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REPORT OF THE FINANCE AND TAXATION COMMITTEE MEETING HELD ON MAY 31, 2000

I. CALL TO ORDER AND ROLL CALL

Chairman Jack McDonald called the Finance & Taxation Committee meeting to order at 10:05 a.m. on Wednesday, May 31, 2000, in the Town Council Chambers. Elected Officials in attendance for all or a portion of the meeting were: Mayor Lesly Smith, Council President Pro-Tem Sam McLendon, and Committee Member William Brooks. Also attending the meeting were: Town Manager Robert Doney, Assistant Town Manager Tom Bradford; Finance Director Jane Skittone; Assistant Finance Director Cheryl Somers; Purchasing Agent Charles Boggs; Public Works Director Al Dusey; Public Works Facility Maintenance Division Manager Joe Ugi; Public Works Services Division Manager Lloyd McCoy; Recreation Director Russ Bitzer; Recreation Supervisor II Alan Brown; Golf Pro Rick Dytrych; Information Services Manager Spencer Wilson; Information Services Specialist Cory Cordero; Risk Coordinator Karen Temme; Human Resources Director William Crouse; Human Resources Analyst Pam Moses; Police Chief Frank Croft; Assistant Police Chief Michael Reiter; Police Planner Lisa Gorman; Assistant Fire-Rescue Chief Kent Koelz; Fire-Rescue Administrative Secretary Belinda Hardy; Director of Planning, Zoning & Building Robert Moore; PZ&B Administrative Aide Wendy Zamecnik; and Town Clerk Mary Pollitt.

II. APPROVAL OF AGENDA

The agenda was approved as written.

III. FY2001 PROPOSED BUDGETS

A. OVERVIEW AND COMMENTS BY TOWN MANAGER

Town Manager Robert J. Doney highlighted the major items of the budget package and referred to his memorandum dated May 24, 2000, the initial budget message for FY2001. Mr. Doney pointed out the following highlights:

REPORT OF THE FINANCE & TAXATION COMMITTEE MEETING HELD ON 5/31/00

- Total preliminary taxable value from the Palm Beach County Property Appraiser is \$5,874,916,711 or an increase of approximately \$435,441,507 which is an 8.01% change in total taxable value;
- Preliminary expenditure budget for FY2001 is \$40,568,608;
- A general pay increase will be considered in late August or early September after a review and a survey by the Human Resources Department;
- Final fees for the Solid Waste Authority and rate increases for the East Central Sewage Treatment Plant have not been received as of this date;
- The total personnel complement has an increase of 1.23 full time equivalent personnel;
- Details of Staff estimates of non-ad valorem revenues are on page 4 of the memorandum;
- The Town of Palm Beach receives approximately 22% of each dollar of each Town taxpayer's total tax bill;
- Reduction in debt service is based on the defeasance of the 1992 refunding issue;
- Investment earnings have earned higher amounts than estimated for FY2000;
- Request for three replacement Fire-Rescue pumpers;
- Proposal for a reverse 911 system to be used for notification in the event of emergencies;
- Proposal for a Town-wide telephone system to improve usage and management of Town telephone lines;
- Changes in Marina operational details as identified in the Marina Fund;
- Funding needs for FY2001 for the two Retirement Funds are decreased;
- Major changes in operating expenditures reflect an \$180,243 decrease;

- Proposed increases for parking ticket fines and changes in penalty structures resulting in revenue increases to the General Fund of approximately \$131,000.

B. OVERVIEW BY FINANCE DIRECTOR ON BUDGET STANDARDS

Finance Director Jane Skittone reported that standards used in preparing the FY2001 budget were: 7.65% for FICA; employer portion of the retirement contribution -\$2,142,331; Health Insurance - \$6,232 per employee with the Town contributing approximately \$3,040,000 and employees contribute approximately \$660,000; Utilities - 4% increase for water, 5% increase for gasoline, and 3% for postage.

