SPECIAL MEETING BUDGET WORKSHOP OF
THE CRA AND THE STUART CITY COMMISSION
HELD ON JULY 18, 2011
AT 4:30 P.M. IN THE CITY COMMISSION CHAMBERS
121 S.W. FLAGLER AVE.
STUART, FLORIDA 34994

CITY COMMISSION
Mayor Jeffrey A. Krauskopf
Vice Mayor James A. Christie, Jr.
Commissioner Eula R. Clarke
Commissioner Troy A. McDonald
Commissioner Michael J. Mortell

COMMUNITY REDEVELOPMENT AGENCY
Chairperson Jeffrey A. Krauskopf
Vice Chairperson James A. Christie, Jr.
Board Member Eula R. Clarke
Board Member Troy A. McDonald
Board Member Michael J. Mortell
Board Member Johnnie Bell
Board Member Samia Ferraro

Also in attendance were:
City Manager, Paul Nicoletti
City Attorney, Michael D. Durham
City Clerk, Cheryl White
CRA Administrator Theresa Lamar-Sarno

PUBLIC COMMENT

Representatives of the Business Development Board Don Cuozzo, and Chrystal Stiles came forward and gave a visual presentation to the City Commission, Community Redevelopment Agency and public regarding the partnership with the City of Stuart and their mission as well as deliverables. She encouraged the City continue its $10,000.00 contribution annually by the CRA, and the $15,000.00 by the City. She said the funds are critical to the success.

Board Member Samia Ferraro stated she looked at their website and noticed there were a number of businesses and storefront seem to be vacant especially along Colorado Ave and are not represented on the map. She felt they should be represented and asked how they can help get that done.

Chrystal Stiles explained that they have identified that as well and would like to work with the City and CRA to cultivate this effort. She said if you know of a building that is vacant to please contact their staff, and they will contact the realtor or owner.

MOTION: BOARD MEMBER MCDONALD: MOVED APPROVAL TO REALLOCATE THE FUNDS TO THE BUSINESS DEVELOPMENT BOARD RECCOMENDATION BY THE COMMUNITY REDEVELOPMENT AGENCY TO THE CITY COMMISSION.
SECOND: BOARD MEMBER MORTELL
ROLL CALL

CHAIRPERSON KRAUSKOPF	YES	VICE CHAIR CHRISTIE	YES
BOARD MEMBER CLARKE	YES	BOARD MEMBER MCDONALD	YES
BOARD MEMBER MORTELL	YES	BOARD MEMBER BELL	YES
BOARD MEMBER FERRARO	YES		

DISCUSSION AND DELIBERATION

1. **Update FY 2012 General Fund, CRA, and Other Funds**

Mary Hutchinson came forward to remind the Board of the cost associated with major events in Stuart. She explained that the City is very fortunate of the non profits in Stuart. She asked that the CRA remember those traditional events which are very important to the citizens.

City Manager Nicoletti and Financial Services Director Dorothy Zaharako gave a presentation to the Board and public regarding the proposed budget. City Manager Nicoletti noted the following recommendations:
City is recommending including a 3% increase to employees to offset the loss from the retirement contribution that the employees are mandated to pay.
He also noted that the City was contacted by Cigna who is proposing a 30% premium increase to the City. He said the City is looking at participating with Martin County in their employee health clinic, which has a cost to it but by utilizing the clinic the City would save claims in the long run. He also noted the City is strictly regulating overtime cost citywide. He said the city not include in next year's budget employee tuition reimbursement. Added employee appreciation amounts of $500.00 for those who make over $50,000 and $1000.00 for those who make under that amount, and also recommending the 3-day furlough program.

City Manager Nicoletti stated the City needs to enter into an interlocal agreement with Martin County North Little League by October 1, 2011, so they can take the fields over. He noted that he and Mark Rodgers have been working together on the matter.

Dottie Zaharako, Financial Services Director explained in detail the proposed budget.
*There is no millage increase.
*The CRA had a reduction of 18% on the revenues, and overall the assessed values reduction of a little bit more of 9%.
* Reduction in Electric Utility Franchise Fees.
*Increase in Florida Sales Tax Revenues.
*Use of the hurricane reserves $250,000.00 in 2011 and an additional $200,000.00 in 2012.
*Indirect cost allocation to include Public Works.
*Reduced the contribution to CRA.
*Savings from early separation and early retirement.
*Personnel cost decrease to the employer for the FRS pension contribution.
*FRS contributions were reduced for the employer, and there was an increase in contribution by the employee.

