

**TOWN OF DAVIE
WORKSHOP MEETING
SEPTEMBER 12, 2006**

The meeting was called to order at 5:34 p.m. and was followed by the Pledge of Allegiance.

Present at the meeting were Mayor Truex, Vice-Mayor Crowley and Councilmembers Caletka, Paul and Starkey. Also present were Acting Town Administrator Cohen, Town Attorney Kiar, and Assistant Town Clerk McDaniel recording the meeting.

Mr. Cohen reminded Council that they had directed that the millage rate be lowered to 5.05 and the overall budget reduced by \$287,000. He had provided Council with an update reflecting these changes. He stated that staff had made changes in the following areas to effect the reduction:

- ❖ changes in insurance
- ❖ additional funding taken from the Administration Special Practice category
- ❖ set up funds to bid purchasing procedures training
- ❖ put in funding that had been removed from charitable contributions into appropriate categories
- ❖ decreased Town Attorney expenses to \$300,000

Councilmember Caletka asked about the health insurance consultant's contract. Mr. Cohen explained that this was a continuing contract. Councilmember Caletka felt it was possible to get a better price on United HealthCare. Mr. Cohen agreed to provide Council with information to consider on this issue. Councilmember Paul said the insurance consultant had a problem communicating with Human Resources and the consultant now reported to Mr. Cohen and Council. Councilmember Paul said the consultant had set up a program with better coverage at a lower rate, which would be explained when the consultant met with each Councilmember.

Mr. Cohen explained that the current unreserved, undesignated fund balances for emergency purposes balance was \$9.2 million.

Carol Smith, representing Kids Voting Broward, asked Council to include a small amount in the budget to donate to this program. In the past, Davie had provided funding but unfortunately, Kids Voting had neglected to apply last year and she was requesting \$2,500, the same amount the Town had previously donated. Councilmember Paul remembered that the program had lost funding sources after an administrative problem. Councilmember Caletka was opposed to any increase in donations. Vice-Mayor Crowley agreed and felt Council should provide funding by reducing another charity. Mr. Cohen agreed to add the \$2,500 to their donations.

Councilmember Paul distributed copies of an e-mail she had received from Police Chief John George regarding estimates for the unfunded positions. Councilmember Paul wanted to use the funds they had saved to help fund the eight unfunded police positions. Budget and Finance Director Bill Underwood noted that the Town was using \$2.4 million more revenue this year than had been estimated. Mayor Truex confirmed with Mr. Underwood that this would decrease the amount of reserves, since they did not "roll over" budgets in departments. Mr. Underwood did not recommend using reserves for any ongoing operating expense. Councilmember Paul said they were not using \$1 million in reserves and this was money that would have been earmarked for reserves. She felt that every department had "padded" their estimates so that they might be able to add to the reserves. Mr. Cohen said some contingencies that may arise were included in the budget planning, but there were also contingencies for which they had not allowed that may arise as well. If Council wanted to allocate the funding for police officers, staff would create another budget/revenue category and fund it out of reserves. Mayor Truex said he would rather wait six months to see if funding was available.

Mr. Cohen confirmed that there was money in the budget for new recycle bins town-wide.

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Regarding the \$303,000 savings in health insurance, Mayor Truex asked if this was an actual savings. Mr. Cohen explained that this was estimated based on the Town's history. Councilmember Paul remembered that when they initiated the health insurance program, it was estimated that they would need \$1 to \$1.5 million in reserves. It was now \$2.7 to \$3 million. She felt they should have no problems with the deductions.

Vice-Mayor Crowley questioned if Code Compliance was working on the weekend. Mr. Cohen responded that one Code Compliance staff member worked on Saturdays. Vice-Mayor Crowley asked about an item under Town Administrator concerning "Contractual Services," noting that the budget amount was double this year. Mr. Cohen explained that this was for recycling containers, publication expenses and the TV station costs.

In the Town Clerk's Office, Vice-Mayor Crowley noted a Town-wide election item slated for March 2007. Acting Assistant Town Administrator Russell Muniz advised that this was based on the possibility of having referendum questions on the ballot, but it was now anticipated that no questions would be on the ballot. Vice-Mayor Crowley indicated that the upcoming election would involve only three districts. Councilmember Paul noted she had already requested that this be reduced by \$30,000 because District 1 would not be included. Vice-Mayor Crowley said that there was \$90,000 in legal advertising for possible referendum or annexation. Councilmember Paul stated that this was in anticipation of the Broadview annexation. Mr. Muniz said that he would not recommend reducing this by more than \$5,000. Mayor Truex recommended that the \$90,000 not be reduced. Vice-Mayor Crowley agreed with Mr. Muniz's recommendation of a \$5,000 reduction.

Mr. Cohen explained that the increase in Nuisance Abatement was to cover remediation measures the Town undertook to improve a property, such as grass cutting. He also explained that the Town had a generous policy for education assistance and agreed to provide information to Council on this issue.

Vice-Mayor Crowley asked about the position in Economic Development. Mr. Cohen advised that per staff's recommendation, this position would initially be under a department director. Councilmember Starkey felt Council should weigh the economic advantages or disadvantages of each development project that came in, and this information should be included in the planning report. Mr. Cohen agreed that this could be an additional part of staff's report and the Economic Development Manager could consider moving the project to the appropriate locations. Mayor Truex said he use to feel they needed an economic analysis for everything, but now felt a reliable working model was impossible. He stated an analysis would be of some help on the larger projects.