C. INFORMATION SYSTEMS OVERVIEW - INFORMATION SYSTEMS MANAGER

1. Software Needs Analysis
Information Systems Manager/Finance Director

Information Systems Manager Spencer Wilson identified the major proposed projects for the Town included participation in a Geographical Information System and utilizing shared information with the County and other municipalities. Twenty personal computers and four network printers were included in the proposed budget figure in addition to software. Mr. Wilson reported that \$17,000 allocated for consulting services in FY2000 was not used as the work was done in house. He requested a recommendation from the Committee, with authorization from the Mayor and Town Council at the June 13th Town Council meeting, to spend the \$17,000 on programming in lieu of consulting services in FY2000.

Mr. Doney said if the Committee recommended spending the \$17,000 on programming in FY2000, Mrs. Skittone would prepare a memorandum to present to the Mayor and Town Council at the June 13th meeting requesting approval.

After discussion, **THE COMMITTEE RECOMMENDED AUTHORIZING \$17,000 TO BE USED FOR PROGRAMMING IN FY2000 IN LIEU OF THE CONSULTING SERVICES AS PREVIOUSLY DESIGNATED.** *(This recommendation was presented at the June 13th Town Council Meeting.)*

Mr. Wilson explained proposed projects that included a new cable system for parts of Town Hall and the Police Department and a new telephone system as part of a data network for the entire Town that would replace the current fragmented program which is expensive for additional lines. The telephone system would be a two year program that is part of the Capital Improvement Program.

After discussion of items included in Exhibit N in the FY2001 Proposed Budget, **THE COMMITTEE RECOMMENDED APPROVAL OF ALL ITEMS IN EXHIBIT N, THE CAPITAL IMPROVEMENT PROGRAM, THE 64-03 BUDGET LINES IN THE POLICE DEPARTMENT AND TOWN HALL FOR THE CABLING SYSTEM, AND \$9,000 IN PROGRAM 124 FOR A CABLING SYSTEM AS PRESENTED BY INFORMATION SYSTEM MANAGER SPENCER WILSON.**

D. TOWN MANAGER'S OFFICE (PROGRAMS 111 - 122)

Town Manager Doney reported these programs included expenditures associated with the Mayor and Town Council members and intergovernmental costs. He noted that the annual Town calendar and report at an estimated cost of \$11,000 was included in these programs.

After discussion, **THE COMMITTEE RECOMMENDED APPROVAL OF PROGRAM 111, LAW AND POLICY REVIEW.**

Mr. Doney explained the largest item in Program 112, Intergovernmental Relations, line item 49-17, covered telecommunications and included attorneys' fees and proposals for the I-net. He said that line item 49-19, Holiday Trees, should be reduced from the \$21,074 proposed for FY2001 because of at least one donor tree to be announced at a later date.

After discussion concerning reducing line item 49-19, Holiday Trees, **THE COMMITTEE RECOMMENDED APPROVAL OF PROGRAM 112, INTERGOVERNMENTAL RELATIONS.**

Town Manager Doney reported that program 121 in the Town Manager's Office and is the Administrative Management account according to the uniform accounting system. He noted that the number of personnel did not increase in the proposed budget.

**THE COMMITTEE RECOMMENDED APPROVAL OF PROGRAM 121,
ADMINISTRATIVE MANAGEMENT.**

Mr. Doney said that Program 122, Advice and Litigation, was based on consultation with Attorney Randolph regarding on-going services and litigation.

President McDonald asked what the yearly total for all services provided by Attorney Randolph's firm was?

Mr. Doney responded the line item 31-01 Legal Advice total is \$211,600 and litigation is \$80,000 for an approximate total of \$291,000.

**After discussion, THE COMMITTEE RECOMMENDED APPROVAL OF
PROGRAM 122, ADVICE AND LITIGATION.**

1. Self Insurance Fund - Risk Management (501)

Risk Coordinator Karen Temme explained that 87% of the Self Insurance Budget is comprised of the Town's Insurance Program which includes Workers Comp, Property and Liability, Fixed and Variable Cost. The variable costs are determined by underwriters which is budgeted at \$775,000. Ms. Temme indicated the property market is undergoing a "correction" and increases across the board are anticipated regardless of any loss experience. At the September Town Council meeting, insurance coverages and costs will be submitted for renewal.

**After discussion, THE COMMITTEE RECOMMENDED APPROVAL
OF PROGRAM 501 WITH A 5% INCREASE.**

E. HUMAN RESOURCES DEPARTMENT (PROGRAM 123)

Human Resources Director William Crouse reported his goal was to have no increases in the FY2001 budget as compared to the FY2000 budget and the increase was \$800 in the proposed budget.

