

**SPECIAL MEETING
SEPTEMBER 13, 2010**

A Special Meeting of the City Commission of the City of Delray Beach, Florida, was called to order by Mayor Nelson S. McDuffie in the Commission Chambers at City Hall at 7:00 p.m., on Monday, September 13, 2010.

Roll call showed:

Present - Commissioner Gary P. Eliopoulos
 Commissioner Fred B. Fetzner
 Commissioner Adam Frankel
 Commissioner Angeleta E. Gray
 Mayor Nelson S. McDuffie

Absent - None

Also present were - David T. Harden, City Manager
 Robert A. Barcinski, Assistant City Manager
 Brian Shutt, City Attorney
 Chevelle D. Nubin, City Clerk

Mayor Nelson S. McDuffie called the special meeting to order and announced that it had been called for the purpose of considering the following Items.

1. **RESOLUTION NO. 49-10 (TENTATIVE MILLAGE LEVY):** A resolution tentatively levying a tax on all properties within the City of Delray Beach for operation and maintenance and for payment of principal and interest on bonded indebtedness for FY 2011.

The caption of Resolution No. 49-10 is as follows:

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF DELRAY BEACH, TO TENTATIVELY LEVY A TAX ON ALL PROPERTIES WITHIN THE CITY OF DELRAY BEACH, FLORIDA, FOR MAINTENANCE AND OPERATION, AND TO TENTATIVELY LEVY A TAX FOR THE PAYMENT OF PRINCIPAL AND INTEREST ON BONDED INDEBTEDNESS, AND TO ALLOCATE AND APPROPRIATE SAID COLLECTIONS THEREUNDER.

(The official copy of Resolution No. 49-10 is on file in the City Clerk's office.)

A public hearing was held having been legally advertised in compliance with the laws of the State of Florida and the Charter of the City of Delray Beach, Florida.

Mr. Brian Shutt, City Attorney, stated the tentative operating millage rate is 7.4100 which is 8.93% below the rolled-back rate of 8.1366.

Mr. David T. Harden, City Manager, stated he would like to update the Commission on where we are with the budget at this point. He stated the projected revenues at the 2010 millage rate of 7.19 are \$92,905,790; and at the tentative rate of 7.41, the revenues are \$94,216,610. Each one-tenth (1/10) of a mil equals \$595,830. He reiterated that Commission cannot increase the millage rate at this point but can reduce the rate further this evening or at the meeting on September 21, 2010. He stated what is needed at this time to get to 7.19 mils is \$3,800,000 and to get to 7.41 mils is \$2,688,000. He discussed the monies that would go to the Community Redevelopment Agency (CRA) at both millages; and informed Commission of various options for reducing the budget.

Mayor McDuffie declared the public hearing open.

Steve Blum, Antilles Homeowners Association Venetian Drive asked about the items that are being presented and stated we have two (2) or three (3) weeks to go before this is finalized. He asked why this has not been worked on for six (6) or eight (8) months; and can collective bargaining be done now to reduce costs or is this a done deal. The City Manager explained contracts, pensions and VEBA regarding the Police Department and Fire Department. He suggested a chart to give the public some idea of what really can be done. The City Manager stated staff has been working on the budget since February or March.

Christina Morrison Pearce, Financial Review Board, stated Mr. Harden is her rock star and that Mr. Blum is not aware of all that Mr. Harden has done to cut the budget over the year. She urged Commission to look at pension fund changes for new and future employees. She asked about rearranging staffing for the non-peak season and asked about dispatch and what we pay to the county for dispatch. Mr. Harden explained how county fire dispatch works and stated we lost the lawsuit regarding this.

Ron Hawke, a resident for 50 years and lives in Andover, discussed his taxes and stated he does not have a pension plan. He discussed civil service. He asked Commission to keep in mind what small businesses are going through. He stated there has to be some cuts and hard decisions.

