting. Mrs. Wiener expressed her desire to have something definitive on this today.

Mrs. Smith hoped that every Department has an adequate back-up in the event the first and second people in charge are not available.

PUBLIC WORKS DEPARTMENT: Mr. Doney presented the Public Works Department budget, indicating the budget is less than last year by approximately $49,899. He advised there are 29 programs in the Public Works Department and there is a new program being proposed which is the Worth Avenue Palm Tree Maintenance Program which will add $4300 to the median maintenance program. He advised there has been $39,341 added for the Beach Cleaning Program and under Coastal Management the operational and maintenance cost for the Lake Worth Inlet Sand Transfer Plant is $160,000, which is an additional cost for FY95.

Mr. Doney advised there is a request for a six cubic yard garbage packer which is approximately $70,000 and he advised the sanitary sewage treatment and disposal charges will depend on the determined charges by the City of West Palm Beach, and also the City of Lake Worth's charges; also, the Town is awaiting more definitive information on the proposed solid waste charges from the Solid Waste Authority, and these are the major highlights.

Mrs. Wiener questioned the outside contracting line item, which Mrs. Crozier recalled was sidewalk repair in the amount of $32,965. Mr. Bowser explained one position has been eliminated in that Division and it is a cost saving to contract this work on the outside. He advised there is bicycle path sweeping for $10,000, sidewalk maintenance at $12,000, as outside contractors can be used more efficiently for this matter, and the other is $6,000 for beach cleaning at the Par 3 Golf Course.

Discussion occurred on the lethal yellowing program and the water rate increases. Mr. Bowser explained on the water, there was a rate increase due to the inverted rate structure and for FY95, they have budgeted a 25% increase for water, due to the proposed surcharge by the City of West Palm Beach. Mrs. Smith did not understand that as they are conserving water, and xeriscape plantings have been planted in the medians. Mr. Bowser explained there have been questions about the billing of the water and they are also now undergoing various water audits, as the quantities are being investigated as they do not appear to be accurate.

Mr. Ugi was called to the meeting to answer the question on the water and he advised they plan to change the median planting twice a year using some annuals, with perennials remaining for possibly three to four years, and the medians are watered twice a week, except with new plantings, then it is three or four times a week.

Mrs. Smith requested a reduction in supplies, line item 52-12 in Program 523 from $19,300 to $15,000. Mrs. Smith asked about the increases on the outside contractual services in every program. Mrs. Wiener noted there is also a question on the increase in the water rates. Mrs. Smith noted on Program 551, there is a 38% increase in vehicle maintenance and wondered about that item. Mrs. Wiener noted the maintenance costs on the Public Works facility has increased.

Mrs. Smith asked about a replacement Cushman vehicle and Mr. Bowser responded they have assessed the condition of the vehicle and it is now time to replace that vehicle, and that is why the request has been made. He advised the external maintenance line item would increase if the vehicle is not purchased.

Due to the fact that Mr. Dusey was not able to be at the meeting due to a death in his immediate family, to answer these questions, THE COMMITTEE REQUESTED THAT UPON HIS RETURN, MR. DUSEY SUBMIT WRITTEN COMMENTS AND RESPONSES TO THE QUESTIONS BEING ASKED TODAY BY THE COMMITTEE AND THIS BE A PART OF THE BACK-UP FOR THE TOWN COUNCIL MEETING OF JUNE 14.

WORTH AVENUE PALM TREE MAINTENANCE: After discussion, it IS THE RECOMMENDATION OF THE FINANCE & TAXATION COMMITTEE THAT THE MAINTENANCE OF THE PALM TREES ON WORTH AVENUE BE ADDED TO THE BUDGET ($4300).

SOUTH COUNTY ROAD MAINTENANCE: Mr. Doney recalled the representative from the South County Merchants Association came before the Council last year and made the request to have the area along South County Road beautified with trees, informing the Mayor and Council that the State Department of Transportation was willing to furnish grates to go around the trees, which are now in storage, and this item is in the Capital Improvement Program in the amount of $75,000. THE FINANCE AND TAXATION COMMITTEE RECOMMENDED THE MONEY BUDGETED FOR THIS

PROJECT SHOULD BE THE SAME AS THAT RECOMMENDED FOR THE WORTH AVENUE PALM TREE MAINTENANCE AND THAT AMOUNT WOULD BE $4300. Mr. Bowser explained the area covered on South County Road is from approximately Seaview Avenue to Hammon Avenue. Mrs. Smith suggested since this area does encompass the Town Hall Historic District, they could apply for a grant. Mrs. Smith noted that in her opinion, the Town would be willing to help maintain this area after the project is completed, but she wouldn't want to spend more for the South County Road to maintain the trees than is budgeted for the Worth Avenue project. Mr. Shaw pointed out the $4300 suggested may not be able to maintain the trees on County Road, as it covers a larger area than Worth Avenue. Mrs. Wiener recalled when a representative from the South County Merchants Association was before the Council asking that the grates be shipped to the Town by the DOT, and stored, she asked the question as to what would happen in the event the Finance & Taxation Committee saw fit to not recommend approval of the work (and the Town Council does not approve same). The answer was the grates can always be returned to the State. Mrs. Smith thought the $4300 should not be budgeted this year as the trees are not there and this Committee is not saying they can't install the grates and the trees, as they can do it and it may be that the property owners in the particular blocks along South County Road may decide to go ahead with the project in a small way.

