

**TOWN OF MELBOURNE BEACH
TOWN COMMISSION
Special Call Meeting
Tuesday, March 30, 2010- 7:00 PM
Community Center – 509 Ocean Avenue**

MINUTES

I. CALL TO ORDER

II. ROLL CALL

Present were:

Mayor Karpie
Commissioner Price
Commissioner Evans
Commissioner Marshall

Vice Mayor Tennant was absent from this meeting.

The meeting started at 6:30 pm.

III. PLEDGE OF ALLEGIANCE AND A MOMENT OF SILENCE

Commissioner Price led the Pledge of Allegiance at the first special call meeting held at 6:30.

IV. PUBLIC HEARINGS

None

V. OLD BUSINESS

None

VI. NEW BUSINESS

Discussion and possible action regarding the preparation of a general fund budget amendment to provide funds for various expenditures as follows: Legislative Department (\$45,000), replacement of computer workstations (\$22,433) and replacement of the pedestrian crosswalk signals at Oak Street and Ocean Avenue (7,927).

Town Manager Bursick explained that a general view of the financial statement and revenue and expenditures report shows that general fund revenues are coming in consistent with projections. He stated that normally if you adjust or amend the general fund revenues because there's a projected shortfall for the year in turn you would adjust your appropriated fund balance or reserves or reduce the expenses accordingly. He stated that overall the general fund revenue looks ok at this point in the year. He stated that expenses also look consistent with the budget. He said that he has identified three (3) items for the Town Commission to consider as an amendment to the general fund budget. Those three (3) items are as follows:

1. To cover various expenditures in the Legislative Department costing roughly \$45,000.
2. Replacement of computer work stations for Town Hall, Fire Department and Police Department costing roughly \$22,433.
3. Replacement of pedestrian crosswalk signals at Oak Street and Ocean Avenue costing roughly \$7,927.

Mayor Karpie suggested looking at all three items individually and voting on them separately.

Commissioner Marshall said that the Town took \$132,000 out of the reserve to balance the budget and now we are asking to take more which brings it close to \$200,000 to balance the budget.

The first item to be discussed was the Legislative Department budget.

Commissioner Evans said that she understood the expenses for former Town Clerk Tina Hoffkins but she wanted to know what the item listed as "benefits" entailed.

Jane Antonsen, Finance Director, said that it included pension payments to the Florida Retirement System, FICA and Medicare.

Commissioner Evans asked if that was rolled into the \$9,600 listed at the top of the page.

Ms. Antonsen stated no, that amount was just salary.

Commissioner Evans wanted to know why the Computer Experts expenses were coming out of the Legislative budget.

Ms. Antonsen replied that it was to revise passwords and to analyze computer logs that were requested to see whether there was unauthorized access to the server.

Commissioner Evans said that the training for the Interim Town Clerk was not going to be as much as scheduled because Town Clerk Danielle found an alternate source that was free to get the training.

Ms. Antonsen said that she took the charge for the seminar out.

Commissioner Evans said that the website training that was paid for initially should have included everyone in the Town Hall to help maintain the website but the former Town Clerk didn't do her job and cross train. Commissioner Evans also wanted to know how much the consultant fees for Karan Rounsavall had cost to date.

Ms. Antonsen said roughly \$1,000 - \$1,500 to date.

Commissioner Evans stated that Ms. Rounsavall shouldn't need to spend the amount of time to add up to the \$20,000 budgeted for her services.

Finance Director Antonsen said that the Town requested that amount which had been authorized by the Commission so we wouldn't have to go back and change the budget again if the amount was needed.

Commissioner Price made a motion to appropriate \$45,000 as requested as outlined in the memorandum from the finance director. The \$45,000 is made up of Ms. Hoffkins three months payment (\$9,967.86), Ms. Hoffkins payout (\$1,616.31), Ms. Hoffkins cobra (\$1,842.00), Town Clerk Danielle's overtime (\$1,508.87), benefits (\$2,588.38), attorneys to date (6,094.92), computer consultants to date (1,270.00), job posting/interview costs for new clerk (no cost listed), additional training for certification (1,951.00), website training (\$925.00) and the cost for the consultant (\$20,000).

