

MINUTES OF SECOND BUDGET PUBLIC HEARING
DANIA BEACH CITY COMMISSION
TUESDAY, SEPTEMBER 20, 2016 – 5:01 P.M.

1. Call to Order/Roll Call

Mayor Salvino called the meeting to order at 5:01 p.m.

Present:

Mayor:	Marco A. Salvino, Sr.
Vice-Mayor:	Albert C. Jones
Commissioners:	Chickie Brandimarte
	Paul Fetscher
	Bobbie H. Grace
City Manager:	Robert Baldwin
City Attorney:	Thomas Ansbro
City Clerk:	Louise Stilson

2. Presentation

City Manager Baldwin noted this is the second public hearing for the FY2016-2017 budget, and thanked the Commission for their work and deliberations. As requested, there is no increase in the operating millage and the 3-man med unit at Station 1 will be maintained. It is recommended the millage be set at the same rate as the current year; otherwise, reductions in expenditures will need to be made.

Nicki Satterfield, Director of Finance, presented an overview of the final budget, which is attached to and incorporated into these minutes.

Vice-Mayor Jones asked if we were aware of new stormwater regulations that will no longer allow outfall into the ocean, and how it would affect Dania Beach.

City Manager Baldwin noted we have been aware for years of the coming change, and we do not know how it will affect us. He will get information and provide it to the Commission.

Vice-Mayor Jones thought we could offer tax relief to the residents by reducing the millage rate by 3 percentage points. He noted he will not support the budget, and would like to have a discussion for the next budget to do something for our citizens.

3. Public Hearings

City Attorney Ansbro announced:

The OPERATING MUNICIPAL MILLAGE will be 5.9998 MILLS

The proposed millage rate is an 8.99% increase over the rolled back rate of 5.5051 mills as computed in accordance with the provisions of Section 200.065(1), Florida Statutes.

The voter-approved debt service millage rate is 0.2464 mills in accordance with the provisions of law pursuant to Chapter 200, Florida Statutes.

The City's aggregate millage rate is 6.2462 Mills (5.9998 Mills for operating and 0.2464 Mills for debt service).

3.1 RESOLUTION NO. 2016-124

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF DANIA BEACH, FLORIDA, AS REQUIRED BY THE CITY CHARTER AND SECTION 200.065, FLORIDA STATUTES, APPROVING THE MILLAGE RATE NECESSARY TO BE LEVIED FOR THE FISCAL YEAR 2016-2017 FOR OPERATING PURPOSES; ESTABLISHING THE DEBT MILLAGE APPROVED BY THE ELECTORATE; PROVIDING FOR A PUBLIC HEARING WHEN AND WHERE OBJECTIONS MAY BE HEARD AND QUESTIONS CONCERNING THE SAME WILL BE ANSWERED; PROVIDING FOR CONFLICTS; FURTHER, PROVIDING FOR AN EFFECTIVE DATE.

City Attorney Ansbro read the title of Resolution #2016-124.

Mayor Salvino opened the Public Hearing. Seeing as there was no one to speak in favor or opposition, he closed the Public Hearing.

Commissioner Brandimarte motioned to adopt Resolution #2016-124; seconded by Commissioner Fetscher. The motion carried on the following 3-2 Roll Call vote:

Commissioner Brandimarte	Yes	Vice-Mayor Jones	No
Commissioner Fetscher	Yes	Mayor Salvino	Yes
Commissioner Grace	No		

3.2 RESOLUTION NO. 2016-125

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF DANIA BEACH, FLORIDA, AS REQUIRED BY THE CITY CHARTER AND SECTION 200.065, FLORIDA STATUTES, APPROVING ITS FINAL ANNUAL BUDGET FOR THE FISCAL YEAR 2016-2017; PROVIDING FOR CONFLICTS; FURTHER, PROVIDING FOR AN EFFECTIVE DATE.

City Attorney Ansbro read the title of Resolution #2016-125.

Mayor Salvino opened the Public Hearing. Seeing as there was no one to speak in favor or opposition, he closed the Public Hearing.

Commissioner Fetscher motioned to adopt Resolution #2016-125, as amended; seconded by Commissioner Brandimarte. The motion carried on the following 3-2 Roll Call vote:

Commissioner Brandimarte Yes
Commissioner Fetscher Yes
Commissioner Grace No

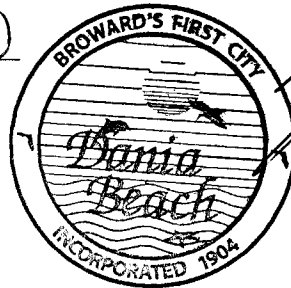
Vice-Mayor Jones No
Mayor Salvino Yes

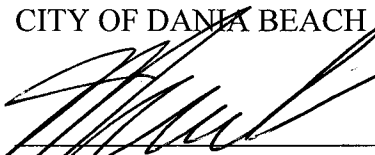
4. Adjournment

Mayor Salvino adjourned the meeting at 5:23 p.m.

