

**CITY OF RIVIERA BEACH
PALM BEACH COUNTY, FLORIDA
CITY COUNCIL WORKSHOP MINUTES
TUESDAY, AUGUST 6, 2012 AT 5:00 P.M.
MUNICIPAL COMPLEX CITY COUNCIL CHAMBERS**

(The following may contain inaudible or misunderstood words due to the recording quality.)

CHAIRPERSON BROOKS: Okay, folks. We'll get started. We got everybody in place, got my gavel. Okay. Exhale. Okay. Okay. Good afternoon, good evening, ladies and gentlemen. We are about to start our budget workshop. And I'll ask everyone to silence your phones, and I'll be the first to do it here. All right. City Clerk, would you please do the roll call?

DEPUTY CITY CLERK ANTHONY: Mayor Thomas Masters? Chairperson Billie Brooks?

CHAIRPERSON BROOKS: Here.

DEPUTY CITY CLERK ANTHONY: Chair Pro Tem Dawn Pardo? Councilperson Cedrick Thomas?

COUNCILPERSON THOMAS: Here.

DEPUTY CITY CLERK ANTHONY: Councilperson Judy Davis?

COUNCILPERSON DAVIS: Here.

DEPUTY CITY CLERK ANTHONY: Councilperson Shelby Lowe?

COUNCILPERSON LOWE: Here.

DEPUTY CITY CLERK ANTHONY: City Manager Ruth Jones?

CITY MANAGER JONES: Present.

DEPUTY CITY CLERK ANTHONY: Deputy City Clerk Claudene Anthony is present. City Attorney Pamala Ryan?

CITY ATTORNEY RYAN: Present.

CHAIRPERSON BROOKS: Let's stand for the Invocation and Pledge by Councilwoman Davis, please? (Everyone stood for the Invocation and the Pledge of Allegiance being led by Councilperson Davis). Okay. Now, Miss Jones, we will turn the meeting over to you so that you can give us the purpose of the workshop.

CITY MANAGER JONES: Thank you, Madam Chair, and thank you, Members of Council, for taking your time this afternoon. We have been having a series of workshops at least once a month in preparation for the budget. Tonight we would like to present in this workshop the tentative 2012-13 budget. You have -- you received it upon last week and you should have also received some additional information as it relates to the positions that are being reclassified or new positions. This year was about -- it was just as difficult to find a little money as it was when we had to find millions of dollars.

CHAIRPERSON BROOKS: Yes, yes, yes.

CITY MANAGER JONES: Because there just aren't a lot of places to go for -- for the money tonight, but I am very pleased to present to you a balanced budget. What we would like to do tonight is to go through the budget, answer any questions that you have, provide members of the community an opportunity to comment on the budget. They will have -- residents will also have an opportunity on the 4th of September for our first public hearing for the budget, and then again on the 19th of September. So the public has several opportunities.

I just want the public to know that this document is on the website for any of them that would like to pull it up and to look at it and to go through it, so that they're aware of what we're putting -- bringing forth for the next year. So at this time I would like to ask Karen Hoskins, our Interim Finance Director, to walk you through her presentation and through the budget. By all means, if you have any questions, we'll entertain them as we go through the presentation.

INTERIM FINANCE DIRECTOR HOSKINS: Good evening.

COUNCILPERSON: Good evening.

INTERIM FINANCE DIRECTOR HOSKINS: First we'll start with the PowerPoint presentation, and as Miss Jones said, we'll provide an overview of the City Manager's recommended fiscal year 2012-13 operating budgets for the General Fund, Special Revenue, and Enterprise Funds. We will also review the financial performance of the City's General Fund and discuss the major impacts on the City's budgets.

General Fund-Fund Balance. In previous years, fiscal year 2006 to 2010, we had used approximately 9.25 million to balance the General Fund budget. GFOA recommends that municipalities maintain an unreserved fund balance of at least 5 to 15 percent of General Fund revenues, or up to two months expenditures. As you may have seen in the audit last Wednesday, our General Fund balance at the end of September 2011 was 13.45 million. We're projecting for fiscal year -- for the current fiscal year, September 30th, 2012, a fund balance of approximately \$6.623 million.

CHAIRPERSON BROOKS: And this represents what percentage as recommended by the GFOA, Miss -- Miss Hoskins?

INTERIM FINANCE DIRECTOR HOSKINS: A little bit less than 5 percent.

CHAIRPERSON BROOKS: Yeah. Okay. Thank you.

INTERIM FINANCE DIRECTOR HOSKINS: And this slide and the next three slides will just give you a history of where we came from to where we are now. In fiscal year 2010, that was the first year that we implemented the 96-hour furlough. In fiscal year '09-'10 we implemented the 96-hour furlough for all employees. At that time we had eliminated 36.5 full-time equivalent positions and we reduced major cost areas. Personnel costs was reduced by \$2.2 million, operating costs reduced by \$833,000, capital outlay was reduced by \$336,000, and pension contributions were reduced by –

COUNCILPERSON DAVIS: (Unintelligible).

INTERIM FINANCE DIRECTOR HOSKINS: Pardon?

CHAIRPERSON BROOKS: 436.

COUNCILPERSON DAVIS: 436.

INTERIM FINANCE DIRECTOR HOSKINS: I'm sorry. 436,000.

COUNCILPERSON DAVIS: Okay.

INTERIM FINANCE DIRECTOR HOSKINS: And pension contributions reduced by \$1.1 million. In fiscal year '11 we continued the furlough of 96 hours for all employees. We eliminated a total of 27 full-time employees' positions. From fiscal year '10 to '11 we reduced the major cost areas. Again, personnel costs reduced by \$2.5 million, operating costs reduced by \$403,000, capital outlay reduced by \$254,000, pension contributions reduced by \$1,896,000, general liability insurance reduced by \$646,000, and health insurance was reduced by \$376,000.

CHAIRPERSON BROOKS: And, Miss Hoskins –

INTERIM FINANCE DIRECTOR HOSKINS: Yes, ma'am.

CHAIRPERSON BROOKS: -- because we have people listening, I want -- I think it's important that as we talk about the number of positions that were eliminated, many of these were vacant.

INTERIM FINANCE DIRECTOR HOSKINS: Correct. That's correct.

CHAIRPERSON BROOKS: So I just don't want people to think that we terminated 27. I can't remember the exact, but it was very few –

INTERIM FINANCE DIRECTOR HOSKINS: Were filled. That's correct.

CHAIRPERSON BROOKS: -- were filled. I mean, a very small number, if I recall.

INTERIM FINANCE DIRECTOR HOSKINS: Correct.

CHAIRPERSON BROOKS: Okay.

INTERIM FINANCE DIRECTOR HOSKINS: And we also had bumping, so if they were filled, a lot of them did not lose their jobs. They were --

CHAIRPERSON BROOKS: Positions

INTERIM FINANCE DIRECTOR HOSKINS: -- bumped into other positions.

CHAIRPERSON BROOKS: Right. Okay. Thank you.

INTERIM FINANCE DIRECTOR HOSKINS: Now, for fiscal year 2012, again, the continuation of a 30 -- 96-hour furlough for all employees, elimination of 23 positions, both vacant and filled, and as said earlier, some of them were bumped into other positions. We converted 9 full-time positions to part-time positions, and we also added full-time positions and 14 new part-time positions. And again, from fiscal year '11 to fiscal year '12, major cost areas were reduced.

Now, as we move to fiscal year 2013, the recommended budget, we are requesting a reduction in furlough hours from 96 hours to 64 hours for all general employees and police personnel; from 96 hours to 48 hours for fire personnel. The --

COUNCILPERSON DAVIS: Why?

INTERIM FINANCE DIRECTOR HOSKINS: -- use of the accumulated excess contribution for police pension of \$1,175,000; maintain health insurance rates at its current rate for fiscal year 2012; increase the fire contribution by approximately \$56,000 or 2.89 percent; increase general employee pension contribution by \$346,000 or 12.56 percent.

And we have talked to the Pension Board and the actuary to try to look at changing the assumption that they used to calculate this figure. So we are working with them on that, and hopefully this number will be reduced, based on the assumption changes for the salary, salary increases that they assumed.

Reduced capital outlay by 54.37 percent, eliminated 1 part-time position, added 1 -- 1 full-time position and added another part-time position in another department, and reclassified 8 positions.

CHAIRPERSON BROOKS: I think Miss Davis had a question about the fire personnel hours. I heard --

COUNCILPERSON DAVIS: No.

CHAIRPERSON BROOKS: -- you say -- oh, I thought I heard you say why.

COUNCILPERSON DAVIS: Well, I -- I'm --

CHAIRPERSON BROOKS: Okay.

COUNCILPERSON DAVIS: I'll save my questions 'til --

CHAIRPERSON BROOKS: Okay.

COUNCILPERSON DAVIS: -- she's done.

INTERIM FINANCE DIRECTOR HOSKINS: Now, as we get into the assessed values, the property values, and the millage rates, as you see, the last column, the green area, the last shaded area, our preliminary assessed value is 2 billion 964 million for fiscal year 2013, and that's the number we received from the Property Appraiser, down from current year final of 3 billion 15 million, and that's assuming the same millage rate of 8.998 mills.

CHAIRPERSON BROOKS: Uh-huh.

INTERIM FINANCE DIRECTOR HOSKINS: Now we'll get into the General Fund revenues and expenditures for fiscal year '13.

COUNCILPERSON DAVIS: Okay. I'll stop and ask my question now. Why are we -- general employees' and police employees' furlough days being reduced to 64 hours and fire is only 48?

CITY MANAGER JONES: That was a decision that I made. Fire personnel work 24 hour shifts, so anything that is not divisible by 24 increases their overtime budget, because you can't have someone coming in and working 12 hours or -- in order to finish out the required hours for furlough.

COUNCILPERSON DAVIS: Okay. But have --

CITY MANAGER JONES: As we begin --

COUNCILPERSON DAVIS: -- we had any problems with the overtime in the past? Because what was reported to us is that the overtime was kept within the overall budget.

CITY MANAGER JONES: This year you saw an increase in overtime. Previous years, no.

COUNCILPERSON DAVIS: Okay.

CITY MANAGER JONES: But this year there was the increase in the overtime as a resulted of the furlough and other personnel things that were taking place in the fire department. So as we --

COUNCILPERSON DAVIS: Okay. So those other things that were taking place in the fire department, were they, like, the normal, or was it extraordinary type things?

CITY MANAGER JONES: It wasn't extraordinary, but it was above the norm.

COUNCILPERSON DAVIS: Okay. So if it were within the norm, then we wouldn't be having this issue of excess overtime?

CITY MANAGER JONES: Right.

COUNCILPERSON DAVIS: Okay.

CITY MANAGER JONES: But the --

COUNCILPERSON DAVIS: Well --

CITY MANAGER JONES: -- scheduling of the hours -- if you do 64 hours, like everyone else is doing --

COUNCILPERSON DAVIS: Uh-huh.

CITY MANAGER JONES: -- you can do two days of 48 hours, because that's two shifts.

COUNCILPERSON DAVIS: Uh-huh.

CITY MANAGER JONES: But in order to get the remaining 12 hours, it's a half a shift, and you can't have somebody coming in for half a shift, because otherwise, if they stay, they're staying and charging overtime.

COUNCILPERSON DAVIS: Okay. Well, I --

CITY MANAGER JONES: And as --

COUNCILPERSON DAVIS: You know, I just think that, you know -- I just think it's unfair and, you know, if it's within the overall budget, you know, I -- I just think that, you know, police work just as hard and that's something that I wouldn't support.

CITY MANAGER JONES: Yeah.

CHAIRPERSON BROOKS: Let me just add, it's not -- 'cause I -- Miss Jones and I went over this in some detail, and I think if she goes over it with you in detail and give you some scenarios, you could see how we would end up with a lot of overtime. It has to do with the scheduling.

COUNCILPERSON DAVIS: No.

CHAIRPERSON BROOKS: Well, I -- you say no, it's no, but I'm saying, if you want the facts to have --

COUNCILPERSON DAVIS: I understand what --

CHAIRPERSON BROOKS: -- an impact on --

COUNCILPERSON DAVIS: -- the facts are, Miss Brooks.

CHAIRPERSON BROOKS: -- your decision --

COUNCILPERSON DAVIS: Okay. My decision still stands.

CHAIRPERSON BROOKS: Okay.

COUNCILPERSON THOMAS: Madam Chair?

CHAIRPERSON BROOKS: All right. Yes? Yes?

COUNCILPERSON LOWE: Yes, I -- I would have to see that. I -- I want to -- I want to see what's going on and see why isn't -- it's not possible.

CHAIRPERSON BROOKS: Okay.

COUNCILPERSON LOWE: And when you show me, you know, what --

CHAIRPERSON BROOKS: And that's what --

COUNCILPERSON LOWE: -- you're talking about in --

CHAIRPERSON BROOKS: -- we wanted, just have the fairness of her explaining it to you.

COUNCILPERSON LOWE: Well, let me see that. But I'm of the principle is -- of -- like this: if we tell you to monitor and take control of the overtime, that's what we expect. Now, anything --

CHAIRPERSON BROOKS: It's a little different, though, when you get down to public safety.

COUNCILPERSON LOWE: Well, hold on.

CHAIRPERSON BROOKS: You know, can't --

COUNCILPERSON LOWE: I --

CHAIRPERSON BROOKS: Okay. Go ahead.

COUNCILPERSON LOWE: Can I, please?

CHAIRPERSON BROOKS: All right.

COUNCILPERSON LOWE: And I realize the nature of public safety but, you know, you -- you have a threshold, and if you see you're gonna exceed that threshold, you know, we should be aware of that. We should be aware of what's working and how -- you know, and the problems that exist so that we'll have a better understanding in terms of what can and cannot be.

But if I tell you to -- to keep the overtime at 10,000, you know, that's what we expect, you'll keep it there, because all the numbers affect each other. And that's -- that's what I wanna see before, you know, we say we wanna reduce the -- the furlough -- furlough for fire within itself. So that's all I'm asking, just to --

CHAIRPERSON BROOKS: Well, so --

COUNCILPERSON LOWE: -- see how --

CHAIRPERSON BROOKS: -- you and Miss Jones --

COUNCILPERSON LOWE: -- you calculate that up.

CHAIRPERSON BROOKS: -- can arrange it.

COUNCILPERSON LOWE: I just have to see the (unintelligible) and see what you guys are talking about.

COUNCILPERSON THOMAS: Madam Chair?

CHAIRPERSON BROOKS: Okay. Well, then you all can -- may I just -- would you like to meet with them and then you all can really get into the meat and the details of it and have an understanding on it. Yes, Mr. Thomas?

COUNCILPERSON THOMAS: Yeah, I -- I -- can you go over the numbers one more time, the difference between everybody? The -- it's being reduced. I thought we were looking at four days, right?

CITY MANAGER JONES: Right.

COUNCILPERSON THOMAS: Going from 12 to 4 days. What does that --

CHAIRPERSON BROOKS: Twelve to nine.