Commissioner Evans seconded the motion.

Commissioner Marshall asked how much money was in the contingency fund.

Finance Director Antonsen replied almost all of it. She stated that the Town has spent \$2,500 out of \$50,000 for engineering of a storage facility.

Commissioner Marshall stated that if they have to go through some of this tonight she would like it to come out of the contingency fund instead of reserves.

Commissioner Price said to Commissioner Marshall that this is separate from the contingency fund. This is a request to budget items that we have already approved so they will be legal. We have already paid out most of these amounts. He said that the contingency fund is part of the budget that we approved last year. A budget is a spending plan not the act of spending money. He stated that we have a spending plan that allows for unforeseen things and we will now have a spending plan for extraordinary expenses that we have already authorized. Some of them are projected but some are hard fact. Commissioner Price stated that the Town would save consultant fees if we manage them and the Town could save in the contingency fund if we manage that as well. He said in order for administration to function they need authorization to spend money. The Commission must approve a budget for these expenditures. Management can curtail those expenditures and have savings in those areas and the Mayor is trying to come up with the

most savings as possible when it comes to the consultant. The Town Manager spends only when something comes up. He said that you now have a spending plan and this meeting is making a budget for these items which the Commission has already approved.

Mayor Karpie stated that the Town is preparing an ordinance to remove funds from general fund reserves and not just to authorize the payment of money that's already been budgeted.

Commissioner Price said that he stood corrected. He stated that this is not an ordinance to remove money. This is an ordinance to commit money from the general fund. The only place we have money to commit is in our general fund. Management is in charge of spending money and they can't spend without the Commission's approval.

The Town Manager said that would be a correct assessment. He stated that that what the Town is asking for is that part the general fund reserves be appropriated so there's a budget in place to make these payments which in many cases have already been authorized, but not in all cases.

Commissioner Evans stated that the computer consultant and web site training should not come out of the Legislative budget. The consultant fees are all in excess of what's necessary. We authorized a consultant for 500 hours. The Town Clerk has submitted a plan of education that will not cost the Town on certain areas of training. She stated that we don't need to remove money from the general fund at this point in time because we have money in our budget to cover these expenditures.

Commissioner Price stated that we may have money in the budget but that's not what it's about. It's about authorization to spend money for these purposes.

Commissioner Marshall asked Finance Director Antonsen if there was any way that they can pay for it out of the budget this year.

Ms. Antonsen said that we have a tight budget.

Commissioner Marshall said that if everything goes through it will be almost \$200,000 out of the reserves and we're only 6 months into our budget. She felt it would be a long road ahead for them to address and maybe they should wait to do the storage facility.

Commissioner Price stated that we've already budgeted for the storage facility and we're not here to cut the budget. We're here to approve the extraordinary expenditures that popped up. He said that at the end of the year when the Town got audited they spent less than the \$130,000 than was planned. That \$130,000 didn't disappear, that money is still in the bank account and everything on here the Commission has previously authorized all the items on the Town Managers request. He said that we're trying to impose control and we must budget what we authorize.

Commissioner Marshall said that she just doesn't want the general fund touched. It is our reserve for disaster.

Commissioner Price stated that this amendment is for items that we have already approved.

Commissioner Evans agreed with Commissioner Price and stated that we were not asked to shift money around in the budget. She said that the Town hasn't even spent half of the amount requested. They are simply asking us to authorize officially these expenditures we have already legally committed to. We are trying to do some housekeeping to keep it all legal.

The Mayor opened discussion to the public.

Gail Gowdy, 215 Ash Avenue, said that this was labeled as a semi-annual budget review and that means that you review everything. She said that what the Commission was doing is appropriating funds that we hold in reserve. She said that the Commission has an obligation to us to start cutting areas. She asked that they don't take from the reserves.

Latricia Langford, 407 Third Avenue, said she was appalled that \$20,000 was allocated to a consultant to assist the Town Clerk. She said she was delighted to heart that the Commission wants to reduce the \$20,000 to something realistic. She said that \$20,000 is half of what the full time Town Clerk makes in a year. Allocating that amount of money is not fiscally responsible. She stated that she hopes that the Commission reduces the need for an outside consultant to a bare minimum.