Regarding the three new Finance positions, Mr. Underwood explained that the buyer position was an existing category and changing the position would cost more.

Regarding the Economic Development Division, Councilmember Caletka felt Council should eliminate this division and roll back the tax rate. Since Council was not a pro-development Council, he felt that having a liaison was "counter-intuitive." In addition, if the Economic Development Council (EDC) wanted a liaison to the Town, Councilmember Caletka felt the EDC should pay the person's salary. Councilmember Caletka said little had gone on, or little was anticipated to go on for the next few years, making the position unnecessary. At the last meeting, Council had cut one of the lobbyists from the budget and after speaking with Representative Ryan, he was not convinced the Town's Tallahassee lobbyist was the most effective person they could have. Council Caletka was concerned about paying a full-time salary to someone who only worked two months out of the year. Based on their third lobbyist's record, Councilmember Caletka felt this person was worth retaining. He recommended cutting the airport and Tallahassee lobbyists, and leaving money in the fund to contract out for lobbying services.

Vice-Mayor Crowley had similar feelings about the Tallahassee lobbyist, and he would support Councilmember Caletka in this regard. He felt Council needed to take a closer look at the airport lobbyist

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position, including learning what the activities had been for the past few months. Councilmember Starkey said the airport lobbyist had recently created a report, to which Councilmember Caletka indicated that he had not received. Councilmember Starkey said that many explanations in the lobbyist's e-mail were unsatisfactory. She thought staff and Council could be the lobbyists for the airport. Councilmember Starkey stated the Tallahassee lobbyist should report to each Councilmember regarding his activities and items Council wanted him to focus on.

Councilmember Paul agreed Council should eliminate the airport lobbyist and when the Tallahassee lobbyist's contract was to be renewed, the issue of the salary versus time spent working on the Town's behalf could be addressed. She could not remember the Tallahassee lobbyist ever informing Council that he had brought funding into the Town and she wanted him to address this. Councilmember Starkey felt that if they cut the lobbyists, Council would need to agree on what each of them would be responsible for. She stated that Council should earmark funds to cover administrative costs for staff to assist Council and for travel to Tallahassee. Mr. Cohen reminded Council that at the last meeting, Council had already decided to reduce this category by \$30,000, eliminating one lobbyist's position and reducing another's. Between now and September 20th, Council could consider if they wished to earmark this as miscellaneous. Mr. Cohen added that there was money set aside in the budget for Councilmembers to travel to Tallahassee.

Bob Legg, Chair of the EDC, felt the EDC was critical to the Town for tax base purposes. He took offense to Councilmember Paul's belief that the liaison only benefited the EDC, explaining that EDC members were volunteers working for the betterment of the Town. Mr. Legg felt the Town needed the liaison to work with the Broward Alliance and businesses interested in relocating or expanding. Councilmember Paul asked for a listing of businesses that were pursued and brought into the Town as a result of the EDC's activities. Mayor Truex felt the Town needed a professional economic development representative. Councilmember Starkey thought there was an accountability issue and this was why she had suggested moving the position to Development Services. Mayor Truex felt this would be a conflict of interest and questioned how you could bring in development in the same department as people who were approving plans. Councilmember Starkey stated that some costs could be saved by resource sharing, and accountability would improve. Mayor Truex stated that the new administrator might have some ideas on restructuring. Councilmember Starkey did not want to wait and felt the position should be under Development Services.

Jim Inklebarger, former Chair of the EDC, clarified that the EDC did not direct the liaison in any way. As a business owner, he had gone to this person for assistance on expansion and retention of tenants in his office complex. Mr. Inklebarger felt the liaison was invaluable in coordinating and facilitating between a prospective business owner and the various agencies with whom they must work. If anything, he felt they should consider expanding the liaison position.

Julie Aitken agreed with Councilmember Caletka and stated that the liaison worked on the Town's time, but in "secret meetings" and she felt there was a public record issue. Ms. Aitken said there were no records kept of the employee's correspondence. She felt there should be a volunteer committee of citizens to act as the EDC and then get rid of the department. Vice-Mayor Crowley said Council received minutes from the EDC each month and they did meet State Statutes requirements.

Now that they were nearing the end of the year, Councilmember Paul wondered if there were funds left in some departments' budgets that they did not need but might try to use up anyway. Mr. Cohen said this was always a concern, and the departments knew that as of a certain date, purchases must go through the Town Administrator's Office for approval as items needed for this year only.

Councilmember Paul noted that four of the unfunded police positions would cost approximately \$500,000. She wanted to direct that some of the saved funds would go toward these positions

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immediately. There might be enough savings left to consider lowering the millage rate even more and reducing the fire assessment.

Mr. Cohen stated that there were additional appropriation deductions of approximately \$800,000 that could be made and items for which this money could be used. He advised that a report would be prepared reflecting a \$2 reduction of the fire assessment and the application of the initial funding to the four police positions then see what would be needed from carryover reserves.

There being no further business to discuss and no objections, the meeting was adjourned at 8:20 p.m.

Approved _____

Mayor/Councilmember

Town Clerk