THE COMMITTEE RECOMMENDED APPROVAL OF THE HUMAN RESOURCES DEPARTMENT BUDGET (PROGRAM 123).

1. Retirement Fund (Programs 600 and 601)

Mr. Crouse explained the reduction of approximately \$500,000 in the proposed FY2001 Retirement Fund budget was mainly due to investments that contributed substantially to the present 115% funding level for the fund where the goal is 100% funding. The 15% excess is a cushion.

THE COMMITTEE RECOMMENDED APPROVAL OF THE RETIREMENT FUND (PROGRAMS 600 AND 601).

2. Self Insurance Fund - Health Insurance (Program 502)

Mr. Crouse said an actuarial report received from Gabriel, Roeder, Smith reported the Town's contribution structure with reserves provided for an actuarially sound system and the proposed budgeted amount of \$3.7 million for FY 2001 should be sufficient for funding for the year. He said the \$3.7 million amount is the same amount that has been used since 1993.

Mr. Crouse reported that approximately \$1.1 million should be rolled over to the reserve fund at the end of this year (FY2000). Based upon the \$3.7 million figure for FY2001, approximately \$1 million should go to the reserve account at the end of that year. At the end of FY99, \$13.2 million was in the reserve account, and the 1997 report indicated a need for an unfunded liability amount of \$17.1 million.

THE COMMITTEE RECOMMENDED APPROVAL OF THE SELF INSURANCE FUND - HEALTH INSURANCE (PROGRAM 502).

F. TOWN HALL MAINTENANCE (PROGRAM 124)

Public Works Director Al Dusey reported an increase in line item 46-03 for \$28,000 was a proposal for a new roof and painting of the structure in West Palm Beach used for storage; otherwise, the budgeted amounts were the same as the FY2000 Budget.

THE COMMITTEE RECOMMENDED APPROVAL OF THE TOWN HALL

MAINTENANCE PROGRAM 124.

G. OFFICE OF INFORMATION SYSTEMS (PROGRAM 125)

Information Services Manager Spencer Wilson said his FY2001 budget projected an increase of 6% due to mainly to costs associated with the GIS project. He added that the software maintenance line 46-11 increased 220% due to changes in the costs for supporting the two AS400 systems.

THE COMMITTEE RECOMMENDED APPROVAL OF THE OFFICE OF INFORMATION SYSTEMS PROGRAM 125.

H. TOWN CLERK'S OFFICE (PROGRAM 131)

Town Clerk Mary Pollitt explained the 5% increase in this budget was due to salary increases, computer updates, and proposed small copier for the Town Clerk's office.

After discussion of the number of copiers and their usage in Town Hall, **THE COMMITTEE RECOMMENDED APPROVAL OF THE TOWN CLERK'S OFFICE PROGRAM 131 PROPOSED FY 2001 BUDGET.**

I. FINANCE DEPARTMENT (PROGRAMS 141-145)

Finance Director Jane Skittone reported the Finance Department's proposed budget was down \$1,907 over FY2000's budget.

THE COMMITTEE RECOMMENDED APPROVAL OF THE FINANCE DEPARTMENT'S FY2001 BUDGET (PROGRAMS 141-145).

1. Debt Service Fund (Programs 200, 202 and 203)

Finance Director Jane Skittone reported \$707,635 was budgeted for the Series 1993 General Obligation Bond, and the bond will be paid off in the year 2005.

Program 202 has no proposed funding for FY2001 as the bond will be paid off this year. Program 203 represents the new revenue bond and \$1,369,749 is budgeted with the funding coming from non-ad valorem revenues that will be

transferred from the General Fund.

THE COMMITTEE RECOMMENDED APPROVAL OF THE DEBT SERVICE FUND (PROGRAMS 200, 202, AND 203).

