

MINUTES OF MEETING
DANIA BEACH CITY COMMISSION
BUDGET WORKSHOP
WEDNESDAY, JULY 29, 2009 - 9:00 A.M.

1. Call to Order

Mayor Castro called the workshop to order at 9:00 a.m.

2. Roll Call

Present:

Mayor:	Anne Castro
Vice-Mayor:	C.K. "Mac" McElyea
Commissioners:	Bob Anton Walter Duke – Arrived at 9:13 a.m. Albert C. Jones
City Manager:	Bob Baldwin – Arrived at 9:03 a.m.
City Attorney:	Tom Ansbro – Arrived at 9:08 a.m.
City Clerk:	Louise Stilson

Also Present: Patricia Varney, Director of Finance
Nicki Satterfield, Assistant Finance Director
Colin Donnelly, Assistant City Manager
Leo Williams, Public Services Superintendent
Mary McDonald, Director of Human Resources and Risk Management
Bob Daniels, Director of Community Development
Jack McCartt, Fire Chief
Kristen Jones, Director of Parks and Recreation
Kevin Granville, BSO Lieutenant
Dean Moss, Beach Lifeguard
Jeremy Earle, Community Redevelopment Director
Nick Lupo, Code Compliance Manager

3. City Manager Opening Statement

City Manager Baldwin noted this proposed Budget was put together in accordance with Commission direction received at the Pre-Budget Workshop held on April 28, 2009. He indicated that staff did not make major changes to the Budget, however he said we have to be prepared for next year's Budget when we may need to consider layoffs, furloughs, 4-day-work weeks, etc. City Manager Baldwin cautioned the Commission to consider whatever steps are taken this year, since it may come back next year. He noted he is proposing a modest tax

increase and added that even if the Commission is planning to lower taxes at the First Budget Public Hearing in September, he would encourage them to set it at the rate staff is recommending. City Manager Baldwin noted that we are looking for broad policy direction from the Commission. He thanked Patty Varney, Director of Finance, and her staff for their hard work in the preparation of the Budget.

4. Presentation of FY 2009/2010 Budget

Patty Varney, Director of Finance, presented a PowerPoint overview of the proposed 2010 Budget, which is attached to and incorporated into these minutes. She provided the Commission with a list of options which could be used to reduce the budget further.

Commissioner Duke arrived at 9:13 a.m.

Mayor Castro clarified with Director Varney that the amount showing additional landscaping for medians relates to maintenance and not putting in landscaping or planting trees. It was confirmed that these costs cannot be derived from the Tree Preservation Fund.

Commissioner Anton asked if the landscape maintenance would include the SR 84 Corridor.

Leo Williams, Public Services Superintendent, advised that this work would be done in-house.

Mayor Castro confirmed with staff that the \$500,000 allocated for CRA projects would include additional planning and engineering projects to pursue grant opportunities.

Jack McCartt, Fire Chief, clarified for Commissioner Jones that the amount allocated for the Hydrant Testing and Database would allow staff to identify leaks and several other related problems.

Director Varney confirmed for Commissioner Duke that the amount allocated for the Boat Parade is the final cost, including security services.

Director Varney noted the Bus Bench Revenue will be \$15,978 and to date the total requests for funding is in excess of \$35,000.

Commissioner Duke suggested we include a fixed amount in the Budget, on an annual basis, to cover donations. He further noted that those organizations interested in receiving funds should submit their application in writing so the request can be considered.

Commissioner Jones noted that if we have a set amount, not everyone will receive funds.

City Manager Baldwin noted it is better to set the funding, however there will still be persons who will address the Commission requesting funds.

Mayor Castro would like to develop some guidelines to establish how we allocate the funds and what organizations or individuals would qualify for the donations.

It was the consensus of the Commission to develop guidelines for aid to non-profit organizations.

Director Varney noted we have eliminated the \$156,000 in the Fire Reserve.

Mayor Castro asked for an explanation of the increase in Personnel Expenses, mostly attributed to Pension and Health Insurance.

City Manager Baldwin noted that health insurance, as well as pension items, are included in the Union contracts, therefore it is very difficult to make any changes.

Discussion followed between the Commission and Director Varney regarding the best method to reduce health insurance and pension costs.

Mayor Castro questioned the inclusion of nine new Fire-Rescue personnel.

Jack McCartt, Fire Chief, explained that the additional positions requested are not funded in the Budget. This would be the process to create the organizational structure required to apply for a five-year grant for staffing the Fire Department. He noted we would receive the total amount for the grant up-front, but we would need to maintain the employees for five years.