COUNCILPERSON THOMAS: -- equate to for fire? What --

CITY MANAGER JONES: Six.

COUNCILPERSON THOMAS: So everybody's going to reduce four days, and Fire's gonna reduce six days?

CITY MANAGER JONES: Correct.

COUNCILPERSON THOMAS: And that's due to -- what I've heard you speak about is due to the increase in overtime, or is it because they have 24 hour shifts?

CITY MANAGER JONES: Both. Both impacted my decision to do six days for fire.

COUNCILPERSON THOMAS: Okay. Well, let me just ask this just for hypothetically --

CITY MANAGER JONES: Uh-huh.

COUNCILPERSON THOMAS: -- speaking. Why not do five, if that was the question? Why do six versus four? Just so I -- I kinda understand. What -- what made it go a total 48 hours more total? What -- how did that -- how did you come up with that?

CITY MANAGER JONES: Okay. It's finding a number that is divisible by 24, 'cause they're on 24 hour shifts.

COUNCILPERSON THOMAS: Okay.

CITY MANAGER JONES: And in order to do that, now, if they went -- was it nine days? If they went nine instead of eight that we were doing --

COUNCILPERSON THOMAS: Uh-huh.

CITY MANAGER JONES: -- I think you can do it that way, which meant they would have -- we would have eight days of furlough for everyone else and nine for fire. Since we were ratcheting down --

COUNCILPERSON THOMAS: Uh-huh.

CITY MANAGER JONES: -- I would like to hope that next year everybody is at six days.

COUNCILPERSON THOMAS: I -- I understand that, and -- I just don't understand the accounting, and that's what I want to understand about it. If that's what it takes, then I understand, but I'm not -- I'm not comfortable yet to -- and -- and why does the number have to be divisible by 24 if -- if everyone else is looked at in days? If their day is an hour - - I mean, 8 hours, and the fire days are -- are 24 hours, the police days are 12 hours.

So why -- why are we not looking at it in everybody getting reduced four days versus, you know, the hours? I just want to make sure that I'm -- that I'm understanding that, because there's so many different ways, and if the -- the -- the utility district is also -- they have a 24-hour shift, is what I'm under -- they have 20 -- they -- they have a 24-hour operation. So why wouldn't that --

COUNCILPERSON DAVIS: Ten hour.

COUNCILPERSON THOMAS: -- why wouldn't that, you know, be put in, as well? And I just want to make sure that we all understand that.

CITY MANAGER JONES: Okay. And it's not looking at entities that have 24-hour operations, but what the shift times were, number of hours in a shift.

COUNCILPERSON THOMAS: Okay.

CITY MANAGER JONES: Um, so yes, I do recognize that public safety is a 24/7 police and fire, as well as utilities. Utilities, in your plant they work 10-hour day -- shifts, I believe. Everyone else is on 8-hour shifts.

COUNCILPERSON THOMAS: Okay.

CITY MANAGER JONES: It's --

COUNCILPERSON THOMAS: Okay.

CITY MANAGER JONES: Police works 12 hours.

COUNCILPERSON THOMAS: Right.

CITY MANAGER JONES: Fire has a 24-hour shift.

COUNCILPERSON THOMAS: Okay.

CITY MANAGER JONES: And so if I'm assigned to work a shift, if I do one furlough day that is 24 hours.

COUNCILPERSON THOMAS: Okay.

CITY MANAGER JONES: Not 8, or not 10, or not 12.

COUNCILPERSON THOMAS: Okay.

CITY MANAGER JONES: And so because of that, if you are trying to manage so that you don't have to pull someone over to work overtime --

COUNCILPERSON THOMAS: Okay.

CITY MANAGER JONES: -- if it with a 10, an 8, or a 12.

COUNCILPERSON THOMAS: I -- I get it. But --

CITY MANAGER JONES: Yeah.

COUNCILPERSON THOMAS: -- why 6 instead of 5 then? That's -- that's what I'm trying to --

CITY MANAGER JONES: What number 5? I --

COUNCILPERSON THOMAS: I -- I -- I mean, I -- I understand your rationale for that, but why 6? If everybody else is doing 4, and the fire, because of the 24 hour shifts, why aren't they doing 5 -- 5 days instead of 6? Why the 6 and everybody else 4, is what I'm trying to -

CITY MANAGER JONES: Six is the number of days that they're on furlough.

COUNCILPERSON THOMAS: Are they on more furlough days than everyone else right now? Do they do --

COUNCILPERSON: No.

COUNCILPERSON THOMAS: -- more furlough days --

CITY MANAGER JONES: No.

COUNCILPERSON THOMAS: -- than everyone else?

CITY MANAGER JONES: No, they do the same number of hours, which is 96 hours. They do the exact same number of hours. By us reducing for general and for public safety and special district employees, taking 4 days -- I mean, yeah, taking them from 12 days to 8 days. To get a number divisible for a 24 hour shift, if 6 is not the number of days you want, they would have to go back up to --

INTERIM FINANCE DIRECTOR HOSKINS: Was it 72?

UNIDENTIFIED SPEAKER: 72.

INTERIM FINANCE DIRECTOR HOSKINS: 72 hours.

CITY MANAGER JONES: How many days?

UNIDENTIFIED SPEAKER: Three.

COUNCILPERSON THOMAS: Okay. I -- I mean, I won't --

CITY MANAGER JONES: Three --

INTERIM FINANCE DIRECTOR HOSKINS: Three.

CITY MANAGER JONES: -- days.

INTERIM FINANCE DIRECTOR HOSKINS: Three.

COUNCILPERSON THOMAS: I won't hold this up, but --

CITY MANAGER JONES: They would have to be at -- they would have to be at -- at, what, 7?

INTERIM FINANCE DIRECTOR HOSKINS: Right.

UNIDENTIFIED SPEAKER: 72 hours, three fire days.

INTERIM FINANCE DIRECTOR HOSKINS: Three fire days.

CITY MANAGER JONES: Yeah, three fire days.

COUNCILPERSON THOMAS: Okay. I --

INTERIM FINANCE DIRECTOR HOSKINS: Yeah.

COUNCILPERSON THOMAS: I won't hold it up, but I -- I'm not going to -- to represent to you that I really understand this. So we're gonna have to spend some time at a later date after this meeting or however, but I don't --

CHAIRPERSON BROOKS: Uh-huh.

COUNCILPERSON THOMAS: -- I'm not -- I'm not grasping it right now. But I don't want to hold everybody else up.

CHAIRPERSON BROOKS: (Unintelligible) --

COUNCILPERSON DAVIS: And I just have another question.

CHAIRPERSON BROOKS: -- on that with examples that --

COUNCILPERSON THOMAS: Yeah.

CHAIRPERSON BROOKS: -- would make sense. Okay.

COUNCILPERSON DAVIS: I have another question. And why is it that you have to do 24 hour shifts? Aren't there other scenarios for fire? You know, as -- as far their -- as far as their work schedule?

INTERIM FINANCE DIRECTOR HOSKINS: What was your question again, Madam?

COUNCILPERSON DAVIS: Aren't there other scenarios for schedules that fire departments work, instead of, you know, 24 hour shifts?

CHAIRPERSON BROOKS: There's Chief there. He can answer that.

CITY MANAGER JONES: Chief, you would have to --

CHAIRPERSON BROOKS: 'Cause that's a --

CITY MANAGER JONES: -- answer that. I don't know what --

CHAIRPERSON BROOKS: -- personnel/scheduling --

CITY MANAGER JONES: -- the fire department's do.

FIRE CHIEF LEDUC: Peter LeDuc, Fire Chief. In answer to your question, Miss Davis, for our fire department it's either a 40-hour schedule or a 96-hour schedule, which is 24 hour shifts.

COUNCILPERSON DAVIS: Okay.

FIRE CHIEF LEDUC: So -- so the -- the quick answer to your question is, no, there is not another schedule that we can implement.

COUNCILPERSON DAVIS: Okay. And I think that's what I was thinking about. I know there was another -- some scenario about a 40 or a 96 or something like that. So, okay, thank you.

COUNCILPERSON LOWE: Let me ask you this. To piggyback on that question, is the --

FIRE CHIEF LEDUC: Yes, sir.

COUNCILPERSON LOWE: -- work schedule -- is it something required by the State, all fire departments have to work on a 24-hour schedule or --

FIRE CHIEF LEDUC: Well, right now, no, it's not a requirement by the State, sir.

COUNCILPERSON LOWE: Okay. That's something that, you know --

FIRE CHIEF LEDUC: It is a FSLA about how many hours you have to work with your Kelly day, and those kind of things. There's different schedules and it is part of a contractual item, um, or a City policy that -- that changed --

COUNCILPERSON LOWE: Right.

FIRE CHIEF LEDUC: -- during, you know, contract years. But --

COUNCILPERSON LOWE: Okay.

FIRE CHIEF LEDUC: -- basically it is a 24/48 schedule --

COUNCILPERSON LOWE: Right. But it's a --

FIRE CHIEF LEDUC: -- not --

COUNCILPERSON LOWE: -- it's a City policy?

FIRE CHIEF LEDUC: But it's contractual.

COUNCILPERSON LOWE: With who? The union?

FIRE CHIEF LEDUC: The unions.

COUNCILPERSON LOWE: Okay.

FIRE CHIEF LEDUC: Right, yes.

COUNCILPERSON LOWE: All right. But that's only because it's contractual?

FIRE CHIEF LEDUC: Correct.

COUNCILPERSON LOWE: Okay.

COUNCILPERSON DAVIS: And one last thing. Did -- does excessive use of sick leave have to do with your overtime, excessive overtime?

FIRE CHIEF LEDUC: There are some --

COUNCILPERSON DAVIS: For this year?

FIRE CHIEF LEDUC: -- aspects of overtime that are excessive. We -- I figure furlough overtime separately and separate to that. 'Cause it's all combined in the overtime, of course, but I do separate it out so that our costs that are associated with, per se, regular overtime. 'Cause half of my overtime is holiday contractual overtime. Other half of it is to cover sick days, vacation leave, Kelly --

COUNCILPERSON DAVIS: Uh-huh.

FIRE CHIEF LEDUC: -- days, those kind of things, and the new portion --

COUNCILPERSON DAVIS: But I'm talking about --

FIRE CHIEF LEDUC: -- since 2010 --

COUNCILPERSON DAVIS: -- sick leave, specifically.

FIRE CHIEF LEDUC: Right. I -- I -- I do have an accounting of that but it is a large portion of the overtime.

COUNCILPERSON DAVIS: Could you provide that to me, please?

FIRE CHIEF LEDUC: I can.

COUNCILPERSON DAVIS: Thank you.

COUNCILPERSON THOMAS: Madam Chair?

CHAIRPERSON BROOKS: Yes?

COUNCILPERSON THOMAS: I -- I have another question for the Chief, if you --

CHAIRPERSON BROOKS: Okay. Sure.

COUNCILPERSON THOMAS: -- don't mind.

CHAIRPERSON BROOKS: Uh-huh.

COUNCILPERSON THOMAS: What happened between last year and this year that caused the increase of the overtime? What -- what happened more this year that didn't happen last year?

FIRE CHIEF LEDUC: I understand. And it's an excellent question, sir. Mostly it's manpower. It's about personnel. We've had a reduction of personnel over the last three years in the fire department. We didn't fill vacant positions. So we don't have the extra people to provide when people are out. We used to have a manning of about 25 personnel per shift. Now we have about 24 to 21 per shift.

So we've lost around nine positions over the years. And so we no longer have that extra body to go. So if we have a couple people out sick, a couple of people on vacation, and we also have people out on Kelly day, it reflects overtime. It has been a gradual increase in overtime over the course of the year.

COUNCILPERSON THOMAS: Well, did -- did we reduce manpower last year?

FIRE CHIEF LEDUC: Well, we didn't -- we didn't -- we didn't fill positions. If we had some attrition occur, some people left, we didn't fill those. We had to --

COUNCILPERSON THOMAS: So you say you just had money there --

FIRE CHIEF LEDUC: -- give them back.

COUNCILPERSON THOMAS: -- that you didn't have --

FIRE CHIEF LEDUC: They're not there.

COUNCILPERSON THOMAS: -- to have an increase in --

FIRE CHIEF LEDUC: That's correct. That's correct.

COUNCILPERSON THOMAS: -- in -- in -- in your -- in your budget?

FIRE CHIEF LEDUC: And so when you have other issues associated with your staffing -- because we do have a minimum staffing of 17 -- there's other issues associated with that. There's Workers' Comp people. There's sick people. There's, you know, regular vacation. All those things add up, and you no longer have that extra body to cover a furlough day. So virtually, every day is a furlough day for the fire department except for the weekends, just based on scheduling, and you have to cover it with an overtime position.

And that is basically what's happened over the course of these three years. It just - you no longer have that extra person to go there, unless no one calls out sick, no one goes on vacation, no one's out on a good cause day, or we don't have anybody on Workers' Comp, or for whatever other reason.

COUNCILPERSON THOMAS: So is -- this would make to me like the furlough is not really conducive if you're gonna increase the overtime. You're not really saving. You're gonna just pay it from a different line item.

FIRE CHIEF LEDUC: And that's also why we're coming forward with this as well, 'cause it -- it -- it -- it is becoming -- furloughs by themselves have never been equal to the amount that it was supposed to represent. We were able to do that through better scheduling and also other areas of the budget that made up the different effort.

If we had some filled positions -- you know, we haven't filled the Deputy Chief in the last three years. So we had some -- some -- some of those funds available that would not necessarily cover it, but to make up the difference. And through the years ago we've lost all that -- that availability to move funds from another account to help cover that. And --

COUNCILPERSON THOMAS: So why are we doing this again for another year? Why -- why are we -- why -- if -- if it's not working, if it's not helping, why are we doing it again for another year just for you to come and say, Now we're expensing even more overtime for the previous year. What is --

FIRE CHIEF LEDUC: That --

COUNCILPERSON THOMAS: What is the scenario?

FIRE CHIEF LEDUC: That's why we're here today. That's why -- that's why it's here today, sir.

COUNCILPERSON THOMAS: Well, it's -- I just wanna make sure I understand this. It -- because the -- the -- the numbers, the accounting, I'm not quite understanding. If you're saying because of the 24 hours, and the 24 hours of overtime, then we need to reduce these extra days, then that's what I need to hear. I -- I -- other than that I'm -- I'm -- I'm not really quite grasping the concept of two extra days. If -- if that's the issue, then that's fine. But then I would like to know how much are those two extra days going to alleviate? You can't control who's gonna call --

COUNCILPERSON DAVIS: If it's the same as --

COUNCILPERSON THOMAS: -- out or how many -- how long they're gonna call out. How much -- how much pressure is the two extra days going to -- to relieve us?

FIRE CHIEF LEDUC: Madam -- Miss Manager? I do have an Excel sheet. It -- I can plug in, maybe show an Excel sheet.

CITY MANAGER JONES: If that gives him -- whatever gives them the information for the answer, yeah.

