

Exhibit A

Preliminary Budget Discussion 3/17/09 City Commission Meeting Commission Remarks

Commission invited employees/public to speak first:

Mike Osborne, Blue Collar Steward:

- City should look at car allowances for management – his wife had hers adjusted down – that’s what companies are doing
- Pay mileage instead of car allowance – could save a lot of money
- Have City employees wash cars – not use car wash across the street
- Listen to employees – they have ideas – but some are scared to say anything for fear of retribution

Dan Scantlin, Resident – make FRS available to employees – consider/study migrating to FRS

Vice Mayor Rodriguez:

- Continue to ask for input from employees/staff
- Won’t “sign off” on elimination of jobs
- Won’t support the reduction of police or fire services
- Won’t support an increase in millage rate
- Staff should research feasibility of de-authorizing the CRA and bringing activities of CRA under auspices of City government for 2-3 years until economic climate improves – potential savings of \$8M-9M – existing CRA debt to be factored in as well

Commissioner Weiland:

- Furthest thing he wants to do is lay people off – but “we have a responsibility to the residents of BB to look at where every single dollar is spent”
- We should look at every department; all of the programs and services they provide, # of employees in the dept.; the responsibilities of each employee; employee salary and employee tenure.
- Requested to know what amount of contingency (if any) is budgeted in each department
- Wants to review all line item expenses
- Should departments be re-structured?
- Recreation programming – do we need to do? i.e. arts/library programs
- Fire/Police Svcs. are “our #1 goal” – safety to citizens – last place to look, however, ALL departments should be looked at to save money
- How can they reduce costs?
- Ex. Nautica Park – will cost \$560K – do we need to spend that right now?
- Maybe we should hold on some of our CIP projects and not spend right now.
- Can we use Park Impact Funds to bal. budget – no, but can possibly borrow – must be paid back

- Delray Bch. hired a law firm to review City operations and give opinion
- Should we increase beach decal and boat ramp decal fees?
- He invited employees to call or write him with ideas – maybe staff can place “boxes” in each department for suggestions.
- Can’t raise taxes – everyone is struggling
- Can’t afford more taxes
- We should look at: freezing wages, 4 day work week, reducing car allowances
- Balancing the budget will require balancing many things

Commissioner Hay:

- Things he wants – not to have anyone lose their job, maintain our LOS, and not raise taxes
- However, 77% of budget is personnel – can’t ignore that
- Will not entertain idea of cutting the CRA
- Agrees with looking at saving money in departments – like Commissioner Weiland and VM Rodriguez said
- Look at early retirement options
- Staff review SB 1482 – affecting retirement criteria – namely years of service and age – may only effect FRS and City is not in FRS
- Don’t want to lay off
- Early retirement
- Maybe adopt similar program like the FRS

Commissioner Ross:

- Thanks to Budget Team and Barry for making info. easy to understand
- No one wants layoffs – that will be a last resort
- Supports maintaining Police and Fire LOS
- We should look at Span of Control – commissioners too so they can study it and understand it.
- Supports 4 day work week
- Supports salary freezes
- Referred to Osborne remarks that employees making less than \$40K shouldn’t get wage freeze – said she understands where he comes from
- Need to look and “must haves and nice to haves”
- When we talk “furlough” of a program – what does it mean to the employee
- KB response – they’d be reassigned or leave, but if program is personnel intensive the personnel costs may need to be reduced – that’s what it may take – no more of “that’s the way we’ve always done it” – the “nice to haves” may need to go away.
- Ross – Obama Administration supports CRA and finds them appealing – redevelopment
- We should look at Red Light Camera program as a revenue source – may generate \$1M

Mayor Taylor:

- Look at wage freezes – see what it’ll save if we did for one year
- Public Safety is “our #1 job” – public supports it and is willing to pay for it
- State has forced reductions in millage – maybe it’s time to decide our own millage – he is willing to increase up to 7.4 mil – which would raise \$5M – public would probably support b/c most of our budget is for public safety services

- Look at all properties we can sell – he’d like a vacant land inventory and inventory of assets we can sell
- Open to 4 day work week
- Shopper Hopper – now we have the Trolley – wants ridership data – number of people impacted – costs City over \$200K a year
- “Strongly opposes doing away with CRA”
- Defined contribution for new employees – what would it save?
- They need some data to review on these items.

Vice Mayor Rodriguez:

- Reiterated that tax revenue going to CRA could go to City \$8M-9M
- It would be irresponsible to ignore looking into it.
- Possibly furlough CRA for a few years but budget money for redevelopment in the City budget
- Let City Manager put the numbers together – to ignore would be irresponsible
- Offered motion to authorize City Mgr. and Attorney to research – Weiland seconded motion for discussion

Commissioner Weiland:

- Stated the Commission needs information to base their decisions on
- Suggested the Commission vote for it so staff can research feasibility
- Stated no motion should be necessary b/c they each deserve to have the information they need to base their decisions on
- KB stated all information should be looked at – all savings should be identified – we should look at all

Commissioner Ross:

- What about CRA employees – what would happen to them?
- She is 100% supportive of CRA – it would be “a shame to dismantle”

Commissioner Weiland:

- If you had a business with 900 employees and think you can do it with 700-800 – wouldn’t you look at it?

Vice Mayor Rodriguez:

- Removed his motion from the floor

BUDGET TEAM “TO DO” LIST

- Determine cost savings of 4 day work week – including 36/38 hour work week
- Analyze pension program – cost savings for defined benefit vs. defined contribution
- Determine feasibility of Early Retirement Program
- Review management package – review car allowances vs. mileage??
- Determine feasibility of “de-authorizing” CRA – revenue gained vs. current debt load
- Determine savings of wage freeze for all employees

- Inventory all land/assets that can be sold – estimated “one shot”
- Reduce operating expenses in all departments
- Review current program levels: - essential vs. discretionary – “must have vs. nice to have” – legacy programs i.e. Shopper Hopper
- Review user fee programs – sustainability vs. fee increases – i.e. beach decals/boat ramp decals
- Review Span of Control in departments
- Red Light Camera program – potential revenue source