M. CAPITAL IMPROVEMENT FUND: Mr. Doney and Mr. Bowser presented the funding requirements needed for the Capital Improvement Program. Mrs. Wiener asked if there was insurance on the oceanfront roadway protective seawalls to which Mrs. Martinuzzi responded there is no insurance on these seawalls or the abutting roadways, and the insurance covers only the parapet walls. She advised she would furnish premium costs for these oceanfront roadway protective seawalls and abutting roadways. After full review and discussion, IT IS THE RECOMMENDATION OF THE FINANCE & TAXATION COMMITTEE THAT THE CAPITAL IMPROVEMENT FUND BE APPROVED WITH THE ELIMINATION OF $75,000 FOR THE PROPOSED SOUTH COUNTY ROAD BEAUTIFICATION PROJECT.

N. OTHER FUNDS:

1. MARINA FUND: Mr. Doney explained this is an Enterprise Fund and currently the Brazilian Dock replacement is under construction. He advised the bottom line of this budget is proposed to decrease by approximately 38%. He stated any expenditures are solely underwritten by dockage fees and marina revenue. Revenues were discussed and Mr. Doney referred to the memorandum dated May 5, 1994 submitted by the Dockmaster, Ms. Lane to Mr. Ugi, noting the recommendation is to increase the dock rates which would generate approximately $104,000 additionally each year. Ms. Lane's memorandum indicated the annual contracts be increased from 40¢ per foot to 45¢ per foot; seasonal contracts from 75¢ per foot to 85¢ per foot and the

transient contracts from $1.25 per foot to $1.30 per foot. Mayor Ilyinsky suggested that if the rates are increased, there should be personnel available on Friday afternoons to help tie up the boats as they dock AND THE COMMITTEE REQUESTED THAT THERE SHOULD BE SOMEONE AVAILABLE AT THE DOCKS ON THE WEEKENDS. After further review and discussion, it is the RECOMMENDATION OF THE COMMITTEE TO APPROVE THE PROPOSED BUDGET OF THE MARINA FUND AND THE RECOMMENDATIONS TO INCREASE THE DOCKING RATES FOR THE ANNUAL AND SEASONAL CONTRACTS BE APPROVED AS REQUESTED BY THE DOCKMASTER, HOWEVER THE TRANSIENT CONTRACTS BE INCREASED FROM $1.25 PER FOOT TO $1.35 PER FOOT.

2. PARKING FUND: Mrs. Crozier gave an overview of the Parking Fund, noting the Parking Fund's budget has increased by $28,000 due to $10,000 needed to replace two flat roofs at the Phipps Ocean Park rest rooms and $15,275 for improvements to insure compliance with the Americans With Disabilities Act. Mrs. Crozier explained the revenues are down $21,600 as reflected by the historic usage of the meters in Town, which projects the revenue anticipated for FY95. THE COMMITTEE RECOMMENDED APPROVAL OF THE BUDGET OF THE PARKING FUND.

3. DEBT SERVICE FUND: Mrs. Crozier noted $2,345,630 is needed to provide for debt service payments required in FY95 and the payment comes from the Debt Service assessed millage. THE COMMITTEE RECOMMENDED APPROVAL OF THE DEBT SERVICE FUND BUDGET.

4. SELF INSURANCE FUND: Mr. Doney explained this fund includes the health, liability, worker's compensation and self-insurance programs. Mrs. Crozier noted it has increased by $107,000 due in part to the increase in insurance funding. She advised the revenues have increased by $274,000 in FY95 and a large part of that funding will come from interest earnings of $125,000. THE COMMITTEE RECOMMENDS THE APPROVAL OF THE BUDGET FOR THE SELF-INSURANCE FUND.

5. RETIREMENT FUND: Mrs. Crozier explained this is a Fiduciary Fund held in trust by the Town, and expenditures have increased approximately $250,000. She reported there are two investment managers and there is a laddered bond fund for ten million dollars managed by the First Union Bank which this year has increased to fifteen million dollars. She indicated the experience on the revenues appear to be good and they will increase, based on the first seven months of this year which has been in excess of one million dollars. She noted the total fund is valued in excess of sixty million dollars. THE COMMITTEE RECOMMENDS THE APPROVAL OF THE RETIREMENT FUND BUDGET.

FINANCE DEPARTMENT: Mrs. Wiener recalled it has been her recommendation over the past three years that this Department have additional personnel as she felt it was essential to the operations of this department. Mrs. Crozier announced she has given this a lot of thought and now requests the Committee to make the recommendation to authorize the creation of a position of an Account Clerk III in the Finance Department, who will be assigned more technical related functions to include budget analysis, technical audit schedules and more complex reconciliation work, which will bring the Finance Department to an adequate personnel complement. After further discussion, it is the RECOMMENDATION OF THE FINANCE AND TAXATION COMMITTEE THAT A NEW POSITION, ACCOUNT CLERK III POSITION BE CREATED IMMEDIATELY THIS FISCAL YEAR FOR THE FINANCE DEPARTMENT AND THAT SALARY LINE ITEMS BE INCREASED $29,000 PLUS BENEFITS IN THE FY95 BUDGET.

IV. ANY OTHER MATTERS: The next meeting of the Finance & Taxation Committee was set for Wednesday, July 6, 1994, at 10 AM and the Special Town Council meeting to set the "tentative" operating millage rate for FY95 and to set the date, time and place for the first of two State required public hearings was confirmed for Thursday, August 4, 1994 at 10 AM.

V. ADJOURNMENT: Meeting was adjourned at 2:30 PM.

FINANCE & TAXATION COMMITTEE:

BY: Hermine L. Wiener

Hermine L. Wiener, Chairperson

Lesly S. Smith

Lesly S. Smith, Committee Member

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