COUNCILPERSON DAVIS: That's gonna --

FIRE CHIEF LEDUC: Yes.

COUNCILPERSON DAVIS: -- show the savings of that two-day reduction?

FIRE CHIEF LEDUC: That's correct.

COUNCILPERSON DAVIS: Okay.

COUNCILPERSON THOMAS: Now, I -- I understand this, why -- why he's -- why he's pulling that up. But would it not have been simple or seen across the board if we just had reduced all the, uh, furlough days -- or reduced them by six, all of them, instead of leaving some at four and taking one to six? Would it not have been --

CHAIRPERSON BROOKS: More money.

COUNCILPERSON DAVIS: Money?

CHAIRPERSON BROOKS: The money.

CITY MANAGER JONES: Any deeper cuts -- fortunately, this year we were able to do this without any negative impact on the work force. If you go any deeper, then people will have to go out of the --

FIRE CHIEF LEDUC: Uh-huh.

CITY MANAGER JONES: -- door in order to make way for not having furlough. And particularly in the fire department, if we wanted to try to get them to the number we were looking for -- 'cause everyone else could do it -- um, you would have to start looking at people in the reduction, and they are already just above what is their staffing level -- their minimum staffing level.

COUNCILPERSON THOMAS: I'm -- I'm -- I'm just starting to, you know, wonder if having public safety on furloughs, does it make any sense? You know, that -- that's what I'm trying to figure. I have not seen that yet, where it makes sense. And I understand we're just trying to be fair to, you know, all departments. But if it does not make sense, then we shouldn't have them on furlough.

If we just saying we're moving some and not the other, I just -- you know, I need to understand that. If -- it's not adding up to -- you know, to me. If we -- if it does not make sense, we shouldn't just keep doing it. We just need to find a way to, you know, offset some other things to -- to make it more fair, but if -- if you're saying, Listen, we still furloughing because everybody's getting furloughed, but now we at the point where we still gotta, you know, reduce their days a little bit, you know, it -- it's just not -- it's not -- it's not, you know, making any -- making any sense to me. So that -- that's what I need to understand. I -- I need to see how furloughing public safety makes it -- makes sense right now.

FIRE CHIEF LEDUC: I understand.

CITY MANAGER JONES: Yeah. For police, if we were to do away with furlough, we would have to go in and cut an additional \$225,000 out of this budget.

COUNCILPERSON DAVIS: What if we reduced them --

CITY MANAGER JONES: For --

COUNCILPERSON DAVIS: -- down to six, also?

CITY MANAGER JONES: If we reduce them to six instead of eight --

COUNCILPERSON THOMAS: Miss Brooks, I'm just trying to get a --

CHAIRPERSON BROOKS: Uh-huh. I understand.

COUNCILPERSON THOMAS: -- grasp of it.

CHAIRPERSON BROOKS: I do. I really do. I really do, yeah.

COUNCILPERSON THOMAS: Did we have a number -- did -- did -- do we have a number that -- if everybody was reduced to six, do we have what that number would be, or how far we would be away from a --

CITY MANAGER JONES: That's what I'm --

COUNCILPERSON THOMAS: -- balanced --

CITY MANAGER JONES: That's what I'm --

COUNCILPERSON THOMAS: -- budget?

CITY MANAGER JONES: -- asking them to calculate.

COUNCILPERSON THOMAS: Okay.

FIRE CHIEF LEDUC: I can -- I can show you on the screen a little bit while they're --

COUNCILPERSON THOMAS: Sure.

CHAIRPERSON BROOKS: Okay.

FIRE CHIEF LEDUC: -- (unintelligible) that number.

COUNCILPERSON THOMAS: Sure.

CHAIRPERSON BROOKS: Uh-huh.

FIRE CHIEF LEDUC: This is how I tracked the furlough impact for each year since we started. This is just for 2012, starting October 1st through the 31st of July. I'll follow with the cursor here. This is the administration impact. This gross impact is -- is what the actual dollar amount for each person who goes out on furlough for administration. It's 17,000. These are the different shifts. It's A, B, and C, and these represent our 96-hour shift personnel.

COUNCILPERSON THOMAS: 17,000 per person?

FIRE CHIEF LEDUC: No, for the whole administration office. This is for the whole year up to the --

COUNCILPERSON THOMAS: Okay.

FIRE CHIEF LEDUC: -- 31st of July.

COUNCILPERSON THOMAS: Gotcha. Gotcha.

FIRE CHIEF LEDUC: And these are the various shifts. These are the actual dollar amounts for each person by hour. This is the calculation, the actual calculation. This column represents the overtime cost. Of course, there's none for administration because there's no minimum staffing.

COUNCILPERSON THOMAS: Uh-huh.

FIRE CHIEF LEDUC: Our minimum staffing overtime for each of these shifts is represented by the numbers here, for a total of 122,000.

COUNCILPERSON THOMAS: Gotcha.

FIRE CHIEF LEDUC: This is what we're -- this is the impact if everyone takes the furlough. This is the cost of covering the furlough day. And this is the net impact.

COUNCILPERSON THOMAS: I gotcha, Chief.

FIRE CHIEF LEDUC: Yes, sir.

COUNCILPERSON THOMAS: That -- that makes zero sense to me.

FIRE CHIEF LEDUC: I understand.

COUNCILPERSON THOMAS: If you saying that our -- our gross impact is \$146,746.76, and the cost for us having the furloughs is \$122,018.36 --

FIRE CHIEF LEDUC: That's correct.

COUNCILPERSON THOMAS: -- we're interrupting the lives of individuals and we're -- we're reducing individuals' salary for a total overall savings of \$24,728, and we have not had a hurricane in a couple of years. If we have any hurricanes this year, you're gonna blow that open probably two or three times that amount.

FIRE CHIEF LEDUC: Well, our overtime budget never reflects the anticipation of -- of --

COUNCILPERSON THOMAS: I -- I --

FIRE CHIEF LEDUC: -- hurricanes.

COUNCILPERSON THOMAS: I understand that.

FIRE CHIEF LEDUC: Yes, sir.

COUNCILPERSON THOMAS: I understand that. But because we have not had hurricanes in the past few years, that right there is not going to --

FIRE CHIEF LEDUC: That's correct.

COUNCILPERSON THOMAS: -- you -- if we have one -- just one hurricane, I believe, can -- can take that \$24,000 savings, you know, out of whack.

FIRE CHIEF LEDUC: Agreed, agreed.

COUNCILPERSON THOMAS: You know, from --

CHAIRPERSON BROOKS: In one weekend.

COUNCILPERSON THOMAS: I mean, in -- in -- if we're saving \$2,401, or the -- the most I see there is \$3,228 per shift for the entire year?

CHAIRPERSON BROOKS: Up to. This is from October 1st through the 31st --

COUNCILPERSON THOMAS: Right. I'm saying for -- so 12 months for that shift, you know --

FIRE CHIEF LEDUC: I can show -- I can show you the impact here on this other sheet. This is 2010, '11, '12. This is projected of what this budget would represent. And these -- this line represents the numbers that you just saw. This is our 2010 impact, our 2011 impact, and 2012 impact, which reflects a negative impact to the budget of -- of this -- approximately this much money. This is just for the furloughs.

COUNCILPERSON THOMAS: Okay.

FIRE CHIEF LEDUC: As you can see, this is our total overtime budget. It's 516 in this column where I'm looking at here. This was our overtime overall for that year, so you can see it really didn't have so much of a negative impact in our overall budget --

CHAIRPERSON BROOKS: Uh-huh.

FIRE CHIEF LEDUC: -- because we were able to do things. We had some manpowers, etc.

COUNCILPERSON THOMAS: Gotcha.

CHAIRPERSON BROOKS: Uh-huh.

FIRE CHIEF LEDUC: And you can see with each year we've gone higher and higher, and that is the reason why I am going forward with this --

COUNCILPERSON DAVIS: And --

FIRE CHIEF LEDUC: -- recommendation at this point. We no longer have any extra personnel because we reduced it over those years to help offset those -- those costs. Also had some other issues, and those kinda things related to Workers' Comp and some other things. But -- 'cause that takes away from your available manpower. We've had extended sick leave for -- for many personnel over these last three years.

COUNCILPERSON DAVIS: And -- and --

FIRE CHIEF LEDUC: And --

COUNCILPERSON DAVIS: -- you were going to -- at the next budget meeting I'd like to see this again, but I'd also --

FIRE CHIEF LEDUC: Yes, ma'am.

COUNCILPERSON DAVIS: -- like to see your sick leave usage. Okay?

FIRE CHIEF LEDUC: I do --

COUNCILPERSON DAVIS: As it relates to this.

FIRE CHIEF LEDUC: I do. I track --

COUNCILPERSON DAVIS: Because I know --

FIRE CHIEF LEDUC: I have numbers --

COUNCILPERSON DAVIS: -- for a fact --

FIRE CHIEF LEDUC: -- and I can provide them to -- to everybody. I'll give them --

COUNCILPERSON DAVIS: I know for --

FIRE CHIEF LEDUC: -- to the manager.

COUNCILPERSON DAVIS: --a fact that, you know, sometimes it's manipulated. You know, people tack on sick leave days when they're not really sick and stuff. So I wanna see all of that, you know --

FIRE CHIEF LEDUC: I can provide that. I have --

COUNCILPERSON DAVIS: -- from that.

FIRE CHIEF LEDUC: -- it available.

COUNCILPERSON DAVIS: And, you know, I don't have a problem with reducing the -- the furlough, but if we're gonna do it for your public safety, for fire public safety -- safety, then we should do it for, uh, police public safety also. And I'd like to see the same information for --

FIRE CHIEF LEDUC: Yes, ma'am.

COUNCILPERSON DAVIS: -- police department --

FIRE CHIEF LEDUC: And looking --

COUNCILPERSON DAVIS: -- also.

FIRE CHIEF LEDUC: -- at the bottom line here --

COUNCILPERSON THOMAS: Well, when I'm speaking of public safety --

COUNCILPERSON DAVIS: I understand.

FIRE CHIEF LEDUC: We're projecting --

COUNCILPERSON THOMAS: -- I'm -- yeah, I'm speaking of both --

FIRE CHIEF LEDUC: -- in 2013 --

COUNCILPERSON THOMAS: -- police and fire.

FIRE CHIEF LEDUC: -- with the 48-hour furlough schedule, this is projected. This will be the projected budget for furlough. This is -- will be the actual reduction projected for each personnel. Our overtime will be reduced nearly in half. Our impact will almost be the same. But if you look in here, in this last column, the actual negative impact should be over \$100,000, and we should be able to bring in the overtime budget as projected or very close to it.

So the actual impact -- and still providing, you know, for the -- the -- the City initiative of reducing furloughs -- would have a less negative impact on the -- the fire overtime furlough budget, to -- to an area of about 100,000 is projected. It could be better, could be lower. There's a lot of factors that -- that come into this --

COUNCILPERSON THOMAS: Okay.

FIRE CHIEF LEDUC: -- equation that is unknown at this point until it occurs.

COUNCILPERSON THOMAS: Okay.

COUNCILPERSON LOWE: And --

COUNCILPERSON THOMAS: The -- the -- the -- I'm sorry, Mr. Lowe. The -- the -- and this is for Miss Hoskins or -- or the manager. The reduction of those -- those went for part-timers, as well, because from what I understand they participate in the furloughs. So the reduction in the furlough days are for part-time employees, as well, correct?

CITY MANAGER JONES: Correct.

COUNCILPERSON THOMAS: So they will also gain back four days.

CHAIRPERSON BROOKS: Miss Davis?

INTERIM FINANCE DIRECTOR HOSKINS: Well, it's not exactly four days. It would --

CHAIRPERSON BROOKS: Prorated.

INTERIM FINANCE DIRECTOR HOSKINS: -- it'd be prorated, yes.

COUNCILPERSON THOMAS: I'm -- I'm sorry? Say that again?

INTERIM FINANCE DIRECTOR HOSKINS: Because part-time don't work a full, um, 80 hours every two weeks --

COUNCILPERSON THOMAS: Right.

INTERIM FINANCE DIRECTOR HOSKINS: -- it's not exactly --

COUNCILPERSON THOMAS: Right, it'll be -- it'll be --

INTERIM FINANCE DIRECTOR HOSKINS: Right.

COUNCILPERSON THOMAS: -- whatever their --

INTERIM FINANCE DIRECTOR HOSKINS: Correct.

COUNCILPERSON THOMAS: Right. Okay. Okay. I understand.

FIRE CHIEF LEDUC: One of the things in the furlough, we went to arbitration, and the ruling was that there was a -- wasn't a -- a negative impact on the salaries of the fire personnel because they had overtime. Um, this reduces that overtime and also helps meet the initiative of, in -- in a -- in a sense, to reduce the budget in that -- in that, uh, arbitration hearing.

The ruling was that there was -- even though they're going through the furloughs, there was not really a reduction in the fire member personnel paychecks, because they -- they were -- you know, they got overtime. Not everyone gets the same amount of overtime, but it wasn't that much of a negative impact, and that was part of the ruling.

COUNCILPERSON THOMAS: Well, I just want to make sure that the parity is the same. You know?

CHAIRPERSON BROOKS: Uh-huh.

COUNCILPERSON THOMAS: If --

FIRE CHIEF LEDUC: I understand.

COUNCILPERSON THOMAS: If you have a different position or you at a different level, your overtime can actually put you ahead in your yearly salary. But if you're on the lower levels, where you're not making as much as, you know, the next spot, that could negatively affect you. So I know that maybe that's what happened in arbitration, but it's not something that you can say across the board. And that -- that's what would cause me some --

FIRE CHIEF LEDUC: I understand.

COUNCILPERSON THOMAS: -- concern. 'Cause it -- it -- it won't be for all hundred or 82 or 84 fire personnel that you have. So, you know, that -- that's what I'll be interested in seeing. And, you know, I know we just work-shopping it, so you hear our concerns.

FIRE CHIEF LEDUC: Yes, sir.

CHAIRPERSON BROOKS: I think we got good information from that. Okay. Mr. Lowe?

COUNCILPERSON LOWE: Well, I -- I just wanted to -- I had -- I wanted to chime in when we were having the conversation and note that all of this is based on the staffing level that we set. So, you know, our staffing level is about three men over the -- the County level.

COUNCILPERSON DAVIS: You're right.

COUNCILPERSON LOWE: So if we -- you know, those -- it's a whole lot of variables that -- that come into --

FIRE CHIEF LEDUC: Well, what -- the statement you made is about three -- the -- the minimum level of service as recommended by the Level of Service Committee in Palm Beach County is --

COUNCILPERSON LOWE: 12.

FIRE CHIEF LEDUC: -- 11.

COUNCILPERSON LOWE: 11?

COUNCILPERSON DAVIS: 11, uh-huh.

FIRE CHIEF LEDUC: And -- and ours -- I just don't wanna misspeak. I'm thinking. And we have 17, so we're more than over that.

