

# MINUTES BUDGET WORKSHOP

JULY 30, 2009

SMALL CONFERENCE ROOM, ORCHID ISLAND GOLF AND BEACH CLUB  
ORCHID, FLORIDA

## AGENDA ITEM #1 – CALL TO ORDER AND ROLL CALL

**PRESENT:** MAYOR RICHARD DUNLOP  
VICE-MAYOR SUE JOYCE  
COUNCILMEMBER BUD OATWAY  
COUNCILMEMBER BILL TROXELL

**ABSENT:** COUNCILMEMBER PAUL JOHNSON

**STAFF IN ATTENDANCE:** DEB C. BRANWELL, TOWN MANAGER  
TERRI WALLACE, TOWN CLERK

**ALSO IN ATTENDANCE:** MRS. TRISH JOAQUIM  
MRS. NANCY MILSTEN

## AGENDA ITEM #2 – AGENDA MODIFICATIONS, ADDITIONS AND/OR DELETIONS

MAYOR DUNLOP STATED FOR THE RECORD THAT MODIFIED AGENDAS HAD BEEN DISTRIBUTED TO COUNCIL.

## AGENDA ITEM #3 - TOWN COUNCIL'S MATTERS

### **A. PRESENTATION OF PRELIMINARY BUDGET FOR FY 2009 – 2010**

IN EFFORTS TO REDUCE THE EXPENSES FOR FY 2009 – 2010, MAYOR DUNLOP BEGAN THE DISCUSSION BY REITERATING THE AUDITORS' SUGGESTION OF CREATING A SPECIAL ASSESSMENT FOR WASTE MANAGEMENT. TOWN MANAGER BRANWELL STATED SHE HAD CONFERRED WITH THE INDIAN RIVER COUNTY PROPERTY APPRAISER'S OFFICE AND WAS INFORMED THAT CREATING A SPECIAL ASSESSMENT WOULD INITIALLY COST THE TOWN \$100,000 AND APPROXIMATELY THE SAME AMOUNT YEARLY TO MAINTAIN. COUNCIL AGREED THE TOWN SHOULD NOT PROCEED WITH THIS IDEA.

THE MAYOR FURTHER EXPRESSED, IN LIGHT OF THE FACT THAT MARK JUSTICE INDICATED CONSTRUCTION WOULD LIKELY BEGIN ON WINDSOR'S PHASE III IN THE SPRING OF 2010, THE TOWN NEEDED TO PUT IN PLACE A COMMERCIAL PERMITTING FEE STRUCTURE FOR THIS AND ANY FUTURE COMMERCIAL PROJECTS. THE MAYOR ALSO POINTED OUT THAT THE TOWN COULD BE CHARGING A BUSINESS RECEIPT TAX. THE MAYOR ALSO SUGGESTED TO COUNCIL THAT ANY MONIES SPENT PREPARING THE EVALUATION AND APPRAISAL REPORT (E.A.R.) SHOULD BE TAKEN FROM RESERVES.

THE MAYOR THEN CONVEYED HIS THOUGHTS ON THE TOWN STAFF WORK WEEK. IN AN EFFORT TO BE EQUITABLE TO ALL STAFF MEMBERS, THE MAYOR SUGGESTED A FOUR-DAY, FORTY HOUR WORK WEEK (MONDAY – THURSDAY 8-5) WITH FRIDAYS OFF, BUT ONLY PAY FOR A 36-HOUR WORK WEEK. AFTER A BRIEF

DISCUSSION, COUNCIL WAS NOT AMENABLE TO REDUCING THE NUMBER OF STAFF HOURS AND SALARY/WAGES.

THE MAYOR FURTHER STATED THAT THE LEASE FOR THE TOWN ADMINISTRATIVE FACILITY EXPIRES IN DECEMBER 2009. COUNCIL DIRECTED TOWN MANAGER BRANWELL TO APPROACH RAYMOND NICOL (CURRENT LANDLORD) FOR A REDUCTION IN THE MONTHLY RENT. IT WAS DECIDED THAT SHOULD THIS NOT BE POSSIBLE, COUNCIL WOULD EXPLORE OTHER LOCATIONS. MRS. JOAQUIM STATED THAT THE COMMUNITY ASSOCIATION WOULD BE CONDUCTING A STUDY REGARDING THE COMPATIBILITY OF THE TOWN ADMINISTRATIVE FACILITY AND THE A1A CONSERVATION PROPERTY AND THE RESIDENTS WOULD HAVE TO AGREE TO ANY DECISION ON THE LAND.