J. PLANNING, ZONING, AND BUILDING DEPARTMENT (PROGRAMS 211 - 214)

Planning, Zoning & Building Director Robert Moore reported his department's budget is projected to increase 9% or \$163,000 of the total \$2,054,000 budgeted amount. He said most of the increased costs were associated with moving into a separate location if it is approved. If the move is not approved, corresponding amounts can be removed from the proposed FY2001 budget at a later date. If those costs were removed, the budget would be down approximately 4% over FY2000. He noted that legal expenses, Comp Plan expenses related to the R-B Zoning Study, and no replacement of vehicles resulted in a 4% savings.

Mr. Moore said that \$15,000 was budgeted for his department's share of the GIS system as presented by Information Manager Spencer Wilson. Mr. Moore said the proposed budget did include a request for a new records technician position to provide for scanning of documents.

Responding to questions from Mr. McDonald regarding the Comp Plan, Mr. Moore said \$20,000 was assigned to Adley, Brisson, Engman Consultants for studying the zoning issues; \$15,000 was designated for legal ads; \$6,000 for the annual traffic count; \$4,000 for architectural services; and \$25,000 contingency for the R-B Zoning district.

Mr. Moore explained line item 31-12, Other Professional Services, totaled over \$200,000 because three contract inspectors were hired on a 30 day termination basis and were not Town employees covered by Town benefits.

THE COMMITTEE RECOMMENDED APPROVAL OF THE PLANNING, ZONING AND BUILDING DEPARTMENT'S PROPOSED BUDGET (PROGRAMS 211-214).

K. RECREATION DEPARTMENT (PROGRAMS 311 - 314)

Recreation Director Russ Bitzer reported the overall combined FY2001 proposed Seaview Park Maintenance, Recreation and Tennis Center budget is up approximately

\$11,000 or 1% compared to the FY-2000 budget. This increase is primarily due to increases in part time wages due to increased participation in programs. The increases in wages will be offset by corresponding increases in program revenue.

Mr. Bitzer presented an amended fee schedule dated May 25, 2000, for the Recreation Department.

Mr. Bitzer referred to an overview of the Golf Course Enterprise Fund, and the FY2001 Proposed Expenditures are estimated to be down approximately \$36,000 or 5% compared to the FY2000 Expenditure budget. He said the estimated FY2001 Revenues are estimated to be up approximately \$34,000 or 5% above the FY2000 Anticipated Revenue. The expenditures are down due to the removal of some equipment from the depreciation line in the budget.

Mr. Bitzer reported the revenues for the first half of FY2000 are up 3% compared to FY99 revenue suggesting the FY2000 Financial Action Plan is working. Mr. Bitzer said it is estimated that the golf course fund, including all capital projects and depreciation, will be debt free in the year 2004, or optimistically, the year 2003.

Mr. Bitzer said a golf course maintenance and improvement fee is recommended for every round of golf by the Golf Pro at 50 cents per round with an estimated additional \$17,500 to be raised. The Recreation Advisory Board recommended the fee of \$1.00 per round which would raise approximately \$35,000. The idea of the golf course maintenance and improvement fees would be for specific designated projects that would require approval prior to using the funds.

Mr. Bitzer said the Advisory Board recommended increasing the costs of warm up buckets of golf balls during the summer months, and the staff concurred with that recommendation.

Mr. Bitzer said the proposed 2001 Financial Action Plan includes increasing the fees as presented, further expansion of the golf programs and events, continuing advertising and promotions, reducing expenditures wherever possible, and continuing to monitor the golf course financial conditions and make strategy changes as required.

After discussion regarding the increased fee structures as listed on pages 11,20, and 21,
THE COMMITTEE RECOMMENDED APPROVAL OF THE RECREATION DEPARTMENT PROGRAMS 311-314, INCLUDING THE INCREASED FEES.

1. Golf Course Fund (Program 401)

THE COMMITTEE RECOMMENDED APPROVAL OF PROGRAM 401 AND OF A 50 CENT CHARGE PER ROUND OF GOLF DESIGNATED AS A SEPARATE LINE ITEM FOR MAINTENANCE AND IMPROVEMENTS OF THE GOLF COURSE.

L. LIBRARY SERVICES (PROGRAM 321)

Town Manager Doney reported the Library of the Four Arts received \$125,000 as an annual appropriation from the Town, as approved by the Town Council through the year 2004.

THE COMMITTEE RECOMMENDED APPROVAL OF THE LIBRARY SERVICES PROGRAM 321.