COUNCILPERSON LOWE: See? And that's a -- that's a --

FIRE CHIEF LEDUC: Which is --

COUNCILPERSON LOWE: That's a --

FIRE CHIEF LEDUC: -- the 11 --

COUNCILPERSON LOWE: -- big factor if -- if you want to consider that. You know, if --

FIRE CHIEF LEDUC: Correct.

COUNCILPERSON LOWE: -- you throw that into the mix.

FIRE CHIEF LEDUC: Correct.

COUNCILPERSON LOWE: So it's best that, you know, we just sit down and talk about it and -- and see what's going --

FIRE CHIEF LEDUC: And it's more than just a -- a staffing number. It's a configuration, and it's two three-man Engines.

COUNCILPERSON LOWE: Yeah.

FIRE CHIEF LEDUC: Two two-man Rescues, and a Commander.

COUNCILPERSON LOWE: Right.

FIRE CHIEF LEDUC: And we have that, and we provide that, as well as other staffing for our other fire station, but it's in --

COUNCILPERSON LOWE: Right.

FIRE CHIEF LEDUC: -- a two-two configuration, two Engine and two Rescue.

COUNCILPERSON LOWE: Yeah. And all we were -- we're doing is expecting you guys to make it work. You know?

FIRE CHIEF LEDUC: And we've been working diligently, making it work.

COUNCILPERSON LOWE: But we didn't -- we didn't reduce the staff requirement. We've never --

FIRE CHIEF LEDUC: No --

COUNCILPERSON LOWE: -- done that.

FIRE CHIEF LEDUC: -- that's correct.

COUNCILPERSON LOWE: You know?

FIRE CHIEF LEDUC: That's correct.

COUNCILPERSON LOWE: But all of this is -- is temporary suggestions --

FIRE CHIEF LEDUC: Uh-huh.

COUNCILPERSON LOWE: -- in hope to get back to the -- to the original level --

FIRE CHIEF LEDUC: Correct.

COUNCILPERSON LOWE: -- anyway. So, you know, we're not doing it just to take money from employees. We're trying to get somewhere in order to survive.

FIRE CHIEF LEDUC: Correct.

COUNCILPERSON DAVIS: Right.

COUNCILPERSON LOWE: And that's the point that we're making. And -- and we had made a commitment to apply it across the board --

FIRE CHIEF LEDUC: That's correct.

COUNCILPERSON LOWE: -- itself. And those are the two things that we're trying to establish --

FIRE CHIEF LEDUC: And --

COUNCILPERSON LOWE: -- right here, that we do it equitably and, you know, we take care of the needs that -- that needs to be met.

FIRE CHIEF LEDUC: And also administratively in -- in the 64-hour -- trying to implement a split shift, it's not effective and efficient. It's not where -- a position you want to put your emergency personnel in, where they're having to come in in the middle of the night or in the middle of the day and having to switch out and those kind of things. It's a -- it's -- it's difficult for them to function, and it's also difficult to administer and to get that scheduling out over the course of the year, and trying to plug these people in on these random days in support of the 64 hours.

And that was even the bigger headache on top of the -- the overtime issue, is both on the operational side and personnel side, putting them in that difficult situation of coming in in the middle of the night, or middle of the day, or just a random hour, and having somebody, you know, go this, do that, and -- and -- you know, administratively it's a difficult thing to manage that hour split and break, and also for the personnel to perform and expect them, you know, to do efficient and effective service that they provide.

COUNCILPERSON: Right.

FIRE CHIEF LEDUC: And that was a -- was a major contributing factor, also --

COUNCILPERSON: Yeah.

FIRE CHIEF LEDUC: -- to this recommendation.

CHAIRPERSON BROOKS: Any other --

CITY MANAGER JONES: Councilman Thomas?

COUNCILPERSON THOMAS: Yes, ma'am.

CITY MANAGER JONES: You asked earlier what would be the impact if everyone went to six.

COUNCILPERSON THOMAS: Yes.

CITY MANAGER JONES: Okay. If we were to reduce everyone back down to six days, we would need to have to go find an additional \$172,000. If you wanted to make fire and police consistent, we would have to go back and find another \$56,250.

COUNCILPERSON DAVIS: All right. I think that sound doable. So --

COUNCILPERSON THOMAS: Well, I'm gonna -- --

COUNCILPERSON DAVIS: So it's either all -- you know, if you want all of them, it's 172, everybody. And if it's all public safety to be the same, it would only be a \$56,000 impact.

COUNCILPERSON DAVIS: Okay.

COUNCILPERSON THOMAS: Well, what --

COUNCILPERSON DAVIS: I'll look at it.

COUNCILPERSON THOMAS: -- what -- what I think is that it definitely should be entertained if we can. I know that you -- you balanced the budget, and it's hard enough to do as it is, but I don't think one more look at it will hurt anything. I mean, I'll -- I'll talk with both chiefs, you know, and see, but I -- I think that it's maybe something that we can look at. Maybe we can look at some other things again and we're work-shopping it. We're --

CHAIRPERSON BROOKS: Uh-huh.

COUNCILPERSON THOMAS: You know, we're --

CHAIRPERSON BROOKS: Uh-huh.

COUNCILPERSON THOMAS: So, you know, if we can, we can. If we can't, I still wish that we could, but --

COUNCILPERSON DAVIS: Uh-huh.

COUNCILPERSON THOMAS: -- you know --

CHAIRPERSON BROOKS: Uh-huh.

COUNCILPERSON THOMAS: -- I mean, we -- it's just something that I think that we don't have to stop looking at right now. And that just would be my -- you know, my thoughts on it.

CITY MANAGER JONES: That was just -- I wanted you to have that --

COUNCILPERSON THOMAS: Yes, ma'am.

CITY MANAGER JONES: -- you had asked for.

COUNCILPERSON THOMAS: So 171,000 for --

CITY MANAGER JONES: 172 for everyone, all employees.

COUNCILPERSON THOMAS: 172 for all employees, and an additional 56,000 for --

CITY MANAGER JONES: -- 250 for police, if we just did police.

COUNCILPERSON THOMAS: Did you say 250?

CHAIRPERSON BROOKS: If we just --

COUNCILPERSON DAVIS: You said 56 --

CHAIRPERSON BROOKS: I thought you said 56,000.

CITY MANAGER JONES: \$56,250.

COUNCILPERSON THOMAS: Oh, 56,250.

CITY MANAGER JONES: If we just do the police.

COUNCILPERSON DAVIS: That's an additional increase. I mean, an additional --

CITY MANAGER JONES: Yeah, we'd have to go cut some --

CHAIRPERSON BROOKS: We'd have to find --

COUNCILPERSON THOMAS: That we'd have to --

CHAIRPERSON BROOKS: -- 56,000.

COUNCILPERSON THOMAS: -- to find. Okay. And --

COUNCILPERSON LOWE: Or raise taxes.

COUNCILPERSON THOMAS: We --

CITY MANAGER JONES: We ain't doing that again.

COUNCILPERSON THOMAS: Do -- let -- let -- let me ask you this question here and then I -- I know we gotta move on. I know that --

COUNCILPERSON: No. We gotta (unintelligible) tonight.

COUNCILPERSON THOMAS: -- we have to leave. And I have to leave, as well, but the - - do -- do we have this -- I mean, I don't know if police are next or not, but do we have this -- Chief, do we have the same information for you, Chief Williams? Do we have the same information for you, what the furloughs would -- the same numbers that the fire had? Do you have those same type for your department?

POLICE CHIEF WILLIAMS: No, I didn't crunch those. I didn't do that type of analysis for -- for --

COUNCILPERSON THOMAS: Okay.

POLICE CHIEF WILLIAMS: -- for our impact.

COUNCILPERSON THOMAS: Yeah. Okay. Okay. I'll --

CHAIRPERSON BROOKS: So you can bring them next week then.

COUNCILPERSON THOMAS: Yeah, just --

POLICE CHIEF WILLIAMS: Yeah, well, we can certainly do it. I -- I don't have -- in terms of implementing it, it's -- we don't incur the -- the overtime impact, because we've got variations of operations. You know, we got 12 hour. We got some folk on 40 hour. Then we have operational folk on 40 hour, also.

If I had to identify an area where -- where we're impacted, it would be probably in our Communications section where we have less bodies, but with very rigid minimum manning standards. So if an operator goes out -- we have three on a shift currently. If an operator goes out, somebody's got to come in 'cause we got to have three there. We just can't do business.

COUNCILPERSON THOMAS: Do we -- I heard you say you didn't crunch the numbers, but can you also look at those numbers? And I'll -- I'll try --

POLICE CHIEF WILLIAMS: I can do the same --

COUNCILPERSON THOMAS: -- to get with you --

POLICE CHIEF WILLIAMS: -- sort of analysis, yes.

COUNCILPERSON THOMAS: Right.

CHAIRPERSON BROOKS: Okay.

POLICE CHIEF WILLIAMS: I'll get with you before now so I don't take up a whole lot of time at the meeting, but -- before our next meeting and I'll get those. Okay. So can you just have those prepared, probably for the entire Council, but definitely --

CHAIRPERSON BROOKS: Yeah.

COUNCILPERSON THOMAS: -- I'd like to --

CHAIRPERSON BROOKS: Uh-huh.

COUNCILPERSON THOMAS: -- to have it as soon as possible.

CITY MANAGER JONES: And for all of your requests this evening, we'll put together a response packet like we --

COUNCILPERSON DAVIS: Okay.

CITY MANAGER JONES: -- generally do. And here's the response to the question you asked.

COUNCILPERSON THOMAS: And since we're talking about it, what about for the Utility District, as -- as well? The -- the 24-hour operation part.

CHAIRPERSON BROOKS: You want the similar breakdown is what you're saying?

COUNCILPERSON THOMAS: Right.

COUNCILPERSON DAVIS: Similar breakdown crunch.

COUNCILPERSON THOMAS: I mean, is -- that's a 24-hour operation, as well. Are you experiencing some of those same type issues where -- where if you just -- if you saw what was just happening, does any of that seem like it -- it's affecting you, as well?

EXECUTIVE DIRECTOR AURIGEMMA: Mr. Thomas, Lou Aurigemma, Executive Director of the Utility District. Our 24/7 operation is the water treatment plant, and they are on 10-hour shifts. So we have what -- what I call a flexible furlough. You know, we'll -- guys will take 10-hour days off and what -- what happens is we wind up taking 9.6 days off. And -- and that .6 days, they may take, you know, four hours of vacation to add to their six hours of furlough to kind of get the whole -- the -- the --

CITY MANAGER JONES: The full 10.

EXECUTIVE DIRECTOR AURIGEMMA: -- total 96 hours.

COUNCILPERSON THOMAS: So are you really a 20-hour operation, instead of a 24 hour?

EXECUTIVE DIRECTOR AURIGEMMA: No, no. We are a 24-hour operation. However, we have overlap in our shifts. So -- and that's by union contract, the 10-hour shifts.

COUNCILPERSON DAVIS: Uh-huh.

EXECUTIVE DIRECTOR AURIGEMMA: It's not something I made up. It's -- it's in the union contract. But -- but we work with it and we do the best we can.

COUNCILPERSON THOMAS: Okay.

COUNCILPERSON DAVIS: But are you -- are you facing, like, the -- the overtime challenges?

EXECUTIVE DIRECTOR AURIGEMMA: Well, we -- we have our overtime challenges, but, you know, we -- we -- we budget for it. We try to stay within. We -- we -- we work it out as best we can.

COUNCILPERSON THOMAS: Mr. Aurigemma, did any of that seem like it was affecting what we just went over for those -- for fire, mostly, and what was talked about by police? Does any of that seem like it's a familiar problem to you? 'Cause if it's not, you know, we're -- we -- we won't worry about it, but --

EXECUTIVE DIRECTOR AURIGEMMA: The Utility District has -- has been able to juggle it around, because of the flexible furlough. We don't take it on a -- the last Friday of the month. We -- we move it around to adjust with our -- with our people.

CHAIRPERSON BROOKS: Uh-huh.

COUNCILPERSON THOMAS: I'm gonna take that as a, Everything's okay then.

COUNCILPERSON DAVIS: Everything's okay.

CHAIRPERSON BROOKS: Everything's okay.

COUNCILPERSON THOMAS: Okay.

EXECUTIVE DIRECTOR AURIGEMMA: Everything's okay at the Utility District --

COUNCILPERSON THOMAS: All right.

EXECUTIVE DIRECTOR AURIGEMMA: -- with that.

CHAIRPERSON BROOKS: Okay. Okay. Any other comments? That was good. Good, good. We all learned from that. All right. Miss Hoskins?

INTERIM FINANCE DIRECTOR HOSKINS: So now we'll get into the general fund revenues and expenditures. For the revenues for fiscal year 2013, for ad valorem taxes, current and delinquent, we have a negative 1.53 percent reduction, and that's due to the decreased property values. We'll get less in ad valorem taxes. Other revenues which make up local option fuel tax, utility tax for electricity, water --

COUNCILPERSON LOWE: Madam Chair?

CHAIRPERSON BROOKS: Yes, Mr. --

COUNCILPERSON THOMAS: I just want to ask one question. What about the -- what -- what -- what did we lose this year? I don't -- I can't recall the name of it right now, but it's where they can -- they can challenge what their assessed taxes are and get it reduced?

INTERIM FINANCE DIRECTOR HOSKINS: You're talking about the Value Adjustment Board.

COUNCILPERSON THOMAS: That's exactly what I'm talking about. Do we know how much we lost this year because of that?

INTERIM FINANCE DIRECTOR HOSKINS: Yeah. I don't have that number with me, but I can get it for you for the next meeting. We did have --

COUNCILPERSON THOMAS: Was it --

INTERIM FINANCE DIRECTOR HOSKINS: -- quite a few people that went to the Value Adjustment Board to --

COUNCILPERSON THOMAS: Do we know why that -- because that -- that's -- that's happened to us for a second year in a row. Why is it that we're getting so many approvals on that and other cities around the County are not getting as many approvals on that?

INTERIM FINANCE DIRECTOR HOSKINS: I don't have the answer to that, but, you know, it would be based on the number of furloughs, sales within the area or in that neighborhood. I'm talking about furloughs. I'm sorry.

COUNCILPERSON THOMAS: Yes.

INTERIM FINANCE DIRECTOR HOSKINS: Foreclosures.

COUNCILPERSON THOMAS: Foreclosures, good.

INTERIM FINANCE DIRECTOR HOSKINS: And the sales within that neighborhood, what those sales are going at at that particular time that they –

COUNCILPERSON THOMAS: They take that in –

INTERIM FINANCE DIRECTOR HOSKINS: -- value that property.

COUNCILPERSON THOMAS: -- consideration when –

INTERIM FINANCE DIRECTOR HOSKINS: So they look at -- they look at all of that.

COUNCILPERSON: (Unintelligible), crime in the area.

CITY MANAGER JONES: That's what they base it on, what's –

INTERIM FINANCE DIRECTOR HOSKINS: Correct.