Steve Walters, 416 Sixth Avenue, stated that in 23 years he was employed you budget for worse case scenarios and there has never been a time in that 23 years that the Town didn't have money left over. He said that he agrees with the Mayor and Commissioner Marshall saying that there's \$50,000 in the contingency fund and that is for things you don't expect to happen. He stated that all of those items could come from the contingency fund but there's not quite enough. He said that he agreed with the Mayor when she said that the money hasn't been spent and you can move it from the contingency plan to somewhere else.

The Mayor called the vote. The vote was 3-1 in favor of passing the motion in the amount of \$45,698.84. Commissioner Marshall voted nay.

The next item to be discussed was the replacement of computer work stations for Town Hall, Fire Department and Police Department.

Commissioner Marshall made a motion for replacement of computer workstations in the amount of \$22,433 for discussion only.

Commissioner Evans seconded the motion.

Commissioner Marshall stated that this was budgeted for next year and that she would prefer for this item to go in next year's budget. She feels that it could be put on hold for another few months.

Mayor Karpie said that there was no mention of a partial replacement or possible upgrading and wanted to know if that had been investigated.

Ms. Antonsen said that after consulting with the computer consultants they decided that it would be more efficient to do it all at once. She stated that the Town employees have been having intermittent problems with newer versions of software that can't be opened. She suggested it be done all at once to have the system work well within itself.

Commissioner Marshall concurred with Ms. Antonsen and agreed that it would be in the best interest to do it all at once.

Commissioner Price cautioned the Commission about being penny wise and pound foolish. The computer workstations are critical to the efficiency and productivity of any operation. No one here would endure putting obstacles up to block our efficiency and productivity. \$22,433 is an investment that we know we're going to have to make. There is no good reason to defer this amendment for six months. He said if the Commission defers this we will have established an obstacle to productivity and efficiency for the Town employees.

The Mayor opened up discussion from the public.

Steve Walters, 416 Sixth Avenue, stated that everything comes from the general fund and as a tax payer our Town Manager is here today because something is coming up the road that will take a big chunk out of it such as the solid waste bid protest. He stated that the \$50,000 may already be spent or plan to be spent in the future.

Gail Gowdy, 215 Ash Avenue, said that she would caution more spending being done because somebody hasn't been planning and organizing the budget in the right way and somebody needs to be accountable.

The Mayor called the vote. The motion failed 3-1.

The next item to be discussed was the funds to replace pedestrian crosswalk signals at Oak Street and Ocean Avenue in amount of \$7,927.00.

Commissioner Marshall made a motion to replace pedestrian crosswalk signals at Ocean Avenue and Oak Street in the amount of \$7,927.

The Mayor seconded the motion.

The Mayor asked if this contract existed with the County and if this was a request of a bid process and where the benefit comes from since it is not required until 2013.

Town Manager Bursick replied that was correct and those prices were a result of a bid process of what Brevard County projected. He stated that at this point in time the bulbs are burnt out in the pedestrian crosswalk signals and the County won't replace that type of bulb. He said that they only use LED and we need to replace heads and countdown type pedestrian signals seen throughout.

Commissioner Marshall asked if County refused to put LED bulbs in.

Town Manager Bursick replied that it's a state road but they turned it over to the municipality so therefore the Town has to maintain it. In the event of a disaster it would be our responsibility.

Commissioner Price said that the good news is that we only have one traffic light in the Town.

Commissioner Evans wanted to know whether we were talking about crosswalk lights, of which we have four.

Town Manager Bursick answered that the Town also maintains traffic signals.

Commissioner Marshall asked what the maintenance fee was and if it was paid for by the month or by the year.

Town Manager Bursick replied it's on a as call basis because we have a contract to pay as you go.

The Mayor called the question. The vote was 4-0 with all in favor of passing the motion.

VII. ADJOURNMENT

Commissioner Price made a motion to adjourn.

Commissioner Marshall seconded the motion.

The meeting adjourned at 7:39 pm.

Mayor Rita Karpie

Interim Town Clerk Rhonda Danielle

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