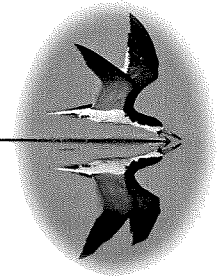


Town of Indian Shores



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TOWN COUNCIL WORKSHOP

MINUTES - JULY 23, 2013

INDIAN SHORES TOWN COUNCIL WORKSHOP MEETING convened at 2:00 P.M. Those present were Mayor Lawrence, Vice Mayor Smith, Councilor Herndon, Councilor Sutch and Councilor Irelan.

Also Present: Marcia Grantham, Town Clerk; Mary Karayianes, Director of Finance; Lisa Robinson, Director of Finance Trainee; Ian Boyle, Government Relations Mgr., Waste Services; Anne Miller; Art Newsome; Steve Uhlhorn; Chris Guinn, Reporter.

- 1. Discussion of request from Waste Services to modify rate increase in Contract for the purpose of unfreezing rate increase for year 2015, and apply CPI rate increase to 2014 and 2015, rather than a retro-active rate increase for year 2013.**

Mayor Lawrence reported that about 4 years ago as an incentive for the Town to renew its Contract for a 6 year period Waste Services proposed no rate adjustment for years 2010, 2011, 2012 and 2015, with CPI adjusted rate increases to apply for years 2013 and 2014.

Mayor Lawrence further reported however that the rate increase for 2013 was inadvertently overlooked, and in talking with the Town Clerk, Waste Services proposed the increase be retro-active to 1/1/2013. However, it was felt this would not be fair to the residents, and Mr. Boyle with Waste Services proposed to unfreeze the CPI in the final year (6), and adjust the rate for year 5 (2014) and year 6 (2015).

Mr. Ian Boyle, Waste Services, thanked the Council for their time and reported over the last year and a half Waste Services has merged with other companies and now are the third largest in the country, and will gradually be changing names on their trucks, and will be known as Progressive Waste Solutions.

Mr. Boyle apologized for not putting in for the rate increase, citing all the efforts and increased workload in organizing a smooth merger for everyone.

James J. Lawrence
Mayor

William F. Smith
Vice Mayor

Carole Irelan
Councilor

Steve Sutch
Councilor

Joan G. Herndon-Parrott
Councilor

E.D. Williams
Chief of Police/
Administration

Mary Karayianes
Director of Finance
and Personnel

Marcia Grantham
Town Clerk

Robert J. Metz, Jr.
Town Attorney

Steve Andrews
Building Official

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Mr. Boyle reported that fuel is their biggest cost. **Mr. Boyle** cited the CPI indicators for May was 2.2 and for June was 1.9, and stated they were requesting a 2% increase. **Mr. Boyle** distributed a matrix reflecting current rates and the rates reflecting the 2% CPI.

Mayor Lawrence stated he wished to clarify the change pointing out if it had been submitted on time the increase would have been about 2%, and questioned what if in year 6 the CPI would be 10%, which should have been a freeze year.

Mr. Boyle responded that he did not anticipate that happening, but could not know that now.

Mayor Lawrence stated he felt the fair thing to do for the residents would be to propose a 2% CIP increase for 2014 and 2015, at this time. **Mr. Boyle** concurred with the recommendation by **Mayor Lawrence**.

It was a consensus of the Council members for Waste Services, (Progressive Waste Solutions), to impose a 2% CPI increase covering year 2014 and year 2015 under the Town's present Contract.

Mr. Boyle thanked Council members for their effort and time in this matter, stating they pride themselves in providing good customer service and working with municipal cities. **Mr. Boyle** stated he would be looking into concerns expressed by a couple of residents in the audience who had spoken with him.

2. Review/discussion of proposed Budget for FY 2013/2014.

Mary Karayianes, Director of Finance, addressed her Memo dated July 23, 2013, advising that a consensus is needed for the proposed millage rate, reporting the Town's total assessed value if \$644,963,529.00, which is an increase of 3.86% over last year.

The Director of Finance stated the Budget presented for FY 13/14 is a balanced budget and reviewed her Memo, as follows:

Property Value Assessment History Chart - Page 5.

Specific sections of the Budget reflected - Page 6.

Personnel Totals - Page 16.

A. Included 3% COLA for employees.

B. Budgeted 3% merit increase, so once Evaluations are received employees can receive UP to a 3% merit increase.

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Operating Expenses - Noted Operating Expenses have increased, and included copies of various Maintenance Agreements. Included a 3 year historical review of the Budget process.

Revenue – Page 8

Budgets for Each Department – Pages 10 – 16.

General Fund Summary – Page 16.

Road & Bridge Fund – Page 17.

CIP Revenue – Page 18.

CIP Expenditures – Page 19.

Staff Recommendation – Page 9.

A. Recommend the Town's millage be maintained at 1.8700.

B. If the millage is set at the rolled back rate of 1.8043, then \$41,103 deficit can be taken from unrestricted fund balance.

Vice Mayor Smith questioned whether Fund Balance grew last year. **The Director of Finance** responded that it did grow, as \$245,000.00 was added to Fund Balance for FY 11/12.

Mayor Lawrence stated there were some areas where Council members needed to consider and come to some determination, as follows:

1. **Mayor Lawrence** asked if all agree that after about a 5 year hiatus from raises for employees, whether they concurred with the proposed 3% COLA for employees.

All Council members concurred with the proposed 3% COLA for employees.

2. **Mayor Lawrence** asked if all agree that the Town should reinstate merit increases.

All Council members concurred with proposal to reinstate merit increases.

3. **Mayor Lawrence** asked if the rolled back rate is 1.8043, and if we use a 1.8700 millage rate, do we need a two-thirds vote. **The Director of Finance** stated you would not need a two-thirds vote, however by using the 1.8700 rate it would have to advertised as a tax increase, because anything above the rolled back rate is an increase.

4. **Mayor Lawrence** asked Council members if everyone was alright with using the 1.8700 millage rate, or, would anyone prefer to take funds from Fund Balance.

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Each Council member individually stated they were comfortable with using a millage rate of 1.8700.

Mayor Lawrence stated the Indian Shores millage was only about 8 ½ % of the property owners total property tax bill, and he concurs with Council members on using a millage rate of 1.8700, pointing out over the past few years funds were taken from Fund Balance to maintain a constant millage rate.

The Director of Finance reported that once the millage is determined by Council, it can go lower, but it cannot go higher.

The Director of Finance responded to a question relative to the increase in operating expenses, noting some personnel costs had been moved into operating expenses, and you could not compare it with the costs of 5 years ago.

Vice Mayor Smith reported the FSBPA would be holding their annual conference in Delray Beach, September 25-27, 2013, and he would be registering to attend.

INDIAN SHORES TOWN COUNCIL WORKSHOP MEETING adjourned at 3:00 P.M.


MARCIA GRANTHAM, CMC
Town Clerk