CITY MANAGER JONES: -- in the area.

CHAIRPERSON BROOKS: Uh-huh.

COUNCILPERSON THOMAS: They -- they base what's in the area on if your taxes can be –

COUNCILPERSON: Right.

COUNCILPERSON THOMAS: -- reduced or not?

COUNCILPERSON: Right.

COUNCILPERSON: Yeah.

INTERIM FINANCE DIRECTOR HOSKINS: Correct, the value.

CITY MANAGER JONES: If the assessed -- the assessed value.

INTERIM FINANCE DIRECTOR HOSKINS: Your assessed value.

COUNCILPERSON THOMAS: I get it. Okay. But if you can --

INTERIM FINANCE DIRECTOR HOSKINS: But I will get that number for you.

COUNCILPERSON THOMAS: Thank you.

CITY MANAGER JONES: And that is one of the areas that has always concerned me since I've been here, and that is, we do not staff or send anyone down to the Value Adjustment Board. So if you don't have anybody sitting there arguing on your behalf, and their lawyer is sitting there saying this is why it ought to be less, then you end up having it being less.

COUNCILPERSON DAVIS: So what do we need to do to change that?

CITY MANAGER JONES: Contract with --

COUNCILPERSON DAVIS: (Unintelligible) --

CITY MANAGER JONES: Do a contract with individuals that would represent us at the Value Adjustment Boards.

COUNCILPERSON DAVIS: And you mean individuals, meaning an attorney?

CITY MANAGER JONES: You can do an attorney. Some people do accountants.

COUNCILPERSON DAVIS: Okay.

CITY MANAGER JONES: Some people -- but they -- they're your representative --

COUNCILPERSON DAVIS: Gotcha.

CITY MANAGER JONES: -- that would go down there and fight to hold it as steady as possible. And I don't know how many we had. I remember last year it was --

COUNCILPERSON: I couldn't tell you.

CITY MANAGER JONES: -- two and a half pages, single-spaced, of how many --

COUNCILPERSON DAVIS: Do we know the --

CITY MANAGER JONES: -- were on there.

COUNCILPERSON DAVIS: -- general area?

CITY MANAGER JONES: All over.

COUNCILPERSON DAVIS: All over the City?

CITY MANAGER JONES: And this last year the major number was -- and for the last two -- have been in your commercial.

COUNCILPERSON THOMAS: Well --

CITY MANAGER JONES: Your residential --

COUNCILPERSON LOWE: What was the value?

CITY MANAGER JONES: -- are already low.

COUNCILPERSON LOWE: What was the value?

CITY MANAGER JONES: So they've been in commercial.

COUNCILPERSON LOWE: You said you --

COUNCILPERSON: We're looking at it for you.

COUNCILPERSON THOMAS: It's -- it was quite a bit last year, and I -- and the reason why I brought that up is because I know that there is a -- you know, I won't say a major landlord, but there -- there's an -- an individual that owns several properties, and I -- I was just told that they were able to get their -- you know, their -- their taxes reduced to what they would pay for the City, and that bothered me, because that's not a single individual resident that is having a -- a tough time, you know, paying the taxes.

That's an individual who's clearly here making money off of this, and they're able to not pay the City their fair share, which actually puts the burden more on the -- the -- the taxpayers who are already having an issue. So that -- that's my major concern for it. It's -- it's not to try to, you know, stop anybody who's having a -- a major issue doing it.

It's, you know, the individuals that are coming in, buying these homes at a very low price, and getting, you know, several dollars, you know, over that, and they're still asking to have their taxes reduced. So that -- that -- those are the type instances that I'm thinking that are -- that are hurting us more than just the average people and average taxpayer who's trying to lessen the -- the burden on them.

CITY MANAGER JONES: Yeah. It's really in your commercial properties. That's where most of them are.

COUNCILPERSON DAVIS: Right.

CHAIRPERSON BROOKS: Uh-huh.

CITY MANAGER JONES: They're assessed at the highest level and that's where you're getting your big -- the biggest hit is coming in commercial.

COUNCILPERSON DAVIS: Oh.

CITY MANAGER JONES: It's not residential.

COUNCILPERSON DAVIS: Figures.

CHAIRPERSON BROOKS: Okay.

COUNCILPERSON THOMAS: Well, I mean, is that something that you need to -- to look at to see if -- if it's worth -- you know, or who can represent us? Does it have to be an attorney? I mean, that -- those are things that I think that we should be looking at in the budget so that we can reduce, you know, our -- our issue.

With that, that can reduce our deficit a little bit, the same way we did with the occupational license. You brought people on, and now we're getting more money in for our occupational license, and we're getting that done. It's sort of paying for itself. I'm thinking that something of this magnitude or this nature may -- may also help, as well.

CITY MANAGER JONES: Yeah.

CHAIR PRO TEM PARDO: Madam Chair?

CHAIRPERSON BROOKS: Yes. Yes, Miss Pardo?

CHAIR PRO TEM PARDO: Right. So, Miss Jones, can I just get this straight? With regards to the Value Adjustment Board, so one of the criterias is crime, correct?

CITY MANAGER JONES: I believe it's based on what's -- I don't believe it's crime.

CHAIR PRO TEM PARDO: Crime is not a factor?

CITY MANAGER JONES: It's not a factor.

CHAIR PRO TEM PARDO: Okay. So can you --

CITY MANAGER JONES: If it is, it's --

CHAIR PRO TEM PARDO: -- just tell me what the criteria is?

CITY MANAGER JONES: -- very unusual if a --

CHAIRPERSON BROOKS: I think it depends on your -- I don't -- at one time I did go before the Value Adjustment Board. Well, I didn't really have to go before them. I just told them why.

CITY MANAGER JONES: Right.

CHAIRPERSON BROOKS: And that was a few years ago, but I believe crime does have -- I know in the residential community it is --

CITY MANAGER JONES: Vandalism --

CHAIRPERSON BROOKS: -- and vandalism.

CITY MANAGER JONES: -- not crime.

CHAIRPERSON BROOKS: You can -- right. Well, it's crime.

CITY MANAGER JONES: It's -- it's vandalism --

CHAIR PRO TEM PARDO: Okay. Well, vandalism --

CITY MANAGER JONES: -- in the area.

CHAIR PRO TEM PARDO: -- is a crime.

CHAIRPERSON BROOKS: It's a crime.

CITY MANAGER JONES: Yeah, I didn't -- I -- I was -- I was taking crime as a -- murders. I was taking it --

CHAIRPERSON BROOKS: Yeah.

CITY MANAGER JONES: -- in the universal versus --

CHAIRPERSON BROOKS: Right.

CITY MANAGER JONES: Now, vandalism is included.

CHAIRPERSON BROOKS: Yeah. Okay.

CHAIR PRO TEM PARDO: Okay. So, you know, just thinking about that criteria, it would really make sense, not -- you know, I just came from a meeting with a lot of businesses and -- you know, with Live, Work, Learn and Play --

CITY MANAGER JONES: Uh-huh, uh-huh.

CHAIR PRO TEM PARDO: -- and those guys, and for an hour and a half they spoke about crime, could not wrap their heads about anything else. So, you know, it would --

CHAIRPERSON BROOKS: It's serious.

CHAIR PRO TEM PARDO: -- make sense. Yeah.

CHAIRPERSON BROOKS: Yeah.

CHAIR PRO TEM PARDO: It's serious.

CHAIRPERSON BROOKS: Uh-huh, uh-huh.

CHAIR PRO TEM PARDO: So if, you know, that crime continues, I could see how the Value Adjustment Board would allow the -- the reduction in --

CHAIRPERSON BROOKS: Uh-huh.

CHAIR PRO TEM PARDO: -- property values.

COUNCILPERSON LOWE: Madam Chair?

CHAIRPERSON BROOKS: Yes, Mr. Lowe?

COUNCILPERSON LOWE: Yeah, you could -- you can verify that argument through the police department here. You know, a lot of people just tell you -- they'll say that, you know, you know, based on a stereotype of -- of the area, but if --

COUNCILPERSON DAVIS: There's no more (unintelligible).

COUNCILPERSON LOWE: Right. That's what I'm -- that's the point that I --

CHAIRPERSON BROOKS: Uh-huh.

COUNCILPERSON LOWE: -- I'm trying to bring up.

COUNCILPERSON DAVIS: Exactly.

COUNCILPERSON LOWE: But if you say --

CHAIRPERSON BROOKS: 'Cause there's no more than anywhere else. (Unintelligible) -

COUNCILPERSON LOWE: You know, we're -- you know, I'm not paying this because of the crime that exists here, and then we go to the police department and see the crimes aren't reported here, then, you know, what -- what are you saying?

COUNCILPERSON DAVIS: Well, you have to have documentation. That's not --

COUNCILPERSON LOWE: Yeah.

CHAIR PRO TEM PARDO: Right.

CHAIRPERSON BROOKS: 'Cause of --

CHAIR PRO TEM PARDO: Exactly.

CHAIRPERSON BROOKS: -- what you think. So you would most definitely must get something documented --

COUNCILPERSON DAVIS: Right.

CHAIRPERSON BROOKS: -- by the City or the police department. Whatever your position is has to be documented, not just because you say it. So --

COUNCILPERSON DAVIS: Right.

CHAIRPERSON BROOKS: Okay. Any other further comments? You may --

COUNCILPERSON LOWE: One question. The value adjustment, is that -- is it a period?

INTERIM FINANCE DIRECTOR HOSKINS: Yes.

COUNCILPERSON LOWE: So you would -- if we looked into that we would just hire this person or -- or -- or contract this person for just a certain period of time throughout --

COUNCILPERSON DAVIS: Right.

COUNCILPERSON LOWE: -- the year, maybe --

INTERIM FINANCE DIRECTOR HOSKINS: Right. Like --

COUNCILPERSON LOWE: -- two months or --

INTERIM FINANCE DIRECTOR HOSKINS: -- six -- I think it's anywhere from --

CITY MANAGER JONES: Six --

INTERIM FINANCE DIRECTOR HOSKINS: -- four to six months.

CITY MANAGER JONES: Four to six months is(unintelligible).

CHAIRPERSON BROOKS: Uh-huh.

COUNCILPERSON LOWE: Okay. You have four to six months to protest, and then after that it --

INTERIM FINANCE DIRECTOR HOSKINS: After that --

COUNCILPERSON LOWE: -- is what it is.

INTERIM FINANCE DIRECTOR HOSKINS: Correct.

COUNCILPERSON LOWE: Okay.

INTERIM FINANCE DIRECTOR HOSKINS: Correct.

CHAIRPERSON BROOKS: Uh-huh. Uh-huh. Okay.

COUNCILPERSON THOMAS: And, Madam Chair, just one more question.

CHAIRPERSON BROOKS: Okay.

COUNCILPERSON THOMAS: Do we -- do we have any, you know, say so in it? Do they talk with the City at all, or is it somebody who's probably not from the City? Do we have representation on the Board, or do -- how -- how -- how does the City that's being affected the most by this become a part of the process --

CHAIRPERSON BROOKS: The process.

COUNCILPERSON THOMAS: -- is -- is what I -- what I would like to know, because I -- and I'm trying to be careful how I say this. I'm -- I'm not really sure that we're having any more issues than anyone else. I know that ours are more polarizing, I guess, by the media or -- you know, they -- they like to use our name for some reason a lot, even when it's not in our city. I just want to -- you know, to make sure how -- do we have an opportunity to -- to become a part of that process, to at least have our -- you know, our voices heard as well.

Is -- is that something that we can be a part of? It's -- I mean, is that done by the County? Do the County-elected officials select these individuals, or -- you know, what really -- you know, what -- what really goes into that? And I'm pretty sure you don't have the answers to all those questions, but at some point hereby the next meeting I -- I would like to have the answers to those --

INTERIM FINANCE DIRECTOR HOSKINS: Okay.

COUNCILPERSON THOMAS: -- those questions, if at all possible.

COUNCILPERSON DAVIS: Like --

CITY MANAGER JONES: And so let me -- if I understand correctly, you would like background on the Adjustment Boards, how they're appointed, how many --

COUNCILPERSON THOMAS: Right.

CITY MANAGER JONES: -- the span of year --

COUNCILPERSON THOMAS: How we can be a part of it, yeah.

CITY MANAGER JONES: Yeah.

COUNCILPERSON DAVIS: Does the County appoint persons to that board like they do the Visitors and the --

COUNCILPERSON THOMAS: Yeah. That's what I was asking.

COUNCILPERSON DAVIS: Yeah.

CITY MANAGER JONES: Well, you're running so many. Generally a County will run at least 40, 50 boards, so it's not --

COUNCILPERSON DAVIS: (Unintelligible).

CITY MANAGER JONES: -- like a board of 5 people. You might have 3 people --

COUNCILPERSON DAVIS: Uh-huh.

CITY MANAGER JONES: -- that sit as the board --

COUNCILPERSON DAVIS: I just wanna know if they --

CITY MANAGER JONES: -- for review.

COUNCILPERSON DAVIS: -- do appointments.

CITY MANAGER JONES: But you have -- and they're generally through the Assessor's Office.

COUNCILPERSON DAVIS: Okay.

CITY MANAGER JONES: And people volunteer, generally. They're trained, here's what you look for if you want to be on a Value Adjustment Board.

COUNCILPERSON DAVIS: Okay.

CITY MANAGER JONES: Because like I said, they run 20 and 30 at a time, 'cause you're running County-wide.

COUNCILPERSON THOMAS: Okay. All right. Well, if -- you know, if we can have more information on that and --

INTERIM FINANCE DIRECTOR HOSKINS: Okay. Definitely.

COUNCILPERSON THOMAS: -- see what we can do to -- 'cause I know that that number is affecting us, you know, major. That number's affecting us major.

INTERIM FINANCE DIRECTOR HOSKINS: Right.

COUNCILPERSON THOMAS: Okay.

CHAIRPERSON BROOKS: Okay, Miss Hoskins.

INTERIM FINANCE DIRECTOR HOSKINS: Okay. Yes, ma'am. Moving on to the next category: other taxes which make up the local option fuel tax, funds we receive from the State, utility tax, electric, the sales tax. So that number is moving from adopted budget of 7,666,000 to 8,141,000, an increase of approximately 6.18 percent, or \$474,000. And that's mainly due to utility tax, electric. We moved that up some, and the utility tax on water, and I believe that's it. And that's it.

Moving on to the next category, franchise fees, which make up franchise fees for electric and gas; that number is 1.97 percent increase, moving from 2,540,000 for fiscal year '12 to 2,590,000 for fiscal year '13. Other fees, permits, and licenses, which make up building permits, the mobile home licenses, recreational activity fees, police contracts, advanced life support, that number we're projecting -- we have an adopted budget of 3,569,000. For '13 we're projecting an 11 percent decrease, down to 3,174,000, a reduction of \$395,000.

The difference is reduction in building permit fees, a reduction in a couple of contracts for the police department. As stated earlier, we no longer have the Marsh Harbor/Sonoma Bay contract.