Mayor Krauskopf asked if the legislature adopted the FRS changes through 2016, and at 2016 there going to take a relook at this, is that correct.

Dottie Zaharako stated that it could have been in the documentation through 2016 but if you look at statute there is only two years there, 2012, 2013. She stated they are still kicking around the unfunded liability portion of it, and they keep changing it.

*Increase in employee health insurance.
*Employee clinic cost.
* Switch from minimum premium funding arraignment to the self insured plan with Cigna. We should get back $249,000.00.
*Continuation of the Furlough days.
*Fleet replacement reserves.

City Manager Nicoletti presented to the Board the reallocation of the $10,000.00 for the CRA, with the reduced funding of police and the only major project is the match for the CDBG grant for Colorado Ave. The tiff funds are projected next year will fund this and the operation of the department. That has been through the CRB and recommended for approval.

Dottie Zaharako noted the following.
Cigna increase 33%, with two past problem claims that have left the pool. If we convert to a self insured plan then we would still have an 8.75% increase in premiums. She stated the insurance consultant have been lucky to negotiate this for the city.

City Manager Nicoletti recommended to the Commission that if continued bad claims occur to increase the employee funding of the program. He is betting that the City should not have those types of claims to have this happen. He indicated the wellness clinic should help with the number of claims.

Dottie Zaharako said the City hopes that the employees use the clinic, which will reduce the claims experience.

Commissioner McDonald and Clarke asked some specific budget questions, which were all answered by staff.

COMMUNITY REDEVELOPMENT ACTION

2. Motion to Recommend Approval of the CRA Budget for FY 2012

MOTION: BOARD MEMBER MCDONALD: MOVED APPROVAL CRA BUDGET FY 2012
SECOND: BOARD MEMBER CLARKE
ROLL CALL

CHAIRPERSON KRAUSKOPF	YES	VICE CHAIR CHRISTIE	YES
BOARD MEMBER CLARKE	YES	BOARD MEMBER MCDONALD	YES
BOARD MEMBER MORTELL	YES	BOARD MEMBER BELL	YES
BOARD MEMBER FERRARO	YES		

CITY COMMISSION ACTION

3. **Motion to Set "Not to Exceed" Millage for FY 2012**

MOTION: COMMISSIONER MORTELL: MOVED APPROVAL SET MILLAGE RATE 4.3329 FOR FY 2012
SECOND: COMMISSIONER CLARKE
ROLL CALL

MAYOR KRAUSKOPF	YES	VICE MAYOR CHRISTIE	YES
COMMISSIONER CLARKE	YES	COMMISSIONER MCDONALD	YES
COMMISSIONER MORTELL	YES		

4. **Motion to Approve Joint Meeting with Jupiter Island Town Commission, August 2, 2011, 9:30 AM at Town Hall**

MOTION: COMMISSIONER MCDONALD: MOVED APPROVAL TO SET JOINT MEETING WITH THE TOWN OF JUPITER ISLAND ON AUGUST 2, 2011 AT 9:30 A.M. AT CITY OF STUART.
SECOND: COMMISSIONER MCDONALD
ROLL CALL
MOTION APPROVED UNANIMOUSLY

City Manager Nicoletti requested a CRA meeting for July 25, 2011 to discuss the matter of LETF Budget line item of $12,500.00.

CRA Board Members Ferraro and Bell stated the concern of the CRB members was specific funding expenditures for that money.

Mayor Krauskopf suggested distribution the details of the expenditures to all involved and indicate there is a CRA meeting to discuss the matter on July 25, 2011 for any unresolved questions.

Board Member Ferraro specifically asked about the payment to the Business Development Board and requested a report as to what they are doing with the funding beforehand rather than afterwards. She also asked the City to outline specifics as to what the City wants as far as outcomes or deliverables.

Mayor Krauskopf requested the contract be distributed to the CRB and look for guidance as to deliverables.

ADJOURNMENT 6:00 P.M.
CRA

_____ _____

Cheryl White, Board Secretary **Jeffrey A. Krauskopf, Chairperson**

Minutes approved at the Regular CRA Meeting This 22nd Day of July 2011

ATTEST:
City Commission

_____	_____
Cheryl White, CMC, City Clerk	**Jeffrey A. Krauskopf, Mayor**

Minutes to be approved at the Regular Commission Meeting This 8th Day August 2011.