

**TOWN OF DAVIE  
WORKSHOP MEETING  
AUGUST 11, 2008**

The meeting was called to order at 5:04 p.m. and was followed by the Pledge of Allegiance.

Present at the meeting were Mayor Truex, Vice-Mayor Luis, Councilmembers Caletka and Crowley. Also present were Town Administrator Shimun, Town Attorney Rayson, and Assistant Town Clerk McDaniel recording the meeting. Councilmember Starkey was absent.

Councilmember Crowley made a motion, seconded by Mayor Truex, to excuse Councilmember Starkey. In a voice vote, with Councilmember Starkey absent, all voted in favor. (Motion carried 4-0)

Budget & Finance Director William Ackerman described the progress made to date. He summarized what had occurred at the last workshop:

- consensus on the 4.2456 millage rate
- consensus on the \$120 fire assessment
- consensus to accept the proposed reorganization

Mr. Ackerman said the following had changed from their last workshop:

- increase in State revenue of \$940,000
- increase in fire assessment of \$777,000
- elimination of water utility tax had removed \$1.4 million from budget
- increase in Utility expenditures of \$65,000
- increase in police pension plan of \$650,000
- restoration of fire/rescue personnel increased by \$700,000
- increased maintenance and streetlight utility of \$91,000
- decrease in health premiums expenditure of \$100,000
- decrease in fire pension expense of \$260,000

Mr. Ackerman outlined the additional changes to be made:

- decrease revenue by \$500,000 due to exempting Nova University from the fire assessment
- eliminate Oakes Road bridge study to offset loss of Nova funds
- create new funds to track revenue expenditures

Mr. Ackerman noted that staff had been able to add to fund balances by eliminating open positions and reducing the hiring of new personnel. He pointed out 862 employees were budgeted for 2007 and 722 employees were budgeted for next fiscal year. Mr. Ackerman said staff had delivered to Council an updated draft budget, an explanation of personnel levels, a listing of charity donation requests and a detail of expenditures.

Mr. Ackerman informed Council that using the 4.2456 millage rate would bring in approximately \$500,000 less revenue. The average homeowner would save approximately \$75 on the Town's portion of the tax bill.

Mr. Ackerman displayed a chart depicting fire assessments in various municipalities, and remarked that the proposed \$120 would not come close to funding the Town's fire services.

Mr. Ackerman stated staff had considered fiscal year 2010, and determined it was "looking pretty bleak." He described actions that were taken this year and assumptions made for next year and had determined that the 2010 budget would start at a significant deficit.

## TOWN COUNCIL WORKSHOP MINUTES AUGUST 11, 2008

Mr. Ackerman asked Council to give staff the authority to go forward with the budget as presented. He announced that the first budget hearing was scheduled for September 3rd at 6 p.m., the special hearings assessments was scheduled for September 15th at noon and the second budget hearing was scheduled for September 17th at 7 p.m.

Mr. Ackerman explained to Councilmember Caletka that staff had removed the Nova fire assessment from the budget pursuant to a letter received from Nova's attorney last week indicating that the way the ordinance was written, Nova was exempt. Mr. Rayson was currently researching this and if it proved accurate, they would consider ways to amend the ordinance. They might consider putting it back in the budget with an allowance in the event they did not collect it. Councilmember Crowley wanted to keep this in the budget until Mr. Rayson rendered his decision. Mr. Ackerman said they were being conservative by removing it. Mayor Truex appreciated choosing to put off the Oaks Road study to offset the loss of Nova fire assessment funds.

Councilmember Caletka questioned why utility expenses had increased \$65,000. Mr. Ackerman explained that they had received new information from FP&L and the Town had increased the water rates, which had been taken into consideration. He explained to Councilmember Caletka that the \$91,000 increased maintenance expenses included taking over Rexmere Village and maintenance for the right-of-way and open space sites.

Regarding savings realized through the restructuring, Mr. Ackerman noted they were eliminating the Development Services Administration, saving \$350,000. Other changes would take time to realize savings.

Vice-Mayor Luis asked about the \$650,000 for police pensions. Mr. Ackerman explained that this was based on a percentage of payroll that they had originally budgeted too low. Regarding the millage rate, Mr. Ackerman confirmed that following the rules now meant that increasing the rate in the future would require only a simple majority; if they cut the rate now, increasing the rate to get to the same point next year would require a supermajority. Mr. Ackerman said the increase from last year was just over 3%. The decrease in assessed values was approximately 4%.

Mr. Ackerman informed Councilmember Crowley that the current budget included no layoffs. Since there was no existing backup plan, Mr. Ackerman said that staff needed direction from Council prior to entering into the budget hearings.

Councilmember Crowley asked about the trash contract. Mr. Ackerman said the contract would expire September 2009.

Fire Chief Joe Montopoli stated that Southwest Ranches had decided to use Broward County to provide all services. As of September 30th, Davie would no longer provide service there.

Regarding the health insurance contract, Mr. Ackerman thought this would be brought to Council for approval and required annual review.

Councilmember Crowley felt Council must re-examine the rights-of-way maintenance issue. He felt some areas could be taken over by adjacent property owners, especially in commercial areas.

Mr. Ackerman informed Mayor Truex that staff had factored in \$690,000 for the accident recovery fee and the revenue would go to the Fire and Police Departments.

Councilmember Caletka said in order to have more options, he would like to see a job eliminated to make up the difference in the fire assessment, as well as an alternate option.

Mayor Truex noted that they were asking for less than half what the law would permit them to collect for the fire assessment; therefore, he had no issue with the proposed fire assessment. He did not agree with the millage rate increase and he worried that three Councilmembers would not agree when it came time to vote.

**TOWN COUNCIL WORKSHOP MINUTES  
AUGUST 11, 2008**

Vice-Mayor Luis felt the \$120 fire assessment was a modest, needed increase. Councilmember Crowley said he had not changed his mind about keeping the fire assessment at \$120. Councilmember Caletka realized that Council would probably not vote to lower the fire assessment, but he would fight for a lower millage rate.

Mayor Truex felt another workshop was needed. Mr. Ackerman asked for guidance on proposals to prepare. Councilmember Crowley did not feel the budget would be resolved in another workshop and wanted to begin the hearings. Mayor Truex asked for alternatives to be presented at the next Council meeting instead of a workshop. Mr. Shimun agreed to this and warned that any new plan from staff would include layoffs. Councilmember Crowley hoped this was not a scare tactic and he would rather go through the budget page by page to identify items to cut rather than laying off an employee. Mr. Shimun said eliminating items from the budget line by line would “nickel and dime it” and remarked that they would probably only find an additional \$100,000 to \$200,000. Vice-Mayor Luis felt Mr. Shimun should be allowed to identify where employees could be cut.

Council agreed to hold the next budget workshop on August 20th at 4 p.m. Mr. Ackerman agreed to have multiple scenarios prepared for the workshop.

There being no further business to discuss and no objections, the meeting was adjourned at 5:57 p.m.

Approved \_\_\_\_\_

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Mayor/Councilmember

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Town Clerk