CHAIRPERSON BROOKS: Uh-huh.

INTERIM FINANCE DIRECTOR HOSKINS: So those are --

CHAIRPERSON BROOKS: (Unintelligible).

INTERIM FINANCE DIRECTOR HOSKINS: -- have been eliminated, and a couple of smaller revenue line items. Grants and other shared revenues. For fiscal year '12 we had a budget, projected revenues of 1,462,000. Um, for fiscal year '13 we're projecting 1,223,000, a reduction of 16 percent, or \$238,000; and that's mainly due to the CRA -- no, I'm sorry -- the CRA Safe & Clean for police has been eliminated out and a reduction in State revenue sharing. We received the revenue estimates from the State, so that's mainly due to those decreases.

For fines, we had an adopted budget of \$521,500. For next year we're projecting 281,000, a reduction of \$240,000, which equates to 46 percent, and that's mainly due to the red light cameras were taken out and -- I think that's it. Yeah, red light cameras. The next one, rent and leases: adopted budget of \$101,000 and tentative budget \$111,000, an increase of approximately \$10,000, or 9.89 percent.

Other revenues. For fiscal year '12 we budgeted \$895,248. For next year we are estimating \$885,143, a reduction of 1.13 percent, or \$10,105. And then for administrative

fees we had an adopted budget of \$4,084,000. We're reducing -- we increased that by 1.8 percent, projecting a budget for fiscal year '13 of \$4,128,000 and that's a slight increase of \$44,000. So the projected general fund budget for next year is \$46,346,782, a difference of 705,000 from current year, a total reduction of 1.50 percent. Million, I'm sorry. \$46,346,782.

CHAIRPERSON BROOKS: Yeah.

INTERIM FINANCE DIRECTOR HOSKINS: Now, the schedule of expenditures, total personnel costs for -- budgeted or projected for next year, \$31,317,365, compared to fiscal year '12, \$31,968,964, a reduction of \$651,599. Percentage: a reduction of 2.04 percent. Operating costs projected for fiscal year '13, \$10,527,320, compared to fiscal year '12, \$10,671,158, a 1.35 percent reduction. As you see, capital outlay, a reduction of \$115,000, compared to fiscal year '12 of, um, 211,766; so that's a 54 percent decrease from current year.

COUNCILPERSON LOWE: Madam -- Madam Chair?

CHAIRPERSON BROOKS: Yes, Mr. Lowe?

COUNCILPERSON LOWE: Can we -- can you further explain that capital outlay?

INTERIM FINANCE DIRECTOR HOSKINS: Yes.

CHAIRPERSON BROOKS: Yeah.

INTERIM FINANCE DIRECTOR HOSKINS: That's mainly the reduction, the police department reduced the capital outlay for police for motor vehicles, \$48,000, a total of -- let's see, 48,000; another \$76,858 and \$12,000 for capital and police. And then --

CHAIRPERSON BROOKS: What was that total from police?

COUNCILPERSON DAVIS: Was it 48 or 76?

INTERIM FINANCE DIRECTOR HOSKINS: Pardon me? I'm sorry.

CHAIRPERSON BROOKS: I know you said the policed had reduced --

INTERIM FINANCE DIRECTOR HOSKINS: Their capital --

CHAIRPERSON BROOKS: -- certain line items.

INTERIM FINANCE DIRECTOR HOSKINS: Yes, there were three line items that they reduced their capital. \$48,000 --

CHAIRPERSON BROOKS: Uh-huh.

INTERIM FINANCE DIRECTOR HOSKINS: -- and then \$76,858, and then \$12,000.

COUNCILPERSON DAVIS: Okay.

CHAIRPERSON BROOKS: Okay.

COUNCILPERSON LOWE: So all the capital -- the capital outlay reduction is within the police department --

INTERIM FINANCE DIRECTOR HOSKINS: Correct.

COUNCILPERSON LOWE: -- exclusively?

INTERIM FINANCE DIRECTOR HOSKINS: Correct.

CHAIRPERSON BROOKS: Uh-huh. Okay. Any other questions? All right. Continuing. You're at the CRA line.

INTERIM FINANCE DIRECTOR HOSKINS: Oh, I'm sorry. And then the CRA TIF. As you know, the City has to give the CRA their TIF payment. Current year is \$3,368,832. For next year it went up some to \$3,569,830, a percentage increase of 5.97 percent. And then you have the transfers in and out. For fiscal year '12 the budgeted number is \$831,609 compared to next year we're projecting \$835,641, a difference of .48 percent.

Moving on to the General Fund Department's Recommended Staffing Changes for fiscal year '13. New positions. For Finance we're adding a business license specialist, full-time temp, and that means with no benefits; and for the library a program aide/cyber-mobile driver part-time.

Reclassified Positions. For the City Manager's Office we're moving an executive assistant part-time to and executive assistant full-time with benefits; Finance Department, we're moving a part-time customer service clerk to full-time with benefits; City Clerk's Office, we're moving a records specialist part-time to a full-time temp staff assistant, that means without benefits; and Purchasing I.T., current purchasing director, we're moving that -- changing that position title to Purchasing/I.T Director.

COUNCILPERSON DAVIS: I have a question.

CHAIRPERSON BROOKS: Yes, Miss Davis?

COUNCILPERSON DAVIS: The -- in the Finance Department I read somewhere that the -- the person -- the reason that we have -- that we're kinda backlogged back there is that a person is out on sick leave and is expected to come back in 2013, January 2013

INTERIM FINANCE DIRECTOR HOSKINS: That's when the sick leave -- the FMLA ends. We're not sure if they're gonna come back or not, but yes.

COUNCILPERSON DAVIS: Okay. So if -- so is that the reason that we're hiring -- wanting to hire the full-time person?

INTERIM FINANCE DIRECTOR HOSKINS: No. Right now we have that position filled with a temp employee.

COUNCILPERSON DAVIS: Right.

INTERIM FINANCE DIRECTOR HOSKINS: Um, and it's just the -- the -- the overload of work that we have to do.

COUNCILPERSON DAVIS: Well, my question is, because of the person who's out, you -- you have a -- a -- a temporary person there now.

INTERIM FINANCE DIRECTOR HOSKINS: Uh-huh.

COUNCILPERSON DAVIS: Right? So you want to hire a full-time person to -- a full -- a full-time temp. And explain a full-time temp. Are you talking about a permanent part-time person?

INTERIM FINANCE DIRECTOR HOSKINS: Correct, a -- a -- a full-time person without benefits.

COUNCILPERSON DAVIS: A full-time person without benefits.

INTERIM FINANCE DIRECTOR HOSKINS: Correct.

COUNCILPERSON DAVIS: And they would work a full 8-hour day?

INTERIM FINANCE DIRECTOR HOSKINS: Yes.

COUNCILPERSON DAVIS: Okay. All right. Well -- all right. That's fine. And also, the Records Specialist position, was that a position that was eliminated last year?

INTERIM FINANCE DIRECTOR HOSKINS: It was reclassified to part-time last year.

COUNCILPERSON DAVIS: Okay.

INTERIM FINANCE DIRECTOR HOSKINS: It's current --

COUNCILPERSON DAVIS: So -- and you feel that we're at -- so this is also going to be a full-time temporary position?

INTERIM FINANCE DIRECTOR HOSKINS: The staff assistant, yes.

COUNCILPERSON DAVIS: Okay. All right. Thank you.

CHAIRPERSON BROOKS: Any other questions? We're at -- sorry -- Reclassified Positions.

CHAIR PRO TEM PARDO: No. I have a question when it comes to the elimination of positions.

CHAIRPERSON BROOKS: Okay.

INTERIM FINANCE DIRECTOR HOSKINS: Okay. And then we're moving on to Civil Drug Court. Reclassified positions. A crime control analyst to a process server; for fire, a senior staff assistant that is currently part-time, moving that position to a senior staff assistant full-time with benefits; the police department, office assistant senior, reclassifying that to a police records section supervisor; police Department, a -- the commander position, moving that to a major -- to major's positions.

CHAIRPERSON BROOKS: Is the chief here? I wanted to ask him about the hierarchy now. Hi, Chief Williams.

POLICE CHIEF WILLIAMS: Good evening, Madam Chair. Clarence Williams, Police Chief.

CHAIRPERSON BROOKS: Yes, sir. See, right now the commander position's going to be reclassified under major. So explain the hierarchy now. I know we no longer have lieutenants, so what is the hierarchy for positions starting from the bottom going up?

POLICE CHIEF WILLIAMS: Well, as a result of the reorganization, you know, we created the rank of captain.

CHAIRPERSON BROOKS: Uh-huh.

POLICE CHIEF WILLIAMS: And in a military rank structure, a captain is a higher level than commander.

CHAIRPERSON BROOKS: Correct.

POLICE CHIEF WILLIAMS: And what we're suggesting here will simply clean that up for us. So what we will have is Chief, Assistant Chief, Commanders -- I mean, I'm sorry --

CHAIRPERSON BROOKS: Major.

POLICE CHIEF WILLIAMS: -- Majors, and then Captains.

CHAIRPERSON BROOKS: Okay. And after Captains we no longer have Lieutenants, so then you'd be at the Sergeant?

POLICE CHIEF WILLIAMS: The Sergeants, yeah. The Captain's rank became our Senior Middle Management rank.

CHAIRPERSON BROOKS: Okay. Okay. So if you're a sergeant, the next step up would be not lieutenant, but you would go into major -- captain. Captain, rather.

POLICE CHIEF WILLIAMS: Yes.

CHAIRPERSON BROOKS: Okay.

POLICE CHIEF WILLIAMS: Actually, depending on the qualifications, you could compete as sergeant for -- for any of the positions up to and theoretically including chief.

CHAIRPERSON BROOKS: I was just kind of curious and I really meant to --

POLICE CHIEF WILLIAMS: Uh-huh.

CHAIRPERSON BROOKS: -- tell you I was gonna ask you this question, because I said, oh, in the hierarchy --

POLICE CHIEF WILLIAMS: But the --

CHAIRPERSON BROOKS: -- of the military --

POLICE CHIEF WILLIAMS: -- is primarily -- yeah, this is --

CHAIRPERSON BROOKS: -- that --

POLICE CHIEF WILLIAMS: -- this is primarily to do -- to -- to clean that up for us so that we're consistent with the military rank structure, being a paramilitary organization.

CHAIRPERSON BROOKS: But I was saying, you -- but the lieutenant position is no longer a part of that hierarchy now.

POLICE CHIEF WILLIAMS: No, it's not. The lieutenant's position --

CHAIRPERSON BROOKS: You just go from a sergeant --

POLICE CHIEF WILLIAMS: Then the next --

CHAIRPERSON BROOKS: -- up to --

POLICE CHIEF WILLIAMS: -- the next management --

CHAIRPERSON BROOKS: -- to captain.

POLICE CHIEF WILLIAMS: -- after sergeant is captain.

CHAIRPERSON BROOKS: Okay. Okay. But now we'll have -- okay. All right. That was just my question.

CHAIR PRO TEM PARDO: All right. Madam Chair, I have a question.

CHAIRPERSON BROOKS: Yeah.

CHAIR PRO TEM PARDO: So are we just reclassifying one commander position? What -- how many commanders do we have, three?

POLICE CHIEF WILLIAMS: We have five budgeted commander's positions.

CHAIR PRO TEM PARDO: All right. And how many are currently active? How many commanders do we currently have?

POLICE CHIEF WILLIAMS: We have four right now.

CHAIR PRO TEM PARDO: Okay. So will one of those positions then become the major position? Are we looking --

CHAIRPERSON BROOKS: All of them?

POLICE CHIEF WILLIAMS: No.

CHAIR PRO TEM PARDO: So every commander will now be a major?

CHAIRPERSON BROOKS: A major.

POLICE CHIEF WILLIAMS: Their title will now be major --

CHAIRPERSON BROOKS: Major.

POLICE CHIEF WILLIAMS: -- as opposed to commander.

CHAIRPERSON BROOKS: Okay.

COUNCILPERSON LOWE: Same thing.

CHAIR PRO TEM PARDO: So we're not going to have --

POLICE CHIEF WILLIAMS: Same -- yeah, it's -- yeah.

CHAIR PRO TEM PARDO: -- any commanders.

POLICE CHIEF WILLIAMS: This is just a name change --

CHAIRPERSON BROOKS: Change. Okay.

POLICE CHIEF WILLIAMS: -- for the folk that are --

CHAIRPERSON BROOKS: Okay.

COUNCILPERSON THOMAS: You could call 'em a general.

CHAIR PRO TEM PARDO: Okay. And --

CHAIRPERSON BROOKS: Yeah.

CHAIR PRO TEM PARDO: All right. I think I still have the floor.

CHAIRPERSON BROOKS: Okay. Miss --

CHAIR PRO TEM PARDO: And is --

CHAIRPERSON BROOKS: -- Miss -- Miss --

CHAIR PRO TEM PARDO: -- there a --

CHAIRPERSON BROOKS: -- Pardo still has the floor.

CHAIR PRO TEM PARDO: Is there a change in pay scale?

POLICE CHIEF WILLIAMS: No. No, ma'am.

CHAIR PRO TEM PARDO: There's no change in pay scale?

POLICE CHIEF WILLIAMS: No, this is just a -- this is just a title -- a -- a -- a name change to -- to -- so that we're consistent with the military rank structure.

CHAIR PRO TEM PARDO: But the military has lieutenant.

POLICE CHIEF WILLIAMS: No. Well, we don't have the lieutenant's rank for --

CHAIR PRO TEM PARDO: No, I know, but --

POLICE CHIEF WILLIAMS: -- for our structure.

CHAIR PRO TEM PARDO: -- I'm just saying --

POLICE CHIEF WILLIAMS: Yeah.

CHAIRPERSON BROOKS: Yeah, that --

POLICE CHIEF WILLIAMS: But -- well --

CHAIR PRO TEM PARDO: -- the military has lieutenant.

POLICE CHIEF WILLIAMS: Yeah. Lieutenants and captains are middle management ranks, so typically the captain --

CHAIR PRO TEM PARDO: I'm just --

POLICE CHIEF WILLIAMS: -- is a senior --

CHAIR PRO TEM PARDO: -- keeping that straight.

POLICE CHIEF WILLIAMS: -- middle management rank. Yeah.

CHAIRPERSON BROOKS: Yeah. 'Cause you've -- yeah, that was my question.

POLICE CHIEF WILLIAMS: So for -- so for us, currently -- currently, it's sergeant, captain, then commander, assistant chief, chief. The commanders obviously outrank the captains.

CHAIR PRO TEM PARDO: Uh-huh.

POLICE CHIEF WILLIAMS: But in the rank structure that's uncomfortable for some of our folk, and we are a paramilitary organization. To make that right, if folk are looking at our rank structure, we need to change the name. Nothing else is being done. It doesn't impact pay, doesn't impact job responsibilities. All of those things stay the same.