Mayor Castro indicated she sympathized with the plan, but would not support the request. She thought it would get us in big trouble over the long term.

Chief McCartt pointed out that the call volume would increase with redevelopment and eventually the Fire Department would need to expand.

Mayor Castro asked about the item regarding the relocation of Fire Station #1.

Chief McCartt noted that there is no specific site for Fire Station #1 to be relocated. He further indicated that staff applied for a grant which would cover the construction of a new Fire Station, however, design fees would not be included. Chief McCartt said that they would be looking at any available City property where Fire Station #1 could be built.

Commissioner Duke referred to the July 4th funding for the laser light show. He said we should reach out to our corporate partners for them to participate and help subsidize this community event.

Mayor Castro noted we should prioritize what events we want vendors to sponsor so we can guarantee successful support.

Director Varney advised that Capital Projects are not funded from the General Fund in this proposed Budget. The costs will be derived from the Capital Projects Fund, with the exception of the Fire Rescue vehicle.

Mayor Castro questioned the number of employees in the City and the number of vehicles in the City fleet. She remarked that we need to look at how much we need these vehicles and how they are being utilized.

Director Varney noted that we have 45 vehicles, excluding the Fire Department and a total of 162 full-time employees.

Director Varney advised that we are looking at possibly eliminating the following:

- Tigertail Dog Diving Floating Dock - \$15,500
- I.T. Parker Dock Replacement - \$48,800

Mayor Castro suggested we contact Harbour Towne Marina for their participation towards the cost of the repairs.

Discussion followed regarding the Concession Stand Buildings and the Dugout replacement (\$60,000 for Frost Park and P.J. Meli Park, in addition to \$38,500 already allocated for C.W. Thomas Park in the current Fiscal Year).

Kristen Jones, Director of Parks and Recreation, confirmed for Mayor Castro that the above items are needed in order to become ADA compliant.

Commissioner Jones requested funds be allocated for C.W. Thomas Park.

Mayor Castro noted we are facing trash problems at C.W. Thomas Park. She thought the community should try to keep our parks clean.

Commissioner Jones suggested the Dania Bears could clean C.W. Thomas Park on weekends.

The Commission suggested staff reconsider the cost for the Skate Park (\$48,250), if grant funds do not become available.

Director Varney advised that the following projects can be funded using GO Bond interest, instead of the General Fund: Skate Park, Tigertail Dog Diving Floating Dock, Scoreboard, and walk path for P.J. Meli Park.

Director Varney noted that the Planning and Design fees for Marina improvements (\$192,500) would be funded 50% from the FIND Grant and 50% from the Capital Projects Fund. She further indicated that the total Capital Projects Fund will be \$1,047,835. Director Varney clarified that the Fire Rescue truck cost will be derived from General Revenue.

Mayor Castro confirmed with Director Varney that in order for us to keep the current millage rate of 5.4044 we need to cut an additional \$1.7M.

Director Varney described the proposed Revenue Fee Increases and the introduction of some new fees.

Mayor Castro referred to the Revenue Fee Increases. She felt that the \$8.5K for the 60-40 Sidewalk Plan and the \$8K for Recreation Fees should not be included in the budget. Mayor Castro further asked staff to review the current costs for sidewalk repairs on a regular basis, to try to lower our expenses on this item.

It was the consensus of the Commission to eliminate the 60/40 Sidewalk Plan from the budget, and to continue with the 50/50 Plan.

Mayor Castro questioned why revenue for the Code Compliance Amnesty Program was not included in the budget. She further noted that with the Amnesty Program in place we should expect a higher projection for code violations in 2010.

Nick Lupo, Code Compliance Manager, noted the numbers were not available at the time the budget was being prepared. However, as of last night they are available, therefore staff will be adjusting the projection for 2010.

Commissioner Jones asked about the implementation of the Code Inspector Parking Citation Program.

Code Compliance Manager Lupo advised that the Code Inspector Parking Citation is an extension of the current Parking Enforcement Program which would cross-train code officers to write citations, in addition to beach parking enforcement.

Mayor Castro commented she would like to see a higher revenue number for the recycling fees.

Director Varney clarified for Mayor Castro that Administrative Impact Fees are charged when we issue building permits.

Discussion followed between Mayor Castro and Director Varney regarding the best use for Administrative Impact Fees and when they would appear as a projection in the Budget.

Director Varney noted that the Marina revenues keep decreasing. She advised that Westrec Marina offered to provide dockmaster and security services which would represent savings of \$45,000.

Commissioner Duke noted the Marina is in very poor condition and it is currently not producing any income to the City. He suggested the City Manager pursue a public-private partnership with Westrec for the operation of the Marina.

