

**TOWN COUNCIL
WORKSHOP MEETING
AUGUST 14, 2001**

The meeting was called to order at 5:35 p.m. Present were Mayor Venis, Vice-Mayor Paul and Councilmembers Clark, Starkey and Truex. Also present were Town Administrator Willi, Town Attorney Kiar, and Town Clerk Muniz recording the meeting.

Mayor Venis advised that the purpose of the meeting was to review the 2002 budget. The General Fund Expenditure Summary was summarized by Assistant Town Administrator Ken Cohen who explained that \$500,000 in additional cuts had been made. He indicated the specific increases and decreases with a 10.6% increase over last year's adjusted budget which would require a combined millage rate of 6.2457%, an increase of 3.9%.

Mayor Venis asked if the 26 new positions were incorporated in these figures. Mr. Cohen replied affirmatively and indicated that the positions were for the new facility at Potter's Park, the expansion of Pine Island, and the new facility at 61st Avenue. Mayor Venis read the list of additional positions and calculated that the revenue, less expenses through the end of September 30, 2001, was in excess of approximately \$800,000. He spoke about the contingency of approximately \$500,000 and asked that it be reduced to \$200,000. Mayor Venis stated that when the budget was fine-tuned in January, this money would be available if needed.

Budget and Finance Director Christopher Wallace advised that if more money needed to be appropriated due to an emergency, an ordinance would be required.

Mr. Cohen stated that \$400,000 in contingencies remained for this year. Mr. Willi stated that this was used for a fire pension adjustment and FPE negotiations, a total of over \$600,000.

Councilmember Clark asked about the proposed positions. Mr. Cohen advised that these would be a parks and recreation maintenance position at Potter's Park, part time recreation leaders assigned to Pine Island Park, senior outreach, and center help for winter break, spring break and after school. He indicated that the additional positions were mostly part time positions.

Councilmember Clark asked about additional sports staff and the need for adding staff or staff hours when programs were added. Mr. Cohen stated that when staff was needed, it would be requested.

Mayor Venis asked about the allocations for utilities and internal charges. He stated that there was an increase of about \$870,000 and asked that all entries be posted to reach an accurate figure. Mr. Willi indicated that this was likely an underestimated amount due to adding new buildings at several parks. Mr. Wallace agreed to get these figures, but felt there was not much hope for discovering additional monies.

Mayor Venis referred to several line items on page 1 which he felt were understated by \$100,000, and asked Mr. Wallace to look into this. Mayor Venis spoke about the disbursement section and made a \$13,000 cut on legal expenses. Mr. Willi indicated this was difficult to predict.

Vice-Mayor Paul spoke about Special Projects and felt much of this expense was from the Safety Summit last year and this year, the Safety Summit was put together with the Police Expo which would eliminate some overtime. Mr. Wallace stated that this money was for the Sunrise water services study, engineering fees, and accounting fees. He indicated that the \$288,000 would be needed to pursue this study.

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The budget was discussed in detail and it was recommended that reductions be made for the following:

- Legislative Services Miscellaneous (page 2) reduced by \$25,000
- Contractual Services (page 5) reduced by \$12,000
- Office and Miscellaneous (page 22) reduced by \$1,000
- Capital Outlay (page 24) - \$19,200 to be discussed at a later date
- Legal Services (page 27) to be reviewed further
- Contract Services (page 31) reduced to \$35,000
- Equipment (page 46) reduced to \$31,500
- Maintenance (page 49) to be reviewed further
- Holiday Decorations (page 50) reduced to \$8,500
- Special Projects (page 60) list to be provided along with dollar amount for each event
- Supplies (page 68) last year's expenditures to be provided at the next meeting.