M. FIRE-RESCUE DEPARTMENT (PROGRAMS 411 - 418)

Assistant Fire-Rescue Chief Kent Koelz and Office Manager Belinda Hardy presented the proposed FY2001 budget that included five programs within the department: Administrative, Fire Prevention, Building Maintenance, Operations Maintenance, and Operations and Training. The proposed By2001 budget includes the purchase of one new mobile intensive care unit, eight new defibrillators, and the first year payment of a seven year lease/purchase agreement for three new pumpers. The proposed FY2001 budget of \$6,186,552 is \$31,639 (0.514%) over the approved FY2000 budget of \$6,151,143.

THE COMMITTEE RECOMMENDED APPROVAL OF THE FIRE-RESCUE DEPARTMENT PROGRAMS 411-418.

N. POLICE DEPARTMENT (PROGRAMS 421 - 440)

Police Chief Frank Croft, Assistant Chief Michael Reiter, and Planner Lisa Gorman presented the budget. Chief Croft reported that over \$400,000 was cut from the budget during the budget process. One part-time civilian position was eliminated in FY2000 and an additional full time civilian position is proposed for another program in FY2001 with a net result of ½ person increase. The proposed FY2001 budget is 1% less than the approved FY2000 budget.

President McDonald, after reviewing the proposed amounts for recruitment, asked Chief Croft what the resolution was for the recruiting problem for eight officer positions?

Chief Croft explained part of the problem was the nation-wide tight job market, and recruiting ten years ago did not produce the caliber of candidates that would be serving on the Police Department now. He added that neighboring communities offer many incentives to recruit and retain well qualified, well educated people. Chief Croft said the Palm Beach Police Department is not competitive in the area of financial compensation, and retaining the best qualified people to run the day to day activities in the Police Department requires top notch pay ranges, incentives, and benefits.

President McDonald, noting the proposed brochure for recruiting candidates, said he wanted to deal with the eight vacancies in a larger way than the brochure presented.

Responding to questions from Councilman Brooks regarding competitive pay ranges, Chief Croft replied the Town of Palm Beach was at approximately the 65% level with 35% of the agencies in the area having better packages.

Town Manager Doney commented that the Committee and the Town Council should consider the issue as a Town-wide issue although the Town should be careful with an approach to one segment of employees. Issues of internal equity should be considered along with external equity issues.

President McDonald said he was not aware that the Town of Palm Beach was not the highest payer in the County for Police officers.

Human Resources Director Bill Crouse reported that the Town looks at salaries and benefits on a yearly basis, and the focus is generally on Palm Beach County.

President McDonald said there was a problem and requested Mr. Doney or Mr. Crouse provide the answer.

Mr. Crouse reported that the salaries were ranked according to mid-points, and the Town of Palm Beach would be number two behind Boca Raton. Mr. Crouse said the Town was competitive with salary ranges, and entry level salaries are determined on a sliding point scale based on years of service. He said the Sheriff's office personnel do not have to contribute anything to a retirement fund, and the Town's police officers contribute almost 7% of their pay, and that is an issue. He added that the Town's pay system is based on a pay for performance, and based on that, perhaps only 20 - 25% of the police officers ever reach the top of the salary scale. Other agencies have automatic raises based on time served.

President McDonald said someone has to be able to look at the variables and arrive at a number to determine where the Town ranks compared to other agencies. He said if the Town is having a problem recruiting, why does not the Town have the data that lists

the rank of the Town compared to everyone else?

Chief Croft said if the Town does not offer top entry level salaries, it cannot compete with other agencies, and the State mandates 4.2% raises regardless of performance for Sheriff's office employees. He said other departments are using various recruiting tools such as tapes, brochures, etc., and his budget proposal included preparation of some of these.

Town Manager Doney said he will prepare a cost estimate with Human Resources Director Crouse to upgrade the Police Department salaries. Mr. Doney said he will also look at other salaries within the Town.

