

**TOWN OF DAVIE
WORKSHOP MEETING
JULY 27, 2009**

The meeting was called to order at 12:07 p.m.

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

Budget and Finance Director Bill Ackerman stated that staff had provided Council with a summary of budget revisions made since the last workshop, based on Council's input. Council was also provided a summary of pending revisions, items and options for discussion, budget narratives and organizational charts for all departments.

Mr. Ackerman referred to page 2 and noted that they had begun the workshops with a \$9.9 million deficit. After the first workshop, the deficit was reduced to \$4 million. Page 3 listed pending budget revisions, some of which would be discussed at the Council meeting on July 29th, which represented a potential savings of \$383,000. Mr. Ackerman said that there were items from payroll that should be revisited concerning salaries and additional savings that would total \$70,000. If all of these revisions were adopted, the deficit would be decreased to approximately \$1.2 million. Page 4 listed additional items and options for discussion.

Mr. Ackerman reminded Council that at the first budget workshop, they had discussed across-the-board salary cuts for all personnel. Staff had discussed this with the unions, who had refused this suggestion. If the cuts were made for the non-represented employees, a savings of approximately \$421,000 could be realized.

Mr. Ackerman stated that the impact of the police salaries would be approximately \$833,000. There had also been a compression resolution in 2000 that staff recommended be repealed, which would affect the majors and the chief. Mr. Ackerman stated that at the first budget workshop, Council had determined that if the union refused to give up their raises, those budgets must be cut accordingly. To reduce the police budget by \$833,000, a minimum of eight officers must be laid off, which would have an impact on town-wide services. Mr. Ackerman distributed a document describing the raises to police and fire personnel since 2005, and noted the significant impact this represented to the budget.

Mr. Ackerman said that the impact on the budget of the Fire Department's refusal to cut salaries would be approximately \$573,000 and the compression would add another \$107,000. This would necessitate laying off at least seven fire personnel. Mr. Ackerman recommended that Council also repeal the Fire Department's compression resolution. As with the Police Department, these cuts would have an affect on services offered to the public.

If the general employees refused the non-increase in wages, the impact on the general fund would be \$527,000 and at least nine employees would have to be laid off.

Councilmember Luis asked if anyone had asked the police union representatives if they would consider taking a pay cut to enable the Town to hire more officers. Mr. Shimun said that the police union's response was, "When Council steps up to do as much as you possibly can first, then they will discuss what they'll be willing to do after that." He interpreted this to mean when Council did what they could by supermajority regarding the tax rate, and with the fire assessment to the maximum, then the union would be willing to discuss it.

Mayor Paul thought increasing the millage rate to 5.3 and going to the highest level on the fire assessment would probably close the budget gap. She pointed out that everyone was suffering and she would have a hard time going any higher with the millage rate. Mayor Paul asked what the savings would be from eliminating the Technical Rescue Team and the Dive Team. Mr. Ackerman responded that the savings from eliminating the Technical Rescue Team would be approximately \$150,000, which staff recommended; however, staff did not recommend eliminating the Dive Team, which represented a savings of approximately \$150,000. Mayor Paul said that she was considering eliminating the Police

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Dive Team because it was recovery, not the Fire Dive Team, which was rescue. Mr. Ackerman stated that the Police Dive Team only amounted to \$4,000 for overtime. Police Chief Patrick Lynn clarified that the Police Dive Team was rescue and recovery, the officers got no additional pay, and equipment was purchased with forfeiture money. If this were eliminated, he believed the Town would only save \$1,000. Chief Lynn stated that the Broward Sheriff's office should not be expected to perform this function, and eliminating the Dive Team would only create operational issues for the Police Department. Vice-Mayor Crowley pointed out that recovery operations could involve crime investigation.

Mayor Paul felt there were still too many credit cards and only directors should have access to them. She also believed that money could be saved in the areas of purchase orders, the National Night Out, the Expo and the Civilian Police Academy, which were not necessary to the operations of the Town, and required police overtime. Chief Lynn explained that the Police Department no longer held the Citizens Police Academy, they no longer participated in National Night Out and would probably not have the Expo again. He indicated that all of these events could be eliminated from the police budget. Chief Lynn said that the Police Department only had two credit cards at the present time.

Mayor Paul asked about the \$50,000 for Super Bowl and Pro Bowl security. Chief Lynn stated that Dolphins training camp in Davie would be hosting the AFC championship team and the Super Bowl would be held in Miami. He anticipated that the Town would be inundated with teams and players. This number was based upon what it had cost the last time the Super Bowl was in Miami. Councilmember Starkey asked Chief Lynn to investigate if some of the costs could be recovered from the Miami Dolphins and the Orange Bowl Committee.