Mayor Venis asked Mr. Cohen to review the \$500,000 in proposed cuts. Mr. Cohen spoke about the total cuts and additional revenues. He concluded that expenses exceeded revenues, resulting in a deficit of approximately \$725,000. Mr. Cohen stated that labor had been the most costly and would be looked at closely. He indicated that the budget would be in the black this year, but it would be best not to go into reserves in an effort to balance the budget. He stated that the changes discussed by Council would be incorporated for the budget workshop scheduled for August 30th.

Mayor Venis felt that it was very important not to raise the operating millage. He stated that there were many prospects for annexations and pointed out that revenues went up in excess of \$4.5 million compared with last year. Mayor Venis was confident that Council, Mr. Willi, and Mr. Cohen could work on finding the \$725,000. Mr. Cohen indicated that the General Fund Expenditure Summary indicated that the operating expenses were lower, but salaries and benefits were difficult to control. He cautioned that there could potentially be an increase in millage.

Mayor Venis spoke about quarterly budget reviews to prevent surprises at the end of the year. Mr. Willi was confident the budget could be balanced and suggested that Council and the Town needed to hold the line on expenses, program expansion, controlling growth and balancing revenues.

Councilmember Truex pointed out that one of the biggest changes had been in personnel, partly due to restructuring. He asked if it was possible to tell which positions were being eliminated. Mr. Cohen stated that positions had been eliminated as a result of promotions or reclassified, not as a result of layoffs.

Councilmember Truex questioned Assistance Programs (page 63). It was explained that this was for special requests for assistance, which came periodically. Mr. Wallace indicated that this was presently budgeted at \$115,000. Vice-Mayor Paul suggested a more detailed breakdown, which would eliminate questions that Council had.

Councilmember Truex spoke about donations for Kids Voting, EASE, the Old Davie School, and the benevolent fund that was tapped into for the Young At Art Program last year. Mr. Wallace stated that the nature of the benevolent fund was for a one-time need which had already been done once and the fund was for the purpose of funding unfunded

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liabilities to the Town. Mr. Willi stated that tax revenues should not be collected for the purpose of transferring revenues, as the Town was not a charity organization. Councilmember Truex asked for copies of recent requests with Mr. Willi replying that most requests came directly to Council.

Councilmember Truex spoke about diversionary programs and the higher percentage of cuts to these areas. Mr. Willi stated that the departments need to be restricted in the growth rate of their programs and expansion needed to be matched with revenues. Mr. Cohen stated that salaries had dropped considerably as a result of reallocation of employees. It was explained that fees for non-residents were increased so that program costs could be covered. Programs would be offered and expanded marginally.

Councilmember Truex asked about Special Projects (page 60) and the comparison to last year. Mayor Venis indicated that a list would be provided. Councilmember Truex stated that he was not in favor of increasing this area.

Councilmember Truex spoke about Page 2, stating that he did not agree with Council's spending accounts and recommended that this money be part of Special Projects. He stated that all requests should be held up to public scrutiny. Councilmember Clark agreed that Council could collectively decide on expenditures, but the individual accounts would limit the number of items a Councilmember could support without agreement from other members.

Councilmember Truex felt that the most important provision of local government to its citizens was public safety, so he recommended not cutting back in those areas.

Councilmember Starkey spoke about contracts for lobbyist's and felt that this should be reviewed again. She recommended examining the return and results of these lobbyists' efforts.

Councilmember Starkey questioned Miscellaneous (page 2). She felt this was a low estimate and was not willing to tighten monies elsewhere to provide for these expenses. Councilmember Starkey was not in favor of increasing the millage, but felt it could be maintained.

Councilmember Clark asked for a cost breakdown of all new positions and questioned if all 57 positions from last year had been filled. Mr. Willi indicated that a few positions were still open. Councilmember Clark asked if the money from the positions not filled went back into the budget. Mr. Cohen indicated that the money went back into the budget, but the position would not be lost and eventually filled. Mr. Willi stated that the 57 positions were phased in over the course of the year and the impact of those positions was budgeted for the full year. Mr. Willi stated that only seven were fully funded for the year. Mayor Venis indicated that the biggest proration was in the Police Department, resulting in a savings. Councilmember Clark asked how many positions impacted road patrol. Police Chief John George explained that many of the new officers were still in the training process and just a handful of officers had entered the field. All 15 would be on the road by December and he advised that it required approximately one year to prepare an officer.

