

**TOWN OF DAVIE
BUDGET WORKSHOP
JULY 20, 2010**

1. CALL TO ORDER

The meeting was called to order at 12:06 p.m. and was followed by the Pledge of Allegiance.

2. ROLL CALL

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

3. BUDGET

Mr. Shimun stated since the previous meeting, they had been informed by the Broward County Property Appraiser's Office that property values that had fallen more than they had anticipated, but they had also received a better than anticipated report from the State regarding shared revenues.

Mr. Shimun stated they had a balanced budget with no millage rate or fire assessment increase. Mr. Shimun stated there had been a decrease in ad valorem revenue of approximately \$286,000; the drop in property values had been adjusted to 8.1%. Additional State revenues included State revenue sharing, a 4-cent communications sales tax, and a ½-cent sales tax.

Mr. Shimun said that the proposed millage rate was 4.812, the same as the current rate, which would result in a decrease in taxes. This represented an anticipated ad valorem of \$30.6 million. Mr. Shimun said Council could roll the rate up to 5.1813 with no advertised increase in taxes, which would provide an additional \$2.3 million, or they could statutorily increase the rate to 5.2278, which would provide an additional \$2.6 million, and required a 2/3 vote. Neither of those increases required advertising a tax increase.

Mr. Shimun said what they proposed for the coming year was the lowest taxes residents had paid in four years. For the average homeowner with a \$250,000 home and Homestead Exemption, taxes would be reduced from \$962.48 to \$865.03. Residents with longstanding Homestead Exemptions would see an increase in property taxes.

Mr. Shimun said the law enforcement budget had an increase by \$900,000 this year. Public Service was originally proposed to be a drop, but with the increase in State revenue, they had added some projects that had increased this budget by \$170,000. The remaining departments had lost revenue over the current fiscal year. Mr. Shimun referred to a pie chart that depicted 69% of the Town's budget going to police and fire.

Since the previous meeting, Mr. Shimun said they had restored the two police positions, restored the Betty Booth Roberts Pool hours, added Town Councilmembers to the Town pension plan, and increased police pensions due to rate revisions. He noted that fire pensions had decreased due to their investments.

Mr. Shimun said an additional contract increase of over \$100,000 for a police officer to service Broward College had not been included in the budget. Broward College currently had two officers, for which they had been reimbursing the Town \$60,000. The College had increased the reimbursement to \$210,000, allowing the Town to add another officer. Mayor Paul confirmed that this officer would be for road patrol. Mr. Shimun agreed to add this police officer to the budget.

Mr. Shimun stated they had added landscape improvements to Pine Island Road, Nob Hill Road and University Drive, resurfaced courts, trail markers, park amenities, sidewalks, fencing, repairs at the Aquatic and Fitness Center, right-of-way maintenance and repair, building maintenance and repairs and additional discretionary funds of approximately \$80,000.

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Mr. Shimun said these particular items had been added because they would receive one-time revenue of \$1 million from the waste management contracts. He had utilized the funds for capital improvements that would not repeat next year.

Mr. Shimun said he would be asking Council to appropriate \$2.5 million out of general fund reserves for capital improvement plans. He said the reserves would remain at \$19 million, which was within the 20-25% range.

Mr. Shimun explained the following things might change: State shared revenues, the police contract and miscellaneous staffing changes. He did not believe any of these changes would be substantial.

Budget and Finance Director Bill Ackerman explained to Mayor Paul the State revenue numbers were constantly changing. He said the estimates of the State revenue were based on historical collections. Mr. Shimun stated the discretionary funds were for anything Council felt needed to be done. Mr. Ackerman confirmed that the discretionary funds were in public works right now.

Regarding vehicle replacements, Mr. Ackerman said they would bring the requests to Council, as they had last year. The vehicle maintenance fund was already budgeted for standard replacements.

Mr. Shimun informed Councilmember Luis that the budget would not change regarding a new fire station in District 4 because it already included firefighters who would be available for the station when it opened.

Councilmember Luis mentioned a vendor who had offered the previous year to pay the Town 10% back for vehicle collision work. The vendor had estimated the Town could collect \$100,000. Mr. Ackerman said the garage handled this now, utilizing the lowest bid. He said staff could look into this and report back to Council.

Mayor Paul asked if the landscapers who were maintaining some of the parks would continue. Public Works Director Manny Diez said only one landscaper had responded that he would not continue next year. Mr. Diez stated they were re-bidding the contract now.

Councilmember Hattan asked about the 25 additional police officers Mr. Shimun had discussed at a previous meeting. Mr. Shimun said if they increased the millage rate to 5.1 they could afford 25 additional officers.

Mayor Paul asked why the debt service had increased. Mr. Shimun explained it had increased in relation to the decrease in property values. Mr. Shimun said he and Mr. Ackerman had looked at various outstanding bonds and found none they felt they should retire now.

Mayor Paul commended all departments for responding to Council's input. Council agreed they did not need to go through the budget line-by-line. Mr. Shimun remarked that Council's changes over the past few years were coming to fruition this year, resulting in a balanced budget, with no increase in the millage rate, without affecting services.

Council agreed a third workshop was not needed. They also agreed that the charitable groups did not need to attend to make presentations at the Community Endowment Workshop on August 17th. Mayor Paul stated the first budget hearing would be at 5:01p.m. on September 7th before the Council meeting. The second would be at 5:01 p.m. on September 22nd before the Council meeting.

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4. ADJOURNMENT

There being no further business to discuss and no objections, the meeting was adjourned at 12:42 p.m

Approved_____

Mayor/Councilmember

Town Clerk