## **B. DISCUSSION/DECISION OF FY2009 – 2010 PROPOSED MILLAGE RATE**

MAYOR DUNLOP OPENED THIS DISCUSSION WITH TOWN MANAGER BRANWELL'S PROPOSED MILLAGE RATE OF .4700. IN REVIEWING LINE ITEMS IN THE REVENUES, COUNCIL DIRECTED MS. BRANWELL TO INVEST ANOTHER \$300,000 IN SHORT-TERM CDs FOR A TOTAL OF \$500,000 INVESTED, WHICH SHOULD INCREASE THE INTEREST INCOME ITEM TO \$10,000. NEXT, COUNCIL DISCUSSED IMPOSING A BUSINESS TAX RECEIPT FEE. STAFF PROPOSED AN INCREASE IN WORK PERMIT FEES FROM \$15 TO \$20 PER BUSINESS ANNUALLY – COUNCIL AGREED. WITH RESPECT TO BUILDING PERMIT FEES, THERE IS THE POSSIBILITY OF COMMERCIAL CONSTRUCTION, IN THIS FISCAL YEAR, AND COUNCIL AGREED THAT A COMMERCIAL FEE STRUCTURE SHOULD BE PUT IN PLACE.

COUNCIL THEN MOVED ON TO THE EXPENSE SIDE OF THE PROPOSED BUDGET. THE MAYOR PROPOSED THAT THE PLANNING AND ENGINEERING ITEM BE REMOVED AND ANY EXPENSES RELATED TO THE E.A.R. BE TAKEN FROM RESERVES. COUNCIL AGREED.

COUNCILMEMBER TROXELL ASKED IF THE EXPENSES FOR THE TELEPHONE ITEM AND INTERNET-RELATED ITEM COULD BE REDUCED. MS. BRANWELL SAID SHE WAS ALREADY INVESTIGATING THESE.

THE MAYOR ASKED IF THERE WOULD BE AN EXPENSE REDUCTION IF THE TOWN WENT TO ONCE A WEEK TRASH COLLECTION. MS. BRANWELL SAID NOT UNDER THE CURRENT CONTRACT WITH WASTE MANAGEMENT.

THE NEXT ITEM DISCUSSED WAS OFFICE RENT. MS. BRANWELL WAS ASKED TO CONTACT THE CURRENT LANDLORD, RAYMOND NICOL, TO INQUIRE AS TO WHETHER OR NOT HE WOULD REDUCE THE RENT FOR THE UPCOMING OPTION YEAR. IN THE MEANTIME, COUNCIL WOULD EXPLORE OTHER OPTIONS TO RELOCATE THE TOWN ADMINISTRATIVE FACILITY. MRS. JOAQUIM VOLUNTEERED HER HUSBAND, RON, SINCE HE HAS PRIOR EXPERIENCE NEGOTIATING SPACE ON BEHALF OF THE TOWN.

COUNCILMEMBER OATWAY ASKED FOR CLARIFICATION ON THE AD VALOREM RATE THAT WAS ENTERED INTO THE REVENUES. STAFF EXPLAINED THAT ORCHID RESIDENTS TYPICALLY PAY THEIR TAXES AS EARLY AS POSSIBLE TO RECEIVE A FOUR (4%) DISCOUNT ON SAID TAXES. THEREFORE, STAFF HAS TO FACTOR THIS DISCOUNT INTO THE AD VALOREM ITEM.

IN THE PENSION ITEM, COUNCIL SUGGESTED THAT STAFF'S PENSIONS BE DECREASED BY ONE-HALF (FROM 15% TO 7.5%) IN LIEU OF REDUCING STAFF MEMBERS AND/OR HOURS, CUTTING SALARIES AND WAGES, OR FURLOUGHING STAFF. MS. BRANWELL ALSO POINTED OUT THAT A REDUCTION IN STAFF AND/OR HOURS, AT THIS TIME, WOULD PLACE A TREMENDOUS BURDEN ON THE REMAINING STAFF MEMBERS. THIS IS DUE LARGELY TO THE FACT THAT THE RESEARCH AND DEVELOPMENT OF THE E.A.R. WILL REQUIRE A CONSIDERABLE AMOUNT OF TIME OF ALL MEMBERS OF STAFF. AND, MS. BRANWELL ALSO

POINTED OUT THAT SINCE STAFF HAS BEEN CHARGED WITH THE TASK OF COMPILING THE E.A.R., THE TOWN WILL BE REALIZING A SAVINGS OF OVER \$70,000.