Councilmember Clark asked about the racial and gender breakdown of the new officers which Chief George explained.

Vice-Mayor Paul was opposed to raising taxes and asked about Shenandoah going on line. Public Works/Capital Projects Director Bruce Bernard indicated that the facility was completed around April but the programs were still being added. She asked about the Imagination Farms trails and equestrian park. Mr. Bernard stated that this would be a two-

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phase proposal with the maintenance of the trail being held up for final inspection. The Town would then be maintaining this trail and the park would be in service within the next four to six months.

Vice-Mayor Paul questioned Special Projects (page 2) and Legislative Services and it was explained that this was not a specific designation but an open item. Mr. Cohen stated that spending accounts could be transferred into that area.

Vice-Mayor Paul questioned Pollutant Discharge Fee (page 26). Mr. Willi stated that this was a permit fee to be in compliance with federal regulations related to storm water and was a new expense.

Vice-Mayor Paul questioned Uniforms (page 26). Mr. Cohen explained that this was a result of a staff increase this year. Vice-Mayor Paul asked how many new people this included with Mr. Willi indicating that there were three.

Vice-Mayor Paul questioned the palm pilots in Capital Outlay (page 32). Mr. Willi explained that this was for the Building Division, which was a self-sufficient fund, and all expenses would be paid by revenues. Vice-Mayor Paul asked about page 38. Mr. Cohen described this as equipment expenditures, matching from a grant.

Vice-Mayor Paul asked about Maintenance (page 49) for street lighting and other expenses for Davie Road. Mr. Willi stated that this was for light pole maintenance throughout the Town. Vice-Mayor Paul asked if the Community Redevelopment Agency (CRA) could help with this matter. Mr. Willi stated that some fund transfers had been done for maintenance in certain areas and although an expense was shown, there would be balancing revenues. Mr. Wallace explained that revenues were already in the budget and CRA had a special project account which would be used. Mr. Cohen indicated that CRA funds were mostly for infrastructure redevelopment, not necessarily maintenance. Mayor Venis spoke about the area designated for a truck stop and given as a CRA area, indicating that the property could be removed at some point.

Vice-Mayor Paul asked about page 60 and stated that a cultural event would be great, but two were not necessary. She stated that there was a great deal of competition in other communities for craft and plant shows, so this area may need to be reviewed.

Vice-Mayor Paul questioned the Arena Expense (page 60). Mr. Willi indicated that this was previously funded. Special Projects Director Bonnie Stafiej explained what this covered. Mayor Venis asked if the roof repair was part of the \$80,000. Mr. Cohen stated that this amount had been reduced to \$40,000.

Vice-Mayor Paul asked about several areas which showed trail maintenance and asked if this was all contractual services. Mr. Cohen indicated that only one fell into this category. Vice-Mayor Paul spoke about the extra positions listed which were not all actual positions. Mr. Cohen stated that the larger number indicated a number of unfunded positions and the evaluation of these positions was ongoing.

Vice-Mayor Paul asked for a report from each department that had put in for overtime and the justification for this request. Mr. Willi indicated that he could provide this report and as of the last departmental meeting, department directors were not allowed to approve overtime.

Mayor Venis asked Mr. Cohen to provide a detailed analysis of how the \$500,000 figure was reached.

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Vice-Mayor Paul asked about bond monies. Mr. Willi stated that the bond accounts had been reviewed and much of that money was restricted. Nothing had been identified that was able to be transferred.

There being no objections or further business, the meeting was adjourned at 8:35 p.m.

APPROVED _____

Mayor/Councilmember

Town Clerk