After discussing the issue of the weather station, **THE COMMITTEE RECOMMENDED APPROVAL OF THE POLICE DEPARTMENT PROGRAMS 421 - 440.**

O. PUBLIC WORKS DEPARTMENT (PROGRAMS 511 - 571)

Public Works Director Al Dusey stated the Public Works Department's programs are performance based and vary from year to year based on a needs analysis particularly in the area of maintenance. He reported the proposed FY2001 budget is reduced approximately 2.2%, or approximately \$190,000, over the approved FY2000 budget, and a large portion of that reduction is based on reduced retirement costs.

Mr. Dusey pointed out the following budget highlights:

Department has added one full time Assistant Dockmaster position for the Town Marina;

Added an \$11,000 appropriation in Program 552 (Medians) for irrigation at the Par 3 Golf Course between A1A and the pedestrian walkway on the west side;

The 531 Program includes an allocation of \$42,000 for purchase of a spare pump motor for storm water pumping stations D-14 and D-12 (when constructed);

Palm Beach County to reimburse an additional \$12,000 for parking meter replacement at Kruesler Park;

The following programs should be considered preliminary in that the agencies having

control of the costs have not finalized their budgets:

533 - Sanitary Sewer Treatment

543 - Solid Waste Disposal

581 - Sand Transfer Plant

**THE COMMITTEE RECOMMENDED APPROVAL OF PUBLIC WORKS
DEPARTMENT PROGRAMS 511-571.**

1. Capital Improvement Fund (Including 5-Year Capital Improvement Program) - (Programs 307, 308 and 309)

Mr. Dusey referred to Exhibit M in the Budget book and noted that \$608,000 was earmarked for the Sanitary Sewers: West Palm Beach Facilities Reserves with \$508,000 revenue to offset that amount. He said that \$1,800,000 was projected to be spent on Gravity Sanitary Sewer improvements that needed to be updated.

Mr. Dusey reported that \$1,095,000 was proposed to be spent on storm sewers; \$400,000 on structures (town-wide telephone system plus the expansion of the Police Station); and \$18,000 on an irrigation system for the Driving Range Drainage (a loan from the General Fund). Mr. Dusey reviewed the funding sources for the projects.

After discussion, **THE COMMITTEE RECOMMENDED APPROVAL
OF PROGRAM 307.**

Mr. Dusey explained the 309 Program was set up exclusively for Comprehensive Coastal Management. He added that the revenue shown for this program reflected the bond proceeds.

**THE COMMITTEE RECOMMENDED APPROVAL OF PROGRAM
309.**

2. Marina Fund (Program 402)

Mr. Dusey said the increase in this program was due to the change in the level of service as requested by the boat owners and captains at meetings held in

Town Hall. They requested a dock attendant be available for each dock to at least 7:00 p.m. in the evening as other marinas in the area have. Mr. Dusey said the personnel increase is the largest increase in this line item; however, the anticipated revenue should increase \$100,000 to \$200,000 over FY2000.

THE COMMITTEE RECOMMENDED APPROVAL OF THE MARINA FUND, PROGRAM 402.

Mr. Dusey added that he would be returning to the Town Council to request rate increases, because the Town's annual contracts are lower than others in the area and transient rates are also less than others in the area. Mr. Dusey said that will be presented in the form of a resolution.

P. EMERGENCY/DISASTER PREPAREDNESS (PROGRAM 710)

Town Manager Doney explained the reasoning behind budgeting for emergency or disaster preparedness.

THE COMMITTEE RECOMMENDED APPROVAL OF THE EMERGENCY/DISASTER PREPAREDNESS (PROGRAM 710).

**Q. OTHER EXPENDITURES - TOWN MANAGER AND FINANCE DIRECTOR
(PROGRAMS 611, 612, 621, 623, 624, 625, 711, 722, 720)**

Finance Director Skittone explained Program 611 contained the transfers to the Capital Improvement Fund of \$2.7 million and Fund 308, the pay as you go portion of the coastal protection project which is \$1,266,433.

THE COMMITTEE RECOMMENDED APPROVAL OF PROGRAM 611.

Mrs. Skittone explained Program 612 was the transfer from the General Fund to the Debt Service Fund for the FY2000 revenue bond.

THE COMMITTEE RECOMMENDED APPROVAL OF PROGRAM 612.

Mrs. Skittone said the Program 621 was the Town's portion of the Retirees Group

Health Insurance which is \$679,288.