Colin Donnelly, Assistant City Manager, noted the complete renovation of the Marina would cost approximately \$2M. He explained that the City would still be eligible for FIND grants even if we partnered with Westrec. Assistant City Manager Donnelly stated that we would need to move in steps: hire a marine engineer, a building contractor, and a management company.

Mayor Castro noted we need to be cautious in the leasing of the Marina and how much control we give up. She remarked she did not want a contract like the one we have with the Beach Watch for the lease of the Pier Restaurant.

Commissioner Jones indicated that FAU/Seatech needed to improve their portion also.

Director Varney recommended that we not transfer the \$34,000 from FAU/Seatech to the General Fund. She further clarified for the Commission that although there would be a monthly revenue of approximately \$16,000, there would still be a deficit for the Marina Fund in 2010.

Mayor Castro referred to the three positions requested by CRA Director Earle. She questioned if there was an Administrative Support person that could assist the CRA, without having to hire a full-time employee.

Jeremy Earle, CRA Executive Director, responded we could look into the matter. He further clarified for Mayor Castro that the CRA Coordinator position would be someone familiar with CRA functions.

Mayor Castro suggested eliminating half of the funding for the Administrative Support person from the CRA Budget for 2010. Funding for the position would be split between the City and the CRA.

Director Varney confirmed that our portion of dredging the east side of the Cut-Off Canal is \$1.25M.

CRA Director Earle clarified that the County and the City are each sharing \$1.25M.

Commissioner Anton noted we are losing the School Resource Officers in this budget and the Broward County School Board is paying 50% of the cost. He stated that if we keep them, the cost would be \$140,000 to the public safety portion of the budget. Commissioner Anton indicated that parents will be upset with the Commission if these positions are not funded.

Commissioner Duke noted he has already received several calls on this issue. He said that the \$140,000 needs to be a priority in the budget.

City Manager Baldwin clarified that the School Board pays 50% of the salary of the School Resource Officers, and the City would have to pay the remaining 50%.

Commissioner Anton remarked that we have never paid for the School Resource Officers, but we need to start doing so now.

It was the consensus of the Commission to add funding for the School Resource Officers to the 2010 budget.

Director Varney did not recommend including estimated revenues for the new proposed Code Compliance revenue sources.

Commissioner Anton referred to the credit shown for the BSO vacancy. He said the City Manager and staff need to realize that the City is paying the actual cost for the BSO contract.

Commissioner Jones asked if staffing for the SW Community Center was included in the budget.

Director Varney responded in the negative, and clarified this is not a staffed recreation center.

Mayor Castro noted that Public Services Director Orlando indicated that the engineer position was not required.

It was the consensus of the Commission to eliminate the engineer position.

Mayor Castro recessed the workshop for lunch at 11:55 a.m.

Mayor Castro reconvened the workshop at 12:35 p.m.

Director Varney noted the budget is balanced at a 6.0043 millage rate. She pointed out that we would need to cut an additional \$1.6M in order to keep the millage rate at 5.4044.

Mayor Castro clarified with Director Varney that Police Impact Fees cannot be used to pay for School Resource Officers.

Director Varney warned the Commission to watch two House Bills which are still being discussed by the Legislature which will definitely impact the City.

5. Open for Discussion

Mayor Castro opened the workshop to the public.

Joyce Curtis, Director of the Jubilee Center-South Broward in Hollywood, appealed to the Commission for funding. They provide meals, clothes, bus passes, daycare services and rent subsidy. She estimated that 25% of the people who come to the center are Dania Beach residents. Ms. Curtis stated that they feed 100 people per day in the kitchen, and service 500 people per week.

Patrick Phipps, 266 SW 5th Street, spoke in support of the Code Compliance Unit as opposed to outsourcing these services.

Patricia Chuckerman, 545 SE 4th Court, requested funding for the Dania Beach Chamber of Commerce for this year and all future years.

Ron Dooley, President of Key College, 225 E. Dania Beach Boulevard, supported the funding request for the Chamber of Commerce.

Robert Covington, 233 SW 5th Street, spoke in favor of keeping the Code Compliance Unit.

Michael Murphy, 249 SW 14th Street, spoke in favor of the Code Compliance Unit and noted their positive presence in the community. He remarked the relationship between Code Compliance and BSO is helping to move the City in the right direction.

Director Varney asked the Commission to review the revised Options spreadsheet for further suggestions.

- Revised Liability Insurance Premiums (-\$19,850)

Mayor Castro noted that she does not favor outsourcing the Code Compliance Division. She wanted assurance that the service levels would not suffer with the proposed staff reduction.

