



**FORT MYERS BEACH TOWN COUNCIL
TOWN HALL – COUNCIL CHAMBERS
2523 ESTERO BOULEVARD
FORT MYERS BEACH, FLORIDA 33931**

MINUTES

WORK SESSION

Tuesday, September 6, 2011

I. CALL TO ORDER

Mayor Kiker called to order the September 6, 2011 Meeting of the Town Council at 9:02 a.m. Present along with Mayor Kiker: Vice Mayor Raymond, Council Members Kosinski, and Mandel; Council Member List was excused; Also Present: Town Manager Stewart, Finance Director Wicks, Town Attorney Humphrey, and Town Clerk Mayher

II. PLEDGE OF ALLEGIANCE

III. FY 2012 BUDGET DISCUSSION

Town Attorney Humphrey discussed an issue regarding the local option for the Tourist Development Tax and the fact that the County Commissioners were allocating \$200,000 in FY2011-12 to continue with a service provider agreement with a law firm to lobby on behalf of the County to continue monitoring the water management issue. He referenced his memo to the Town Council on this issue, and pointed out that the Town's contribution was significant to that fee being used for the service agreement. He reviewed the work/research he and Town Attorney Miller had completed on this matter such as but not limited to monitoring the County Commission meeting when this matter was discussed, an opinion from the Lee County Clerk of Courts Counsel, and State Statute and Attorney General's opinion as it pertained to the expenditure of tourism tax monies. He reported he could not find any statutory or Attorney General's opinion that supported the County Attorney's opinion. He noted the Clerk of Courts authorized him to share his comments, which was based on the opinion the Clerk received. He reported the Clerk of Courts stated he could not release funds from the trust without an order from the court; therefore, it would be up to the County Commission to file a declaratory action pursuant to Chapter 86. He reported the total amount paid by the County since starting in FY2004-05 had been over \$1,000,000; he reviewed State Statutes; and summarized the events surrounding this matter as of today. He recommended that the Town inform the County Attorney of their concerns especially since Fort Myers Beach was a significant contributor to the Tourist Development Tax.

Discussion was held regarding the State Statute interpretation of the use of the Tourist Development Tax; the opinion of the Lee County Tax Collector; and the potential declaratory judgment action. Town Attorney Humphrey stated the information he discussed was for informational purposes only and required no formal

action by the Town Council. Discussion ensued if Bay Oaks or other Town recreational facilities qualified for Tourism Development tax dollars, and how much.

Town Manager Stewart recapped the highlights from the Budget Work Session of August 15, 2011. As a result of Council's direction at that meeting, he stated staff carved out a significant amount from the budget, used a public service tax, took money out of the ad valorem taxes, lowered the millage rate, and the recommended amount of reserves to be used was reduced to \$185,000. He discussed information included in his and Finance Director Wicks' accompanying memorandums.

Discussion was held concerning expenditures; ad valorem taxes; revenues; no raises or increases for employees; the need for an analysis of fees charged for Town facilities; an analysis of personnel positions and headcount over the past three years; personnel headcount in Public Works; Bay Oaks, Newton House, and the Mound House personnel costs, expenditures, and usage; and forecasting and actual valorem tax revenue.

Discussion ensued on the use of reserves last fiscal year; the proposed use of reserves for FY2012; reduction in special events funding (i.e. Fourth of July); vista signage; and the impact of assuming the operation of Bay Oaks on the budget.

Consensus was to direct staff to add \$18,000 back into the budget for July 4th fireworks.

Discussion was held regarding the public service tax; renegotiation of the contract with County for building services; a possible adjustment to personnel health care costs; the proposed use of reserves; the millage rate; and the operational expenses of Bay Oaks.

Town Manager Stewart discussed the benefits of the proposed reorganization that would combine Cultural Resources and Parks and Recreation into one department.

Discussion was held concerning recreational programming; and funding for repairs at the Mound House.

Public Works Director Lewis reported, as it pertained to the Mound House, staff was in the process of submitting final comments to the architectural consultant who was doing the design, and the bid should be out for bid in about 45 days. She noted that a large portion of the pier at the Mound House was scheduled to be funded by the Tourist Development Council.

Cultural Resources Director Schober stated the pier was to be funded 100% by the TDC.

Town Manager Stewart explained, per State Statute, tonight the Council was required to adopt the tentative millage rate first, and then the tentative budget.

Discussion ensued on the proposed budget; finding a funding source for 4th of July fireworks; whether or not to use the reserves; the possibility of personnel downsizing and reduction of services; and operational expenses for Bay Oaks.

Vice Mayor Raymond discussed views on a millage rate of .8144, a reduction of one position in Public Works, and using some reserves.

Discussion continued regarding use of the reserves; creation of metrics for Bay Oaks to track operating expenses during the coming year; the operational expenses of Bay Oaks; and the possibility of personnel layoffs.

Public Works Director Lewis reviewed the 'revenue meets expense analysis process' as it pertained to recreational programming and leagues.

Discussion was held regarding program expenses/revenues; and water utility rates.

Finance Director Wicks recapped Council's direction as the following:

- Setting the tax levy at .8144
- Adding back into the budget \$18,000 for fireworks

Mayor Kiker asked if the anticipated work to Estero Boulevard would require an additional staff member, and if so, how would it be funded.

Town Manager Stewart noted there was a portion of that position funded in this year's budget and a portion of the funding could be paid out of gas taxes if the project comes to fruition. He stated that staff would prepare the paperwork for tonight's meeting that included the rate at .8144, a public service tax, \$185,000 in reserves, and identify funding for the \$18,000 for the fireworks.

Vice Mayor Raymond discussed a referendum on the purchase of a Town Hall, either built or existing.

Town Manager Stewart reported the Lee County Election Supervisor informed staff that the next available election to place a referendum would be for the Presidential primary which would be held in January, and the deadline to get the referendum to the Supervisor would be October 1, 2011.

Discussion was held on how to prepare the necessary information to have a discussion at tonight's meeting.

Consensus was to have staff prepare the information and discuss the matter tonight.

IV. ADJOURNMENT

Meeting adjourned at 11:53a.m.

Adopted 10-17-11 With Without changes Motion by Kosinski/ Raymond

Vote: 5-0


Michelle D. Mayher, Town Clerk

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