THE COMMITTEE RECOMMENDED APPROVAL OF PROGRAM 621.

Mrs. Skittone reported that Program 623 was the \$1,702,097 transfer to the Risk Work Comp Liability Fund from the General Fund.

THE COMMITTEE RECOMMENDED APPROVAL OF PROGRAM 623.

Mrs. Skittone said the purpose of Program 624 was to bring the level of Retirees' monthly payments to \$300 for those who previously were not entitled to the \$300 payment. \$9,000 was budgeted for Program 624 for General Employees.

THE COMMITTEE RECOMMENDED APPROVAL OF PROGRAM 624.

Mrs. Skittone said Program 625 is the same as Program 624 but it applies to Public Safety Employees, and \$5,160 is budget for that purpose.

THE COMMITTEE RECOMMENDED APPROVAL OF PROGRAM 625.

Mrs. Skittone said \$40,000 is budgeted for the Extraordinary Longevity Program 711 for employees who have been with the Town between twenty years and thirty years. She added that the amounts for FICA and Medicare are shown for this program. Mrs. Skittone said at this time no amount is shown for General Contingency, and that amount will be added at a later date.

THE COMMITTEE RECOMMENDED APPROVAL OF PROGRAM 711.

Mrs. Skittone reported that Program 722 is for Capital Lease Acquisitions, and the \$750,000 amount is for the purchase of the Fire-Rescue Department's three pumps. She added that the \$750,000 is shown on the revenue side as a Capital Lease Revenue and the \$40,000 budgeted by the Fire-Rescue Department is the only true impact on the FY2001 budget.

THE COMMITTEE RECOMMENDED APPROVAL OF PROGRAM 722.

Mrs. Skittone said that Program 720 represents the expenditures related to Kreusler Park; however, there is a transfer from Palm Beach County to cover the expenditures.

THE COMMITTEE RECOMMENDED APPROVAL OF PROGRAM 720.

R. REVENUES - TOWN MANAGER AND FINANCE DIRECTOR

1. Proposed Changes to Parking Ticket Fine and Penalty Structure (Exhibit R)

Finance Director Skittone explained that the budget transmittal letter contained summaries for each of the revenue sources and the major changes for each.

Mrs. Skittone said the General Operating Revenues (General Use Taxes, Licenses & Permits, Intergovernmental Revenues, Charges for Services, Fines & Forfeitures, Investment Earnings, and Miscellaneous Revenue) were projected to increase approximately 12.39% or \$1,748,674, not including the ad valorem taxes.

THE COMMITTEE RECOMMENDED APPROVAL OF THE REVENUES.

Councilman McLendon brought up the issue of the utility service taxes and questioned if it should remain as a direct payment by the residents or should it be included in the ad valorem taxes?

President McDonald asked that Mrs. Skittone have the information relating to the breakdown of utility service taxes between residential and commercial charges by the July 11th Town Council meeting.

1. Proposed Changes to Parking Ticket Fine and Penalty Structure (Exhibit R)

Mrs. Skittone reported that the proposal was to increase the fines for expired

meters from \$10.00 to \$20.00 to bring it up to the same levels as charged by Lake Worth and Delray Beach. Additionally, the second penalty would be increased from \$10.00 to \$20.00; change the timing of the second penalty from 30 days after the first late notice to 60 days after the ticket is issued; and adding a penalty of \$25.00 after 90 days from the date of ticket issuance at which time the tickets would be turned over to a collection agency. At that point an additional \$25.00 fine would be added.

THE COMMITTEE RECOMMENDED APPROVAL OF PROPOSED CHANGES TO THE PARKING TICKET FINE AND PENALTY STRUCTURE (EXHIBIT R).

Mayor Smith questioned if the \$20.00 fine for overtime parking should be raised to \$25.00 ?

Mrs. Skittone replied the figures for the additional charge were not calculated at this point but could be presented at the July 11th Town Council meeting.

President McDonald concurred with that suggestion and requested that Mrs. Skittone supply that estimate.

IV ANY OTHER MATTERS

There were none.

V. ADJOURNMENT

The meeting was adjourned at 2:03 p.m.

Jack McDonald, Chairman

William Brooks, Member

Prepared by:

Mary A. Pollitt
Town Clerk