Councilmember Caletka said that if he had his preference, no one would lose his or her job but he would force the pay reductions and "let them sue." Mr. Shimun felt the Town would spend more in legal fees than they would save by taking that route. Mr. Rayson agreed. If that was not an option, Councilmember Caletka said that he was in favor of "letting them walk then."

Councilmember Starkey remembered that in the past, Council had discussed the possibility of outsourcing some of the central administration and transferring some of the routine issues to the Police Service Aides. Chief Lynn said that wherever this was possible, they had already replaced an officer with a civilian position. They also utilized Police Service Aides for non-emergency calls. Councilmember Starkey asked Chief Lynn for some other suggestions.

Chief Lynn discussed the fact that the Police Department was at one time staffed by 188 sworn officers. Since he was hired, staff had been reduced to 165 and he was now being asked to reduce it to 157. Chief Lynn said that the national average was 2.3 officers per thousand and when Nova Southeastern University and Broward College students were factored in, Davie was currently at 1.3 per thousand. Chief Lynn said that the Police Department had made significant cuts, reducing overtime from \$1.7 million in 2006 to \$808,000 in 2008 and \$962,000 in 2009. Regarding revenues, Chief Lynn reported that forfeitures were up and the Town was considering red light cameras. He said that their planning right now consisted of reduction of services and elimination of specialized units. Councilmember Starkey felt some of the DARE officers should be put back on the street. Chief Lynn stated that they were planning on having to cut eight police officers from the budget, and to make up for these officers, they would put the DARE Officers, School Resource Officers and Community Policing Unit Officers back on the road. Councilmember Starkey did not agree with removing all officers from the schools.

Mr. Shimun said that they must look at core services for the community and either come up with money to provide these services or eliminate them. Mayor Paul said that two things they had discussed at their first workshop and dismissed might need to be re-considered: the four-day work week and the furlough policy. She said that it did not seem fair to impose this on the non-represented employees. Mr.

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Shimun stated that this would be putting the entire burden on a quarter of the employees only “because police and fire would not be harmed by that at all.”

Mr. Ackerman asked for Council's opinion regarding the potential layoffs and the compression issue.

Mayor Paul noted there were two new positions in the 2010 draft budget, at an impact of \$315,000. She believed that if they were going to be laying people off, they should not be hiring a network support position or a risk manager. Mayor Paul felt the same about the \$7,000 to promote the Fire Chief to Assistant Administrator for Public Works. Mr. Shimun replied that the Technology and Information Systems Department (TIMS) had been running so low that it was unable to respond to problems. The Town would save money by hiring a risk manager because this work was currently outsourced at an additional cost. Regarding Fire Chief Joseph Montopoli, Mr. Shimun said that they had taken the \$7,000 out of the budget, but he wanted to keep Chief Montopoli in the position because Mr. Shimun felt he added value to the organization. Mr. Shimun said that he had requested two assistant positions in this budget. Councilmember Starkey said that she could not support this and Mr. Shimun must choose one assistant position. Councilmember Luis thought Mr. Shimun had created a team, and “if you look at what he's spending, it's a lot less than it was before and I would say they're actually more efficient.”

Councilmember Luis said that one of the Town's vendors had approached him and offered a franchise fee for body shop services. He felt they could make money in this instance.

Councilmember Luis said that he did not like how they were going about the process today. He said that Council knew that they did not have concessions, so now they must look at each department and decide what services they could do without and what they could outsource. He admitted that the burden fell on 25% of the employees. Councilmember Luis did not want to cut special programs such as sports, but “if it means cutting one of the programs in the park or one short police officer, I'm going to have to go with cutting somebody at the park.”

Councilmember Starkey thought they should determine, perhaps by survey, what the residents' parks and recreation priorities were and which services they would be willing to reduce or eliminate.

Mr. Ackerman asked for Council's approval for staff to go forward with the layoffs because of the unions' refusal of a wage freeze. He also wanted Council's approval to bring compression back for repeal. Mayor Paul and Councilmember Starkey agreed to repealing compression. Vice-Mayor Crowley asked how this would affect the non-represented employees. Mr. Ackerman explained that the police and fire employees covered by the compression were technically non-represented, but through compression, they received the same raises as represented employees. If the compression were repealed, they would be treated as non-represented and would have their wages frozen like the other non-represented employees. Vice-Mayor Crowley said that consensus on compression was “yes” but Councilmember Luis opposed repealing compression and layoffs until they considered “rearranging, maybe outsourcing or doing something with the other departments.”