ATTEST:


LOUISE STILSON, CMC
CITY CLERK



CITY OF DANIA BEACH

MARCO A. SALVINO, SR.
MAYOR

Approved: September 27, 2016

City of Dania Beach

FY 2016/17

**Final Commission Budget
Hearing**

September 20, 2016

Final Budget Actions Tonight

- Taxes

- maintain existing millage **5.9998** mills
 - 8.99% above “rolled back” millage rate of 5.5051 mills

- Voter Approved Debt millage - **.2464** mills

-
- Consider adjustments to Manager’s Recommended Budget
 - Using funds from General Fund Contingency

- Approve annual City Budget – as adjusted

City Property Values

We're Almost There

- City Property Values increasing for the fourth consecutive year

• 2008 values	\$3,319,056,469
• 2009	3,142,559,344 (-6.8%)
• 2010	2,939,189,103 (-8.1%)
• 2011	2,688,806,173 (-1.9%)
• 2012	2,550,120,331 (.18%)
• 2013	2,671,694,774 (5.40%)
• 2014	2,791,734,052 (4.49%)
• 2015	2,968,068,927 (7.49%)
• 2016	3,226,058,904 (9.90%)

- City revenues providing funds for community

Property Taxes

• 2008 receipts	\$17,937,508
• 2009	\$16,798,253
• 2010	\$16,750,836
• 2011	\$15,872,847
• 2012	\$15,604,005
• 2013	\$16,102,658
• 2014	\$16,749,846
• 2015	\$17,807,820
• 2016	\$18,387,922

2016 > 2009 but still less than 2008

Financial Status

- Economic growth at State and Local levels continues to improve.
 - City's Tax Base - Fourth consecutive property value increase - Continued recovery projected – aided by investments in City neighborhoods, beach & gateway appearance, infrastructure and economic development
 - Sales Tax and State Revenue Sharing are leveling off
 - Increased development and building permit activity
- Investment earnings - slightly improving (.45 > 2015)
- User Fees / Assessments- \$10 increase in Fire(83¢ mo.) assessment, No increase Stormwater assessment. \$2.52 increase in Solid Waste assessment (21¢ mo.)

Budget Focus

- Sustainability –
 - Personnel costs – including staffing levels, rising cost of *retirement funding* and *health care* benefits,
 - Debt service,
 - Contract costs
- Infrastructure - completion and maintenance of planned & funded Capital Projects
 - Stormwater runoff infrastructure
 - Water & Sewer system repairs & replacements
 - Beach Area improvements
 - Phase I ... already funded and under development
 - Phase II ... annual funding ~\$955K being accumulated from Parking and Beach Pier restaurant
 - Roadway repaving , sidewalk improvement, bus shelters and dumpster enclosures
- Appearance-
 - Carryover of \$200K Oasis Project to be identified
- Public Safety –
 - Successfully negotiated BSO contract for Police and applying for COPS Grant
 - Working to establish sustainable BSO contract for Fire Rescue service costs including 5 addt'l FF/PM formerly funded through SAFER Grant
 - Expanded neighborhood solar lighting systems through grant funding
 - Increase annual City funding to legacy General and Police & Fire Pension Plans
- Customer Service –
 - Expanding on-line access for parking fees
 - Work to enable on-line monitoring of City building permits

General Fund

What's Included?

- No increase to operating property tax rate
- Use of \$345K Undesignated Fund Balance
- Public Safety Contract Cost \$22.7M
 - Police services \$11.5m to \$11.9M ~3.72%
 - Fire services \$9.48m to \$10.1M ~5.98%
 - Safer Grant expired May 2016. – Funding for 5 addt'l FF/PM for Station 1 \$665K requiring the use of \$345K of undesignated reserves
- City Manager: Oasis Project Carryover 2016 \$200K
- Commission Contingency \$142K
- IT – Citywide Archiving System (records retention) \$100K
- Police: Body Worn Camera (operating portion only; equip LETF) \$ 83K
- Recreation: Roof Lifeguard/Bathroom Bldg \$ 29K
- Streets Division:
- Roadway Repaving \$250K
- Sidewalks (Citywide & 50/50) \$180K

General Fund

What's Not Included?