CHAIRPERSON BROOKS: Okay. I guess we ladies were just looking at why you're jumping from sergeant.

CHAIR PRO TEM PARDO: Right.

CHAIRPERSON BROOKS: You're skipping lieutenant rank, and then you're going on to the next.

POLICE CHIEF WILLIAMS: Yeah.

CHAIR PRO TEM PARDO: But in the military you have lieutenant.

POLICE CHIEF WILLIAMS: Well, we don't have lieutenants. We --

CHAIR PRO TEM PARDO: No, I know but we're saying that --

POLICE CHIEF WILLIAMS: Our reorganization --

CHAIRPERSON BROOKS: We know. We know. We know.

POLICE CHIEF WILLIAMS: Yeah. So -- yeah.

CHAIR PRO TEM PARDO: -- paramilitary, following that structure --

CHAIRPERSON BROOKS: Yeah.

CHAIR PRO TEM PARDO: -- they have lieutenant.

CHAIRPERSON BROOKS: All right. That was my question. Eliminated positions. Okay. That's where we are.

INTERIM FINANCE DIRECTOR HOSKINS: So the eliminated positions is the one part-time housing coordinator in Community Development.

CHAIR PRO TEM PARDO: Okay. Madam Chair?

CHAIRPERSON BROOKS: Yes --

CHAIR PRO TEM PARDO: All right. Can someone --

CHAIRPERSON BROOKS: -- Miss Pardo?

CHAIR PRO TEM PARDO: -- tell me why we're getting rid of that position, please?

CITY MANAGER JONES: At the recommendation of the department, and with my concurrence, we had made this position part-time --

CHAIR PRO TEM PARDO: Uh-huh.

CITY MANAGER JONES: -- in order to cover the last two County programs, which was the NSP and the DRI program. We are going to -- because everything has to be cleared through the County, this is an area where we are just getting out of the housing business.

CHAIR PRO TEM PARDO: Okay. So is that why -- I'm -- I'm trying to find the sheet. You know, when I was going through this a couple days ago I noticed in Community Development -- I believe it's their operating income -- their operating expenses have been reduced. Hold on. Let me find it.

CITY MANAGER JONES: Yes, they had to take a cut this year of -- how much?

CHAIR PRO TEM PARDO: Like, 40-something was it? I -- I'm --

INTERIM FINANCE DIRECTOR HOSKINS: Right. Approximately --

CHAIR PRO TEM PARDO: -- trying to find --

INTERIM FINANCE DIRECTOR HOSKINS: -- \$42,000.

CHAIR PRO TEM PARDO: Okay. So is the \$42,000 this housing coordinator?

INTERIM FINANCE DIRECTOR HOSKINS: Yes.

CITY MANAGER JONES: And -- and a little operating, I also believe, yes, but it's that position plus some operating dollars.

INTERIM FINANCE DIRECTOR HOSKINS: Correct.

CHAIR PRO TEM PARDO: All right. So how much was this position worth? Do you know?

INTERIM FINANCE DIRECTOR HOSKINS: Approximately 35, plus -- or 36 with the FICA, the FICA benefit.

CHAIR PRO TEM PARDO: Okay. And I questioned it, and I don't know if I should do it here or -- I'm trying to find the sheet. Because the other -- I didn't see that real reduction in the other departments, and that's just why I'm questioning it. And I know that we've been talking about --

CHAIRPERSON BROOKS: It's not the single sheet?

CHAIR PRO TEM PARDO: Maybe that's it. We've been, you know, talking about there's a lot going on at CRA, and they're gonna need -- need the services of Community Development. We have things going on. You know, we have people coming in, talking to us all the time. So I just questioned why the reduction in Community Development's budget. Now, I understand this housing, but I don't think I understand the rest of the reduction.

INTERIM FINANCE DIRECTOR HOSKINS: Now, the rest of the reduction -- current year we have budgeted \$70,000 that the CRA is going to reimburse us for the CTS-3 engineering. So since the CRA is handling that themselves, we reduced the \$70,000 out of Community Development on the expenditures side and on the revenue side. So that was the other reduction. And you're looking for the page in this book --

CHAIR PRO TEM PARDO: Yeah.

INTERIM FINANCE DIRECTOR HOSKINS: -- right here.

CHAIR PRO TEM PARDO: What page was it?

INTERIM FINANCE DIRECTOR HOSKINS: It's this book that had the additional information.

CHAIR PRO TEM PARDO: Okay.

INTERIM FINANCE DIRECTOR HOSKINS: And it's the --

CHAIRPERSON BROOKS: What page is it on?

INTERIM FINANCE DIRECTOR HOSKINS: -- second page of the document --

CHAIRPERSON BROOKS: Okay.

INTERIM FINANCE DIRECTOR HOSKINS: -- that had the approved budget changes.

CHAIRPERSON BROOKS: Uh-huh.

INTERIM FINANCE DIRECTOR HOSKINS: And it showed all the reductions for each department.

CHAIRPERSON BROOKS: Page 5?

COUNCILPERSON DAVIS: Page 3.

CHAIR PRO TEM PARDO: Three.

CHAIRPERSON BROOKS: Page 3?

INTERIM FINANCE DIRECTOR HOSKINS: Page 3.

CHAIRPERSON BROOKS: Okay.

CHAIR PRO TEM PARDO: Okay. So it's really C3TS related.

INTERIM FINANCE DIRECTOR HOSKINS: Correct.

CHAIR PRO TEM PARDO: So it's not going to -- I just want to make sure that the workload isn't going to be -- you know, become stressed because of the reduction. Because if, you know, everything goes as planned, the department's going to be very busy.

CITY MANAGER JONES: It will not impact Planning or Buildings, so those two departments, they stay with the same amount of staff, which is where -- in addition to Miss McKinney's time, where you get most of your redevelopment work.

CHAIR PRO TEM PARDO: Okay. All right. So it'll be the -- that -- the housing, and what was the other part of it?

CITY MANAGER JONES: The C3TS contracts.

CHAIR PRO TEM PARDO: Okay.

CITY MANAGER JONES: Those two together were the reduction that that department took.

CHAIR PRO TEM PARDO: Okay. Thank you.

CITY MANAGER JONES: Yeah.

COUNCILPERSON LOWE: Madam Chair?

CHAIRPERSON BROOKS: Yes, Mr. Lowe.

COUNCILPERSON LOWE: On the -- on the revenue side, Community Development, they -- was there a reduction in anticipated revenue from development? Did you -- did we indicate that it was going to be a reduction this year?

INTERIM FINANCE DIRECTOR HOSKINS: From building --

COUNCILPERSON LOWE: So --

INTERIM FINANCE DIRECTOR HOSKINS: -- permits.

COUNCILPERSON LOWE: -- if you're anticipating a increase in -- in revenues, increase in development, shouldn't that reflect on your revenue side in order for you to, you know, cover the expenditure?

INTERIM FINANCE DIRECTOR HOSKINS: Currently -- and what we do is we look at history and anything that we know that is coming on line. For building permits right now we are at approximately \$500,000, and we have 900,000 budgeted for current year. So we have two more months left. So for next year we reduced that down to 665,000, I believe. And so that's based on the history --

COUNCILPERSON LOWE: Okay.

INTERIM FINANCE DIRECTOR HOSKINS: -- where we are now.

COUNCILPERSON LOWE: I was just wondering 'cause it was just mentioned that we were anticipating an increase in activity for next year in that department. That's what I just heard.

INTERIM FINANCE DIRECTOR HOSKINS: Okay.

COUNCILPERSON LOWE: You -- you get what I'm saying?

INTERIM FINANCE DIRECTOR HOSKINS: Yeah, I understand.

CITY MANAGER JONES: There will be --

COUNCILPERSON LOWE: If there's going to be an increase or --

CITY MANAGER JONES: They're really -- it's a balance of what they will be doing. Right now Miss McKinney's time, as well as maybe one of the planners, spends a great deal of time on our redevelopment, but the rest of the staff are still doing the planning, as well as the building inspections and the other things they do.

COUNCILPERSON LOWE: Okay. I'm just saying if -- you know, if you anticipate more activity, then adding more help is -- makes sense. But if you're not, then -- then, you know, you're just --

CITY MANAGER JONES: Well, the major part of our increased activity will occur with the '13/'14 year.

COUNCILPERSON LOWE: Okay. So that's --

CITY MANAGER JONES: 'Cause you're not gonna break --

COUNCILPERSON LOWE: -- the year after next.

CITY MANAGER JONES: Yeah, you're not gonna break ground on the marina 'til --

COUNCILPERSON LOWE: Right.

CITY MANAGER JONES: -- '13/'14. That's when your -- your need may pick back up.

CHAIR PRO TEM PARDO: Right. We may start doing some infrastructure improvements at the marina in '12/'13, and we probably will, but probably the majority for vertical construction will occur in '13/'14.

COUNCILPERSON LOWE: But you need the part-time person to handle the existing load at this time.

CHAIR PRO TEM PARDO: For the --

COUNCILPERSON LOWE: But that's a housing coordinator.

CHAIR PRO TEM PARDO: Right.

COUNCILPERSON LOWE: I'm sorry.

CHAIR PRO TEM PARDO: That was housing coordinator, but --

COUNCILPERSON LOWE: Never mind.

CHAIR PRO TEM PARDO: Right.

COUNCILPERSON LOWE: Thank you.

CHAIRPERSON BROOKS: Miss McKinney, question. I know we had several residents who had put in their applications for assistance after the storm. There was quite a long list. What has happened with those persons now that we're no longer involved in the housing?

CHAIR PRO TEM PARDO: Well, we still have two part-time temporary people that are processing those applications.

CHAIRPERSON BROOKS: Okay.

CHAIR PRO TEM PARDO: However --

CHAIRPERSON BROOKS: Great.

CHAIR PRO TEM PARDO: -- that -- that program will end September 16th, but we do have those temporary part-time people that are processing those.

CHAIRPERSON BROOKS: Okay. Well, I'll just have a private conversation --

CHAIR PRO TEM PARDO: Okay.

CHAIRPERSON BROOKS: -- with you about the remainder of my questions --

CHAIR PRO TEM PARDO: Okay.

CHAIRPERSON BROOKS: -- on that. Okay. We can continue.

INTERIM FINANCE DIRECTOR HOSKINS: And now we'll get into the special revenue funds.

CHAIRPERSON BROOKS: Uh-huh.

INTERIM FINANCE DIRECTOR HOSKINS: And those are our grant funds. We have the JAG Recovery Act Program. We're budgeting for next year \$46,553. And I'm told to speed it up, so if you don't have any questions I'll just keep moving. The Department of Justice, Cops Hiring Grant, we're projecting 229,451 for next fiscal year, and that's for -- related to police. The Universal Hiring Grant, which ends at 9/30 of this fiscal year -- so that's why you don't see anything there.

CHAIRPERSON BROOKS: Uh-huh.

INTERIM FINANCE DIRECTOR HOSKINS: Now we'll move on to the Utility District Revenues and Expenditures. Two new positions are being added for next year: Assistant Director of Utilities, full-time with benefits; and a Water Plant Operator Trainee, full-time with benefits. Eliminated Positions: Engineering Tech Senior and a -- one Customer Service Worker. And I believe both of those positions -- those are vacant at this point or will be vacant by 9/30. And --

COUNCILPERSON DAVIS: And is that how we're funding the two positions -- new positions?

INTERIM FINANCE DIRECTOR HOSKINS: Yes, but those are a --

CITY MANAGER JONES: Well --

INTERIM FINANCE DIRECTOR HOSKINS: -- little bit -- (unintelligible).

CITY MANAGER JONES: -- they're different sides of the operation.

INTERIM FINANCE DIRECTOR HOSKINS: (Unintelligible).

CITY MANAGER JONES: Yeah. So the other positions are new positions on the administrative --

COUNCILPERSON DAVIS: Okay.

CITY MANAGER JONES: -- side.

COUNCILPERSON DAVIS: Uh-huh.

CITY MANAGER JONES: The customer service is over on the --

COUNCILPERSON DAVIS: It's only on the (unintelligible) until --

CITY MANAGER JONES: Yeah.

COUNCILPERSON DAVIS: Okay.

CITY MANAGER JONES: It's basically three divisions in this department.

COUNCILPERSON DAVIS: Okay. But -- but I guess my question is, this is -- I mean, we're -- we're still within budget by adding these positions? Obviously.

CITY MANAGER JONES: Yes.

INTERIM FINANCE DIRECTOR HOSKINS: Yes.

CITY MANAGER JONES: Yes.

COUNCILPERSON DAVIS: Okay. Thank you. That was a dumb question.

CHAIR PRO TEM PARDO: Madam Chair?

CHAIRPERSON BROOKS: Miss -- yes, Miss Pardo?

CHAIR PRO TEM PARDO: I have a question about the pension for these new -- I see that there's several new positions that we're looking to fill. What happens with that? Are we doing the 401(k) or, you know, what's going on with that?

CITY MANAGER JONES: Currently at this point we are budgeting as if they were going into the current pension plan.

CHAIRPERSON BROOKS: As is.

CITY MANAGER JONES: As is.

CHAIRPERSON BROOKS: Yeah, you really have to.

CITY MANAGER JONES: If -- you have to at -- this early --

CHAIRPERSON BROOKS: Yeah.

CITY MANAGER JONES: -- in the -- in the game. We have -- the RFP for defined contribution closed last week, I believe. We have been in discussions with each one of the pension boards, as well as with the State, on the impact and the implications if you cut off or close a defined benefit --

CHAIRPERSON BROOKS: Benefit, uh-huh.

CITY MANAGER JONES: -- plan.

CHAIRPERSON BROOKS: Uh-huh.

CITY MANAGER JONES: And if -- so we wanted all of that information gathered so when we come back to you, all of that is before you.

CHAIRPERSON BROOKS: Uh-huh.

CITY MANAGER JONES: Whether you stay with a defined benefit plan and continue to implement the tiers that we had --

CHAIR PRO TEM PARDO: Uh-huh.

CITY MANAGER JONES: -- already planned, whether you go to a defined contribution plan for on executive level --

CHAIRPERSON BROOKS: Uh-huh.

CITY MANAGER JONES: -- or whether you go to a defined contribution for other categories, if you do a defined contribution plan, of course that means that you no longer get the 175 and 185 monies for fire. So we just wanted to look at everything so when we bring that back you have all of the information on which to make the decision.

CHAIR PRO TEM PARDO: Okay. And when do you anticipate that coming back to us? It's gonna be a workshop for that.

CHAIRPERSON BROOKS: It's got to.

CHAIR PRO TEM PARDO: Yeah.

CHAIRPERSON BROOKS: It's got to.

CITY MANAGER JONES: Beforehand.

CHAIRPERSON BROOKS: Uh-huh.

CHAIR PRO TEM PARDO: Yeah. Just round about. You don't have to give exact.

CITY MANAGER JONES: When do you -- when do you anticipate the defined contribution?

UNIDENTIFIED SPEAKER: September.

CITY MANAGER JONES: September?