Mr. Ackerman asked if Council supported staff's recommendation for the layoffs of at least seven in the Fire Department, at least eight in the Police Department, and at least nine in general employees. Mayor Paul asked if they had hired additional firefighters in anticipation of opening a Shenandoah Fire Station. Fire Chief John Montopoli replied that the firefighters had been hired several years ago and were running those calls out of Station 65 “from an extended distance, so we have extended response times.” He remarked that this was a skeleton crew, and eventually they would want to provide those residents the same protection afforded other residents. Chief Montopoli informed Mayor Paul they were currently in negotiations with Southwest Ranches.

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Mayor Paul was unsure if under the current circumstances, six battalion chiefs were absolutely essential to the Fire Department's operation. She felt what they really needed were Fire Inspectors, who generated revenue, and suggested they might move some fire personnel over to inspections. Chief Montopoli responded that the number of Battalion Chiefs had been determined by staffing quotients, and personnel were scheduled in a very efficient manner. He agreed they needed more inspectors, but noted that the system for performing business inspections was very ineffective and hiring inspectors before repairing the system would be a waste of salaries. Chief Montopoli advised that staff was in the process of identifying businesses, setting up a way to inspect them by zones, creating a way to collect the fees, and getting ordinances in place to make people pay fees they were not currently paying.

Mr. Ackerman reiterated that Council's consensus was to eliminate compression, and asked for direction regarding the layoffs. Mayor Paul suggested they return to the layoffs after considering their other options.

Mr. Ackerman stated that canceling the holiday party would save \$20,000. Council agreed to eliminate this event. Cutting the Technical Rescue Team would save approximately \$150,000 and Mr. Ackerman remarked that as far as he knew, they had never been called out and no jobs would be lost. Chief Montopoli said that this had been instituted a couple of years ago, and he felt there would be a need for this with the construction on I-595. He stated that they could call upon Broward County to provide this service, provided they had a team. Mayor Paul noted that the program could be brought back online at a later time. Councilmember Starkey recognized that eliminating this would provide a cost savings for the Town, but she reminded Council that the Broward Fire Council was trying to create a model to get municipalities a reimbursement fee from the State for these teams. Chief Montopoli stated that these were separate issues. Councilmember Starkey agreed that the program should be eliminated and the equipment sold. Councilmember Caletka favored eliminating this as well.

Mr. Ackerman said that cutting the legal settlements, would save \$60,000 and he thought they could reduce other legal services by \$30,000. Council agreed to these cuts.

Mr. Ackerman stated that the next item was a reduction of longevity payments. Councilmember Luis supported cutting this reduction. Councilmember Starkey favored reducing the longevity payments over a period of time, starting at \$2,500 to \$2,000 this year and \$1,500 next year. Councilmember Caletka felt they had no choice and favored dropping it to \$2,000 this year. Councilmember Luis agreed.

Mr. Ackerman explained that Fire Station realignment/closure of a station was an item they would look into in the future.

Mr. Ackerman asked Council's input for the possibility of outsourcing the Public Works Department, noting that this could result in a loss of service. Councilmember Starkey wanted more specific estimates of the savings. Mr. Shimun said that Council would fix the amount at which they wished staff to contract the services.

Councilmember Starkey wanted to know the cost of right-of-way electricity for lighting, noting that light control presented potential costs savings. Mayor Paul stated that the electricity cost for the whole Town was approximately \$200,000 per month. Mr. Shimun asked Chief Lynn the additional police coverage the Town would need if the lights were turned off. Chief Lynn stated that there were studies that showed a correlation between a lack of lighting and crime and traffic accidents.

Vice-Mayor Crowley opposed outsourcing Public Works. Councilmember Luis wanted to look at the numbers first. Councilmember Caletka said that he was opposed because there would be a change in accountability.

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Mr. Ackerman drew Council's attention to Section 12 of the budget binder, which detailed utility costs. Councilmember Starkey agreed to meet with Mr. Ackerman to specify areas she felt lighting could be reduced.

Mr. Shimun believed outsourcing Public Works would be a draconian means of balancing the budget. Mayor Paul noted the efficiencies instituted in Public Works.

Public Works Director Manny Diez explained that staff had examined their mix of contracted and self-performed work every year. He reminded Council that a couple of years ago, the Department had taken over work from contractors in order to cut their budget and this had not helped their efficiency. This year, they were using salaries of the four employees lost to buyouts to contract out lawn maintenance and parks cleanup, which would result in a \$111,000 gain. Mr. Diez stated that there were programs that Town employees could provide better and less expensively than a contractor. He distributed an analysis of landscaping costs for the present year. Mr. Diez hoped to implement a work order system in the next year to analyze their maintenance-on-demand to better understand what this actually cost.