Mrs. Gray asked about the impact of the freeze on the Assistant City Attorney position. Mr. Brian Shutt, City Attorney discussed the workload of his staff. He stated response times may not be as fast as they were in the past. He stated it is something they can work through. In addition, she asked Mr. Harden to explain the difference between what can or cannot be done regarding the Police Department, Fire Department and general employee pension plans. The city manger explained the difference between the plans. She is in support of what Mr. Harden has proposed regarding the budget.

Mr. Frankel asked how much will come from reserves. The city manger stated 1.5 million will come from reserves for capital projects. Mr. Frankel stated going through the list was very difficult and there was a large effort on behalf of staff but he would like to see more cuts to get the budget down to 7.19 mils. He stated any perception that efforts are not being done is incorrect in his opinion.

Mr. Fetzner stated that he agrees with most of the public comments. He stated he was pleased to see more alternatives presented this year than in the past.

He recognizes that several of the issues require collective bargaining and stated he thinks we have an obligation to hold the line on property taxes this year and he will not support increasing the millage rate over last year's rate of 7.19. He feels we have enough alternatives to make that happen.

Mr. Eliopoulos stated he agrees with Mr. Frankel and Mr. Fetzer. He stated you start to learn a lot about the process after having been in office for a number of years. He stated we have a lot more options this year. Collective bargaining is always tough. He stated with regard to working on those numbers for collective bargaining, he is worried about tapping into reserves and that general employees will take the bigger hit. Mr. Eliopoulos commented about the 3% match. Mr. Harden stated there is a difference with collective bargaining between the public and private sectors. Mr. Eliopoulos stated he does not support deleting the increase in Fire Station No. 2 Staffing or closing down the Swim and Tennis Club pools. He agrees that we need to set the millage rate at 7.19.

Mayor McDuffie stated staff has done a great job this year versus last year. He stated some of the cuts we cannot impose immediately. He asked about reserves. Mr. Harden discussed how we plan to approach collective bargaining. Mayor McDuffie echoed what Mr. Frankel stated regarding the tremendous input from employees and stated staff has done a great job. This has been a much better budget year. He discussed property values and stated this makes their job more difficult and cuts a bit more dramatic. We should not be imposing tax increases upon anyone and he wants to strive to get down to 7.19 mills.

Mrs. Gray asked if the sheet of recommendations by Mr. Harden is this the way we propose to get to 7.19 mills.

Mayor McDuffie stated if everyone could agree on the sheet tonight then Commission can vote on it.

Mr. Fetzer stated we set a preliminary millage rate of 7.41 because of our deadline with the county and this was misinterpreted by residents as what Commission had settled on and that was not the case. That particular rate was a not to exceed rate that we can lower up until September 21, 2010. He stated he is ready to set the bar at 7.19 mills tonight.

Mr. Fetzer moved to approve the tentative millage rate at 7.19 mills, seconded by Mr. Frankel. Upon roll call the Commission voted as follows: Mr. Fetzer – Yes; Mr. Frankel – Yes; Mrs. Gray – Yes; Mayor McDuffie – Yes; Mr. Eliopoulos – Yes. Said motion passed with a 5 to 0.

2. **RESOLUTION NO. 50-10 (TENTATIVE MILLAGE LEVY/DDA):** A resolution tentatively levying a tax on all properties within the Downtown Development Authority Taxing District of the City of Delray Beach for FY 2011.

The caption of Resolution No. 50-10 is as follows:

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF DELRAY BEACH, TO TENTATIVELY LEVY A TAX ON ALL PROPERTIES WITHIN THE DOWNTOWN DEVELOPMENT AUTHORITY TAXING DISTRICT OF THE CITY OF DELRAY BEACH, FLORIDA, FOR MAINTENANCE AND OPERATION, AND TO APPROPRIATE SAID COLLECTIONS THEREUNDER.

(The official copy of Resolution No. 50-10 is on file in the City Clerk's office.)

A public hearing was held having been legally advertised in compliance with the laws of the State of Florida and the Charter of the City of Delray Beach, Florida.

