

MINUTES OF THE BELLEAIR FINANCE BOARD MEETING HELD AT BELLEAIR TOWN HALL ON JUNE 12, 2014 AT 4:00 P.M.

MEMBERS PRESENT: Thomas Olson, Chairman
Mary Griffith
Ernest Whittle
Tom Lokey
Tom Kurey

MEMBERS ABSENT: Dan Hartshorne, Vice Chairman
John Prevas

OTHERS PRESENT: JP Murphy, Assistant Town Manager
Mayor Katica, Commission Advisor

Quorum present on roll call with Mr. Olson presiding. Meeting was called to order at 4:00 P.M.

APPROVAL OF MINUTES – MAY 8, 2014

Mr. Olson stated that the board had for consideration the approval of minutes for the May 8, 2014 board meeting; asked if there were any corrections or changes.

Mr. Whittle moved approval of the minutes of the May 8, 2014 board meetings as submitted. Motion was seconded by Mr. Lokey and was approved unanimously.

CITIZEN'S COMMENTS

No Citizens' Comments.

PRELIMINARY GENERAL FUND FISCAL YEAR 2014-2015 BUDGET

Mr. Olson stated that the board had for discussion the preliminary general fund budget for fiscal year 2014-2015.

Discussion ensued regarding the budget calendar for the adoption of the maximum millage rate and the procedure for setting the recommended proposed maximum millage rate to be submitted to the commission for approval and submission to the property appraiser.

Mr. Murphy stated that staff was working on completing the CAFR to go to the auditor; discussed proposed budget; that there was an increase in property values in Belleair by approximately 4.42%; that there was a total taxable value of \$583,000,000 last year and \$680,000,000 for this year; that Belleview Biltmore Hotel building was valued at 0 but taxable land value had increased; that there was a positive outlook for ad valorem; that the condition of the hotel building was having a stressful impact on surrounding housing market; discussed millage comparison from 2003 to 2014 for property values and change in millage rate; commented on revenue and expenditure forecast; commented on the percentage of revenues expected from state revenue sources; commented on the

PRELIMINARY GENERAL FUND FISCAL YEAR 2014-2015 BUDGET (Continued)

expected increase in ad valorem of 4.32 increase at approximately \$136,432; commented on current millage of 6.0257 and there was no planned increase in millage currently; discussed the steady revenues received from the golf course; stated that at this time there were no budgetary requests for capital spending for next year.

Mr. Murphy further stated that it was an important factor that expenditures were not unbalanced; that a possible increase in insurances and staff pegged at a 10% increase; commented on the increase in cost for fire suppression by 2.11% per the contract with an impact of approximately \$10,000; that staff would review the calculation process regarding the sick leave by-back; commented on personnel changes and possible options for certain professional services; discussed the possibility of leasing fleet vehicles rather than purchase; commented on COLA and merit increase and the impact on the budget.

Micah Badana provided a review of the 2014-2015 budgetary impacts/requests summary and proposed expenditures provided to the board members; stated that there was an increase for contract labor in the Building Department based on the pending contract for a building official; that revenues from the building department were expected to cover the additional expenditure for the building official; that in Support Services there was an increase for fire suppression services from Largo Fire Department of approximately \$10,000; that there were expected increases for general liability insurance of approximately \$17,000; that IT services were expected to be contracted services; that there was an expected increase in attorney services based on expected litigations filed against the town; that in the Police Department there was an expected decrease in salary due to the loss of an officer; that there was an expected increase in hours for administrative assistant which would be a salary increase of approximately \$4800; discussed accreditation program for officers that would increase the travel and per diem expenditure; commented on the equipment requested by the department that was required for the accreditation program; commented on the decrease in protective clothing due to the recent purchase of protective vests for the officers.

Mr. Murphy discussed the pension funding for the officers; commented on the smoothing procedure used by the actuary in determining the assumptions for the amount owed.

Mr. Badana provided a review for Parks and Recreation; stated that there would be a decrease in salaries; commented on tree replacement increase of approximately \$17,500; commented on Hunter Memorial Park and the BCF Agreement requiring a line item of \$5600 for maintenance; that there was a request for two additional vehicles for the department; that there was a request for a new mower for \$7200; that there was a request for the purchase of two new arcade games to be offset by donations.

Mr. Murphy commented that some of the line items were requested items; stated that there were some areas that would allow for some cutback; that part time salaries line item of \$31,130 could be reduced; that there was some discretionary spending in the department.

PRELIMINARY GENERAL FUND FISCAL YEAR 2014-2015 BUDGET (Continued)

Mr. Olson stated that the board would like to discuss the overall COLA.

Mr. Murphy stated that COLA was historically based on the March CPI; that the CPI was 1.5% and was staff's recommended increase for COLA; that for evaluations purposes the merit increase was a 3% system and the typical average was usually 2.6 to 2.8%; that the board could recommend one or the other program or both.

Mr. Olson commented on maintaining a salary enhancement for employees; that he would like comment from other board members in that regard.

Discussions ensued regarding the salary enhancement for employees; regarding the total cost of \$59,789 for the 1.5% COLA for all funds; regarding the town's salary comparison to similar positions in other municipalities; regarding calculations for employee merit increases; regarding the COLA allowance in last year's budget along with increase for manager's salary and allowing him the flexibility to address other individual salaries; regarding having the information for discussion with board members.

Mr. Olson asked the board's opinion for salary increase based on the \$59,789 cost; stated that the board should start with that cost as a recommendation across the board.

Mr. Murphy stated for clarification that the \$59,789 was an inclusive number for 401k and other benefits.

Discussions ensued regarding employees feelings regarding the salary and benefits provided by the town; regarding the employee's comments regarding the cost of family medical costs; regarding the salaries of town employees being equivalent to the market.

It was a consensus of the board members to recommend approval of the 1.5% COLA increase for employees at a cost of \$59,789 for the 2014-2015 fiscal year budget.

COMMISSION ADVISOR REPORT

Mayor Katica was not in attendance.

OTHER BUSINESS

Discussions ensued regarding the options for the town water system.

Discussions ensued regarding the level of service for programs provided by the town; regarding the solid waste/recycling program being provided by City of Clearwater; regarding the condition of the recycling containers; regarding the monthly billing program.

ADJOURNMENT

There being no further business to come before the board the meeting was adjourned in due form at 5:10 PM.

APPROVED:

Chairman