UNIDENTIFIED SPEAKER: September.

CITY ATTORNEY RYAN: No, it won't be September. It may be October, because right now we have the -- the --

CHAIR PRO TEM PARDO: Okay. So toward the end of the year?

CITY ATTORNEY RYAN: -- the actuary --

CITY MANAGER JONES: Yeah, you're talking (unintelligible) more October.

CHAIRPERSON BROOKS: Because there's a lot more to be done. Right, right, right, right, right.

CITY ATTORNEY RYAN: It's take a long time.

CHAIR PRO TEM PARDO: Okay. That's fine.

CITY MANAGER JONES: Yeah, you're talking more October.

COUNCILPERSON DAVIS: Okay. Well, Madam Chair?

CHAIRPERSON BROOKS: Yes --

COUNCILPERSON DAVIS: The --

CHAIRPERSON BROOKS: -- Miss Davis?

CHAIR PRO TEM PARDO: We're talking January.

COUNCILPERSON DAVIS: I -- I would've hoped that this was something that it -- 'cause the last discussion that I remember was that, you know, we wanted to have this in place or decided by October 1st. So am I hearing you say now that, you know, we don't know whether we're gonna have that done by October 1st?

CITY MANAGER JONES: We will not have it done by October 1st. It was our desire to do that.

COUNCILPERSON DAVIS: Uh-huh.

CITY MANAGER JONES: But then once you ran into -- first of all, we were told to -- to try to implement something like this with less than 18 to 24 months generally never happens.

COUNCILPERSON DAVIS: Uh-huh.

CITY MANAGER JONES: And we were trying to rush it through. Then we realized a lot of things with the actuarials and things that just needed to take place --

COUNCILPERSON DAVIS: Okay. So --

CITY MANAGER JONES: -- in that process.

COUNCILPERSON DAVIS: -- if not this year, then definitely a decision will be made by -- or maybe --

CITY MANAGER JONES: Early --

COUNCILPERSON DAVIS: -- mid-year?

CITY MANAGER JONES: Early enough --

COUNCILPERSON DAVIS: Okay.

CITY MANAGER JONES: -- in order to be able to start it --

COUNCILPERSON DAVIS: By mid-year even.

CITY MANAGER JONES: -- by sometime --

COUNCILPERSON DAVIS: Yeah.

CITY MANAGER JONES: -- hopefully in '13, if we can.

COUNCILPERSON DAVIS: Gotcha.

CHAIR PRO TEM PARDO: Okay. Thank you.

COUNCILPERSON LOWE: So everybody --

COUNCILPERSON: Well, we -- we --

COUNCILPERSON LOWE: -- that gets hired now will be on the --

COUNCILPERSON DAVIS: Is (unintelligible) same.

COUNCILPERSON LOWE: -- is still on the -- they just --

CITY MANAGER JONES: The defined benefit plan.

CHAIRPERSON BROOKS: When I went to the Trustee Pension Board sponsored by the Division of Retirement, I learned something that was of interest that could impact on our decision to make this change. And when I returned then I had a conference call with the Division of Retirement, and they gave us a lot of information that made us think a little differently about just going full forward with our original plan. They gave us options to consider that would ensure that we would not lose the 175 money and the 185 money.

So we've got to go back to the table now and see what's going to be best. Because if at all possible, we don't want to lose benefits coming from the premium tax dollars. So there's been a different taint, if you would, put here into the picture, and we've got to see which way we -- is going to be best. So we will have to workshop it. And I would like to do the workshop at a time when we can conference in the people from the -- Patricia -- from the Division of Retirement, because they might have some questions -- you guys might have some questions, as well as --

CHAIR PRO TEM PARDO: Uh-huh.

CHAIRPERSON BROOKS: -- the public, that only they could answer because they are the authors of all of the Division of Retirement plans. So --

CHAIR PRO TEM PARDO: Okay.

COUNCILPERSON DAVIS: Madam Chair?

CHAIRPERSON BROOKS: Yes, Miss Davis?

COUNCILPERSON DAVIS: You know, the only -- the only problem I have with this is that, you know, that was the directive from this board to have it done, and if you had information, you know, that kind of changed all that, then it should've been brought to us sooner. You know, that's my only problem with it, instead of, you know, right here at the beginning of the fiscal year.

COUNCILPERSON LOWE: I agree.

CHAIRPERSON BROOKS: Making changes --

COUNCILPERSON LOWE: I agree with that.

CHAIRPERSON BROOKS: -- uh-huh. Uh-huh.

COUNCILPERSON LOWE: But --

CHAIRPERSON BROOKS: And you're right. You're right. And we will workshop it, because it is very serious, and the options that were presented to us are worth serious considerations, because we don't want to do anything that would hurt our employees in any way, especially with retirement benefits. Okay. So we will plan a time to workshop this item.

COUNCILPERSON: And I do believe it can be work-shopped in October.

CHAIRPERSON BROOKS: Okay. Okay. That's fine. But our tongue's hanging out from all of this. Okay. You can -- may continue, Miss Hoskins.

INTERIM FINANCE DIRECTOR HOSKINS: Now we're moving into the Utilities Special District Revenues and Expenditures. The adopted budget for USD, a total of \$16,366,030, compared to for next year \$16,590,500, an increase of approximately \$224,470, a 1.37 percent increase over current year.

The expenditures for personnel, operating, and capital. Personnel costs \$4,191,730, compared to next year, \$4,378,528, a 4.4 percent increase; and that's due to furlough reduction and the adding the new positions. Also, operating costs of \$9,240,119, compared to current -- to -- for next year, \$9,210,867, a reduction of .32 percent. Transfers. Current year adopted budget is \$2,785,981, compared to next year projected transfers in and out \$2,818,105, a 1.15 percent increase.

COUNCILPERSON LOWE: Okay. That capital outlay, 148,000, or 182,000, that's an increase of 100 percent. What are you doing this year that you didn't do last year?

INTERIM FINANCE DIRECTOR HOSKINS: And this is just operating capital. Let me get that detail. Let me have that detail.

COUNCILPERSON LOWE: Well, you can tell me that later. Yeah. You can tell me.

INTERIM FINANCE DIRECTOR HOSKINS: Okay. Moving on to USD, renewal and replacement. This is Utilities Special District Renewal and Replacement Fund. For next year we're projecting a budget of \$5,160,133, a 2.41 percent reduction over the current year. So that's approximately \$127,000, and that's due to a little bit less in operating fund balance, and they're working on their capital program now. Expenditures: 5,287,575 for fiscal year '12, compared to '13 projected \$5,160,133.

Moving on to Utilities Special District Impact Fees. We're projecting a budget of 9,540,000, approximately the same as current year. And this, again, is where they do their capital projects from. And that five-year capital plan will be presented at the meeting on Monday. And then you have the Utilities Special District Debt Service Fund projected for fiscal year 2013 1,989,581.

Now, moving on to Marina Revenues and Expenditures. For next year we're projecting a marina budget of \$1,297,125, a reduction of 8.94 percent. And if you look at the particular line items, dockage fees up by 17.63 percent, projecting a budget of \$762,025; fuel sales reduction of 47.55 percent; and the other major is the rent and lease, a reduction of 18.53 percent.

Personnel for marina. Projected personnel costs for the next fiscal year \$557,409, an increase of approximately 17.91 percent, and that's due to furlough moving to the 64 hours, and they did add a part-time dock attendant. Furlough -- and that would be pension, also. Furlough, pension, and a part-time dock attendant. Operating costs, 739,716, an increase of approximately 40 percent. And then the big number down there is the debt service payment, being that the bonds have matured for the marina.

Moving to the Debt Service Fund, nothing budgeted for next year, and then the renewal and replacement, nothing's being recommended as a transfer for next year for renewal and replacement.

COUNCILPERSON LOWE: So no debt.

INTERIM FINANCE DIRECTOR HOSKINS: No.

COUNCILPERSON DAVIS: Thank you, Jesus.

COUNCILPERSON LOWE: At this time.

INTERIM FINANCE DIRECTOR HOSKINS: No. And then moving --

COUNCILPERSON DAVIS: Do you want to get up and do a happy dance?

COUNCILPERSON LOWE: How many bonds have we had expire with the --

UNIDENTIFIED SPEAKER: You have.

COUNCILPERSON LOWE: Not many, huh?

INTERIM FINANCE DIRECTOR HOSKINS: I can't --

UNIDENTIFIED SPEAKER: It's been a while since --

INTERIM FINANCE DIRECTOR HOSKINS: -- tell you off the top of my head, right. I can --

COUNCILPERSON LOWE: I love it when a bond expires.

CHAIRPERSON BROOKS: Yes, yes. Celebration time.

INTERIM FINANCE DIRECTOR HOSKINS: And then moving on to the Storm Water Revenues and Expenditures. For fiscal year '13 we're projecting a budget of \$1,637,223, a reduction of approximately 4.32 percent. Expenditures, \$4,728,053, and that's -- we'll be appropriating fund balance to fund capital projects for the Storm Water Fund. Some of that is related to the storm water master plan and all those projects they have going on.

UNIDENTIFIED SPEAKER: It's cold.

CHAIRPERSON BROOKS: Okay. Just --

INTERIM FINANCE DIRECTOR HOSKINS: Oh, I thought I was boring you.

CHAIRPERSON BROOKS: No, it is freezing. I have on a sleeve. Okay. Comment from the Chair. Now, what we're gonna do next -- next Monday we meet again. What I want to suggest is that at the beginning of the meeting, whatever questions we had that we did not have time to entertain today, we'll use the first --

COUNCILPERSON: We'll go over it.

CHAIRPERSON BROOKS: -- section of that to go over it. And by no means are we gonna stay more than two hours. I mean, I think we should be able to handle -- you think we need more than two hours?

COUNCILPERSON DAVIS: Whatever it takes.

CHAIRPERSON BROOKS: Well, it -- I agree. But if we've got staff that's coming here at 8:00, 9:00 in the morning, you know, I'm just trying to be sensitive to them, as well, because at some point you just kind of become nonfunctional.

CITY MANAGER JONES: And if -- is it my understanding that from what we've heard, furloughs has been the major issue.

COUNCILPERSON DAVIS: Uh-huh.

CITY MANAGER JONES: And the consistency of furlough --

CHAIRPERSON BROOKS: Uh-huh. One question was on that.

CITY MANAGER JONES: -- was -- was the major issue. There were some other data and information requests.

COUNCILPERSON LOWE: Yeah, furlough --

CITY MANAGER JONES: But that --

COUNCILPERSON LOWE: -- and pension.

CHAIRPERSON BROOKS: From the police department -- I think someone requested from the police department --

COUNCILPERSON DAVIS: Yes.

CITY MANAGER JONES: Their --

CHAIRPERSON BROOKS: -- similar -- uh-huh.

CITY MANAGER JONES: -- overtime as it --

CHAIRPERSON BROOKS: Right.

CITY MANAGER JONES: -- relates to the -- the furlough and --

COUNCILPERSON DAVIS: And put --

CITY MANAGER JONES: -- the impact.

COUNCILPERSON DAVIS: -- sick leave in there, also.

CITY MANAGER JONES: Pardon?

COUNCILPERSON DAVIS: Sick leave included in that.

COUNCILPERSON LOWE: Fire --

COUNCILPERSON: Correct.

COUNCILPERSON LOWE: -- right?

CHAIRPERSON BROOKS: Okay. Amount of sick leave.

COUNCILPERSON DAVIS: Yeah.

CHAIRPERSON BROOKS: Okay. Anything else?

COUNCILPERSON LOWE: Pension, I guess, was something. Was that a question that was --

COUNCILPERSON DAVIS: That's for a workshop.

CHAIRPERSON BROOKS: You're talking about --

CITY MANAGER JONES: That's gonna be a separate --

COUNCILPERSON LOWE: That's for a separate workshop.

CITY MANAGER JONES: -- a separate workshop --

CHAIRPERSON BROOKS: Uh-huh, okay.

CITY MANAGER JONES: -- for the pension.

CHAIRPERSON BROOKS: All right.

COUNCILPERSON: Okay.

CHAIRPERSON BROOKS: But any other questions you certainly could --

CITY MANAGER JONES: Oh, please get them --

CHAIRPERSON BROOKS: -- mail them in to Miss Jones.

CITY MANAGER JONES: You know, anything you think of between now and Friday.

CHAIRPERSON BROOKS: So -- so the department heads will be prepared for the answers. And so --

CITY MANAGER JONES: And we'll get those --

CHAIRPERSON BROOKS: -- we'll do that.

CITY MANAGER JONES: -- out to you. We have a workshop scheduled for next Monday at 5:00.

COUNCILPERSON DAVIS: 5:00.

CHAIRPERSON BROOKS: 5:00, yes.

CITY MANAGER JONES: And we will continue this conversation, as well as begin to talk about the capital --

CHAIRPERSON BROOKS: Okay.

CITY MANAGER JONES: -- for the next -- the five-year capital plan.

CHAIRPERSON BROOKS: Okay.

COUNCILPERSON DAVIS: Gotcha.

CITY MANAGER JONES: Thank you so much.

COUNCILPERSON DAVIS: You're welcome.

CHAIRPERSON BROOKS: You're welcome. And we need --

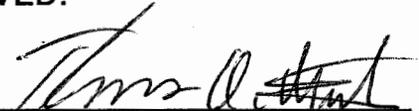
COUNCILPERSON LOWE: All the time you got off last month you're getting it back now, huh?

CITY MANAGER JONES: Oh, yeah. (Unintelligible).

COUNCILPERSON LOWE: A meeting every Monday, you said?

(CONCLUSION OF WORKSHOP)

APPROVED:

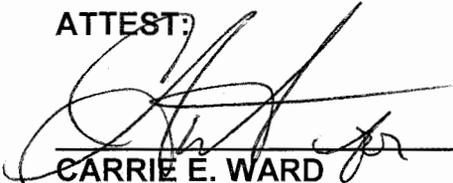


THOMAS A. MASTERS
MAYOR



BILLIE E. BROOKS
CHAIRPERSON

ATTEST:



CARRIE E. WARD
MASTER MUNICIPAL CLERK
CITY CLERK



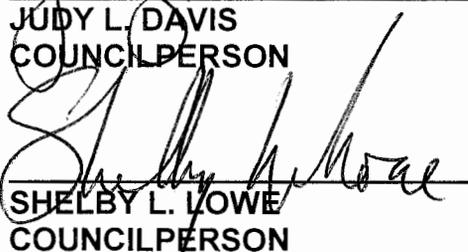
DAWN S. PARDO
CHAIR PRO TEM



CEDRICK A. THOMAS
COUNCILPERSON



JUDY L. DAVIS
COUNCILPERSON



SHELBY L. LOWE
COUNCILPERSON

MOTIONED BY: J. DAVIS

SECONDED BY: S. LOWE

B. BROOKS AYE

D. PARDO ABSENT

C. THOMAS AYE

J. DAVIS AYE

S. LOWE AYE

DATE APPROVED: 10/03/2012