Brian Shutt, City Attorney, stated the proposed tentative millage rate of 1.0000 for the Downtown Development Authority (DDA) is 10.04% below the rolled-back rate of 1.1116.

Mayor McDuffie declared the public hearing open. There being no one from the public who wished to address the Commission regarding Resolution No. 50-10, the public hearing was closed.

Mr. Eliopoulos moved to approve Resolution No. 50-10, seconded by Mr. Frankel. Upon roll call the Commission voted as follows: Mr. Frankel – Yes; Mrs. Gray – Yes; Mayor McDuffie – Yes; Mr. Eliopoulos – Yes; Mr. Fetzer – Yes. Said motion passed with a 5 to 0.

3. **RESOLUTION NO. 51-10 (TENTATIVE BUDGET ADOPTION FOR FY 2011):** A resolution tentatively making appropriations of sums of money for all necessary expenditures of the City of Delray Beach for the period October 1, 2010 through September 30, 2011.

The caption of Resolution No. 51-10 is as follows:

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF DELRAY BEACH, FLORIDA, MAKING TENTATIVE APROPRIATIONS OF SUMS OF MONEY FOR ALL NECESSARY EXPENDITURES OF THE CITY OF DELRAY BEACH FOR THE PERIOD FROM THE 1ST DAY OF OCTOBER, 2010, TO THE 30TH DAY OF SEPTEMBER, 2011; TO PRESCRIBE THE TERMS, CONDITIONS AND PROVISIONS WITH RESPECT TO THE ITEMS OF APPROPRIATIONS AND THEIR PAYMENT; AND TO REPEAL ALL RESOLUTIONS WHOLLY IN CONFLICT WITH THIS RESOLUTION AND ALL RESOLUTIONS INCONSISTENT WITH THIS RESOLUTION TO THE EXTENT OF SUCH INCONSISTENCY.

(The official copy of Resolution No. 51-10 is on file in the City Clerk's office.)

A public hearing was held having been legally advertised in compliance with the laws of the State of Florida and the Charter of the City of Delray Beach, Florida.

Mr. Fetzer asked if this could be approved tonight and he anticipates that we will make other line item changes to the budget.

The City Attorney provided direction regarding the adoption of the budget.

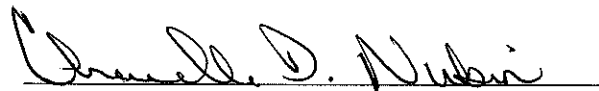
Mayor McDuffie declared the public hearing open.

A person from the audience inquired about property taxes. Mayor McDuffie provided an explanation.

There being no one else from the public who wished to address the Commission regarding Resolution No. 51-10, the public hearing was closed.

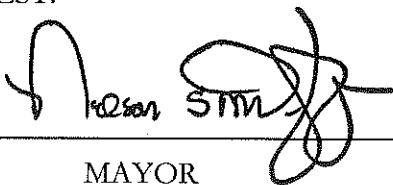
Mr. Eliopoulos moved to approve Resolution No. 51-10 as recommended by Mr. Harden subject to further adjustments to the budget to get to 7.19 mils, seconded by Mr. Frankel. Upon roll call the Commission voted as follows: Mrs. Gray – Yes; Mayor McDuffie – Yes; Mr. Eliopoulos – Yes; Mr. Fetzer – Yes; Mr. Frankel – Yes. Said motion passed with a 5 to 0.

Mayor Nelson S. McDuffie adjourned the Special Meeting at 7:59 p.m.



City Clerk

ATTEST:



MAYOR

The undersigned is the City Clerk of the City of Delray Beach, Florida, and the information provided herein is the Minutes of the Special Meeting of the City Commission held on Monday, September 13, 2010, which Minutes were formally approved and adopted by the City Commission on October 5, 2010.


City Clerk

NOTE TO READER: If the Minutes you have received are not completed as indicated above, this means they are not the official Minutes of the City Commission. They will become the official Minutes only after review and approval, which may involve amendments, additions or deletions to the Minutes as set forth above.