Mr. Ackerman said that the next two items had been included in the event the unions refused to forego the salary increases and Council did not want to lay off employees. The options were to increase the millage rate to bring in an additional \$3.4 million and to increase the fire assessment to \$150, which would bring in an additional \$1.1 million. He stated that the union's refusal of the salary recommendation would cost \$2 million.

Councilmember Caletka noted that increasing the millage rate through supermajority now would mean they would need a supermajority to maintain it over the State mandate in the future, and he felt this was reckless. He also opposed any increase in the fire assessment.

Mr. Ackerman reported the proposed millage rate was 4.8593, up from 4.2456. Increasing it to 5.3453 would result in an impact of approximately \$200 more per year to the average homeowner in a \$220,000 home. Mr. Shimun noted that the union representatives were present, and perhaps Council should ask them what level of performance they wanted from Council before they would offer anything. Mayor Paul pointed out if Council increased the millage rate to 5.3453, the Town would realize an additional \$3.4 million, which would obviate the need for any concessions from the unions. Council lacked the supermajority required to approve an increase in the millage rate to 5.3453.

Human Resources Director Barbara DuPre said that they had \$1.2 million budgeted for workers compensation in this fiscal year. By self-insuring the plan, they would save \$400,000 after the risk manager's salary.

TIMS Director Tina Tysinger distributed copies of a study that had been conducted a year ago indicating that the TIMS Department was understaffed by two to four employees. Another study by the Florida Local Government Information System Association indicated that the department was three employees short for a municipality of Davie's size. Ms. Tysinger stated that hiring another person would allow her to reduce other costs and added that since they intended to train this person, the position could be filled by an existing Town employee. Ms. Tysinger explained that some of the projects she was working on would offer the Town significant cost savings. Mr. Shimun said that the Town was "ancient" technologically, and an adequate TIMS Department was needed in order to gain efficiencies and to realize potential savings.

Mayor Paul indicated that she had recently learned that the Fire Department wanted to replace some of their Ford Expeditions and she opposed purchasing vehicles that were not fuel-efficient. Chief Montopoli explained that these were for emergency response and they needed vehicles of this weight to be safe. They needed enough of them to ensure they could provide the needed service.

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Councilmember Luis asked Mr. Ackerman what the Town spent on college reimbursement for employees. Mr. Ackerman responded that the total budget amount for tuition reimbursement town-wide was \$150,000. Councilmember Starkey requested a list of actual and budget amounts.

Mayor Paul believed reducing the number of credit cards would save paper and administrative time and money. Mr. Ackerman believed it would have the opposite effect because multiple purchase orders would be required and it would increase operational costs. Mr. Shimun remembered that the study the Town had conducted had determined that using the cards was more efficient. Mayor Paul felt that all credit card purchases should be pre-approved by department heads.

As a courtesy, Councilmember Caletka wanted to let employees who were at risk of being included in a layoff know as soon as possible that their jobs could be eliminated.

Mr. Ackerman said that they were facing a shortfall of approximately \$2.6 million. If the unions would agree to the salary cuts, the deficit would be reduced to \$700,000. Vice-Mayor Crowley and Mayor Paul suggested appealing to the unions once more. Mayor Paul had no objection to Vice-Mayor Crowley's request to be included in the meeting with union representatives. Councilmember Starkey felt all Councilmembers should be included in this meeting.

Judy Nesbitt, FOPA union representative, asked if the Town would lay off the least senior part-time positions first. She said that the union were agreeable to a freeze, but they were in a tender stage and wondered how they would manage if an agreement were forced upon them. Ms. Nesbitt stated that they wanted the 3% that was in the budget right now, and going forward, they would agree to a freeze. Ms. Nesbitt stated that their preferred order of lay-off was part-time probationary, part-time, full-time. Mr. Shimun confirmed that this would be the order and stated that if one group agreed to a freeze, they would be taken off the layoff list.

Mike Oppedisano, FOPA representative, reported that when they had approached their members with the idea of a freeze, everyone had the same opinion - fire, police and non-represented employees had received their raises with their contracts, and the FOPA was the only group that had not seen an increase. Therefore, they would agree to a freeze if they received the raise that non-represented employees had received.

Mr. Ackerman stated that staff would proceed with the plan for potential layoffs to be discussed at the next budget workshop. By consensus, Council agreed.

Council agreed to schedule the next budget workshop for August 18, 2009 at noon. The endowment workshop would be held after the budget workshop.

There being no further business to discuss and no objections, the meeting was adjourned at 2:41 p.m.

Approved _____

Mayor/Councilmember

Town Clerk