Estimates Only 5.1M

- BSO Deputies (2) – Seeking COPS Grant \$310,000
- BSO – Relocation to City Hall \$500,000
- Enhanced Security Services - City Hall \$ 40,600
- Security Infrastructure Chambers & City Hall \$145,000
- Vehicle/Equipment Replacement \$300,000
- BSO Radio Program (to be phased-in) \$885,000
- Olsen Middle School Grass Field \$180,000
- Employee Appreciation Event \$ 15,000
- Holiday Lighting \$ 50,000
- Frost Park/PJ Meli – Contract Field Maintenance \$180,000
- Frost Park – Drainage Installation \$130,000
- Customer Call Centers (2FTE Administrative Staff) \$ 60,000
- Purchase of Property – Jones Park \$300,000
- Pension Reserves (Formalize Policy 3 Mo. ERC) \$2,000,000
- No New Capital Projects – deferred to 2018-2021 (refer to CIP)

Pension Plans

- Police Pension-City Plan \$554K (*decrease of \$10k*)
- Fire Pension-City Legacy Plan \$5.67M (*increase of \$1.2m*)
- General Pension-City Legacy Plan \$1.49M (*increase of 148K*)
 - Legacy City Pension Plans
 - Three Basic Guidelines
 1. Retirement Cost should be recognized during working years
 2. Total Pension Liability – this is an estimate
 - » Impacted by both actuarial & management estimates
 3. Elective bodies now choose how & when to provide funding
 - Commission may wish to develop a funding Policy.
 - Establish 2016/17 annual Pension funding level in this budget and establishing a pension reserve
- Florida Retirement System (*remains level*)
 - 85% of employees covered by FRS (not city Plans) (105 FRS, 18 City)
- OPEB (Post-retirement) Health Care Liability
 - Separate cost and separate annual funding

Enterprise Funds

- Water Debt cost from capital loans – ***No rate chg. since 2011***
 - Working to complete approved Capital projects
- Sewer Debt cost from capital loans – ***No rate chg.***
 - Annual cost of contract treatment has slightly increased
- Stormwater - SRF capital loans – ***No rate chg.***
 - Working to begin SE improvements Phase II
 - Work to begin SW area & Taylor Lane paid from Fund cash
- Parking Beach parking (***\$400K surplus to support Beach Improvements***)
- Pier Restaurant - (***\$125K surplus to support Beach Improvements – not included***)
- Pier - Westrec Management
 - Self supporting marina operation
 - Surplus to be used for Pier L/Term maintenance (rev. up 6%)
- Beach -Phase I renovation already funded
 - Phase II funding from currently = **\$955K**
- Marina – Westrec Management
 - Self supporting marina operation – including annual loan repayment
 - Occupancy and slip rental revenues continue to steadily increase (rev. up 18%)

Amendments to City Manager Proposed Budget

	Account Description	Increase	Decrease
① Amendment for ERU's July 1 BCPA			
Decrease to Stormwater Revenue (403-00-00-325-20-03)	Stormwater Fund Professional Services		1,454
Decrease to Stormwater Contingency (403-38-01-538-99-10)	" " Stormwater - Contingency		1,454
② Amendment for Solidwaste (Inclusion of Oaks at Hidden Harbour)			
Increase to Public Services (001-34-01-534-34-10)	General Fund Contractual Services	20,549	
Increase to Solidwaste Revenue (001-00-00-343-40-01)	" " Solid Waste Assessment	19,727	
Decrease to Contingency (001-18-00-519-99-10)	" " General Fund Contingency		822
③ Amendment for Property Insurance Coverage - Water Plant			
Increase to Water Plant (401-33-03-533-45-10)	Water Fund Insurance Coverage	54,000	
Decrease to Water Fund Contingency (401-33-01-533-99-10)	" " Contingency		54,000
④ Amendment for use of Recreation Impact Fees			
Decrease Appropriation of Recreation Impact Fees (001-00-00-389-90-03)	General Fund Recreation Impact Fees		46,850
Decrease Commission Contingency (001-18-00-519-99-10)	" " General Fund Contingency		46,850
⑤ Amendment for Hollywood Large User Agreement GASB 68			
Increase Contractual Services (402-35-02-535-34-10)	Sewer Fund Contractual Services	90,000	
Decrease to Contingency (402-35-02-535-99-10)	" " Sewer Fund Contingency		90,000
⑥ Amendment for BSO Fire Consideration - Lease Payment			
Increase Commission Contingency (001-18-00-519-99-10)	General Fund Contingency	65,000	
Decrease to Fire Contractual Services (001-22-01-522-34-10)	" " Contractual Services		65,000

Conclusion

- Recommended Budget presents a fair, reasoned & balanced financial plan for Dania Beach in the coming year.
- We thank the Commission and City Departments for their guidance and assistance in developing this annual City Budget plan.

Final Budget Actions Tonight

- Approval of annual City Taxes
 - Maintain existing millage **5.9998** mills
 - 8.99% above “rolled back” millage rate of 5.5051 mills
 - Voter Approved Debt millage - **.2464** mills
- Motion to adjust Manager’s Recommended Budget
 - Storm water revenues– \$1,454 use of contingency
 - Solid Waste amendment \$20,549 – cost neutral
 - Water plant insurance\$54,000 – use of contingency
 - Recreational impact fees \$46,850 – use of contingency
 - Hollywood large user agreement \$90,000 – use of contingency
 - BSO Fire Consideration (Lease) \$65,000 – increase contingency
- Approval of annual City Budget - as adjusted.