

**TOWN OF DAVIE
BUDGET WORKSHOP
JULY 27, 2011**

1. CALL TO ORDER

The meeting was called to order at 4:00 p.m.

2. ROLL CALL

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

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

3. BUDGET

Mr. Lemack gave a presentation on the proposed budget, which included no increase in the millage rate or fire assessment, no use of general fund undesignated reserves, no layoffs, and no reduction of services. He said they would introduce reduced voted debt millage and reduced solid waste assessment.

Regarding reorganization, Mr. Lemack said they had performed analysis and determined Public Works and Public Utilities would remain separate. The Special Projects Department title would change to Special Events and Cultural Events.

Revisions since the June 14th Budget Presentation

Mr. Ackerman said the budget would decrease by \$43 million, but the numbers would continue to change. He anticipated \$35 – \$40 million from the water sewer bond issue plus whatever was left from last year's CRA budget.

Mr. Ackerman said the only significant change in the water and sewer fund was moving \$2.7 million into debt service because of the bonds that would be issued.

Mr. Ackerman stated the general fund had increased from \$93 million to \$93.6 million, and staff would ask Council to utilize \$1.2 million general fund Reserves. He explained they had discussed using voted debt reserves to pay some outstanding debt; this represented a \$650,000 impact. Mr. Ackerman said they had reduced revenue from solid waste franchise fees by \$65,000. Reserves used from the Building Division had been reduced to \$392,000. Mr. Ackerman described the possible millage rate options and revenues.

Mr. Ackerman explained the impact of the proposed millage rate on homeowners, and noted that they would experience a slight reduction in ad valorem taxes.

Mr. Ackerman stated there would be \$3.7 million in one-time revenue sources for the General fund. He said General fund expenditures would increase most in personnel services, due to pension costs for the Fire Department and the inclusion of Police and Fire vacations and sick pay.

Mr. Ackerman discussed changes that had taken place since the first budget workshop: \$1.2 million transfer for the CIP; removal of seven Building Division positions; elimination of project manager position in public works; addition of two positions in budget and finance.

Taking into consideration all of the proposed reductions, Mr. Ackerman estimated residents would see their total bill for ad valorem, debt service, solid waste assessment and fire assessment reduced by approximately \$74. He showed two other scenarios describing the impact of utilizing debt service reserves that would result in a total average decrease of approximately \$94.00.

TOWN COUNCIL MINUTES
JULY 27, 2011

Mr. Lemack said the following items were still subject to change: utility capital projects; CRA and reserves under capital projects; the golf fund; State revenue estimates; IAFF negotiations and the red light camera program.

Councilmember Caletka asked about using some bond reserves to pay off the general obligation bonds. Mr. Ackerman said he had not researched this; he feared there may be a penalty. He agreed to look into this.

CIP Presentation

Program Manager Phil Holste informed Council there were 60 programs worth \$93.1 million for fiscal years 2012 through 2016. There were 28 projects proposed for fiscal year 2012 totaling \$46.4 million. He described the breakdown of the CIP budget, and stated the largest percentage went toward utilities. Mr. Holste said they were requesting \$1.169 million from General fund reserves for 15 projects: 6 for the Fire Department; 4 for Parks and Recreation and 5 for Public Works. Mr. Holste said program highlights included ADA improvements to the Pine Island Multi-Purpose Center; Improvements on College Avenue from State Road 84 to Nova Drive and FOC improvements in Bamford Park.

Endowment Presentation

Mr. Holste stated they wished to change this from a donation program to a grant program, in the belief that this would promote recipient accountability. He explained that making this a grant program would require groups to have non-profit, tax exempt status, to sign a grant agreement with the Town, to allow site visits and to submit quarterly reports.

Mr. Holste noted the endowment balance had fallen from \$2 million to \$950,000 since 2008. He described the process applicants and staff would go through if this were a grant program. Mr. Holste informed Council that staff was recommending a cap of \$250,000.

Vice-Mayor Hattan suggested staff could conduct interviews, if an organization did not have an official site to visit.

Councilmember Luis stated he agreed with increased accountability, but he felt if they stopped helping to fund some groups, they might need to hire more police for some areas. He thought their investment in some organizations saved the Town money by offering programs the Town might otherwise need to offer.

Mayor Paul stated the cap would make the program sustainable.

Councilmember Caletka agreed the programs were worthwhile to the Town. He felt another option for raising money was to solicit contributions on planning and zoning applications.

Vice-Mayor Hattan suggested that organizations could be restricted to receiving grants every other or every third year. Mr. Holste said this was a possible alternative.

Mayor Paul remarked that the Town supported organizations in other ways, such as donating locations, utilities costs and labor.

Councilmember Caletka wanted to retain flexibility. He asked that organizations itemize their requests, so Council could decide to provide funds for part of an application.

Councilmember Luis stated he wanted time to consider this and discuss his own ideas, and asked that Council discuss this again at their next meeting.

Mayor Paul suggested staff not institute the cap now, and instead inform applicants that if funds were limited, they may not receive the full requested amounts and they should therefore itemize the projects for which the funds would be utilized.

TOWN COUNCIL MINUTES
JULY 27, 2011

Upcoming Meetings

The next Budget Update and Community Endowment Workshop would be on August 17th at 5:00 p.m. The Budget Hearings would be on September 7th and 21st at 5:01 p.m. The Special Assessment Hearing would be on September 14th at noon. Council discussed an additional date for a Community Endowment Workshop and decided on August 31st at 5:00 p.m.

4. ADJOURNMENT

There being no further business to discuss and no objections, the meeting was adjourned at 4:55 p.m.

Approved _____

Mayor/Councilmember

Town Clerk