

**SPECIAL MEETING OF THE STUART CITY COMMISSION
HELD ON JULY 26, 2010
AT 4:30 P.M. IN THE CITY COMMISSION CHAMBERS
121 S.W. FLAGLER AVE.
STUART, FLORIDA 34994**

**Roll call was answered by:
Mayor Michael Mortell
Vice Mayor Carol Waxler
Commissioner James A. Christie
Commissioner Jeffrey A. Krauskopf
Commissioner Mary Hutchinson**

**Also present were:
City Manager: Dan Hudson
City Attorney: Paul J. Nicoletti
City Clerk: Cherie White**

Mayor Mortell delivered the Invocation, followed by the Pledge of Allegiance led by the Commission.

DISCUSSION & DELIBERATION

Budget Workshop Update

City Manager Hudson announced good news, and said he received an upgraded rating from Standards & Poors. They are upgrading the City's credit rating from single A+ to AA-. He stated this is very good for the City considering the economic times. He read the letter received from Standard & Poors. He congratulated everyone from the City for their hard work and dedication. He briefly went over the proposed budget. He stated there is very little change from the original predictions from the first meeting. He stated the City is down around 11% from last year on the property tax valuation. He requested adding an additional couple thousand dollars for PT salaries to the City Attorneys Budget, and the remainders of the net increases from the few revenue changes are going to be set aside for health insurance impacts. Within the CRA we are adding a Full Time position, Thondra Lanese who will be divided among the East Stuart Mainstreet, support to the Downtown Business Association, and also will be supporting the Stuart Main Street, which will amount to a reduction from the planned contribution to Stuart Main Street. He also stated there were a couple of changes in the water and sewer area. He presented a series of answers from questions raised by the Commissioners, and asked if they had any questions regarding those replies.

City Manager Hudson announced that they are progressing toward all labor negotiations to be negotiated at the same time. He also said there were tentative agreements on two of the contracts, Blue Collar ratifying on August 3, 2010, and Firefighters Union is also negotiating. He said the PBA is still pending. Mr Hudson said the biggest area of concern is the health insurance rates. He said it is over a \$2-million dollar program. One of our objectives was to not have an increase and cut back in the insurance. The City is subject to market forces and the bids have come in higher than anticipated. We are working through that issue and have started to devise a intermediate strategy, with the new federal health care program that will be coming into play in the year 2014. It is almost like we just need to cover the next three years because the year 2014 we are going to be told what the benefits will be or told what we will be participating in a federal program.

He asked the Commission if they wished to have any additional workshops before the hearings.

The Commission said no.

COMMISSION ACTION

Proposed Millage of 4.3329 mills per \$1,000 of value for FY 2011

MOTION: COMMISSIONER KRAUSKOPF; MOVED APPROVAL TO ADOPT AND SUBMIT THE PROPOSED MILLAGE OF 4.3329 MILLS PER \$1,000 OF VALUE FOR FY 2011.

SECOND: VICE MAYOR WAXLER
MOTION APPROVED UNANIMOUSLY

Budget hearing scheduled for September 13, 2010 at 5:15

Commissioner Christie, thanked staff for their hard work and appreciated starting the budget process early. He said the City should follow the schedule for 2012 as well.

ADJOURNMENT 4:42 P.M.

Cheryl White, CMC, City Clerk

Michael Mortell, Mayor

**Minutes to be approved at the Regular Commission
Meeting This 9th Day August, 2010**