Nick Lupo, Code Compliance Manager, indicated they would work more efficiently. He noted that the implementation of the new programs will take the load off the remaining officers.

It was the consensus of the Commission to keep the Code Compliance team in-house, with the reduction of two employees.

Other reductions:

- Further reduction of OPEB Funding (-\$100,000)
- Increase in BSO Vacancy Credit (-\$50,000)
- Reduce reserve for 3 Cents Gas Tax to zero (-\$16,078)
- Reduce training account 10% across the board (-\$9,238)
- Eliminate Engineer position (-\$17,826)

Mayor Castro opposed a 4% merit increase and a 2% COLA. She remarked that we all need to understand these are difficult economic times. Mayor Castro noted Union negotiations have been going on for a long time and it is time to come to an agreement.

Commissioner Anton noted that we implemented the Pay for Performance Plan for the General Employees, but the Fire Union refused it. He remarked that it was not fair to the General Employees to not get compensated for a job well done.

Mayor Castro, Vice-Mayor McElyea, and Commissioner Anton agreed to go to impasse with both Unions and impose the contracts.

Commissioner Jones would like to see more options before going to impasse.

City Manager Baldwin noted he will schedule a Shade Meeting to discuss Union negotiations.

Mayor Castro favored a 0% COLA for everyone across the board for 2009 and 2010.

It was the consensus of the Commission to agree with Mayor Castro's recommendation of a 0% COLA (\$-374,472 savings).

Discussion ensued among the Commission, Director Varney and Code Compliance Manager Lupo, regarding the Amnesty Code Enforcement Program and whether the amount of \$100,000 was conservative enough.

Revenue Items:

- Civil Code Citation System (\$10,000)
- Code Inspector Parking Citation Implementation (\$10,000)
- Abandon/Vacant/Foreclosure Property Registry System (\$10,000)
- Do not impose 60/40 (-\$8,450)
- Amnesty Code Enforcement (\$100,000)

Additions:

- Two School Resource Officers (\$144,688)
- Contributions to Non-Profit Organizations (\$9,022). In addition to the Bus Bench funds (\$16,000)

Mayor Castro suggested we reconsider lowering some of the donations in order to be able to help as many organizations as possible.

It was the consensus of the Commission to allocate \$25,000 for contributions to Non-Profit Organizations.

Commissioner Duke noted we need to support the Tourism Council and the Chamber of Commerce because we are a redeveloping City that needs to expand its commercial tax base.

Mayor Castro noted that the Tourism Council and the Chamber of Commerce funds should come from the Economic Development Fund, which is currently funded at \$20,000. She added that she supports the Chamber of Commerce but thought \$39,000 was too high for the City to pay during the current economic conditions.

Victoria Payne, Director, Dania Beach Chamber of Commerce, noted they account for every dollar spent; they leverage every opportunity that arises, and their objective is to raise the profile of the City. She asked for support not only for the marketing materials but for every ancillary thing that is attached to the preparation of an event. Ms. Payne noted that membership dues no longer support Chambers due to the fiscal situation they are facing; they get support from the cities where they operate. She advised that they had an offer to become a part of the Fort Lauderdale Chamber of Commerce and they may eventually have to consider that option.

Commissioner Jones believes the Chamber is an enhancement to the City. He would like the Chamber to cater to or involve young people.

Commissioner Duke suggested allocating \$30,000 to the Chamber of Commerce.

Commissioner Anton suggested not establishing a set amount but to allow the Chamber to request funds from the City Manager and CRA Director from Economic Development.

It was the consensus of the Commission to allocate \$3,000 to the Tourism Council and \$30,000 to the Chamber of Commerce, to be derived from the Economic Development Fund, with the supervision of the City Manager, CRA Director and Community Development Director.

Director Varney confirmed the transfer to the CRA account (reduction of administrative support) (-\$38,272)

Director Varney advised that the millage rate would be 5.7157 with the revisions, which drops below the roll back rate. She requested that the Commission consider going back to the roll back rate.

Mayor Castro suggested going to the not to exceed rate of 6.0043 with the 2.5% personal income growth rate.

It was the consensus of the Commission to adopt the “not to exceed” millage rate of 6.0043.

Director Varney said she would amend the budget to reflect the changes.

6. Adjournment

Mayor Castro adjourned the meeting at 2:35 p.m.

ATTEST:

CITY OF DANIA BEACH

LOUISE STILSON, CMC
CITY CLERK

ANNE CASTRO
MAYOR–COMMISSIONER

Approved: September 8, 2009