COUNCIL MOVED ON TO THE PROPOSED MILLAGE RATE OF .4700. COUNCILMEMBER OATWAY SUGGESTED THE TOWN KEEP THE MILLAGE RATE AT LAST YEAR'S RATE OF .4550 AND COVER THE RESULTING SHORTFALL AT THE END OF THE YEAR WITH RESERVES.

IN THE MAINTENANCE STREET LIGHT ITEM, COUNCIL INQUIRED IF THIS ITEM INCLUDING THE CLEANING AND PAINTING OF ALL OF THE STREETLIGHTS. MS. BRANWELL INFORMED THEM THAT IT DID. COUNCIL DIRECTED HER TO ONLY PAINT THEM ON AN 'AS NEEDED' BASIS.

REGARDING THE BUDGET IN BRIEF, COUNCIL AGREED THAT THIS PUBLICATION WILL BE DISTRIBUTED SOLELY VIA E-MAIL THIS YEAR, ELIMINATING ITS PRINTING AND POSTAGE COST.

TOWN MANAGER BRANWELL ALSO SUGGESTED THAT THE EXISTING PERMITS FEES BE ADJUSTED UP. COUNCIL SUGGESTED SHE EXPLORE THAT. FRANCHISE FEES WERE SUGGESTED TO BE IMPOSED ON COMCAST AND UTILITIES, BUT COUNCIL DECIDED AGAINST THEM.

**C. CONFIRM DATES FOR:**

**1. TENTATIVE BUDGET HEARING**

COUNCIL CONFIRMED THE TENTATIVE BUDGET HEARING DATE OF SEPTEMBER 4, 2009, AT 5:01 PM. PRIOR TO THIS MEETING, THERE WILL BE A TOWN COUNCIL MEETING CONVENING AT 4:45 PM.

**2. FINAL BUDGET HEARING ADVERTISEMENT**

COUNCIL DEFERRED TO STAFF TO SCHEDULE THIS PUBLICATION. THE FINAL BUDGET HEARING ADVERTISEMENT WILL RUN SEPTEMBER 7, 2009.

**3. FINAL BUDGET HEARING**

COUNCIL CONFIRMED THE FINAL BUDGET HEARING DATE OF SEPTEMBER 11, 2009, AT 5:01 PM. PRIOR TO THIS MEETING, THERE WILL BE A TOWN COUNCIL MEETING CONVENING AT 4:45 PM.

**GENERAL DISCUSSION ITEMS**

**A. E.A.R. MAJOR ISSUE (ANNEXATION) DISCUSSION / DIRECTION**

IT WAS DETERMINED BETWEEN COUNCIL AND STAFF THAT ANNEXATION IS THE MAJOR ISSUE TO BE ADDRESSED IN THE E.A.R.

**B. TOWN STAFF PARTICIPATION IN PROSECUTION OF JUVENILE TRESPASSING – COUNCILMEMBER OATWAY**

THE MAYOR ASKED COUNCILMEMBER OATWAY IF HE WISHED TO FURTHER DISCUSS THIS SUBJECT AND COUNCILMEMBER OATWAY DECLINED.

**C. CAPITAL IMPROVEMENTS ELEMENT YEARLY UPDATE**

TOWN MANAGER BRANWELL INFORMED COUNCIL THIS ORDINANCE MUST BE UPDATED YEARLY AND, ON THE ADVICE OF COUNSEL, SHOULD BE HANDLED AT THE TENTATIVE AND FINAL BUDGET HEARINGS. COUNCIL AGREED.

**AGENDA ITEM #6 – PUBLIC COMMENT**

THERE WAS NO PUBLIC COMMENT.

**AGENDA ITEM #7 – ADJOURNMENT**

THE MEETING WAS ADJOURNED AT 11:26 AM.

APPROVED AT THE September 4, 2009, TENTATIVE BUDGET HEARING.

*Terri Wallace*  
TERRI WALLACE  
TOWN CLERK

